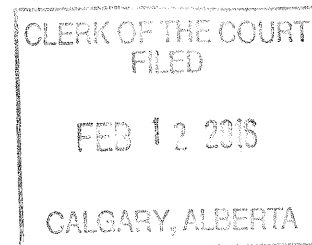


COURT FILE NUMBER 1601- 92201
COURT COURT OF QUEEN'S BENCH OF ALBERTA
 IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE Calgary
PLANTIFF BANK OF MONTREAL
DEFENDANTS BUMPER DEVELOPMENT
 CORPORATION LTD., and BUMPER
 DEVELOPMENT CORPORATION
DOCUMENT AFFIDAVIT



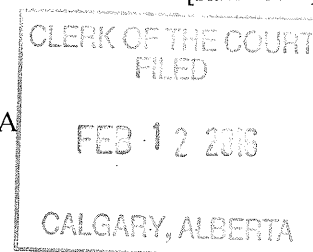
ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT Robyn Gurofsky/Jessica L. Cameron
 Borden Ladner Gervais LLP
 1900, 520 3rd Ave. S.W.
 Calgary, AB T2P 0R3
 Telephone: (403) 232-9774/9715
 Facsimile: (403) 266-1395
 Email:
 rgurofsky@blg.com/jcameron@blg.com
 File No. 407500/000141

AFFIDAVIT OF KINSLEY MCWHINNIE

Sworn on February 11, 2016

**VOLUME 2 OF 2
(WITH EXHIBITS G – Y)**

COURT FILE NUMBER 1601-02201
COURT COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY ...
JUDICIAL CENTRE Calgary
PLANTIFF BANK OF MONTREAL
DEFENDANTS BUMPER DEVELOPMENT
CORPORATION LTD., and BUMPER
DEVELOPMENT CORPORATION
DOCUMENT AFFIDAVIT



ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT Robyn Gurofsky/Jessica L. Cameron
Borden Ladner Gervais LLP
1900, 520 3rd Ave. S.W.
Calgary, AB T2P 0R3
Telephone: (403) 232-9774/9715
Facsimile: (403) 266-1395
Email:
rgurofsky@blg.com/jcameron@blg.com
File No. 407500/000141

AFFIDAVIT OF KINSLEY MCWHINNIE

Sworn on February 11, 2016

I, Kinsley McWhinnie, of the City of Calgary in the Province of Alberta, banker, SWEAR AND SAY THAT:

1. I am an Associate in the Corporate and U.S. Commercial Special Accounts Management Unit for the Plaintiff, Bank of Montreal ("BMO"), and am presently on the team responsible for the administration of the accounts of Bumper Development Corporation Ltd. ("Bumper"). As such, I have personal knowledge of the matters and facts hereinafter sworn to, except where stated to be based on information and belief, and where so stated, I verily believe the same to be true.
2. I am authorized by BMO to swear this Affidavit.

3. Bumper is a body corporate duly incorporated according to the laws of the Province of Alberta, with its registered office in the City of Calgary, in the Province of Alberta. Attached hereto and marked as **Exhibit "A"** is a copy of a Corporate Registries search for Bumper, dated February 10, 2016.
4. Bumper Development Corporation (the "**Guarantor**") is a wholly owned subsidiary of Bumper and duly incorporated accordingly to the laws of the State of Delaware. Attached hereto and marked as **Exhibit "B"** is a copy of a Certificate of Good Standing for the Guarantor, issued by the Delaware Secretary of State as of March 3, 2015.

Loans and Security

5. BMO provided a series of credit facilities to Bumper pursuant to various loan agreements as amended, restated and substituted from time to time, the most current loan agreement being the credit agreement dated March 27, 2015 (the "**Loan Agreement**"). Attached hereto and marked as **Exhibit "C"** is a copy of the Loan Agreement.
6. Pursuant to the Loan Agreement, the following credit facilities were advanced to Bumper:
 - (a) A demand revolving credit facility in the principal amounts of \$48,715,250.73 CAD and \$241,612.96 USD, as of April 30, 2015 following the scheduled reductions under the Loan Agreement;
 - (b) A MasterCard facility in the principal amount of \$15,000; and
 - (c) A standby letter of credit in the principal amount of \$171,000.
 (together, the "**Credit Facilities**").
7. As security for the amounts advanced under the Credit Facilities, Bumper executed in favour of BMO among other things: a general assignment under section 426 of the *Bank Act*, dated June 15, 1993 (the "**Bank Act Security**"); an assignment dated June 15, 1993 (the "**Assignment**"); a fixed and floating charge debenture in the principal amount of \$150,000,000, dated as of December 15, 2006 (the "**Debenture**"); and an instrument of pledge dated December 15, 2006 (the "**Debenture Pledge**"). Attached hereto and marked as **Exhibits "D", "E", "F" and "G"** respectively are copies of the Bank Act Security, the Assignment, the Debenture and the Debenture Pledge.

8. Additionally, the Credit Facilities were guaranteed by the Guarantor pursuant to a guarantee dated April 6, 2015 (the “**Guarantee**”) secured by among other things, a U.S. security agreement also dated April 6, 2015 (the “**Guarantor GSA**”). Attached hereto and marked as **Exhibits “H”** and “**T**” respectively are copies of the Guarantee and of the Guarantor GSA.
9. The Bank Act Security, the Assignment, the Debenture, the Debenture Pledge, the Guarantee, and the Guarantor GSA are sometimes collectively referred to herein as the “**BMO Security**”.

Forbearance Agreements and Forbearance Amending Agreements

10. As of May 26, 2015, Bumper was indebted to BMO pursuant to the Loan Agreement as follows:

Facility	Balance
Canadian Prime Loan	\$48,715,250.73
U.S. Base Rate Loan	\$241,612.96 USD
MasterCard Facility	\$ -nil-
Standby Letter of Credit	\$50,000.00
Standby Letter of Credit	\$50,000.00
Standby Letter of Credit	\$71,000.00

(collectively the “**BMO Indebtedness**”).

11. In the summer of 2015, Bumper defaulted under the terms of the Loan Agreement. In particular, Bumper (i) failed to repay amounts due in excess of the then-current borrowing base as required by the Loan Agreement, and (ii) sold or otherwise disposed of assets in breach of paragraph 2(e) of the Loan Agreement, both of which constituted events of default under the Loan Agreement.
12. Despite the defaults, BMO granted Bumper a period of forbearance pursuant to a forbearance agreement and fourteen forbearance amending agreements, more particularly set forth as follows:

- (a) Pursuant to a forbearance agreement dated June 30, 2015 (the “**Forbearance Agreement**”), BMO granted Bumper a period of forbearance until July 30, 2015. Amongst other things, the Forbearance Agreement required Bumper to continue to actively market for sale its oil and gas properties during the forbearance period, with such sale proceeds intended reduce the BMO Indebtedness. In addition, the Forbearance Agreement provided that it would be an event of default if Bumper failed to close a contemplated transaction with Luxxoil Canada Ltd. (“**Luxxoil**”) prior to the expiration of the forbearance period. Bumper and the Guarantor executed a Consent Receivership Order as part of the forbearance arrangement appended as a schedule to the Forbearance Agreement. Attached hereto and marked as **Exhibit “J”** is a copy of the Forbearance Agreement.
- (b) Pursuant to a forbearance amending agreement dated July 29, 2015 (the “**Forbearance Amending Agreement**”), BMO granted Bumper a further period of forbearance until August 7, 2015, with an automatic extended forbearance period until August 30, 2015 if Bumper could close the sale to Luxxoil prior to July 30, 2015. Attached hereto and marked as **Exhibit “K”** is a copy of the Forbearance Amending Agreement.
- (c) Bumper was unable to close the sale to Luxxoil prior to July 30, 2015. Regardless, BMO granted Bumper a further period of forbearance until August 27, 2015 pursuant to a second forbearance amending agreement dated August 6, 2015 (the “**Second Amendment**”). Bumper did close the sale to Luxxoil subsequent to July 30, 2015, and the grant of the Second Amendment was conditional upon delivery by Bumper to BMO of the \$3.5 million (net of costs) in sale proceeds from that transaction, which was applied to reduce the BMO Indebtedness. Attached hereto and marked as **Exhibit “L”** is a copy of the Second Amendment.
- (d) Pursuant to a third forbearance amending agreement, dated as of August 27, 2015 (the “**Third Amendment**”), BMO granted Bumper a further period of forbearance until September 3, 2015. Attached hereto and marked as **Exhibit “M”** is a copy of the Third Amendment.
- (e) Pursuant to a fourth forbearance amending agreement, dated September 3, 2015 (the “**Fourth Amendment**”), BMO granted Bumper a further period of forbearance until

September 11, 2015. The Fourth Amendment included that it would be an event of default under the Forbearance Agreement if the purchase and sale agreement entered into by Bumper and Canstone Energy Ltd., dated August 26, 2015, terminated during the forbearance period. Attached hereto and marked as **Exhibit “N”** is a copy of the Fourth Amendment.

- (f) Pursuant to a fifth forbearance amending agreement, dated September 11, 2015 (the **“Fifth Amendment”**), BMO granted Bumper a further period of forbearance until October 2, 2015. Amongst other things, the Fifth Amendment required the execution of an Inter-creditor Agreement between Bumper, BMO and Encana Corporation prior to September 18, 2015. Attached hereto and marked as **Exhibit “O”** is a copy of the Fifth Amendment.
- (g) Pursuant to a sixth forbearance amending agreement, dated October 2, 2015 (the **“Sixth Amendment”**), BMO granted Bumper a further period of forbearance until November 2, 2015. Attached hereto and marked as **Exhibit “P”** is a copy of the Sixth Amendment.
- (h) Pursuant to a seventh forbearance amending agreement, dated November 2, 2015 (the **“Seventh Amendment”**), BMO granted Bumper a further period of forbearance until December 7, 2015. The grant of the Seventh Amendment was conditional upon completion of several milestones by Bumper as follows:
 - (i) Delivery to BMO of the sale proceeds received from Bumper’s sale of its “Flexjet” property, totalling approximately \$500,000 prior to the expiration of the forbearance period;
 - (ii) Closing of the purchase and sale agreement between Bumper and Forent Energy Ltd. (**“Forent”**) dated October 16, 2015 (the **“Forent PSA”**), occurring no later than December 4, 2015;
 - (iii) Upon closing of the Forent PSA and release of funds from escrow, delivery to BMO of the sale proceeds received by Bumper under the Forent PSA, totalling no less than \$3.1 million; and
 - (iv) Delivery to BMO of a fully executed notice to Forent dated effective November 23, 2015 that Bumper elects to sell its entire interest in and to the overriding royalty to Forent pursuant to the Royalty Agreement between Bumper and Forent, dated effective December 4, 2015.

Attached hereto and marked as **Exhibit “Q”** is a copy of the Seventh Amendment.

- (i) Bumper was unable to close the sale to Forent prior to December 4, 2015, and as a result, pursuant to an eighth forbearance amending agreement, dated December 7, 2015 (the “**Eighth Amendment**”), BMO granted Bumper a further period of forbearance until December 18, 2015. The grant of the Eighth Amendment was conditional upon closing the sale under the Forent PSA prior to December 16, 2015 (the “**Revised Closing Date**”), and at the Revised Closing Date, delivery of the net sale proceeds from Bumper to BMO in an amount not less than \$4.0 million. Attached hereto and marked as **Exhibit “R”** is a copy of the Eighth Amendment.
- (j) Pursuant to a ninth forbearance amending agreement, dated December 18, 2015 (the “**Ninth Amendment**”), BMO granted Bumper a further period of forbearance until December 23, 2015. Attached hereto and marked as **Exhibit “S”** is a copy of the Ninth Amendment.
- (k) Pursuant to a tenth forbearance amending agreement, dated December 23, 2015 (the “**Tenth Amendment**”), BMO granted Bumper a further period of forbearance until January 8, 2016. The grant of the Tenth Amendment was conditional upon delivery by Bumper to BMO of certain inter-company receivables from its French subsidiaries, totalling approximately €450,000. In addition, the Tenth Amendment permitted Bumper to make severance payments to its employees totalling not more than \$95,000. Attached hereto and marked as **Exhibit “T”** is a copy of the Tenth Amendment.
- (l) Pursuant to an eleventh forbearance amending agreement, dated January 8, 2016 (the “**Eleventh Amendment**”), BMO granted Bumper a further period of forbearance until January 15, 2016. Attached hereto and marked as **Exhibit “U”** is a copy of the Eleventh Amendment.
- (m) Pursuant to a twelfth forbearance amending agreement, dated January 15, 2016 (the “**Twelfth Amendment**”), BMO granted Bumper a further period of forbearance until January 22, 2016. Attached hereto and marked as **Exhibit “V”** is a copy of the Twelfth Amendment.
- (n) Pursuant to a thirteenth forbearance amending agreement, dated January 22, 2016 (the “**Thirteenth Amendment**”), BMO granted Bumper a further period of forbearance until

January 29, 2016. The Thirteenth Amendment required Bumper to collect and deposit outstanding amounts owing under certain shareholder's loans in the amount of \$714,000, prior to January 27, 2016. Attached hereto and marked as **Exhibit "W"** is a copy of the Thirteenth Amendment.

- (o) Pursuant to a fourteenth forbearance amending agreement, dated January 29, 2016 (the "**Fourteenth Amendment**"), BMO granted Bumper a further period of forbearance until February 2, 2016. The Fourteenth Amendment permitted BMO to place a hold on Bumper's Canadian bank account in the amount of \$600,000. Attached hereto and marked as **Exhibit "X"** is a copy of the Fourteenth Amendment.

- 13. The Guarantor was a party to the Forbearance Agreement and its subsequent amendments.
- 14. Pursuant to the Forbearance Agreement, as amended, and the various milestones reached by Bumper throughout the lengthy forbearance period granted, Bumper reduced the BMO Indebtedness by approximately \$37 million.

Defaults & Receivership

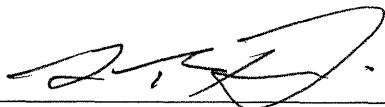
- 15. Pursuant to the terms of the Forbearance Agreement, as amended, Bumper and the Guarantor agreed that BMO would be entitled to immediately seek the appointment of a receiver and receiver manager of Bumper and the Guarantor if the BMO Indebtedness was not repaid in full prior to the expiration of the forbearance period. In this regard, Bumper and the Guarantor each executed a Consent Receivership Order in favour of BMO, as well as an acknowledgment and waiver of the notice provisions required under section 244 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "**BIA**"). These documents are appended as schedules to the Forbearance Agreement, attached hereto and marked as Exhibit "J".
- 16. Bumper has failed to repay the BMO Indebtedness in its entirety prior to the expiration of the forbearance period on February 2, 2016. As of February 10, 2016, there remains \$11,352,237.87 due and owing by Bumper and the Guarantor to BMO, together with interest, fees and other chargeable costs continuing to accrue (the "**Outstanding Indebtedness**"). As a result, BMO is entitled to proceed with a receivership application under the terms of the Forbearance Agreement, as amended.

A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

KINSLEY MCWHINNIE

This is Exhibit "G" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

INSTRUMENT OF PLEDGE

This Instrument of Pledge ("**Instrument**") is dated this 15th day of December, 2006, and is made by **BUMPER DEVELOPMENT CORPORATION LTD.**, a corporation incorporated under the laws of Alberta and having its principal place of business in Calgary, Alberta (the "**Corporation**"), in favour of **Bank of Montreal**, a Canadian chartered bank with an office in Calgary, Alberta (the "**Holder**").

1. In this Instrument, terms and expressions defined in the description of the parties or body hereof shall have those meanings herein, and:

- (a) "**Debenture**" means the fixed and floating charge Debenture dated as of December 15, 2006, from the Corporation to the Holder, in the principal amount of Cdn. \$150,000,000 as such debenture may hereafter be amended, modified, replaced or supplemented from time to time;
- (b) "**Obligations**" means all obligations, indebtedness, liabilities, covenants, agreements and undertakings of the Corporation to the Holder, present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred, and any ultimate unpaid balance thereof, including all future advances and re-advances, and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Corporation be bound alone or with others and whether as principal or surety; and
- (c) unless otherwise defined herein, terms and expressions defined in the Debenture shall, when used herein, have the same meanings as are ascribed to them therein.

2. The Corporation hereby assigns, pledges and deposits to and with the Holder and grants to the Holder a continuing security interest in the Debenture, to be held by the Holder as general and continuing collateral security for the payment, performance and final and indefeasible satisfaction in full of each and every Obligation.

3. Except as otherwise provided herein, the Debenture while deposited hereunder:

- (a) shall for all purposes be considered as outstanding for the full amount thereof until the surrender thereof for cancellation; and
- (b) shall not be cancelled, redeemed or affected by the partial or full payment or satisfaction of the Obligations, or by the absence of any Obligations or by any of the Obligations fluctuating from time to time or the accounts in respect thereof ceasing to be in debit balance.

4. Notwithstanding the terms of the Debenture, if any of the Obligations shall become due and payable, the Holder may demand payment of the principal amount and accrued and unpaid interest in respect of the Debenture and:

- (a) exercise all the rights of an owner thereof and exercise and enforce all or any of the rights, remedies and powers under the Debenture;
- (b) sell the Debenture at a public or private sale to itself or any other Person; and

- (c) exercise in respect of the Debenture, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party in accordance with applicable law.

Any such right and remedy may be exercised separately or in combination and shall be in addition to and not in substitution for the other rights and remedies of the Holder howsoever created or existing by applicable law or otherwise.

The proceeds from any exercise or enforcement of all or any of such rights, remedies or powers or any proceeds of the Debenture so sold as aforesaid shall be applied by the Holder on account of the Obligations without prejudice to the Holder's claim upon the Corporation for any deficiency thereunder, provided that the Holder shall only be liable to account for amounts actually received by it.

5. The Holder may grant extensions of time or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Corporation and with other Persons, sureties or securities as the Holder may see fit without prejudice to the liability of the Corporation or the rights of the Holder in respect of the Debenture. No failure on the part of the Holder to exercise, and no delay in exercising, any right or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy.

6. Payment in full by the Corporation of or on account of all interest and fees accrued on the Obligations for any period shall be deemed payment in full of interest and fees accrued for the same period under the Debenture, notwithstanding anything to the contrary in the Debenture. No payment of or on account of the Obligations shall be deemed payment of principal, costs, charges or expenses under the Debenture unless specifically appropriated to the Debenture by the Holder at the time of payment or in accordance with the terms hereof.

Neither the Holder nor any subsequent holder of the Debenture shall, at any time, claim payment under the Debenture (whether for principal, interest or both) in an amount greater than the amount of the Obligations from time to time. Notwithstanding that the Debenture is stated to be payable on demand, no demand for payment shall be made under the Debenture unless demand is concurrently being made, or has been made, for payment of any Obligations.

7. Neither the execution nor the enforcement of this Instrument or the Debenture shall operate by way of merger of any of the Obligations and no judgment recovered by the Holder shall operate by way of merger of or in any way affect the Security Interest of the Debenture, which is in addition to and not in substitution for any other security interest now or hereafter held by or for the benefit of the Holder.

8. The provisions hereof shall enure to the benefit of the Holder and its successors and assigns and shall be binding upon the Corporation and its successors and permitted assigns.

9. This Instrument is conclusively deemed to be made under, and for all purposes to be governed by and construed in accordance with, the laws of the Province of Alberta and of Canada applicable therein. There shall be no application of any conflict of laws or rules which would result in any laws other than internal laws in force in the Province of Alberta applying to this Instrument. The Corporation hereby irrevocably submits and attorns to the jurisdiction of the courts of the Province of Alberta for all matters arising out of or relating to this Instrument, or any of the transactions contemplated hereby, without prejudice to the rights of the Holder to take proceedings in other jurisdictions in which any Mortgaged Property may be situate.

10. This Instrument shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any of the Obligations is rescinded or must otherwise be returned by the Holder upon the insolvency, bankruptcy or reorganization of the Corporation or otherwise, all as though such payment had not been made.

11. The Corporation shall at any time and from time to time, at its own expense, promptly execute and deliver all further instruments and documents, and take all further action that the Holder may reasonably request, in order to perfect and protect any security interest granted or purported to be granted as contemplated hereby or to enable the Holder to exercise and enforce its rights and remedies in accordance herewith with respect to the Debenture. Without limiting the generality of the foregoing, the Corporation agrees from time to time to provide the Holder with all such information, data, descriptions and other assistance as the Holder may reasonably require in relation to the fixed charge of the Debenture and to do all such acts and provide all such assistance as the Holder may reasonably request in relation to any registrations as the Holder may determine to effect in relation to the Debenture.

12. The Corporation hereby waives presentment, notice of dishonour, notice of acceptance and any other notice required with respect to any of the Obligations or under this Instrument and any requirement that the Holder protect, secure, perfect or insure any Security Interest or any Mortgaged Property or exhaust any right or take any action against the Corporation or any other Person or any other collateral.

13. No amendment or waiver of any provision of this Instrument or consent to any departure herefrom shall in any event be effective unless the same shall be in writing and signed by the party alleged to have granted such waiver or consent, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

14. All notices and other communications in respect hereof shall be given and governed in accordance with the terms of the Debenture in respect of notices and other communications.

15. Upon permanent and indefeasible payment by the Corporation to the Holder of all of the Obligations, the Holder shall, upon the written request of the Corporation, deliver up the Debenture to the Corporation and shall, at the expense of the Corporation, release and discharge the security thereby constituted and execute and deliver to the Corporation such deeds and other documents as shall be requisite to release and discharge the Debenture and the security afforded thereby.

16. Any sale, transfer, delivery, negotiation or assignment of the Debenture by the Holder will be made subject to the provisions of this Instrument.

[Signatures Follow on Next Page]

IN WITNESS WHEREOF the Corporation has executed this Instrument as of the date and year first above written.

BUMPER DEVELOPMENT CORPORATION LTD.

Per: 

Name: James Keough

Title: V.P. Finance

This is Exhibit "H" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

GUARANTEE

This Guarantee is made as of April 6, 2015 in favour of Bank of Montreal (the "**Bank**").

For valuable consideration, receipt whereof is hereby acknowledged, **BUMPER DEVELOPMENT CORPORATION** (the "**Guarantor**") hereby irrevocably, absolutely and unconditionally:

- (a) guarantees to the Bank the full, prompt and punctual payment and performance of the Obligations (as hereinafter defined) as and when due; and
- (b) indemnifies and saves harmless the Bank from and against any and all losses, damages, costs, expenses or liabilities suffered or incurred by the Bank resulting or arising from or relating to any failure of the Borrower to pay in full or fully perform the Obligations as and when due, provided that the amount of such indemnification shall not exceed the amount of such Obligations together with any and all other amounts due and owing hereunder from time to time.

And the Guarantor agrees with the Bank as follows:

1. **Definitions.** In this Guarantee, including any preamble and recitals and the guarantee provision set forth above, unless there is something in the subject matter or context inconsistent therewith, capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement and the following terms and expressions (including the singular and plural form and derivatives thereof) shall have the following meanings:
 - (a) "**Applicable Law**" means (i) any franchise, domestic or foreign statute, law (including common and civil law), treaty, code, ordinance, rule, regulation, restriction or by-law (zoning or otherwise); (ii) any judgment, order, writ, injunction, decision, ruling, decree or award; (iii) any regulatory policy, practice, guideline or directive; or (iv) any licence, qualification, authorization, consent, exemption, waiver, right, permit or other approval of any governmental authority, in each case, binding on or affecting the Person referred to in the context in which the term is used or binding on or affecting the property of such Person;
 - (b) "**Bank**" means the Bank of Montreal, as lender under the Credit Agreement, the purposes of this Guarantee, includes the Swap Lender;
 - (c) "**Borrower**" means Bumper Development Corporation Ltd., its successors and assigns;
 - (d) "**Credit Agreement**" means the letter of offer of financing dated March 27, 2015 between Bank of Montreal, as lender, and the Borrower providing for, *inter alia*, a revolving credit facility and all schedules thereto, as any of the foregoing may be amended, amended and restated, modified, replaced, restated or supplemented from time to time;
 - (e) "**Guarantee**" means this Guarantee, as the same may be amended, amended and restated, modified, replaced, restated or supplemented from time to time;

- (f) **"Loan Documents"** has the meaning assigned to that term in the Credit Agreement, but includes any Swaps provided by a Swap Lender; and **"Loan Document"** means any one of them;
 - (g) **"Obligations"** means the collective reference to all obligations, indebtedness, liabilities, covenants, agreements and undertakings of the Borrower to the Bank arising out of, contemplated by or in connection with the Credit Agreement or any other Loan Document, and whether present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred, and any ultimate unpaid balance thereof, including all future advances and re-advances, and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether the Borrower be bound alone or with others and whether as principal or surety; and **"Obligation"** means any one of them; and
 - (h) **"Swap Lender"** means Bank of Montreal or any affiliate thereof which provides Swaps to the Borrower or any Subsidiary of the Borrower.
2. **Representations.** The Guarantor and the Borrower are members of an affiliated group of companies and are engaged in related businesses. The Guarantor is a Subsidiary of the Borrower and its guarantee and surety obligations pursuant to this Guarantee reasonably may be expected to benefit it directly or indirectly, and it has determined that this Guarantee is necessary and convenient to the conduct, promotion and attainment of the business of the Guarantor and the Borrower. The Guarantor (after giving effect to this Guarantee but taking into account any right of contribution it may have against any other guarantor of the Borrower): (a) is not insolvent as of the date hereof and will not be rendered insolvent as a result of this Guarantee, (b) is not engaged in a business or a transaction, or about to engage in a business or a transaction, for which any property or assets remaining with it constitute unreasonably small capital, and (c) does not intend to incur, or believe it will incur, debts that will be beyond its ability to pay as such debts mature.
 3. **Maximum Liability.** Notwithstanding anything to the contrary herein or in any other Loan Document, the maximum liability of the Guarantor hereunder and under the other Loan Documents shall in no event exceed the amount for which the Guarantor may be liable without rendering this Guarantee voidable under applicable United States federal and state laws relating to the insolvency of debtors, fraudulent conveyance or fraudulent transfer (after giving effect to the right of contribution referenced in Section 2 above).
 4. **Amount of Obligations.** The Guarantor agrees that the Obligations may at any time and from time to time exceed the amount of its liability hereunder without impairing the guarantee and indemnity contained herein or affecting the rights and remedies of the Bank hereunder.
 5. **Evidence of Accounts.** Any account settled or stated between the Bank, on the one hand, and the Borrower, on the other hand, shall be accepted by the Guarantor as *prima facie* evidence that the amount thereby appearing due by the Borrower is so due.
 6. **Waiver of Defences.** The liability of the Guarantor under this Guarantee shall be irrevocable, unconditional and absolute, and, without limiting the generality of the foregoing, the obligations of the Guarantor shall not be released, discharged, limited or otherwise affected by, and the Guarantor hereby waives as against the Bank to the fullest extent permitted by Applicable Law, any defence relating to:

- (a) any extension, other indulgence, renewal, settlement, discharge, compromise, waiver, subordination or release in respect of any Obligation or otherwise unless such extension, other indulgence, renewal, settlement, discharge, compromise, waiver, subordination or release shall specifically release the Guarantor from its indebtedness, obligations or liabilities hereunder or any part thereof or is a payment of all the Obligations in full;
- (b) any modification or amendment of or supplement to the Obligations, including any increase or decrease in the principal, the rates of interest or other amounts payable in respect thereof;
- (c) whether any Swaps with a Swap Lender shall be in respect of commodity risk, interest rate risk, currency risk or otherwise and whether on a financial or physical basis, and whether speculative or not;
- (d) any defence based upon any incapacity, disability or lack or limitation of status or power of the Borrower, the Guarantor or any other Person or of the directors, officers, employees, partners or agents thereof, or that the Borrower, the Guarantor or any other Person may not be a legal entity, or any irregularity, defect or informality in the borrowing or obtaining of moneys or credits in respect of the Obligations;
- (e) any change in the existence, structure, constitution, name, control or ownership of the Borrower, the Guarantor or any other Person;
- (f) any insolvency, bankruptcy, amalgamation, merger, reorganization, arrangement or other similar proceeding affecting the Borrower, the Guarantor or any other Person or the assets of the Borrower, the Guarantor or any other Person;
- (g) any change in the shareholdings, unitholdings or membership of the Guarantor, as applicable, whether through the retirement of one or more partners or members or the introduction of one or more partners or members or otherwise;
- (h) the existence of any claim, set-off or other rights which the Guarantor may have at any time against the Borrower, the Bank, or any other Person, whether in connection with the Obligations or any unrelated transactions;
- (i) any release or non-perfection or any invalidity, illegality or unenforceability relating to or against the Borrower, the Guarantor or any other Person, whether relating to any instrument evidencing the Obligations or any other agreement or instrument relating thereto or any part thereof or any provision of Applicable Law purporting to prohibit the payment by the Borrower, the Guarantor or any other Person of any of the Obligations;
- (j) any limitation, postponement, prohibition, subordination or other restriction on the rights of the Bank to payment of the Obligations or to take any steps in respect thereof, including any stay of proceedings against the Borrower or any direct or indirect guarantor of the Obligations;
- (k) any release, substitution or addition of any co-signer, endorser, other guarantor or any other Person in respect of the Obligations;

- (l) any defence arising by reason of any failure of the Bank to make any presentment, demand for performance, notice of non-performance, protest, and any other notice, including notice of:
 - (i) acceptance of this Guarantee;
 - (ii) partial payment or non-payment of all or any part of the Obligations; and
 - (iii) the existence, creation, or incurring of new or additional Obligations;
- (m) any defence arising by reason of any failure of the Bank to proceed against the Borrower or any other Person, to proceed against, apply or exhaust any security held from the Borrower, the Guarantor or any other Person for the Obligations, or to proceed against or to pursue any other remedy in the power of the Bank whatsoever;
- (n) the benefit of any law which provides that the obligation of a guarantor must neither be larger in amount nor in other respects more burdensome than that of the principal obligation or which reduces a guarantor's obligation in proportion to the principal obligations;
- (o) any defence arising by reason of the cessation from any cause whatsoever of the liability of the Borrower, the Guarantor or any other Person with respect to all or any part of the Obligations, or by reason of any act or omission of the Bank or others which directly or indirectly results in the discharge or release of the Borrower, the Guarantor or all or any part of the Obligations or any security, or guarantee therefor, whether by operation of law or otherwise;
- (p) any defence arising by reason of any failure by the Bank to obtain, perfect or maintain a perfected (or any) Security Interest upon any property of the Borrower, the Guarantor or any other Person or by reason of any interest of the Bank in any property, whether as owner thereof or the holder of a Security Interest therein or lien or encumbrance thereon, being invalidated, voided, declared fraudulent or preferential or otherwise set aside, or by reason of any impairment by the Bank of any right to recourse or collateral;
- (q) any defence arising by reason of the failure of the Bank to marshal any assets;
- (r) any defence based upon any failure of the Bank to give to the Borrower, the Guarantor or any other Person notice of any sale or other disposition of any property securing any or all of the Obligations or any guarantee thereof, or any defect in any notice that may be given in connection with any sale or other disposition of any such property, or any failure of the Bank to comply with any provision of Applicable Law in enforcing any Security Interest upon any such property, including any failure by the Bank to dispose of any such property in a commercially reasonable manner;
- (s) any dealing whatsoever with the Borrower, the Guarantor or other Person or any security, whether negligently or not, or any failure to do so;
- (t) any extinguishment of all or any of the Obligations for any reason whatsoever (other than the actual satisfaction thereof); or

- (u) any other law, event or circumstance which might otherwise constitute a defence available to, or a discharge of the Guarantor, any other act or omission to act or delay of any kind by the Borrower, the Bank, the Guarantor or any other Person or any other circumstance whatsoever, whether similar or dissimilar to the foregoing, which might, but for the provisions of this Section 6, constitute a legal or equitable discharge, limitation or reduction of the obligations of the Guarantor hereunder (other than the payment or satisfaction in full of all of the Obligations).

