

COURT FILE NUMBERS 25-3086318
25-3086304
25-3086302 Clerk's stamp

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

MATTER IN THE MATTER OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS
AMENDED,

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF 420 INVESTMENTS LTD.,
420 PREMIUM MARKETS LTD. and GREEN ROCK
CANNABIS (EC 1) LIMITED

APPLICANTS 420 INVESTMENTS LTD., 420 PREMIUM MARKETS
LTD. and GREEN ROCK CANNABIS (EC 1) LIMITED

DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE AND CONTACT
INFORMATION OF
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File No.: 155857.1002

**AFFIDAVIT NO. 1 OF SCOTT MORROW
SWORN JUNE 19, 2024**

I, Scott Morrow, of the City of Calgary, in the Province of Alberta, MAKE OATH AND SAY:

1. I am the Chief Executive Officer (“**CEO**”) of 420 Investments Ltd. (“**420 Parent**”), 420 Premium Markets Ltd. (“**420 Premium**”) and Green Rock Cannabis (EC 1) Limited (“**GRC**”) (collectively, “**FOUR20**” or the “**Applicants**”). I have been the CEO of FOUR20 since January 1, 2021, and a member of the boards of directors since May 6, 2021.
2. I am responsible for overseeing the operations of the Applicants, their liquidity management and, ultimately, for assisting in their restructuring process. Because of my involvement with the Applicants, I have knowledge of the matters to which I hereinafter depose, except where otherwise

stated. I have also reviewed the records and have spoken with certain of the directors, officers and/or employees of the Applicants, as necessary. Where I have relied upon such information, I do verily believe such information to be true.

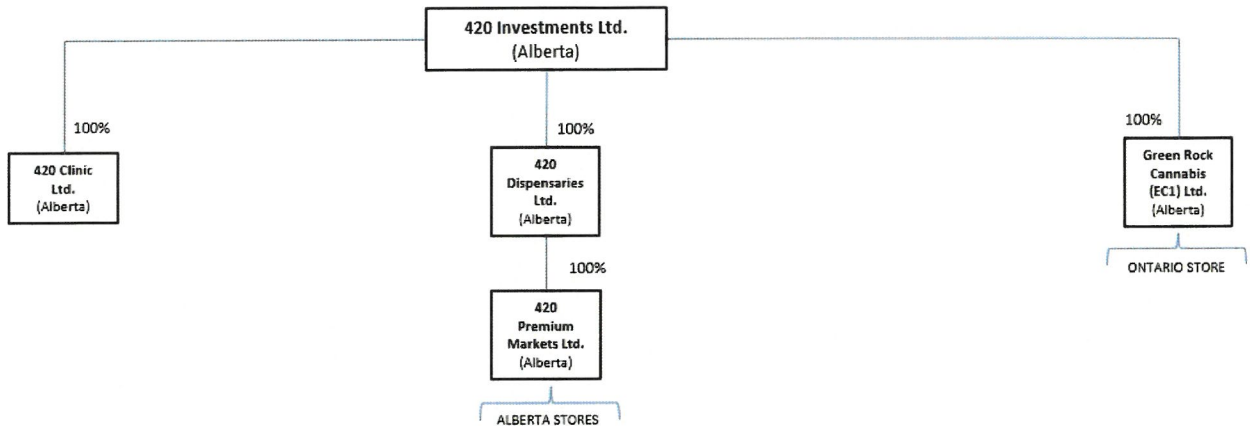
3. This affidavit is sworn in support of an application (the "**Application**") returnable before the Alberta Court of King's Bench (Commercial List) (the "**Court**") on June 27, 2024, for an Order:
- (a) abridging the time for service of the Application and the materials filed in support thereof, and dispensing with further service thereof;
 - (b) extending the time within which the Applicants are required to file a proposal to their creditors for 45 days to August 12, 2024, pursuant to section 50.4(9) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, as amended (the "**BIA**");
 - (c) directing that the proposal proceedings and estates of the Applicants shall be procedurally consolidated and shall continue under a single estate (each individual estate being an "**Estate**", and the consolidated estate being the "**Consolidated Estate**"), authorizing and directing the Proposal Trustee (defined below) to administer the Estates making up the Consolidated Estate on a consolidated basis and permitting the Applicants to file a joint proposal to its creditors, and granting ancillary relief arising from the procedural consolidation of the Estates;
 - (d) authorizing and empowering the Applicants to obtain and borrow under an interim facility loan agreement (such facility, the "**Interim Facility**" and such agreement, the "**Interim Facility Agreement**"), the terms of which are still being negotiated and will be disclosed in a supplemental affidavit if an agreement is reached;
 - (e) granting the following super-priority charges on all the property, assets and undertaking of the Applicants (the "**Property**"):
 - i. an Administration Charge (the "**Administration Charge**") to KSV Restructuring Inc. ("**KSV**"), in its capacity as Trustee under the Notices of Intention to Make a Proposal filed by the Applicants (the "**Proposal Trustee**"), counsel to the Proposal Trustee and the Applicants' counsel, as security for their professional fees and disbursements up to the maximum amount of \$300,000;
 - ii. a charge (the "**Interim Lender's Charge**") to secure the Applicants' obligations under the Interim Facility Agreement;

- iii. a directors' and officers' charge (the "**D&O Charge**") in the amount of \$721,000; and
 - iv. a key employee retention plan ("**KERP**") described in the Confidential Exhibit (as defined below) for certain key employees of the Applicants ("**KERP Employees**") and granting a charge as security for payments under the KERP, up to the maximum amount of \$373,928.17 ("**KERP Charge**"); and
- (f) granting the following priority to the Court-ordered charges on the Property of the Applicants;
- i. First – Administration Charge;
 - ii. Second – Interim Lender's Charge;
 - iii. Third – D&O Charge; and
 - iv. Fourth – KERP Charge,
- (g) an Order (the "**Sealing Order**") sealing **Exhibit "Q"** of this Affidavit (the "**Confidential Exhibit**") on the Court record in relation to the KERP and KERP Charge; and
- (h) such further and other relief as this Honourable Court may deem just.
4. All references to currency in this affidavit are references to Canadian dollars, unless otherwise indicated.
5. I have been advised by the Proposal Trustee that the Proposal Trustee supports the Application.
- A. NOTICE OF INTENTION TO MAKE A PROPOSAL**
6. For the reasons described below, on May 29, 2024 (the "**Filing Date**"), each of the Applicants filed Notices of Intention to Make a Proposal with the Office of the Superintendent of Bankruptcy Canada under Part III of the BIA in Estate numbers 25-3086318, 25-3086304 and 25-3086302 (the "**NOIs**"). KSV was appointed Proposal Trustee in each of the Applicants' proposal proceedings. Attached and marked as **Exhibit "A"** are copies of the NOIs.
7. For efficiency and due to the related nature of the Applicants' business, the Applicants request the authorization of this Court to consolidate the three proposal proceedings in action nos. 25-3086318, 25-3086304 and 25-3086302 into a single proceeding. I believe this will allow for a more efficient restructuring and will benefit the Applicants' stakeholders.

B. FOUR20'S BUSINESS

(a) Corporate Structure

8. FOUR20 operates through a group of companies comprising the "FOUR20" brand. The organizational chart showing the corporate structure of FOUR20 is as follows:



9. Each of the Applicants are private corporations existing under the laws of the Province of Alberta, with their registered offices located in Calgary, Alberta. Copies of Alberta corporate searches for each of the Applicants are attached and marked as **Exhibit "B"**.
10. 420 Parent is the ultimate parent company of a group of companies that includes the Applicants, 420 Clinic Ltd. ("**420 Clinic**") and 420 Dispensaries Ltd. ("**420 Dispensaries**"). The group carries on business as a cannabis retailer in Western Canada and Ontario.
11. 420 Parent has five directors: Freida Butcher; Gordon Cameron; Geoff Gobert; Scott Morrow; and Aaron Serruya. 420 Parent is owned by a small group of privately held individuals and corporations.
12. 420 Premium and GRC each have three directors: Freida Butcher; Geoff Gobert; and Scott Morrow. 420 Premium's sole shareholder is 420 Dispensaries, a wholly owned subsidiary of 420 Parent. GRC's sole shareholder is 420 Parent. 420 Dispensaries is a holding company and has no operations or assets other than its holding 420 Premium.
13. 420 Clinic was historically in the business of providing cannabinoid education and introducing patients to medical cannabis treatments through education and referring patients to authorized producers. 420 Clinic is no longer in operations.

14. All of the financial statements of FOUR20 are prepared on a consolidated basis with 420 Dispensaries and 420 Clinic. 420 Dispensaries and 420 Clinic have no material assets or liabilities (excluding the shares of 420 Premium held by 420 Dispensaries).

(b) FOUR20's Operations

15. FOUR20 is in the business of direct-to-consumer sales of cannabis and cannabis accessories through its retail locations. Prior to the filing of the NOIs, 420 Premium operated 33 licensed cannabis retail stores under the banner name of "FOUR20" in Alberta. GRC operates one licensed cannabis retail store in Ontario under the banner name "FOUR20".
16. FOUR20 operates in a highly regulated environment, in accordance with the *Cannabis Act* (Canada) and applicable provincial and municipal legislation. Each province and territory is responsible for determining the regime for the sale and distribution of cannabis within its jurisdiction. Among other things, these governments establish rules regarding how cannabis can be sold, how retail stores must be operated, where such stores can be located and who is allowed to sell cannabis. Adult-use recreational cannabis products are only permitted to be sold through retailers authorized by provincial and territorial governments.
17. As set out below, each provincial and territorial government has established its own rules and criteria for obtaining and maintaining a private cannabis retail licence. In general, all provinces and territories require:
 - (a) that a licence be obtained and maintained prior to the commencement of any activities with cannabis. The licensing application process considers the physical location of the proposed retail outlet, as well as the financial and personal backgrounds of key persons associated with the proposed licensed operation, including directors and officers of a corporation, investors, retail store managers and security personnel;
 - (b) that a licence is required for each cannabis retail store, and that the location of all cannabis stores is subject to municipal oversight/approval;
 - (c) that specified physical security measures be in place at the retail store location (including physical security requirements around locks, as well as visual monitoring and protection by way of a third-party monitored alarm system) to ensure that there is no unauthorized entry and/or unauthorized access to cannabis;
 - (d) certain requirements for employees of the proposed cannabis retail store, including background and/or criminal record checks and requirements for employee training prior to beginning their employment at the store; and

- (e) that the licensee maintain and submit certain records, and be subject to inspection by the provincial or territorial regulator.
18. As of the date of filing NOIs, 420 Premium and GRC held all required permits and licences to sell cannabis at all then operated stores as follows:
- (a) In Alberta, 420 Premium holds 33 licences to operate cannabis retail stores, issued by the Alberta Gaming, Liquor and Cannabis Commission;¹ and
- (b) In Ontario, GRC held one licence to operate a cannabis retail store, issued by the Alcohol and Gaming Commission of Ontario.
- (c) Employees**
19. As of the Filing Date, the Applicants employed a total of 175 active employees and 10 employees on leave. Of those 175 active employees, 127 were paid hourly and 48 were paid by salary. The Applicants also engaged three part time contractors.
20. As of the Filing Date, the Applicants employed approximately 168 active employees in Alberta, and seven active employees in Ontario. The majority of the Applicants' employees work in retail operations.
21. None of the Applicants' employees are subject to a collective bargaining agreement. The Applicants do not have a pension plan in place.
- (d) Leased Locations**
22. All of 420 Premium's retail stores are operated from leased premises. 420 Premium also has a leased property in Calgary, Alberta, which it used as a corporate office. As of the date of filing the NOIs, 420 Premium was party to 44 leases. GRC operates from one leased premises in Ontario. Attached and marked as **Exhibit "C"** is a chart showing all FOUR20 leases as of the date of filing the NOIs.
23. After filing the NOIs, 420 Premium disclaimed 16 leases to preserve liquidity and facilitate the making of a viable proposal: seven operating locations, three subleased locations and four non-operating locations, including its head office (collectively, the "**Disclaimed Leases**"). Attached and marked as **Exhibit "D"** is a chart summarizing the Disclaimed Leases and copies of the notices of disclaimer (the "**Notices of Disclaimer**") sent with respect to each of those leased locations.

¹ This figure excludes licences that may still be held by the Applicants in connection with closed stores.

24. The Notices of Disclaimer in respect of the disclaimed locations were issued by FOUR20, in consultation with the Proposal Trustee, after it was determined that they were in the best interests of the respective companies, creditors, employees and other stakeholders, and necessary for the making of a viable proposal.
25. The Proposal Trustee supported the issuance of the Notices of Disclaimer for each of the Disclaimed Leases.

C. FINANCIAL POSITION OF FOUR20

26. A copy of FOUR20's unaudited consolidated financial statements for the fiscal year ended December 31, 2023, is attached as **Exhibit "E"**.

(a) Assets

27. As appears in FOUR20's Q4 2023 Financial Statement as at December 31, 2023, FOUR20 had assets with an unaudited book value of approximately \$32,449,000, which consisted of the following:

Asset Type	Value (\$)
<u>Current Assets</u>	
Cash	1,378,000
Trade and other receivables	515,000
Merchandise inventories	2,167,000
Prepaid and other assets	432,000
<u>Non-Current Assets</u>	
Deposits	552,000
Property and equipment, net	6,514,000
Right-of-use assets, net	17,207,000
Goodwill (inc. Intangibles)	3,684,000
Total Assets	<u>32,449,000</u>

(b) Liabilities

28. As appears in FOUR20's Q4 2023 Financial Statement as at December 31, 2023, FOUR20 has liabilities with an unaudited book value of approximately \$30,720,000, which consisted of the following:

Liability Type	Value (\$)
<i><u>Current Liabilities</u></i>	
Accounts payable and accrued liabilities	2,411,000
Debentures and loans ²	8,452,000
Other current liabilities	82,000
<i><u>Non-Current Liabilities</u></i>	
Lease liabilities	19,775,000
Total Liabilities	<u>30,720,000</u>

29. FOUR20 lacks adequate working capital, with \$4,492,000 in current assets and \$10,945,000 in current liabilities as of December 31, 2023 (if the HP Loan (as defined below) is excluded from FOUR20's current liabilities, then the current liabilities are \$3,945,000). Even if FOUR20 could realize on the full book value of its current assets, then it would still be unable to satisfy its current liabilities in the immediate term.

30. The Applicants sought creditor protection primarily as a result of the adverse outcome in the Tilray Proceeding (defined below). Additionally, as a result of unprofitable store locations and non-operating leases, the Applicants have experienced some ongoing financial liquidity issues.

(c) Shareholder Loans

31. As of the date of filing the NOIs, the shareholder loans of 420 Parent totaled \$340,000, plus interest. There are no shareholder loans to 420 Premium and GRC.

(d) Secured Debt

32. Attached and marked as **Exhibit "F"** are copies of the personal property registry searches of 420 Parent, 420 Premium and GRC.

(i) Nomos Litigation Funding Agreement

33. On September 24, 2020, 420 Parent, as borrower, and Nomos Capital I-A LP ("**Nomos**"), as lender, entered into a litigation funding agreement (the "**Funding Agreement**") related to the Tilray Proceeding (as defined and described below).

34. Pursuant to the terms of the Funding Agreement, Nomos agreed to provide 420 Parent funding of legal fees and disbursements up to a maximum amount of \$1,000,000 incurred in relation to the

² Includes the HP Loan of \$7,000,000. As discussed below, the HP Loan was the subject of a summary judgment on February 7, 2024, which resulted in the HP Judgment being awarded against 420 Parent in the amount of \$9,810,364.12.

Tilray Proceeding. The Funding Agreement provided Nomos with a priority secured interest in any proceeds arising from the Tilray Proceeding and Property of 420 Parent.

35. On the Filing Date, in accordance with Section 13 of the Funding Agreement, Nomos terminated the Funding Agreement, and the parties waived the ten-day notice requirement thereunder. Attached and marked as **Exhibit "G"** is a copy of the email evidencing the termination of the Funding Agreement.
36. Nomos elected to receiving the "Investment Repayment Amount" under the Funding Agreement, which means the aggregate amount of funds advanced by Nomos in respect of legal fees, disbursements and expenses, together with interest calculated at a rate of 12% per annum, compounded monthly.
37. As of the Filing Date, \$1,062,660.57 was due and owing to Nomos under the terms of the Nomos Funding Agreement (the "**Nomos Loan**").

(ii) High Park Loan Agreement

38. On August 28, 2019, 420 Parent, High Park Shops Inc. ("**High Park**") and Tilray, Inc. ("**Tilray**") each entered into an arrangement agreement (the "**Arrangement Agreement**") relating to the purchase of outstanding shares in 420 Parent by High Park and Tilray (the "**Tilray Transaction**"). High Park was formed for the purpose of the acquisition of 420 Parent and is a subsidiary of Tilray.
39. In connection with the Tilray Transaction, 420 Parent, as borrower, and High Park, as lender, entered into a Loan Agreement (the "**HP Loan Agreement**") whereby High Park agreed to advance \$7,000,000 to 420 Parent (the "**HP Loan**"). In accordance with the terms of the HP Loan Agreement, High Park advanced \$5,000,000 to 420 Parent on August 29, 2019, and a further \$2,000,000 on November 29, 2019. Attached and marked as **Exhibit "H"** is a copy of the HP Loan Agreement.
40. 420 Parent's obligations under the HP Loan Agreement are secured by a general security agreement dated August 28, 2019, executed by 420 Parent (the "**HP GSA**"). Pursuant to the GSA, the Applicants granted a charge on all 420 Parent's Property in favour of High Park. Due to the expiry of the registration of the HP GSA, the HP Loan ranks in second priority to the Nomos Loan. A copy of the HP GSA is attached as **Exhibit "I"**.
41. In late January and February of 2020, High Park and Tilray delivered a series of breach notices and notices that purported to terminate the Arrangement Agreement. Attached and marked as **Exhibit "J"** is a copy of the Notice of Termination of the Arrangement Agreement.

42. On February 21, 2020, 420 Parent commenced an action relating to the wrongfully terminated Arrangement Agreement (the "**420 Claim**"). High Park and Tilray each defended the 420 Claim. 420 Parent's position is that the Arrangement Agreement was wrongfully terminated. 420 Parent is seeking specific performance or, alternatively, damages in excess of \$130 million. The 420 Claim has not yet been determined.
43. On March 11, 2020, High Park provided 420 Parent with a Notice of Acceleration, which demanded full payment of the HP Loan immediately. Attached and marked as **Exhibit "K"** is a copy of the Notice of Acceleration.
44. On March 20, 2020, High Park filed a counterclaim in relation to the HP Loan (the "**HP Claim**") and together with the 420 Claim, the "**Tilray Proceeding**") and three years later filed an application for summary judgment on March 2, 2023. On February 7, 2024, Applications Judge J.R. Farrington granted High Park summary judgment on the HP Claim in the amount of \$9,810,364.12, inclusive of pre-judgment interest and costs (the "**HP Judgment**"). Attached and marked as **Exhibit "L"** is a copy of the HP Judgment and associated Writ of Enforcement.
45. As of the Filing Date, the HP Judgment remains outstanding. 420 Parent has appealed the HP Judgment to a Justice of the Alberta Court of King's Bench, which is currently scheduled to be heard on December 5, 2024.

(iii) **Stoke Canada Finance Corp.**

46. On June 26, 2023, 420 Premium and Stoke Canada Finance Corp. ("**Stoke**") entered into an asset-based loan agreement whereby Stoke agreed to provide to 420 Premium a revolving line of credit in the original principal amount of \$500,000 to be evidenced by one or more promissory notes (the "**Stoke Line of Credit**"). The Stoke Line of Credit was secured by a general security agreement dated June 26, 2023. As of the date of filing, 420 Premium owed \$300,497.48 to Stoke in relation to the Stoke Line of Credit.

(e) **Unsecured Creditors**

47. As of the date of filing the NOIs, the Applicants owed the following amounts to unsecured creditors:
 - (a) 420 Parent: \$921,693.86;
 - (b) 420 Premium: \$1,394,828.17; and
 - (c) GRC: \$0.00.
48. The Applicants obligations to the Canada Revenue Agency are current.

D. EVENTS LEADING TO THE APPLICANTS' INSOLVENCY

(a) Market Conditions and Leased Locations

49. FOUR20 has been operating at a loss since its inception. While FOUR20's financial difficulties were driven by a variety of factors, the significant net losses suffered by the business are largely in relation market conditions and uneconomic and/or non-operating leased locations.

(i) Market Conditions

50. On April 13, 2017, the Government of Canada introduced Bill C-45 - the *Cannabis Act* (Canada) - intended to legalize the production and sale of cannabis for recreational purposes in Canada. After the Senate passed Bill C-45, the Government of Canada announced that the production and use of recreational cannabis would become legal on October 17, 2018.

51. I understand, based on my experience and exposure to the cannabis industry, that this industry has experienced a variety of challenges since its legalization including increased competition, oversupply of industry capacity, margin pressure; a decrease in the availability of adequate funding; a period in which the Alberta Gaming, Liquor and Cannabis Commission ("**AGLC**") froze licence distribution; and general regulatory uncertainty. There remains an entrenched black market for cannabis in Canada that, to my knowledge, continues to operate notwithstanding the strict regulations of the *Cannabis Act* (Canada). Each of these factors contribute to downward pressure on revenue, and in the case of the Applicants, has resulted in financial returns that are lower than what was initially expected when the cannabis industry was legalized. Given how many peer companies I have witnessed commence insolvency proceedings, I do not believe that the Applicants are not alone in their financial struggles.

(ii) Leased Locations

52. 420 Premium entered into several leases in anticipation of receiving licences from the AGLC. However, licences for these locations were ultimately not issued for a variety of unanticipated reasons, such as their proximity to a sensitive use area or a decline in expected revenue due to market deterioration and/or increased competition. 420 Premium also entered into leases for stores that were licensed and subsequently closed following a review of operating results and revised expectations regarding their potential profitability.

53. As a result, 420 Premium is party to multiple uneconomic leases. I understand that this situation is not unique to 420 Premium. To my knowledge, there are several major cannabis retailers in Canada that hold or held leases for anticipated cannabis retail stores that, for a variety of reasons, were never licensed by the applicable licensing authority and never ultimately opened. Similarly, I am aware of major cannabis retailers that entered into leases and opened or planned to open cannabis

retail stores but either closed the stores after opening or never proceeded to open them due to low profits or profit forecasts.

54. Lease obligations are a significant portion the Applicants' overall liabilities, representing approximately 64% of FOUR20's aggregate liabilities as of December 31, 2023. As of the Filing Date, the Applicants' lease obligations were approximately \$19,553,000. The Applicants' lease obligations have impacted cash flows, and this impact has been exacerbated due to the retail locations related to these lease obligations not generating the level of revenue that they were anticipated to generate.
55. In an effort to downsize its business, 420 Premium negotiated out of 11 leases in exchange for paying significant settlement amounts for uneconomic and non-operating locations beginning in or around March 2020. Notwithstanding these efforts, FOUR20 continued to struggle with profitability in its remaining portfolio of locations on the Filing Date. After the Filing Date, 420 Premium disclaimed 16 leases in an effort to preserve liquidity and facilitate the making of a viable proposal, as discussed above.

(b) Ongoing Litigation with Tilray and High Park

56. As noted above, 420 Parent has been actively involved in the Tilray Proceeding since February 2020. 420 Parent believes that the 420 Claim is well-founded. The 420 Claim has not yet been determined. Tilray and High Park walking away from the Arrangement Agreement, and the resulting and on-going litigation has resulted in a net drain on 420 Parent's resources, including that it was required to obtain the Nomos Loan and became further indebted.
57. On February 7, 2024, Applications Judge J.R. Farrington granted the HP Judgment in the amount of \$9,810,364.12. The 420 Claim and HP Judgment are closely related and stem from the Arrangement Agreement with Tilray and High Park, as the HP Loan was advanced for the purposes of building out and opening new locations.
58. As a result of the HP Judgment and related enforcement steps, the Applicants urgently required creditor protection to stabilize its business operations with a view to restructuring its business. If High Park were to enforce the HP Judgment, it would have disastrous consequences for the Applicants' stakeholders, landlords, suppliers and 185 employees, and its ability to remain a going concern.

E. POST-FILING ISSUES

(a) Cash Management System

59. In the ordinary course of business, 420 Premium uses a cash management system (the “**Cash Management System**”) to, among other things, collect funds and pay expenses associated with its retail operations. This Cash Management System provides 420 Premium with the ability to efficiently and accurately track and control revenue and to ensure cash availability. The Applicants had 44 bank accounts on the day the NOIs were filed.
60. 420 Premium uses Moneris Solutions Corporation (“**Moneris**”) to facilitate credit and debit card purchases. Attached and marked as **Exhibit “M”** is a copy of the National Merchant Agreement with Moneris (the “**Merchant Agreement**”).
61. 420 Premium typically receives the proceeds of a sale facilitated by Moneris within a matter of days; however, a customer may initiate a chargeback at a later date or 420 Premium may be assessed a fee, penalty, or amount that creates a debt owing by 420 Premium to Moneris. On June 10, 2024 (i.e., post-NOI filing), without any advance notice or effort to engage with the Applicants or the Proposal Trustee, the Applicants received notice from Moneris that, effective immediately, Moneris would allocate 25% of value of the transactions it processes to a reserve (the “**Reserve**”) until the Reserve has \$100,000. Moneris also shifted to collecting interchange and other fees on a daily basis. Moneris alleges that the Reserve and change in payment terms is necessary due to the “increased financial risk” to Moneris of providing the Applicants with payment processing services. Moneris characterizes the payments it sends 420 Premium as an advance of credit and that it is not required to advance further money or credit to an entity subject to a notice of intention under the BIA. Attached and marked as **Exhibit “N”** is a copy of the notice received from Moneris in relation to the Reserve.
62. The effect of Moneris allocating 25% of transaction proceeds to the Reserve was unexpected and has resulted in reduced cash flow receipts. The Applicants have concerns that the reduced cash flows will be detrimental to their financial situation and hinder their ability to restructure. The Applicants’ ability to order inventory for stores may be impacted.

(b) Garnished Funds from 420 Parent

63. In connection with the HP Judgment, High Park served a Financial Statement of Debtor under the *Civil Enforcement Act* and took steps to garnish 420 Parent’s Bank of Montreal bank account on the Filing Date.
64. Since High Park served the garnishee summons, the Bank of Montreal seized approximately \$15,500 (the “**Garnished Funds**”) from 420 Parent’s bank account notwithstanding the stay of

proceedings in place for the NOIs. The exact quantum of the Garnished Funds is unknown as the Applicants no longer have access to the relevant bank account. The Bank of Montreal had notice of the Applicants' NOIs at the time it garnished the Garnished Funds because it had been sent a letter advising it of the Applicants NOIs. Attached and marked as **Exhibit "O"** is a copy of this letter. Despite multiple requests from the Proposal Trustee and 420 Parent to the Bank of Montreal, the Garnished Funds have not been returned to 420 Parent.

65. It is my understanding that the Bank of Montreal has transferred the Garnished Funds to the Accounting Department of the Alberta Court of King's Bench and that the Accounting Department is currently in possession of the Garnished Funds. If, however, this transfer has not yet happened and the Bank of Montreal is still in possession of the Garnished Funds, then I understand, based on correspondence between Ryan Pernal (the Applicants' Chief Financial Officer) and a representative of the Bank of Montreal, that the Bank of Montreal will require a "withdrawal letter from the court to release the garnishment."
66. 420 Parent requires the Garnished Funds for its continued operations. Recovery of the Garnished Funds will assist the Applicants' ability to fund on-going obligations during the proposal proceedings. It is, accordingly, important that the 420 Parent recover the Garnished Funds.

