

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

BDC CAPITAL INC.

Applicant

- and -

BLUERUSH INC. and BLUERUSH DIGITAL MEDIA CORP.

Respondents

APPLICATION UNDER Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended

**APPLICATION RECORD
(Appointment of Receiver)**

December 17, 2025

BRAZEAU SELLER LLP
700-100 Queen Street
Ottawa, ON K1P 1J9

FRED E. SELLER (LSO# 28868A)

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Lawyers for the Applicant

TO: BLUERUSH INC.
4711 Yonge Street, 10th Floor
Toronto, ON M2N 6K8

AND
TO: BLUERUSH DIGITAL MEDIA CORP.
4711 Yonge Street, 10th Floor
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INDEX

TAB DOCUMENT

1 Notice of Application, dated December 16, 2025

2 Affidavit of Mark O'Connor, sworn December 16, 2025

Exhibit A- Blue Rush Inc Corporate Profile Report

Exhibit B- Blue Rush Digital Media Corp Corporate Profile Report

Blue Rush Digital Media Corp OCN 1755196 Corporate Profile Report

Exhibit C- Letter of Offer, dated August 24, 2022

Exhibit D- Guarantee, dated September 29, 2022

Exhibit E- Letter of Amendment, dated September 22, 2022

Exhibit F- Letter of Amendment, dated February 6, 2024

Exhibit G- Letter of Amendment, dated September 27, 2024

Exhibit H- Letter of Amendment, dated October 31, 2024

Exhibit I- Letter of Amendment, dated January 31, 2025

Exhibit J- BDC Loan Statement, dated December 16, 2025

Exhibit K- General Security Agreement dated September 29, 2022

Exhibit L- General Security Agreement dated September 29, 2022

Exhibit M- Trademark and Patent Security Agreement, dated September 29, 2022

Notice Grant Security Int - CA TM - Bluerush

Exhibit N- US Trademark and Patent Security Agreement, dated September 29, 2022

Notice Grant Security Int - US TM - Bluerush

Exhibit O- BlueRush Inc PPSA as of December 15, 2025

Exhibit P- BlueRush Digital Media Corp PPSA as of December 15, 2025

Exhibit Q- Priority Agreement with CIBC, dated September 22, 2022

Exhibit R- Courier Package to BlueRush Inc., dated June 30, 2025

Courier Package to BlueRush Digital Media Corp., dated June 30, 2025

Exhibit S- Forbearance Agreement, dated July 18, 2025

Exhibit T- Letter of Intent Acquisition of Senior Secured Debt, dated December 2,
2025

Exhibit U- Consent to Act, dated December 15, 2025

3 Order

4 Redlined Draft Order to Model Order

TAB 1



Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
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BETWEEN:

BDC CAPITAL INC.

Applicant

- and -

BLUERUSH INC. and BLUERUSH DIGITAL MEDIA CORP.

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APPLICATION UNDER Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended

**NOTICE OF APPLICATION
(Appointment of Receiver)**

TO THE RESPONDENTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicant. The claim made by the applicant appears on the following page.

THIS APPLICATION will come on for a hearing on a date and time to be scheduled by the Registrar of the Commercial List Office,

in person

by telephone conference

by video conference

at the following location:

Zoom Videoconference link to be provided by the Court on CaseCentre.

IF YOU WISH TO OPPOSE THIS APPLICATION, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

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

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: December 16, 2025

Issued by: _____
Local registrar

Address of court office:

Ontario Superior Court of
Justice (Commercial List)
330 University Avenue,
Toronto, ON M5G 1R8

TO: BLUERUSH INC.
4711 Yonge Street, 10th Floor
Toronto, Ontario M2N 6K8

AND TO: BLUERUSH DIGITAL MEDIA CORP.
4711 Yonge Street, 10th Floor
Toronto, Ontario M2N 6K8

APPLICATION

1. The Applicant, BDC Capital Inc. (“**BDC**”) makes an application for:
 - a. If necessary, an Order abridging the time for service of this notice of application and application record, or in the alternative, dispensing with and/or validating service of same;
 - b. An Order appointing msi Spergel Inc. as the receiver and manager (in such capacities, the “**Receiver**”) pursuant to section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”), without security, over all property, assets, and undertakings of the Respondents, BlueRush Inc. (the “**Borrower**”) and BlueRush Digital Media Corp. (the “**Guarantor**”, and together with the Borrower, the “**Debtors**”).
 - c. Costs of this application; and,
 - d. Such further and other relief as counsel may advise and as this Honourable Court might permit.