The foregoing provisions apply (and the foregoing waivers shall be effective) even if the effect is to destroy or diminish the Guarantor's subrogation rights, the Guarantor's right to proceed against the Borrower for reimbursement, the Guarantor's right to recover contribution from any other guarantor or any other right or remedy.

7. **Indemnity.** The Guarantor shall be liable for and shall indemnify and save the Bank harmless from and against any losses which may arise by virtue of any of the Obligations or any agreement related thereto being or becoming for any reason whatsoever in whole or in part (a) void, voidable, ultra vires, illegal, invalid, ineffective or otherwise unenforceable in accordance with its terms, or (b) released or discharged by operation of law other than by reason of a release by the Bank (collectively an "**Indemnifiable Circumstance**"). For greater certainty, these losses shall include the amount of all obligations which would have been payable by the Borrower but for the existence of an Indemnifiable Circumstance. The Guarantor shall also be liable for and shall indemnify and save the Bank harmless from and against any and all liabilities, costs and expenses (including reasonable legal fees and expenses on a solicitor and his own client full indemnity basis) (x) incurred by the Bank in the preparation, registration, administration or enforcement of this Guarantee, (y) with respect to or resulting from any failure or delay by the Guarantor in performing or observing any of its obligations under this Guarantee, and (z) incurred by the Bank in performing or observing any of the other covenants of the Guarantor under this Guarantee.
8. **No Waiver.** No delay on the part of the Bank in exercising any of its options, powers or rights, or partial or single exercise thereof, shall constitute a waiver thereof. No amendment to this Guarantee or waiver of any of the rights of the Bank hereunder shall be deemed to be made by the Bank unless the same shall be in writing, duly signed on behalf of the Bank and each such waiver, if any, shall apply only with respect to the specific instance involved and for the specific purpose for which given, and shall in no way impair the rights or liabilities of the Bank or the Guarantor hereunder in any other respect at any other time.
9. **Deemed Existence.** If at any time, all or any part of any payment previously applied by the Bank to any Obligation is or must be rescinded or returned by the Bank for any reason whatsoever (including the insolvency, bankruptcy, or reorganization of the Guarantor or the Borrower) such Obligation shall, for the purpose of this Guarantee, to the extent that such payment is rescinded or returned, be deemed to have continued in existence, notwithstanding such application by the Bank, and this Guarantee shall continue to be effective or be reinstated, as the case may be, as to such Obligation, all as though such application by the Bank had not been made.
10. **Assignment and Postponement.** From and after demand under the Credit Agreement, all present and future indebtedness and liability of the Borrower to the Guarantor is hereby assigned by the Guarantor to the Bank and postponed to the Obligations and all moneys received by the Guarantor in respect thereof will be received in trust for and will be paid over to the Bank upon demand by the Bank. If the Bank receives from the Guarantor a payment or payments in full or on account of the liability of the Guarantor hereunder, the Guarantor will not be entitled to claim repayment against the Borrower until the Bank's claims against the Borrower have been

irrevocably and unconditionally paid in full. In case of liquidation, winding-up or bankruptcy of the Borrower (whether voluntary or involuntary) or any composition with creditors or scheme of arrangement, the Bank will have the right to rank for its full claims and receive all dividends or other payments in respect thereof in priority to the Guarantor until the claims of the Bank have been irrevocably and unconditionally paid in full and the Guarantor will continue to be liable hereunder for any balance which may be owing to the Bank by the Borrower. In the event of the valuation by the Bank of any of its security and/or the retention thereof by the Bank, such valuation and/or retention will not, as between the Bank and the Guarantor, be considered as a purchase of such security, or as payment or satisfaction of the Obligations or any part thereof. The foregoing provisions of this Section 10 will not in any way limit or lessen the liability of the Guarantor under any other section of this Guarantee.

11. **Other Securities.** This Guarantee is in addition to and not in substitution for any other guarantee or any other securities by whomsoever given at any time held by the Bank for any present or future Obligations and the Bank shall at all times have the right to proceed against or realize upon all or any portion of any other guarantees or securities or any other money or assets to which it may become entitled or have a claim in such order and in such manner as it in its sole and unfettered discretion may deem fit.
12. **Continuing Guarantee.** This Guarantee is a continuing guarantee and: (a) shall remain in full force and effect in accordance with its terms until payment in full of all amounts payable under this Guarantee and termination of the Bank's commitments and obligations under and pursuant to the Loan Documents; and (b) shall enure to the benefit of the Bank and its successors and assigns, and shall be binding upon the Guarantor, its successors and permitted assigns.
13. **Enforcement of Guarantee.** The obligations of the Guarantor under this Guarantee shall be enforceable by the Bank upon demand by the Bank for payment of the Obligations in accordance with the terms hereof without the necessity of any action or recourse whatsoever against the Borrower, any security or any other guarantor. The remedies provided in this Guarantee are cumulative and not exclusive of any remedies provided by Applicable Law, any Loan Document or otherwise.
14. **Subrogation.** This Guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compensations, proceeds of security valued and payments received by the Bank from the Borrower, the Guarantor or from others or from any estate shall be regarded for all purposes as payments in gross without right on the part of the Guarantor to claim in reduction of the liability under this Guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the Guarantor shall have no right to be subrogated in any rights of the Bank until the Bank shall have received full, final and indefeasible payment and performance of the Obligations and the Bank has no further obligation to extend credit or advance monies to or for the benefit of the Borrower.
15. **Foreign Currency Obligations.** The Guarantor will make payment relative to each Obligation in the currency (the "**Original Currency**") in which the Borrower is required to pay such Obligation. If the Guarantor makes payment relative to any Obligation to the Bank in a currency (the "**Other Currency**") other than the Original Currency (whether voluntarily or pursuant to an order or judgment of a court or tribunal of any jurisdiction), such payment will constitute a discharge of the liability of the Guarantor hereunder in respect of such Obligation only to the extent of the amount of the Original Currency which the Bank is able to purchase at Calgary,

Alberta with the amount it receives on the date of receipt. If the amount of the Original Currency which the Bank is able to purchase is less than the amount of such currency originally due to it in respect of the relevant Obligation, the Guarantor will indemnify and save the Bank harmless from and against any loss or damage arising as a result of such deficiency. This indemnity will constitute an obligation separate and independent from the other obligations contained in this Guarantee, will give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted by the Bank and will continue in full force and effect notwithstanding any judgment or order in respect of any amount due hereunder or under any judgment or order.

16. **Guarantee of Payment and Performance.** This Guarantee is a guarantee of payment and performance and not of collection and is in addition and without prejudice to any securities of any kind now or hereafter held by the Bank.
17. **Costs.** The Guarantor shall pay to the Bank all out-of-pocket costs and expenses, including all reasonable legal fees (on a solicitor and his own client basis) and other expenses incurred by the Bank from time to time in the enforcement, realization and collection of or in respect of this Guarantee, and the term "**Obligations**" herein shall include all such costs and expenses. All of these amounts shall be payable by the Guarantor on demand, shall bear interest at a rate per annum equal to the Bank of Montreal Prime Rate plus three percent (3%) per annum, calculated from the date incurred by the Bank to the date paid by the Guarantor, compounded monthly on the last day of each month, both before and after default, maturity and judgment.
18. **Payment.** All payments hereunder with respect to any Obligations shall be made to the Bank at Bank of Montreal, Main Floor, 340 – 7th Avenue SW, Calgary, Alberta, T2P 0X4 or at such other branch or agency of the Bank as the Bank shall designate from time to time by notice in writing to the Guarantor.
19. **Payment on Stay.** If: (a) the Borrower is prevented from making payment of any of the Obligations when it would otherwise be required to do so; or (b) the Bank is prevented from demanding payment of the Obligations because of a stay or other judicial proceeding or any other legal impediment, all Obligations or other amounts otherwise subject to demand, acceleration or payment shall be payable by the Guarantor as provided for hereunder.
20. **Waiver of Notice.** The Guarantor waives all notices which may be required by any statute, rule of law, contract or otherwise to preserve any rights to the Bank against the Guarantor.
21. **Taxes.** Any and all payments by the Guarantor hereunder shall be made free and clear of and without deduction for any and all present and future taxes, liens, imposts, stamp taxes, deductions, charges or withholdings, and all liabilities with respect thereto and any interest, additions to tax and penalties imposed with respect thereto, but excluding, with respect to the Bank, taxes imposed on its income or capital and franchise taxes imposed on it by any taxation authority (hereinafter referred to as "**Taxes**"). If the Guarantor shall be required by law to deduct any Taxes from or in respect of any sum payable hereunder to the Bank:
 - (a) the sum payable shall be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 21) the Bank receives an amount equal to the sum it would have received had no such deductions been made; and
 - (b) the Guarantor shall pay the full amount deducted to the relevant taxation authority or other authority in accordance with Applicable Law.

22. **Relationship to Borrower.** The Guarantor has had full and complete access to the underlying documentation relating to the Obligations and all other documentation executed by any other Person in connection with the Obligations. The Guarantor is fully informed of all circumstances which bear upon the risks of executing this Guarantee which a diligent inquiry would reveal. The Guarantor has adequate means to obtain from the Borrower on a continuing basis information concerning its financial condition and is not depending on the Bank to provide such information, now or in the future. The Guarantor agrees that the Bank shall not have any obligation to advise or notify the Guarantor or to provide the Guarantor with any data or information.
23. **Covenants.** The Guarantor acknowledges receipt of a copy of the Credit Agreement and the other Loan Documents and understands the Obligations of the Borrower thereunder. The Guarantor consents and agrees to be bound by any provision in the Credit Agreement which relates to the Guarantor. In addition, the Guarantor covenants and agrees that it shall perform each and every term, covenant, condition and agreement which the Borrower has covenanted in the Credit Agreement to cause the Guarantor to perform, and the Guarantor will comply with each and every term, covenant, condition and agreement which the Borrower has covenanted under the Credit Agreement to cause the Guarantor to comply with, when and as provided for by the terms of the Credit Agreement and the Guarantor will not do anything which would result in a breach of the Credit Agreement.
- The Guarantor confirms and makes and repeats on its own behalf in favour of the Bank each of the representations and warranties set forth in the Credit Agreement to the extent such representations and warranties relate to the Guarantor or any matter in respect thereof, and shall be deemed to make, repeat and re-affirm each such representation and warranty on each date on which such representations and warranties are made or deemed to be made or re-made by the Borrower under the Credit Agreement, all to the same extent as if the Guarantor was a party to the Credit Agreement, and all as though such representations and warranties were set out at length herein.
24. **Governing Law.** This Guarantee shall be governed by and construed in accordance with the laws of the Province of Alberta. The Guarantor irrevocably agrees that any legal proceedings in respect of this Guarantee may be brought in the courts of the Province of Alberta and the courts of appeal therefrom (the "**Specified Courts**"). The Guarantor hereby irrevocably submits to the non-exclusive jurisdiction of the Specified Courts. The Guarantor hereby irrevocably waives, to the fullest extent permitted by Applicable Law, any objection which it may now or hereafter have to the commencement of any suit, action or proceeding arising out of or relating to the Guarantee or any Loan Document, in any Specified Court, and hereby further irrevocably waives any claims that any such suit, action or proceeding brought in any such Specified Court has been brought in an inconvenient forum. Nothing herein shall affect the right of the Bank to commence legal proceedings or otherwise proceed against the Guarantor in any jurisdiction or to serve process in any manner permitted by Applicable Law. The Guarantor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Applicable Law.
25. **Severability.** If any provision or paragraph of this Guarantee shall be invalid, illegal or unenforceable in any respect or in any jurisdiction, it shall not affect the validity, legality or enforceability of such provision or paragraph in any other jurisdiction or the validity, legality or enforceability of any other provision of this Guarantee.
26. **Notices.** Any demand, notice or communication to be made or given hereunder shall be in writing and may be made or given by personal delivery or by transmittal by telex, telecopy,

facsimile or other electronic means of communication addressed to the respective parties as follows:

the Guarantor at:

Bumper Development Corporation
c/o Bumper Development Corporation Ltd.
Suite 1501, 300 – 5th Avenue S.W.
Calgary, Alberta, Canada T2P 3C4

Attention: James P. Keough, Vice President, Finance
Facsimile: (403) 265-8155

the Bank at:

Suite 900, 525 – 8th Avenue S.W.
Calgary, Alberta T2P 1G1

Attention: Managing Director
Facsimile: (403) 515-3650

or to such other address or telex number, telecopy number or facsimile number as any party may from time to time notify the others in accordance with this Section 26. Any demand, notice or communication made or given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery thereof, or, if made or given by telex or other electronic means of communication, on the first Business Day following the transmittal thereof.

27. **Service of Process.** The Guarantor agrees that service of any process or other document by registered mail or internationally recognized overnight delivery service to the address for the Guarantor set forth in Section 26, or such other address as the Guarantor may specify in writing to the Bank from time to time, shall be effective service of process for any action or proceeding in any court.
28. **Acknowledgment.** The Guarantor confirms that its obligations under this Guarantee are not subject to any promise or condition affecting or limiting its liability, and no statement, representation, collateral agreement or promise by the Bank or by any officer, employee or agent of it, forms any part of this Guarantee or has induced the making thereof, or shall be deemed in any way to affect the Guarantor's liability hereunder.
29. **Appropriation.** The Bank shall be at liberty, without in any way prejudicing or affecting its rights hereunder, to appropriate any payment made or monies received to any part of the Obligations, whether then due or to become due, and from time to time to revoke or alter any such appropriation, as the Bank sees fit.

[signature page follows]

IN WITNESS WHEREOF the Guarantor has caused this Guarantee to be signed by the proper officer duly authorized in that behalf as of the date and year first above written.

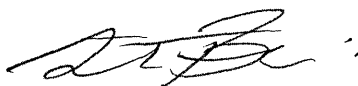
BUMPER DEVELOPMENT CORPORATION

Per: _____

Name: James Keough

Title: Treasurer

This is Exhibit "I" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of April 6, 2015 (the “Security Agreement”), is made by Bumper Development Corporation, a Delaware corporation (“Grantor”), in favor of Bank of Montreal, a Canadian chartered bank, having an office in Calgary, Alberta (“Grantee”).

W I T N E S S E T H :

WHEREAS, pursuant to the letter offer of financing, dated as of March 27, 2015 including all schedules thereto (as amended, supplemented, amended and restated or otherwise modified from time to time, the “Credit Agreement”), between Bumper Development Corporation, Ltd., a corporation organized and existing pursuant to the laws of the Province of Alberta (“Borrower”) and Grantee, a certain credit facility was established for Borrower for the purposes specifically outlined therein; and

WHEREAS, pursuant to the Credit Agreement, the Grantor is required to execute and deliver this Security Agreement;

NOW, THEREFORE, in consideration of the credit made available to Borrower under the Credit Agreement and other good and valuable consideration, the receipt and sufficiency of which Grantor hereby acknowledges, Grantor hereby agrees, for the benefit of Grantee, as follows:

ARTICLE I DEFINITIONS

SECTION 1.1. Certain Terms. Capitalized terms (whether or not underscored) when used in this Security Agreement, including its preamble and recitals, shall have the meanings ascribed to them in the Credit Agreement and the following terms and expressions shall have the following meanings:

“Closing Date” means the date of this Agreement.

“Collateral” is defined in Section 2.1.

“Collateral Accounts” is defined in clause (b) of Section 4.3.

“Control Agreement” means an authenticated record in form and substance satisfactory to Grantee that provides for Grantee to have “control” (as defined in the UCC) over certain Collateral.

“Credit Agreement” is defined in the first recital.

“Default” means any demand under the Credit Agreement or Guarantee or any default by Borrower or Grantor under any Loan Document to which it is a party.

“Distributions” means, with respect to any Equity Interests that are Collateral, all (i) dividends paid on such Equity Interests, whether in the course of the issuer’s business or upon

liquidation of the issuer, (ii) shares (or other designations) of Equity Interests resulting from, issued in connection with or issued in connection with the exercise of any (A) stock split, (B) reclassification, (C) warrant, (D) option, (E) non-cash dividend, (F) merger or (G) consolidation involving such Equity Interests and (iii) all other distributions (whether similar or dissimilar to the foregoing) on or with respect to such Equity Interests.

“Equity Interests” means, with respect to any Person, all Shares, interests, participations or other equivalents (however designated, whether voting or non-voting) of such Person’s capital, whether now outstanding or issued after date hereof.

“Fair Market Value” means a price that would be paid in an arm’s-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy.

“Filing Statements” is defined in clause (b) of Section 3.7.

“Grantor” is defined in the preamble.

“Guarantee” means the guarantee dated as of April 6, 2015 granted by Grantor in favour of Grantee, as amended, supplemented, amended and restated or otherwise modified from time to time.

“Liens” means any security interests, mortgages, deeds of trust, liens, pledges, charges, claims, easements, reservations, restrictions, equities, rights of way, options, rights of first refusal, grants of power to confess judgment, conditional sales and title retention agreements (including any lease in the nature thereof) and all other encumbrances, whether or not relating to the extension of credit or the borrowing of money.

“Permitted Encumbrances” means (i) Liens for Taxes not yet due and payable and for which there are adequate reserves in Grantor’s books and records, (ii) mechanic’s, landlord, materialman’s, supplier’s, vendor’s and similar Liens arising in the ordinary course of Grantor’s business securing amounts that are not delinquent, (iii) workers’ or unemployment compensation liens arising in the ordinary course of Grantor’s business, and (iv) Liens in favor of Grantee pursuant to this Security Agreement.

“Restricted Shares” means any Shares owned by the Grantor from time to time that are subject to an agreement (each, an “Ownership Agreement”) governing the ownership, management or operation of the entity issuing the Shares that restricts the transfer (as transfer is defined under the applicable Ownership Agreement), encumbrance, pledge or lien of the Shares. Restricted Shares shall become Collateral when the requisite consents to the grant of a security interest in favour of the Bank have been obtained pursuant to Section 2.5. The Grantee acknowledges that the Grantor’s interests in Promosome LLC constitute Restricted Shares on the date hereof.

“Secured Obligations” means the collective reference to all obligations, indebtedness, liabilities, covenants, agreements and undertakings of Grantor to Grantee arising out of, contemplated by or in connection with the Guarantee, any Swap between Grantor and Grantee or any other Loan Document, and whether present or future, direct or indirect, absolute or

contingent, matured or not, extended or renewed, wheresoever and howsoever incurred, and any ultimate unpaid balance thereof, including all future advances and re-advances, and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether Grantor be bound alone or with others and whether as principal or surety; and “Secured Obligation” means any one of them.

“Security Agreement” is defined in the preamble.

“Shares” means, with respect to any Person, all of the shares of stock, membership interests or other ownership interests in such Person, of every class, whether now or hereafter authorized, regardless of whether the rights of the holders of such shares of stock, membership interests or other ownership interests to receive dividends or other distributions (in the course of the issuer’s business or upon liquidation) are limited to a fixed sum or percentage.

“Termination Date” means the date on which (a) all obligations, indebtedness, liabilities, covenants, agreements and undertakings of Borrower to Grantee arising out of, contemplated by or in connection with the Credit Agreement, any Swap between Borrower and Grantee or any other Loan Document have been repaid and satisfied in full, (b) all Secured Obligations have been repaid and satisfied in full and (c) all commitments of Grantee under the Loan Documents have terminated.

“UCC” means the Uniform Commercial Code as in effect from time to time in the State of New York; provided, that if, with respect to any Filing Statement or by reason of any provisions of law, the perfection or the effect of perfection or non-perfection of the security interests granted to Grantee pursuant to an applicable Loan Document is governed by the Uniform Commercial Code as in effect in a jurisdiction of the United States other than New York, then “UCC” means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions of such Loan Document or such Filing Statement relating to such perfection or effect of perfection or non-perfection.

SECTION 1.2. UCC Definitions. When used in this Security Agreement, the terms “Account”, “Certificate of Title”, “Certificated Securities”, “Chattel Paper”, “Commercial Tort Claim”, “Commodity Account”, “Commodity Contract”, “Deposit Account”, “Document”, “Electronic Chattel Paper”, “Equipment”, “Fixtures”, “Goods”, “Instrument”, “Inventory”, “Investment Property”, “Letter-of-Credit Rights”, “Payment Intangibles”, “Proceeds”, “Promissory Notes”, “Securities Account”, “Security Entitlement”, “Supporting Obligations” and “Uncertificated Securities” have the meaning provided in Article 8 or Article 9, as applicable, of the UCC. “Letter of Credit” has the meaning provided in Section 5-102 of the UCC. Any other capitalized terms not defined herein shall have the meaning provided in either the UCC or the Credit Agreement.

ARTICLE II SECURITY INTEREST

SECTION 2.1. Grant of Security Interest. Grantor hereby grants to Grantee a continuing security interest in all of Grantor’s right, title, and interest in and to the following property (other than Restricted Shares prior to the Grantor’s obtention of the requisite consent to

the grant of this security interest with respect thereto pursuant to Section 2.5), whether now or hereafter existing, owned or acquired by Grantor, and wherever located, (collectively, the "Collateral"):

- (a) Accounts;
- (b) Chattel Paper;
- (c) Commercial Tort Claims;
- (d) Deposit Accounts;
- (e) Documents;
- (f) General Intangibles;
- (g) Goods;
- (h) Instruments;
- (i) Investment Property
- (j) Letter-of-Credit Rights and Letters of Credit;
- (k) all books, records, writings, databases, information and other property relating to, used or useful in connection with, evidencing, embodying, incorporating or referring to, any of the foregoing in this Section;
- (l) all Proceeds of the foregoing and, to the extent not otherwise included, (i) all payments under insurance (whether or not Grantee is the loss payee thereof) and (ii) all tort claims; and
- (m) all other property and rights of every kind and description and interests therein.

SECTION 2.2. Grantor to Remain Liable. Anything herein to the contrary notwithstanding:

- (a) Grantor will remain liable under the contracts and agreements included in the Collateral to the extent set forth therein, and will perform all of its duties and obligations under such contracts and agreements to the same extent as if this Security Agreement had not been executed;
- (b) the exercise by Grantee of any of its rights hereunder will not release Grantor from any of its duties or obligations under any such contracts or agreements included in the Collateral; and
- (c) Grantee shall not have any obligation or liability under any contracts or agreements included in the Collateral by reason of this Security Agreement, nor shall

Grantee be obligated to perform any of the obligations or duties of Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

SECTION 2.3. Security Interest Absolute, etc. This Security Agreement shall in all respects be a continuing, absolute, unconditional and irrevocable grant of security interest, and shall remain in full force and effect until the Termination Date. All rights of Grantee and all security interests granted to Grantee under this Agreement, and all obligations of Grantor under this Agreement, shall, in each case, be absolute, unconditional and irrevocable irrespective of:

- (a) any lack of validity, legality or enforceability of any Loan Document;
- (b) the failure of Grantee (i) to assert any claim or demand or to enforce any right or remedy against any third Person under the provisions of any Loan Document or otherwise, or (ii) to exercise any right or remedy against any guarantor of, or other collateral securing, any Secured Obligations;
- (c) any change in the time, manner or place of payment of, or in any other term of, all or any part of the Secured Obligations, including an increase in the amount of the Secured Obligations, or any other extension, compromise or renewal of any Secured Obligations;
- (d) any reduction, limitation, impairment or termination of any Secured Obligations for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to (and Grantor hereby waives any right to or claim of) any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality, nongenuineness, irregularity, compromise, unenforceability of, or any other event or occurrence affecting, any Secured Obligations or otherwise;
- (e) any amendment to, rescission, waiver, or other modification of, or any consent to or departure from, any of the terms of any Loan Document;
- (f) any addition, exchange or release of any Collateral or of any Person that is (or will become) a guarantor of, or the grantor of a security interest securing, the Secured Obligations, or any surrender or non-perfection of any collateral, or any amendment to or waiver or release or addition to, consent to or departure from any other guaranty held by Grantee, securing any of the Secured Obligations; or
- (g) any other circumstance which might otherwise constitute a defense available to, or a legal or equitable discharge of Grantor, any surety or any guarantor.