F. REQUIREMENT FOR AN EXTENSION OF TIME TO FILE A PROPOSAL

67. As a result of the NOIs, the Applicants must file a proposal on or before June 28, 2024 (the "**Filing Period**"), unless an extension is granted.
68. Since the Filing Date, the Applicants have acted, and continue to act, in good faith and with due diligence and have taken the following steps, among others:
- (a) prepared and analyzed lists of creditors and identified issues specific to certain creditors;
 - (b) provided the Proposal Trustee with access to their books and records;
 - (c) worked with the Proposal Trustee on the preparation of cash flow projections and weekly monitoring for the Applicants;
 - (d) communicated with stakeholders regarding the proposal process;
 - (e) worked with counsel and other professional advisors in beginning to develop a proposal;
 - (f) sent 16 Notices of Disclaimer in relation to the Disclaimed Leases for uneconomic, subleased or non-operating locations;

- (g) terminated 15 full time employees and 34 part time employees;
 - (h) consolidated inventory to operating stores from locations subjected to the Disclaimed Leases;
 - (i) reduced compensation in employment and contractor contracts;
 - (j) sent a Notice of Disclaimer in relation to the head office space and have moved to a remote working environment;
 - (k) commenced the process of creating a sales and investment solicitation process and liaised with potential bidders; and
 - (l) reviewed operating expenses, pursued the collection of accounts receivable and took other steps to ensure the Applicants remain financially viable during these proposal proceedings.
69. The requested extension of the Filing Period is being sought to protect the Applicants' business and operations while the Applicants work to develop a viable proposal for the benefit of stakeholders. I believe that preserving the value of the business in the proposed manner will achieve a better result for the Applicants' stakeholders than would a liquidation. I believe that the requested extension of the Filing Period will allow the Applicants, in consultation with the Proposal Trustee, to:
- (a) engage a sales advisor to canvass the market for potential refinancing or asset sale transactions, including a potential sale of the 420 Claim; and
 - (b) continue formulating a viable proposal for the benefit of all stakeholders.
70. Without an extension of the Filing Period, the Applicants would be forced to shut down operations, which would be extremely detrimental to the Applicants' landlords, suppliers, lenders, customers, and employees. Accordingly, it is the Applicants' view that an extension of the Filing Period will not materially prejudice any of the Applicants' creditors.
71. To date, I have not been made aware of any creditor of the Applicants intending to object to an extension of the stay of proceedings and time for filing a proposal.
72. The Applicants believe that an extension of the Filing Period is necessary and appropriate in the circumstances.

G. REQUIREMENT FOR ADMINISTRATION CHARGE

73. The requested relief contains a first priority Administration Charge against the Applicants' Property as security for professional fees and disbursements incurred by their counsel, the Proposal Trustee and the Proposal Trustee's counsel both prior to and after the filing of the NOI.
74. The Applicants require the services of their counsel, the Proposal Trustee and the Proposal Trustee's counsel to develop a viable proposal. I believe that the Administration Charge is reasonable and appropriate in the circumstances and critical to the success of the Applicants' proposal proceedings.

H. REQUIREMENT FOR INTERIM FACILITY AND INTERIM LENDER'S CHARGE

75. Attached and marked as **Exhibit "P"** is a projected 13-week cashflow statement that the Applicants have prepared with the assistance of the Proposal Trustee.
76. The Applicants are in the process of negotiating the Interim Facility Agreement. The Interim Facility is intended to cover any potential liquidity shortfall. The terms of the Interim Facility Agreement, if an agreement is reached, will be provided to this Court as part of a supplemental affidavit. It is expected that a term of the Interim Facility Agreement will be that the Interim Facility be secured by a second ranking super-priority Interim Lender's Charge.

I. REQUIREMENT FOR A D&O CHARGE

77. In order to continue to carry on business during these proposal proceedings, the Applicants require the active and committed involvement of their directors and officers ("**D&Os**"). The requested relief contains a third ranking charge against the Applicants' Property as security for any obligations and liabilities the Applicants' D&Os may incur after the Filing Date, up to the maximum amount of \$721,000.
78. The Applicants maintain directors' and officers' liability insurance (the "**D&O Insurance**") for the D&Os which provides up to \$2 million in aggregate coverage for all claims. It is uncertain whether the coverage provided by the D&O Insurance will be sufficient to adequately protect the D&Os from liability and/or to incentivize the D&Os to continue their service with the Applicants.
79. A successful restructuring of the Applicants will only be possible with the continued participation of the Applicants' D&Os. These individuals have specialized expertise and relationships with the Applicants' stakeholders. In addition, the D&Os have gained significant knowledge of the cannabis industry that cannot be easily replaced or replicated.

80. Since the continued assistance of the D&Os is required to ensure the success of the proposal proceedings, the D&Os require, in turn, that the Applicants indemnify them for liabilities which they may incur in the context of their positions with the Applicants after the filing of these proposal proceedings, including liabilities relating to employee vacations accrued prior to these proposal proceedings.
81. Although the Applicants intend to comply with all applicable laws and regulations, including with respect to the timely remittance of deductions at source and federal and provincial sales taxes, the directors and officers remain nevertheless concerned about their potential personal liability, particularly in the present circumstances.
82. The Applicants therefore seek the D&O Charge over its Property in the amount of \$721,000 favour of the D&Os in connection with any claim which may be asserted against them from and after the commencement of these proposal proceedings, including employee related claims, to the extent that such claims are not sufficiently covered by the D&O Insurance.
83. The Proposal Trustee has advised that it is supportive of the proposed D&O Charge and quantum thereof.
84. I believe that in these circumstances, the requested D&O Charge is reasonable and adequate given the corresponding potential exposure of the Applicants' D&Os to personal liability. The quantum of the D&O Charge was specifically sized by the Applicants, in consultation with the Proposal Trustee, taking into account the exposure to the D&Os for unpaid employee wages and related source deductions, excise tax payable, and employee termination and vacation pay based upon the potential director liabilities that could be outstanding at any time during the proposal proceedings.
85. The proposed D&O Charge would apply only to the extent that the D&Os do not have coverage under the D&O Insurance, or there is insufficient coverage.

J. REQUIREMENT FOR A KERP AND KERP CHARGE

86. Prior to and since the filing of the NOIs, the Applicants' employees and officers have been working tirelessly to consider and implement the steps required to both stabilize and restructure the Applicants' business. In particular, the KERP Employees have expended significant time and effort in demanding circumstances to stabilize the Applicants' business and preserve value for its stakeholders.
87. As with any company in creditor protection proceedings, there is significant uncertainty regarding the employment future of the Applicants' employees (either with the Applicants or a prospective investor in, or purchaser of, its assets and business). This uncertainty, combined with the need to

continue the Applicants' day-to-day operations, preserve value of the companies and undertake significant work required to guide the Applicants' restructuring efforts, have emphasized the importance of retaining the KERP Employees.

88. In consultation with its legal counsel and the Proposal Trustee, the Applicants have developed a draft key employee retention plan ("**KERP**"), the terms and conditions of which are set forth in the Confidential Exhibit (**Exhibit "Q"** hereto) for which the Applicants seek the Sealing Order.
89. The KERP identifies KERP Employees that are critical to the implementation and success of the proposal proceedings. The KERP Employees have been drawn from a broad range of various teams and departments within the Applicants' business and include members of its senior management, operations, human resources and finance teams. They collectively provide critical leadership, experience and resources to run the Applicants' business operations.
90. In addition to the day-to-day operations of the Applicants, the retention of the KERP Employees will be significant to the Applicants in completing the necessary steps to successfully restructure in the proposal proceedings. They will provide strategic and technical direction for the restructuring efforts and will be necessary to identify, develop and implement initiatives intended to maximize value.
91. I believe that the KERP Employees will have more certain employment opportunities available to them with other companies due to their experience and expertise. Without the benefit of the KERP, there is a very real and genuine risk that the KERP Employees will consider other employment opportunities.
92. The Applicants have considered the roles of the KERP Employees in both its ongoing business operations and its restructuring efforts in light of the role played by the Proposal Trustee and do not believe there is any unwarranted duplication of roles.
93. Under the terms of the KERP each of the KERP Employees will receive a retention payment (the "**Retention Payment**") as an incentive to continue their respective employment for the duration of the proposal proceedings, which shall be earned in the following manner:
 - (a) 25% of the total Retention Payment and the end of week 7 of the proposal proceedings;
and
 - (b) 75% of the remaining total Retention Payment following the closing of an asset sale transaction or a restructuring transaction that results in the conclusion of the proposal proceedings.

94. The Retention Payment will only be paid to the respective KERP Employees if they have not resigned or been terminated for cause. If the KERP Employees are terminated without cause, the full amount of the Retention Payment(s) then due and owing (to the extent not already paid) will be payable upon termination.
95. It is anticipated that the Retention Payments payable under the KERP will be funded out of the Applicants' cash flow. To ensure that the KERP Employees receive reasonable assurances that their entitlements under the KERP are secure in light of the Applicants' proposal proceedings, the Applicants' requests a KERP Charge in respect of their obligations under the KERP in a maximum amount of \$373,928.17 on account of anticipated Retention Payments. The KERP Charge is intended to provide the KERP Employees with a reasonable level of assurance the Retention Payments will be paid.
96. The proposed KERP Charge would rank fourth after the Administration Charge, Interim Lender's Charge and the D&O Charge. On June 18, 2024, the Applicants' Board of Directors approved the KERP and the associated KERP Charge.
97. The Proposal Trustee has advised that it is supportive of the approval of the KERP and the corresponding KERP Charge. Accordingly, I believe that it is appropriate in the circumstances for this Court to approve the KERP and grant the KERP Charge.

K. RESTRICTED COURT ACCESS

98. The Confidential Exhibit includes a list of the KERP Employees, their salaries, their Retention Payment, and a short summary of their roles and importance to the Applicants' business and restructuring efforts.
99. Disclosure of the information contained in the Confidential Exhibit will be prejudicial to the Applicants, the KERP Employees and others. Among other issues, disclosure of the Confidential Exhibit could (a) create morale and other issues as between employees who are either not subject to the KERP or are receiving different entitlements under the KERP; (b) allow the Applicants' business competitors and others to attempt to induce the KERP Employees to depart from their employment for more lucrative opportunities; and (c) make it more difficult for the Applicants to negotiate employment terms for replacement employees if required. In addition, and generally speaking, salary and compensation levels for employees is a particularly personal and private matter to employees.
100. The Applicants are proposing that the Confidential Exhibit be sealed on the Court file and not form part of the public record. In doing so, the Applicants believe that (a) the Sealing Order is as narrow as possible and only seeks to maintain the confidentiality the KERP Employees and KERP; (b) the

scope of the proposed Sealing Order is proportionate and restricted to only what is necessary; (c) there are no reasonable alternatives to the Sealing Order that will prevent the risk of disclosure; and (d) the benefits of the Sealing Order outweigh the risks.

L. CONCLUSION

101. I make this Affidavit in support of the Applicants' Application to extend the stay of proceedings and the time for filing a proposal by an additional 45 days, and for certain other ancillary relief, and for no improper purpose.

SWORN at Calgary, Alberta, this 19 day of June
2024.



**NATASHA DOELMAN
BARRISTER & SOLICITOR**



SCOTT MORROW

This is Exhibit "A" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024



A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Alberta
Division No. 02 - Calgary
Court No. 25-3086318
Estate No. 25-3086318

In the Matter of the Notice of Intention to make a proposal of:

420 Investments Ltd.

Insolvent Person

KSV RESTRUCTURING INC.

Licensed Insolvency Trustee

Date of the Notice of Intention:

May 29, 2024

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: May 30, 2024, 11:31

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

Canada



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Alberta
Division No. 02 - Calgary
Court No. 25-3086304
Estate No. 25-3086304

In the Matter of the Notice of Intention to make a proposal of:

420 Premium Markets Ltd.

Insolvent Person

KSV RESTRUCTURING INC.

Licensed Insolvency Trustee

Date of the Notice of Intention:

May 29, 2024

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: May 30, 2024, 11:26

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

Canada



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Alberta
Division No. 02 - Calgary
Court No. 25-3086302
Estate No. 25-3086302

In the Matter of the Notice of Intention to make a proposal of:

Green Rock Cannabis (EC1) Ltd.

Insolvent Person

KSV RESTRUCTURING INC.

Licensed Insolvency Trustee

Date of the Notice of Intention:

May 29, 2024

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: May 30, 2024, 11:17

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

Canada

This is Exhibit "B" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024



A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor

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

Date of Search: 2024/04/23
Time of Search: 04:34 PM
Search provided by: STIKEMAN ELLIOTT
Service Request Number: 41979466
Customer Reference Number: 155857-1001

Corporate Access Number: 2022380279
Business Number: 754169472
Legal Entity Name: GREEN ROCK CANNABIS (EC 1) LIMITED

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2020/01/03 YYYY/MM/DD

Registered Office:

Street: 4200 BANKERS HALL WEST, 888 - 3RD STREET S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2P5C5

Records Address:

Street: 4200 BANKERS HALL WEST, 888 - 3RD STREET S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2P5C5

Email Address: ABREMINDERS@STIKEMAN.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
CHATWIN	KEITH	R.	STIKEMAN ELLIOTT LLP	4200 BANKERS HALL WEST, 888 - 3RD STREET S.W.	CALGARY	ALBERTA	T2P5C5	ABREMINDERS@STIKEMAN.COM

Directors:

Last Name: BUTCHER
First Name: FREIDA
Street/Box Number: 1423 24 STREET SW
City: CALGARY
Province: ALBERTA

Postal Code: T3C1H9
Last Name: GOBERT
First Name: GEOFF
Street/Box Number: 93 ASPEN SUMMIT DRIVE SW
City: CALGARY
Province: ALBERTA
Postal Code: T3H0G1

Last Name: MORROW
First Name: SCOTT
Street/Box Number: 10 COLONIALE CLOSE
City: BEAUMONT
Province: ALBERTA
Postal Code: T4X1M2

Voting Shareholders:

Legal Entity Name: 420 INVESTMENTS LTD.
Corporate Access Number: 2019923552
Street: 800, 635 - 8TH AVENUE S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2P3M3
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SHARE STRUCTURE SCHEDULE ATTACHED HERETO
Share Transfers Restrictions: SEE RESTRICTIONS ON SHARE TRANSFERS SCHEDULE ATTACHED HERETO
Min Number Of Directors: 1
Max Number Of Directors: 10
Business Restricted To: NO RESTRICTIONS
Business Restricted From: NO RESTRICTIONS
Other Provisions: SEE OTHER RULES OR PROVISIONS SCHEDULE ATTACHED HERETO

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2024	2024/03/01

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2020/01/03	Incorporate Alberta Corporation
2020/02/23	Update BN
2024/03/01	Change Address
2024/03/01	Change Agent for Service
2024/03/01	Change Director / Shareholder
2024/03/01	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2020/01/03
Restrictions on Share Transfers	ELECTRONIC	2020/01/03
Other Rules or Provisions	ELECTRONIC	2020/01/03

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



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

Date of Search: 2024/04/23
 Time of Search: 04:32 PM
 Search provided by: STIKEMAN ELLIOTT
 Service Request Number: 41979450
 Customer Reference Number: 155857-1001

Corporate Access Number: 2021022591
Business Number: 767055916
Legal Entity Name: 420 PREMIUM MARKETS LTD.

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2018/02/28 YYYY/MM/DD

Registered Office:

Street: 4200 BANKERS HALL WEST, 888 - 3RD STREET S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2P5C5

Records Address:

Street: 4200 BANKERS HALL WEST, 888 - 3RD STREET S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2P5C5

Email Address: ABREMINDERS@STIKEMAN.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
CHATWIN	KEITH	R.	STIKEMAN ELLIOTT LLP	4200 BANKERS HALL WEST, 888 - 3RD STREET S.W.	CALGARY	ALBERTA	T2P5C5	ABREMINDERS@STIKEMAN.COM

Directors:

Last Name: BUTCHER
First Name: FREIDA
Middle Name: AUDREY
Street/Box Number: 1423 24 STREET SW
City: CALGARY

Province: ALBERTA
Postal Code: T3C1H9

Last Name: GOBERT
First Name: GEOFF
Street/Box Number: 93 ASPEN SUMMIT DRIVE SW
City: CALGARY
Province: ALBERTA
Postal Code: T3H0G1

Last Name: MORROW
First Name: SCOTT
Street/Box Number: 10 COLONIALE CLOSE
City: BEAUMONT
Province: ALBERTA
Postal Code: T4X1M2

Voting Shareholders:

Legal Entity Name: 420 DISPENSARIES LTD.
Corporate Access Number: 2020224495
Street: 800, 635 - 8TH AVENUE S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2P3M3
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE RE AUTHORIZED SHARES
Share Transfers Restrictions: SEE SCHEDULE RE SHARE TRANSFER RESTRICTIONS
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE SCHEDULE RE OTHER PROVISIONS

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2024	2024/02/26

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2018/02/28	Incorporate Alberta Corporation
2020/02/23	Update BN
2024/02/26	Change Address
2024/02/26	Change Agent for Service
2024/02/26	Change Director / Shareholder
2024/02/26	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2018/02/28
Restrictions on Share Transfers	ELECTRONIC	2018/02/28
Other Rules or Provisions	ELECTRONIC	2018/02/28

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



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

Date of Search: 2024/04/23
 Time of Search: 04:23 PM
 Search provided by: STIKEMAN ELLIOTT
 Service Request Number: 41979371
 Customer Reference Number: 155857-1001

Corporate Access Number: 2019923552
Business Number: 728176520
Legal Entity Name: 420 INVESTMENTS LTD.
Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2016/09/09 YYYY/MM/DD

Registered Office:
Street: 4200 BANKERS HALL WEST, 888 - 3RD STREET S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2P5C5

Records Address:
Street: 4200 BANKERS HALL WEST, 888 - 3RD STREET S.W.
City: CALGARY
Province: ALBERTA
Postal Code: T2P5C5

Email Address: ABREMINDERS@STIKEMAN.COM

Primary Agent for Service:

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Directors:

Last Name: BUTCHER
First Name: FREIDA
Middle Name: AUDREY
Street/Box Number: 1423 24 STREET SW
City: CALGARY

Province: ALBERTA
Postal Code: T3C1H9

Last Name: CAMERON
First Name: GORDON
Street/Box Number: 912 38 AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2T2J1

Last Name: GOBERT
First Name: GEOFF
Street/Box Number: 93 ASPEN SUMMIT DRIVE SW
City: CALGARY
Province: ALBERTA
Postal Code: T3H0G1

Last Name: MORROW
First Name: SCOTT
Street/Box Number: 10 COLONIALE CLOSE
City: BEAUMONT
Province: ALBERTA
Postal Code: T4X1M2

Last Name: SERRUYA
First Name: AARON
Street/Box Number: 210 SHIELDS COURT
City: MARKHAM
Province: ONTARIO
Postal Code: L3R8V2

Voting Shareholders:

Legal Entity Name: DIAMOND 7 RANCH LTD.
Corporate Access Number: 208128363
Street: PO BOX 1993 STATION MAIN
City: CALGARY
Province: ALBERTA
Postal Code: T2P2M2
Percent Of Voting Shares: 20.14

Last Name: NATIONAL BANK FINANCIAL INC. ITF THE SERRUYA FAMILY FOUNDATION
Street: M11, 1010 RUE DE LA GAUCHETIERE O.
City: MONTREAL
Province: QUEBEC
Postal Code: H3B5J2
Percent Of Voting Shares: 23.43

Legal Entity Name: THORCO HOLDINGS LTD.
Corporate Access Number: 2013923319
Street: P.O. BOX 415, STN MAIN

City: CALGARY
Province: ALBERTA
Postal Code: T2P2J1
Percent Of Voting Shares: 5.53

Last Name: TURNBULL
First Name: GREGORY
Middle Name: G.
Street: 1027 PROSPECT AVENUE SW
City: CALGARY
Province: ALBERTA
Postal Code: T2T0W8
Percent Of Voting Shares: 5.1

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

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

Holding Shares In:

Legal Entity Name
420 CLINIC LTD.
420 CLINIC/DISPENSARY AND EDIBLES LTD.
420 DISPENSARIES LTD.
WEED GIRLS LTD.
GREEN GOLD PRODUCTIONS INC.
420 ADVISORY MANAGEMENT LTD.
ALPINE VAULTS HOLDING CORPORATION
GREEN ROCK CANNABIS LIMITED
GREEN ROCK CANNABIS (EC 1) LIMITED
420 CLINIC LTD.

Associated Registrations under the Partnership Act:

Trade Partner Name	Registration Number
NIRVANA CANNABIS	TN23816101

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2023	2024/02/23

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2016/09/09	Incorporate Alberta Corporation
2019/05/30	Name/Structure Change Alberta Corporation
2020/02/22	Update BN
2024/01/15	Change Director / Shareholder
2024/02/23	Change Address
2024/02/23	Change Agent for Service
2024/02/23	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2016/09/09
Restrictions on Share Transfers	ELECTRONIC	2016/09/09
Other Rules or Provisions	ELECTRONIC	2016/09/09
Restrictions on Share Transfers	ELECTRONIC	2017/10/02
Other Rules or Provisions	ELECTRONIC	2017/10/02
Share Structure	ELECTRONIC	2018/04/23
Share Structure	ELECTRONIC	2019/05/30
Consolidation, Split, Exchange	ELECTRONIC	2019/05/30

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



This is Exhibit "C" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024



A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor

FOUR20 LEASING TRACKER

	Address	Store Name	City	Commencement Date	Comments
1	829 17th Ave SW	17 Ave East	Calgary	EST Q3 2024	Conditional OTL executed - est. completion Q4 2024 / Floorplans for DP under review
2	Unit 113 - 712 Bow Valley Trail	Canmore	Canmore	Monday, January 1, 2018	Exercised 1st option to renew for additional 5 years in Dec 2022
3	#101, 17 Avenue SW	17 Ave West	Calgary	Wednesday, March 1, 2023	
4	Unit 102, 112 & 122 5534- 72 Ave SE	Foothills	Calgary	Sunday, April 1, 2018	Exercised 1st option to renew for additional 3 years in Dec 2022 agreed on renewal terms for 5 years received conditional DP & BP for conversion of the second floor space into residential dwelling
5	102, 2 Street West	Brooks	Brooks	Sunday, July 1, 2018	
6	D290, 9737 Macleod Trail SW	Southland	Calgary	Sunday, July 1, 2018	Lease ended
7	201, 255 17 Ave SW	Head Office	Calgary	Sunday, March 1, 2020	Lease ended
6	800, 635 8 Ave SW	Head Office	Calgary	Tuesday, August 1, 2023	
8	1309 - 9th Ave SE	Inglewood	Calgary	Monday, October 1, 2018	
10	2801 - 29 Street SW	Killarney	Calgary	Thursday, November 1, 2018	Exercised 1st option to renew March 2023
11	424 Erin Woods	Erin Woods	Calgary	Saturday, September 1, 2018	Extended for 1 year in Feb 2024
12	640 10 Ave SW	Beltline	Calgary	Friday, March 1, 2019	
13	Unit 610-F Patricia Street	Jasper	Jasper	Wednesday, June 15, 2022	Lease ended
14	106, 129 Leva Ave	Penhold	Penhold	Tuesday, September 1, 2020	
15	917 1st Ave NE	Bridgeland	Calgary	Sunday, May 1, 2022	
16	3724 Mayor Magrath	Lethbridge	Lethbridge	Tuesday, September 1, 2020	
17	62 Thevenaz Ind. Trail	Sylvan Lake	Sylvan Lake	Tuesday, September 1, 2020	
18	991 Columbia Boulevard West	Varsity Village	Lethbridge	Thursday, October 1, 2020	Subleased next door unit until end of the lease
19	Bay #160, 6701 Stampede Plaza	Ponoka	Ponoka	Tuesday, February 1, 2022	
20	Bay 3, 2008 - 33 Ave SW	Marda Loop	Calgary	Tuesday, February 1, 2022	
21	#609, 200 Southridge Dr	Okotoks	Okotoks	Tuesday, May 1, 2018	Subleased as of June 1 2023
22	121 8 Ave SW	Stephen Ave	Calgary	Sunday, July 1, 2018	
23	138, 5805 50th Street	Beaumont	Beaumont	Saturday, September 1, 2018	
24	Unit 915- 3890 Sherwood Dr	Shetwood Park	Sherwood Park	Saturday, September 1, 2018	
25	46 Sage Hill Passage NW	Sage Hill	Calgary	Saturday, September 1, 2018	
26	102-10 Street NW	Kensington	Calgary	Monday, October 1, 2018	Advertised for Sublease; Closed store
27	205, 2515 90 Ave SW	Oakridge	Calgary	Monday, October 1, 2018	
28	7111-8650 112 Ave NW	Royal Oak	Calgary	Friday, April 27, 2018	
29	418 16 Ave NW	Mt. Pleasant	Calgary	Monday, October 1, 2018	

30	10806 82 Ave NW	Whyte Ave (10806)	Edmonton	Thursday, September 1, 2022	
31	12800-138 Ave NW	Pembina	Edmonton	Thursday, November 15, 2018	
32	#503, 6702 Golden Ave West	Red Deer	Red Deer	Saturday, December 1, 2018	
33	122-425 Aviation Rd NE	Aviation	Calgary	Monday, July 30, 2018	
34	105, 4820 Northland Dr NW	Northland	Calgary	Wednesday, May 1, 2019	Advertised for Sublease
35	#4, 3749 17 St NW	Tamarack	Edmonton	Saturday, June 1, 2019	
36	14th Street	14th Street	Calgary	Tuesday, October 1, 2019	Closed Store
37	Unit 155A 5055- 101 Ave NW	Capilano	Edmonton	Tuesday, September 1, 2020	
38	#530,700 St. Albert Trail	St. Albert	St. Albert	Tuesday, September 1, 2020	
39	123 Pioneer Drive	Kitchener	Kitchener	Monday, November 1, 2021	
40	230, 3630 Brentwood Road NW	Brentwood	Calgary	Friday, September 30, 2022	
41	120, 6008 Macleod Trail	Chinook	Calgary	Saturday, April 1, 2023	
42	Bay B, 510 Hwy 1	Strathmore	Strathmore	Monday, December 5, 2022	
43	120, 7 Balsam Ave	Bragg Creek	Bragg Creek	Thursday, June 1, 2023	
44	Unit H0068 5- 284 Heritage Gate SE	Heritage	Calgary	December 1 2022	
45	130 Westpark Blvd	Fort Sask	Fort Saskatchewan		
46	10414 82 Ave	Whyte Ave (10414)	Edmonton		
47	Bay 2 - 44 Carry Drive SE	Medicine Hat	Medicine Hat		

This is Exhibit "D" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024

A handwritten signature in blue ink, consisting of several loops and a final horizontal stroke.