THE GROUNDS FOR THE APPLICATION ARE:

The Parties

1. BDC is a subsidiary of the Business Development Bank of Canada and is a financial institution incorporated under the laws of Canada with offices in Toronto, Ontario and throughout Canada who at all material times was a secured lender of the Debtors with respect to the Loan (as hereinafter defined) advanced by BDC to the Borrower.

2. The Borrower is a publicly listed company incorporated under the laws of Ontario who was at all material times acting as borrower with respect to the Loan advanced by BDC to the Borrower. The Borrower is currently subject to a failure-to-file cease trade order from the Ontario Securities Commission, issued on December 4, 2024.
3. The Guarantor is a subsidiary corporation of the Borrower incorporated under the laws of Canada who was at all material times a guarantor of the Loan advanced by BDC to the Borrower.
4. The Debtors carry on business as a personalized video Software as a Service (SaaS) company that builds and delivers products and services to promote digital customer engagement.

Loan Agreement, Security, and Indebtedness

5. Pursuant to a Letter of Offer dated August 24, 2022, as amended, between BDC and the Borrower (the "**Loan Agreement**"), BDC agreed to extend financing to the Borrower in the principal sum of \$2,000,000.00 (the "**Loan**").
6. Pursuant to a Guarantee dated September 29, 2022 (the "**Guarantee**"), the Guarantor agreed to unconditionally guarantee the Borrower's performance of all obligations and covenants under the Loan Agreement, including the repayment of the Loan plus any interest thereon at the rate provided for in the Loan Agreement and BDC's costs of enforcement.
7. BDC and the Debtors have entered into various letters of amendment to amend the Loan Agreement, including:

- a. a letter of amendment dated September 22, 2022, amending the interest rate provided for in the Loan Agreement;
- b. a letter of amendment dated February 6, 2024, amending the security granted by the Debtors in the Loan Agreement;
- c. a letter of amendment dated September 27, 2024, amending the payment terms under the Loan Agreement to provide for a repayment of the Loan via a balloon payment of \$2,000,000.00 on October 31, 2024 (i.e. the Maturity Date), at which time all amounts owing under the Loan Agreement would become due and payable;
- d. a letter of amendment dated October 31, 2024, amending the Maturity Date to January 31, 2025, providing for additional interest, and adding additional underlying conditions of the Loan Agreement; and,
- e. a letter of amendment dated January 31, 2025, amending the Maturity Date to April 30, 2025, subject to the fulfillment of certain conditions, amending the interest rate under the Loan Agreement and providing for additional interest, and amending the underlying conditions of the Loan Agreement.

(collectively with the Loan Agreement, the “**Credit Agreement**”)

8. As of December 16, 2025, the Debtors were indebted to BDC in the approximate amount of \$2,624,756.06, plus legal fees and accruing interest (the “**Indebtedness**”) pursuant to the Credit Agreement and Guarantee.
9. BDC has valid and enforceable security securing the Indebtedness and all obligations owing under the Credit Agreement and Guarantee, including:

- a. a General Security Agreement executed by the Borrower in favour of BDC dated September 29, 2022, which provides BDC with the right, upon default, to appoint a receiver or to apply to the Court for the appointment of a receiver;
- b. a General Security Agreement executed by the Guarantor in favour of BDC dated September 29, 2022, which provides BDC with the right, upon default, to appoint a receiver or to apply to the Court for the appointment of a receiver;
- c. A Trademark and Patent Security Agreement executed by the Borrower in favour of BDC dated September 29, 2022, with respect to the Borrower's Intellectual Property; and,
- d. A Patent and Trademark Security Agreement executed by the Borrower in favour of BDC dated September 29, 2022, with respect to the Borrower's US Intellectual Property;

(collectively, the "**Security**")

- 10. BDC has perfected personal property security registrations over all present and after-acquired personal property of the Debtors under the *Personal Property Security Act* (Ontario) ("**PPSA**").
- 11. BDC is the only registered secured creditor of the Borrower.
- 12. In addition to BDC, the Guarantor has two other registered secured creditors:
 - a. Canadian Imperial Bank of Commerce ("**CIBC**"), registered September 21, 2018;
 - b. Bonsai Growth Solutions Inc., registered December 20, 2024.