SECTION 2.4. Contractual Rights. To the extent the validity and effectiveness or the grant or creation of the security interest granted hereunder over any of the Collateral requires the consent, approval or waiver of any arm's length third party, such security interest shall, with respect to any such Collateral only, be effective as against the Grantor and all persons other than such third party and shall not be effective as against such third party until the requisite consent, approval or waiver is obtained and until such requisite consent, approval or waiver is obtained, the Grantor shall (subject to the other terms hereof) stand possessed of such Collateral upon trust

to assign and dispose thereof as the Grantee shall for such purposes direct. Upon the request of the Grantee, the Grantor shall use commercially reasonable efforts to obtain such requisite consent, approval or waiver with respect to such Collateral as expeditiously as practicable.

SECTION 2.5. Restricted Shares. Upon the occurrence and during the continuance of a Default, the Grantor shall, upon the request of the Grantee, request and use commercially reasonable efforts to obtain the consent of the board of the entity issuing the Restricted Shares (and its other owners, if the consent of the other owners is required under the Ownership Agreement) to permit the Grantor to grant a security interest with respect to the Restricted Shares pursuant to this Agreement as expeditiously as practicable. Upon such consent being obtained, such Restricted Shares shall be deemed to be Collateral for the purposes of this Agreement and shall immediately without any further action or amendment to this Agreement, constitute Collateral under this Agreement and shall from such time be subject in all manner to the terms of this Agreement, subject, however, to the terms of the Ownership Agreement applicable thereto.

ARTICLE III REPRESENTATIONS AND WARRANTIES

In order to induce Grantee to enter into the Credit Agreement and make credit extensions thereunder, Grantor represents and warrants to Grantee as set forth below.

SECTION 3.1. As to Equity Interests of the Subsidiaries, Investment Property.

(a) Except as set forth in Schedule I, Grantor does not own any Equity Interests in any entity and its ownership in such entity as of the date hereof is as set forth in Schedule I.

(b) Except as set forth in Schedule I, with respect to each of Grantor's direct Subsidiaries that is:

(i) a corporation, business trust, joint stock company or similar Person, all Equity Interests issued by such Subsidiary are duly authorized and validly issued, fully paid and non-assessable, and represented by a certificate, or

(ii) a partnership or limited liability company, no Equity Interests issued by such Subsidiary (A) are dealt in or traded on securities exchanges or in securities markets, (B) expressly provide that such Equity Interests are a security governed by Article 8 of the UCC or (C) are held in a Securities Account, except, with respect to this clause (a)(ii), Equity Interests (x) for which Grantee is the registered owner or (y) with respect to which the issuer has agreed in an authenticated record with Grantor and Grantee to comply with any instructions of Grantee without the consent of Grantor.

(c) Except as set forth in Schedule I, Grantor has, on or prior to the Closing Date, delivered to Grantee (i) certificates representing all Certificated Securities included in the Collateral, together with duly executed undated blank stock powers or other equivalent instruments of transfer acceptable to Grantee in respect of such Certificated Securities

and (ii) custodial possession of all certificates representing Certificated Securities in Restricted Shares.

(d) Grantor has caused each issuer of Uncertificated Securities included in the Collateral to either (i) register Grantee as the registered owner of such securities, or (ii) agree in an authenticated record with Grantor and Grantee that such issuer will comply with Grantee's instructions with respect to such securities without further consent of Grantor.

(e) The percentage of the issued and outstanding Equity Interests of each Subsidiary pledged by Grantor hereunder is as set forth on Schedule I.

SECTION 3.2. Grantor Name, Location, etc.

(a) The jurisdiction in which Grantor is located for purposes of Sections 9-301 and 9-307 of the UCC is set forth in Item A of Schedule II.

(b) Each location a secured party would have filed a UCC financing statement in the five years prior to the date hereof to perfect a security interest in Equipment (including Equipment that is a Fixture), Inventory and General Intangibles owned by Grantor is set forth in Item B of Schedule II.

(c) Grantor does not have any trade names other than those set forth in Item C of Schedule II.

(d) During the five years preceding the date hereof, Grantor has not been known by any legal name different from the one set forth on the signature page hereto, nor has Grantor been the subject of any merger or other corporate reorganization, except as set forth in Item D of Schedule II hereto.

(e) Grantor's federal taxpayer identification number is set forth in Item E of Schedule II hereto, and, during the four months preceding the date hereof, Grantor has not had a different federal taxpayer identification number.

(f) Grantor is not a party to any federal, state or local government contract except as set forth in Item F of Schedule II hereto.

(g) Grantor does not maintain any Deposit Accounts, Securities Accounts or Commodity Accounts with any Person, in each case, except as set forth on Item G of Schedule II.

(h) Grantor is not the beneficiary of any Letters of Credit, except as set forth on Item H of Schedule II.

(i) Grantor does not have any Commercial Tort Claims with respect to which Grantor has commenced legal action, except as set forth on Item I of Schedule II.

(j) The name set forth on the signature page attached hereto is Grantor's true and correct legal name (as defined in the UCC).

(k) Grantor has obtained a legal, valid and enforceable consent of each issuer of any Letter of Credit to the assignment of the Proceeds of such Letter of Credit to Grantee and Grantor has not consented to, and has no Knowledge of, any Person having control (within the meaning of Section 9-104 of the UCC) over, or any other interest in any of Grantor's rights in respect thereof.

(l) Grantor does not have any Fixtures other than Fixtures located at Grantor's address set forth in Item A of Schedule II.

SECTION 3.3. Ownership, No Liens, etc.

(a) Grantor owns the Collateral free and clear of any Lien, except for any Lien that is a Permitted Encumbrance.

(b) Except as set forth in Item J of Schedule II, no effective UCC financing statement or other filing similar in effect covering all or any part of the Collateral is on file in any recording office, except those filed in favor of Grantee relating to this Security Agreement or as to which a duly authorized termination statement relating to such UCC financing statement or other instrument has been delivered to Grantee on or prior to the Closing Date.

SECTION 3.4. Possession of Inventory, Control; etc.

(a) Grantor has, and shall maintain, exclusive possession of its Documents, Instruments, Promissory Notes, Goods, Equipment and Inventory, other than (i) Equipment and Inventory in transit in the ordinary course of business, (ii) Equipment and Inventory that is in the possession or control of a warehouseman, bailee, agent or other Person that has been notified of the security interest created in favor Grantee pursuant to this Security Agreement, and has authenticated a record acknowledging that it holds possession of such Collateral for Grantor's benefit and waives any Lien held by it against such Collateral, and (iii) Instruments or Promissory Notes that have been delivered to Grantee pursuant to Section 3.5. In the case of Equipment or Inventory described in clause (ii) above, no lessor or warehouseman of any premises or warehouse upon or in which such Equipment or Inventory is located (i) has issued any (A) warehouse receipt or other receipt in the nature of a warehouse receipt in respect of any such Equipment or Inventory or (B) Document for any such Equipment or Inventory, other than, in each case, receipts or Documents that Grantor has delivered to Grantee pursuant to Section 3.5, or (ii) has any Lien on, or has received notice of any Lien on, such Equipment or Inventory, other than the Lien created pursuant to this Security Agreement or Permitted Encumbrances.

(b) Grantor is the sole entitlement holder of its Accounts and no other Person (other than Grantee pursuant to this Security Agreement or any other Person with respect to Permitted Encumbrances) has control or possession of, or any other interest in, any of its Accounts or any other securities or property credited thereto.

SECTION 3.5. Negotiable Documents, Instruments and Chattel Paper. Grantor has delivered to Grantee possession of all originals of all warehouse receipts, Documents, Instruments, Promissory Notes, and tangible Chattel Paper owned or held by Grantor on the Closing Date. For purposes of this section, the Restricted Shares are not Negotiable Documents, Instruments or Chattel Paper.

SECTION 3.6. Intellectual Property Collateral. Except as disclosed in Schedule III, Grantor does not have any patents, patent licenses, trademarks, trademark licenses, copyrights, patents, trade secrets, know-how licenses or other intellectual property.

SECTION 3.7. Validity, etc.

(a) This Security Agreement creates a valid security interest in the Collateral securing the payment of the Secured Obligations.

(b) Grantor has filed or caused to be filed, or acknowledges Grantee's right to file pursuant to Section 4.9(g), all UCC-1 financing statements in the filing office for Grantor's jurisdiction of organization listed in Item A of Schedule II and the other agencies listed on Schedule IV (collectively, the "Filing Statements") (or has authenticated and delivered to Grantee the Filing Statements suitable for filing in such offices) and has taken all other:

(i) actions necessary to provide Grantee with control of the Collateral as provided in Sections 9-104, 9-105, 9-106 and 9-107 of the UCC, and

(ii) actions necessary to perfect Grantee's security interest with respect to any Collateral the ownership of which is evidenced by a Certificate of Title.

(c) Upon the filing of the Filing Statements with the agencies listed on Schedule IV hereto the security interests created under this Security Agreement shall constitute a perfected security interest in the Collateral described on such Filing Statements in favor of Grantee to the extent that a security interest therein may be perfected by filing pursuant to the relevant UCC, prior to all other Liens, except for Permitted Encumbrances (in which case such security interest shall be second in priority of right only to the Permitted Encumbrances and only until the obligations secured by such Permitted Encumbrances have been satisfied or otherwise terminated).

SECTION 3.8. Authorization, Approval, etc. Except as have been obtained or made and are in full force and effect, no authorization, approval, consent or other action by, and no notice to or filing with, any third Person required either:

(a) for the grant by Grantor of the security interest granted hereby or for the execution, delivery and performance of this Security Agreement by Grantor, other than consents from board of managers or members in respect of any Restricted Shares;

(b) for the perfection or maintenance of the security interests hereunder including the first priority (subject to Permitted Encumbrances) nature of such security interest (except with respect to the Filing Statements or, with respect to Intellectual Property

Collateral, the recordation of any agreements with the U.S. Patent and Trademark Office or the U.S. Copyright Office) as required, and if required, or the exercise by Grantee of its rights and remedies hereunder; or

(c) for the exercise by Grantee of the voting or other rights or remedies provided for in this Security Agreement.

ARTICLE IV COVENANTS

Grantor shall, until the Termination Date, perform, comply with and be bound by the obligations set forth below.

SECTION 4.1. As to Investment Property, etc.

SECTION 4.1.1. Grantor shall immediately pledge and deliver any Equity Interests (other than Restricted Shares) acquired by Grantor to Grantee pursuant to the terms of this Security Agreement.

SECTION 4.1.2. Investment Property (other than Certificated Securities or Restricted Shares).

(a) Grantor shall, upon Grantee's request, cause the Person maintaining any Securities Accounts, Commodity Accounts, Commodity Contracts or Security Entitlements owned or held by Grantor to execute a Control Agreement relating to such Investment Property pursuant to which such Person agrees to comply with Grantee's instructions with respect to such Investment Property without further consent by Grantor.

(b) With respect to any Uncertificated Securities (other than Uncertificated Securities credited to a Securities Account) constituting Investment Property (other than Restricted Shares) owned or held by Grantor, Grantor shall cause the issuer of such securities to either (i) register Grantee as the registered owner thereof on the books and records of the issuer or (ii) execute a Control Agreement relating to such Investment Property pursuant to which the issuer agrees to comply with Grantee's instructions with respect to such Uncertificated Securities without further consent by Grantor.

SECTION 4.1.3. Certificated Securities (Stock Powers). Grantor shall deliver all Certificated Securities included in the Collateral, including the Equity Interests delivered by Grantor pursuant to this Security Agreement, to Grantee together with duly executed undated blank stock powers, or other equivalent instruments of transfer in respect of such Certificated Securities reasonably acceptable to Grantee.

SECTION 4.1.4. Continuous Pledge. Grantor shall deliver to Grantee and at all times keep pledged to Grantee, on a first-priority, perfected basis (subject to Permitted Encumbrances) all Investment Property included in the Collateral, all dividends and Distributions with respect thereto, all Payment Intangibles to the extent they are evidenced by a Document, Instrument, Promissory Note or Chattel Paper, and all interest and principal with respect to such Payment Intangibles, and all Proceeds and rights from time to time

received by or distributable to Grantor in respect of any of the foregoing Collateral. Grantor shall, promptly following receipt thereof, deliver to Grantee possession of all originals of negotiable Documents, Instruments, Promissory Notes and Chattel Paper that it acquires following the Closing Date.

SECTION 4.1.5. Voting Rights; Dividends, etc. Grantor shall:

(a) promptly upon receipt of notice of the occurrence and continuance of a Default and without any request therefor by Grantee, so long as such Default shall continue, deliver (properly endorsed where required hereby or requested by Grantee) to Grantee all dividends and Distributions with respect to Investment Property included in the Collateral, all interest, principal, other cash payments on Payment Intangibles, and all Proceeds of the Collateral, in each case thereafter received by Grantor; and

(b) with respect to Collateral consisting of general partner interests or limited liability company interests (other than any such interests in Restricted Shares), upon receipt of notice of the occurrence of a Default and during the continuance of such Default, for as long as such Default shall continue, upon the request of the Grantee:

(i) permit Grantee to exercise (to the exclusion of Grantor) the voting power and all other incidental rights of ownership with respect to any Investment Property constituting Collateral and Grantor hereby grants Grantee an irrevocable proxy, exercisable under such circumstances, to vote such Investment Property; and

(ii) promptly deliver to Grantee such additional proxies and other documents as may be necessary to allow Grantee to exercise such voting power.

(c) Unless a Default shall have occurred and be continuing and Grantee shall have given the notice referred to in clause (b), Grantor shall have the exclusive voting power with respect to any Investment Property included in the Collateral and Grantee will, upon the written request of Grantor, promptly deliver such proxies and other documents, if any, as shall be reasonably requested by Grantor that are necessary to allow Grantor to exercise that voting power; provided, that no vote shall be cast, or consent, waiver, or ratification given, or action taken by Grantor that would impair any such Collateral or be inconsistent with or violate any provision of any Loan Document.

(d) All dividends, Distributions, interest, principal, cash payments, Payment Intangibles and Proceeds that may at any time and from time to time be held by Grantor, but that Grantor is then obligated to deliver to Grantee, shall, until delivery to Grantee, be held by Grantor separate and apart from its other property in trust for Grantee.

SECTION 4.2. Change of Name, Location, etc.

(a) Grantor shall not change its name, except upon 30 days' prior written notice to Grantee.

(b) Grantor shall not change its place of incorporation or organization or federal taxpayer identification number, or otherwise take any action that would change Grantor's location for the purposes of for purposes of Sections 9-301 and 9-307 of the UCC, except upon 30 days' prior written notice to Grantee.

(c) If any of Grantor's Goods become Fixtures at, or if Grantor acquires any Fixtures at, any location other than Grantor's address set forth in Item A of Schedule II, Grantor shall give immediate notice thereof to Grantee.

SECTION 4.3. As to Accounts and Proceeds.

(a) Grantor shall have the right to collect all Accounts so long as no Default shall have occurred and be continuing.

(b) Upon (i) the occurrence and continuance of a Default and (ii) the delivery of notice by Grantee to Grantor, Grantor (x) shall not commingle any Proceeds of Collateral received by Grantor, (y) shall hold such Proceeds separate and apart from all other property in express trust for Grantee until Grantor delivers such Proceeds to Grantee and (z) shall deliver such Proceeds in kind to Grantee for deposit in a Deposit Account in the name of Grantor maintained with Grantee (together with any other Accounts pursuant to which any portion of the Collateral is deposited with Grantee, the "Collateral Accounts").

(c) Following the delivery of notice pursuant to clause (b)(ii), Grantee shall have the right to apply any amount in the Collateral Accounts to the payment of any Secured Obligations which are due and payable.

(d) Deposits in each Collateral Account are subject to a security interest as contemplated hereby. Upon (i) the occurrence and continuance of a Default and (ii) the delivery of notice by Grantee to Grantor, for as long as such Default shall continue, each Collateral Account shall be under the control of Grantee and Grantee shall have the sole right of withdrawal over such Collateral Account.

SECTION 4.4. As to Grantor's Use of Collateral.

(a) Subject to clause (b), Grantor (i) may in the ordinary course of its business, at its own expense, sell, lease or furnish under the contracts of service any of the Inventory normally held by Grantor for such purpose, and use and consume, in the ordinary course of its business, any raw materials, work in process or materials normally held by Grantor for such purpose, (ii) shall, at its own expense, endeavor to collect, as and when due, all amounts due with respect to any of the Collateral, including the taking of such action with respect to such collection as Grantee may request following the occurrence of a Default or, in the absence of such request, as Grantor may deem advisable, and (iii) may grant, in the ordinary course of business, to any party obligated on any of the Collateral, any rebate, refund or allowance to which such party may be lawfully entitled, and may accept, in connection therewith, the return of Goods, the sale or lease of which shall have given rise to such Collateral.

(b) At any time following the occurrence and during the continuance of a Default, whether before or after the maturity of any of the Secured Obligations, Grantee may (i) revoke any or all of the rights of Grantor set forth in clause (a), (ii) notify any parties obligated on any of the Collateral to make payment to Grantee of any amounts due or to become due thereunder, and (iii) enforce collection of any of the Collateral by suit or otherwise and surrender, release, or exchange all or any part thereof, or compromise or extend or renew for any period (whether or not longer than the original period) any indebtedness thereunder or evidenced thereby.

(c) Upon request of Grantee following the occurrence and during the continuance of a Default, Grantor shall, at its own expense, notify any parties obligated on any of the Collateral to make payment to Grantee of any amounts due or to become due thereunder.

(d) At any time following the occurrence and during the continuation of a Default, Grantee may endorse, in the name of Grantor, any item, howsoever received by Grantee, representing any payment on or other Proceeds of any of the Collateral.

SECTION 4.5. As to Intellectual Property Collateral.

Intentionally deleted.

SECTION 4.6. As to Letter-of-Credit Rights.

(a) Grantor, by granting a security interest in its Letter-of-Credit Rights, if any, to Grantee, intends to (and hereby does) collaterally assign to Grantee, its rights (including its contingent rights) to the Proceeds of all Letter-of-Credit Rights of which it is or hereafter becomes a beneficiary or assignee. Upon (i) the occurrence and continuance of a Default and (ii) the delivery of notice by Grantee to Grantor requesting an assignment of such Letter of Credit Rights, the Grantor shall promptly use its best efforts to cause the issuer of each Letter of Credit and each nominated person (if any) with respect thereto to consent to such assignment of the Proceeds thereof in a consent agreement in form and substance satisfactory to Grantee and deliver written evidence of such consent to Grantee.

(b) Upon the occurrence of a Default, Grantor shall, promptly upon request by Grantee, (i) notify (and Grantor hereby authorizes Grantee to notify) the issuer and each nominated person with respect to each of the Letters of Credit that the Proceeds thereof have been assigned to Grantee hereunder and any payments due or to become due in respect thereof are to be made directly to Grantee, and (ii) arrange for Grantee to become the transferee beneficiary of each such Letter of Credit.

SECTION 4.7. As to Commercial Tort Claims. Until the Termination Date, Grantor shall, promptly upon the accrual in its favor of any Commercial Tort Claim hereafter arising, deliver to Grantee a supplement to this Security Agreement in form and substance satisfactory to Grantee identifying such new Commercial Tort Claim as Collateral.

SECTION 4.8. Electronic Chattel Paper and Transferable Records. If Grantor at any time holds or acquires an interest in any electronic chattel paper or any "transferable record," as that term is defined in Section 201 of the U.S. Federal Electronic Signatures in Global and

National Commerce Act, or in Section 16 of the U.S. Uniform Electronic Transactions Act as in effect in any relevant jurisdiction, Grantor shall promptly notify Grantee thereof and, at the request of Grantee, shall take such action as Grantee may request to vest in Grantee, in accordance with the terms hereof, control under Section 9-105 of the UCC of such electronic chattel paper or control under Section 201 of the Federal Electronic Signatures in Global and National Commerce Act or, as the case may be, Section 16 of the Uniform Electronic Transactions Act, as so in effect in such jurisdiction, of such transferable record. Grantee shall arrange, pursuant to procedures satisfactory to Grantee and so long as such procedures will not result in Grantee's loss of control, for Grantor to make alterations to the electronic chattel paper or transferable record permitted under Section 9-105 of the UCC or, as the case may be, Section 201 of the U.S. Federal Electronic Signatures in Global and National Commerce Act or Section 16 of the U.S. Uniform Electronic Transactions Act for a party in control to allow without loss of control, unless a Default has occurred and is continuing or would occur after taking into account any action by Grantor with respect to such electronic chattel paper or transferable record.

SECTION 4.9. Further Assurances, etc. Grantor shall, from time to time at its own expense, promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or that Grantee may request, in order to perfect, preserve and protect any security interest granted or purported to be granted hereby or to enable Grantee to exercise and enforce its rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, Grantor shall:

(a) from time to time upon Grantee's request, promptly deliver to Grantee such stock powers, instruments and similar documents, satisfactory in form and substance to Grantee, with respect to such Collateral as Grantee may request and shall, from time to time upon Grantee's request, after the occurrence and during the continuance of any Default, promptly transfer any securities constituting Collateral into the name of any nominee designated by Grantee and deliver and pledge to Grantee any Collateral evidenced by an Instrument, negotiable Document, Promissory Note or tangible Chattel Paper, duly endorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to Grantee;

(b) file (and Grantor hereby authorizes Grantee to file) such Filing Statements or continuation statements, or amendments thereto, and such other instruments or notices (including any assignment of claim form under or pursuant to the federal assignment of claims statute, 31 U.S.C. § 3726, any successor or amended version thereof or any regulation promulgated under or pursuant to any version thereof), as may be necessary or that Grantee may request in order to perfect and preserve the security interests and other rights in the Collateral granted or purported to be granted to Grantee hereby;

(c) at all times keep pledged to Grantee pursuant hereto, on a first-priority perfected basis (subject only to the Permitted Encumbrances), all Investment Property included from time to time in the Collateral, all dividends and Distributions with respect thereto, and all interest and principal with respect to Promissory Notes, and all Proceeds and rights from time to time received by or distributable to Grantor in respect of any of the foregoing Collateral;

(d) not take or omit to take any action the taking or the omission of which would result in any impairment or alteration of any obligation of the maker of any Payment Intangible or other Instrument constituting Collateral, except as provided in Section 4.4;

(e) not create any tangible Chattel Paper without placing a legend on such tangible Chattel Paper acceptable to Grantee indicating that Grantee has a security interest in such Chattel Paper;

(f) furnish to Grantee, from time to time at Grantee's request, statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as Grantee may request, all in reasonable detail; and

(g) do all things requested by Grantee in accordance with this Security Agreement in order to enable Grantee to have and maintain control over the Collateral consisting of Investment Property, Deposit Accounts, Letter-of-Credit Rights and Electronic Chattel Paper.

With respect to the foregoing and the grant of the security interest hereunder, Grantor hereby authorizes Grantee to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral. A carbon, photographic or other reproduction of this Security Agreement or any UCC financing statement covering the Collateral or any part thereof shall be sufficient as a UCC financing statement where permitted by law. Grantor hereby authorizes Grantee to file financing statements describing as the collateral covered thereby "all of the debtor's personal property or assets", or words to that effect, notwithstanding that such wording may be broader in scope than the Collateral described in this Security Agreement.

SECTION 4.10. Deposit Accounts. Grantor shall, upon Grantee's request, cause the Person maintaining each Deposit Account held by Grantor (other than Deposit Accounts maintained by Grantee) to execute a Control Agreement pursuant to which such Person agrees, upon the occurrence and during the continuance of a Default, to comply with Grantee's instructions with respect to such Deposit Account without further consent by Grantor.

ARTICLE V APPOINTMENT OF GRANTEE AS AGENT

SECTION 5.1. Grantee Appointed Attorney-in-Fact. Grantor hereby irrevocably appoints Grantee its attorney-in-fact, with full authority in the place and stead of Grantor and in the name of Grantor or otherwise, from time to time in Grantee's discretion, following the occurrence and during the continuance of a Default, to take any action and to execute any instrument that Grantor may deem necessary or advisable to accomplish the purposes of this Security Agreement, including:

(a) to ask, demand, collect, sue for, recover, compromise, receive and give release and receipts for moneys due and to become due under or in respect of any of the Collateral;

(b) to receive, endorse, and collect any drafts or other Instruments, Documents and Chattel Paper, in connection with clause (a);

(c) to file any claims or take any action or institute any proceedings which Grantee may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights of Grantee with respect to any of the Collateral; and

(d) to perform the affirmative obligations of Grantor hereunder.

The power of attorney granted pursuant to this Section is irrevocable and coupled with an interest.

SECTION 5.2. Grantee May Perform. If Grantor fails to perform any covenant or agreement contained herein, Grantee may itself perform, or cause performance of, such covenant or agreement, and the expenses of Grantee incurred in connection therewith shall be payable by Grantor.

SECTION 5.3. Grantee Has No Duty. The powers conferred on Grantee hereunder are solely to protect its interest in the Collateral and shall not impose any duty on it to exercise any such powers. Except for reasonable care of any Collateral in its possession and the accounting for moneys actually received by it hereunder, Grantee shall have no duty as to any Collateral or responsibility for:

(a) ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Investment Property, whether or not Grantee has Knowledge of such matters; or

(b) taking any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral.

SECTION 5.4. Reasonable Care. Grantee is required to exercise reasonable care in the custody and preservation of any of the Collateral in its possession; provided, that Grantee shall be deemed to have exercised reasonable care in the custody and preservation of any of the Collateral, if it takes such action for that purpose as Grantor reasonably requests in writing at times other than upon the occurrence and during the continuance of any Default, but failure of Grantee to comply with any such request at any time shall not in itself be deemed a failure to exercise reasonable care.

ARTICLE VI REMEDIES

SECTION 6.1. Certain Remedies. If any Default shall have occurred and be continuing:

(a) Grantee may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party on default under the UCC (whether or not the UCC applies to the affected Collateral) and also may:

(i) take possession of any Collateral not already in its possession without demand and without legal process,

(ii) require Grantor to, Grantor shall, at its expense and upon request of Grantee forthwith, assemble all or part of the Collateral as directed by Grantee and make it available to Grantee at a place to be designated by Grantee that is reasonably convenient to both parties,

(iii) enter onto the property where any Collateral is located and take possession thereof without demand and without legal process, and

(iv) without notice except as specified below, lease, license, sell or otherwise dispose of the Collateral or any part thereof in one or more parcels at public or private sale, at Grantee's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as Grantee may deem commercially reasonable. To the extent notice of sale is required by law, at least ten days' prior notice to Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. Grantee shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. Grantee may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) All cash Proceeds received by Grantee in respect of any sale of, collection from, or other realization upon, all or any part of the Collateral shall be applied by Grantee against, all or any part of the Secured Obligations in accordance with the provisions of the Credit Agreement.

(c) Grantee may:

(i) transfer all or any part of the Collateral into the name of Grantee or its nominee;

(ii) notify the parties obligated on any of the Collateral to make payment to Grantee of any amount due or to become due thereunder;

(iii) withdraw, or cause or direct the withdrawal, of all funds with respect to the Collateral Accounts;

(iv) enforce collection of any of the Collateral by suit or otherwise, and surrender, release or exchange all or any part thereof, or compromise or extend or renew for any period (whether or not longer than the original period) any obligations of any nature of any party with respect thereto,

(v) endorse any checks, drafts, or other writings in Grantor's name to allow collection of the Collateral,

(vi) take control of any Proceeds of the Collateral, and

(vii) execute (in the name, place and stead of Grantor) endorsements, assignments, stock powers and other instruments of conveyance or transfer with respect to all or any of the Collateral.