A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor

FOUR20 Disclaimed Leases

Operating locations

Brentwood : 250, 3630 Brentwood Road NW, Calgary, AB T2L 1K8\

Foothills: Units 102, 112, 122 and 134, 72 Avenue SE, Calgary, AB T2C 4X5

Kensington: 102, 10 Street NW, Calgary, AB T2N 1V3

Lethbridge: 5, 3724 Mayor Magrath Dr South, Lethbridge, AB T1K 7V1

Northland: 105, 4820 Northland Drive NW, Calgary AB T2L 2L4

Oakridge: 205, 2515 90 Avenue SW, Calgary, AB T2V 0L8

Pembina: 12800 137 Avenue NW, Edmonton, AB T5L 4Y8

Penhold : Unit 106, 129 Leva Avenue, Penhold, AB T4E 1B2

St. Albert: 530, 700 St. Albert Trail, St. Albert, AB T8N 7A5

Subleased locations

Fort Saskatchewan: Westpark Centre, Highway 21 & Westpark Boulevard, Fort Saskatchewan, Alberta

Okotoks: 609, 200 Southridge Drive, Okotoks, AB

White Ave: 10414 82 Avenue, Edmonton, Alberta

Non operating locations

17 Avenue: 829, 17 Avenue SW, Calgary, AB T2T 0A1

Heritage: Unit H0068, Heritage Towne Centre, 5 – 284 Heritage Gate S.E., Calgary, Alberta

Medicine Hat: Plan 9812128; Block 1; Lot 21

Head Office: 800, 635 8 Avenue SW, Calgary, AB T2P 3M3

	Base Rent	CAMS	GST	Total Rent	Other Monthly Operating Costs (average)	Total Costs
Brentwood : 250, 3630 Brentwood Road NW, Calgary, AB T2L 1K8\	\$ 6,174.74	\$ 3,225.12	\$ 470.00	\$ 9,869.86	\$ 153.29	\$ 10,023.15
Foothills: Units 102, 112, 122 and 134, 72 Avenue SE, Calgary, AB T2C 4X5	\$ 5,488.33	\$ 3,553.57	\$ 452.10	\$ 9,494.00	\$ 1,897.31	\$ 11,391.31
Kensington: 102, 10 Street NW, Calgary, AB T2N 1V3	\$ 12,254.17	\$ 7,275.18	\$ 976.47	\$ 20,505.82	\$ 1,154.49	\$ 21,660.31
Lethbridge: 5, 3724 Mayor Magrath Dr South, Lethbridge, AB T1K 7V1	\$ 5,062.00	\$ 2,387.58	\$ 372.48	\$ 7,822.06	\$ 892.19	\$ 8,714.25
Northland: 105, 4820 Northland Drive NW, Calgary AB T2L 2L4	\$ 12,650.00	\$ 6,281.88	\$ 946.59	\$ 19,878.47	\$ 1,857.46	\$ 21,735.93
Oakridge: 205, 2515 90 Avenue SW, Calgary, AB T2V 0L8	\$ 8,169.58	\$ 3,886.39	\$ 602.80	\$ 12,658.77	\$ 882.47	\$ 13,541.24
Pembina: 12800 137 Avenue NW, Edmonton, AB T5L 4Y8	\$ 9,891.00	\$ 4,921.96	\$ 740.65	\$ 15,553.61	\$ 142.79	\$ 15,696.40
Penhold : Unit 106, 129 Leva Avenue, Penhold, AB T4E 1B2	\$ 2,730.00	\$ 2,120.26	\$ 242.51	\$ 5,092.77	\$ 719.34	\$ 5,812.11
St. Albert: 530, 700 St. Albert Trail, St. Albert, AB T8N 7A5	\$ 5,679.33	\$ 2,285.94	\$ 398.26	\$ 8,363.53	\$ 844.69	\$ 9,208.22
Fort Saskatchewan: Westpark Centre, Highway 21 & Westpark Boulevard, Fort Saskatchewan, Alberta	\$ 5,540.00	\$ 2,170.30	\$ 385.52	\$ 8,095.82	\$ 681.59	\$ 8,777.41
Okotoks: 609, 200 Southridge Drive, Okotoks, AB	\$ 3,711.50	\$ 1,115.00	\$ 241.33	\$ 5,067.83	\$ 503.24	\$ 5,571.07
White Ave: 10414 82 Avenue, Edmonton, Alberta	\$ 12,841.67	\$ 4,500.00	\$ 867.08	\$ 18,208.75	\$ -	\$ 18,208.75
17 Avenue: 829, 17 Avenue SW, Calgary, AB T2T 0A1	\$ 9,380.00	\$ 2,814.00	\$ 609.70	\$ 12,803.70	\$ -	\$ 12,803.70
Heritage: Unit H0068, Heritage Towne Centre, 5 – 284 Heritage Gate S.E., Calgary, Alberta	\$ 4,023.33	\$ 1,766.50	\$ 289.49	\$ 6,079.32	\$ -	\$ 6,079.32
Medicine Hat: Plan 9812128; Block 1; Lot 21	\$ 8,033.33	\$ 5,000.00	\$ 651.67	\$ 13,685.00	\$ 275.56	\$ 13,960.56
Head Office: 800, 635 8 Avenue SW, Calgary, AB T2P 3M3	\$ 984.50	\$ 7,851.39	\$ 441.80	\$ 9,277.69	\$ 84.00	\$ 9,361.69

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: Calloway Real Estate Investment Trust Inc.
(the "**Lessor**")
3200 Highway 7
Vaughan, ON L4K 5Z5

Take notice that:

1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. ("**420 Premium**") and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the "**Act**") on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessor, 30 days' notice of its disclaimer of the lease dated January 14, 2020, between the Lessor and 420 Premium, which lease granted possession of premises at the property situated at 5, 3724 Mayor Magrath Dr South, Lethbridge, Alberta T1K 7V1.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: ASI Royal Park Limited Partnership
by its general partner, ASI Royal Park GP Inc. (the
"Lessor")
400 – 1550 5 Street SW
Calgary, AB T3R 1K3

Take notice that:

1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. ("**420 Premium**") and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the "**Act**") on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessor, 30 days' notice of its disclaimer of the lease dated February 20, 2024, between 420 Premium and the Lessor, which lease granted possession of premises at the property situated at 829, 17 Avenue SW, Calgary, Alberta.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: RioCan Holdings (Brentwood Village) Inc.
c/o RioCan Real Estate Investment Trust
(the "**Lessor**")

Suite 500, 2300 Yonge Street
Toronto, ON M4P 1E4

With a copy to:

RioCan Management Inc.
#257, 495 36 Street NE
Calgary, AB T2A 6K3

Take notice that:

1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. ("**420 Premium**") and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the "**Act**") on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessor, 30 days' notice of its disclaimer of the lease dated May 2, 2018, between 420 Premium and the Lessor, which lease granted possession of premises at the property situated at 250, 3630 Brentwood Road NW, Calgary, Alberta.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: Tull Properties Ltd. (the “Lessor”)
3rd Floor, 14505 Bannister Road SE
Calgary, AB T2X 3J3

Attention: Don Tull

Take notice that:

1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. (“**420 Premium**”) and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the “Act”) on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessor, 30 days’ notice of its disclaimer of the lease dated December 6, 2017, between the Lessor and 420 Dispensaries Ltd., as amended by a Lease Amending and Extension Agreement dated December 8, 2022 between the Lessor and 420 Premium, which lease granted possession of premises at the property situated at Units 102, 112, 122 and 134, 5334 72 Avenue SE, Calgary, Alberta.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: 934803 Alberta Ltd. (the "Lessor")
1300, 10423 101 Street NW
Edmonton, AB T5H 0E7
Attention: Vice President, Leasing

With a copy to:

Rancho Realty (Edmonton) Ltd.
1350, 10423 101 Street NW
Edmonton, AB T5H 0E7

Take notice that:

1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. ("**420 Premium**") and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the "**Act**") on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessor, 30 days' notice of its disclaimer of the lease dated October 25, 2018, between the Lessor and 420 Premium, which lease granted possession of premises at the property situated at 130 Westpark Blvd, Fort Saskatchewan, Alberta, T8L 0B2.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: The Cadillac Fairview Corporation Limited (the
"Lessor")
5th Floor, 20 Queen Street West
Toronto, ON M5H 3R4
Attention: Executive Vice President, Property
Management

Take notice that:

1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. ("**420 Premium**") and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the "**Act**") on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessor, 30 days' notice of its disclaimer of the lease dated January 31, 2023, between the Lessor and 420 Premium, which lease granted possession of premises at the property situated at 800, 635 8 Avenue SW Calgary, Alberta T2P 3M3.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: Morguard Real Estate Investment Trust (the
"Lessor")
1000, 55 City Centre Drive
Mississauga, ON L5B1M3

Take notice that:

1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. ("**420 Premium**") and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the "**Act**") on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessor, 30 days' notice of its disclaimer of the lease dated September 11, 2020, between the Lessor and 420 Premium, which lease granted possession of premises at the property situated at Unit H0068, Heritage Towne Centre, 5 – 284 Heritage Gate S.E., Calgary, Alberta.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: Maldeghem Holdings Ltd. (the "Lessor")
c/o CBRE Limited
Suite 500, 530 8 Avenue SW
Calgary, AB T2P 3S8

Take notice that:

1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. ("**420 Premium**") and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the "**Act**") on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessor, 30 days' notice of its disclaimer of the lease dated May 29, 2018, between the Lessor and 420 Premium, which lease granted possession of premises at the property situated at 102, 10 Street NW Calgary, Alberta T2N 1V3.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: The Meadowlands Development Corporation
(the "**Lessor**")
201, 46 Carry Drive SE
Medicine Hat, AB T1B 4E1

Take notice that:

1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. ("**420 Premium**") and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the "**Act**") on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessor, 30 days' notice of its disclaimer of the lease dated June 14, 2018, between the Lessor and 420 Premium, which lease granted possession of premises at the property situated at Bay 2 - 44 Carry Drive SE, Medicine Hat, Alberta.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: Certus Developments Inc. (the “Lessor”)
Suite 210, 815 10 Avenue SW
Calgary, AB T2R 0B4

Take notice that:

1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. (“**420 Premium**”) and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the “**Act**”) on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessor, 30 days’ notice of its disclaimer of the lease dated November 30, 2018, between the Lessor and 420 Premium, which lease granted possession of premises at the property situated at 105, 4820 Northland Drive NW, Calgary Alberta T2L 2L4.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: Oak Bay Plaza Holding Corp. (the "Lessor")
c/o Riverpark Properties Ltd.
Bay 1, 4640 Manhattan Road SE
Calgary, AB T2G 4B5

Take notice that:

1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. ("**420 Premium**") and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the "**Act**") on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessor, 30 days' notice of its disclaimer of the lease dated April 30, 2018, between the Lessor and 420 Premium, which lease granted possession of premises at the property situated at 205, 2515 90 Avenue SW, Calgary, Alberta T2V 0L8.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: 1333627 Alberta Ltd. (the "Lessor")
129, 10555 48 Street SE
Calgary, AB T2C 2B7

Take notice that:

1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. ("**420 Premium**") and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the "**Act**") on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessor, 30 days' notice of its disclaimer of the lease dated February 27, 2015, between the Lessor and 420 Premium, which lease granted possession of premises at the property situated at 609, 200 Southridge Drive, Okotoks, Alberta.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: Palisades Edmonton Holdings Ltd. and Palisades Edmonton G.P. Ltd. (the “Lessors”)
c/o Humford Management Inc.
#300, 10050 112 Street NW
Edmonton, AB T5K 2J1

Take notice that:

1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. (“**420 Premium**”) and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the “**Act**”) on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessors, 30 days’ notice of its disclaimer of the lease dated September 12, 2018, between the Lessors and 420 Premium, which lease granted possession of premises at the property situated at 12800 137 Avenue NW, Edmonton, Alberta T5L 4Y8.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: JDA Industries Inc. (the “Lessor”)
33 Abbey Road
Rocky View County, AB T1Z 0A1

Take notice that:

1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. (“**420 Premium**”) and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the “**Act**”) on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessor, 30 days’ notice of its disclaimer of the lease dated August 27, 2020, between the Lessor and 420 Premium, which lease granted possession of premises at the property situated at Unit 106 129 Leva Avenue, Penhold, Alberta T4E 1B2.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: Calloway Real Estate Investment Trust Inc. (the "Lessor")
3200 Highway 7
Vaughan, ON L4K 5Z5

Take notice that:

1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. ("**420 Premium**") and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the "**Act**") on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessor, 30 days' notice of its disclaimer of the lease dated January 14, 2020, between the Lessor and 420 Premium, which lease granted possession of premises at the property situated at 530, 700 St Albert Trail, St. Albert, Alberta T8N 7A5.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

**Notice by 420 Premium Markets Ltd. to Disclaim a Lease
(Section 65.2 of the *Bankruptcy and Insolvency Act*)**

To: Strathcona Building Inc. (the "Lessor")
c/o Skyslimit Inc.
Suite 302, 10328, 81 Ave
Edmonton, AB T6E 1X2
Attention: Property Manager

Take notice that:

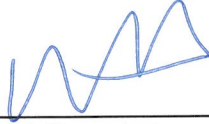
1. A notice of intention to make a proposal in respect of each of 420 Investments Ltd., 420 Premium Markets Ltd. ("**420 Premium**") and Green Rock Cannabis (EC 1) Limited, was filed under subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (the "**Act**") on May 29, 2024.
2. Pursuant to subsection 65.2(1) of the Act, 420 Premium hereby gives you, the Lessor, 30 days' notice of its disclaimer of the lease dated December 11, 2017, between the Lessor and 420 Premium, which lease granted possession of premises at the property situated at 10414 82 Avenue, Edmonton, Alberta.
3. The disclaimer of the lease will become effective on June 29, 2024.
4. You may apply to the court, within 15 days after the day on which you are given this notice, for a declaration that subsection 65.2(1) of the Act does not apply in respect of the lease mentioned above.
5. If you make such an application, the court, on notice to such parties as it may direct, shall make such a declaration unless 420 Premium satisfies the court that the lessee would not be able to make a viable proposal, without its disclaimer of the lease and all other leases that the lessee has disclaimed under subsection 65.2(1) of the Act.

Dated at Calgary, Alberta this 30 day of May 2024.

420 PREMIUM MARKETS LTD

By: 
Name: Scott Morrow
Title: Chief Executive Officer

This is Exhibit "E" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024



A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor

420 Investments Ltd.
Consolidated Operating Income Statement
For the quarter ended December 31, 2023

	Period 10 2023 (4 weeks)		Period 11 2023 (4 weeks)		Period 12 2023 (5 weeks)		Period 13 2023 (1 day)		Q4 2023 (Oct 1 - Dec 31)	
<i>(Expressed in thousands of \$CAD)</i>	Actual		Actual		Actual		Actual		Actual	
Revenue	\$	% Rev	\$	% Rev	\$	% Rev	\$	% Rev	\$	% Rev
Total Revenue - Operations	2,357.7	100.00%	2,292.8	100.00%	3,015.0	100.00%	108.2	100.00%	7,773.7	100.0%
Total COGS - Operations	(1,640.1)	30.4%	(1,598.7)	30.3%	(2,119.5)	29.7%	(75.2)	30.5%	(5,433.5)	30.1%
Gross Margin - Operations	717.6	30.44%	694.1	30.27%	895.5	29.70%	33.0	30.50%	2,340.2	30.10%
Data revenue	204.2	8.7%	196.4	8.6%	239.6	7.9%	6.8	6.3%	647.0	8.3%
Direct Operating Expenses										
Salaries & wages	(441.5)	18.7%	(443.2)	19.3%	(536.9)	17.8%	(16.3)	15.1%	(1,437.9)	18.5%
DABB & Manager bonus	(5.6)	0.2%	(5.7)	0.2%	(5.2)	0.2%	-	0.0%	(16.5)	0.2%
Rent	(247.0)	10.5%	(262.9)	11.5%	(301.6)	10.0%	(8.5)	7.9%	(820.0)	10.5%
OPEX	(128.3)	5.4%	(136.2)	5.9%	(134.8)	4.5%	(2.8)	2.6%	(402.1)	5.2%
Adv & promo	(5.9)	0.3%	(16.2)	0.7%	(10.2)	0.3%	(0.1)	0.1%	(32.4)	0.4%
Freight	(28.0)	1.2%	(26.0)	1.1%	(40.7)	1.3%	-	0.0%	(94.7)	1.2%
Total operating expenses	(856.3)	36.3%	(890.2)	38.8%	(1,029.4)	34.1%	(27.7)	25.6%	(2,803.6)	36.1%
Direct Margin from Operations	65.5	2.78%	0.3	0.01%	105.7	3.51%	12.1	11.18%	183.6	2.36%
Indirect Income & Expenses										
Rent	(31.9)	1.4%	(25.6)	1.1%	(31.3)	1.0%	(0.9)	0.8%	(89.7)	1.2%
Salaries & wages	(143.2)	6.1%	(145.2)	6.3%	(158.4)	5.3%	(4.2)	3.9%	(451.0)	5.8%
General & admin.	(23.5)	1.0%	(39.9)	1.7%	(40.3)	1.3%	(0.9)	0.8%	(104.6)	1.3%
Prof. fees - legal	-	0.0%	(0.2)	0.0%	(74.2)	2.5%	-	0.0%	(74.4)	1.0%
Prof fees - consultants	(3.5)	0.1%	(3.8)	0.2%	(229.4)	7.6%	-	0.0%	(236.7)	3.0%
Total indirect expenses	(202.1)	8.6%	(214.7)	9.4%	(533.6)	17.7%	(6.0)	5.5%	(956.4)	12.3%
EBITDA	(136.6)	-5.79%	(214.4)	-9.35%	(427.9)	-14.19%	6.1	5.64%	(772.8)	-9.94%
Interest expense	(3.8)	-0.2%	(3.8)	-0.2%	(4.7)	-0.2%	-	0.0%	(12.3)	-0.2%
Amortization	(13.9)	-0.6%	(13.9)	-0.6%	(17.3)	-0.6%	(0.5)	-0.5%	(45.6)	-0.6%
Stock based comp	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Other income (loss)	-	0.0%	(2.7)	-0.1%	(37.0)	-1.2%	-	0.0%	(39.7)	-0.5%
Net income (loss)	(154.3)	-6.54%	(234.8)	-10.24%	(486.9)	-16.15%	5.6	5.18%	(870.4)	-11.20%
Normalizing items										
Non-recurring professional fees	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	0.0%
Normalized EBITDA	(136.6)	-5.79%	(214.4)	-9.35%	(427.9)	-14.19%	6.1	5.64%	(772.8)	-9.94%

This is Exhibit "F" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024



A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor

Search ID #: Z17296560

Transmitting Party

STIKEMAN ELLIOTT LLP

4200, 888 - 3 Street SW
CALGARY, AB T2P 5C5

Party Code: 50073519
Phone #: 403 266 9000
Reference #: 155857-1001

Search ID #: Z17296560

Date of Search: 2024-Apr-23

Time of Search: 15:30:44

Business Debtor Search For:

420 INVESTMENTS LTD.

Exact Result(s) Only Found

NOTE:

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



Search ID #: Z17296560

Business Debtor Search For:

420 INVESTMENTS LTD.

Search ID #: Z17296560

Date of Search: 2024-Apr-23

Time of Search: 15:30:44

Registration Number: 20093017620

Registration Date: 2020-Sep-30

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2025-Sep-30 23:59:59

Exact Match on: Debtor No: 1

Amendments to Registration

21092414954

Amendment

2021-Sep-24

Debtor(s)

Block

Status

Current

1 420 INVESTMENTS LTD.
255 - 17 AVENUE SW, SUITE 201
CALGARY, AB T2S 2T8

Secured Party / Parties

Block

Status

Deleted by
21092414954

1 NOMOS CAPITAL I-A LP
130 KING STREET WEST, SUITE 1800
TORONTO, ON M5X 1E3
Email: info@nomoscapital.ca

Block

Status

Current by
21092414954

2 NOMOS CAPITAL I, L.P.
130 KING STREET WEST, SUITE 1800
TORONTO, ON M5X 1E3
Email: info@nomoscapital.ca

Collateral: General

Block

Description

Status

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

Current

Search ID #: Z17296560

Business Debtor Search For:

420 INVESTMENTS LTD.

Search ID #: Z17296560

Date of Search: 2024-Apr-23

Time of Search: 15:30:44

Registration Number: 23112015889

Registration Date: 2023-Nov-20

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Registration Term: Infinity

Exact Match on: Debtor No: 1

Debtor(s)

<u>Block</u>		<u>Status</u>
1	420 INVESTMENTS LTD. 4000, 421 - 7TH AVENUE SW CALGARY, AB T2P 4K9	Current

Secured Party / Parties

<u>Block</u>		<u>Status</u>
1	HIGH PARK SHOPS INC. 98 TALBOT ST E. LEAMINGTON, ON N8H 1L3 Email: mitchell.gendel@tilray.com	Current

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	All of the present and future undertaking and Personal Property of the Debtor, including Books and Records, Contracts, Equipment, Intellectual Property Rights and Permits, and including all such property in which the Debtor now or in the future have any right, title or interest whatsoever, whether owned, leased, licensed possessed or otherwise held by the Debtor, and all Proceeds of any of the foregoing, wherever located.	Current

Particulars

<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
1	Additional email addresses for the secured party are Legal@aphria.com, Edward.Cohen@tilray.com, Escarlet.Bryson@tilray.com and harry.skinner@tilray.com	Current

Result Complete

Search ID #: Z17296592

Transmitting Party

STIKEMAN ELLIOTT LLP

4200, 888 - 3 Street SW
CALGARY, AB T2P 5C5

Party Code: 50073519
Phone #: 403 266 9000
Reference #: 155857-1001

Search ID #: Z17296592

Date of Search: 2024-Apr-23

Time of Search: 15:32:59

Business Debtor Search For:

420 PREMIUM MARKETS LTD.

Exact Result(s) Only Found

NOTE:

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



Search ID #: Z17296592

Business Debtor Search For:

420 PREMIUM MARKETS LTD.

Search ID #: Z17296592

Date of Search: 2024-Apr-23

Time of Search: 15:32:59

Registration Number: 18042306189

Registration Type: SECURITY AGREEMENT

Registration Date: 2018-Apr-23

Registration Status: Current

Expiry Date: 2028-Apr-23 23:59:59

Exact Match on:

Debtor

No: 1

Amendments to Registration

23041014831

Renewal

2023-Apr-10

Debtor(s)

Block

Status

Current

1 420 PREMIUM MARKETS LTD
1100 1 STREET SE, 14TH FLOOR
CALGARY, AB T2G 3D5

Secured Party / Parties

Block

Status

Current

1 BANK OF MONTREAL/BANQUE DE MONTREAL
250 YONGE STREET
TORONTO, ON M5B 2L7

Collateral: General

Block

Description

Status

1 LF269 Collateral described as Guaranteed Investment

2 Certificates and account 2499-9797-997 in the principal

3 amount of \$20,000.00. Proceeds - all present and

4 after-acquired property.

Current

Current

Current

Current

Search ID #: Z17296592

Business Debtor Search For:

420 PREMIUM MARKETS LTD.

Search ID #: Z17296592

Date of Search: 2024-Apr-23

Time of Search: 15:32:59

Registration Number: 23070611977

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Jul-06

Registration Status: Current

Expiry Date: 2026-Jul-06 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

Current

1 420 PREMIUM MARKETS LTD.
4000, 421 - 7TH AVENUE SW
CALGARY, AB T2P4K9

Secured Party / Parties

Block

Status

Current

1 STOKE CANADA FINANCE CORP.
700, 1816 CROWCHILD TRAIL NW
CALGARY, AB T2M3Y7
Email: CRISTOBAL@STOKEIP.COM

Search ID #: Z17296592

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	<p>PER SECURITY AGREEMENT DATED JUNE 26, 2023. 2.01 GRANT OF SECURITY INTEREST. AS CONTINUING SECURITY FOR THE PAYMENT AND PERFORMANCE OF THE SECURED OBLIGATIONS, THE DEBTOR HEREBY: (A) GRANTS, ASSIGNS, TRANSFERS, SETS OVER, MORTGAGES, CHARGES, AND PLEDGES TO THE SECURED PARTY, AND HEREBY CREATES A GENERAL AND CONTINUING SECURITY INTEREST IN FAVOUR OF THE SECURED PARTY IN AND TO ALL SUCH DEBTOR'S RIGHT, TITLE AND INTEREST IN AND TO, THE FOLLOWING, WHEREVER LOCATED, WHETHER NOW EXISTING OR HEREAFTER FROM TIME TO TIME ARISING OR ACQUIRED (COLLECTIVELY, THE "PERSONAL PROPERTY COLLATERAL"): (I) ALL PRESENT AND AFTER-ACQUIRED PERSONAL AND REAL, TANGIBLE AND INTANGIBLE, PROPERTY, ASSETS AND UNDERTAKING OF THE DEBTOR OF EVERY KIND AND NATURE WHATSOEVER, INCLUDING ALL ACCOUNTS, OF WHATEVER KIND AND WHEREVER SITUATED, INCLUDING: (I) ALL ACCOUNTS RECEIVABLE, OTHER RECEIVABLES, BOOK DEBTS AND OTHER FORMS OF OBLIGATIONS, WHETHER ARISING OUT OF GOODS SOLD OR SERVICES RENDERED OR FROM ANY OTHER TRANSACTION; (II) ALL OF DEBTOR'S RIGHTS IN, TO AND UNDER ALL PURCHASE ORDERS OR RECEIPTS FOR GOODS OR SERVICES; (III) ALL OF DEBTOR'S RIGHTS TO ANY GOODS REPRESENTED BY ANY OF THE FOREGOING (INCLUDING UNPAID SELLERS' RIGHTS OR RESCISSION, REPLEVIN, RECLAMATION AND STOPPAGE IN TRANSIT AND RIGHTS TO RETURNED, RECLAIMED OR REPOSSESSED GOODS); (IV) ALL MONEY DUE OR TO BECOME DUE TO DEBTOR UNDER ALL PURCHASE ORDERS AND CONTRACTS FOR THE SALE OF GOODS OR THE PERFORMANCE OF SERVICES OR BOTH BY THE DEBTOR OR IN CONNECTION WITH ANY OTHER TRANSACTION (WHETHER OR NOT YET EARNED BY PERFORMANCE ON THE PART OF DEBTOR), INCLUDING, THE RIGHT TO RECEIVE THE PROCEEDS OF SAID PURCHASE ORDERS AND CONTRACTS; AND (V) ALL COLLATERAL SECURITY AND GUARANTEES OF ANY KIND GIVEN BY ANY OTHER PERSON WITH RESPECT TO ANY OF THE FOREGOING; AND</p>	Current
2	<p>(II) ALL GOODS (INCLUDING EQUIPMENT, MOTOR VEHICLES AND INVENTORY, BUT EXCLUDING CONSUMER GOODS, OF WHATEVER KIND AND WHEREVER SITUATED INCLUDING ALL GOODS, MERCHANDISE OR OTHER PERSONAL PROPERTY, WHEREVER LOCATED TO BE FINISHED UNDER ANY CONTRACT OF SERVICE OR HELD FOR SALE OR LEASE, ALL RAW MATERIALS, WORK IN PROGRESS, FINISHED GOODS AND MATERIALS AND SUPPLIES, FURNITURE AND FIXTURES OF ANY KIND, NATURE OR DESCRIPTION WHICH ARE OR MIGHT BE USED OR CONSUMED IN THE BUSINESS OF THE DEBTOR, INCLUDING ALL GOODS, WARES AND MERCHANDISE USED IN OR PROCURED FOR THE PACKING, SHIPPING, EXHIBITION, DISPLAY, ADVERTISING, SELLING OR FINISHING OF ANY OF THE FOREGOING, ALL PRODUCTS AND BY-PRODUCTS THEREOF OR DERIVED THEREFROM, ALL DOCUMENTS OF TITLE OR OTHER DOCUMENTS REPRESENTING THE FOREGOING, AND ALL PROCEEDS AND PRODUCTS OF EACH OF THE FOREGOING, INCLUDING ANY AND ALL PROCEEDS OF ANY INSURANCE, INDEMNITY, COMPENSATION FOR LOSS OR DAMAGE, WARRANTY OR GUARANTEE PAYABLE TO THE DEBTOR FROM TIME TO TIME WITH RESPECT TO ANY OF THE FOREGOING; AND</p>	Current

Search ID #: Z17296592

- 3 (III) ALL ADDITIONS, ACCESSIONS TO, SUBSTITUTIONS AND REPLACEMENTS FOR, Current
AND RENTS, PROFITS AND PRODUCTS OF, EACH OF THE FOREGOING.
(B) GRANTS A FLOATING CHARGE ON ALL OF THE DEBTOR'S INTEREST IN
PERSONAL, REAL, IMMOVEABLE, OR LEASEHOLD PROPERTY, BOTH PRESENT
AND FUTURE, THAT IS NOT ALREADY VALIDLY AND EFFECTIVELY CHARGED BY
THE FOREGOING SECTION 2.01(A) (THE "FLOATING CHARGE COLLATERAL" AND,
COLLECTIVELY WITH THE PERSONAL PROPERTY COLLATERAL, THE
"COLLATERAL"), WHICH WILL BECOME A FIXED CHARGE UPON ENFORCEMENT
OF THE SECURED OBLIGATIONS. NOTWITHSTANDING THE FOREGOING,
LEASEHOLD PROPERTY'S SECURITY INTERESTS CREATED BY THIS PROVISION
SHALL EXCLUDE THE LAST DAY OF THE TERM OF ANY LEASE, VERBAL OR
WRITTEN, OR ANY AGREEMENT TO LEASE, NOW HELD OR HEREAFTER
ACQUIRED BY THE DEBTOR. NONETHELESS, SHOULD THE SECURED PARTY
NEED TO ENFORCE AGAINST THE COLLATERAL, THE DEBTOR SHALL HOLD THE
LAST DATE IN TRUST FOR THE SECURED PARTY AND SHALL ASSIGN IT TO ANY
PERSON ACQUIRING THE TERM OR THAT PART OF THE TERM THAT IS CHARGED
IN THE COURSE OF ANY ENFORCEMENT OR REALIZATION OF THE COLLATERAL.
- 4 (C) FOR CLARITY, IN THIS SECTION THE TERMS "GOODS", "MONEY", "DOCUMENTS Current
OF TITLE", "EQUIPMENT", "INTANGIBLE", AND "INVENTORY" SHALL BE
INTERPRETED PURSUANT TO THEIR RESPECTIVE MEANINGS ASCRIBED TO
THEM IN THE PERSONAL PROPERTY SECURITY ACT, R.S.O. 1990, C. P.10, AS
AMENDED FROM TIME TO TIME, WHICH ACT, INCLUDING AMENDMENTS THERETO
AND ANY ACT SUBSTITUTED THEREFOR AND AMENDMENTS THERETO, IS HEREIN
REFERRED TO AS THE "PPSA". ANY REFERENCE HEREIN TO "COLLATERAL"
SHALL, UNLESS THE CONTEXT OTHERWISE REQUIRES, BE DEEMED A
REFERENCE TO "COLLATERAL OR ANY PART THEREOF". THE TERM "PROCEEDS",
WHENEVER USED HEREIN AND INTERPRETED AS ABOVE, SHALL BY WAY OF
EXAMPLE INCLUDE CASH, BANK ACCOUNTS, NOTES, CHATTEL PAPER,
CONTRACT RIGHTS, ACCOUNTS AND ANY OTHER PERSONAL PROPERTY OR
OBLIGATION RECEIVED WHEN SUCH COLLATERAL OR PROCEEDS ARE SOLD,
EXCHANGED, COLLECTED OR OTHERWISE DISPOSED. IN ADDITION TO THE
DEFINED TERMS APPEARING ABOVE, CAPITALIZED TERMS USED HEREIN SHALL
HAVE (UNLESS PROVIDED ELSEWHERE HEREIN) THE MEANINGS ASSIGNED
THERETO IN THE LOAN AGREEMENT. ALL REFERENCES IN THIS AGREEMENT TO
THE TERM "INCLUDING" (OR ANY FORM THEREOF) SHALL NOT BE LIMITING OR
EXCLUSIVE.