13. BDC and CIBC entered into a Priority Agreement dated September 22, 2022 (the “**Priority Agreement**”), with respect to their respective security over the Guarantor.
14. The Priority Agreement provides, *inter alia*, that the BDC security shall have priority over the CIBC security other than with respect to cash collateral of the Guarantor deposited by the Guarantor with CIBC, as more particularly described in the Priority Agreement.

Default and Forbearance

15. The Borrower failed to repay the amounts owing under the Credit Agreement on the Maturity Date (April 30, 2025), which was an event of default.
16. In addition, a cease trade order was issued against the Borrower by the Ontario Securities Commission, the Debtors were in breach of their liquidity parameters and their minimum growth requirements, and the Borrower had failed to remit its annual consolidated financial statements in the time required, all of which were further events of default.
17. On June 30, 2025, BDC, by its legal counsel, Brazeau Seller LLP, made a written demand for repayment of the Indebtedness to the Debtors, and provided the Debtors with notice of its intention to enforce its security pursuant to section 244 of the *BIA* (the “**Demand Letters and NITES**”)
18. Throughout the second and third quarters of 2025, BDC worked with the Debtors to address their ongoing financial issues, and the Debtors entered into an agreement with Oak Hill Asset Management Inc. to assist them with attracting investment to refinance and restructure their operations.

19. BDC entered into an Acknowledgement of Default and Forbearance Offer with the Debtors, dated July 18, 2025 (the “**Forbearance Agreement**”). Under the Forbearance Agreement, among other things:
- a. BDC agreed to forebear from enforcing its rights against the Debtors until the earlier of (i) 90 days from the date of the Forbearance Agreement, being October 16, 2025; or (ii) the occurrence or existence of any Terminating Event (the “**Forbearance Period**”). Terminating events include, *inter alia*:
 - i. Any default under the Forbearance Agreement or any further breach of the Credit Agreement;
 - ii. Any discrepancy of more than 15% between the cash flow forecast and actuals;
 - iii. Failure to make payment of any amount due to BDC under the Forbearance Agreement or Credit Agreement;
 - iv. The Borrower taking any insolvency proceeding or any steps to wind up or dissolve without BDC’s prior written consent; and
 - v. The occurrence of any material adverse change
 - b. The Debtors acknowledged their Existing Defaults, their liability for the Indebtedness, and that they had no defences in respect of said Indebtedness;
 - c. The Debtors consented to the immediate appointment of a receiver upon the expiration of the Forbearance Period.
20. The Forbearance Period has expired, and the Debtors have neglected and/or refused to repay the Indebtedness to BDC.

Appointment of a Receiver is Just and Convenient

21. The Security and Forbearance Agreement give BDC the right to appoint a receiver or to apply to the Court for the appointment of a receiver following an Event of Default.
22. The statutory notice period provided for under the *BIA* and outlined in the NITES, which was waived by the Debtors in the Forbearance Agreement, has expired.
23. The Debtors are unable to repay the Indebtedness.
24. The Debtors have failed to cooperate with BDC and BDC has lost confidence in the management of the Debtors.
25. BDC seeks the appointment of the Receiver to preserve the value of the Debtors' business and to protect its Security under the Credit Agreement and Forbearance Agreement and to determine the best course of action to realize upon its Security.
26. The Receiver will be able to determine whether a going concern sale of the business is viable and in the interests of all stakeholders.
27. The Debtors' operations are complex, and the Receiver will be best positioned to deal with the continued operation of the Debtors' business.
28. Accordingly, the appointment of the Receiver is immediately required to provide structure for the orderly management and/or wind-up of the business and to avoid a loss of value for the business and diminished value of BDC's collateral.
29. It is just and convenient for the Court to appoint the Receiver.

Other Grounds

30. Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended.
31. Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended.
32. Rules 1.04, 1.05, 2.01, 2.03, 3.02, 14.05(3), 16.08, 38, and 41 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended
33. Such further and other grounds as the lawyers may advise and this Honourable Court may consider.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the application:

1. The Affidavit of Mark O'Connor, sworn December 16, 2025 and the Exhibits thereto; and
2. Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

Date: December 16, 2025

BRAZEAU SELLER LLP
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Ottawa, ON K1P 1J9

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Lawyers for the Applicant

BDC CAPITAL INC.

and

BLUERUSH INC. et al.