SECTION 6.2. Securities Laws. If Grantee shall determine pursuant to Section 6.1 to exercise its right to sell all or any of the Collateral that are Equity Interests, Grantor shall, upon request of Grantee, at its own expense:

(a) execute and deliver, and cause (or, with respect to any issuer over which Grantor does not have control, as that term is defined in Rule 405 under the Securities Act, use its best efforts to cause) each issuer of the Collateral contemplated to be sold and the directors and officers thereof to execute and deliver, all such instruments and documents, and do or cause to be done all such other acts and things, as may be necessary or, in the opinion of Grantee, advisable to register such Collateral under the provisions of the Securities Act of 1933, as from time to time amended (the "Securities Act"), and cause the registration statement relating thereto to become effective and to remain effective for such period as prospectuses are required by law to be furnished, and to make all amendments and supplements thereto and to the related prospectus which, in the opinion of Grantee, are necessary or advisable, all in conformity with the requirements of the Securities Act and the rules and regulations of the SEC applicable thereto;

(b) use its reasonable commercial efforts to exempt the Collateral under the state securities or "Blue Sky" laws and to obtain all necessary consents and approvals of any Person for the sale of the Collateral, as requested by Grantee;

(c) cause (or, with respect to any issuer over which Grantor does not have control, as that term is defined in Rule 405 under the Securities Act, use its best efforts to cause) each such issuer to make available to its security holders, as soon as practicable, an earnings statement that will satisfy the provisions of Section 11(a) of the Securities Act; and

(d) do or cause to be done all such other acts and things as may be necessary to make such sale of the Collateral or any part thereof valid and binding and in compliance with applicable law.

SECTION 6.3. Compliance with Restrictions. In any sale of any of the Collateral whenever a Default shall have occurred and be continuing, Grantee may comply with any limitation or restriction in connection with such sale as it may be advised by counsel is necessary in order to avoid any violation of applicable law (including compliance with such procedures as may restrict the number of prospective bidders and purchasers, require that such prospective bidders and purchasers have certain qualifications, and restrict such prospective bidders and purchasers to Persons who will represent and agree that they are purchasing for their own account for investment and not with a view to the distribution or resale of such Collateral), or in order to obtain any required approval of the sale or of the purchaser, and such compliance shall not result in such sale being considered or deemed not to have been made in a commercially reasonable manner, nor shall Grantee be liable nor accountable to Grantor for any discount

allowed by the reason of the fact that such Collateral is sold in compliance with any such limitation or restriction.

SECTION 6.4. Protection of Collateral. Grantee may from time to time, at its option, perform any act that Grantor fails to perform after being requested in writing so to perform (provided, that no such request need be given after the occurrence and during the continuance of a Default) and Grantee may from time to time take any other action that Grantee deems necessary for the maintenance, preservation or protection of any of the Collateral or of its security interest therein.

ARTICLE VII MISCELLANEOUS PROVISIONS

SECTION 7.1. Binding on Successors, Transferees and Assigns; Assignment. This Security Agreement shall remain in full force and effect until the Termination Date has occurred, shall be binding upon Grantor and its successors, transferees and assigns and shall inure to the benefit of and be enforceable by Grantee and its successors, transferees and assigns; provided, that Grantor shall not (unless otherwise permitted under the terms of the Credit Agreement or this Security Agreement) assign any of its obligations hereunder without Grantee's prior written consent and any purported assignment of any of Grantee's obligations hereunder in violation of the preceding sentence shall be void and of no effect. Without limiting the generality of the foregoing, Grantee may assign and transfer this Security Agreement.

SECTION 7.2. Amendments, etc. No amendment to or waiver of any provision of this Security Agreement, nor consent to any departure by Grantor from its obligations under this Security Agreement, shall in any event be effective unless the same shall be in writing and signed by Grantee and Grantor, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 7.3. Notices. All notices, amendments, waivers, or other communications pursuant to this Security Agreement shall be in writing and shall be deemed to be sufficient if delivered personally, sent by facsimile or e-mail, sent by internationally-recognized overnight or second day delivery courier or mailed by registered or certified mail (return receipt requested), postage prepaid, to the parties at the following addresses (or at such other address for a party as shall be specified by like notice):

if to Grantor, to:

Bumper Development Corporation
c/o Bumper Development Corporation Ltd.
Suite 1501, 300 – 5th Avenue S.W.
Calgary, Alberta, Canada T2P 3C4

Attention: James P. Keough, Vice President, Finance
Phone: (403) 266 – 9704 Facsimile: (403) 265 – 8155
Email: jkeough@bumpergroup.com

if to Grantee, to:

Bank of Montreal
Suite 900, 525 – 8th Avenue S.W.
Calgary, Alberta, Canada T2P 1G1

Attention: Managing Director
Telephone: (403) 515-3657
Facsimile: (403) 515-3650
Email: bradley.heck@bmo.com

All such notices and other communications shall be deemed to have been delivered and received (i) in the case of personal delivery or delivery by facsimile or e-mail, on the date of such delivery if delivered during business hours on a Business Day or, if not delivered during business hours on a Business Day, the first Business Day thereafter, (ii) in the case of delivery by internationally-recognized, overnight or second day delivery courier, on the Business Day delivered, and (iii) in the case of mailing, on the tenth Business Day following such mailing. A copy of any notice or other communication sent by facsimile or e-mail shall also be sent on the same day by registered or certified mail (return receipt requested) or by nationally recognized overnight or second day delivery courier.

SECTION 7.4. Release of Liens. Upon (a) the disposition of Collateral in accordance with the Credit Agreement and this Security Agreement; or (b) the occurrence of the Termination Date, the security interests granted herein shall automatically terminate with respect to (i) such Collateral (in the case of clause (a)), or (ii) all Collateral (in the case of clause (b)). Upon any such disposition or termination with respect to any Collateral, Grantee shall, at Grantor's sole expense, deliver to Grantor, without any representations, warranties or recourse of any kind whatsoever, all of such Collateral held by Grantee hereunder, and execute and deliver to Grantor such documents as Grantor shall reasonably request to evidence such termination.

SECTION 7.5. No Waiver; Remedies. In addition to, and not in limitation of Section 2.5, no failure on the part of Grantee to exercise, and no delay in exercising, any right

hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

SECTION 7.6. Headings; Construction. The title of and the article, section and paragraph headings in this Security Agreement are for convenience of reference only and shall not govern or affect the interpretation of any of the terms or provisions of this Agreement. The use herein of the masculine, feminine or neuter forms shall also denote the other forms, as in each case the context may require. Words in the singular include the plural and words in the plural include the singular. The use in this Security Agreement of the term “including” or “includes” means “including, or includes, without limitation.” The words “herein”, “hereof”, “hereunder”, “hereby”, “hereto”, “hereinafter”, and other words of similar import refer to this Agreement as a whole, including the schedules and exhibits, as the same may from time to time be amended, modified, supplemented or restated, and not to any particular article, section, subsection, paragraph, subparagraph or clause contained in this Security Agreement. All references to articles, sections, subsections, clauses, paragraphs, schedules and exhibits mean such provisions of this Security Agreement and the schedules and exhibits attached to this Security Agreement, except where otherwise stated. The exhibits and schedules identified in this Agreement are hereby incorporated by reference in, and made a part of, this Agreement.

SECTION 7.7. Severability. Any provision of this Security Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such provision and such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Security Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

SECTION 7.8. Governing Law, Entire Agreement, etc. This Security Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to any choice or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the laws of any jurisdiction other than the State of New York to apply, except to the extent that the perfection, effect of perfection or nonperfection and priority of any security interest granted pursuant to this Security Agreement in any particular collateral are governed by the laws of a jurisdiction other than the State of New York. This Security Agreement and the other Loan Documents constitute the entire understanding among the parties hereto with respect to the subject matter hereof and thereof and supersede any prior agreements, written or oral, with respect thereto.

SECTION 7.9. JURY TRIAL WAIVER. **EACH PARTY HERETO IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT OR PROCEEDING BASED UPON OR ARISING OUT OF THIS SECURITY AGREEMENT OR THE DOCUMENTS RELATED HERETO OR ANY DEALINGS AMONG THE PARTIES HERETO RELATING TO THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS AGREEMENT OR THE DOCUMENTS RELATED HERETO, INCLUDING, CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW**

AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO THIS AGREEMENT. EACH PARTY HAS REVIEWED THIS WAIVER WITH ITS RESPECTIVE LEGAL COUNSEL, AND KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH SUCH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

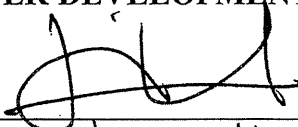
SECTION 7.10. JURISDICTION AND VENUE; SERVICE OF PROCESS. THE NEW YORK STATE AND UNITED STATES FEDERAL COURTS SITTING IN NEW YORK COUNTY, NEW YORK SHALL HAVE NON-EXCLUSIVE JURISDICTION OVER ALL ACTIONS, SUITS AND PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT, AND EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY (I) SUBMITS, FOR HIMSELF OR ITSELF AND HIS OR ITS PROPERTY, TO THE JURISDICTION OF ANY SUCH COURT IN ANY SUCH ACTION OR PROCEEDING OR FOR RECOGNITION OF ANY JUDGMENT AND (II) WAIVES (A) ANY OBJECTION TO THE LAYING OF VENUE OF, AND (B) ANY DEFENSE BASED ON AN INCONVENIENT FORUM IN, ANY SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

EACH PARTY HEREBY AGREES THAT SERVICE OF ANY PROCESS OR OTHER DOCUMENT BY REGISTERED MAIL OR INTERNATIONALLY RECOGNIZED OVERNIGHT DELIVERY SERVICE TO THE ADDRESS FOR THE PARTY RECEIVING SUCH SERVICE SET FORTH ABOVE, OR SUCH OTHER ADDRESS AS SUCH PARTY MAY SPECIFY IN WRITING TO THE OTHER PARTY FROM TIME TO TIME, SHALL BE EFFECTIVE SERVICE OF PROCESS FOR ANY SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

SECTION 7.11. Counterparts; Signatures. The parties may execute this Security Agreement in two or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute but one agreement. Facsimile and electronic counterpart signatures on this Security Agreement shall be valid and binding.

IN WITNESS WHEREOF, each of the parties hereto has caused this Security Agreement to be duly executed and delivered as of the date first written above.

BUMPER DEVELOPMENT CORPORATION

By: 
Name: James Keough
Title: Treasurer

BANK OF MONTREAL

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, each of the parties hereto has caused this Security Agreement to be duly executed and delivered as of the date first written above.

BUMPER DEVELOPMENT CORPORATION

By: _____
Name:
Title:

BANK OF MONTREAL

By: _____
Name: 
Title: **Brad Heck**
Managing Director

SCHEDULE I
to Security Agreement

<u>Limited Liability Company Interests</u>			
<u>Name of Issuer</u>	Number of Limited Liability Company Interests Owned*	% of Limited Liability Company Interests <u>Pledged</u>	Type of Limited Liability Company Interests <u>Pledged</u>
Promosome LLC	Series A Units – 370,000 Series B Units – 619,291 Series C Units - 319,348	N/A	N/A

*This is exclusive of any Limited Liability Company Interests which are held in the name of the Grantor in trust for another person.

<u>Common Stock</u>				
<u>Name of Issuer</u>	# of <u>Shares</u>	Authorized <u>Shares</u>	Outstanding <u>Shares</u>	% of Shares <u>Pledged</u>
None				

SCHEDULE II
to Security Agreement

Item A. Location of Grantor for purposes of the UCC.

Item B. Filing locations last five years.

Item C. Trade names.

Item D. Merger or other corporate reorganization.

- N/A

Item E. Taxpayer ID numbers.

- U.S. Federal Employer Identification Number 26-1404208

Item F. Government Contracts.

- None.

Item G. Deposit Accounts and Securities Accounts.

Item H. Letter-of-Credit Rights.

- None.

Item I. Commercial Tort Claims.

- None.

Item J. Financing Statements

SCHEDULE III
to Security Agreement

Item A. Patents

None.

Item B. Patent Licenses

None.

Item C. Trademarks

None.

Item D. Trademark Licenses

None.

Item E. Trade Secret or Know-How Licenses

None.

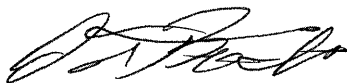
SCHEDULE IV
to Security Agreement

UCC FILING LOCATIONS

<u>Name of Grantor</u>	<u>Filing Location</u>
------------------------	------------------------

6992474.3
{#1519022-2, 110237-00001-01}
7574752.1
2403463.5

This is Exhibit "J" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AGREEMENT

THIS FORBEARANCE AGREEMENT is made as of the 30th day of June, 2015.

AMONG

Bank of Montreal ("BMO")

- and -

Bumper Development Corporation Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Borrower**")

- and -

Bumper Development Corporation, a wholly owned subsidiary corporation of the Borrower and incorporated under the laws of Delaware (the "**Guarantor**")

RECITALS:

A. The Borrower is primarily engaged in the ownership and operation of oil and gas properties and assets in Canada, as well as other activities directly related to such ownership and operation, including but not limited to oil and gas exploration, development, production, transportation and marketing of petroleum and natural gas products.

B. The Borrower and BMO are parties to various a loan agreements as amended, restated and substituted from time to time, the most current loan agreement being the credit agreement dated March 27, 2015 (the "**Credit Agreement**"), which Credit Agreement was acknowledged and agreed to by the Borrower and the Guarantor and pursuant to which BMO granted to the Borrower a demand revolving credit facility in the principal amount of \$55,750,000 CAD.

C. The Guarantor is a wholly owned subsidiary of the Borrower registered in the State of Delaware and has guaranteed the indebtedness of the Borrower to BMO pursuant to a guarantee dated April 6, 2015 (the "**Guarantee**").

D. The Borrower is liable to BMO in respect of certain loans and other credit and banking facilities, including but not limited to such loan facilities described in the Credit Agreement as the Direct Advances, Bankers' Acceptances, LIBOR Advances, Standby Letters of Credit/Guarantees and Mastercard facilities, all such loan facilities having been made available to the Borrower pursuant to the terms of the Credit Agreement. The total amounts outstanding pursuant to such loan facilities are referred to herein as the "**BMO Indebtedness**".

E. The amounts comprising the BMO Indebtedness as at May 26, 2015 are set out in **Schedule "A"** hereto.

F. The BMO Indebtedness is secured by various types of security documents including, without limitation, a general assignment under section 426 of the *Bank Act* (Canada), assignment of agreements, fixed and floating charge debenture and agreement with respect to first bank acceptances, all granted to BMO by the Borrower, a guarantee granted by the Guarantor and a security agreement granted by the Guarantor in respect of the Guarantee and dated April 6, 2015 (all such security documents together with all other guarantee and security documentation granted by the Borrower or the Guarantor in favor of BMO, referred to as the "**BMO Security**").

G. The Borrower is in breach of certain terms of the Credit Agreement, including but not limited to failing to repay amounts due in excess of the current Borrowing Base and selling or otherwise disposing of assets in breach of paragraph 2(e) of the Credit Agreement.

H. As the Credit Agreement contains demand facilities and as the demand facilities are in default, the Borrower and the Guarantor acknowledge and agree that BMO is immediately entitled to issue demands for repayment of the BMO Indebtedness together with a Notice of Intention pursuant to section 244 of the *Bankruptcy and Insolvency Act* (the "**BIA**") giving notice that BMO intends to pursue its legal remedies under the BMO Security for the collection of the BMO Indebtedness.

I. Given its current circumstances the Borrower has requested that BMO forbear from demanding the BMO Indebtedness and pursuing its legal remedies for the collection thereof for the specific period of time and on the specific terms and conditions set out herein.

J. Subject to the terms and conditions herein, BMO is prepared to forbear from demanding immediate payment of the BMO Indebtedness and taking action pursuant to the BMO Security for the Forbearance Period as defined below.

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

ARTICLE 1 INTERPRETATION

1.01 Capitalized Terms

All capitalized terms used herein and not otherwise defined herein have the meanings ascribed thereto in the Credit Agreement.

1.02 Interpretation

Except as the context requires otherwise, all references in this Forbearance Agreement to Articles, Sections, subsections and clauses are to Articles, Sections, subsections and clauses of the Credit Agreement.

ARTICLE 2

OBLIGATIONS OF THE BORROWER AND GUARANTOR

2.01 Acknowledgements by the Borrower and Guarantor

The Borrower and the Guarantor each hereby acknowledge and agree that:

- (a) the implementation and performance of this Forbearance Agreement is intended solely to facilitate BMO's management of its financial risk and does not constitute any form of management or control of any of the assets or operations of the Borrower or the Guarantor;
- (b) each of them was indebted to BMO in the amount of the BMO Indebtedness as set out in **Schedule "A"** hereto as at May 26, 2015;
- (c) the Borrower is in default of the Credit Agreement and BMO Security, or certain security within the BMO Security and BMO has the right to immediately issue demand and a Notice of Intention to Enforce Security pursuant to section 244 of the BIA, authorizing BMO to enforce the BMO Security and take all such other steps as may be practicable to recover the BMO Indebtedness from the Borrower and the Guarantor;
- (d) each of the Borrower and the Guarantor will during the Forbearance Period continue to operate their businesses and maintain their assets and in accordance with good business practice;
- (e) BMO is under no obligation and shall not be required to make any further advances to the Borrower or permit any further draws under the Credit Agreement;
- (f) each of the Borrower and the Guarantor will maintain all banking and related accounts with BMO pursuant to the accounts referenced in the Credit Agreement, together with business deposit accounts A/C # 0010 0002-257 (the "**Canadian Account**") and A/C # 0010 4607-391 (the "**US Account**") and shall not conduct any banking or open any other accounts with any lending institution, other than BMO, without the prior written consent of BMO.

2.02 Engagement of Alvarez & Marsal Canada Inc.

The Borrower hereby acknowledges that BMO shall, in its sole discretion, have the right to engage Alvarez & Marsal Inc. ("A&M") to perform a review of its business, operations, cashflow, assets, liabilities and future prospects to provide BMO with an independent understanding of the Borrower's current financial position in accordance with the terms set out in the engagement letter attached as **Schedule "B"**. Each of the Borrower and the Guarantor shall provide A&M with all information it may require for the purposes of its engagement, including but not limited to access to all books, records, information, records, employees, and premises of the Borrower and the Guarantor. The scope of A&M's reviews and the nature of its reporting shall be in accordance with **Schedule "B"** hereto and all fees and expenses of A&M related to its engagement shall be paid by the Borrower. To the extent such fees and expenses are not paid by the Borrower, they may be paid by BMO and added to and form part of the BMO Indebtedness and as such will be secured by the BMO Security.

2.03 Priority Payments

The Borrower and the Guarantor represent, warrant, covenant and agree that each of them shall remit, in accordance with legal requirements: (i) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any province which are required to be deducted from employees' wages, including, without limitation, amounts in respect of employment insurance, Canada Pension Plan, Quebec Pension Plan and income taxes, where applicable; (ii) amounts payable by the Borrower in respect of employment insurance, Canada Pension Plan, Quebec Pension Plan and income taxes with respect to employees, where applicable; and (iii) all goods and services or sales taxes payable by the Borrower or its customers in connection with the retail sale of goods and services by the Borrower to such customers, and any amounts equivalent or similar to items (i), (ii) and (iii) above payable pursuant to the laws of the United States of America or other jurisdictions where the Borrower and the Guarantor may conduct operations, as applicable and required by laws in force in such jurisdictions.

ARTICLE 3 FORBEARANCE

3.01 Waiver of Defaults

BMO covenants and agrees that, so long as no Event of Default has occurred, it will, for the Forbearance Period only and subject to Section 3.05 hereof, waive any existing defaults of which it is aware and as described in Recital G above, however, in the event of an existing default for which BMO is not aware, or any further defaults by the Borrower or the Guarantor under this Agreement, the Credit Agreement or the BMO Security, BMO expressly reserves its rights to take immediate steps to enforce its rights to recover the BMO Indebtedness under the Credit Agreement, the BMO Security and this Agreement.

3.02 Forbearance

BMO covenants and agrees that, so long as no Event of Default has occurred it will, for the Forbearance Period only and subject to Section 3.05 hereof, take no action to recover the BMO Indebtedness or to enforce as against the BMO Security against the Borrower, the Guarantor or any or all of their respective assets. Nothing in this provision or in this agreement shall affect or limit the right of BMO to take steps to enforce as against the BMO Security or commence an action for the repayment of the BMO Indebtedness in the event of breaches of the Credit Agreement that are presently unknown by or undisclosed to BMO.

3.03 Forbearance Period

BMO's forbearance under Sections 3.01 and 3.02 hereof shall remain in full force and effect from the effective date of this Agreement until the earlier of July 30, 2015 or the occurrence of an Event of Default, as hereinafter defined (the "**Forbearance Period**"). The parties hereto may, by further written agreement, extend the Forbearance Period from time to time on such terms as they may agree.

3.04 Consents, Acknowledgments and Waivers

As partial consideration for the forbearance granted by BMO to the Borrower pursuant to this Agreement, together with the increased risk assumed by BMO as a result of granting the within forbearance, the Borrower and where indicated the Borrower and the Guarantor, shall concurrently with the execution of this Agreement:

- (a) deliver to BMO a duly executed copy of the Consent Receivership Order attached hereto as **Schedule "C"** (the "**Consent Receivership Order**") appointing A&M or such other party as BMO in its discretion shall advise, as receiver and/or receiver and manager with respect to all of the assets;
- (b) deliver to BMO a duly executed copy of the Acknowledgment and Waiver attached hereto as **Schedule "D"** pursuant to which the Borrower and the Guarantor acknowledge that the Bank has the right to issue demands and section 244 notices and the Borrower and the Guarantor consent to the immediate enforcement by BMO of the BMO Security including but not limited to making use of the Consent Receivership Order; and
- (c) deliver to BMO an executed copy of the Consent Orders attached hereto as **Schedule "E"** (the "**Consent Orders Lifting Stay**"), lifting any stay of proceedings as regards BMO, which may be obtained in any filing by or in respect of the Borrower pursuant to the *Bankruptcy and Insolvency Act* (the "**BIA**") or the *Companies' Creditors Arrangement Act* (the "**CCAA**").

3.05 Event of Default

An Event of Default shall occur in the event that any of the following shall occur during the Forbearance Period:

- (a) any of the Borrower or the Guarantor shall be in breach of any obligation under Sections 2 or 3 hereof or any provision of the Credit Agreement, which breach has not been waived pursuant to Section 3.01 hereof;
- (b) any of the Borrower or the Guarantor shall sell property or assets without the prior written consent of BMO, however, the Borrower may continue to sell the remaining shares it holds in Reservlogix Corp. and its interest in the Flexjet property as projected by the Borrower in its 13 week cash flows provided to BMO, without requiring additional prior written consent from BMO;
- (c) The sale of assets by the Borrower to Luxxoil Canada Ltd. fails to close or is terminated (including the failure of receipt of the 10% deposit by June 29, 2015), for whatever reason, on or before the expiry of the Forbearance Period;
- (d) the Borrower shall fail to maintain a minimum balance of \$500,000 in its Canadian Account;
- (e) the Borrower or the Guarantor shall be in breach of any term of the BMO Security;
- (f) the Borrower shall fail to cooperate as required under the engagement with A&M pursuant to Section 2.02 hereof and the terms and conditions of such engagement, including but not limited to failing to provide information or otherwise cooperate fully with A&M as contemplated by Section 2.02 hereof or any engagement letter with A&M;
- (g) the Borrower shall fail to report in respect of the property marketing and any of the Property Sales to the satisfaction of BMO, acting reasonably, as required by Section 4.01 hereof;
- (h) the Borrower shall fail to provide the rolling 13 week Cash Flow Statements as required pursuant to section 4.02 hereof;
- (i) any property of the Borrower or the Guarantor having a fair value \$150,000 is seized or taken in execution, or any funds due to the Borrower or any Guarantor in an amount exceeding \$500,000 are garnisheed or otherwise frozen or held by any third party with respect to an obligation or alleged obligation;
- (j) a receiver, interim receiver or trustee in bankruptcy is appointed in respect of the Borrower or the Guarantor, or the Borrower or the Guarantor shall make an assignment in bankruptcy, shall be petitioned in bankruptcy, shall file a proposal or a notice of intention to file a proposal under the BIA, seek protection under the provisions of the CCAA or equivalent legislation in any other jurisdiction, or there shall be a receiver or interim receiver appointed of any of the assets or undertakings of the Borrower or the Guarantor;

- (k) any charge against the assets of the Borrower or any Guarantor in an amount exceeding \$500,000 and ranking in priority to the claims of BMO pursuant to the BMO Security shall exist, be allowed to continue to exist, or be created;
- (l) the Borrower or any Guarantor shall cease to conduct active operations or business in the ordinary course;
- (m) any judgment in the amount of \$500,000 or more shall be entered and allowed to subsist for a period of more than 14 days against the Borrower or the Guarantor;
- (n) any event occurs which in the opinion of BMO materially endangers its security or materially impairs the value of the assets against which it holds security or there shall be, in the opinion of BMO, a material adverse change in the financial situation of the Borrower or the Guarantor.

Immediately upon the occurrence of an Event of Default, the Forbearance Period shall terminate without further notice to the Borrower or the Guarantor, and BMO shall be entitled to: i) offset any funds on deposit in respect of the Borrower against the BMO Indebtedness and ii) immediately enforce as against the BMO Security and take all such other steps as BMO deems necessary to recover the BMO Indebtedness from the Borrower and the Guarantor, including but not limited to appearing before a Justice of the Court of Queen's Bench of Alberta or such other Court as the Bank or its legal counsel shall deem appropriate, to obtain and thereafter file the Consent Receivership Order.

ARTICLE 4 BORROWER OBLIGATIONS DURING FORBEARANCE

4.01 Property Sales

During the Forbearance Period, the Borrower shall be required to continue to actively market and pursue the sale of its oil and gas properties (the "**Property Sales**") with the net proceeds from the Property Sales to be applied against the BMO Indebtedness. The Borrower shall report to BMO on the status of the marketing of the oil and gas properties as requested by BMO or its financial advisor (including A&M), no less than by 4:00 p.m. (MDT) on Friday of every week throughout the Forbearance Period, or as requested by BMO or its financial advisor (including A&M) from time to time and of any Property Sales prior to entering into the purchase and sale agreement in respect thereof.

4.02 Cash Flow Statements

The Borrower shall provide BMO with rolling 13 week cash flow statements by 4:00 p.m. (MDT) on Tuesday of every week throughout the Forbearance Period, in the form attached hereto as Schedule "F", as may be amended from time to time by BMO or its financial advisors, including but not limited to A&M.

ARTICLE 5 CONDITIONS PRECEDENT

5.01 Conditions Precedent

The agreement of BMO to forbear from demanding payment of the BMO Indebtedness and the exercise of its remedies under the BMO Security pursuant to this Agreement is subject to and conditional upon the receipt, in form and substance satisfactory to BMO of:

- (a) a duly executed copy of this Agreement;
- (b) a duly executed copy of the Consent Receivership Order pursuant to Section 3.04 above, attached hereto as **Schedule "C"**;
- (c) a duly executed copy of the Acknowledgment and Waiver pursuant to section 3.04 above, attached hereto as **Schedule "D"**;
- (d) a duly executed copy of the Consent Orders Lifting Stay pursuant to section 3.04, attached hereto as **Schedule "E"**; and,
- (e) appropriate resolutions, certificates of incumbency and officer's certificates relating to the authorization, execution and delivery of this Agreement, the Consent Receivership Order, the Acknowledgment and Waiver and the Consent Orders Lifting Stay by the Borrower and where appropriate, the Guarantor.