Result Complete

Search ID #: Z17296565

Transmitting Party

STIKEMAN ELLIOTT LLP

4200, 888 - 3 Street SW
CALGARY, AB T2P 5C5

Party Code: 50073519
Phone #: 403 266 9000
Reference #: 155857-1001

Search ID #: Z17296565

Date of Search: 2024-Apr-23

Time of Search: 15:31:06

Business Debtor Search For:

GREEN ROCK CANNABIS (EC1) LTD.

No Result(s) Found

NOTE:

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

Result Complete





PERSONAL PROPERTY SECURITY REGISTRATION
SYSTEM (ONTARIO) ENQUIRY RESULTS

Prepared for : Stikeman Elliott LLP - Beatrice Lorusso
Docket : 155857,1001
Search ID : 973761
Date Processed : 5/21/2024 1:46:09 PM
Report Type : PPSA Electronic Response
Search Conducted on : GREEN ROCK CANNABIS (EC 1) LIMITED
Search Type : Business Debtor

DISCLAIMER :

This report has been generated using data provided by the Personal Property Registration Branch, Ministry of Government Services, Government of Ontario. No liability is undertaken regarding its correctness, completeness, or the interpretation and use that are made of it.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE
CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY SYSTEM IN RESPECT
OF THE FOLLOWING:

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: GREEN ROCK CANNABIS (EC 1) LIMITED

FILE CURRENCY: May 20, 2024

ENQUIRY CONTAINS 0 PAGES, 0 FAMILY(IES).

NO REGISTRATIONS ARE REPORTED IN THIS ENQUIRY RESPONSE.

THE ABOVE REPORT HAS BEEN CREATED BASED ON THE DATA PROVIDED BY
THE PERSONAL PROPERTY REGISTRATION BRANCH, MINISTRY OF CONSUMER
AND BUSINESS SERVICES, GOVERNMENT OF ONTARIO. NO LIABILITY IS
UNDERTAKEN REGARDING ITS CORRECTNESS, COMPLETENESS, OR THE
INTERPRETATION AND USE THAT ARE MADE OF IT.

This is Exhibit "G" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024

A handwritten signature in blue ink, consisting of several loops and a final upward stroke, positioned above a horizontal line.

A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor

From: Ezra Siller <esiller@nomoscapital.ca>
Sent: Wednesday, May 29, 2024 9:38:48 AM
To: Scott Morrow <smorrow@420corp.ca>
Subject: Nomos - balance

Hi Scott,

I'd like to confirm our discussion and confirm that the Funder, Nomos Capital I, L.P., is activating Section 13 of the Litigation Funding Agreement with your consent to waive the periods set out in Section 13.1, effective to our recent call together with counsel. Please confirm by return email.

The crystalized secured debt as of today is in the amount of: \$1,062,660.57.

Please see enclosed for additional details.

Best,

Ezra

Ezra Siller

Managing Director, **Nomos Capital Corp.**



(416) 371-8037 | esiller@nomoscapital.ca
130 King Street West | Suite 1900
Toronto, ON | M5X 1E3

This email from Nomos Capital Corp. is intended for the recipient only and may contain confidential and privileged information. No one else may read, print, store, copy, forward or act in reliance on it or its attachments. If you are not the intended recipient, please return the message to the sender and delete the message and any attachments.

INVESTMENT TRACKING - Four20

NCIALP	Total
	1,025,000.00
10/20/2020	(16,830.48)
10/20/2020	(9,209.97)
10/20/2020	(7,186.13)
10/20/2020	(4,756.45)
10/20/2020	(2,076.32)
10/20/2020	(11,448.99)
10/20/2020	(15,356.42)
2/8/2021	(7,926.40)
2/8/2021	(3,831.19)
2/8/2021	(7,421.96)
6/28/2021	(10,871.52)
8/6/2021	(14,229.26)
NCILP	
10/18/2021	(3,206.18)
11/10/2021	(18,197.55)
11/10/2021	(66,968.75)
11/15/2021	(2,243.68)
12/6/2021	(46,338.85)
1/6/2022	(38,402.29)
1/6/2022	(2,632.88)
1/6/2022	(552.83)
2/16/2022	(23,062.49)
2/16/2022	(9,875.52)
3/16/2022	(8,897.21)
4/5/2022	(227.65)
4/28/2022	(4,773.12)
4/28/2022	(1,060.90)
6/6/2022	(29,138.00)
6/6/2022	(968.50)
7/26/2022	(9,777.24)
7/26/2022	(7,413.12)
7/26/2022	(968.50)
7/26/2022	(968.50)
8/31/2022	(968.50)
9/23/2022	(968.50)
9/23/2022	(12,711.15)
11/14/2022	(6,815.46)
11/14/2022	(968.50)
2/10/2023	(18,598.82)
2/10/2023	(33,977.00)

2/10/2023	(968.50)
2/10/2023	(1,162.43)
2/10/2023	(1,162.41)
2/10/2023	(10,170.00)
2/23/2023	(1,162.37)
2/23/2023	(41,805.38)
3/15/2023	(63,925.69)
3/30/2023	(1,162.37)
3/30/2023	(86,537.50)
4/14/2023	(1,648.53)
4/14/2023	(3,163.58)
4/14/2023	(375.00)
5/15/2023	(20,556.50)
5/15/2023	(3,625.00)
6/16/2023	(7,040.64)
8/15/2023	(11,896.36)
10/17/2023	(2,062.50)
12/1/2023	(26,184.63)
2/15/2024	(562.50)
2/15/2024	(5,625.00)
4/16/2024	(109,566.26)

Remaining Commitment 162,810.08

Total Funded 862,189.92

Date of Payment	5/29/2024	200,470.65
Interest Rate	12.68%	
		<u>1,062,660.57</u>

Invoice Number	Payee	Interest Earned
91938	Loopstra Nixon (Funder's Expenses)	9,062.21
56245	JSS Barristers	4,959.02
56525	JSS Barristers	3,869.30
56795	JSS Barristers	2,561.06
57147	JSS Barristers	1,117.98
57420	JSS Barristers	6,164.60
57752	JSS Barristers	8,268.52
58114	JSS Barristers	3,838.89
420-001	JSS Barristers	1,855.51
420-002	JSS Barristers	3,594.58
420-003	JSS Barristers	4,533.22
420-004	JSS Barristers	5,680.85
420-005	JSS Barristers	1,174.18
90576221	Epiq eDiscovery Solutions	6,483.66
90576224	Epiq eDiscovery Solutions	23,860.48
104854	Loopstra Nixon (Funder's Expenses)	794.37
420-006; 420-007	JSS Barristers	15,970.64
420-008	JSS Barristers	12,724.15
90589404	Epiq eDiscovery Solutions	872.37
90593605	Epiq eDiscovery Solutions	183.17
420-009	JSS Barristers	7,236.89
90589407	Epiq eDiscovery Solutions	3,098.89
420-10	JSS Barristers	2,676.19
788995	Parlee McLaws LLP (Loopstra Nixon LLP) (Fund	66.61
420-011	JSS Barristers	1,349.83
90627445	Epiq eDiscovery Solutions	300.02
420-012	JSS Barristers	7,772.11
90635845	Epiq eDiscovery Solutions	258.33
420-013	JSS Barristers	2,404.26
420-014	JSS Barristers	1,822.92
90652723	Epiq eDiscovery Solutions	238.16
90644432	Epiq eDiscovery Solutions	238.16
90659704	Epiq eDiscovery Solutions	224.63
90669286	Epiq eDiscovery Solutions	215.56
420-016	JSS Barristers	2,829.18
420-017	JSS Barristers	1,377.21
90677368	Epiq eDiscovery Solutions	195.71
420-018	JSS Barristers	3,129.71
420-019	JSS Barristers	5,717.46

90691158	Epiq eDiscovery Solutions	162.97
90699802	Epiq eDiscovery Solutions	195.61
90707814	Epiq eDiscovery Solutions	195.60
271	Joel Wisenfeld	1,711.35
90716864	Epiq eDiscovery Solutions	189.76
2602-INV-01	Secretariat Advisors(Canada) Limited	6,824.68
420-020	JSS Barristers	9,895.27
90725225	Epiq eDiscovery Solutions	173.27
2602-INV-02	Secretariat Advisors(Canada) Limited	12,899.57
90729097	Epiq eDiscovery Solutions	236.96
420-021	JSS Barristers	454.74
31032023	Garrett Popadynetz	53.90
420-022	JSS Barristers	2,714.35
30042023	Garrett Popadynetz	478.66
420-023	JSS Barristers	848.16
420-024	JSS Barristers	1,174.84
31082023	Garrett Popadynetz	157.57
420-025	JSS Barristers	1,592.15
31122023	Garrett Popadynetz	19.74
31012024	Garrett Popadynetz	197.38
420-026	JSS Barristers	1,573.55

Funder's Investment

Interest

Investment Repayment Amount

This is Exhibit "H" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024



A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor

LOAN AGREEMENT

Dated: August 28, 2019

Between:

HIGH PARK SHOPS INC. (the "Lender")

-and-

420 INVESTMENTS LTD. (the "Borrower")

1. INTERPRETATION

In this agreement (this "**Agreement**"), unless the context requires otherwise, the term "**Business Day**" shall be construed as a reference to any day (excluding Saturday and Sunday) on which banks are open for business in the Province of Alberta.

In this Loan Agreement, capitalized terms used but not defined herein shall have the meanings specified in the Arrangement Agreement among the Lender, the Borrower, Tilray, Inc. and the Shareholder Representatives dated August 28, 2019.

2. AMOUNT

The Lender agrees to make available to the Borrower a term loan in a maximum amount of CDN \$7,000,000 (the "**Loan**").

3. USE OF PROCEEDS

- 3.1 The proceeds of the Loan will be applied by the Borrower in financing the construction, development and improvements of its existing and future licensed retail cannabis locations. For the avoidance of doubt, none of the proceeds of the Loan may be applied by the Borrower in repaying any of its financial indebtedness or in otherwise servicing or discharging any other obligations or liabilities nor may any of the proceeds of the Loan be applied in any activities that are in contravention of any applicable federal or provincial laws or regulations or any other applicable or analogous statutes or rules.

4. AVAILABILITY AND DRAWDOWN

- 4.1 The Loan will be available to the Borrower in two advances, as follows: (i) CDN \$5,000,000 of the Loan will be available to the Borrower on the date hereof; and (ii) CDN \$2,000,000 of the Loan will be available to the Borrower upon written request of the Borrower on or after November 1, 2019, provided that the Borrower has opened to the public at least eight retail stores by October 31, 2019. If the conditions in subsection (ii) are not satisfied on or before October 31, 2019, the CDN \$2,000,000 amount shall be made available to the Borrower on the Effective Date under the Working Capital Note.
- 4.2 The initial advance of CDN \$5,000,000 of the Loan shall be available to the Borrower following:
- (a) receipt by the Lender of a copy of this Agreement duly executed by the Borrower;

- (b) execution by the Borrower of a general security agreement in favour of the Lender over all of its present and future personal property and due registration of the same as required by the Lender; and
 - (c) due approval by the board of directors of the Borrower of, amongst other things, its entry into this Agreement and the grant of security to the Lender in support of its obligations hereunder.
- 4.3 Subject to Section 4.1, the second advance of CDN \$2,000,000 of the Loan shall be available to the Borrower on or after November 1, 2019 following:
- (a) receipt by the Lender of the written request referred to in clause (ii) of Section 4.1; and
 - (b) receipt by the Lender of a certificate of a senior officer of the Borrower certifying that the Borrower has opened to the public at least eight retail stores by October 31, 2019, and no Event of Default has occurred,

5. INTEREST

- 5.1 The outstanding amount of the Loan shall bear interest at a rate equal to eight per cent (8.0%) per annum. Interest shall accrue daily both before and after default, demand, maturity and judgment, and shall be calculated on the basis of the actual number of days elapsed and on the basis of a year of 365. Interest shall be calculated and payable on overdue interest at the same rate as aforesaid.
- 5.2 Subject to Section 7.2 below, accrued interest under the Loan shall only be payable on the Maturity Date (as defined below) or the date that all of the obligations under this Agreement may otherwise become due and payable in accordance with the terms and conditions of this Agreement.

6. PAYMENTS

- 6.1 All payments due and payable from the Borrower hereunder shall be made in immediately available funds, without any set-off, deduction or withholding of any nature whatsoever except to the extent that the Borrower is obliged by law to make payment subject to tax deduction or withholding. In the event that the Borrower is compelled to make any such deduction as aforesaid, (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 6.1) the Lender receives an amount equal to the sum it would have received had no such deductions been made, and (ii) the Borrower shall make such deductions, pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law and provide the Lender with a certificate evidencing the payment of such tax or other deduction.

7. REPAYMENT AND PREPAYMENT

- 7.1 The total outstanding amount of the Loan, other than any amounts advanced under the Working Capital Note, if applicable, shall be repaid in full on the later of (i) the date falling one hundred and eighty (180) days after the date of the advance of the Loan; and (ii) the termination of the Arrangement Agreement (in either case, the "Maturity Date") or at such earlier or later date as may be agreed in writing between the Lender and Borrower. Any amounts advanced under the Working Capital Note, if applicable, shall, for greater certainty, be repaid on the terms set out in the Working Capital Note.
- 7.2 Any outstanding principal amounts under the Loan may be prepaid in whole or in part (together with all accrued interest thereon) at any time at the option of the Borrower without any premium or penalty. Amounts prepaid may not be redrawn.

8. MANDATORY PREPAYMENT

- 8.1 Upon the occurrence of any of the following events, except for such event occurring solely between or among the Borrower and/or its securityholders, on the one hand, and Tilray, Inc. and/or any of its affiliates, on the other hand, the Loan, together with all accrued interest thereon, shall immediately (and in any case within 3 Business Days of completion of such event) be repaid by the Borrower in full together with a repayment fee equal to 1% of the then outstanding amount of the Loan:
- (a) the sale, transfer or disposal of all or substantially all of the assets of the Borrower, whether by way of a voluntary or involuntary transaction;
 - (b) a merger, amalgamation, consolidation, plan of arrangement or corporate restructuring involving the Borrower; or
 - (c) a change of control of the Borrower whereby there is a change in (i) the ownership, directly or indirectly, beneficially or of record, of equity securities in the Borrower representing more than 30% of the aggregate ordinary voting power represented by the issued and outstanding equity securities of the Borrower, (ii) the occupation of a majority of the seats on the board of directors of the Borrower, or (iii) the power to direct or cause the direction of the management or policies of the Borrower (whether through the ability to exercise voting power, by contract or otherwise).
- 8.2 The net proceeds of any of the following events shall be applied in repayment of the outstanding principal amounts under the Loan (together with all accrued interest thereon) within 5 Business Days of receipt by the Borrower:
- (a) except as expressly approved in writing by the Lender, in its sole discretion, the sale, lease, transfer or other disposal of any material assets of the Borrower, whether by way of a voluntary or involuntary transaction, including of any licensed retail location or any equipment, but excluding disposals of inventory or other disposals made in the ordinary course of the Borrower's business; and
 - (b) any insurance claim by the Borrower under any insurance maintained by it, excluding insurance proceeds which are to be promptly applied in meeting a third party claim, in covering operating losses or in the replacement, reinstatement or repair of assets or in amelioration of the loss in respect of which such claim was made.

9. COVENANTS

- 9.1 The Borrower will, for so long as any of its obligations under this Agreement remain outstanding:
- (a) pay all amounts owing under this Agreement when due;
 - (b) perform, fulfil and satisfy all other obligations of it under this Agreement;
 - (c) notify the Lender of any Event of Default or other default under this Agreement promptly upon becoming aware of such Event of Default or default; and
 - (d) use the proceeds of the Loan strictly in accordance with the terms of this Agreement.
- 9.2 The Borrower shall, upon the request of the Lender, duly execute and deliver or cause to be duly executed and delivered to the Lender such further instruments and do and cause to be done such further acts as may be necessary or proper in the



reasonable opinion of the Lender to carry out more effectually the provisions and purposes of this Agreement, including the provision by the Borrower of any reasonable additional information and documentation and any security (or related documentation) over its assets in favour of the Lender.

10. ILLEGALITY

If it is or becomes unlawful in any jurisdiction for the Lender to give effect to any of its obligations hereunder or to fund or maintain the Loan then the Lender shall promptly notify the Borrower accordingly. The Borrower shall, following such notification, prepay, by no later than the day before such obligations become unlawful, the Loan, or, as the case may be, any relevant portion thereof.

11. EVENTS OF DEFAULT

If any of the following events (each of which constitutes an "Event of Default") shall occur and be continuing:

- (a) the Borrower does not pay within 3 Business Days of the due date any amount payable by it under the Loan;
- (b) the Borrower fails to comply with any other provision of this Agreement and if such non-compliance is capable of remedy within 15 Business Days, the Borrower does not remedy the same within 15 Business Days of being required to do so by the Lender;
- (c) the institution by the Borrower of proceedings to be adjudicated a bankrupt or any similar proceedings or the seeking by it of relief under any applicable federal, provincial, state or other law relating to bankruptcy or relief of debtors, or the filing by it of any such petition or to the appointment under any such law of a receiver, receiver-manager, liquidator, assignee, trustee or other similar official of the Borrower of all or substantially all of its property, or the making by it of a general assignment for the benefit of creditors, or the admission by it in writing of its inability to pay its debts generally as they become due;
- (d) any proceedings are commenced by a person for the bankruptcy or any similar proceedings of the Borrower; or
- (e) the entry of a decree or order by a court having jurisdiction adjudging the Borrower bankrupt or approving as properly filed an application or a petition seeking bankruptcy in respect of the Borrower under any applicable law relating to bankruptcy or relief of debtors, or appointing under any such law a receiver, receiver-manager, liquidator, assignee, trustee or other similar official of the Borrower of all or substantially all of its property,

then the Lender may at any time thereafter by notice to the Borrower declare that the total amount of the Loan and all other amounts payable hereunder are immediately due and payable and the Loan shall thereupon terminate.

12. NOTICES

- 12.1 All communications by the parties under or in connection with the Loan or this Agreement shall be provided to a party at the contact details notified to the other party from time to time. Such communication shall be made in the form agreed between the parties from time to time, and may be given by facsimile or email transmission.
- 12.2 Any demand to be given by the Lender shall be given in writing and without prejudice to any other effective mode of service shall be deemed to have been sufficiently

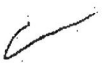


served if sent to the Borrower at its address or email address as most recently advised by the Borrower to the Lender.

13. LAW AND JURISDICTION; MISCELLANEOUS

- 13.1 This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and the applicable laws of Canadian and both parties hereto hereby submit and attorn to the exclusive jurisdiction of the courts of Alberta.
- 13.2 No failure or delay on the part of the Lender to exercise its rights shall operate as a waiver thereof nor shall any single exercise or any partial exercise or waiver of any such right exclude any other or further exercise thereof.
- 13.3 This Agreement shall be binding upon and shall enure to the benefit of the Lender and the Borrower and their respective successors and assigns, provided that the Borrower may not assign any of its rights or transfer any of its obligations hereunder without the prior written consent of the Lender. The Lender may assign any of its rights or transfer any of its obligations hereunder to any other party, in its sole discretion.
- 13.4 If the due date for any payment would otherwise fall on a day which is not a Business Day, the effective date shall be the next succeeding Business Day.
- 13.5 This Agreement may be executed in any number of counterparts, and this shall have the same effect as if the signatures were on a single copy of this Agreement.
- 13.6 Delivery of an executed signature page to this Agreement by facsimile or other electronic form of transmission shall be as effective as delivery of a manually executed copy of this Agreement.
- 13.7 This Agreement constitutes the entire agreement as between the parties hereto in respect of the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties relating to the subject matter of this Agreement and entered into prior to the date of this Agreement.

[Remainder of page left blank.]



IN WITNESS WHEREOF the parties have executed this Agreement on the date first noted above.

The Lender

HIGH PARK SHOPS INC.

BY: B K
Name: Brendan Kennedy
Title: President

✓

IN WITNESS WHEREOF the parties have executed this Agreement on the date first noted above

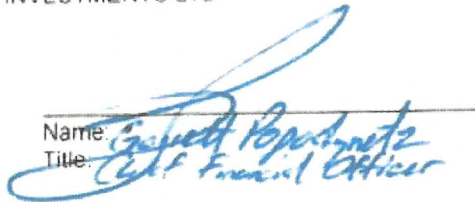
The Borrower

420 INVESTMENTS LTD

BY:

Name:

Title:


Eyal Popovitz
Chief Financial Officer



This is Exhibit "1" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024



A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor

GENERAL SECURITY AGREEMENT

This General Security Agreement is made as of August 28, 2019.

TO: HIGH PARK SHOPS INC.

RECITALS:

A. 420 Investments Ltd. (the "**Debtor**") is, or may become, indebted or liable to High Park Shops Inc. (the "**Lender**") under a loan agreement made between the Debtor and the Lender on or about the date of this Agreement (the "**Loan Agreement**").

B. To secure the payment and performance of the Secured Liabilities, the Debtor has agreed to grant to the Lender the Security Interests with respect to the Collateral in accordance with the terms of this Agreement (as those terms are defined below).

For good and valuable consideration, the receipt and adequacy of which are acknowledged by the Debtor, the Debtor agrees with and in favour of the Lender as follows:

1. **Definitions.** In this Agreement, the following terms have the following meanings:

"**Account**", "**Chattel Paper**", "**Consumer Goods**", "**Document of Title**", "**Equipment**", "**Goods**", "**Instrument**", "**Intangible**", "**Inventory**", "**Investment Property**", "**Money**", "**Proceeds**", "**Security**" and "**Security Entitlement**" have the meanings given to them in the PPSA.

"**Books and Records**" means all books, records, files, papers, disks, documents and other repositories of data recording in any form or medium, evidencing or relating to the Personal Property of the Debtor which are at any time owned by the Debtor or to which the Debtor (or any Person on the Debtor's behalf) has access.

"**Business Day**" means any day other than a Saturday, Sunday or statutory holiday in the Province of Alberta.

"**Collateral**" means all of the present and future undertaking and Personal Property of the Debtor, including Books and Records, Contracts, Equipment, Intellectual Property Rights and Permits, and including all such property in which the Debtor now or in the future have any right, title or interest whatsoever, whether owned, leased, licensed, possessed or otherwise held by the Debtor, and all Proceeds of any of the foregoing, wherever located.

"**Contracts**" means all contracts and agreements to which the Debtor are at any time a party or pursuant to which the Debtor have at any time acquired rights, and includes all rights of the Debtor to receive money due and to become due to it in connection with a contract or agreement, all rights of the Debtor to damages arising out of, or for breach or default with respect to, a contract or agreement, and all rights of the Debtor to perform and exercise all remedies in connection with a contract or agreement.

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

"**Intellectual Property Rights**" means all industrial and intellectual property rights of the Debtor or in which the Debtor have any right, title or interest, including copyrights, patents, inventions (whether or not patented), trade-marks, get-up and trade dress, industrial designs, integrated circuit topographies, plant breeders' rights, know-how and trade secrets, registrations and applications for registration for any such industrial and intellectual property rights, and all Contracts related to any such industrial and intellectual property rights.

“**Laws**” means all federal, provincial, municipal, foreign and international statutes, acts, codes, ordinances, decrees, treaties, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards or any provisions of the foregoing; and “**Law**” means any one or more of the foregoing.

“**Lien**” means, with respect to any asset, any mortgage, deed of trust, lien, pledge, hypothec (whether movable or immovable), hypothecation, encumbrance, charge, security interest, royalty interest, adverse claim, defect to title or right of set off in, on or of such asset.

“**Permits**” means all permits, licences, waivers, exemptions, consents, certificates, authorizations, approvals, franchises, rights-of-way, easements and entitlements that the Debtor has, requires or is required to have, to own, possess or operate any of its property or to operate and carry on any part of its business.

“**Person**” includes any natural person, corporation, company, limited liability company, unlimited liability company, trust, joint venture, association, incorporated organization, partnership, governmental authority or other entity.

“**Personal Property**” means personal property and includes Accounts, Chattel Paper, Documents of Title, Equipment, Goods, Instruments, Intangibles, Inventory, Investment Property and Money.

“**Pledged Shares**” means any and all Collateral that comprise Securities or Security Entitlements.

“**PPSA**” means the *Personal Property Security Act* (Alberta), as such legislation may be amended, renamed or replaced from time to time, and includes all regulations from time to time made under such legislation.

“**Receiver**” means an interim receiver, a receiver, a manager or a receiver and manager.

“**Release Date**” means the date on which all the Secured Liabilities have been indefeasibly paid and discharged in full and the Lender have no further obligations to the Debtor pursuant to which further Secured Liabilities might arise.

“**Secured Liabilities**” means all present and future indebtedness, liabilities and obligations of any and every kind, nature and description (whether direct or indirect, joint or several, absolute or contingent, matured or unmatured) of the Debtor to the Lender under, in connection with or with respect to the Loan Agreement, and any unpaid balance thereof.

“**Security Interests**” means the Liens created by the Debtor in favour of the Lender under this Agreement.

2. **Grant of Security Interests.** As general and continuing collateral security for the due payment and performance of the Secured Liabilities, the Debtor pledges, mortgages, charges and assigns (by way of security) to the Lender, and grants to the Lender a security interest in, the Collateral.

3. **Limitations on Grant of Security Interests.** If the grant of the Security Interests with respect to any Contract, Intellectual Property Right or Permit under Section 2 would result in the termination or breach of such Contract, Intellectual Property Right or Permit or is otherwise prohibited or ineffective (whether by the terms thereof or under applicable Law), then such Contract, Intellectual Property Right or Permit shall not be subject to the Security Interests but shall be held in trust by the Debtor for the benefit of the Lender and, on the exercise by the Lender of any of its rights or remedies under this Agreement following an Event of Default shall be assigned by the Debtor as directed by the Lender; provided that: (a) the Security Interests shall attach to such Contract, Intellectual Property Right or Permit, or applicable portion thereof, immediately at such time as the condition causing such termination or breach is remedied, and (b) if a term in a Contract that prohibits or restricts the grant of the Security Interests in the whole of an Account or Chattel Paper forming part of the Collateral is unenforceable against the Lender under applicable Law, then

the exclusion from the Security Interests set out above shall not apply to such Account or Chattel Paper. In addition, the Security Interests do not attach to Consumer Goods or extend to the last day of the term of any lease or agreement for lease of real property. Such last day shall be held by the Debtor in trust for the Lender and, on the exercise by the Lender of any of its rights or remedies under this Agreement following an Event of Default, shall be assigned by the Debtor as directed by the Lender.

4. **Attachment; No Obligation to Advance.** The Debtor confirms that value has been given by the Lender to the Debtor, that the Debtor has rights in the Collateral existing at the date of this Agreement and that the Debtor and the Lender have not agreed to postpone the time for attachment of the Security Interests to any of the Collateral. The Security Interests shall have effect and be deemed to be effective whether or not the Secured Liabilities or any part thereof are owing or in existence before or after or upon the date of this Agreement.

5. **Covenants.** The Debtor covenants and agrees with the Lender that:

(a) **Further Documentation.** The Debtor will from time to time, at the expense of the Debtor, promptly and duly authorize, execute and deliver such further instruments and documents, and take such further action, as the Lender may request for the purpose of obtaining or preserving the full benefits of, and the rights and powers granted by, this Agreement (including the filing of any financing statements or financing change statements under any applicable legislation with respect to the Security Interests created by this Agreement). The Debtor acknowledges that this Agreement has been prepared based on the existing Laws in the Province of Alberta and that a change in such Laws, or the Laws of other jurisdictions, may require the execution and delivery of different forms of security documentation. Accordingly, the Debtor agrees that the Lender will have the right to require that this Agreement be amended, supplemented or replaced, and that the Debtor will immediately on request by the Lender authorize, execute and deliver any such amendment, supplement or replacement in order to confer on the Lender Security Interests similar to, and having the same effect as, the Security Interests created by this Agreement.

(b) **Maintenance of Records.** The Debtor will keep and maintain accurate and complete records of the Collateral.

(c) **Further Identification of Collateral.** The Debtor will promptly furnish to the Lender such statements and schedules further identifying and describing the Collateral, and such other reports in connection with the Collateral, as the Lender may from time to time reasonably request.

6. **Dealing with Collateral.** The Debtor may, until an Event of Default occurs, deal with its money or sell items of Inventory in the ordinary course of its business so that the purchaser thereof takes title thereto free and clear of the Security Interest granted hereby, but all proceeds of any such sale will continue to be subject to the security granted hereby. Upon the occurrence of an Event of Default and the exercise by the Lender of any of its rights and remedies under hereunder, all money received by the Debtor will be held by the Debtor in trust for the Lender and must be held separate and apart from other money of the Debtor and paid over to the Lender on request.