ARTICLE 6 WAIVER OF DUTY OF CONFIDENTIALITY

6.01 Waiver by Borrower and Guarantor

The Borrower and the Guarantor hereby authorize BMO and its representatives, at any time after the effective date of this Agreement to communicate:

- (a) with A&M and its agents and consultants in reference to all matters related to this Agreement, the Credit Agreement, the BMO Security and the BMO Indebtedness;
- (b) with Her Majesty in Right of Canada, Her Majesty in Right of Alberta, Her Majesty in Right of Alberta and all other relevant governmental authorities; and
- (c) any other secured creditors of the Borrower or the Guarantor,

in each case regarding the negotiation and establishment of security enforcement procedures, and the Borrower and the Guarantor waive its rights to bank confidentiality in respect of its financial affairs to the extent of the foregoing. The Borrower and the Guarantor shall provide such waivers and consents as may be required to ensure that such parties can fully and frankly discuss with BMO and their representatives all matters touching on their respective relationships with the Borrower and the Guarantor.

ARTICLE 7
CONFIRMATION OF CREDIT AGREEMENT

7.01 Confirmation by Borrower and Guarantor

Except as amended by this Agreement all terms and conditions of the Credit Agreement and the BMO Security shall continue in full force and effect unamended and are hereby ratified and confirmed in every respect. By execution hereof each of the Borrower and the Guarantor hereby acknowledge the terms of the Credit Agreement, as amended by this Agreement, or as amended, modified, restated or replaced from time to time, as well as the terms and validity of the BMO Security. The Guarantor also ratifies and confirms the terms of its Guarantee, that its Guarantee guarantees the obligations of the Borrower under the Credit Agreement, and any security granted in connection therewith.

ARTICLE 8
MISCELLANEOUS

8.01 Time the Essence Hereof

Time shall be of the essence in this Agreement.

8.02 Notices

Any notices under this Agreement or the Credit Agreement may be delivered by courier to the parties at the addresses set forth below, facsimile transmission or email, and, where so given, shall be deemed received by the recipient on the same business day as delivered, transmitted or emailed, if delivered, transmitted or emailed prior to 3:00 p.m. (Calgary time), otherwise on the next business day:

(a) if to BMO:

Bank of Montreal
23rd Floor, 1 First Canadian Place
100 King Street West
Toronto, ON M5X 1A1

Attention: Zoltan Szoldatits
Phone: 416-867-4072
Email: Zoltan.szoldatits@bmo.com

with a copy to :

Borden Ladner Gervais LLP
1900, 520 – 3rd Avenue SW
Calgary, AB T2P 0R3

Attention: Robyn Gurofsky
 Phone: 403-232-9774
 Email: Rgurofsky@blg.com

(b) if to the Borrower or Guarantor:

Bumper Development Corporation Ltd.
 1501, 300 – 5th Avenue SW
 Calgary, AB T2P 3C4

Attention: James P. ^{Keough} ~~Keogh~~, Chief Financial Officer
 Phone: (403) 266-9704
 Email: jkeough@bumpergroup.com

8.03 Applicable Law

This Agreement shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein and the parties hereby attorn to the non-exclusive jurisdiction of the courts of competent jurisdiction in the Province of Alberta.

8.04 Further Assurances

The parties hereby covenant and agree to do such further and other things that the other party may reasonably request to give full or better effect to the provisions of this Agreement.

8.05 Whole Agreement

This Agreement and the Credit Agreement and any agreements delivered pursuant to or referred to herein or therein constitute the whole and entire agreement between the parties and supersede any prior written or verbal agreements, and any undertakings, declarations or representations made with respect thereto.

8.06 Payment of Expenses

The Borrower shall pay promptly, all reasonable and documented legal, accounting and other professional fees and out-of-pocket expenses of BMO incurred in connection with the preparation of this Forbearance Agreement, and any other steps taken in connection with the enforcement and preservation of any of its rights under the Credit Agreement, as amended by this Agreement or the BMO Security.

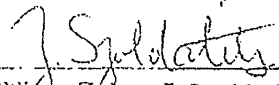
The remainder of this page is intentionally left blank.

8.07 Execution

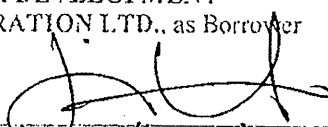
This Agreement may be executed in counterparts and delivered via telecopy (with an original to follow by ordinary post), and all counterparts, when taken together, shall constitute one Agreement.

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

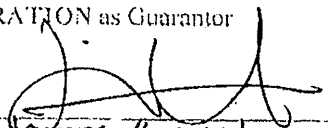
BANK OF MONTREAL

Per: 
Name: Zoltan J. Szoldatits
Title: Managing Director

**BUMPER DEVELOPMENT
CORPORATION LTD., as Borrower**

Per: 
Name: James Keough
Title: V.P. Finance

**BUMPER DEVELOPMENT
CORPORATION as Guarantor**

Per: 
Name: James Keough
Title: Treasurer

SCHEDULE A
BMO INDEBTEDNESS

<u>Facility</u>	<u>Balance</u>
Canadian Prime Loan	\$48,715,250.73 CAD
U.S. Base Rate Loan	\$ 241,612.96 USD
Mastercard Facility	\$ - nil -
Standby Letter of Credit	\$ 50,000.00 CAD
Standby Letter of Credit	\$ 50,000.00 CAD
Standby Letter of Credit	\$ 71,000.00 CAD

SCHEDULE B
A&M ENGAGEMENT LETTER

Robyn Gurofsky
 T (403) 232-9774
 F (403) 266-1395
 RGurofsky@blg.com

Borden Ladner Gervais LLP
 Centennial Place, East Tower
 1900, 520 - 3rd Ave SW
 Calgary, AB, Canada T2P 0R3
 T 403.232.9500
 F 403.266.1395
 blg.com



File No. 407500-000141

June 4, 2015

PRIVILEGED AND CONFIDENTIAL

VIA EMAIL dmcintosh@alvarezandmarsal.com

Mr. Douglas R. McIntosh
 Managing Director
 Alvarez & Marsal Canada ULC
 Royal Bank Plaza, South Tower
 Suite 2900, P.O. Box 22
 Toronto, ON M5J 2J1

Dear Mr. McIntosh:

This letter confirms and sets forth the terms and conditions of the engagement between Alvarez & Marsal Canada ULC ("A&M") and Borden Ladner Gervais LLP ("BLG") as counsel to Bank of Montreal (the "Bank" or the "Lender") under the Credit Agreement dated March 27, 2015, between the Bank and Bumper Development Corporation Ltd. and its subsidiaries as Borrower (the "Borrower" or the "Company"), including the scope of the services to be performed and the basis of compensation for those services. The Company is indebted to the Bank and the Bank has discussed with the Company its concerns relating primarily to the Company's financial performance and the effect thereof on the Bank's security position. It has been agreed with the Company that A&M shall be retained as a consultant to BLG to review, report and make recommendations to BLG on the business, assets, affairs and operations of the Company and the Company's financing needs. Upon execution of this letter by all of the parties below, this letter will constitute an agreement between the BLG and A&M that has been consented and agreed to by the Bank and the Company for the benefit of A&M and BLG (the "Agreement").

Although for privilege and confidential reasons this is a retainer agreement between yourself and BLG, the obligation to make payment of your fees and disbursements is that of the Company (guaranteed by the Bank), as more particularly outlined below, and not BLG.

1. Description of Services.

- a. Without limiting the generality of the previous paragraph, A&M's engagement hereunder shall include a review and assessment of the following:

- i. the Company's cash flow forecasts and all assumptions underlying same and the Company's current cash position, short and long term liquidity prospects and cash management protocols;
 - ii. the current business plan of the Company and related financial projections and underlying assumptions and the prospects and viability of the Company;
 - iii. the Company's asset realization efforts to date and the short and long term prospects and strategy for the Company to realize on its assets;
 - iv. the strategic alternatives available to the Bank; and
 - v. any other matters which BLG may from time to time request and to which A&M agrees.
- b. The Company confirms that it has consented to this engagement effective as of the date hereof upon the terms and conditions set out herein and it will provide and require the full co-operation of management, officers, employees, professional advisors and agents of the Company to A&M throughout the term of this engagement. In particular, the Company agrees that:
 - (i) A&M and its employees and agents shall have unrestricted access to the books, records, information (however stored) (such books, records and information sometimes hereinafter collectively referred as "documents"), facilities, assets and premises of the Company and A&M may copy any documents or information provided always that it is expressly understood and agreed that A&M shall not be granted access to documents to which legal privilege attaches. It is further acknowledged and agreed that the Company does not waive nor does it intend to waive privilege and that if A&M comes into possession of any document that it knows is privileged (whether through inadvertence or otherwise), then A&M shall destroy any copies of the document and shall not otherwise disclose such document to any other person;
 - (ii) the Company and its officers, employees and agents shall answer all inquiries fairly, fully and to the best of their ability and they shall provide A&M with any information that it may request with respect to the affairs of the Company;
 - (iii) the Company authorizes A&M to contact the Company's professional advisors, which in A&M's discretion is deemed appropriate in connection with this engagement provided that it



is expressly understood and agreed that such authorization does not constitute a waiver by the Company of privilege;

- (iv) subject to paragraph (i), A&M shall be entitled to provide BLG with copies of all documents, records, reports and information received or prepared by A&M in the course of this engagement and A&M may fully disclose to BLG all matters arising out of A&M's engagement hereunder;
 - (v) the Company authorizes BLG and the Bank to disclose to A&M any information the Bank has concerning the Company, its subsidiaries and affiliates (as defined below) and their respective businesses, assets and affairs;
 - (vi) throughout the course of this engagement, A&M will be reporting to BLG on a regular basis. A&M shall prepare a written report or reports pursuant to this engagement at such times as may be agreed between A&M and BLG. Prior to finalizing A&M's written reports to BLG, A&M will review the facts set out therein, but not any conclusions or recommendations, with one or more representatives from the Company; and
 - (vii) A&M will advise BLG immediately if any situation comes to its attention, which would materially alter the terms of this engagement.
- c. The Company hereby agrees that a material breach of any covenant, condition or other provision of this Agreement shall constitute a default under any and all other credit documents between the Company and the Bank.
 - d. Douglas R. McIntosh and Tim Reid, both Managing Directors of A&M, will be responsible for the overall engagement. It is hereby agreed and acknowledged by all parties to this Agreement that A&M is authorized to use any of its personnel or agents, including appraisers, as A&M, in its sole discretion, considers necessary in the course of its engagement hereunder. In connection with the services to be provided hereunder, from time to time A&M may utilize the services of employees of its affiliates. Such affiliates are wholly owned by A&M's parent company and A&M's employees.

2. Compensation.

- a. The Company hereby agrees and acknowledges that all fees and expenses incurred during the course of this engagement, including any costs or legal fees associated

with court approval or enforcement of this Agreement, shall be for the account of the Company and may be debited directly against the accounts of the Company with the Bank upon the earlier of (a) repayment by the Company of its indebtedness to the Bank, and (b) 5 days after the Bank shall have provided the Company with a copy of the relevant invoice.

- b. The Bank unconditionally and irrevocably guarantees in favour of A&M the punctual payment when due of the existing and future reasonable fees and expenses of any kind of the Company to A&M. The Bank also agrees to pay all costs and expenses incurred by A&M in enforcing its rights against the Company, including the reasonable fees and disbursements of counsel for A&M incurred in connection with such enforcement. Any fees and expenses paid by the Bank pursuant to the foregoing guarantee will constitute further indebtedness under the credit facilities between the Bank and the Company advanced pursuant to a loan agreement dated March 27, 2015, and all preceding loan agreements still in place as amended and restated from time to time (the "Credit Facility") and will be secured in the same manner as the indebtedness owed by the Company to the Bank. The Company hereby confirms and agrees that it is liable to reimburse the Bank for all reasonable fees and expenses and other obligations owed to A&M hereunder associated with the engagement of A&M, which fees, expenses and other obligations shall constitute reimbursable costs and expenses recoverable by the Bank from the Company pursuant to the Credit Facility. The Company agrees to indemnify and save harmless BLG and the Bank with respect to fees and expenses of A&M in carrying out its obligations under this Agreement (including the indemnification provisions attached hereto as Exhibit A). Notwithstanding that the services provided by A&M hereunder are to be provided to BLG in its capacity as counsel to the Bank, A&M acknowledges and agrees that BLG shall have no liability to A&M in respect of any fees, expenses, indemnity obligations or other amounts payable in relation to the engagement of A&M.
- c. A&M will receive fees based on time spent by its employees and agents in connection with this engagement and its standard hourly rates, which may be adjusted from time to time. In addition, A&M will be reimbursed for its reasonable disbursements and expenses incurred in connection with this Agreement. All fees and expenses, including applicable sales or similar taxes, will be billed on a periodic basis to BLG (with a copy to the Company for prompt payment), at A&M's discretion, and payable upon receipt. The Company authorizes the Bank to debit the accounts of the Company for services should the Company not pay within 7 days of A&M rendering such invoice. Such rates shall be subject to the adjustments at such time as A&M adjusts its rates generally. Current hourly rates for our professionals are as follows:

Managing Director	\$675	- \$825
Senior Director	\$575	- \$675
Director	\$450	- \$575



Senior Associate \$350 - \$450
Analyst \$250 - \$350

- d. All provisions in this Section 2 are in addition to any protections or remedies afforded to A&M at law or by statute.

3. Reporting.

A&M shall report directly to BLG or as otherwise requested by BLG. Reports that A&M prepares during the course of this engagement will be maintained in accordance with A&M's retention procedures and shall be prominently labeled "Privileged and Confidential — Solicitor Work Product". A&M recognizes that BLG is A&M's client in this engagement and, both during and after the termination of this engagement, all work that A&M performed in connection with this engagement will be construed as solicitor work product. A&M consents to the distribution of its work product to the Bank and to any other advisor to the Bank on a basis consistent with the terms of this engagement letter, including but not limited to Section 6 hereof.

4. Term.

This engagement will commence as of the date hereof and may be immediately terminated for any reason by either BLG or A&M by giving 10 days' written notice to the other party. In the event of termination, the Bank and the Company acknowledge and agree that any fees and expenses due to A&M shall be remitted promptly (including fees and expenses that accrued prior to but were invoiced subsequent to such termination). In any event, this engagement may be terminated immediately by A&M upon any invoice delivered by A&M remaining outstanding for seven days following delivery of the invoice by A&M.

5. Relationship of the Parties.

The parties intend that an independent contractor relationship will be created by this engagement letter. Neither A&M nor any of its personnel or subcontractors is to be considered an employee or agent of BLG, the Bank or the Company. BLG, the Bank and the Company acknowledge that A&M's engagement shall not constitute an audit, review or compilation, or any other type of financial statement reporting engagement that is subject to generally accepted accounting principles or the rules of any provincial, territorial or national professional or regulatory body. Accordingly, while the information gathered will be reviewed for reasonableness, A&M's work will not necessarily identify any errors or irregularities, if such exist, on the part of the Company or its officers or employees. Furthermore, A&M is entitled to rely on the accuracy and validity of the data disclosed to it or supplied to it by employees and representatives of the Company and BLG. A&M is under no obligation to update data submitted to it or review any other areas unless specifically requested by BLG to do so. Each of BLG, the Bank and the Company agrees and acknowledges that the services to be rendered by A&M may include the assistance in the preparation and review of projections, forecasts and other forward-looking statements, and numerous factors can affect the actual results of the Company's operations, which may materially and adversely differ from those projections, forecasts and other forward-looking statements.

A&M makes no representation or guarantee that any business plan or restructuring alternative is the best course of action. A&M shall not be required to certify any financial statements or information or to provide representations with respect therewith in connection with any audit or securities law disclosure documents. For greater certainty, during the course of this engagement, A&M shall be acting as a consultant to BLG in this matter and A&M shall not be assuming any decision making or other management responsibilities in connection with the affairs of the Company and A&M shall have no responsibility for the affairs of the Company during this engagement. In addition, A&M shall not do anything or perform any act pursuant to which A&M assumes any possession or control of the property, assets, undertakings, premises or operations of the Company for any purpose whatsoever.

It is understood and agreed that notwithstanding this engagement, (a) the remedies available to the Bank under the terms of its agreements with the Company, including the security and guarantees held by the Bank, remain in full force and effect, and (b) none of the existing defaults of the Company are waived and all rights and remedies of the Bank are reserved and preserved. In particular, each of the undersigned acknowledges and agrees that notwithstanding the engagement of A&M hereunder, the Bank has not agreed to forbear or delay from enforcing any of its remedies as against the Company, unless otherwise provided in writing by the Bank.

It is specifically acknowledged that the engagement of A&M hereunder by BLG is not an act of enforcement of security by the Bank and that the Company remains solely responsible for the management and operations of its business during the course of this engagement. It is further acknowledged that the Company shall remain in sole and exclusive possession and control of its property, assets, undertakings and premises during the course of this engagement.

It is also understood and agreed that the Bank may, if it considers same necessary or appropriate, appoint A&M as trustee, receiver, receiver and manager, monitor, or agent for the purpose of realizing upon its security, under any statute or under any court order, and that A&M may (although it is not obligated), if necessary or desirable, accept any such appointment and that, notwithstanding anything in this Agreement to the contrary, including the provisions of Section 7, in the course of any such engagement, A&M may use the information acquired by it under this Agreement.

6. No Third Party Beneficiary.

BLG and the Company acknowledge that all advice (written or oral) and any modeling, analysis or methodologies given or developed by A&M for BLG in connection with this engagement is intended solely for the benefit and use of BLG and the Bank in considering the matters to which this engagement relates. BLG and the Bank and the Company agree that no such advice, modeling, analysis or methodologies shall be used for any other purpose or reproduced, disseminated, quoted or referred to at any time in any manner or for any purpose other than accomplishing the tasks referred to herein without A&M's prior approval (which shall not be unreasonably withheld), except as required by law.

7. Conflicts.

A&M is not currently aware of any relationship that would create a conflict of interest with the Company or those parties-in-interest of which either party has made A&M aware. Because A&M is a consulting firm that serves clients on an international basis in numerous cases, both in and out of court, it is possible that A&M may have rendered or will render services to or have business associations with other entities or people which had or have or may have relationships with the Company, including other creditors of the Company. In the event the terms of this engagement are accepted, A&M will not represent, and A&M has not represented any such entities or people in connection with this matter.

8. Confidentiality.

A&M shall keep as confidential all non-public information received from BLG, the Bank or the Company in conjunction with this engagement, except: (i) confidential information obtained by A&M and delivered to BLG or the Bank in connection with this engagement; or (ii) as directed by the Bank or BLG; or (iii) as required by law; or (iv) as would otherwise be permitted of the Bank under the terms of the Credit Agreement. The Company specifically authorizes A&M to divulge such information pursuant to any court proceeding commenced by or to which BLG, the Bank and/or A&M is a party or in connection with the exercise of any of the Bank's remedies against the Company including, without limitation, enforcing the security held by the Bank from the Company or to any potential assignee of the Bank's debt and security.

9. Non-Solicitation.

The Company, its affiliates and any person (as such term is defined under the Canada Business Corporations Act) which may acquire all or substantially all of its assets, agrees that, until two years subsequent to the termination of this Agreement, it will not solicit, recruit, hire or otherwise engage any employee of A&M or its affiliates who worked on this engagement while employed by A&M or its affiliates ("Solicited Person"). Should the Company, including any of their respective affiliates or any person who acquires all or substantially all of their respective assets, extend an offer of employment to or otherwise engage any Solicited Person and should such offer be accepted, A&M shall be entitled to a fee from the party extending such offer equal to the Solicited Person's hourly client billing rate at the time of the offer multiplied by 4,000 hours for a Managing Director, 3,000 hours for a Senior Director and 2,000 hours for any other A&M employee. The fee shall be payable at the time of the Solicited Person's acceptance of employment or engagement.

10. Indemnification and Limitation of Liability.

The indemnification provisions, attached hereto as Exhibit A, are incorporated herein by reference and the termination of this Agreement or this engagement shall not affect those provisions, which shall survive termination provided always that it is expressly understood and agreed that upon indefeasible repayment (the date of such repayment hereinafter referred to as the "Repayment Date") in full by the Company to the Bank of all loan balances then outstanding that

the Bank will discharge and release all security it may then hold from the Company in connection with the Credit Agreement. Furthermore, all those provisions contained in Exhibit A are in addition to any protections or remedies afforded to A&M at law or by statute. The Bank hereby guarantees all payments and obligations due by the Company in connection with such indemnification provisions. Any obligations of the Company paid by the Bank pursuant to the foregoing guarantee will constitute further indebtedness under the Credit Facility and up to the Repayment Date will be secured in the same manner as the indebtedness owed by the Company to the Bank under the Credit Facility or otherwise.

As to the services BLG has requested and A&M has agreed to provide as set forth in this Agreement, the total aggregate liability of A&M under this Agreement to BLG, the Bank and its successors and assigns, shall be limited to the actual damages incurred by BLG, the Bank or its successors or assigns, respectively. In no event will A&M or any of its affiliates be liable to BLG, the Bank or their successors or assigns for consequential, special or punitive damages, including loss of profit, data, business or goodwill. In no event shall A&M incur any liability to the Company (including its estates), its successors and assigns. The Bank also agrees that A&M shall not have any liability (whether direct or indirect, in contract or tort or otherwise) to the Bank for or in connection with the engagement of A&M, except to the extent for any such liability for losses, claims, damages, liabilities or expenses that are found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted primarily and directly from A&M's gross negligence or willful misconduct. Notwithstanding the foregoing, the Company acknowledges that A&M, as advisor to BLG is not providing any services to the Company and accordingly owes no duty to the Company.

11. Miscellaneous.

This Agreement (together with the attached indemnity provisions): (a) shall be governed and construed in accordance with the laws of the Province of Alberta applicable therein without giving effect to such province's rules concerning conflicts of laws that might provide for any other choice of law; (b) incorporates the entire understanding of the parties with respect to the subject matter hereof; (c) may not be amended or modified except in writing executed by all parties hereto; (d) may be executed by facsimile or .pdf and in counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same agreement; and (e) notwithstanding anything herein to the contrary, A&M may reference or list BLG's, the Bank's and/or the Company's name and/or a general description of the services in A&M's marketing materials, including, without limitation, on A&M's website.

The remainder of this page is intentionally left blank.



A&M acknowledges that this Agreement may need to be revised to comply with the Bank's internal vendor risk management policies and procedures, and A&M agrees that it will negotiate in good faith with the Bank to incorporate any such provisions reasonably acceptable to A&M into this Agreement or as a supplement hereto and comply with any requirements related thereto. If the foregoing is acceptable to you, kindly sign the enclosed copy to acknowledge your agreement with its terms.

If the foregoing is acceptable to you, kindly sign the enclosed copy to acknowledge your agreement with its terms.

BORDEN LADNER GERVAIS LLP

Per: 

Robyn Gurofsky, Partner
Legal Counsel to Bank of Montreal

Accepted and agreed:

BUMPER DEVELOPMENT CORPORATION LTD.

By: 

[Name and Title of Sr. Executive]

James Keough

Vice-President & CFO

Bumper Development Corporation Ltd.

ALVAREZ & MARSAL CANADA ULC

By: 

~~Douglas R. McIntosh~~ Tim Reid

Title: Managing Director



A&M acknowledges that this Agreement may need to be revised to comply with the Bank's internal vendor risk management policies and procedures, and A&M agrees that it will negotiate in good faith with the Bank to incorporate any such provisions reasonably acceptable to A&M into this Agreement or as a supplement hereto and comply with any requirements related thereto. If the foregoing is acceptable to you, kindly sign the enclosed copy to acknowledge your agreement with its terms.

If the foregoing is acceptable to you, kindly sign the enclosed copy to acknowledge your agreement with its terms.

BORDEN LADNER GERVAS LLP

Per: _____

Robyn Gurofsky, Partner
Legal Counsel to Bank of Montreal

Accepted and agreed:

BUMPER DEVELOPMENT CORPORATION LTD.

By: _____
[Name and Title of Sr. Executive]

ALVAREZ & MARSAL CANADA ULC

By: _____
Tim Reid
Title: Managing Director

EXHIBIT A**Indemnity Provisions**

- A. The Company agrees to indemnify and hold harmless each of A&M, its affiliates and their respective shareholders, managers, members, employees, agents, representatives and subcontractors (each, an "**Indemnified Party**" and collectively, the "**Indemnified Parties**") against any and all losses, claims, damages, liabilities, penalties, obligations, disbursements and expenses, including the costs (fees and disbursements) for counsel or others (including employees of A&M, based on their then current hourly billing rates) in investigating, preparing or defending any action or claim, whether or not in connection with litigation in which any Indemnified Party is a party, or enforcing the Agreement (including these indemnity provisions), as and when incurred, caused by, relating to, based upon or arising out of (directly or indirectly) the Indemnified Parties' acceptance of or the performance or nonperformance of their obligations under the Agreement; provided, however, such indemnity shall not apply to any such loss, claim, damage, liability or expense to the extent it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted primarily and directly from such Indemnified Party's gross negligence or willful misconduct. The Company also agrees that no Indemnified Party shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the Company for or in connection with the engagement of A&M, except to the extent for any such liability for losses, claims, damages, liabilities or expenses that are found in a final judgment by a court of competent jurisdiction (not subject to further appeal) to have resulted primarily and directly from such Indemnified Party's gross negligence or willful misconduct. The Company further agrees that it will not, without the prior consent of an Indemnified Party, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action, suit or proceeding in respect of which such Indemnified Party seeks indemnification hereunder (whether or not such Indemnified Party is an actual party to such claim, action, suit or proceeding) unless such settlement, compromise or consent includes an unconditional release of such Indemnified Party from all liabilities arising out of such claim, action, suit or proceeding.
- B. These indemnification provisions shall be in addition to any liability which the Company may otherwise have to the Indemnified Parties. In the event that, at any time whether before or after termination of the engagement or the Agreement, as a result of or in connection with the Agreement or A&M's and its personnel's role under the Agreement, A&M or any Indemnified Party is required to produce any of its personnel (including former employees) or for examination, discovery, deposition or other written, recorded or oral presentation, or A&M or any of its personnel (including former employees) or any other Indemnified Party is required to produce or otherwise review, compile, submit, duplicate, search for, organize or report on any material within such Indemnified Party's possession or control pursuant to a subpoena or other legal (including administrative) process, the Company and the Bank will reimburse the Indemnified Party for its out of pocket expenses, including the reasonable fees and expenses of its counsel, and will compensate the Indemnified Party for the time expended by its personnel based on such personnel's then current hourly rate.
- C. If any action, proceeding or investigation is commenced to which any Indemnified Party proposes to demand indemnification hereunder, such Indemnified Party will notify the Company with reasonable promptness; provided, however, that any failure by such Indemnified Party to notify the Company will not relieve the Company from its obligations hereunder, except to the extent that such failure shall have actually prejudiced the defense of such action. The Company shall

promptly pay expenses reasonably incurred by any Indemnified Party in defending, participating in, or settling any action, proceeding or investigation in which such Indemnified Party is a party or is threatened to be made a party or otherwise is participating in by reason of the engagement under the Agreement, upon submission of invoices therefor, whether in advance of the final disposition of such action, proceeding, or investigation or otherwise. Each Indemnified Party hereby undertakes, and the Company hereby accepts its undertaking, to repay any and all such amounts so advanced if it shall ultimately be determined that such Indemnified Party is not entitled to be indemnified therefor. If any such action, proceeding or investigation in which an Indemnified Party is a party is also against the Company, the Company may, in lieu of advancing the expenses of separate counsel for such Indemnified Party, provide such Indemnified Party with legal representation by the same counsel who represents the Company, provided such counsel is reasonably satisfactory to such Indemnified Party, at no cost to such Indemnified Party; provided, however, that if such counsel or counsel to the Indemnified Party shall determine that due to the existence of actual or potential conflicts of interest between such Indemnified Party and the Company such counsel is unable to represent both the Indemnified Party and the Company, then the Indemnified Party shall be entitled to use separate counsel of its own choice, and the Company shall promptly advance its reasonable expenses of such separate counsel upon submission of invoices therefor. Nothing herein shall prevent an Indemnified Party from using separate counsel of its own choice at its own expense. The Company will be liable for any settlement of any claim against an Indemnified Party made with the Company's written consent, which consent shall not be unreasonably withheld.

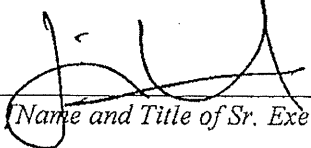
- D. In order to provide for just and equitable contribution if a claim for indemnification pursuant to these indemnification provisions is made but it is found in a final judgment by a court of competent jurisdiction (not subject to further appeal) that such indemnification may not be enforced in such case, even though the express provisions hereof provide for indemnification, then the relative fault of the Company, on the one hand, and the Indemnified Parties, on the other hand, in connection with the statements, acts or omissions which resulted in the losses, claims, damages, liabilities and costs giving rise to the indemnification claim and other relevant equitable considerations shall be considered; and further provided that in no event will the Indemnified Parties' aggregate contribution for all losses, claims, damages, liabilities and expenses with respect to which contribution is available hereunder exceed the amount of fees actually received by the Indemnified Parties pursuant to the Agreement. No person found liable for a fraudulent misrepresentation shall be entitled to contribution hereunder from any person who is not also found liable for such fraudulent misrepresentation.
- E. In the event the Company and A&M seek judicial approval for the assumption of the Agreement or authorization to enter into a new engagement agreement pursuant to either of which A&M would continue to be engaged by BLG, the Company shall promptly pay expenses reasonably incurred by the Indemnified Parties, including attorneys' fees and expenses, in connection with any motion, action or claim made either in support of or in opposition to any such retention or authorization, whether in advance of or following any judicial disposition of such motion, action or claim, promptly upon submission of invoices therefor and regardless of whether such retention or authorization is approved by any court. The Company will also promptly pay the Indemnified Parties for any expenses reasonably incurred by them, including attorneys' fees and expenses, in seeking payment of all amounts owed to it under the Agreement (or any new engagement agreement) whether through submission of a fee application or in any other manner, without offset, recoupment or counterclaim, whether as a secured claim, an administrative expense claim, an unsecured claim, a prepetition claim or a postpetition claim.



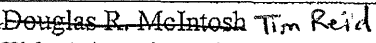
- F. Neither termination of the Agreement nor termination of A&M's engagement nor the filing of a petition or application under the Companies' Creditors Arrangement Act or the Bankruptcy and Insolvency Act (Canada) (nor the conversion of an existing case to a different form of proceeding, including a receivership) shall affect these indemnification provisions, which shall hereafter remain operative and in full force and effect.
- G. The rights provided herein shall not be deemed exclusive of any other rights to which the Indemnified Parties may be entitled under the certificate of incorporation or by-laws of the Company, any policy of insurance, any other agreements, any vote of shareholders or disinterested directors of the Company, any applicable law or otherwise.

Accepted and agreed:

BUMPER DEVELOPMENT CORPORATION LTD.

By:  James Keough
(Name and Title of Sr. Executive) Vice-President & CFO
 Bumper Development Corporation Ltd.

ALVAREZ & MARSAL CANADA ULC

By: 
 Douglas R. McIntosh Tim Reid
 Title: Managing Director


- F. Neither termination of the Agreement nor termination of A&M's engagement nor the filing of a petition or application under the Companies' Creditors Arrangement Act or the Bankruptcy and Insolvency Act (Canada) (nor the conversion of an existing case to a different form of proceeding, including a receivership) shall affect these indemnification provisions, which shall hereafter remain operative and in full force and effect.
- G. The rights provided herein shall not be deemed exclusive of any other rights to which the Indemnified Parties may be entitled under the certificate of incorporation or by-laws of the Company, any policy of insurance, any other agreements, any vote of shareholders or disinterested directors of the Company, any applicable law or otherwise.

Accepted and agreed:

BUMPER DEVELOPMENT CORPORATION LTD.

By: _____
[Name and Title of Sr. Executive]

ALVAREZ & MARSAL CANADA ULC


 By: _____
 Tim Reid
 Title: Managing Director

SCHEDULE C
CONSENT RECEIVERSHIP ORDER

COURT FILE NUMBER **1501-**
BK No.
 COURT COURT OF QUEEN'S BENCH OF
 ALBERTA
 IN BANKRUPTCY AND INSOLVENCY
 JUDICIAL CENTRE Calgary
 PLAINTIFF **BANK OF MONTREAL**
 DEFENDANTS **BUMPER DEVELOPMENT
 CORPORATION LTD. and BUMPER
 DEVELOPMENT CORPORATION**
 DOCUMENT **RECEIVERSHIP ORDER**

Clerk's Stamp

ADDRESS FOR SERVICE AND
 CONTACT INFORMATION OF
 PARTY FILING THIS
 DOCUMENT

Robyn Gurofsky
 Borden Ladner Gervais LLP
 1900, 520 3rd Ave. S.W.
 Calgary, AB T2P 0R3
 Telephone: (403) 232-9774
 Facsimile: (403) 266-1395
 Email: RGurofsky@blg.com
 File No. 407500/000141

DATE ON WHICH ORDER WAS PRONOUNCED: _____

LOCATION WHERE ORDER WAS PRONOUNCED: _____

NAME OF JUSTICE WHO MADE THIS ORDER: _____

UPON the application of Bank of Montreal (the "**Bank**") in respect of Bumper Development Corporation Ltd. and Bumper Development Corporation (together the "**Debtors**"); AND UPON having read the Application, the Affidavit of _____, filed; AND UPON reading the consent of _____ to act as receiver and receiver and manager ("**Receiver**") of the Debtors, filed; AND UPON noting the consent endorsed hereon of counsel

- 2 -

to the Debtors; **AND UPON** hearing counsel for the Bank and any other counsel in attendance at the Application;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. The time for service of the notice of application for this order is hereby abridged and service thereof is deemed good and sufficient.

APPOINTMENT

2. Pursuant to section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 ("BIA"), and sections 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2, 99(a) of the *Business Corporations Act*, R.S.A. 2000, c.B-9, and 65(7) of the *Personal Property Security Act*, R.S.A. 2000, c.P-7 _____ is hereby appointed Receiver, without security, of all of the Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- 3 -

- (c) to manage, operate and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part other business, or cease to perform any contracts of the Debtors;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court.

- 4 -

- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate.
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$500,000, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 shall not be required.
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to

- 5 -

enter into occupation agreements for any property owned or leased by the Debtors;

- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

- 4. (i) The Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependant on maintaining possession) to the Receiver upon the Receiver's request.
- 5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall

- 6 -

require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. No Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a

- 7 -

proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph 8; and (ii) affect a Regulatory Body's investigation in respect of the Debtors or an action, suit or proceeding that is taken in respect of the Debtors by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "**Regulatory Body**" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a province.

NO EXERCISE OF RIGHTS OF REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" (as defined in the BIA), and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all

- 8 -

computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and this Court directs that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

13. Subject to employees' rights to terminate their employment, all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under

- 9 -

sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47 (“WEPPA”).

14. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “Sale”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
 - (i) before the Receiver's appointment; or
 - (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage

- 10 -

affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,

(i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:

A. complies with the order, or

B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;

(ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,

A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or

B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or

(iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

LIMITATION ON THE RECEIVER'S LIABILITY

16. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation

- 11 -

that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

RECEIVER'S ACCOUNTS

17. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the **"Receiver's Charge"**) on the Property, as security for such fees and disbursements, incurred both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA.
18. The Receiver and its legal counsel shall pass their accounts from time to time.
19. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$ _____ (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property

- 12 -

shall be and is hereby charged by way of a fixed and specific charge (the “**Receiver's Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

21. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
22. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule “A” hereto (the “**Receiver's Certificates**”) for any amount borrowed by it pursuant to this Order.
23. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

24. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property.

GENERAL

25. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
26. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence.

- 13 -

27. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.
28. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
29. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
30. The Plaintiff shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.
31. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

FILING

32. This Order is issued and shall be filed in Court of Queen's Bench Action No. _____, and Court of Queen's Bench in Bankruptcy Action No. _____, which actions are not consolidated. All further proceedings shall be taken in both actions unless otherwise ordered.

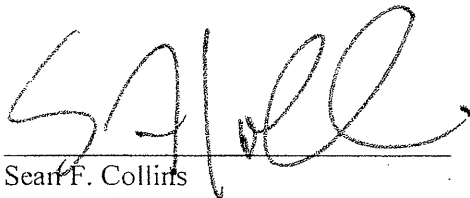
- 14 -

33. The Receiver shall establish and maintain a website in respect of these proceedings at _____ and shall post there as soon as practicable:
- (a) all materials prescribed by statute or regulation to be made publically available; and
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

Justice of the Court of Queen's Bench of Alberta

FORM AND CONTENT CONSENTED TO THIS 30th DAY OF June, 2015

MCCARTHY TETRAULT LLP



Sean F. Collins
Counsel for Bumper Development Corporation Ltd.
and Bumper Development Corporation

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that _____, the receiver and receiver and manager (the "Receiver") of all of the assets, undertakings and properties of BUMPER DEVELOPMENT CORPORATION LTD. and BUMPER DEVELOPMENT CORPORATION appointed by Order of the Court of Queen's Bench of Alberta and Court of Queen's Bench of Alberta in Bankruptcy and Insolvency (collectively, the "Court") dated the ____ day of _____, _____ (the "Order") made in action numbers _____, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily] [monthly not in advance on the ____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at ●.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property) as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

_____,
solely in its capacity as Receiver of the
Property (as defined in the Order), and not in
its personal capacity

Per: _____
Name: _____
Title: _____

SCHEDULE D
ACKNOWLEDGMENT AND WAIVER

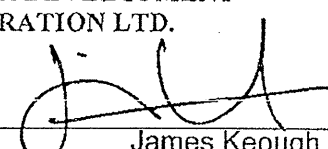
ACKNOWLEDGEMENT AND WAIVER

BUMPER DEVELOPMENT CORPORATION LTD. and BUMPER DEVELOPMENT CORPORATION (together referred to herein as the "Debtors") hereby acknowledge and agree that they may receive a Notice of Intention to Enforce Security (the "Notice of Intention") pursuant to s. 244(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") from Bank of Montreal (the "Bank") in respect of the security granted by the Debtors, or any of them, to the Bank, such security including but not limited to, the security referred to in the Notice of Intention, as well as the security contained in the various security agreements and forbearance agreements granted by the Debtors or certain of them to the Bank from time to time.

Further, the Debtors, with full knowledge and understanding of the effect of s. 244 of the BIA and having had the advice of independent legal counsel, hereby waive any notice required pursuant to the BIA, or otherwise, and consent to the immediate enforcement by the Bank, including by way of the immediate appointment of an agent, receiver and/or receiver and manager, of all security held by the Bank as referred to herein.

DATED at Calgary, Alberta this _____ day of _____, 2015.

BUMPER DEVELOPMENT
CORPORATION LTD.

Per:  c/s

Print Name: James Keough

Title: Vice-President & CFO

I am authorized to bind the company

BUMPER DEVELOPMENT
CORPORATION

Per:  c/s

Print Name: James Keough

Title: Treasurer

I am authorized to bind the company

SCHEDULE E
CONSENT ORDER LIFTING STAY

COURT FILE NUMBER COURT 1501- COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE Calgary

Clerk's Stamp

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

**AND IN THE MATTER OF THE
BUSINESS CORPORATIONS ACT, R.S.A.
2000, c. B-9;**

**AND IN THE MATTER OF
BUMPER DEVELOPMENT
CORPORATION LTD. and BUMPER
DEVELOPMENT CORPORATION**

DOCUMENT **CONSENT ORDER: LIFT STAY**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Robyn Gurofsky
Borden Ladner Gervais LLP
1900, 520 3rd Ave. S.W.
Calgary, AB T2P 0R3
Telephone: (403) 232-9774
Facsimile: (403) 266-1395
Email: RGurofsky@blg.com
File No. 407500/000141

DATE ON WHICH ORDER WAS PRONOUNCED: _____

LOCATION WHERE ORDER WAS PRONOUNCED: _____

NAME OF JUSTICE WHO MADE THIS ORDER: _____

UPON the application of Bank of Montreal (the "Bank"), in respect of Bumper Development Corporation Ltd. and Bumper Development Corporation (together the "Debtors"); AND UPON having read the Application and Affidavit of _____, filed; AND UPON noting the consent of counsel for the Debtors endorsed hereon; AND UPON hearing the submissions of counsel for the Bank and any other parties in attendance;

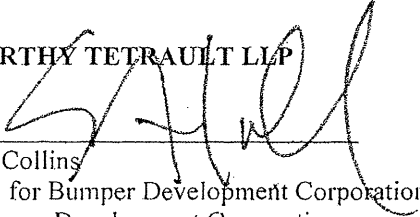
IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of notice of this application is abridged and service thereof is deemed good and sufficient;
2. The stay of proceedings obtained in the filing by or in respect of the Debtors pursuant to the provisions of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, is lifted and shall have no application as against the Bank and the Bank is granted leave to proceed to enforce any and all security, remedies, judgments or other awards it may have in respect of the Debtors' loan and related obligations to the Bank, including but not limited to an application to appoint a receiver, receiver and manager of the Debtors.

Justice of the Court of Queen's Bench of Alberta

FORM AND CONTENT CONSENTED TO THIS 2nd DAY OF June, 2015

MCCARTHY TETRAULT LLP


Sean F. Collins
Counsel for Bumper Development Corporation Ltd.
and Bumper Development Corporation

COURT FILE NUMBER 1501-
 BK No.
 COURT COURT OF QUEEN'S BENCH OF
 ALBERTA
 IN BANKRUPTCY AND INSOLVENCY
 JUDICIAL CENTRE Calgary
 IN THE MATTER OF BUMPER
 DEVELOPMENT CORPORATION LTD.
 and BUMPER DEVELOPMENT
 CORPORATION
 DOCUMENT **CONSENT ORDER: LIFT STAY**

Clerk's Stamp

ADDRESS FOR SERVICE AND
 CONTACT INFORMATION OF
 PARTY FILING THIS
 DOCUMENT
 Robyn Gurofsky
 Borden Ladner Gervais LLP
 1900, 520 3rd Ave. S.W.
 Calgary, AB T2P 0R3
 Telephone: (403) 232-9774
 Facsimile: (403) 266-1395
 Email: RGurofsky@blg.com
 File No. 407500/000141

DATE ON WHICH ORDER WAS PRONOUNCED: _____

LOCATION WHERE ORDER WAS PRONOUNCED: _____

NAME OF JUSTICE WHO MADE THIS ORDER: _____

UPON the application of Bank of Montreal (the "**Bank**"), in respect of Bumper Development Corporation Ltd. and Bumper Development Corporation (together the "**Debtors**"); AND UPON having read the Application and Affidavit of _____, filed; AND UPON noting the consent of counsel for the Debtor endorsed hereon; AND UPON hearing the submissions of counsel for the Bank and any other parties in attendance;

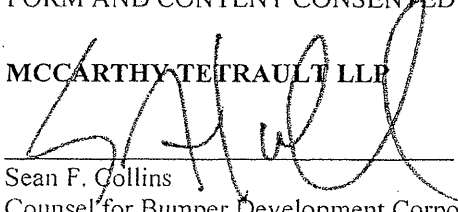
IT IS HEREBY ORDERED AND DECLARED THAT:

1. The time for service of notice of this application is abridged and service thereof is deemed good and sufficient;
2. The stay of proceedings obtained in the filing by or in respect of the Debtors pursuant to the provisions of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, is lifted and shall have no application as against the Bank and the Bank is granted leave to proceed to enforce any and all security, remedies, judgments or other awards it may have in respect of the Debtors' loan and related obligations to the Bank, including but not limited to an application to appoint a receiver, receiver and manager of the Debtors.

Justice of the Court of Queen's Bench of Alberta

FORM AND CONTENT CONSENTED TO THIS 30th DAY OF June, 2015

MCCARTHY TETRAULT LLP



Sean F. Collins

Counsel for Bumper Development Corporation Ltd.
and Bumper Development Corporation

6

SCHEDULE F
CASH FLOW STATEMENTS

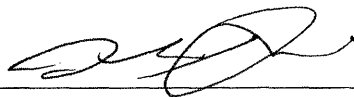
Bumper Development Corporation Ltd.

13-Week Cash Flow Forecast

SCAD 000's

Week Beginning Date	Week 4 25-May-15	Week 5 01-Jun-15	Week 6 08-Jun-15	Week 7 15-Jun-15	Week 8 22-Jun-15	Week 9 29-Jun-15	Week 10 06-Jul-15	Week 11 13-Jul-15	Week 12 20-Jul-15	Week 13 27-Jul-15	Week 14 03-Aug-15	Week 15 10-Aug-15	Week 16 17-Aug-15	Week 17 24-Aug-15	Week 18 31-Aug-15	Week 19 07-Sep-15	Week 20 14-Sep-15	Week 21 21-Sep-15
Operating receipts																		
Nature Gas	1,289,872				1,355,876				1,200,000					1,200,000				
Oil	222,168				230,826				200,000					200,000				
Other	35,507	1,139	10,433	23,147	1,604	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Total operating receipts	1,547,547	1,139	10,433	23,147	1,588,306	15,000	15,000	15,000	1,415,000	15,000	15,000	15,000	15,000	1,415,000	15,000	15,000	15,000	15,000
Operating Disbursements																		
Royalties - GORR and Freehold			93,799				35,000			178,973		35,000			20,000	35,000		
Royalties - Crown						13,264												
G&A	179,207	8,083	118,433	61,664	153,253	160,000	32,000	160,000	32,000	160,000	32,000	160,000	32,000	32,000	160,000	32,000	160,000	32,000
Rent	23,970				27,833					27,833					27,833			
Operating Costs	295,952	62,425		23,217	920,355	120,000			500,000	120,000				500,000	120,000			
Property tax						50,000			50,000									
Capital Expenditures															50,000			
Transportation			214,214				215,000					215,000					215,000	
Interest (prime + 250 bps)	66,835					80,742				53,000					53,000			
GST	-364,222	342,473	40,050	90,356	-974,615													
Change in outstanding cheques					1,030,281													
Outstanding cheques at end of week	207,341	412,981	466,495	175,240	126,826	1,454,237	282,000	160,000	542,000	539,806	32,000	410,000	32,000	582,000	380,833	67,800	375,000	32,000
Total operating disbursements	207,341	412,981	466,495	175,240	126,826	1,454,237	282,000	160,000	542,000	539,806	32,000	410,000	32,000	582,000	380,833	67,800	375,000	32,000
Net change in cash from operations	1,340,206	-411,842	-456,062	-152,093	1,461,480	-1,438,287	-267,000	-145,000	833,000	-524,806	-17,000	-395,000	-17,000	833,000	-365,833	-52,000	-360,000	-17,000
Non-operating disbursements/(receipts)																		
transfer to SUS account					20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Contingent disbursements	0	0	0	0	0	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Total non-operating disbursements/(receipts)	0	0	0	0	0	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Non-operating receipts																		
Asset sales/repayments:																		
Tamarac																		
Phase 1 & 3																		
Reverlogix			140,000		60,000		75,000		75,000									
BISAS/ININ																		
Flejet																		
Other																		
Total net change in cash flow	1,340,206	-411,842	-316,062	-152,093	1,521,480	-1,458,287	-212,000	-185,000	888,000	-44,806	-174,000	-415,000	-37,000	813,000	-385,833	-72,000	-380,000	-37,000
Opening revolving line/chequing	747,040	2,087,245	1,675,404	1,359,342	1,207,248	2,728,728	1,269,441	1,057,441	892,441	1,780,441	1,735,635	1,561,635	1,146,635	1,109,635	1,922,635	1,536,802	1,464,802	1,047,802
(Draw)/repayment	1,340,206	-411,842	-316,062	-152,093	1,521,480	-1,458,287	-212,000	-185,000	888,000	-44,806	-174,000	-415,000	-37,000	813,000	-385,833	-72,000	-380,000	-37,000
Loan conversion to Prime/US base																		
Closing Revolving line/chequing balance	2,087,245	1,675,404	1,359,342	1,207,248	2,728,728	1,269,441	1,057,441	892,441	1,780,441	1,735,635	1,561,635	1,146,635	1,109,635	1,922,635	1,536,802	1,464,802	1,047,802	1,047,802
Revolving line/chequing	2,087,245	1,675,404	1,359,342	1,207,248	2,728,728	1,269,441	1,057,441	892,441	1,780,441	1,735,635	1,561,635	1,146,635	1,109,635	1,922,635	1,536,802	1,464,802	1,047,802	1,047,802
Interest only	-49,000,000	-49,000,000	-49,000,000	-49,000,000	-49,000,000	-49,000,000	(49,000,000)	(49,000,000)	(49,000,000)	(49,000,000)	(16,225,000)	(7,425,000)	(7,425,000)	(7,425,000)	2,575,000	2,575,000	2,575,000	2,575,000
Letters of Credit	-171,000	-171,000	-171,000	-171,000	-171,000	-171,000	-171,000	-171,000	-171,000	-171,000	-171,000	-171,000	-171,000	-171,000	-171,000	-171,000	-171,000	-171,000
Mastercard	-47,083,755	-47,495,596	-47,811,658	-47,963,752	-48,442,272	-47,901,559	-48,113,559	-48,278,559	-47,390,559	-14,680,365	-14,734,365	-6,349,365	-6,386,365	-5,573,365	4,040,802	3,968,802	3,588,802	3,551,802
Total Credit facility	-47,083,755	-47,495,596	-47,811,658	-47,963,752	-48,442,272	-47,901,559	-48,113,559	-48,278,559	-47,390,559	-14,680,365	-14,734,365	-6,349,365	-6,386,365	-5,573,365	4,040,802	3,968,802	3,588,802	3,551,802

This is Exhibit "K" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AGREEMENT AMENDMENT

THIS FORBEARANCE AGREEMENT is made as of the 29th day of July, 2015.

AMONG

Bank of Montreal ("BMO")

- and -

Bumper Development Corporation Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Borrower**")

- and -

Bumper Development Corporation, a wholly owned subsidiary corporation of the Borrower and incorporated under the laws of Delaware (the "**Guarantor**")

RECITALS:

- A. BMO, the Borrower, and the Guarantor are parties to a Forbearance Agreement dated June 30, 2015 (the "**Forbearance Agreement**");
- B. The Forbearance Period established pursuant to the Forbearance Agreement is set to expire on July 30, 2015;
- C. The Borrower remains in default of its obligations to BMO under the Credit Agreement, the BMO Security and the Forbearance Agreement;
- D. The Borrower has requested and BMO is prepared to provide an extension under the Forbearance Agreement to allow the Borrower time to close the sale of assets by the Borrower to Luxxoil Canada Ltd. ("**Luxxoil**") contemplated in the Forbearance Agreement;
- E. Without waiving any rights, BMO is prepared to amend the Forbearance Agreement and the Forbearance Agreement is hereby amended on the terms and conditions more particularly outlined herein;

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

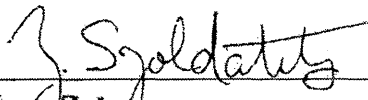
- 1. All capitalized terms not defined herein shall have the meaning ascribed to them in the Forbearance Agreement.

2. Subject to the terms and conditions outlined in the Forbearance Agreement and this Forbearance Amendment Agreement (the "**Amendment Agreement**"), BMO is prepared to extend the Forbearance Period to August 7, 2015 (the "**Amended Forbearance Period**") on which date all BMO Indebtedness is to be repaid in full, subject to paragraph 3 of this Amendment Agreement.
3. The Amended Forbearance Period shall be extended to August 30, 2015 (the "**Automatic Extended Forbearance Period**"), without further written agreement between the parties if the Borrower's contemplated sale transaction to Luxxoil closes on or before July 30, 2015.
4. In addition to the Events of Default listed in article 3.05 of the Forbearance Agreement, an Event of Default shall occur if during the Forbearance Period, the Borrower, contrary to the advice it gave to BMO on or about July 28, 2015, pays severance or termination pay to any of its employees.
5. The Borrower acknowledges and represents that it is executing this Amendment Agreement voluntarily and having regard to its financial position and has consulted its legal counsel and received independent legal advice as to the nature and effect of this Amendment Agreement.
6. This Amendment Agreement is to form part of all previous agreements between the parties respecting the Credit Agreement, including the Forbearance Agreement, and the terms of the Forbearance Agreement, unless amended by this Amendment Agreement, shall continue in full force and effect. Any changes or variations made to this Amendment Agreement are only effective if made in writing and signed by all parties.
7. This Agreement may be executed in counterparts and delivered via telecopy (with an original to follow by ordinary post), and all counterparts, when taken together, shall constitute one Agreement.

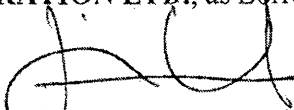
The remainder of this page is intentionally left blank.

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

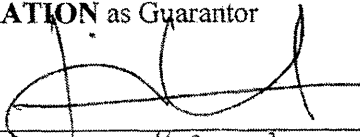
BANK OF MONTREAL

Per: 
Name: Zoltan J. Szoldatits
Title: Managing Director

**BUMPER DEVELOPMENT
CORPORATION LTD., as Borrower**

Per: 
Name: James Keough
Title: V.P. Finance & CFO

**BUMPER DEVELOPMENT
CORPORATION as Guarantor**

Per: 
Name: James Keough
Title: Treasurer

This is Exhibit "L" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AGREEMENT SECOND AMENDMENT

THIS FORBEARANCE AGREEMENT is made as of the 6th day of August, 2015.

AMONG

Bank of Montreal ("BMO")

- and -

Bumper Development Corporation Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Borrower**")

- and -

Bumper Development Corporation, a wholly owned subsidiary corporation of the Borrower and incorporated under the laws of Delaware (the "**Guarantor**")

RECITALS:

- A. BMO, the Borrower, and the Guarantor are parties to a Forbearance Agreement dated June 30, 2015 and a Forbearance Agreement Amendment dated July 29, 2015 (together the "**Forbearance Agreement**");
- B. The Forbearance Period established pursuant to the Forbearance Agreement is set to expire on August 7, 2015;
- C. The Borrower remains in default of its obligations to BMO under the Credit Agreement, the BMO Security and the Forbearance Agreement;
- D. The Borrower has requested and BMO is prepared to provide an extension under the Forbearance Agreement on the terms and conditions outlined herein;
- E. Without waiving any rights, BMO is prepared to amend the Forbearance Agreement and the Forbearance Agreement is hereby amended on the terms and conditions more particularly outlined herein;

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

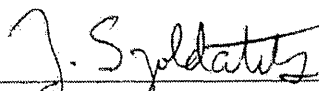
1. All capitalized terms not defined herein shall have the meaning ascribed to them in the Forbearance Agreement.

2. Subject to the terms and conditions outlined in the Forbearance Agreement and this Second Amended Forbearance Agreement (the "**Second Amendment**"), BMO is prepared to extend the Forbearance Period to August 27, 2015 (the "**Second Amended Forbearance Period**") on which date all BMO Indebtedness is to be repaid in full, subject to paragraph 3 of this Second Amendment.
3. Upon the release of \$3.5 million (net of costs) to the Borrower pursuant to the Purchase and Sale Agreement between the Borrower and Luxxoil and the Escrow Agreement related thereto, the Borrower shall immediately deliver the \$3.5 million (net of costs) to BMO to permanently reduce the outstanding BMO Indebtedness. Should the Borrower fail to deliver the \$3.5 million (net of costs) as aforesaid upon receipt from the Escrow Agent, the Second Amended Forbearance Period shall terminate and BMO shall be entitled to immediately enforce any and all rights it may have against the Borrower, notwithstanding paragraph 2 hereof.
4. The Borrower acknowledges and represents that it is executing this Amendment Agreement voluntarily and having regard to its financial position and has consulted its legal counsel and received independent legal advice as to the nature and effect of this Amendment Agreement.
5. This Amendment Agreement is to form part of all previous agreements between the parties respecting the Credit Agreement, including the Forbearance Agreement, and the terms of the Forbearance Agreement, unless amended by this Second Amendment, shall continue in full force and effect. Any changes or variations made to this Second Amendment are only effective if made in writing and signed by all parties.
6. This Agreement may be executed in counterparts and delivered via telecopy (with an original to follow by ordinary post), and all counterparts, when taken together, shall constitute one Agreement.