7. **Voting Rights.** To the extent ever applicable, unless an Event of Default has occurred and is continuing, the Debtor shall be entitled to exercise all voting power from time to time exercisable with respect to the Pledged Shares and give consents, waivers and ratifications with respect thereto; provided, however, that no vote shall be cast or consent, waiver or ratification given or action taken which would be, or would have a reasonable likelihood of being, prejudicial to the interests of the Lender or which would have the effect of reducing the value of the Collateral as security for the Secured Liabilities or imposing any restriction on the transferability of any of the Collateral. Unless an Event of Default has occurred and is continuing, the Lender shall, from time to time at the request and expense of the Debtor, execute or cause

to be executed, with respect to all Securities that are registered in the name of one of the Lender or its nominee, valid proxies appointing the Debtor as its (or its nominee's) proxy to attend, vote and act for and on behalf of the Lender or such nominee, as the case may be, at any and all meetings of the applicable issuer's shareholders or debt holders, all Securities that are registered in the name of the Lender or such nominee, as the case may be, and to execute and deliver, consent to or approve or disapprove of or withhold consent to any resolutions in writing of shareholders or debt holders of the applicable issuer for and on behalf of the Lender or such nominee, as the case may be. Immediately upon the occurrence and during the continuance of any Event of Default, all such rights of the Debtor to vote and give consents, waivers and ratifications shall cease and the Lender or its nominee shall be entitled to exercise all such voting rights and to give all such consents, waivers and ratifications.

8. **Dividends; Interest.** To the extent ever applicable, unless an Event of Default has occurred and is continuing, the Debtor shall be entitled to receive any and all cash dividends, interest, principal payments and other forms of cash distribution on the Pledged Shares which it is otherwise entitled to receive, but any and all stock and/or liquidating dividends, distributions of property, returns of capital or other distributions made on or with respect to the Pledged Shares and any and all cash and other property received in exchange for any Pledged Shares shall be and become part of the Collateral subject to the Security Interests and, if received by the Debtor, shall forthwith be delivered to the Lender or its nominee to be held subject to the terms of this Agreement. If an Event of Default has occurred and is continuing, all rights of the Debtor pursuant to this Section shall cease and the Lender shall have the sole and exclusive right and authority to receive and retain the cash dividends, interest, principal payments and other forms of cash distribution which the Debtor would otherwise be authorized to retain pursuant to this Section. Any money and other property paid over to or received by the Lender pursuant to the provisions of this Section shall be retained by the Lender as additional Collateral hereunder and be applied in accordance with the provisions of this Agreement.

9. **Purchase-Money Security Interests.** The Debtor will be permitted to grant purchase money security interests in the ordinary course of its business in connection with the purchase or lease of Inventory or Equipment, up to an aggregate amount of CDN \$1,000,000.

10. **Rights on Event of Default.** If an Event of Default has occurred and is continuing, then and in every such case the Security Interests shall become enforceable and the Lender, in addition to any rights now or hereafter existing under applicable Law may, personally or by agent, at such time or times as the Lender in its discretion may determine, do any one or more of the following:

(a) **Rights under PPSA, etc.** Exercise all of the rights and remedies granted to secured parties under the PPSA and any other applicable statute, or otherwise available to the Lender by contract, at law or in equity.

(b) **Demand Possession.** Demand possession of any or all of the Collateral, in which event the Debtor shall, at the expense of the Debtor, immediately cause the Collateral designated by the Lender to be assembled and made available and/or delivered to the Lender at any place designated by the Lender.

(c) **Take Possession.** Enter on any premises where any Collateral is located and take possession of, disable or remove such Collateral.

(d) **Deal with Collateral.** Hold, store and keep idle, or operate, lease or otherwise use or permit the use of, any or all of the Collateral for such time and on such terms as the Lender may determine, and demand, collect and retain all earnings and other sums due or to become due from any Person with respect to any of the Collateral.

(e) Carry on Business. Carry on, or concur in the carrying on of, any or all of the business or undertaking of the Debtor and enter on, occupy and use (without charge by the Debtor) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Debtor.

(f) Enforce Collateral. Seize, collect, receive, enforce or otherwise deal with any Collateral in such manner, on such terms and conditions and at such times as the Lender deems advisable.

(g) Dispose of Collateral. Realize on any or all of the Collateral and sell, lease, assign, give options to purchase, or otherwise dispose of and deliver any or all of the Collateral (or contract to do any of the above), in one or more parcels at any public or private sale, at any exchange, broker's board or office of the Lender or elsewhere, with or without advertising or other formality, except as required by applicable Law, on such terms and conditions as the Lender may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery.

(h) Court-Approved Disposition of Collateral. Obtain from any court of competent jurisdiction an order for the sale or foreclosure of any or all of the Collateral.

(i) Purchase by Lender. At any public sale, and to the extent permitted by Law on any private sale, bid for and purchase any or all of the Collateral offered for sale and, upon compliance with the terms of such sale, hold, retain, sell or otherwise dispose of such Collateral without any further accountability to the Debtor or any other Person with respect to such holding, retention, sale or other disposition, except as required by Law. In any such sale to the Lender, the Lender may, for the purpose of making payment for all or any part of the Collateral so purchased, use any claim for any or all of the Secured Liabilities then due and payable to it as a credit against the purchase price.

(j) Collect Accounts. Notify (whether in its own name or in the name of the Debtor) the account debtors under any Accounts of the Debtor of the assignment of such Accounts to the Lender and direct such account debtors to make payment of all amounts due or to become due to the Debtor with respect to such Accounts directly to the Lender and, upon such notification and at the expense of the Debtor, enforce collection of any such Accounts, and adjust, settle or compromise the amount or payment of such Accounts, in such manner and to such extent as the Lender deems appropriate in the circumstances.

(k) Transfer of Collateral. Transfer any Collateral that is Pledged Shares into the name of the Lender or its nominee.

(l) Voting. Vote any or all of the Pledged Shares (whether or not transferred to the Lender or its nominee) and give or withhold all consents, waivers and ratifications with respect thereto and otherwise act with respect thereto as though it were the outright owner thereof.

(m) Exercise Other Rights. Exercise any and all rights, privileges, entitlements and options pertaining to any Collateral that is Pledged Shares as if the Lender were the absolute owner of such Pledged Shares.

(n) Dealing with Contracts and Permits. Deal with any and all Contracts and Permits to the same extent as the Debtor might (including the enforcement, realization, sale, assignment, transfer, and requirement for continued performance), all on such terms and conditions and at such time or times as may seem advisable to the Lender.

(o) Payment of Liabilities. Pay any liability secured by any Lien against any Collateral. The Debtor shall immediately on demand reimburse the Lender for all such payments and, until paid, any such

reimbursement obligation shall form part of the Secured Liabilities and shall be secured by the Security Interests.

(p) Borrow and Grant Liens. Borrow money for the maintenance, preservation or protection of any Collateral or for carrying on any of the business or undertaking of the Debtor and grant Liens on any Collateral (in priority to the Security Interests or otherwise) as security for the money so borrowed. The Debtor shall immediately on demand reimburse the Lender for all such borrowings and, until paid, any such reimbursement obligations shall form part of the Secured Liabilities and shall be secured by the Security Interests.

(q) Appoint Receiver. Appoint by instrument in writing one or more Receivers of the Debtor or any or all of the Collateral with such rights, powers and authority (including any or all of the rights, powers and authority of the Lender under this Agreement) as may be provided for in the instrument of appointment or any supplemental instrument, and remove and replace any such Receiver from time to time. To the extent permitted by applicable Law, any Receiver appointed by the Lender shall (for purposes relating to responsibility for the Receiver's acts or omissions) be considered to be the agent of the Debtor and not of the Lender.

(r) Court-Appointed Receiver. Obtain from any court of competent jurisdiction an order for the appointment of a Receiver of the Debtor or of any or all of the Collateral.

The Lender may exercise any or all of the foregoing rights and remedies without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except as required by applicable Law) to or on the Debtor or any other Person, and the Debtor hereby waives each such demand, presentment, protest, advertisement and notice to the extent permitted by applicable Law. None of the above rights or remedies shall be exclusive of or dependent on or merge in any other right or remedy, and one or more of such rights and remedies may be exercised independently or in combination from time to time. The Debtor acknowledges and agrees that any action taken by the Lender hereunder following the occurrence and during the continuance of an Event of Default shall not be rendered invalid or ineffective as a result of the curing of the Event of Default on which such action was based.

11. Grant of Licence. For the purpose of enabling the Lender to exercise its rights and remedies under this Agreement when the Lender is entitled to exercise such rights and remedies, and for no other purpose, the Debtor grants to the Lender an irrevocable, non-exclusive licence (exercisable without payment of royalty or other compensation to the Debtor) to use, assign or sublicense any or all of the Intellectual Property Rights.

12. Application of Proceeds. All Proceeds of Collateral received by the Lender or a Receiver may be applied to discharge or satisfy any expenses (including the Receiver's remuneration and other expenses of enforcing the Lender's rights under this Agreement), Liens on the Collateral in favour of Persons other than the Lender, borrowings, taxes and other outgoings affecting the Collateral or which are considered advisable by the Lender or the Receiver to protect, preserve, repair, process, maintain or enhance the Collateral or prepare it for sale, lease or other disposition, or to keep in good standing any Liens on the Collateral ranking in priority to any of the Security Interests, or to sell, lease or otherwise dispose of the Collateral. The balance of such Proceeds may, at the sole discretion of the Lender, be held as collateral security for the Secured Liabilities or be applied to such of the Secured Liabilities (whether or not the same are due and payable) in such manner and at such times as the Lender consider appropriate and thereafter shall be accounted for as required by Law.

13. **Continuing Liability of Debtor.** The Debtor shall remain liable for any Secured Liabilities that are outstanding following realization of all or any part of the Collateral and the application of the Proceeds thereof.

14. **Lender's Appointment as Attorney-in-Fact.** Effective upon the occurrence and during the continuance of an Event of Default, the Debtor constitutes and appoints the Lender and any officer or agent of the Lender, with full power of substitution, as the Debtor's true and lawful attorney-in-fact with full power and authority in the place of the Debtor and in the name of the Debtor or in its own name, from time to time in the Lender's discretion, to take any and all appropriate action and to execute any and all documents and instruments as, in the opinion of such attorney, may be necessary or desirable to accomplish the purposes of this Agreement. The Debtor hereby ratifies and confirms, and agrees to ratify and confirm, whatever lawful acts the Lender or any of the Lender's sub-agents, nominees or attorneys do or purport to do in exercise of the power of attorney granted to the Lender pursuant to this Section.

15. **Performance by Lender of Debtor's Obligations.** If the Debtor fails to perform or comply with any of the obligations of the Debtor under this Agreement, the Lender may, but need not, perform or otherwise cause the performance or compliance of such obligation, provided that such performance or compliance shall not constitute a waiver, remedy or satisfaction of such failure. The expenses of the Lender incurred in connection with any such performance or compliance shall be payable by the Debtor to the Lender immediately on demand, and until paid, any such expenses shall form part of the Secured Liabilities and shall be secured by the Security Interests.

16. **Severability.** Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

17. **Rights of Lender; Limitations on Lender's Obligations.**

(a) **Limitations on Lender's Liability.** The Lender shall not be liable to the Debtor or any other Person for any failure or delay in exercising any of the rights of the Debtor under this Agreement caused for any reason other than the gross negligence or wilful misconduct of the Lender. (including any failure to take possession of, collect, sell, lease or otherwise dispose of any Collateral or to preserve rights against prior parties).

(b) **Debtor Remains Liable under Accounts and Contracts.** Notwithstanding any provision of this Agreement, the Debtor shall remain liable under each of the documents giving rise to the Accounts of the Debtor and under each of the Contracts to observe and perform all the conditions and obligations to be observed and performed by the Debtor thereunder, all in accordance with the terms of each such document and Contract.

(c) **Use of Agents.** The Lender may perform any of its rights or duties under this Agreement by or through agents and is entitled to retain counsel and to act in reliance on the advice of such counsel concerning all matters pertaining to its rights and duties under this Agreement.

18. **Dealings by Lender.** The Lender shall not be obliged to exhaust its recourse against the Debtor or any other Person or against any other security it may hold with respect to the Secured Liabilities or any part thereof before realizing upon or otherwise dealing with the Collateral in such manner as the Lender may consider desirable. The Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, grant releases and discharges and otherwise deal with the Debtor and any other Person, and with any or all of the Collateral, and with other security and sureties, as the Lender may

see fit, all without prejudice to the Secured Liabilities or to the rights and remedies of the Lender under this Agreement.

19. **Communication.** Any notice or other communication required or permitted to be given under this Agreement will be made in accordance with the Loan Agreement.

20. **Release of Information.** The Debtor authorizes the Lender to provide a copy of this Agreement and such other information as may be requested of the Lender (i) to the extent necessary to enforce the Lender's rights, remedies and entitlements under this Agreement, (ii) to any assignee or prospective assignee of all or any part of the Secured Liabilities, and (iii) as required by applicable Law.

21. **Release of Debtor.** Upon the written request of the Debtor given at any time on or after the Release Date, the Lender shall, at the expense of the Debtor, release the Debtor and the Collateral from the Security Interests and such release shall serve to terminate any licence granted in this Agreement. Upon such release, and at the request and expense of the Debtor, the Lender shall execute and deliver to the Debtor such releases and discharges as the Debtor may reasonably request.

22. **Alteration or Waiver.** None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the Lender. The Lender shall not, by any act or delay, be deemed to have waived any right or remedy hereunder or to have acquiesced in any Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of the Lender, any right, power or privilege hereunder shall operate as a waiver thereof.

23. **Amalgamation.** The Debtor acknowledges that if it amalgamates or merges with any other corporation or corporations, then (i) the Collateral and the Security Interests shall extend to and include all the property and assets of the amalgamated corporation and to any property or assets of the amalgamated corporation thereafter owned or acquired, (ii) the term "Debtor", where used in this Agreement, shall extend to and include the amalgamated corporation, and (iii) the term "Secured Liabilities", where used in this Agreement, shall extend to and include the Secured Liabilities of the amalgamated corporation.

24. **Governing Law; Attornment.** This Agreement shall be governed by and construed in accordance with the Laws of the Province of Alberta. Without prejudice to the ability of the Lender to enforce this Agreement in any other proper jurisdiction, the Debtor irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of such province.

25. **Successors and Assigns.** This Agreement shall enure to the benefit of, and be binding on, the Debtor and its successors and permitted assigns, and shall enure to the benefit of, and be binding on, the Lender and its successors and assigns. Neither of the Debtor may assign this Agreement, or any of its rights or obligations under this Agreement. The Lender may assign this Agreement and any of its rights and obligations hereunder to any Person.

26. **Entire Agreement.** This Agreement has been entered into pursuant to the provisions of the Loan Agreement and is subject to all the terms and conditions thereof and, if there is any conflict or inconsistency between the provisions of this Agreement and the provisions of the Loan Agreement, the rights and obligations of the parties will be governed by the provisions of the Loan Agreement. This Agreement cancels and supersedes any prior understandings and agreements between the parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the Lender and the Debtor with respect to the subject matter hereof except as expressly set forth herein or in the Loan Agreement.

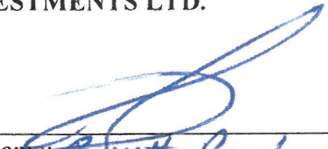
27. **Acknowledgment of Receipt/Waiver.** The Debtor waives the right to receive a copy of any financing statement or financing change statement registered in connection with this Agreement or any verification statement issued with respect to any such financing statement or financing change statement.

28. **Electronic Signature.** Delivery of an executed signature page to this Agreement by the Debtor by facsimile or other electronic form of transmission shall be as effective as delivery by the Debtor of a manually executed copy of this Agreement by the Debtor.

IN WITNESS WHEREOF the undersigned has caused this Agreement to be duly executed as of the date first written above.


420 INVESTMENTS LTD.

By:


Name: Garrett Rappaport
Title: Chief Financial Officer

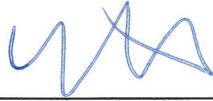
IN WITNESS WHEREOF the undersigned has caused this Agreement to be duly executed as of the date first written above.

HIGH PARK SHOPS INC.

By: 

Name: Brendan Kennedy
Title: President

This is Exhibit "J" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024



A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor

NOTICE

(Termination pursuant to section 7.1(4)(a) of the Arrangement Agreement)

TO: 420 Investments Ltd. ("Four20")

AND TO: Geoff Gobert, Freida Butcher and Charles Mannix

FROM: High Park Shops Inc. ("High Park")
Tilray, Inc. ("Tilray")

RE: The arrangement agreement among High Park, Tilray, Four20, Geoff Gobert, Freida Butcher and Charles Mannix dated August 28, 2019 (the "**Arrangement Agreement**")

Date: February 26, 2020

Capitalized terms used but not otherwise defined herein have the meaning ascribed thereto in the Arrangement Agreement.

WHEREAS High Park delivered a notice to Four20 dated February 4, 2020 (the "**Notice**") in accordance with Section 4.7(4) of the Arrangement Agreement notifying it of the breach of the following provisions of the Arrangement Agreement, as more fully described in the Notice (collectively, the "**Breaches**"):

- (a) Section 3.1, paragraphs 16(a), 16(c) and 16(j);
- (b) Sections 4.1(1)(i) and (ii);
- (c) Sections 4.1(2)(h) and (aa);
- (d) Section 6.3(1) and (2); and
- (e) Section 17(b) and Section 22 of Schedule C.

AND WHEREAS High Park delivered a notice to Four20 dated February 4, 2020, terminating the Arrangement Agreement pursuant to section 7.1(4)(c) of the Arrangement Agreement.

AND WHEREAS High Park may not elect exercise its right to terminate the Arrangement Agreement pursuant to section 7.1(4)(a) unless High Park has delivered written notice to Four20 in accordance with Section 4.7(4) of the Arrangement Agreement and, provided that Four20 proceeds diligently to cure the matters set out in the written notice and such matters are capable of being cured prior to the Outside Date, until the earlier of (a) the Outside Date and (b) if such matter has not been cured by the date that is 10 Business Days from the date of the written notice, such date.

AND WHEREAS the Notice was delivered more than 10 Business Days prior to the date hereof and the Breaches have not been cured.

NOW THEREFORE, and without prejudice to High Park's position that its notice of February 4, 2020 has effected such termination, High Park (on its own behalf and on behalf of Tilray) hereby




terminates the Arrangement Agreement pursuant to Section 7.1(4)(a) of the Arrangement Agreement effective as of the date first mentioned above.

This notice shall not operate as a consent or waiver, express or implied, of any matter, whether pursuant to the Arrangement Agreement or otherwise, including with respect to the Breaches. Furthermore, this notice shall not be construed, and shall not operate, to limit any of High Park or Tilray's rights, powers, privileges or remedies under the Arrangement Agreement, including termination of the Arrangement Agreement pursuant to Section 7.1(4)(c).

DATED as of the date first mentioned above.

HIGH PARK SHOPS INC.

Per: 
Name: **BRENDAN KENNEDY**
Title: **CHIEF EXECUTIVE OFFICER**



This is Exhibit "K" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024



A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor

NOTICE OF ACCELERATION

TO: 420 Investments Ltd. (the "Borrower")

RE: Loan agreement dated as of August 28, 2019 between High Park Shops Inc. (the "Lender") and the Borrower

Reference is made to the loan agreement dated as of August 28, 2019 (the "Loan Agreement") between the Borrower, as borrower, and the Lender, as lender. All capitalized terms used herein and not otherwise defined shall the meaning set out in the Loan Agreement.

The Borrower has failed to repay the total outstanding amount of the Loan when due in accordance with Section 7.1 of the Loan Agreement and has failed to use the proceeds of the Loan in accordance with Section 3.1 (which non-compliance is not capable of remedy). Therefore, an Event of Default has occurred and is continuing pursuant to Section 11(a) and Section 11(b) of the Loan Agreement.

By this Notice, the undersigned hereby declares the total outstanding amount of the Loan and all other amounts payable under the Loan Agreement to be due and payable immediately. Upon this declaration the total outstanding amount of the Loan and all other amounts payable under the Loan Agreement have become and are immediately due and payable pursuant to the provisions of Section 11 of the Loan Agreement and the Loan Agreement will terminate upon receipt of such payment.

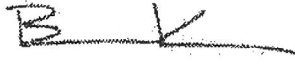
DATED this 11th day of March, 2020

[SIGNATURE PAGE FOLLOWS]



LENDER:

HIGH PARK SHOPS INC.

By: 
Name: Brendan Kennedy
Title: Chief Executive Officer



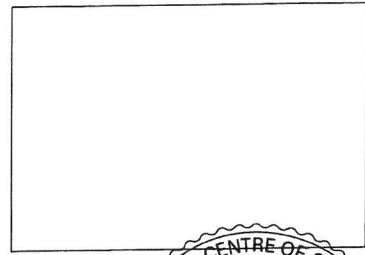
This is Exhibit "L" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024



A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor

CERTIFIED *E. Wheaton*
by the Court Clerk as a true copy of
the document digitally filed on May
21, 2024



COURT FILE NUMBER 2001-02873

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF / DEFENDANT BY
COUNTERCLAIM/ RESPONDENT 420 INVESTMENTS LTD.

DEFENDANTS / PLAINTIFFS BY
COUNTERCLAIM/ APPLICANT TILRAY INC. and HIGH PARK SHOPS INC.

DOCUMENT **ORDER**

PARTY FILING THIS DOCUMENT HIGH PARK SHOPS INC.

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT BLAKE, CASSELS & GRAYDON LLP
3500 Bankers Hall East
855 – 2nd Street S.W.
Calgary, Alberta T2P 4J8

Attention: David V. Tupper
Tom Wagner

Telephone: 403-260-9722
403-260-9734

Facsimile: 403-260-9700

Email: david.tupper@blakes.com
tom.wagner@blakes.com

File Ref.: 191284/35



DATE ON WHICH ORDER WAS
PRONOUNCED:

May 21, 2024

LOCATION WHERE ORDER WAS
PRONOUNCED:

Calgary Courts Centre
601 – 5th Street SW
Calgary, Alberta T2P 5P7

NAME OF APPLICATIONS JUDGE
WHO MADE THIS ORDER:

Applications Judge J.R. Farrington

UPON THE APPLICATION of the Plaintiff by Counterclaim/Applicant, High Park Shops Inc. ("**High Park**") pursuant to Rules 9.12 and 9.14 to correct the Order of Applications Judge J.R. Farrington pronounced on February 5, 2024 (the "**Summary Judgment Order**") and make a further Order; **AND UPON HAVING READ** High Park's Application, the Affidavit of Carl Merton, affirmed on February 16, 2023, and the Affidavit of Carl Merton, affirmed on April 19, 2024; **AND UPON** noting the consent of counsel for High Park and counsel for Four20;

IT IS HEREBY ORDERED THAT:

1. Paragraph 1 of the Summary Judgment Order, which currently states


"High Park's application for summary judgment against Four20 is granted"

shall be changed to read:

"High Park's application for summary judgment against Four20 is granted. High Park is entitled to judgment in the amount of CAD\$9,810,364.12, comprised of a principal amount of CAD \$7,000,000, plus pre-judgment interest in the amount of CAD \$2,810,364.12, plus post-judgment interest at the contractual rate of interest of eight percent (8.0%) per annum, compounded daily."

2. The Clerk of the Court is directed to file the Writ of Enforcement attached as Schedule "A" to this Order.

3. There shall be no costs of this Order to either party.



Applications Judge J.R. Farrington

CONSENTED TO THIS 16TH DAY OF MAY, 2024:

BLAKE, CASSELS & GRAYDON LLP

**JENSEN SHAWA SOLOMON DUGUID
HAWKES LLP**



David V. Tupper / Tom Wagner

Counsel for the Applicant, High Park Shops
Inc.



Robert Hawkes, K.C. / Gavin Price / Sarah
Miller

Counsel for the Respondent, 420
Investments Ltd.

SCHEDULE "A" – WRIT OF ENFORCEMENT

Compound Interest Owing From Advance Date

First Tranche:

No.	Period	Interest Rate	Amount Outstanding	Interest
1.	August 29, 2019 to January 1, 2020	8.00%	\$5,000,000.00	\$136,986.30
2.	January 1, 2020 to January 1, 2021	8.00%	\$5,136,986.30	\$412,084.82
3.	January 1, 2021 to January 1, 2022	8.00%	\$5,549,071.12	\$443,925.69
4.	January 1, 2022 to January 1, 2023	8.00%	\$5,992,996.81	\$479,439.74
5.	January 1, 2023 to January 1, 2024	8.00%	\$6,472,436.55	\$517,794.92
6.	January 1, 2024 to February 7, 2024	8.00%	\$6,990,231.48	\$56,687.90
TOTAL:			\$7,046,919.38	\$2,046,919.38

Second Tranche:

No.	Period	Interest Rate	Amount Outstanding	Interest
1.	November 29, 2019 to January 1, 2020	8.00%	\$2,000,000.00	\$14,465.75
2.	January 1, 2020 to January 1, 2021	8.00%	\$2,014,465.75	\$161,598.79
3.	January 1, 2021 to January 1, 2022	8.00%	\$2,176,064.54	\$174,085.16
4.	January 1, 2022 to January 1, 2023	8.00%	\$2,350,149.70	\$188,011.98
5.	January 1, 2023 to January 1, 2024	8.00%	\$2,538,161.68	\$203,052.93
6.	January 1, 2024 to February 7, 2024	8.00%	\$2,741,214.61	\$22,230.12
TOTAL:			\$2,763,444.74	\$763,444.74

Total Outstanding Amounts:

Tranche	Amount Outstanding
First Tranche	\$7,046,919.38
Second Tranche	\$2,763,444.74
TOTAL:	\$9,810,364.12

This is Exhibit "M" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024



A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor



BE PAYMENT READY

NATIONAL MERCHANT AGREEMENT

Information Summary Box	
Date of contract(s)	<p>Effective start date: October 11, 2018 Length of term: 3 Years Renewal date: October 11, 2021</p>
Acquirer	<p>Moneris Solutions Corporation on its own behalf and on behalf of Royal Bank of Canada ("RBC") and Bank of Montreal ("BMO") 3300 Bloor Street West, West Tower, 10th Floor Toronto, ON M8X 2X2 Tel: 1-866-319-7450 www.moneris.com</p> <p>RBC is a party to this Agreement for Visa and Interac Card acceptance services and BMO is a party to this Agreement for MasterCard Card acceptance services, as required by the Card Brand Rules and Regulations.</p>
For Cancellation of contract(s) and any applicable penalties	<p>Your right to cancel</p> <p>Despite what the Agreement provides regarding your right to cancel, you may cancel the Agreement without penalty in the event of:</p> <ul style="list-style-type: none"> •A fee increase, except one made in accordance with a pre-determined fee schedule in the Agreement; •The introduction of a new fee; or •A reduction in applicable interchange rates that is not fully passed on to you. <p>To do so, you must exercise this right within 90 days of the date of receiving notice of:</p> <ul style="list-style-type: none"> •the fee increase, except one made in accordance with a pre-determined fee schedule in the Agreement; •the introduction of a new fee; or •the reduction of the applicable interchange fees that is not fully passed on to you. <p>by sending notice to us in accordance with Section 25 of the Agreement.</p> <p>Early Termination Fees (see below for Early Termination of Terminal Rentals)</p> <p>If, prior to the expiry of the Term, you:</p> <ul style="list-style-type: none"> (i) terminate this Agreement or cause it to be terminated other than pursuant to Section 17.2(b); (ii) sell, assign or transfer all or substantially all of your assets or business to a third party without assigning this Agreement in accordance with its terms; or (iii) otherwise discontinue processing Transactions with us, <p>you will pay us an amount equal to the average monthly Fees you have paid to us during the Term (excluding the month when you ceased processing Transactions with us) multiplied by the number of months remaining during the Term. The foregoing payment constitutes liquidated damages as compensation for the negotiated Fees which were offered to you based on your projected Transaction volumes during the Term and not a penalty.</p>

Other cancellation rights

You may cancel the Agreement in accordance with Section 17.2(b) of the Agreement.

Contract renewals

The Agreement will automatically renew for one (1) year terms.

Notice of non-renewal

If either party notifies the others at least 60 days before the end of the first term or a renewal term, that it wishes to cancel this Agreement such cancellation to be effective at the end of the initial term or any renewal term.

Other

Separate terms, conditions and fees apply for the cancellation of the rental of Equipment. They are listed in the "Information About Payment Terminal" section.

Complaint handling procedures

If you have a complaint pertaining to the Code of Conduct for the Credit and Debit Card Industry, you can contact your Moneris Account Manager. If the complaint is not resolved after speaking with your Moneris Account Manager, you may file a complaint through a variety of channels: by filling out the form on <https://www.moneris.com/en/About-Moneris/Code-of-Conduct>, by calling our toll free number 844-663-2948, via email CodeofConduct@moneris.com, or by mailing Moneris, Code of Conduct P.O. Box 219, Station D, Toronto, ON M6P 3J8.

Information about Payment Terminal

• **Terminal rental company name and contact information:**

Moneris Solutions Corporation.
3300 Bloor Street West, West Tower Toronto, ON M8X 2X2.
Tel: 1-866-319-7450
www.moneris.com

• **Point-of-sale Equipment is:**

- Purchased
- Rented
- Leased

• **Equipment Information and Fees [Excluding Taxes]:**

• Rental rates and other service charges related to the Terminal:

Monthly Terminal rental fee:	\$25
Monthly PIN Pad rental fee:	\$15
Wireless GSM Terminal rental fee:	\$55
Wireless Terminal Activation fee:	\$75
POS PAD Solution Monthly Usage fee:	\$3.00 (per Pin Pad)
Short Range Wireless Terminal Stand Alone and PinPad Combo	\$45
Imprinter rental fee:	\$40
Remote Download fee:	\$16
Terminal Swap fee (Courier):	\$25
Terminal Swap fee (Onsite):	\$55
	By quotation

	<p>If more than 50% of the Wireless GSM Terminals exceed 600 Transmissions per Wireless GSM Terminal in any three calendar months during the term of this Agreement, we may in our sole discretion and upon 30 days' notice, increase your Wireless GSM Terminal Rental Fee on all of the Wireless GSM Terminals to the following:</p> <p>\$70 per month per Wireless GSM Terminal</p> <p>For greater certainty, all Transmissions sent through the Network regardless of whether or not the Wireless GSM Terminal actually receives the information will count toward your number of Transmissions. To ensure complete delivery, any Transmissions may be resent by our underlying carrier and will also count toward your number of Transmissions.</p> <p>Early Termination of Terminal Rentals</p> <p>If you stop renting Equipment less than 12 months after the date we shipped it to you, you agree to pay us a Terminal service charge. The amount of this service charge is equal to 18 months' rent on your Terminal, including applicable taxes, minus the rent you have paid to us. You are also responsible for the cost of returning the Equipment to us.</p>
Contactless payments acceptance	<p>You have accepted the enablement of contactless payments at the point-of-sale for the following Card Brands:</p> <ul style="list-style-type: none"> • Visa • MasterCard • Discover • UnionPay • Interac
Transaction return policy	<p>Card acceptance fees will be applied to transaction returns as follows:</p> <ul style="list-style-type: none"> • Debit transactions \$0.05 • Credit transactions 0.20%
Code of Conduct	<p>The Code of Conduct can be accessed through the following link:</p> <p>http://www.fcac-acfc.gc.ca/Eng/forIndustry/publications/lawsReg/Pages/CodeofCo-Codedeco.aspx</p>
Statements	<p>You can view your statements online by registering at:</p> <p>https://www1.moneris.com/cgi-bin/rbaccess/rbunxcgi?F6=1&F7=L8&F21=PB&F22=L8&REQUEST=ClientSignin&LANGUAGE=ENGLISH</p> <p>A paper statement fee applies as follows: N/A</p>

FEE DISCLOSURE BOX		
<i>These are the most common domestically issued card types and processing methods. They do not represent all the possible fees and variations that are charged to merchants</i>	Processing method	
	Card/Device Present	Card/Device Not-Present
Payment Card Type	<i>Means that the card/device was electronically read (contact or contactless interface or mag-stripe).</i>	<i>Means that the card/device was not electronically read, e.g. mail/telephone order, online, recurring payment, manually key-entered).</i>
American Express Cards	N/A	N/A
American Express Prepaid Cards	N/A	N/A
Interac Debit Cards	\$0.0580	N/A
Interac Debit Cards – Contactless	\$0.0930	N/A
MasterCard Business Cards	2.280%	2.280%
MasterCard Consumer Credit Cards	1.720%	1.860%
MasterCard Corporate Cards	2.280%	2.280%
MasterCard Debit Cards	N/A	1.430%
MasterCard Prepaid Cards	1.720%	1.830%
MasterCard World Cards	1.990%	2.570%
MasterCard World Elite Cards	2.340%	3.070%
Union Pay Credit Cards	1.400%	1.800%
Visa Business Cards	2.180%	2.280%
Visa Business Premium Cards	2.380%	2.530%
Visa Consumer Credit Cards	1.700%	1.800%
Visa Corporate Cards	2.180%	2.280%
Visa Corporate Premium Cards	N/A	N/A
Visa Debit Cards	N/A	1.430%
Visa Infinite Cards	1.890%	1.990%
Visa Infinite Privilege Cards	2.360%	2.730%
Visa Prepaid Cards	1.700%	1.800%

Each fee disclosed above is the sum of: the Card Brands' interchange rate + the Card Brands' assessment fee + Moneris' Transaction Fees (or Merchant Discount Rate) for the particular Card type and processing method. The rates represent the most common types of domestic payment Card Transactions and your actual Transaction rates may vary based on a number of factors including, but not limited, to whether or not a Transaction:

- is contactless
- attracts a special Card brand rate program
- exceeds or falls below a certain Transaction amount
- was completed online or via mail or telephone order.

OTHER FEES DISCLOSURE BOX	
Fee	Amount
Interchange Plus Pricing Structure¹	
Visa Interchange	See Visa Website or https://www.moneris.com/about-moneris/code-of-conduct/Interchange-Rates
MasterCard Interchange	See MasterCard Website or https://www.moneris.com/about-moneris/code-of-conduct/Interchange-Rates
Discover Interchange	See Discover Website or https://www.moneris.com/about-moneris/code-of-conduct/Interchange-Rates
UnionPay Interchange	See UnionPay Website or https://www.moneris.com/about-moneris/code-of-conduct/Interchange-Rates
Interac Interchange (Interac Flash)	See Interac Website or https://www.moneris.com/about-moneris/code-of-conduct/Interchange-Rates
Visa – Moneris Transaction Fee ¹ (including Visa Debit ³)	0.2000%
MasterCard – Moneris Transaction Fee ¹ (including MasterCard Debit ³)	0.2000%
Discover – Moneris Transaction Fee ¹	0.2000%
UnionPay – Moneris Transaction Fee ¹	0.2000%
Interac – Moneris Transaction Fee ¹	\$0.0500
Interac Online - Moneris Transaction Fee ¹	N/A
One-Time Fees	
Installation Fee	N/A
Moneris Gateway Set-Up Fee	N/A
Interac Online Set-Up Fee	N/A
Vault/Tokenization (Global Tokenization) Set-Up Fee	N/A
Moneris Kount Enterprise Set-Up Fee	
Monthly Fees	
Monthly Minimum Fee	N/A
Moneris Gateway Internet Fee	N/A
CD Box Rental	N/A
Account Billing Updater	N/A
E2EE/POSPAD	\$3.00
Vault/Tokenization (Global Tokenization)	N/A
Account Service Package Fee	\$4.95
Statement Fee	N/A

Merchant Direct Fee	
Fee & Deposit Consolidation	
Annual Fees	
Imprinter Rental Fee	\$16.00
Transaction Fees	
Visa Assessment Rate	0.080% on gross sales dollar (\$) volume
MasterCard Assessment Rate	0.080% on gross sales dollar (\$) volume
Discover Assessment Rate	0.063% on all gross sales dollar (\$) volume
Interac Assessment Fee	\$0.008
Visa International Assessment Rate	0.40% on gross foreign sales dollar (\$) volume
MasterCard International Assessment Rate	0.40% on gross foreign sales dollar (\$) volume
Discover International Assessment Rate	0.40% on gross foreign sales dollar (\$) volume
Interac Flash Fee	\$0.0850
American Express/JCB Authorization Fee ⁴	\$0.0500
UnionPay Service Fee (Card Present or MOTO)	0.100% on gross sales dollar (\$) volume
UnionPay Service Fee (Ecommerce)	0.200% on gross sales dollar (\$) volume
Other Card Transaction Authorization Fee	\$0.0500
Other Card Transaction Authorization Fee (Moneris Gateway)	N/A
Moneris Gateway Transaction Fee	N/A
Card not Present Fee	N/A
Account Billing Updater – Fee per Match Visa	N/A
Account Billing Updater – Fee per Match MasterCard	N/A
Vault Per Record Fee	N/A
Global Tokenization Per Click Fee	N/A
Moneris Risk Inquiry Fee	
MasterCard Digital Commerce Development Fee	0.020% (Effective May 1st 2018)
Variable Fees	
Remote Download Fee ²	\$25.00 per Terminal
Terminal Swap Fee (Courier) ²	\$55.00 per Terminal
Terminal Swap Fee (On-site) ²	By Quotation
Chargeback Fees	
MasterCard Processing Integrity Fee for Final Authorizations ⁵	The greater of \$ 0.045 (USD) ⁸ or 0.25% of Transaction amount

MasterCard Processing Integrity Fee for Undefined Authorizations ⁶	\$ 0.045 (USD) ⁸
MasterCard Processing Integrity Fee for Pre Authorizations ⁷	\$ 0.045 (USD) ⁸
MasterCard Non-Compliance Fee	\$80.00 (applicable to certain MasterCard chargeback reason codes)
Dynamic Currency Conversion – Merchant Revenue Share and Late Processing Loss Amount	See Dynamic Currency Conversion Schedule
Account Billing Updater - Fee per Cardholder Record submitted in a Query File (Visa)	N/A
Account Billing Updater - Fee per Cardholder Record submitted in a Query File (MasterCard)	N/A

¹ Your Moneris Transaction fee applies to both purchase and refund Transactions.

² We will charge you a remote download fee if you request a new service or solution that requires us to update the software on your Terminal via remote download. You will be required to sign a Statement of Work with us or our service provider that governs any remote download requests. We will charge you a terminal swap fee if you request a new Terminal for some or all of your locations which we will send to you via courier. You will be required to sign a Statement of Work with us or our service provider that governs any terminal swap requests.

³ If a rate is listed, you acknowledge that you have expressly requested that we facilitate your acceptance of Visa debit and/or MasterCard debit as a form of payment from your customers.

⁴ If a rate is listed, you acknowledge that our transaction fees for authorizing American Express / JCB and other Card Transactions are separate and apart from fees applied by Amex Bank of Canada for American Express / JCB Card Acceptance or the other card network for such other cards respectively.

⁵ applies to a MasterCard purchase Transaction where:

- (1) you have not sent us your clearing and settlement files for the Transaction within seven calendar days after receiving the Authorization Code for the Transaction.
- (2) the clearing amount in your clearing and settlement files for the Transaction differs from the Authorization Code amount for the Transaction.
- (3) the clearing currency code in your clearing and settlement files for the Transaction differs from the currency of the Authorization Code for the Transaction.
- (4) the MasterCard Transaction data was not provided or was invalid in the clearing and settlement files for the Transaction.

⁶ applies to MasterCard Transactions where you have received an Authorization Code but you have not either submitted the Transaction in the clearing and settlement files or reversed the Transaction within 7 calendar days of the authorization date for any Transaction with an undefined financial amount.

⁷ applies to MasterCard Transactions that are not sent to us for clearing and settlement within 30 calendar days of the date the Transaction was pre-authorized.

⁸ We will convert the amounts from United States dollars into Canadian dollars at an exchange rate set by MasterCard on the date of the conversion.

Adjustments

We have the right to review the applicable Moneris Transaction Fee (Visa, MasterCard, Discover, UnionPay or Interac) on an annual basis and to raise the applicable Merchant Discount Rate if:

- (a) the total dollar value of Visa, MasterCard, Discover or Interac Transactions (over a twelve month period) has decreased by 15% or more from the applicable Total Projected Annual Transaction Volume (Dollars) set out below;
- (b) the total number of Transactions (processed over a twelve month period) has decreased by 15% or more from the Projected Annual Transaction Volume (Transactions) set out below;
- (c) the total dollar value of Visa Foreign Transactions (over a twelve month period) is less than 4.24% of the total dollar value of the Visa Transactions, as applicable, (over the same twelve month period);
- (d) the total dollar value of MasterCard Foreign Transactions (over a twelve month period) is less than 2.90% of the total dollar value of the MasterCard Transactions, as applicable, (over the same twelve month period); or
- (e) the total dollar value of Discover Foreign Transactions (over a twelve month period) is less than N/A of the total dollar value of the Discover Transactions, as applicable, (over the same twelve month period).

Total Projected Annual Transaction Volume (Dollars):	\$30,000,000.00	(Visa)
	\$15,000,000.00	(MasterCard)
	N/A	(Discover)
	N/A	(Interac)
	N/A	(UnionPay)
Total Projected Annual Transaction Volume (Transactions):	600,000	(Visa)
	300,000	(MasterCard)
	N/A	(Discover)
	250,000	(Interac)
	N/A	(UnionPay)

During the term of this Agreement, if you notify us in writing and we confirm that the Cumulative Transaction Volume (defined below) meets a Cumulative Transaction Volume Threshold set out in the chart below, your then current Price Per Transaction will be adjusted accordingly. For greater certainty, any such adjustment to your Price Per Transaction will apply to Transactions beginning on the first day of the calendar month following our receipt of your written notice to us and our confirmation that a Cumulative Transaction Volume Threshold has been met.

“Cumulative Transaction Volume” means the aggregate, cumulative gross Visa Transaction volume, MasterCard Transaction volume, Volume in dollars of **420 Premium Markets Ltd.** for the immediately preceding twelve-month period. During the first eleven months of the term of this Agreement, the Cumulative Transaction Volume will include transaction volume processed during the applicable period under your previous Moneris Visa Merchant Agreement/Moneris MasterCard Merchant Agreement with us.

Cumulative Transaction Volume Threshold	Adjustment to then Current Price Per Transaction
< \$25M	0.20%
\$25M - \$50M	0.16%
\$50M - \$100M	0.13%
\$100M - \$250M	0.10%

NATIONAL MERCHANT AGREEMENT

Merchant(s): 420 Premium Markets Ltd. (the "Merchant")

Entity Accepting Financial Responsibility: 420 Investments Ltd. (the "Guarantor")

Effective Date: October 11, 2018

Introduction

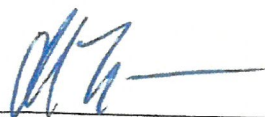
- A. Merchant(s) wishes to permit its customers to use their credit and/or debit cards to purchase goods and services from the Merchant(s).
- B. Moneris on its own behalf, and on behalf of RBC for Visa and Interac Card acceptance and BMO for MasterCard Card acceptance, is authorized to provide acquiring services, including authorization, funds settlement, dispute resolution with Card Brands and other card acquiring and related services for Card Brands.
- C. RBC is a party to this Agreement for Visa and Interac Card acceptance services and BMO is a party to this Agreement for MasterCard Card acceptance services as required by the Card Brand Rules and Regulations.

General

This Agreement includes the Information Summary Box, Fee Disclosure Box, Other Fees Disclosure Box, this signature page, Schedule A –Terms and Conditions, any other Schedules identified as forming part of this Agreement, the Card Brand Rules and Regulations, the Data Security Standards and the Operating Manual and Procedures (which are incorporated by reference).

In consideration of the terms and conditions of this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties below agree that Merchant(s) will receive the Card acquiring and processing services described in this Agreement.

420 Premium Markets Ltd.



Name: MIKE TOMIYAMA


Title: Chief Operating Officer

Moneris Solutions Corporation for itself and on behalf of Royal Bank of Canada and on behalf of Bank of Montreal

Name: Jeff Guthrie

Title: Chief Sales & Marketing Officer

420 Investments Ltd.



Name: Garrett Segal
Title: Chief Financial Officer

SCHEDULE A – TERMS AND CONDITIONS

1. Definitions

In this Agreement, “we”, “us” and “our” mean Moneris and “you” and “your” mean the Merchant and each Merchant, if there is more than one.

All definitions below or elsewhere in this Agreement apply to both their singular and plural forms, as the context may require. “Section” refers to sections in this Agreement. “/including” means “including without limitation”.

“**Agreement**” means the Moneris National Merchant Agreement for Card acquiring and processing services, including the Information Summary Box, Fee Disclosure Box, Other Fees Disclosure Box, the signature page, this Schedule A – Terms and Conditions, any other Schedules identified as forming part of this Agreement, as any of them may be amended, restated, replaced or otherwise modified from time to time in writing by the parties, the Card Brand Rules and Regulations, the Data Security Standards and the Operating Manual and Procedures (which are incorporated by reference).

“**Authorization Code**” means the code provided by the Card Issuer indicating that the Cardholder’s account has sufficient credit or funds, as applicable, available to support the Transaction and that the Card is not currently blocked.

“**Authorization System**” means the computer systems owned and/or operated by a Card Issuer and/or a Card Brand used to provide you with an Authorization Code.

“**Batch Close**” means the manual or automated process by which Transaction Records are confirmed to initiate settlement.

“**BMO**” means Bank of Montreal.

“**Business Day**” means any day, other than Saturday or Sunday, on which banks are open for business in Toronto, Ontario.

“**Card**” means any card representing any form of payment that is made available by a Card Issuer and for which we provide acquiring services to you.

“**Card Brand**” means Visa Canada Corporation and Visa, Inc., MasterCard International Inc., DFS Services LLC, UnionPay International Co., Ltd., Acxsys Corporation and the Interac Association and their respective affiliates, successors and assigns, as applicable based on the acquiring services we provide to you.

“**Card Brand Rules and Regulations**” means all applicable rules, regulations, by-laws, bulletins, guidelines, directives, manuals, policies, procedures, or any similar documents of each applicable Card Brand, as amended, supplemented, revised or otherwise modified from time to time, as published on the Card Brand websites or as we may advise you of in writing from time to time.

“**Card Brand Fines**” has the meaning ascribed to that term in Section 4(c).

“**Cardholder Data**” means information encoded or printed on a Card and a Cardholder PIN.

“**Card Issuer**” means an entity that issues Cards to Cardholders.

“**Cardholder**” means the person who presents a Card to Merchant for payment.

“**Cardholder Activated Terminal**” or “**CAT**” means a Cardholder-activated terminal (usually unattended) used to process Transactions that meets our specifications and security standards as well as the Data Security Standards and which reads, captures and transmits Card information and dispenses the product or provides a service in an environment where: (a) a Card is present; (b) a Cardholder is present; (c) the Cardholder completes the Transaction directly; and (d) an Authorization Code is obtained electronically.

“**Card-Not-Present Transactions**” are Transactions completed where both the Cardholder and Card are not present at the point of sale and include mail orders, telephone and fax orders and Ecommerce Transactions.

"CAT Transaction" means a Transaction that is processed by a Cardholder Activated Terminal installed at any of your locations that accept a Cardholder's Card for payment and records the Transaction without intervention by a site attendant.

"Chargeback" has the meaning ascribed to that term in Section 5(a).

"Confidential Information" means confidential or proprietary information including the terms of this Agreement, the Fees or any other pricing information, any Card Brand Rules and Regulations or Data Security Standards provided to you by us that are not publicly available, Moneris Intellectual Property, merchant numbers, merchant statements, information concerning Equipment, advertising, marketing, designs, plans, specifications, software and programs or methods of the operation of Equipment and financial information.

"Data Compromise" has the meaning ascribed to that term in Section 4(c).

"Data Security Standards" means the data security standards issued by the applicable Card Brand, PCI and/or Moneris, including Payment Card Industry Data Security Standard ("PCI DSS"), Payment Application Data Security Standard ("PA DSS") and PIN Transaction Security Standard (PTS), which are made available at <https://www.pcisecuritystandards.org>, or as we may advise you of in writing from time to time, as each data security standard may be amended, supplemented or otherwise modified by the Card Brand, PCI or us from time to time.

"Discover" means DFS Services LLC.

"Ecommerce" is the processing of online Transactions, using electronic media over any public or private network.

"Effective Date" has the meaning ascribed to that term on the first page of this Agreement.

"Equipment" means Terminals and any other software, hardware or other payment processing equipment used by you in connection with processing of Transactions.

"Fees" mean all fees, charges and other amounts as set out in the Fee Disclosure Box, Other Fees Disclosure Box, and Schedules to this Agreement, including the Merchant Discount Rate, Transaction Fees, Wireless Terminal fees plus any applicable taxes.

"Foreign Transaction" means a Transaction processed on a Card issued by a Card Issuer located outside of Canada.

"Guarantor" has the meaning ascribed to that term on the first page of this Agreement.

"Holdback" has the meaning ascribed to that term in Section 17.3.

"Indemnitees" has the meaning ascribed to that term in Section 16.

"Initial Term" has the meaning ascribed to that term in Section 17.1.

"Interac" means the Interac Association and Acxsys Corporation.

"Losses" means damages, losses, liabilities, costs, interest, expenses (including taxes), fines, penalties, assessments, fees (including reasonable legal fees, professional fees and related costs).

"MasterCard" means MasterCard International Inc.

"MATCH System" means the Member Alert to Control High-Risk merchants system maintained by MasterCard.

"Member" means: (i) RBC as the sponsor to Moneris, as required by Visa and Interac, for Visa and Interac Card acceptance services; (ii) BMO as the sponsor to Moneris, as required by MasterCard, for MasterCard Card acceptance services; and (iii) Moneris for Discover, UnionPay or any other applicable card brand Card acceptance or other services.

"Merchant" has the meaning ascribed to that term on the first page of this Agreement.

"Merchant Direct" means our proprietary electronic reporting system.

"Merchant Payments" has the meaning ascribed to that term in Section 12(b).

"Merchant Discount Rate" or **"MDR"** or **"Transaction Fee"** is the fee or the percentage of each Transaction that we charge for the acquiring and related services we provide under this Agreement as set out in the Other Fees Disclosure Box and/or any other applicable Schedule.

"Moneris" means Moneris Solutions Corporation.

"Moneris Intellectual Property" has the meaning ascribed to that term in Section 21.

"Operating Manual and Procedures" means the manuals, reference guides and procedures relating to processing Transactions and using your Equipment that we provide you and/or which are published on our website at www.moneris.com and <https://developer.moneris.com>, as the same may be amended, supplemented or otherwise modified by us from time to time.

"PAD Agreement" means the Pre-Authorized Debit Agreement executed by Merchant in favour of Moneris dated as of the Effective Date.

"PCI" means Payment Card Industry Security Standards Council.

"Personal Identification Number" or **"PIN"** means the confidential number that Card Issuers provide with a Card to authenticate a Cardholder and authorize Transactions through Terminals and which may be changed from time to time by such Cardholder.

"Personal Information" means information about an identifiable individual, but does not include the name, title or business address or telephone number of an employee of an organization.

"Prohibited Transaction" means a Transaction carried out in violation of applicable law and/or the Card Brand Rules and Regulations, which is unauthorized by the Cardholder, or any other Transaction which may be determined by us or a Card Brand from time to time to be a Prohibited Transaction.

"RBC" means Royal Bank of Canada.

"Renewal Term" has the meaning ascribed to that term in Section 17.1.

"Reserve" has the meaning ascribed to that term in Section 11(a).

"Schedules" means any schedules identified as forming part of this Agreement, including any schedules which may be added to this Agreement by written agreement of the parties.

"Term" has the meaning ascribed to that term in Section 17.1.

"Terminal" means the point-of-sale processing hardware, firmware, mobile applications and/or other software used to process Transactions, including PIN pad devices and virtual payment processing solutions.

"Transaction" means any transaction between you and a Cardholder in which a Card is used in connection with a sale, a refund or an adjustment to either.

"Transaction Receipt" means the form of receipt that you are required to use and provide to the Cardholder as proof of a Transaction including a sale, refund or adjustment and showing, among other things that we may inform you of from time to time in writing, the amount of the Transaction and whether the Transaction was approved or declined by the Card Issuer.

"Transaction Record" means the electronic record of a Transaction including, an Authorization Code, which is submitted to us in the form that we advise you of in writing from time to time in order to process your Transactions.

"UnionPay" means UnionPay International Co., Ltd.

"Visa" means Visa Canada Corporation and Visa, Inc.

"Wireless Terminal" means a mobile short range or long range Terminal that derives power from a battery and communicates over cellular or data communication services and includes a Terminal that is used in connection with wireless communications services.

2. Processing Transactions

- (a) It is your responsibility to ensure that you obtain and that you and your employees are in compliance with the most recent versions of each of the Card Brand Rules and Regulations, the Data Security Standards, the Operating Manual and Procedures, and all applicable laws related to Cardholder Data. You acknowledge that you have reviewed the Card Brand Rules and Regulations, the Data Security Standards and the Operating Manual and Procedures.

- (b) You will not process Prohibited Transactions. You are responsible for managing your business operations and the actions of your employees (or any other person that uses the services provided for in this Agreement). You will not use our services to process Transactions for another person, entity or merchant. You agree that each Transaction: (i) will be in the ordinary course of your business; (ii) not involve a cash advance (unless as authorized by the Card Brand Rules and Regulations); and (iii) not cover an existing debt or a dishonoured cheque. You will not accept Card-Not-Present Transactions unless you receive our prior written consent.
- (c) You will honour Cards that are presented to you as a form of payment in accordance with the terms and conditions of this Agreement. You must not engage in any acceptance practice that discriminates against or discourages the use of a Card in favour of any other particular Card Brand, for example by charging a fee or surcharge on Transactions or setting a minimum or maximum value, unless you are permitted to do so by the Card Brand Rules and Regulations. You may not refuse to honor a Card or complete a Transaction solely because a Cardholder refuses to provide additional identification information (such as telephone number or address), unless the additional information is required to complete the Transaction, such as for mail order, telephone order, or Ecommerce Transactions, or is required by the Card Issuer, the Card Brand Rules and Regulations or if we instruct you to do so or if you find the circumstances of the Transaction questionable.
- (d) You must communicate to your customers, in a conspicuous manner, your policy for exchanging, returning and adjusting the price of goods or services that were paid for with a Card. If your business has a "no refund" or "no exchange" policy, this must be clearly indicated on the Transaction Receipt or conspicuously displayed in your place of business and on your website. You will settle any claims or disputes directly with your customers. If a purchase made using a Card is returned, a credit or refund must be issued to the same Card by completing a Transaction Receipt and not in cash.
- (e) You will display the promotional material and decals we provide to advise the public that you accept Cards at your place of business and on your website.
- (f) You will issue a Transaction Receipt for each Transaction and provide such Transaction Receipt to the Cardholder. You agree that each Transaction Receipt represents an obligation of the Cardholder and will allow the Card Issuer to collect the value of the Transaction from the Cardholder. You will keep and maintain copies of all Transaction Receipts for at least 18 months. If we ask you to provide us with a copy of a Transaction Receipt within 18 months after the Transaction, you will provide a copy to us within 8 days of our request. If you do not provide the requested Transaction Receipt, or the Transaction Receipt you provide does not correspond in all respects to the Transaction Record you sent to us of the same Transaction, the amount of the Transaction will be a debt payable to us and the Member and will be collected pursuant to Section 12 (Settlement and Adjustments).
- (g) If you accept CAT Transactions, the following terms and conditions apply:
 - (i) You agree not to accept CAT Transactions unless we have accepted you to process CAT Transactions and approved your Cardholder Activated Terminals.
 - (ii) If you process CAT Transactions, you agree to disclose clearly to the Cardholder that you, rather than any supplier of goods and services, are the merchant of record and are responsible for Transactions, products and services, customer service, dispute resolution and all terms and conditions of sale. In processing CAT Transactions, you agree that the rest of this Section 2 applies.
 - (iii) You also agree that for all CAT Transactions:
 1. the Cardholder must present the Card through or to an appropriate Card reader; and
 2. the Transaction must receive an Authorization Code.
 - (iv) If the Card used for a CAT Transaction is rejected, you agree not to deliver the goods or services

unless you negotiate a different form of payment for the goods or services. For the avoidance of doubt, all CAT Transactions may be subject to a Chargeback in accordance with the terms and conditions of this Agreement.

- (v) You agree to identify CAT Transactions in all Transaction Records in the manner we require in our procedures. You agree that all of your CATs must meet our security standards as well as the Data Security Standards, as applicable from time to time. You further agree that changes to the Data Security Standards must be implemented in accordance with Card Brand Rules and Regulations, including the CAT must display the maximum dollar amount for a financial transaction to the Cardholder before the PIN is entered and the device and its surroundings must be designed to minimize the risk of PIN disclosure.

3. Batch Close and Transaction Records

- (a) Within one day of the Transaction date, you will: (i) execute a Batch Close; or (ii) upon prior written approval from us, deliver your Transaction Records by creating and providing clearing and settlement files to us.
- (b) If you deliver your Transaction Records by creating and providing clearing and settlement files to us, you will:
 - (i) follow the Operating Manual and Procedures and any other procedures that we may notify you of in writing from time to time with respect to clearing and settlement files;
 - (ii) use the access codes, passwords and other identifiers we provide and take all necessary steps to guard against their theft, loss or fraudulent use;
 - (iii) allow only authorized persons to use your access codes, passwords and other identifiers we provide. Anyone using your access codes, passwords and other identifiers will be considered to have your authorization unless you tell us otherwise; and
 - (iv) tell us promptly about any loss, theft or unauthorized knowledge or use of your passwords and identifiers.