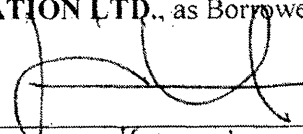
The remainder of this page is intentionally left blank.

IN WITNESS WHEREOF the parties hereto have executed this Second Amendment as of the date first written above.

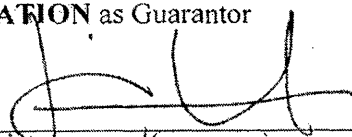
BANK OF MONTREAL

Per: 
Name: Zoltan J. Szoldatits
Title: Managing Director

**BUMPER DEVELOPMENT
CORPORATION LTD., as Borrower**

Per: 
Name: James Keough
Title: V.P. Finance

**BUMPER DEVELOPMENT
CORPORATION as Guarantor**

Per: 
Name: James Keough
Title: Treasurer

This is Exhibit "M" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AGREEMENT THIRD AMENDMENT

THIS FORBEARANCE AGREEMENT is made as of the ____ day of August, 2015.

AMONG:

Bank of Montreal ("BMO")

- and -

Bumper Development Corporation Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Borrower**")

- and -

Bumper Development Corporation, a wholly owned subsidiary corporation of the Borrower and incorporated under the laws of Delaware (the "**Guarantor**")

RECITALS:

A. BMO, the Borrower, and the Guarantor are parties to a Forbearance Agreement dated June 30, 2015, a Forbearance Agreement Amendment dated July 29, 2015 and a Second Forbearance Agreement Amendment dated August 6, 2015 (together the "**Forbearance Agreement**");

B. The Forbearance Period established pursuant to the Forbearance Agreement is set to expire on August 27, 2015;

C. The Borrower remains in default of its obligations to BMO under the Credit Agreement, the BMO Security and the Forbearance Agreement;

D. The Borrower has requested and BMO is prepared to provide an extension under the Forbearance Agreement on the terms and conditions outlined herein;

E. Without waiving any rights, BMO is prepared to amend the Forbearance Agreement and the Forbearance Agreement is hereby amended on the terms and conditions more particularly outlined herein;

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

1. All capitalized terms not defined herein shall have the meaning ascribed to them in the Forbearance Agreement.

2. Subject to the terms and conditions outlined in the Forbearance Agreement and this Third Amended Forbearance Agreement (the “**Third Amendment**”), BMO is prepared to extend the Forbearance Period to September 3, 2015 (the “**Third Amended Forbearance Period**”) on which date all BMO Indebtedness is to be repaid in full.
3. The Borrower acknowledges and represents that it is executing this Third Amendment voluntarily and having regard to its financial position and has consulted its legal counsel and received independent legal advice as to the nature and effect of this Third Amendment.
4. This Third Amendment is to form part of all previous agreements between the parties respecting the Credit Agreement, including the Forbearance Agreement (and amendments thereto), and the terms of the Forbearance Agreement, unless amended by this Third Amendment, shall continue in full force and effect. Any changes or variations made to this Third Amendment are only effective if made in writing and signed by all parties.
5. This Third Amendment may be executed in counterparts and delivered via telecopy, and all counterparts, when taken together, shall constitute one Agreement.

The remainder of this page is intentionally left blank.

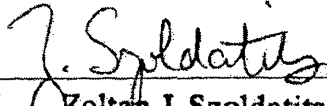
IN WITNESS WHEREOF the parties hereto have executed this Third Amendment as of the date first written above.

BANK OF MONTREAL

Per: _____

Name: _____

Title: _____

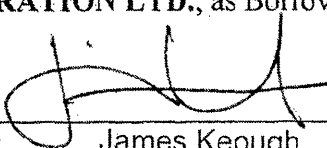

Zoltan J. Szoldatits
Managing Director

**BUMPER DEVELOPMENT
CORPORATION LTD., as Borrower**

Per: _____

Name: _____

Title: _____

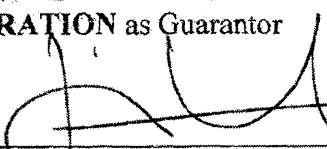

James Keough
Vice-President & CFO
Bumper Development Corporation Ltd.

**BUMPER DEVELOPMENT
CORPORATION as Guarantor**

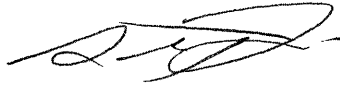
Per: _____

Name: _____

Title: _____


James Keough
Treasurer.

This is Exhibit "N" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AGREEMENT FOURTH AMENDMENT

THIS FORBEARANCE AGREEMENT is made as of the 3RD day of September, 2015.

AMONG:

Bank of Montreal ("BMO")

- and -

Bumper Development Corporation Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Borrower**")

- and -

Bumper Development Corporation, a wholly owned subsidiary corporation of the Borrower and incorporated under the laws of Delaware (the "**Guarantor**")

RECITALS:

A. BMO, the Borrower, and the Guarantor are parties to a Forbearance Agreement dated June 30, 2015, a Forbearance Agreement Amendment dated July 29, 2015, a Second Forbearance Agreement Amendment dated August 6, 2015 and a Third Forbearance Agreement Amendment dated August 27, 2015 (together the "**Forbearance Agreement**");

B. The Forbearance Period established pursuant to the Forbearance Agreement is set to expire on September 3, 2015;

C. The Borrower remains in default of its obligations to BMO under the Credit Agreement, the BMO Security and the Forbearance Agreement;

D. The Borrower has requested and BMO is prepared to provide an extension under the Forbearance Agreement on the terms and conditions outlined herein;

E. Without waiving any rights, BMO is prepared to amend the Forbearance Agreement and the Forbearance Agreement is hereby amended on the terms and conditions more particularly outlined herein;

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

1. All capitalized terms not defined herein shall have the meaning ascribed to them in the Forbearance Agreement.

2. Subject to the terms and conditions outlined in the Forbearance Agreement and this Fourth Amended Forbearance Agreement (the "**Fourth Amendment**"), BMO is prepared to extend the Forbearance Period to September 11, 2015 (the "**Fourth Amended Forbearance Period**") on which date all BMO Indebtedness is to be repaid in full.
3. The Forbearance Agreement dated June 30, 2015 is hereby amended by deleting paragraph 3.05(b) stating:
 - (b) any of the Borrower or the Guarantor shall sell property or assets without the prior written consent of BMO, however, the Borrower may continue to sell the remaining shares it holds in Reservlogix Corp. and its interest in the Flexjet property as projected by the Borrower in its 13 week cash flows provided to BMO, without requiring additional prior written consent from BMO;

and replacing it with the following:

- (b) any of the Borrower or the Guarantor shall sell property or assets, including the interest in the Flexjet property, without the prior written consent of BMO, however, the Borrower may continue to sell the remaining shares it holds in Reservlogix Corp. as projected by the Borrower in its 13 week cash flows provided to BMO, without requiring additional prior written consent from BMO;
4. In addition to the Events of Default listed in the Forbearance Agreement, a further Event of Default shall occur under this Fourth Amendment and the Forbearance Agreement if the purchase and sale agreement dated August 26, 2015 as between the Borrower and Canstone Energy Ltd. terminates during the Fourth Amended Forbearance Period. In the event of such termination, this Fourth Amendment and the Forbearance Agreement shall terminate without further notice to the Borrower or the Guarantor and BMO shall be entitled to exercise all rights and remedies available to it pursuant to the terms of, *inter alia*, the Credit Agreement, the Guarantee, the BMO Security and the Forbearance Agreement.
5. The Borrower acknowledges and represents that it is executing this Fourth Amendment voluntarily and having regard to its financial position and has consulted its legal counsel and received independent legal advice as to the nature and effect of this Fourth Amendment.
6. This Fourth Amendment is to form part of all previous agreements between the parties respecting the Credit Agreement, including the Forbearance Agreement (and amendments thereto), and the terms of the Forbearance Agreement, unless amended by this Fourth Amendment, shall continue in full force and effect. Any changes or variations made to this Fourth Amendment are only effective if made in writing and signed by all parties.

7. This Fourth Amendment may be executed in counterparts and delivered via email or facsimile, and all counterparts when taken together shall constitute one Agreement.

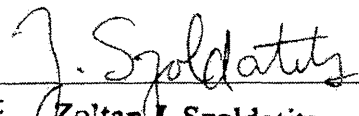
IN WITNESS WHEREOF the parties hereto have executed this Fourth Amendment as of the date first written above.

BANK OF MONTREAL

Per: _____

Name: _____

Title: _____

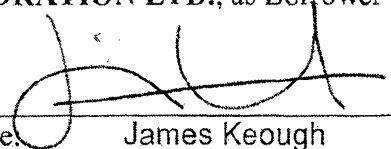

Zoltan J. Szoldatits
Managing Director

**BUMPER DEVELOPMENT
CORPORATION LTD., as Borrower**

Per: _____

Name: _____

Title: _____

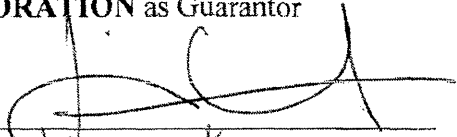

James Keough
Vice-President & CFO
Bumper Development Corporation Ltd.

**BUMPER DEVELOPMENT
CORPORATION as Guarantor**

Per: _____

Name: _____

Title: _____


James Keough
Treasurer

This is Exhibit "O" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AGREEMENT FIFTH AMENDMENT

THIS FORBEARANCE AGREEMENT is made as of the 11th day of September, 2015.

AMONG:

Bank of Montreal ("BMO")

- and -

Bumper Development Corporation Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Borrower**")

- and -

Bumper Development Corporation, a wholly owned subsidiary corporation of the Borrower and incorporated under the laws of Delaware (the "**Guarantor**")

RECITALS:

A. BMO, the Borrower, and the Guarantor are parties to a Forbearance Agreement dated June 30, 2015, a Forbearance Agreement Amendment dated July 29, 2015, a Second Forbearance Agreement Amendment dated August 6, 2015, a Third Forbearance Agreement Amendment dated August 27, 2015 and a Fourth Forbearance Agreement Amendment dated September 3, 2015 (together the "**Forbearance Agreement**");

B. The Forbearance Period established pursuant to the Forbearance Agreement is set to expire on September 11, 2015;

C. The Borrower remains in default of its obligations to BMO under the Credit Agreement, the BMO Security and the Forbearance Agreement;

D. The Borrower has requested and BMO is prepared to provide an extension under the Forbearance Agreement on the terms and conditions outlined herein;

E. Without waiving any rights, BMO is prepared to amend the Forbearance Agreement and the Forbearance Agreement is hereby amended on the terms and conditions more particularly outlined herein;

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

1. All capitalized terms not defined herein shall have the meaning ascribed to them in the Forbearance Agreement.

2. Subject to the terms and conditions outlined in the Forbearance Agreement and this Fifth Amended Forbearance Agreement (the "**Fifth Amendment**"), BMO is prepared to extend the Forbearance Period to October 2, 2015 (the "**Fifth Amended Forbearance Period**") on which date all BMO Indebtedness is to be repaid in full.
3. In addition to the Events of Default listed in the Forbearance Agreement, a further Event of Default shall occur under this Fifth Amendment and the Forbearance Agreement if:
 - a. The Intercreditor Agreement between Encana, the Borrower and the Bank is not executed by 4:30 p.m. (MST) on September 18, 2015; or
 - b. the purchase and sale agreement dated August 26, 2015 as between the Borrower and Canstone Energy Ltd. terminates during the Fifth Amended Forbearance Period.

In either of such events occurring, this Fifth Amendment and the Forbearance Agreement shall terminate without further notice to the Borrower or the Guarantor and BMO shall be entitled to exercise all rights and remedies available to it pursuant to the terms of, *inter alia*, the Credit Agreement, the Guarantee, the BMO Security and the Forbearance Agreement.

4. The Borrower acknowledges and represents that it is executing this Fifth Amendment voluntarily and having regard to its financial position and has consulted its legal counsel and received independent legal advice as to the nature and effect of this Fifth Amendment.
5. This Fifth Amendment is to form part of all previous agreements between the parties respecting the Credit Agreement, including the Forbearance Agreement (and amendments thereto), and the terms of the Forbearance Agreement, unless amended by this Fifth Amendment, shall continue in full force and effect. Any changes or variations made to this Fifth Amendment are only effective if made in writing and signed by all parties.
6. This Fifth Amendment may be executed in counterpart and delivered via email or facsimile, and all counterparts when taken together shall constitute one Agreement.

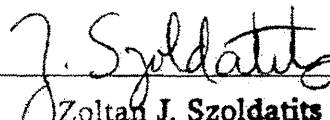
IN WITNESS WHEREOF the parties hereto have executed this Fifth Amendment as of the date first written above.

BANK OF MONTREAL

Per: _____

Name: _____

Title: _____


Zoltan J. Szoldatits
Managing Director

3

**BUMPER DEVELOPMENT
CORPORATION LTD., as Borrower**

Per: 

Name:

James Keough

Title:

Vice-President & CFO

Bumper Development Corporation Ltd.

**BUMPER DEVELOPMENT
CORPORATION as Guarantor**

Per: 

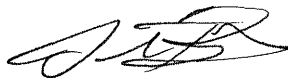
Name:

James Keough

Title:

Treasurer.

This is Exhibit "P" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AGREEMENT SIXTH AMENDMENT

THIS FORBEARANCE AGREEMENT is made as of the 2nd day of October, 2015.

AMONG:

Bank of Montreal ("BMO")

- and -

Bumper Development Corporation Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Borrower**")

- and -

Bumper Development Corporation, a wholly owned subsidiary corporation of the Borrower and incorporated under the laws of Delaware (the "**Guarantor**")

RECITALS:

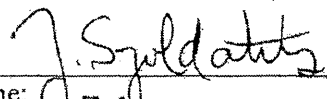
- A. BMO, the Borrower, and the Guarantor are parties to a Forbearance Agreement dated June 30, 2015, a Forbearance Agreement Amendment dated July 29, 2015, a Second Forbearance Agreement Amendment dated August 6, 2015, a Third Forbearance Agreement Amendment dated August 27, 2015, a Fourth Forbearance Agreement Amendment dated September 3, 2015 and a Fifth Forbearance Agreement dated September 11, 2015 (together the "**Forbearance Agreement**");
- B. The Forbearance Period established pursuant to the Forbearance Agreement is set to expire on October 2, 2015;
- C. The Borrower remains in default of its obligations to BMO under the Credit Agreement, the BMO Security and the Forbearance Agreement;
- D. The Borrower has requested and BMO is prepared to provide an extension under the Forbearance Agreement on the terms and conditions outlined herein;
- E. Without waiving any rights, BMO is prepared to amend the Forbearance Agreement and the Forbearance Agreement is hereby amended on the terms and conditions more particularly outlined herein;

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

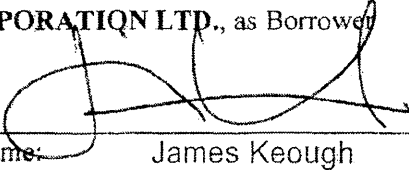
1. All capitalized terms not defined herein shall have the meaning ascribed to them in the Forbearance Agreement.
2. Subject to the terms and conditions outlined in the Forbearance Agreement and this Sixth Amended Forbearance Agreement (the "**Sixth Amendment**"), BMO is prepared to extend the Forbearance Period to November 2, 2015 (the "**Sixth Amended Forbearance Period**") on which date all BMO Indebtedness is to be repaid in full.
3. The Borrower acknowledges and represents that it is executing this Sixth Amendment voluntarily and having regard to its financial position and has consulted its legal counsel and received independent legal advice as to the nature and effect of this Sixth Amendment.
4. This Sixth Amendment is to form part of all previous agreements between the parties respecting the Credit Agreement, including the Forbearance Agreement (and amendments thereto), and the terms of the Forbearance Agreement, unless amended by this Sixth Amendment, shall continue in full force and effect. Any changes or variations made to this Sixth Amendment are only effective if made in writing and signed by all parties.
5. This Sixth Amendment may be executed in counterpart and delivered via email or facsimile, and all counterparts when taken together shall constitute one Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Sixth Amendment as of the date first written above.

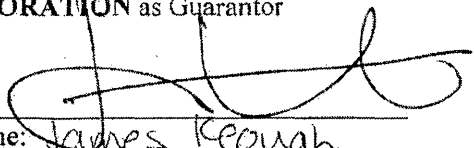
BANK OF MONTREAL

Per: 
 Name: Zoltan J. Szoldatits
 Title: Managing Director

**BUMPER DEVELOPMENT
CORPORATION LTD., as Borrower**

Per: 
 Name: James Keough
 Title: Vice-President & CFO
 Bumper Development Corporation Ltd.

**BUMPER DEVELOPMENT
CORPORATION as Guarantor**

Per: 
 Name: James Keough
 Title: Treasurer

This is Exhibit "Q" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AGREEMENT SEVENTH AMENDMENT

THIS FORBEARANCE AGREEMENT is made as of the 2nd day of November, 2015.

AMONG:

Bank of Montreal ("BMO")

- and -

Bumper Development Corporation Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Borrower**")

- and -

Bumper Development Corporation, a wholly owned subsidiary corporation of the Borrower and incorporated under the laws of Delaware (the "**Guarantor**")

RECITALS:

A. BMO, the Borrower, and the Guarantor are parties to a Forbearance Agreement dated June 30, 2015, a Forbearance Agreement Amendment dated July 29, 2015, a Second Forbearance Agreement Amendment dated August 6, 2015, a Third Forbearance Agreement Amendment dated August 27, 2015, a Fourth Forbearance Agreement Amendment dated September 3, 2015, a Fifth Forbearance Agreement dated September 11, 2015, and a Sixth Forbearance Agreement Amendment dated October 2, 2015 (together the "**Forbearance Agreement**");

B. The Forbearance Period established pursuant to the Forbearance Agreement is set to expire on November 2, 2015;

C. The Borrower remains in default of its obligations to BMO under the Credit Agreement, the BMO Security and the Forbearance Agreement;

D. The Borrower has requested and BMO is prepared to provide an extension under the Forbearance Agreement on the terms and conditions outlined herein;

E. Without waiving any rights, BMO is prepared to amend the Forbearance Agreement and the Forbearance Agreement is hereby amended on the terms and conditions more particularly outlined herein;

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

1. All capitalized terms not defined herein shall have the meaning ascribed to them in the Forbearance Agreement.

FORBEARANCE PERIOD

2. Subject to the terms and conditions outlined in the Forbearance Agreement and this Seventh Amended Forbearance Agreement (the "**Seventh Amendment**"), BMO is prepared to extend the Forbearance Period to December 7, 2015 (the "**Seventh Amended Forbearance Period**") on which date all BMO Indebtedness is to be repaid in full.

FLEXJET INTEREST

3. The granting of this Seventh Amendment and Seventh Amended Forbearance Period by BMO to the Borrower, is subject to and conditional upon the Borrower delivering to BMO the purchase price received for the Borrower's interest in the Flexjet property, which is estimated to be USD \$500,000 (the "**Flexjet Proceeds**"), on or before the expiration of the Seventh Amended Forbearance Period. Should the Borrower fail to deliver the Flexjet Proceeds to BMO as aforesaid, the Seventh Amended Forbearance Period shall terminate and BMO shall be entitled to immediately enforce any and all rights it may have against the Borrower.

CONDITIONS ARISING FROM FORENT TRANSACTION

4. The granting of this Seventh Amendment and Seventh Amended Forbearance Period by BMO to the Borrower, is subject to and conditional upon closing of the Purchase and Sale Agreement between the Borrower and Forent Energy Ltd. ("**Forent**"), dated October 16, 2015 (the "**Forent PSA**"), occurring no later than December 4, 2015 (the "**Closing Date**"). Should the Forent PSA fail to close on or before the Closing Date, the Seventh Amended Forbearance Period shall terminate and BMO shall be entitled to immediately enforce any and all rights it may have against the Borrower.
5. At the Closing Date, and upon the release of \$3.5 million (net of costs and adjustments) to the Borrower pursuant to the Forent PSA, the Borrower shall immediately deliver such funds, together with the \$500,000 deposit held by the Borrower, which amount shall be no less than \$3.1 million (the "**Sale Proceeds**"), to BMO to permanently reduce the outstanding BMO Indebtedness. Should the Borrower fail to deliver the Sale Proceeds as aforesaid, the Seventh Amended Forbearance Period shall terminate and BMO shall be entitled to immediately enforce any and all rights it may have against the Borrower.

THE PUT NOTICE

6. The granting of this Seventh Amendment and Seventh Amended Forbearance Period by BMO to the Borrower, is subject to and conditional upon the Borrower delivering to BMO, contemporaneously with the execution of this Seventh Amendment, a fully executed notice to Forent dated effective November 23, 2015 that the Borrower elects to sell its entire interest in and to the overriding royalty ("**ORR**") to Forent (the "**Put**

Notice”) pursuant to the Royalty Agreement between the Borrower and Forent, dated effective December 4, 2015 (the “**Royalty Agreement**”), (the “**Put Condition**”). Should the Borrower fail to satisfy the Put Condition, the Seventh Amended Forbearance Period shall terminate and BMO shall be entitled to immediately enforce any and all rights it may have against the Borrower.

7. Upon delivery of the Put Notice and execution of this Seventh Amendment, the Borrower hereby irrevocably authorizes BMO to deliver the Put Notice to Forent no earlier than November 23, 2015.
8. Notwithstanding paragraph 6 hereof, BMO shall not deliver the Put Notice to Forent if prior to November 23, 2015, BMO receives full payment of an amount equivalent to the ORR consideration payable under the Put Right (as defined in the Royalty Agreement).
9. The Borrower and the Guarantor each hereby acknowledge and agree that the BMO Security extends to the ORR to be granted by Forent to the Borrower pursuant to the Royalty Agreement.

MISCELLANEOUS

10. The Borrower acknowledges and represents that it is executing this Seventh Amendment voluntarily and having regard to its financial position and has consulted its legal counsel and received independent legal advice as to the nature and effect of this Seventh Amendment.
11. This Seventh Amendment is to form part of all previous agreements between the parties respecting the Credit Agreement, including the Forbearance Agreement (and amendments thereto), and the terms of the Forbearance Agreement, unless amended by this Seventh Amendment, shall continue in full force and effect. Any changes or variations made to this Seventh Amendment are only effective if made in writing and signed by all parties.

Remainder of page intentionally left blank

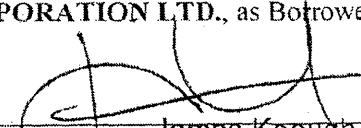
12. This Seventh Amendment may be executed in counterpart and delivered via email or facsimile, and all counterparts when taken together shall constitute one Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Seventh Amendment as of the date first written above.


BANK OF MONTREAL

Per: 
Name: Zoltan J. Szoldatits
Title: Managing Director

**BUMPER DEVELOPMENT
CORPORATION LTD., as Borrower**

Per: 
Name: James Keough
Title: Vice-President & CFO
Bumper Development Corporation Ltd.

**BUMPER DEVELOPMENT
CORPORATION as Guarantor**

Per: 
Name: James Keough
Title: Treasurer

ROYALTY OWNER PUT NOTICE

THIS PUT NOTICE is made as of the 23rd day of November, 2015.

FROM: Bumper Development Corporation Ltd. ("Royalty Owner")

TO: Forent Energy Ltd. ("Royalty Payor")
200, 340 – 12th Avenue SW
Calgary, Alberta T2R 1L5
Attention: Land Department

WHEREAS pursuant to a Royalty Agreement, dated effective December 4, 2015 (the "Royalty Agreement") the Royalty Owner is given the option (the "Put Right") to sell its entire interest in and to the Overriding Royalty (as defined in the Royalty Agreement) to the Royalty Payor; and

WHEREAS pursuant to a Purchase and Sale Agreement between the Royalty Owner and the Royalty Owner dated effective October 16, 2015, and pursuant to the terms of the Royalty Agreement, the Royalty Owner is given the right to exercise the Put Right on or before November 30, 2015;

NOW THEREFORE TAKE NOTICE THAT:

Pursuant to the Royalty Agreement, the Royalty Owner hereby gives notice of the exercise of the Put Right to sell its entire interest in and to the Overriding Royalty to the Royalty Payor on the terms set forth in Section 4 of the Royalty Agreement.

BUMPER DEVELOPMENT CORPORATION LTD.

Per: 

Name: James Keough

Title: Vice-President & CFO

Bumper Development Corporation Ltd.

This is Exhibit "R" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AGREEMENT EIGHTH AMENDMENT

THIS FORBEARANCE AGREEMENT is made as of the 7th day of December, 2015.

AMONG:

Bank of Montreal ("BMO")

- and -

Bumper Development Corporation Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Borrower**")

- and -

Bumper Development Corporation, a wholly owned subsidiary corporation of the Borrower and incorporated under the laws of Delaware (the "**Guarantor**")

RECITALS:

A. BMO, the Borrower, and the Guarantor are parties to a Forbearance Agreement dated June 30, 2015, a Forbearance Agreement Amendment dated July 29, 2015, a Second Forbearance Agreement Amendment dated August 6, 2015, a Third Forbearance Agreement Amendment dated August 27, 2015, a Fourth Forbearance Agreement Amendment dated September 3, 2015, a Fifth Forbearance Agreement dated September 11, 2015, a Sixth Forbearance Agreement Amendment dated October 2, 2015 and a Seventh Forbearance Agreement Amendment dated November 2, 2015 (together the "**Forbearance Agreement**");

B. The Forbearance Period established pursuant to the Forbearance Agreement expires on December 7, 2015;

C. The Borrower remains in default of its obligations to BMO under the Credit Agreement, the BMO Security and the Forbearance Agreement;

D. The Borrower has requested and BMO is prepared to provide an extension under the Forbearance Agreement on the terms and conditions outlined herein;

E. Without waiving any rights, BMO is prepared to amend the Forbearance Agreement and the Forbearance Agreement is hereby amended on the terms and conditions more particularly outlined herein;

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

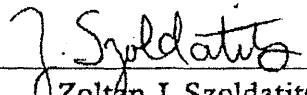
1. All capitalized terms not defined herein shall have the meaning ascribed to them in the Forbearance Agreement.
2. Subject to the terms and conditions outlined in the Forbearance Agreement and this Eighth Amended Forbearance Agreement (the "**Eighth Amendment**"), BMO is prepared to extend the Forbearance Period to December 18, 2015 (the "**Eighth Amended Forbearance Period**") on which date all BMO Indebtedness is to be repaid in full.
3. The granting of this Eighth Amendment and Eighth Amended Forbearance Period by BMO to the Borrower, is subject to and conditional upon closing of the Purchase and Sale Agreement between the Borrower and Forent Energy Ltd. ("**Forent**") dated October 16, 2015 (the "**Forent PSA**"), occurring no later than December 16, 2015 (the "**Revised Closing Date**"), representing an extension of the closing of the Forent PSA required pursuant to the Seventh Amendment. Should the Forent PSA fail to close on or before the Revised Closing Date, the Eighth Amended Forbearance Period shall terminate and BMO shall be entitled to immediately enforce any and all rights it may have against the Borrower.
4. At the Revised Closing Date, and upon the release of \$5.05 million (net of costs and adjustments) to the Borrower pursuant to the Forent PSA, the Borrower shall immediately deliver such funds, together with the \$500,000 deposit held by the Borrower, which amount shall be no less than \$4.0 million (the "**Sale Proceeds**") to BMO to permanently reduce the outstanding BMO Indebtedness. Should the Borrower fail to deliver the Sale Proceeds as aforesaid, the Eighth Amended Forbearance Period shall terminate and BMO shall be entitled to immediately enforce any and all rights it may have against the Borrower.
5. The Borrower acknowledges and represents that it is executing this Eighth Amendment voluntarily and having regard to its financial position and has consulted its legal counsel and received independent legal advice as to the nature and effect of this Eighth Amendment.
6. This Eighth Amendment is to form part of all previous agreements between the parties respecting the Credit Agreement, including the Forbearance Agreement (and amendments thereto), and the terms of the Forbearance Agreement, unless amended by this Eighth Amendment, shall continue in full force and effect. Any changes or variations made to this Eighth Amendment are only effective if made in writing and signed by all parties.

Remainder of page intentionally left blank

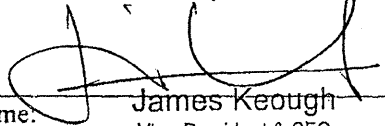
7. This Eighth Amendment may be executed in counterpart and delivered via email or facsimile, and all counterparts when taken together shall constitute one Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Eighth Amendment as of the date first written above.

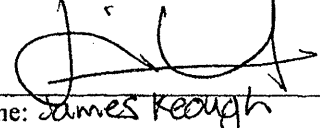
BANK OF MONTREAL

Per: 
Name: Zoltan J. Szoldatits
Title: Managing Director

**BUMPER DEVELOPMENT
CORPORATION LTD., as Borrower**

Per: 
Name: James Keough
Title: Vice-President & CFO
Bumper Development Corporation Ltd.

**BUMPER DEVELOPMENT
CORPORATION as Guarantor**

Per: 
Name: James Keough
Title: Treasurer

This is Exhibit "S" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016

A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AGREEMENT NINTH AMENDMENT

THIS FORBEARANCE AGREEMENT is made as of the 18th day of December, 2015.

AMONG:

Bank of Montreal ("BMO")

- and -

Bumper Development Corporation Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Borrower**")

- and -

Bumper Development Corporation, a wholly owned subsidiary corporation of the Borrower and incorporated under the laws of Delaware (the "**Guarantor**")

RECITALS:

A. BMO, the Borrower, and the Guarantor are parties to a Forbearance Agreement dated June 30, 2015, a Forbearance Agreement Amendment dated July 29, 2015, a Second Forbearance Agreement Amendment dated August 6, 2015, a Third Forbearance Agreement Amendment dated August 27, 2015, a Fourth Forbearance Agreement Amendment dated September 3, 2015, a Fifth Forbearance Agreement dated September 11, 2015, a Sixth Forbearance Agreement Amendment dated October 2, 2015, a Seventh Forbearance Agreement Amendment dated November 2, 2015 and an Eighth Forbearance Agreement Amendment dated December 7, 2015 (together the "**Forbearance Agreement**");

B. The Forbearance Period established pursuant to the Forbearance Agreement expires on December 18, 2015;

C. The Borrower remains in default of its obligations to BMO under the Credit Agreement, the BMO Security and the Forbearance Agreement;

D. The Borrower has requested and BMO is prepared to provide an extension under the Forbearance Agreement on the terms and conditions outlined herein;

E. Without waiving any rights, BMO is prepared to amend the Forbearance Agreement and the Forbearance Agreement is hereby amended on the terms and conditions more particularly outlined herein;

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

1. All capitalized terms not defined herein shall have the meaning ascribed to them in the Forbearance Agreement.
2. Subject to the terms and conditions outlined in the Forbearance Agreement and this Ninth Amended Forbearance Agreement (the "**Ninth Amendment**"), BMO is prepared to extend the Forbearance Period to December 23, 2015 (the "**Ninth Amended Forbearance Period**") on which date all BMO Indebtedness is to be repaid in full.
3. In addition to the Events of Default listed in article 3.05 of the Forbearance Agreement, an Event of Default shall occur if the Borrower, contrary to the advice it gave to BMO on December 11, 2015, pays severance or termination pay to any of its employees at any time while the BMO Indebtedness remains outstanding.
4. The Borrower acknowledges and represents that it is executing this Ninth Amendment voluntarily and having regard to its financial position and has consulted its legal counsel and received independent legal advice as to the nature and effect of this Ninth Amendment.
5. This Ninth Amendment is to form part of all previous agreements between the parties respecting the Credit Agreement, including the Forbearance Agreement (and amendments thereto), and the terms of the Forbearance Agreement, unless amended by this Ninth Amendment, shall continue in full force and effect. Any changes or variations made to this Ninth Amendment are only effective if made in writing and signed by all parties.

Remainder of page intentionally left blank

6. This Ninth Amendment may be executed in counterpart and delivered via email or facsimile, and all counterparts when taken together shall constitute one Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Ninth Amendment as of the date first written above.

BANK OF MONTREAL

Per: _____

Name: _____

Title: _____

J. Szoldatits
Zoltan J. Szoldatits
Managing Director

**BUMPER DEVELOPMENT
CORPORATION LTD., as Borrower**

Per: _____

Name: _____

Title: _____

James Keagh
James Keagh
V.P. Finance

**BUMPER DEVELOPMENT
CORPORATION as Guarantor**

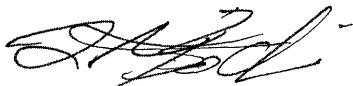
Per: _____

Name: _____

Title: _____

James Keagh
James Keagh
Treasurer

This is Exhibit "T" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AGREEMENT TENTH AMENDMENT

THIS FORBEARANCE AGREEMENT is made as of the 23rd day of December, 2015.

AMONG:

Bank of Montreal ("BMO")

- and -

Bumper Development Corporation Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Borrower**")

- and -

Bumper Development Corporation, a wholly owned subsidiary corporation of the Borrower and incorporated under the laws of Delaware (the "**Guarantor**")

RECITALS:

A. BMO, the Borrower, and the Guarantor are parties to a Forbearance Agreement dated June 30, 2015, a Forbearance Agreement Amendment dated July 29, 2015, a Second Forbearance Agreement Amendment dated August 6, 2015, a Third Forbearance Agreement Amendment dated August 27, 2015, a Fourth Forbearance Agreement Amendment dated September 3, 2015, a Fifth Forbearance Agreement dated September 11, 2015, a Sixth Forbearance Agreement Amendment dated October 2, 2015, a Seventh Forbearance Agreement Amendment dated November 2, 2015, an Eighth Forbearance Agreement Amendment dated December 7, 2015 and a Ninth Forbearance Agreement Amendment dated December 18, 2015 (together the "**Forbearance Agreement**");

B. The Forbearance Period established pursuant to the Forbearance Agreement expires on December 23, 2015;

C. The Borrower remains in default of its obligations to BMO under the Credit Agreement, the BMO Security and the Forbearance Agreement;

D. The Borrower has requested and BMO is prepared to provide an extension under the Forbearance Agreement on the terms and conditions outlined herein;

E. Without waiving any rights, BMO is prepared to amend the Forbearance Agreement and the Forbearance Agreement is hereby amended on the terms and conditions more particularly outlined herein;

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

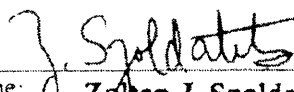
1. All capitalized terms not defined herein shall have the meaning ascribed to them in the Forbearance Agreement.
2. Subject to the terms and conditions outlined in the Forbearance Agreement and this Tenth Amended Forbearance Agreement (the "**Tenth Amendment**"). BMO is prepared to extend the Forbearance Period to January 8, 2016 (the "**Tenth Amended Forbearance Period**") on which date all BMO Indebtedness is to be repaid in full.
3. The Borrower shall, during the Tenth Amended Forbearance Period, collect certain outstanding accounts receivables due and owing to it by a combination of SNC 8 rue du Plat, Bumper Investments SAS, SNC Horizon Parc, SEP Vernon Bouches and such other French corporate entity related to the Borrower, totaling not less than €450,000 (the "**Intercompany Payment**"), such Intercompany Payment to be delivered to BMO prior to the expiry of the Tenth Amended Forbearance Period to permanently reduce the outstanding BMO Indebtedness.
4. Notwithstanding paragraph 3 of the Ninth Forbearance Agreement Amendment, the Borrower is hereby authorized to pay no more than \$95,000 in severance payments to its employees while the BMO Indebtedness remains outstanding.
5. In addition to the Events of Default listed in article 3.05 of the Forbearance Agreement, an Event of Default shall occur if:
 - a. The Borrower fails to deliver the Intercompany Payment to BMO as aforesaid during the Tenth Amended Forbearance Period; and
 - b. The Borrower pays any severance or termination payments to its employees in an amount that is greater than \$95,000 while the BMO Indebtedness remains outstanding.
6. The Borrower acknowledges and agrees that BMO shall be entitled to apply \$50,000 of the deposit paid in respect of the Forent PSA to the outstanding BMO Indebtedness.
7. The Borrower acknowledges and represents that it is executing this Tenth Amendment voluntarily and having regard to its financial position and has consulted its legal counsel and received independent legal advice as to the nature and effect of this Tenth Amendment.
8. This Tenth Amendment is to form part of all previous agreements between the parties respecting the Credit Agreement, including the Forbearance Agreement (and amendments thereto), and the terms of the Forbearance Agreement, unless amended by this Tenth Amendment, shall continue in full force and effect. Any changes or

variations made to this Tenth Amendment are only effective if made in writing and signed by all parties.

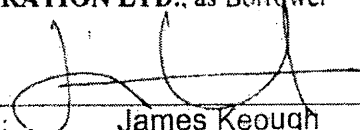
9. This Tenth Amendment may be executed in counterpart and delivered via email or facsimile, and all counterparts when taken together shall constitute one Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Tenth Amendment as of the date first written above.

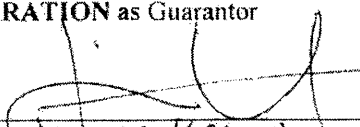
BANK OF MONTREAL

Per: 
Name: **Zoltan J. Szoldatits**
Title: **Managing Director**

**BUMPER DEVELOPMENT
CORPORATION LTD., as Borrower**

Per: 
Name: **James Keough**
Title: **Vice-President & CFO**
Bumper Development Corporation Ltd.

**BUMPER DEVELOPMENT
CORPORATION as Guarantor**

Per: 
Name: **James Keough**
Title: **Treasurer**

This is Exhibit "U" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016

A handwritten signature in black ink, appearing to read 'S. Bodi', written over a horizontal line.

A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AGREEMENT ELEVENTH AMENDMENT

THIS FORBEARANCE AGREEMENT is made as of the 8th day of January, 2016.

AMONG:

Bank of Montreal ("BMO")

- and -

Bumper Development Corporation Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Borrower**")

- and -

Bumper Development Corporation, a wholly owned subsidiary corporation of the Borrower and incorporated under the laws of Delaware (the "**Guarantor**")

RECITALS:

A. BMO, the Borrower, and the Guarantor are parties to a Forbearance Agreement dated June 30, 2015, a Forbearance Agreement Amendment dated July 29, 2015, a Second Forbearance Agreement Amendment dated August 6, 2015, a Third Forbearance Agreement Amendment dated August 27, 2015, a Fourth Forbearance Agreement Amendment dated September 3, 2015, a Fifth Forbearance Agreement dated September 11, 2015, a Sixth Forbearance Agreement Amendment dated October 2, 2015, a Seventh Forbearance Agreement Amendment dated November 2, 2015, an Eighth Forbearance Agreement Amendment dated December 7, 2015, a Ninth Forbearance Agreement Amendment dated December 18, 2015 and a Tenth Forbearance Agreement dated December 23, 2015 (together the "**Forbearance Agreement**");

B. The Forbearance Period established pursuant to the Forbearance Agreement expires on January 8, 2016;

C. The Borrower remains in default of its obligations to BMO under the Credit Agreement, the BMO Security and the Forbearance Agreement;

D. The Borrower has requested and BMO is prepared to provide an extension under the Forbearance Agreement on the terms and conditions outlined herein;

E. Without waiving any rights, BMO is prepared to amend the Forbearance Agreement and the Forbearance Agreement is hereby amended on the terms and conditions more particularly outlined herein;

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

1. All capitalized terms not defined herein shall have the meaning ascribed to them in the Forbearance Agreement.
2. Subject to the terms and conditions outlined in the Forbearance Agreement and this Eleventh Amended Forbearance Agreement (the "**Eleventh Amendment**"), BMO is prepared to extend the Forbearance Period to January 15, 2016 (the "**Eleventh Amended Forbearance Period**") on which date all BMO Indebtedness is to be repaid in full.
3. This Eleventh Amendment restates the paragraph 4 of the Tenth Amendment providing limited authorization to the Borrower to pay no more than a total of \$95,000 in severance payments to its employees while the BMO Indebtedness remains outstanding.
4. It shall continue to be an Event of Default if the Borrower pays any severance or termination payments to its employees in an amount that is greater than \$95,000 while the BMO Indebtedness remains outstanding.
5. The Borrower acknowledges and represents that it is executing this Eleventh Amendment voluntarily and having regard to its financial position and has consulted its legal counsel and received independent legal advice as to the nature and effect of this Eleventh Amendment.
6. This Eleventh Amendment is to form part of all previous agreements between the parties respecting the Credit Agreement, including the Forbearance Agreement (and amendments thereto), and the terms of the Forbearance Agreement, unless amended by this Eleventh Amendment, shall continue in full force and effect. Any changes or variations made to this Eleventh Amendment are only effective if made in writing and signed by all parties.

The remainder of this page is intentionally left blank.

7. This Eleventh Amendment may be executed in counterpart and delivered via email or facsimile, and all counterparts when taken together shall constitute one Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Eleventh Amendment as of the date first written above.

BANK OF MONTREAL

Per: 

Name: KINSLEY MCWHINNIE
Title: ASSOCIATE

**BUMPER DEVELOPMENT
CORPORATION LTD., as Borrower**

Per: 

Name: James Keough
Title:

**BUMPER DEVELOPMENT
CORPORATION as Guarantor**

Per: 

Name: James Keough
Title:

This is Exhibit "V" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AGREEMENT TWELFTH AMENDMENT

THIS FORBEARANCE AGREEMENT is made as of the 15th day of January, 2016.

AMONG:

Bank of Montreal ("BMO")

- and -

Bumper Development Corporation Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Borrower**")

- and -

Bumper Development Corporation, a wholly owned subsidiary corporation of the Borrower and incorporated under the laws of Delaware (the "**Guarantor**")

RECITALS:

A. BMO, the Borrower, and the Guarantor are parties to a Forbearance Agreement dated June 30, 2015, a Forbearance Agreement Amendment dated July 29, 2015, a Second Forbearance Agreement Amendment dated August 6, 2015, a Third Forbearance Agreement Amendment dated August 27, 2015, a Fourth Forbearance Agreement Amendment dated September 3, 2015, a Fifth Forbearance Agreement dated September 11, 2015, a Sixth Forbearance Agreement Amendment dated October 2, 2015, a Seventh Forbearance Agreement Amendment dated November 2, 2015, an Eighth Forbearance Agreement Amendment dated December 7, 2015, a Ninth Forbearance Agreement Amendment dated December 18, 2015, a Tenth Forbearance Agreement dated December 23, 2015 and an Eleventh Forbearance Agreement dated January 8, 2016 (together the "**Forbearance Agreement**");

B. The Forbearance Period established pursuant to the Forbearance Agreement expires on January 15, 2016;

C. The Borrower remains in default of its obligations to BMO under the Credit Agreement, the BMO Security and the Forbearance Agreement;

D. The Borrower has requested and BMO is prepared to provide an extension under the Forbearance Agreement on the terms and conditions outlined herein;

E. Without waiving any rights, BMO is prepared to amend the Forbearance Agreement and the Forbearance Agreement is hereby amended on the terms and conditions more particularly outlined herein;

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

1. All capitalized terms not defined herein shall have the meaning ascribed to them in the Forbearance Agreement.
2. Subject to the terms and conditions outlined in the Forbearance Agreement and this Twelfth Amended Forbearance Agreement (the "**Twelfth Amendment**"), BMO is prepared to extend the Forbearance Period to January 22, 2016 (the "**Twelfth Amended Forbearance Period**") on which date all BMO Indebtedness is to be repaid in full.
3. This Twelfth Amendment restates paragraph 4 of the Tenth Amendment providing limited authorization to the Borrower to pay no more than a total of \$95,000 in severance payments to its employees while the BMO Indebtedness remains outstanding.
4. It shall continue to be an Event of Default if the Borrower pays any severance or termination payments to its employees in an amount that is greater than \$95,000 while the BMO Indebtedness remains outstanding.
5. The Borrower acknowledges and represents that it is executing this Twelfth Amendment voluntarily and having regard to its financial position and has consulted its legal counsel and received independent legal advice as to the nature and effect of this Twelfth Amendment.
6. This Twelfth Amendment is to form part of all previous agreements between the parties respecting the Credit Agreement, including the Forbearance Agreement (and amendments thereto), and the terms of the Forbearance Agreement, unless amended by this Twelfth Amendment, shall continue in full force and effect. Any changes or variations made to this Twelfth Amendment are only effective if made in writing and signed by all parties.

The remainder of this page is intentionally left blank.

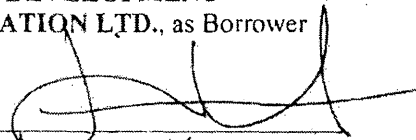
7. This Twelfth Amendment may be executed in counterpart and delivered via email or facsimile, and all counterparts when taken together shall constitute one Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Twelfth Amendment as of the date first written above.

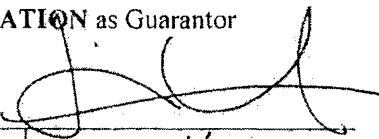
BANK OF MONTREAL

Per: 
Name: Zoltan J. Szoldatits
Title: Managing Director

**BUMPER DEVELOPMENT
CORPORATION LTD., as Borrower**

Per: 
Name: James Keough
Title:

**BUMPER DEVELOPMENT
CORPORATION as Guarantor**

Per: 
Name: James Keough
Title:

This is Exhibit "W" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AGREEMENT THIRTEENTH AMENDMENT

THIS FORBEARANCE AGREEMENT is made as of the 22nd day of January, 2016.

AMONG:

Bank of Montreal ("BMO")

- and -

Bumper Development Corporation Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Borrower**")

- and -

Bumper Development Corporation, a wholly owned subsidiary corporation of the Borrower and incorporated under the laws of Delaware (the "**Guarantor**")

RECITALS:

A. BMO, the Borrower, and the Guarantor are parties to a Forbearance Agreement dated June 30, 2015, a Forbearance Agreement Amendment dated July 29, 2015, a Second Forbearance Agreement Amendment dated August 6, 2015, a Third Forbearance Agreement Amendment dated August 27, 2015, a Fourth Forbearance Agreement Amendment dated September 3, 2015, a Fifth Forbearance Agreement dated September 11, 2015, a Sixth Forbearance Agreement Amendment dated October 2, 2015, a Seventh Forbearance Agreement Amendment dated November 2, 2015, an Eighth Forbearance Agreement Amendment dated December 7, 2015, a Ninth Forbearance Agreement Amendment dated December 18, 2015, a Tenth Forbearance Agreement dated December 23, 2015, an Eleventh Forbearance Agreement dated January 8, 2016 and a Twelfth Forbearance Agreement dated January 15, 2016 (together the "**Forbearance Agreement**");

B. The Forbearance Period established pursuant to the Forbearance Agreement expires on January 22, 2016;

C. The Borrower remains in default of its obligations to BMO under the Credit Agreement, the BMO Security and the Forbearance Agreement;

D. The Borrower has requested and BMO is prepared to provide an extension under the Forbearance Agreement on the terms and conditions outlined herein;

E. Without waiving any rights, BMO is prepared to amend the Forbearance Agreement and the Forbearance Agreement is hereby amended on the terms and conditions more particularly outlined herein;

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

1. All capitalized terms not defined herein shall have the meaning ascribed to them in the Forbearance Agreement.
2. Subject to the terms and conditions outlined in the Forbearance Agreement and this Thirteenth Amended Forbearance Agreement (the "**Thirteenth Amendment**"), BMO is prepared to extend the Forbearance Period to January 29, 2016 (the "**Thirteenth Amended Forbearance Period**") on which date all BMO Indebtedness is to be repaid in full.
3. This Thirteenth Amendment restates paragraph 4 of the Tenth Amendment providing limited authorization to the Borrower to pay no more than a total of \$95,000 in severance payments to its employees while the BMO Indebtedness remains outstanding.
4. It shall continue to be an Event of Default if the Borrower pays any severance or termination payments to its employees in an amount that is greater than \$95,000 while the BMO Indebtedness remains outstanding.
5. The Borrower shall, no later than 4:30 p.m. (MST) on January 27, 2016 collect the outstanding amounts owing under the shareholder's loan in the amount of \$714,000 (the "**Shareholder's Loan**") and deposit the Shareholder's Loan into the operating account maintained by the Borrower with BMO.
6. The Borrower acknowledges that it shall be an event of default under this Thirteenth Amendment if the Borrower fails to collect the Shareholder's Loan as required hereunder by 4:30 p.m. (MST) on January 27, 2016 and the Borrower further acknowledges that in such event, BMO shall be immediately entitled to enforce its rights under the BMO Security including entering the Consent Receivership Order.
7. The Borrower acknowledges and represents that it is executing this Thirteenth Amendment voluntarily and having regard to its financial position and has consulted its legal counsel and received independent legal advice as to the nature and effect of this Thirteenth Amendment.
8. This Thirteenth Amendment is to form part of all previous agreements between the parties respecting the Credit Agreement, including the Forbearance Agreement (and amendments thereto), and the terms of the Forbearance Agreement, unless amended by this Thirteenth Amendment, shall continue in full force and effect. Any changes or variations made to this Thirteenth Amendment are only effective if made in writing and signed by all parties.

9. This Thirteenth Amendment may be executed in counterpart and delivered via email or facsimile, and all counterparts when taken together shall constitute one Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Thirteenth Amendment as of the date first written above.

BANK OF MONTREAL

Per: _____

Name: Zoltan J. Szoldatits

Title: Managing Director

**BUMPER DEVELOPMENT
CORPORATION LTD., as Borrower**

Per: _____

Name: James Keough

Title: _____

**BUMPER DEVELOPMENT
CORPORATION as Guarantor**

Per: _____

Name: James Keough

Title: _____

This is Exhibit "X" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

FORBEARANCE AGREEMENT FOURTEENTH AMENDMENT

THIS FORBEARANCE AGREEMENT is made as of the 29th day of January, 2016.

AMONG:

Bank of Montreal ("BMO")

- and -

Bumper Development Corporation Ltd., a corporation incorporated pursuant to the laws of the Province of Alberta (the "**Borrower**")

- and -

Bumper Development Corporation, a wholly owned subsidiary corporation of the Borrower and incorporated under the laws of Delaware (the "**Guarantor**")

RECITALS:

A. BMO, the Borrower, and the Guarantor are parties to a Forbearance Agreement dated June 30, 2015, a Forbearance Agreement Amendment dated July 29, 2015, a Second Forbearance Agreement Amendment dated August 6, 2015, a Third Forbearance Agreement Amendment dated August 27, 2015, a Fourth Forbearance Agreement Amendment dated September 3, 2015, a Fifth Forbearance Agreement dated September 11, 2015, a Sixth Forbearance Agreement Amendment dated October 2, 2015, a Seventh Forbearance Agreement Amendment dated November 2, 2015, an Eighth Forbearance Agreement Amendment dated December 7, 2015, a Ninth Forbearance Agreement Amendment dated December 18, 2015, a Tenth Forbearance Agreement dated December 23, 2015, an Eleventh Forbearance Agreement dated January 8, 2016, a Twelfth Forbearance Agreement dated January 15, 2016, and a Thirteenth Forbearance Agreement dated January 22, 2016 (together the "**Forbearance Agreement**");

B. The Forbearance Period established pursuant to the Forbearance Agreement expires on January 29, 2016;

C. The Borrower remains in default of its obligations to BMO under the Credit Agreement, the BMO Security and the Forbearance Agreement;

D. The Borrower has requested and BMO is prepared to provide an extension under the Forbearance Agreement on the terms and conditions outlined herein;

E. *Without waiving any rights, BMO is prepared to amend the Forbearance Agreement and the Forbearance Agreement is hereby amended on the terms and conditions more particularly outlined herein;*

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

1. All capitalized terms not defined herein shall have the meaning ascribed to them in the Forbearance Agreement.
2. Subject to the terms and conditions outlined in the Forbearance Agreement and this Fourteenth Amended Forbearance Agreement (the "**Fourteenth Amendment**"), BMO is prepared to extend the Forbearance Period to February 2, 2016 (the "**Fourteenth Amended Forbearance Period**") on which date all BMO Indebtedness is to be repaid in full.
3. Upon execution of this Fourteenth Amendment, BMO is hereby authorized to immediately place a hold on the funds currently held in the Borrower's Canadian Account, and over which the Borrower acknowledges the BMO Security applies, in the amount of \$600,000 (the "**Hold**"). The Hold shall remain in place until the earlier of all BMO Indebtedness is repaid in full, the Fourteenth Amended Forbearance Period Expires, or further agreement of BMO and the Borrower is reached in writing.
4. This Fourteenth Amendment restates paragraph 4 of the Tenth Amendment providing limited authorization to the Borrower to pay no more than a total of \$95,000 in severance payments to its employees while the BMO Indebtedness remains outstanding.
5. It shall continue to be an Event of Default if the Borrower pays any severance or termination payments to its employees in an amount that is greater than \$95,000 while the BMO Indebtedness remains outstanding.
6. The Borrower acknowledges and represents that it is executing this Fourteenth Amendment voluntarily and having regard to its financial position and has consulted its legal counsel and received independent legal advice as to the nature and effect of this Fourteenth Amendment.
7. This Fourteenth Amendment is to form part of all previous agreements between the parties respecting the Credit Agreement, including the Forbearance Agreement (and amendments thereto), and the terms of the Forbearance Agreement, unless amended by this Fourteenth Amendment, shall continue in full force and effect. Any changes or variations made to this Fourteenth Amendment are only effective if made in writing and signed by all parties.

[Remainder of Page Intentionally Left Blank]


8. This Fourteenth Amendment may be executed in counterpart and delivered via email or facsimile, and all counterparts when taken together shall constitute one Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Fourteenth Amendment as of the date first written above.


BANK OF MONTREAL

Per: 
Name: Zoltan J. Szoldatits
Title: Managing Director

**BUMPER DEVELOPMENT
CORPORATION LTD., as Borrower**

Per: 
Name: James Keough
Title:

**BUMPER DEVELOPMENT
CORPORATION as Guarantor**

Per: 
Name: James Keough
Title:

This is Exhibit "Y" referred to
in the Affidavit of Kinsley McWhinnie
Sworn before me this 11th day of February, 2016



A Commissioner for Oaths in and for Alberta

STEVEN G. BODI
A Commissioner for Oaths
in and for Alberta
Student-At-Law, Notary Public

COURT FILE NUMBER **1601-**

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE Calgary

PLANTIFF **BANK OF MONTREAL**

DEFENDANTS **BUMPER DEVELOPMENT
CORPORATION LTD., and BUMPER
DEVELOPMENT CORPORATION**

DOCUMENT **CONSENT TO ACT AS RECEIVER**

ADDRESS FOR SERVICE AND Robyn Gurofsky/Jessica L. Cameron
CONTACT INFORMATION OF Borden Ladner Gervais LLP
 1900, 520 3rd Ave. S.W.
PARTY FILING THIS Calgary, AB T2P 0R3
 Telephone: (403) 232-9774/9715
DOCUMENT Facsimile: (403) 266-1395
 Email: rgurofsky@blg.com/jcameron@blg.com
 File No. 407500/000141

Alvarez & Marsal Canada Inc., a trustee within the meaning of subsection 2(a) of the *Bankruptcy and Insolvency Act* (Canada), does hereby consent to its appointment as Receiver and Manager of Bumper Development Corporation Ltd. and Bumper Development Corporation.

DATED at the City of Calgary, in the Province of Alberta, this 11th day of February, 2016.

ALVAREZ & MARSAL CANADA INC.



Per: _____
Orest Konowalchuk, CPA, CA, CIRP
Vice President