4. Data Security and Protection of Cardholder Data

- (a) All Cardholder Data may only be collected, used and disclosed by you to us, the Member or an Authorized Third Party and only for the purpose of completing the Transaction. You are required to take reasonable steps to ensure that a Cardholder's PIN is not disclosed and is protected at all times. You will not require nor ask a Cardholder to disclose their PIN.
- (b) You are not permitted to use a third party, including any third party software products, to process, transmit or store Cardholder Data unless you receive our prior written consent to use such third party or third party software product (each, an "**Authorized Third Party**"). You are responsible for ensuring that any Authorized Third Party is compliant with the Data Security Standards, the Card Brand Rules and Regulations, the Operating Manual and Procedures, and all applicable laws related to Cardholder Data. You must provide us with prior written notice of any changes in any Authorized Third Party relating to the processing, transmission or storage of Cardholder Data and we reserve the right, upon written notice to you, to make reasonable modifications to the terms of this Agreement.
- (c) You understand that: (i) if you or any Authorized Third Party fail to comply with the Card Brand Rules and Regulations or the Data Security Standards; (ii) if you receive an excessive amount of Chargebacks or if the number of Transactions processed by you on fraudulent or counterfeit cards is excessive, in each case as determined by the Card Brands; or (iii) if any Card Brand determines that you or any Authorized Third Party are the likely source of any suspected or actual loss, disclosure, theft or compromise of any Cardholder Data or Transaction Records (whether such Cardholder Data or Transaction Records is under

your control or the control of an Authorized Third Party) ("**Data Compromise**"), then the Card Brands may impose on us or the Member fines, fees, penalties, assessments, costs, expenses, reimbursements and any other charges or financial liabilities (including for monitoring, cancelling, and/or re-issuing Cards and/or for the amount of any fraudulent charges) (the "**Card Brand Fines**").

- (d) You are responsible for any Card Brand Fines and will indemnify us and the Member for any Card Brand Fines pursuant to Section 16. You further acknowledge and agree that such Card Brand Fines are imposed by the Card Brands to mitigate the Losses of the Card Brands and the Card Issuers and that we and the Member cannot and are not obligated to provide you with any supporting documents with respect to any Card Brand Fines (including for the calculation of the amount of the Card Brand Fines or for the corroboration of Card Brand or Card Issuer Losses) other than what is provided to us by the Card Brands.
- (e) You represent and warrant to us that you have not: (i) been in violation of the Card Brand Rules and Regulations or the Data Security Standards; or (ii) suffered a Data Compromise, in each case, within the last 3 years.
- (f) You will provide us with information, (including, without limitation, a report on compliance issued by a Qualified Security Assessor from PCI and/or a self-assessment questionnaire as prescribed by PCI) from time to time for the purposes of verifying that you and your Authorized Third Parties are complying with the Data Security Standards, the Operating Manual and Procedures, the Card Brand Rules and Regulations and applicable laws related to Cardholder Data.
- (g) You will provide us with assistance in the investigation of any suspicious activity, including suspected, potential or actual fraud, Data Compromise, Card skimming incidents, or any other security compromise involving Cardholder Data, including: (i) permitting us, the Member, the Card Brands and/or any third party authorized by us, the Member or the Card Brands to inspect your premises, computers and all equipment and software used in connection with the processing, transmission or storage of Cardholder Data; and (ii) providing us with reasonable information related to your Transactions, including your employee shift logs within the timeframe required by the Card Brand.
- (h) You will inform us promptly if you or any Authorized Third Party have suffered or suspect you have suffered any potential or actual fraud, Data Compromise, Card skimming incidents or any other security compromise involving Cardholder Data. If we or any Card Brand requires a forensic examination of you or any Authorized Third Party, you will cooperate with and cause any Authorized Third Party to cooperate with such forensic examination. You will implement all recommendations set forth by the forensic examination. You are responsible for all costs and fees related to the forensic examination and the implementation of any recommendations.

5. Chargebacks

(a) Chargeback Reasons

This Section 5 applies to credit card processing only. If a Cardholder disputes any Transaction or if a Transaction is charged back for any other reason in accordance with the Card Brand Rules and Regulations (and regardless of whether an Authorization Code for such Transaction was received), the credit or payment to you for such Transaction may be reversed (a "**Chargeback**"). You acknowledge and agree that you are responsible for all Chargebacks, we and the Member do not decide which Transactions result in a Chargeback and we and the Member do not initiate a Chargeback. A list of some common reasons for Chargebacks is contained in the Operating Manual and Procedures and it includes: (i) failure to issue a refund to a Cardholder upon the return or non-delivery of goods or services; (ii) failure to follow proper acceptance or authorization procedures as set out in the Operating Manual and Procedures; or (iii) the Cardholder did not authorize the Transaction. This list is not exhaustive and does not limit the generality of the foregoing.

(b) Chargeback disputes

If you have reasons to dispute or respond to a Chargeback, then you must respond to our request for information regarding the Chargeback within 7 days of our request, unless we notify you in writing of a different response time resulting from changes to the Card Brand Rules and Regulations. We will not investigate or attempt to obtain a reversal or other adjustment to any Chargeback if you have not responded within 7 days of our request unless we notify you in writing of a different response time resulting from changes to the Card Brand Rules and Regulations.

(c) **Excessive Chargebacks, Counterfeit and Fraud**

If you are receiving an excessive amount of Chargebacks or if the number of Transactions processed by you on fraudulent or counterfeit cards is excessive, in each case as determined by the Card Brands, you agree and acknowledge that you are responsible for any Card Brand Fines levied as a result of these Transactions. You will cooperate with us to determine why your Chargeback volume or the number of Transactions processed on fraudulent or counterfeit cards is excessive and to implement measures to reduce the volume. We may terminate access to the Authorization System for any of your locations if the Chargeback volume or the number of Transactions processed on fraudulent or counterfeit Cards is excessive and/or exceeds the Card Brand's accepted levels.

6. Exclusivity

You will not enter into an agreement or arrangement with anyone else regarding the acceptance of Cards and, if we rent Terminals to you, the rental of Terminals.

7. Changes in Your Business

- (a) You will provide us with prompt notice of any changes to your business or the manner in which you carry on business that may reasonably impact the level of risk (including reputational risk) and/or exposure to us (including a corporate reorganization, a change of control, a sale of all or substantially all of your assets, any proposed assignment by you of this Agreement, an increase in the Transaction volumes identified in the Other Fees Disclosure Box, or any change to the core business for which you use our services).
- (b) We will review the risk and/or exposure to us of the continued provision of services to you on a regular basis and we may, as a result of any such review, make reasonable modifications to the terms governing the provision of services to you. In the course of such review, we may request and you will provide such additional information and access as we deem reasonably necessary.

8. Equipment

(a) **Third Party Equipment.**

If you use Equipment that is not provided by us, it is your responsibility to ensure that it complies with the Card Brand Rules and Regulations and the Data Security Standards at all times and, if required, is properly certified by us.

(b) **Moneris Provided/Owned Equipment.**

If we provide you with Equipment, we will arrange for your Equipment to be delivered. Any Equipment we provide to you is our property and will not become a fixture under any circumstances. You will reimburse us for any loss, damage or expense resulting from (i) your or any Authorized Third Party's misuse of the Equipment; or (ii) another person obtaining a right or an interest in any of our Equipment. You do not have the right to sub lease the Equipment. Any repairs to the Equipment that we provide must be performed by us or our designated service provider.

(c) **Installation of Equipment.**

On-site installation assistance is available subject to the applicable Fee set out in the Other Fees Disclosure Box. Unless we tell you that we are ordering telecommunications facilities or you have made some other arrangement with us for them, you will make arrangements and order the telecommunications facilities needed to link Equipment with our network(s). You will pay all costs associated with this.

(d) Using/Moving Equipment.

You will use all Equipment according to the Operating Manual and Procedures. You acknowledge that Equipment can be used for transactions and services that are not included in this Agreement or in any other agreements you have with us, such as communicating with issuers of other types of cards. You agree that we are not responsible for such transactions or services or for any failure of a Terminal to communicate with other persons, including with issuers of other types of cards. You may upgrade your Equipment during the Term of this Agreement, subject to an agreed upon fee and provided that such upgraded Equipment is certificated by us to communicate with our network(s). If you need to move Equipment to another location after it has been installed, or if multiple Terminals are being moved or exchanged, you will get our permission in advance and pay any expenses to have it moved by us, or our designated service provider. You will keep and use any Wireless Terminals only at locations (or within conveyances) which are necessary for your business. If we ask you, you will tell us where each Wireless Terminal is at any time and who is in possession of it.

(e) Administration Card and Passcode.

If we provide you with an administration card and/or passcode for use when completing returns, reversals, manual processing of Transactions, or any other purpose, you will ensure that these are kept in a secure place for your protection. You will be liable for any use of the administration card and/or passcode, unless you tell us that it has been lost or stolen, or that you suspect it has been. We are the owner of each administration card and passcode or any other tools we issue to you. No one but you and your personnel are permitted to use these cards, passcodes or tools and you do not have the right to assign or transfer them to anyone else.

(f) Terminal Security/Lost or Stolen Equipment.

You will tell us promptly about any errors, malfunctions or other operational problems involving Equipment or if your Equipment is stolen, lost, damaged or used without your authorization. You are responsible for any loss, theft or damage to any Equipment we have provided to you, except for normal wear and tear. It is your responsibility to implement adequate security measures and controls to ensure the security of any Equipment in order to prevent any tampering or other fraudulent activities. You will provide timely access to allow us to inspect any Equipment that is connected to our network to verify the integrity of the associated software, firmware and/or hardware and make any necessary repairs or changes. We may, at your expense, take reasonable steps to ensure that your Equipment meets our standards. If you have purchased your own Equipment, you will: i) tell us if any Equipment is going to be sold, destroyed or put under repair; and ii) destroy the cryptographic keys in your Terminal prior to having your Terminal repaired or selling or destroying your Terminal.

9. Telecommunications

If you request third party telecommunications support, you authorize us to make the necessary arrangements with the third party telecommunications provider, subject to the following:

- (a) you are responsible for all aspects of compatibility, installation, operation, security and systems integration and any and all payments due and owing to third party telecommunications providers;
- (b) you are not a third party beneficiary of any agreement between us and a third party telecommunications provider; and
- (c) you will follow any applicable policies of the telecommunications provider.

10. Fees

- (a) You will pay the Fees for the services we provide you as indicated in the Fee Disclosure Box and Other Fees Disclosure Box and any other applicable Schedule. We have the right to review your Merchant Discount Rate or Transaction Fee on an annual basis and to raise your Merchant Discount Rate or Transaction Fee in accordance with the terms set out in the Other Fees Disclosure Box.
- (b) If any of the Card Brands increases any of the fees or charges we are required to pay for each Transaction or if the Card Brand changes the existing fee structure or implements a new fee structure, we will have the right, upon at least 90 days' notice to (a) raise your Fees by the amount of the increase; and/or (b) make corresponding changes to your fee structure.
- (c) We have the right, upon at least 90 days' notice, to increase the Fees applicable to you (including the Merchant Discount Rate or Transaction Fee) by the amount of any cost increases that we incur as a result of changes in: (a) the manner in which you process Transactions with us, such as processing Card-Not-Present Transactions; and/or (b) if there is a change in your business (as described in Section 7 - Changes In Your Business).
- (d) If you are renting Equipment from us, you will pay the applicable monthly Equipment rental fee set out in the Information Summary Box, Fee Disclosure Box or Other Fees Disclosure Box and any applicable taxes in advance, calculated from the date on which we ship your Equipment to you. You will continue to pay us the Equipment rental fees until you return your Equipment to us and we receive it.

11. Reserve

- (a) In the event of any of the circumstances listed in Section 11(b), we and the Member may be subject to additional risk. Based on this additional risk to us and the Member in continuing to process your Transactions, we or the Member may establish a reserve account or increase the amount of an existing reserve account in accordance with Section 12, or may require you to provide other security to us or the Member (the "Reserve").
- (b) We may require a Reserve if:
 - (i) there is a change in your business (as described in Section 7 - Changes In Your Business);
 - (ii) we have grounds for believing that we may be subject to any additional liabilities arising out of or relating to this Agreement, including, any Card Brand Fines;
 - (iii) you receive or we expect that you will receive excessive Chargebacks;
 - (iv) there is a material breach of this Agreement by you;
 - (v) you have suffered a Data Compromise;
 - (vi) you revoke or provide notice that you intend to revoke your consent for Moneris and the Member to debit your account under the PAD Agreement; or
 - (vii) you failed, or your Authorized Third Party has failed, to comply with the Card Brand Rules and Regulations or the Data Security Standards,
- (c) We and the Member may (but are not required to) apply funds in the Reserve toward the satisfaction of any amounts which are or may become due from you pursuant to this Agreement. Funds in the Reserve will not bear interest.
- (d) The repayment to you of any balance of the Reserve is subject to Section 17.3(b).
- (e) You acknowledge that the Reserve and any Holdback do not involve or create any trust, custodial, agency, liability to segregate or other similar obligations on us or the Member.

12. Settlement and Adjustments

- (a) Subject to Section 12(c) and 12(d), the Member will credit the Transaction proceeds to one of your bank accounts designated in the PAD Agreement and will use reasonable commercial efforts to settle with you by crediting to your financial institution an amount equal to the value of the Transactions you present to us for settlement within two (2) Business Days of a Batch Close or the date that we receive your clearing and settlement files, as applicable pursuant to Section 3. The Member reserves the right to modify the terms of settlement. You acknowledge that it is the responsibility of your financial institution to credit your account after receiving our electronic transfer of funds. It is your responsibility to pay any fees charged for accepting these deposits or for processing any other credits or debits described in this Agreement.
- (b) You are responsible for and you will pay to us or the Member, as applicable, in accordance with this Agreement all of the following:
 - (i) the Fees and any applicable taxes;
 - (ii) such amounts as are necessary to maintain at all times the minimum balance of the Reserve in accordance with Section 11;
 - (iii) such amounts as are necessary to establish the Holdback in accordance with Section 17.3;
 - (iv) any Chargebacks;
 - (v) any Card Brand Fines;
 - (vi) costs relating to rental Equipment that is lost, stolen or damaged or Equipment service charges levied pursuant to Section 8; and
 - (vii) any other debts described in this Agreement,
(collectively, the "**Merchant Payments**").
- (c) You acknowledge and agree that we and/or the Member may pursue any one or more of the following options to collect any of the Merchant Payments which are due and payable pursuant to this Agreement:
 - (i) set-off the Merchant Payments against all or some of your Transaction proceeds, funds in the Reserve and/or Holdback and/or any other payments or credits that you may be or become entitled to under this Agreement or otherwise from us or the Member;
 - (ii) debit any of your bank accounts (or combination thereof) in accordance with the PAD Agreement; or
 - (iii) demand and receive payment from you for any outstanding amounts.
- (d) You acknowledge that any payment made or credit given to you as settlement for a Transaction is an advance of funds, until the Transaction is not capable of being subject in whole or in part to a Chargeback or other adjustment. You further acknowledge and agree that we and the Member may withhold the Transaction proceeds or other credits or payments under this Agreement and/or transfer such funds if we suspect that you have processed a Prohibited Transaction, suffered a Data Compromise or any other security compromise, or potential or actual fraud, or if we or the Member are required to do so by a court order or applicable law.

13. Your Obligation to Review your Statements within 30 Days

Your statements are available for review on Merchant Direct, or any other form of electronic or paper reporting system that we may make available to you from time to time and it is your obligation to review your statements. You will review all of the Transactions listed on your statement, and tell us in writing within 30 days of receipt in the case of paper statements, or within 30 days of the Transaction date for activity viewed electronically, about any concerns including suspected omissions, incorrect debits or inaccurate Transactions. If you do not receive a statement or if you are unable to view your Transaction activity electronically you will tell us promptly. Otherwise, you agree that all items, including Fees, listed on your statement are correct and you release us and the Member from any claim relating to any item listed and any item suspected to be missing from your statements.

14. Financial Statements

If the Merchant's and the Guarantor's financial statements are not publicly available, each of Merchant and Guarantor, as applicable, will provide us with annual audited consolidated financial statements within 120 days following the end of each fiscal year prepared in accordance with Canadian generally accepted accounting principles or International Financial Reporting Standards applied consistently from one period to the next.

15. Guarantee

- (a) If more than one Merchant is processing Transactions under this Agreement, each Merchant guarantees to each of us and the Member, as an irrevocable and continuing guarantee, the due and punctual payment of all obligations, present and future and however arising or incurred, of each other Merchant to us or to the Member under this Agreement and/or any other agreement between that other Merchant and us, and agrees that there will be no defence to its liability as guarantor except the full and permanent payment of all sums guaranteed (all other defences being irrevocably waived). If we request, each Merchant will also execute and deliver forthwith a separate guarantee covering the same obligations as referred to in this Section in a form satisfactory to us. You agree that we and the Member may suspend the operation of this Agreement or otherwise withhold acquiring and other related services until the requested guarantee(s) is provided.
- (b) Guarantor guarantees to each of us and the Member, as an irrevocable and continuing guarantee, the due and punctual payment of all obligations, present and future and however arising or incurred, of each Merchant to us or to the Member under this Agreement and/or any other agreement between that Merchant and us, and agrees that there will be no defence to its liability as guarantor except the full and permanent payment of all sums guaranteed (all other defences being irrevocably waived). If we request, Guarantor will also execute and deliver forthwith a separate guarantee covering the same obligations as referred to in this Section in a form satisfactory to us. You and Guarantor agree that we and the Member may suspend the operation of this Agreement or otherwise withhold acquiring and other related services until the requested guarantee(s) is provided.

16. Indemnity

You will indemnify us and the Member and our respective affiliates, officers, directors, employees, agents, successors and permitted assigns (collectively, the "Indemnitees") from and against any and all Losses which are directly or indirectly, or in any way or in any manner whatsoever, the result of, caused by, or arise from: (A) your or your Authorized Third Party's non-compliance with (i) this Agreement; (ii) the Operating Manual and Procedures; (iii) the Card Brand Rules and Regulations; and/or (iv) the Data Security Standards; (B) Card Brand Fines; (C) any claim made against us by a Cardholder or Card Issuer that arises, or is alleged to arise, from any Transaction except to the extent caused by our non-compliance with this Agreement; and (D) your use of any third party telecommunication services provided to you pursuant to this Agreement.

17. Term and Termination

17.1. Term (including Renewal Terms)

- (a) The initial term of this Agreement will begin on the Effective Date and will continue for **three (3) years** (the "**Initial Term**"). After the Initial Term, this Agreement will automatically renew for further 1 year terms (each, a "**Renewal Term**") unless any party notifies the others at least 60 days before the end of the Initial Term or Renewal Term, that it wishes to terminate this Agreement, such termination to be effective at the end of the Initial Term or Renewal Term, as the case may be. As used in this Agreement, "**Term**" means the Initial Term and any subsequent Renewal Terms.
- (b) If, prior to the expiry of the Term, you:
- (i) terminate this Agreement or cause it to be terminated other than pursuant to Section 17.2(b);
 - (ii) sell, assign or transfer all or substantially all of your assets or business to a third party without assigning this Agreement in accordance with its terms; or
 - (iii) otherwise discontinue processing Transactions with us,

you will pay us an amount equal to the average monthly Fees you have paid to us during the Term (excluding the month when you ceased processing Transactions with us) multiplied by the number of months remaining during the Term. The foregoing payment constitutes liquidated damages as compensation for the negotiated Fees which were offered to you based on your projected Transaction volumes during the Term and not a penalty.

17.2. Termination

(a) Termination by us

We may terminate this Agreement by giving you 30 days' prior notice (provided that we may terminate this Agreement with less than 30 days' notice if required by the Card Brands), immediately suspend services, and/or take other steps we consider necessary acting in a reasonable manner, including establishing a Reserve or take any action that is required by a Card Brand if:

- (i) you or Guarantor do not observe or act according to the terms and conditions of this Agreement, and fail to correct that default within the timeframe in the notice we send to you;
- (ii) bankruptcy or insolvency proceedings are commenced by or against you;
- (iii) the continued provision of services to you would pose a level of risk and/or exposure to us (including credit, operational, reputational, financial, technological, security and/or fraud risk or exposure) that we consider in our sole discretion to be unacceptable;
- (iv) the Card Brand Rules and Regulations require that we and/or the Member terminate this Agreement and/or suspend processing for you;
- (v) if applicable, you do not create and maintain the specified minimum balance of the Reserve and you fail to correct that default within 3 days after we send you notice to do so;
- (vi) you revoke or provide notice that you intend to revoke your consent for Moneris to debit your account under the PAD Agreement, in which case we may terminate this Agreement without giving you any advance notice.

If more than one Merchant is processing Transactions under this Agreement, a notice of termination or suspension delivered to any Merchant may, as determined by us, be deemed to be delivered to each Merchant and we may exercise any and all rights associated with such notice against any and all Merchants.

(b) **Termination by you**

You may terminate this Agreement by giving us 30 days' notice if we do not observe or act according to the terms and conditions of this Agreement and fail to correct that default within 30 days after you send us written notice of default with instructions to correct it.

(c) **Cancelling Your Equipment Rental.**

If this Agreement is terminated for any reason or if you decide to stop renting Equipment from us, you will return to us, at your cost, the Equipment we sent to you. Except for termination of this Agreement pursuant to Section 17.2(b), if (i) this Agreement is terminated or (ii) you stop renting Equipment, in each case less than 12 months after the date we shipped the Equipment to you, you will pay us an Equipment service charge equal to 18 months' rent of your Equipment, including applicable taxes, minus the rent you have paid to us since the Effective Date.

17.3. Effects of termination

(a) When this Agreement ends:

- (i) you remain responsible for paying any amount you owe us and/or the Member pursuant to this Agreement;
- (ii) the terms and conditions of this Agreement will remain in effect for any Transactions delivered to us before the termination date;
- (iii) your rights to accept Transactions, as outlined in this Agreement, to use advertising, displays and other items associated with Transactions will end;
- (iv) you will return to us any Terminal and other Equipment you rent from us; and
- (v) if required by Card Brand Rules and Regulations, we will report you on the MATCH System.

(b) Promptly upon notice of termination by either party under this Agreement we or the Member will:

- (i) establish a holdback (the "**Holdback**") in an amount sufficient to cover any potential or anticipated liabilities arising out of or relating to this Agreement or under any separate guarantee, including any Card Brand Fines, Chargebacks or any Fees owed to us or the Member pursuant to this Agreement, which may be or become payable by you pursuant to this Agreement after its termination; and
- (ii) pay you all settlement funds owing to you under this Agreement, including the Reserve, less the amount of the Holdback.

You are not entitled to repayment of any balance of the Holdback until such time as you have no further indebtedness or other obligations outstanding, anticipated or potential under this Agreement and/or under any separate guarantee to us or the Member. We and the Member may (but are not required to) apply funds in the Holdback toward the satisfaction of any amounts which are or may become due from you pursuant to this Agreement to us or the Member. Funds in the Holdback will not bear interest. Your entitlement is only to be repaid any remaining balance of the Holdback after the full and final satisfaction of all of your indebtedness or other obligations under this Agreement to us or the Member. If the Holdback is insufficient to cover such amounts, you will pay any deficiency promptly on demand.

18. Limitation of Liability

- (a) We and the Member make no guarantee or warranty with respect to the services, products and equipment provided pursuant to this Agreement, whether express, implied, statutory or otherwise, including any warranty of merchantability or fitness for a use for any particular purpose. Our Fees are based upon the value of the services, products and equipment we provide and the allocation of any risks for Chargebacks, Card Brand Fines, Data Compromises or any other Losses remains with you.

- (b) We and/or the Member will not be liable for any exemplary, punitive, special, incidental, direct, indirect or consequential damages, lost profits, lost revenues, costs, lost business opportunities, loss of goodwill or expenses arising out of or in any way relating to this Agreement, including, any Losses suffered by you for any reporting to the MATCH System or due to the failure or disruption of communications services and/or support, even if we or Member have been made aware of the possibility of such damages. This limitation of liability applies regardless of the form in which any legal or equitable action may be brought against us or Member, whether under contract, tort (including negligence) or otherwise, and the foregoing will constitute your exclusive remedy.

19. Confidential information about the Parties

- (a) Each party agrees: (i) not to disclose any Confidential Information except to its employees, advisors, auditors or service providers, who are bound by confidentiality obligations at least as strict as those contained in this Section 19; (ii) to use and reproduce any Confidential Information only to perform its obligations hereunder and for the purposes specified in this Agreement. Notwithstanding the foregoing, the parties agree that Moneris and each Member may share Confidential Information with each other.
- (b) Nothing contained in this Agreement will be construed to restrict or impair in any way the right of the parties to disclose, use or communicate any information which: (i) is at the time of its disclosure pursuant to this Agreement generally available to the public; (ii) becomes generally available to the public through no fault of the receiving party; (iii) is, prior to its initial disclosure pursuant to this Agreement, in the lawful possession of the receiving party as evidenced in documentary form; (iv) is anonymized and rendered unidentifiable of the other party; or (v) is acquired by the receiving party from any third party having a right to disclose to the receiving party without breach of any confidentiality obligations. Either party may disclose Confidential Information in accordance with a judicial or other governmental order, provided that the receiving party will provide the disclosing party with prompt notice of such request(s) so that it may seek an appropriate protective order or other remedy and/or waive the receiving party's compliance with these provisions. Any combination of Confidential Information will not be deemed to be within the foregoing exceptions merely because individual portions of such combination are disclosed or separately known in the public domain or known by the receiving party.

20. Privacy

The Parties acknowledge that certain information collected, used and disclosed pursuant to this Agreement may constitute Personal Information. The Parties agree that any such information will be collected, used, disposed, and disclosed in accordance with applicable law and their respective privacy policies. Our privacy policy, as it may be amended from time to time, can be found at the following link: <https://www.moneris.com/en/Privacy-Policy>.

21. Intellectual Property

We retain all ownership and copyright interest in and to any intellectual property, computer programs, documentation, technology, know-how and processes developed by us and provided to you in connection with this Agreement ("**Moneris Intellectual Property**"). We grant you a non-exclusive license to use any Moneris Intellectual Property made available to you for the limited purpose of receiving services and exercising your rights in connection with this Agreement. This license is granted for your own use and you have no right to sub-license any Moneris Intellectual Property. You will not reverse engineer, disassemble or decompile the Moneris Intellectual Property.

22. Assigning this Agreement

This Agreement is binding on the Parties and their successors and assigns. You acknowledge that we have entered into this Agreement and have determined the Fees based on our assessment of your credit risk and you agree that you will not assign this Agreement without our prior written consent.

23. Entire Agreement

This Agreement, including the Card Brand Rules and Regulations, the Data Security Standards and the Operating Manual and Procedures, which are incorporated herein by reference, constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and replaces all previous agreements, arrangements and understandings between you, us and/or the Member concerning the services we provide.

24. Enforcing or Amending this Agreement

A party's conduct, actions or failure to enforce any of the terms and conditions of this Agreement do not waive any of its rights under this Agreement, or change the other Parties' obligations under this Agreement, unless all Parties agree to an amendment in writing. No modification, amendment or supplement to this Agreement will be binding upon any of the Parties unless made in writing.

25. Providing notice

Any notice given under this Agreement will be delivered personally or sent by regular mail, prepaid registered mail, email or fax. If there is a postal service disruption, notices will either be hand-delivered, emailed or faxed.

Notice will be given to us and the Member at:
Moneris Solutions Corporation
3300 Bloor Street West
7th Floor West Tower
Toronto, Ontario
M8X 2X2
Attention: Chief Sales & Relationship Officer
Fax number: (416) 734-1245
Email: jeff.guthrie@moneris.com

With a copy to:
Moneris Solutions Corporation
3300 Bloor Street West
10th Floor, West Tower
Toronto, Ontario
M8X 2X2
Attention: Chief Legal Officer
Fax number: (416) 734-1153
Email: faeron.trehearne@moneris.com

Notice will be given to each of Merchant and the Guarantor at:

420 Investments Ltd.
1400, 1100 – 1 Street SE
Attention: Chief Financial Officer
Email: garrett@420corp.ca

Notices delivered personally will be deemed to be received on that day. Notices delivered by fax or email will be deemed to be received on the date of transmission if there is no indication of failure of receipt communicated to the sender and the date of transmission is a Business Day. If not received on a Business Day or during normal business hours, then notices delivered by fax or email will be deemed to be received on the next Business Day following the transmission thereof. Notices sent by mail or prepaid registered mail will be deemed to be received 5 Business Days after mailing.

26. For residents of Quebec

It is agreed that it is the express wish of the Parties that this Agreement and any related documents be drawn up and executed in English. *Il est la volonté expresse des Parties que cette convention et tous les documents s'y rattachant soient rédigés en anglais.*

27. Counterparts, Execution

This Agreement may be executed in any number of counterparts and all of such counterparts taken together will

be deemed to constitute one and the same instrument. The Parties will be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar electronic copy will be legally effective to create a valid and binding agreement between the Parties.

28. Survival

Notwithstanding anything to the contrary contained herein, the rights and obligations of the Parties pursuant to Sections 1 (to the extent applicable), 2(f), 4, 5, 8, 11, 12, 15, 16, 17.3, 18, 19, 20, 20, 25, 25, 28 and 29 will survive termination or expiration of this Agreement.

29. Governing Law

This Agreement will be governed by the laws of the Province of Ontario. The Parties agree that the courts of the province of Ontario will have exclusive jurisdiction over any matters arising from this Agreement. Each party hereby irrevocably attorns to the exclusive jurisdiction of the courts of the Province of Ontario.

Schedule Wireless GSM Services

This Schedule sets out additional terms that apply if we provide Wireless GSM Services (as defined below) to you.

1. Definitions

In addition to the terms defined in Schedule A of this Agreement, for the purposes of this Schedule, the following capitalized words have the respective meanings specified below:

"Claims" means any and all claims, demands, liability, damage, loss, suit, action, investigation, proceeding or cause of action and any and all related costs and expenses including but not limited to legal fees and expenses.

"Network" means the network for the Wireless GSM Services operated by our underlying carrier.

"Regulatory Requirement" means any law, regulation, statute, code, order, directive, guideline, decision, ruling, award, rule, standard, requirement, policy or judgment applicable to us or our underlying carrier.

"Service Areas" means the geographic locations in which the Wireless GSM Services are available from time to time.

"Transmission" means any Transaction, pre-authorization and administrative function including but not limited to logging on and/or off, batch close and initialization.

"Unauthorized Use" means any abusive or fraudulent use or any use that has not been authorized by us or our underlying carrier.

"Wireless GSM Services" means the wireless GSM communication services provided by us and our underlying carrier to be used in connection with the Wireless GSM Terminals.

"Wireless GSM Terminal" means the long range GSM-capable Terminal that you rent from us that derives power from a battery and communicates over the Network.

2. Wireless GSM Services Terms and Conditions

You agree that the Wireless GSM Services are provided subject to the following:

- (a) Wireless GSM Services are available only when the Wireless GSM Terminals are in the operating range of the Network.
- (b) Wireless GSM Services and/or data transmissions over the Network may be temporarily refused, interrupted, involuntarily delayed or limited at any time because of:
 - (i) limitations to the Network;
 - (ii) transmission limitations caused by atmospheric, topographical or other factors reasonably outside of our underlying carrier's control;
 - (iii) equipment modifications, maintenance, upgrades, relocations, repairs and other similar activities necessary for the proper or improved operation of the Wireless GSM Services; or
 - (iv) weak batteries, system over-capacity, movement outside of the Service Areas and gaps in coverage within the Service Areas.
- (c) We and our underlying carrier make no warranty, express or implied, as to the Wireless GSM Services, including, any implied warranties as to merchantability or fitness for a particular purpose, nor do we or our underlying carrier warrant the uninterrupted working of any communications using the Wireless GSM Services or the Network.
- (d) Our underlying carrier is not responsible for and does not warrant the security or privacy of any communications or data traffic over the Network or using the Wireless GSM Services.

- (e) Our underlying carrier is not responsible or liable to you for any content, applications or services transmitted or made available to you through the Wireless GSM Services or the Network.
- (f) Wireless GSM Services will be subject to such changes, modifications, additions and deletions as our underlying carrier may determine from time to time.
- (g) You will only engage in roaming off our underlying carrier's Network as incidental to your use of the Wireless GSM Services in Canada. Our underlying carrier will, at its sole discretion, be entitled from time to time and at any time to restrict roaming services or to add, modify or remove territories where roaming is available. You will be responsible for all applicable roaming charges which will be charged separately and will be subject to the limitations and conditions of service of the carrier(s) providing such roaming services.
- (h) You have no property right in any code or identifier issued by us or our underlying carrier to you or associated with you or any of the Wireless GSM Terminals used by you. We or our underlying carrier may change such codes and identifiers at any time.
- (i) Wireless GSM Services do not include any voice services or any SMS messaging services.
- (j) The SIM card may only be used in the Wireless GSM Terminal in which it is installed and in no other wireless device and may only be used in connection with the Card processing services that we are providing to you.
- (k) The SIM card may work and incur charges in wireless devices other than the Wireless GSM Terminal in which the SIM Card is installed and you are responsible for any and all charges and other fees incurred with respect to the SIM card, including but not limited to fees for unauthorized services such as voice services and SMS messaging services.
- (l) In the event that any governmental body or person issues or amends any Regulatory Requirement, then this Schedule will be deemed modified in such a way that is consistent with the form, intent and purpose of this Schedule as is necessary to comply with such Regulatory Requirement.
- (m) Our underlying carrier may disclose any information concerning you to:
 - (i) another telecommunications carrier or other person providing services to a telecommunications carrier, provided that the information is to be used for the establishment of, or the efficient and cost effective provision of the Wireless GSM Services and disclosure is made on a confidential basis with the information to be used solely for that purpose;
 - (ii) an agent retained by our underlying carrier to collect outstanding balances owed to our underlying carrier by us, or to perform other administrative functions for our underlying carrier, provided that the information is released solely for those purposes;
 - (iii) a company involved in supplying customers with telephone or telephone directory related services, provided the information is required for that purpose and disclosure is made on a confidential basis with the information only to be used for that purpose;
 - (iv) a law enforcement agency if our underlying carrier has reasonable grounds to believe that you are involved in unlawful activities; or
 - (v) a public authority or agent of a public authority if in our underlying carrier's reasonable judgment, it appears that there is imminent danger to life and property which could be avoided or minimized by the disclosure of the information.
- (n) The wireless GSM Services are being provided only to you. You are solely responsible for use of the Wireless GSM Services. You agree at all times to comply with applicable laws and any terms, conditions, rules, policies, procedures and technical specifications as may be provided and updated by us or our underlying carrier from time to time in writing that are associated with the Wireless GSM Services.

- (o) You may not use (or allow anyone else to use), directly or indirectly, the Wireless GSM Services, the Network or the Wireless GSM Terminals for any Unauthorized Use including but not limited to:
- (i) attempting or assisting another to access, alter or interfere with the communications of and/or information about another user of the Network or the Wireless GSM Services;
 - (ii) tampering with or making an unauthorized connection to the Network;
 - (iii) using or assisting another to use any scheme, false representation or false credit device, or other fraudulent means or devices in connection with the Wireless GSM Services;
 - (iv) using the Wireless GSM Services in such a manner so as to impair the quality of the Wireless GSM Services or interfere with our underlying carrier's ability to provide the Wireless GSM Services or interfere with the use of the Wireless GSM Services by other users;
 - (v) using the Wireless GSM Services to convey information that is obscene, salacious, abusive, prurient or unlawful;
 - (vi) invading another person's privacy or collecting or storing personal data about other users, stalking or otherwise harassing another person or entity; harming minors; using, possessing, posting, uploading, transmitting, disseminating or otherwise making available obscene, profane or pornographic material or content that is unlawful, threatening, abusive, libellous, slanderous, defamatory, deceptive or otherwise offensive or objectionable or violates the copyright or other intellectual property rights of others; unlawfully promoting or inciting hatred; or posting, uploading, transmitting, disseminating or otherwise making available objectionable information including but not limited to any transmissions constituting or encouraging conduct that would constitute a criminal offence, give rise to civil liability or otherwise violate any municipal, provincial, federal or international law, order or regulation;
 - (vii) participating in any illegal activities;
 - (viii) accessing any computer, software, data, or any other confidential, copyright protected or patent protected material of any other person, without the knowledge and consent of that person, or using any tools designed to facilitate access, such as "packet sniffers";
 - (ix) uploading, posting, publishing, defacing, modifying, transmitting, reproducing, distributing in any way or otherwise making available information, software or other material protected by copyright or other proprietary or contractual right (such as a non-disclosure agreement), or related derivative works, without obtaining permission of the copyright owner or rightholder;
 - (x) copying, distributing, sublicensing or otherwise making available any software provided by us or our underlying carrier;
 - (xi) altering, modifying, reproducing, tampering with the Wireless GSM Services, the Network, the Wireless GSM Terminals, identifiers of the Wireless GSM Terminals or any function or component of the Wireless GSM Services, the Network or the Wireless GSM Terminals that is not meant to be altered, modified, reproduced or tampered with;
 - (xii) restricting, inhibiting or interfering with the ability of any person to access, use or enjoy the Wireless GSM Services, the Network or any device or equipment used to connect to the Network or the Wireless GSM Services, or creating an unusually large burden on the Network including but not limited to posting, uploading, transmitting or otherwise making available information or software containing a counter, virus, drop dead device, lock, key, bomb, worm, trojan-horse, trap door or other harmful, limiting destructive or debilitating feature; or generating levels of traffic sufficient to impede others' ability to send or receive information, or distributing mass or unsolicited email;
 - (xiii) disrupting any backbone Network nodes or Network service, or otherwise restricting, inhibiting, disrupting or impeding our underlying carrier's ability to monitor or deliver wireless services, transmissions or data;

- (xiv) interfering with computer networking or telecommunications service to or from any Internet user, host, provider or network including but not limited to denial of service attacks, overloading a service, improper seizure or abuse of operator privileges or attempting to "crash" a host;
 - (xv) using the Wireless GSM Services, the Network and/or the Wireless GSM Terminals for anything other than the purposes contemplated in this Schedule;
 - (xvi) reselling the Wireless GSM Services, providing Internet access or any other feature of the Wireless GSM Services to a third party or sharing or transferring the Wireless GSM Services;
 - (xvii) forging headers or otherwise manipulating identifiers in order to disguise the origin of any content transmitted through the Network or the Wireless GSM Services;
 - (xviii) accessing the Internet via the Wireless GSM Services using IP addresses other than the IP address(es) assigned by us or the underlying carrier;
 - (xix) operating a server in connection with the Wireless GSM Services including but not limited to mail, news, files, golpher, telnet, chat, web or host configuration servers, multimedia streamers or multi-user interactive forums; or
 - (xx) port scanning a person's computer without that person's consent, or using any tools designed to facilitate these scans.
- (p) In addition to any other termination rights set out elsewhere in this Schedule, we or our underlying carrier may suspend, cancel or permanently terminate the Wireless GSM Services, without notice to you, if you engage in one or more activities that constitute an Unauthorized Use. Additionally, you may be charged for any costs incurred by us and/or our underlying carrier in connection with the breach of the terms of this section including but not limited to costs incurred to enforce your compliance with this section.
- (q) You are responsible for any use by third parties having direct or indirect access to the Network through you. Any such violations by a third party will be deemed to be a violation by you, whether or not done with your knowledge or consent. You will have the sole responsibility to cease such violations and will be solely liable for any loss, damage or expense arising from use by a third party.
- (r) We and our underlying carrier reserve the right to restrict, change, suspend, cancel or permanently terminate your Wireless GSM Services if your access, use or connection to the Wireless GSM Services or the Network is impairing or adversely affecting the operations or the use of the wireless services or the Network by others.

3. Fees

3.1 Fees

You will pay the following fees plus any applicable taxes for the Wireless GSM Terminals that you rent from us:

Activation Fee	\$75 per Wireless GSM Terminal
Wireless GSM Terminal Rental Fee	\$55 per month per Wireless GSM Terminal

3.2 Increases Resulting from Regulatory Requirements

In the event that our underlying carrier's costs of providing the Wireless GSM Services increase as a result of any Regulatory Requirement, then we may, upon notice to you, increase the Wireless GSM Terminal rental fees in order to reflect such increased costs.

4. Terminations and Changes to the Wireless GSM Services

4.1 Termination

We or our underlying carrier may terminate the Wireless GSM Services:

- (a) upon 30 days' notice if our underlying carrier decides to no longer operate the Network;
- (b) promptly if we are no longer provided Wireless GSM Services by our underlying carrier;
- (c) promptly if necessary due to a Regulatory Requirement;
- (d) promptly if you engage in one or more activities that constitute an Unauthorized Use or you do not observe or act according to the terms and conditions of this Schedule; or
- (e) promptly if the Wireless GSM Services are no longer available to you due to a change, modification, addition or deletion by our underlying carrier to the Wireless GSM Services, the Network, the operating range and/or the Service Areas.

4.2 Changes to the Wireless GSM Services

We may, at our sole discretion, move your Wireless GSM Services to a new technology and/or underlying carrier.

5. Limitation of Liability, Indemnity, No Warranty

5.1 No Relationship

You expressly understand and agree that you have no contractual relationship whatsoever with our underlying carrier and that you are not a third party beneficiary of any agreement between us and our underlying carrier. In addition, you expressly understand and agree that we, the Member and our underlying carrier make no representations or warranties whatsoever and will have no legal, equitable, or other liability of any kind to you, regardless of the form of the action, whether for breach of contract, warranty, negligence, strict liability in tort or otherwise.

5.2 Limitation of Liability

Neither us, the Member nor our underlying carrier will be liable for any indirect, special, incidental or consequential cost, loss, expense, damage or liability of any nature, loss of profits or revenue, loss of data, costs of capital, downtime costs, costs of substitute goods or services or loss of goodwill or business opportunities in connection with this Schedule, the Wireless GSM Services, the Network or the Wireless GSM Terminals including:

- (i) the failure of the Wireless GSM Services to operate at any time; or
- (ii) a third party's unauthorized access to communications transmitted over the Network or the completeness or accuracy of such communications;


whether or not such damages were foreseeable. We, the Member and our underlying carrier are not liable to you or any other person for any accident or injury resulting from the operation or failure of the Wireless GSM Terminal or the Wireless Services.

5.3 Indemnity

- (a) You will indemnify, defend and hold harmless us, the Member and our underlying carrier and each of our and their respective officers, employees and agents against any Claims relating to:
 - (i) breach of your obligations set out in this Schedule; and
 - (ii) libel, slander, infringement of copyright, property damage, personal injury or death, arising in any way directly or indirectly in connection with this Schedule, the Network, the Wireless GSM Services or the use, misuse, failure to use or inability to use the Wireless GSM Terminals.
- (b) This indemnity will survive termination of the Agreement.



This is Exhibit "N" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024

A handwritten signature in blue ink, consisting of several loops and peaks, positioned above a horizontal line.

A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor



Moneris Solutions Corporation
3300 Bloor Street West,
10th Floor, West Tower
Toronto, Ontario
M8X 2X2

June 10, 2024

420 Premium Markets Ltd., Green Rock Cannabis (EC1) Limited and 420 Investments Ltd.
800, 635 8 Ave SW, Calgary, AB T2P 3M3

Attention: Ryan Pernal, Chief Financial Officer

Dear Mr. Pernal,

RE: Notice of Withholding of Advance of Funds for **420 Premium Markets Ltd. and Green Rock Cannabis (EC1) Limited** (“**Merchants**” or “**you**”)

We are writing to you in connection with the merchant agreement(s) between you and Moneris Solutions Corporation (“**Moneris**” or “**we**”) (for itself and on behalf of Royal Bank of Canada and Bank of Montreal) (the “**Merchant Agreement**”). All capitalized terms used and not defined in this letter will have the meaning given to those terms in the Merchant Agreement.

Pursuant to the Merchant Agreement, Moneris is providing credit and debit card processing services to the Merchant. Any payment made or credit given to the Merchant as settlement for a transaction is an advance of funds, until the transaction is not capable of being subject in whole or in part to a Chargeback (as defined in the Merchant Agreement) or other adjustments. The Merchant Agreement also provides that if there is a material change in your business, Moneris has the right to deduct amounts from Transaction proceeds to establish a Reserve until you have no further outstanding, anticipated or potential indebtedness or other obligations to us under the Merchant Agreements. The Bankruptcy and Insolvency Act (“**BIA**”) provides that no person is required to further advance money or credit to an entity which has sought protection under the BIA and also that filing a notice of intention under the BIA does not prohibit any person from requiring immediate payment for services provided after the filing.

Based on the increased financial risk to Moneris from continuing to provide you with processing services, we will be exercising our rights under the Merchant Agreement and the BIA and effective immediately we will no longer provide you with advance payment and settlement for **25%** of your processed Transactions until such time as Moneris has established a Reserve in the amount of CAD **\$100,000.00**. This amount is based on our current best estimates of our financial exposure from continuing to provide you with advance settlement of funds under the Merchant Agreements. We reserve the right to change the required amount of the Reserve based on changes to our risk exposure. We will also be collecting all interchange and other fees applicable to your Transactions on a daily basis as a condition to continue to provide you with our services.

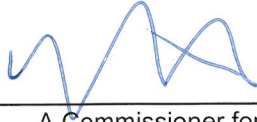
During this withholding period, your daily settlement will be subject to a one (1) Business Day delay. Pursuant to the Merchant Agreements you are not entitled to repayment of any balance of the Reserve until such time as you have no further indebtedness or other anticipated or potential obligations to us.

Please do not hesitate to contact the undersigned with any questions in this regard.

Sincerely,

Peter Dovienco,
Manager, Commercial Credit

This is Exhibit "O" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024



A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor



Bennett Jones

Bennett Jones LLP
4500 Bankers Hall East, 855 2nd Street SW
Calgary, Alberta, T2P 4K7 Canada
T: 403.298.3100
F: 403.265.7219

Michael Selnes
Partner
Direct Line: 403.298.3311
e-mail: selnesm@bennettjones.com
Our File No.:

May 31, 2024

Via E-Mail: Seun.Kolarinwa@bmo.com

BMO Bank of Montreal
20 LONGVIEW COMMON SE, UNIT 410,
CALGARY, AB T2X4S8

Dear Sir/Madam:

Re: Notice of Intention to Make a Proposal Under the Bankruptcy and Insolvency Act of 420 Investments Inc.

We are counsel to KSV Restructuring Inc. ("KSV"), which was appointed as proposal trustee under the *Bankruptcy and Insolvency Act* (the "BIA") of 420 Premium Markets Ltd., 420 Investments Ltd. and Green Rock Cannabis (EC1) Ltd., each of which filed a notice of intention to file a proposal on May 29th, 2024 (collectively the "NOIs").

A copy of the NOI related to 420 Investments Ltd. is enclosed with this correspondence. The Court Action Number related to the NOI filed by 420 Investments Ltd. is 25-3086318 (the "Proceedings").

High Park Shops Inc. has obtained an order for judgment against 420 Investments Ltd on May 21, 2024 and filed a writ of enforcement in relation to this Judgment on May 21, 2024 in Alberta Court of King's Bench Action Number 2001-02873. A copy of the Writ of Enforcement is enclosed with this Correspondence.

We understand that enforcement action has been taken pursuant to the Writ and that the Bank of Montreal account number 37141996904 held by 420 Investments Ltd. at the 20 Longview Common SE, Unit 410 Calgary, Alberta BMO Branch (the "Account") has been frozen.

By filing an NOI, pursuant to section 69(1)(a) of the *BIA* no creditor has any remedy against the insolvent person [in this case 420 Investments Ltd.] or the insolvent person's property, or shall commence or *continue any action, execution or other proceedings, for the recovery of a claim provable in bankruptcy.* There is therefore, subject to further order of the Court of King's Bench of Alberta, currently a stay of proceedings injunction any further reliance on the writ, including through a garnishee summons, during the Proceedings.

May 31, 2024

Via E-Mail - Seun.Kolarinwa@bmo.com

Page 2

We provide this notice to respectfully request that you remove any restrictions on the Account and that no further enforcement act against the Account be authorized be taken during the Proceedings without further order of the Alberta Court of King's Bench.

Should you require any further information, please advise.

Yours truly,

BENNETT JONES LLP

Michael Selnes

MS:jj



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Alberta
Division No. 02 - Calgary
Court No. 25-3086318
Estate No. 25-3086318

In the Matter of the Notice of Intention to make a proposal of:

420 Investments Ltd.

Insolvent Person

KSV RESTRUCTURING INC.

Licensed Insolvency Trustee

Date of the Notice of Intention:

May 29, 2024

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: May 30, 2024, 11:31

E-File/Dépôt Electronique

Official Receiver

Harry Hays Building, 220 - 4th Ave SE, Suite 478, Calgary, Alberta, Canada, T2G4X3, (877)376-9902

Canada

Compound Interest Owing From Advance Date

First Tranche:

No.	Period	Interest Rate	Amount Outstanding	Interest
1.	August 29, 2019 to January 1, 2020	8.00%	\$5,000,000.00	\$136,986.30
2.	January 1, 2020 to January 1, 2021	8.00%	\$5,136,986.30	\$412,084.82
3.	January 1, 2021 to January 1, 2022	8.00%	\$5,549,071.12	\$443,925.69
4.	January 1, 2022 to January 1, 2023	8.00%	\$5,992,996.81	\$479,439.74
5.	January 1, 2023 to January 1, 2024	8.00%	\$6,472,436.55	\$517,794.92
6.	January 1, 2024 to February 7, 2024	8.00%	\$6,990,231.48	\$56,687.90
TOTAL:			\$7,046,919.38	\$2,046,919.38

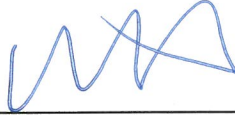
Second Tranche:

No.	Period	Interest Rate	Amount Outstanding	Interest
1.	November 29, 2019 to January 1, 2020	8.00%	\$2,000,000.00	\$14,465.75
2.	January 1, 2020 to January 1, 2021	8.00%	\$2,014,465.75	\$161,598.79
3.	January 1, 2021 to January 1, 2022	8.00%	\$2,176,064.54	\$174,085.16
4.	January 1, 2022 to January 1, 2023	8.00%	\$2,350,149.70	\$188,011.98
5.	January 1, 2023 to January 1, 2024	8.00%	\$2,538,161.68	\$203,052.93
6.	January 1, 2024 to February 7, 2024	8.00%	\$2,741,214.61	\$22,230.12
TOTAL:			\$2,763,444.74	\$763,444.74

Total Outstanding Amounts:

Tranche	Amount Outstanding
First Tranche	\$7,046,919.38
Second Tranche	\$2,763,444.74
TOTAL:	\$9,810,364.12

This is Exhibit "P" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024



A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor

420 Investments Ltd., 420 Premium Markets Ltd. and Green Rock Cannabis (EC1) Ltd.
Cash Flow Forecast
June 10, 2024 to September 8, 2024

For the week ending, In CAD	Notes	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Total	
		Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13		
Opening cash balance	1	218,698	166,246	282,552	231,586	115,759	115,644	356,491	225,796	222,810	36,049	221,557	176,770	342,421	218,698	
Cash Receipts																
Retail and Data revenue	2	585,875	601,635	551,583	584,585	584,585	584,585	584,585	584,585	561,795	561,795	561,741	561,741	550,379	550,379	7,425,262
Cash Disbursements																
Operating Expenses																
Inventory purchases	3	(325,000)	(430,000)	(300,143)	(321,326)	(321,326)	(321,326)	(365,798)	(351,170)	(351,170)	(351,135)	(365,960)	(358,666)	(358,666)	(4,521,684)	
Payroll and KERP	4	(225,000)	(15,000)	(240,961)	-	(240,961)	-	(297,629)	-	(204,129)	-	(196,768)	-	(196,768)	(1,617,217)	
Rent	5	-	-	-	(179,366)	-	-	-	(179,366)	-	-	-	-	(179,592)	(538,324)	
Other operating expenses	6	(39,100)	(39,100)	(39,100)	(26,500)	(26,500)	(26,500)	(26,500)	(26,500)	(26,500)	(26,500)	(26,500)	(26,500)	(26,500)	(382,300)	
		(589,100)	(484,100)	(580,204)	(527,192)	(588,787)	(347,826)	(689,927)	(557,036)	(581,799)	(377,635)	(589,228)	(385,166)	(761,526)	(7,059,525)	
Other Disbursements																
General and administrative expense		(7,600)	(7,600)	(7,600)	(7,600)	(7,600)	(7,600)	(7,600)	(7,600)	(7,600)	(7,600)	(7,600)	(7,600)	(7,600)	(98,800)	
GST collections, payments and remittances		8,373	6,372	(14,745)	(5,621)	11,687	11,687	(17,754)	(145)	843	9,002	(9,700)	8,038	(1,121)	6,917	
Total disbursements before professional fees		(588,327)	(485,328)	(602,548)	(540,412)	(584,700)	(343,738)	(715,280)	(564,781)	(588,556)	(376,234)	(606,527)	(384,728)	(770,247)	(7,151,408)	
Professional Fees	7															
Company counsel legal fees		(50,000)	-	-	(50,000)	-	-	-	-	(50,000)	-	-	-	-	(150,000)	
Company litigation counsel legal fees		-	-	-	(10,000)	-	-	-	-	(10,000)	-	-	-	-	(20,000)	
Trustee fees		-	-	-	(75,000)	-	-	-	-	(75,000)	-	-	-	-	(150,000)	
Trustee's counsel fees		-	-	-	(25,000)	-	-	-	-	(25,000)	-	-	-	-	(50,000)	
Total Professional Fees		(50,000)	-	-	(160,000)	-	-	-	-	(160,000)	-	-	-	-	(370,000)	
Net cash flow		(52,452)	116,306	(50,966)	(115,827)	(115)	240,847	(130,695)	(2,986)	(186,761)	185,508	(44,786)	165,651	(219,869)	(96,146)	
Interim financing																
Interim financing advances / (repayments)	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Closing cash balance		166,246	282,552	231,586	115,759	115,644	356,491	225,796	222,810	36,049	221,557	176,770	342,421	122,552	122,552	

Management of 420 Investments Ltd., 420 Investments Ltd., and Green Rock Cannabis (EC1) Ltd. ("420" or the "Company") has prepared this forecasted cash-flow statement (the "Cash Flow Forecast") based on probable and hypothetical assumptions detailed in Notes 1 to 8. The Company has prepared the Cash Flow Forecast on a consolidated basis as the Company intends to obtain a consolidation order from the Court. The Cash Flow Forecast has been prepared solely for the purpose of supporting the Notice of the Intention to Make a Proposal ("NOI") filed by the Company on May 29, 2024. As such, readers are cautioned that it may not be appropriate for their purposes. The Cash Flow Forecast of the Company is prepared in accordance with the provisions of the *Bankruptcy and Insolvency Act* and should be read in conjunction with the Trustee's Report on the Cash-flow Statement.

Dated at the City of Calgary in the Province of Alberta, this 19th day of June 2024.

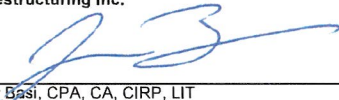
420 Investments Ltd., 420 Premium Markets Ltd. and Green Rock Cannabis (EC1) Ltd.

Per:


Ryan Pernal
Chief Financial Officer

KSV Restructuring Inc.

Per:


Andrew Basi, CPA, CA, CIRP, LIT
Managing Director

420 Investments Ltd., 420 Premium Markets Ltd. and Green Rock Cannabis (EC1) Ltd.
Notes to the Cash Flow Forecast
June 10, 2024 to September 8, 2024

Note 1: Bank balance as of June 9, 2024.

Note 2: Cash collections include funds received from sales of cannabis-related products at various retail store locations and data program revenues. Step downs in cash receipts beginning at the end of June reflect closure of certain retail locations. Moneris Solutions Corporation, 420's platform used for credit and debit card purchases, is implementing a \$100,000 holdback reserve due to a perceived increased financial risk associated with 420 during these proceedings (the "Reserve"). The Reserve is not reflected in this cash flow as the Company is currently taking steps to recover or reduce it.

Note 3: Represents inventory stock purchases for retail locations.

Note 4: Reflects payroll costs of employees and proposed KERP payments.

Note 5: Represents occupancy costs for the various retail locations.

Note 6: Reflects other operating expenses including marketing costs at the retail store locations.

Note 7: Includes the estimated payments to the Company's legal counsel, the Company's litigation legal counsel, the Proposal Trustee, and the Proposal Trustee's legal counsel.

Note 8: The Company is currently negotiating an Interim Financing term sheet and will draw on the any balances available if necessary to fund operations, the restructuring process or litigations costs.

This is Exhibit "Q" referred to in the Affidavit of Scott Morrow,
sworn before me in the City of Calgary, in the Province of Alberta,
on this 19th day of June, 2024



A Commissioner for Oaths
in and for the Province of Alberta

NATASHA E. A. DOELMAN
Barrister & Solicitor

CONFIDENTIAL EXHIBIT Q

This Confidential Exhibit Q is the subject of the Application to be filed herewith returnable June 27, 2024 requesting a Restricted Court Access Order. The Confidential Exhibit is maintained at the office of Stikeman Elliott LLP, counsel for the Applicant. A copy of the Confidential Exhibit Q will be provided to the Justice hearing the Application in advance of the hearing date.