Court File No.:

Applicant

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**NOTICE OF APPLICATION
(Appointment of Receiver)**

BRAZEAU SELLER LLP

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Ottawa, ON K1P 1J9

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Lawyers for the Applicant

TAB 2

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

BDC CAPITAL INC.

Applicant

- and -

BLUERUSH INC. and BLUERUSH DIGITAL MEDIA CORP.

Respondents

APPLICATION UNDER Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended

AFFIDAVIT OF MARK O'CONNOR

I, MARK O'CONNOR, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Director, Growth and Transition Capital with BDC Capital Inc. ("**BDC**") and I am making this affidavit on behalf of BDC, the applicant in this proceeding. As such, I have knowledge of the matters contained in this affidavit to which I hereinafter depose. Where I do not have personal knowledge, I have indicated the source of my information and do verily believe such information to be true. Where correspondence is adopted as an exhibit, I do verily believe it was sent and received on the date(s) indicated.
2. I make this affidavit in support of BDC's application for an order (the "**Appointment Order**"), among other things, appointing MSI Spergel Inc. as receiver and manager (in such capacity, the "**Receiver**") pursuant to section 243 of the *Bankruptcy and Insolvency*

Act, R.S.C. 1985, c. B-3 (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43 (the “**CJA**”), without security, over all property, assets, and undertakings of the Respondents, BlueRush Inc. (the “**Borrower**”) and BlueRush Digital Media Corp. (the “**Guarantor**”), and together with the Borrower, the “**Debtors**”).

The Parties

3. BDC is a subsidiary of the Business Development Bank of Canada and is a financial institution incorporated under the laws of Canada with offices in Toronto, Ontario and throughout Canada who at all material times was a secured lender of the Debtors with respect to the Loan (as hereinafter defined) advanced by BDC to the Borrower.
4. The Borrower is a publicly listed company incorporated under the laws of Ontario who was at all material times acting as borrower with respect to the Loan advanced by BDC to the Borrower. Attached hereto as **Exhibit “A”** is a true copy of a corporate profile report of the Borrower.
5. The Guarantor is a subsidiary corporation of the Borrower incorporated under the laws of Canada who was at all material times a guarantor of the Loan advanced by BDC to the Borrower. Attached hereto as **Exhibit “B”** is a true copy of a corporate profile report of the Guarantor.
6. The Debtors carry on business as a personalized video Software as a Service (SaaS) company that builds and delivers products and services to promote digital customer engagement.

Loan Agreement and Indebtedness

7. Pursuant to a Letter of Offer dated August 24, 2022, as amended, between BDC and the Borrower (the “**Loan Agreement**”), BDC agreed to extend the Borrower financing in the principal sum of \$2,000,000.00 (the “**Loan**”). A copy of the Loan Agreement is attached hereto as **Exhibit “C”**.

8. Pursuant to a Guarantee dated September 29, 2022 (the “**Guarantee**”), the Guarantor agreed to unconditionally guarantee the Borrower’s performance of all obligations and covenants under the Loan Agreement, including the repayment of the Loan plus any interest thereon at the rate provided for in the Loan Agreement and BDC’s costs of enforcement. A copy of the Guarantee is attached hereto as **Exhibit “D”**.

9. BDC and the Debtors have entered into various letters of amendment to amend the Loan Agreement, including:
 - a. a letter of amendment dated September 22, 2022, amending the interest rate provided for in the Loan Agreement, a copy of which is attached hereto as **Exhibit “E”**;

 - b. a letter of amendment dated February 6, 2024, amending the security granted by the Borrower and Guarantor in the Loan Agreement, a copy of which is attached hereto as **Exhibit “F”**;

 - c. a letter of amendment dated September 27, 2024, amending the payment terms under the Loan Agreement to provide for a repayment of the Loan via a balloon payment of \$2,000,000.00 on October 31, 2024 (i.e. the Maturity

Date), at which time all amounts owing under the Loan Agreement would become due and payable, a copy of which is attached hereto as **Exhibit “G”**;

- d. a letter of amendment dated October 31, 2024, amending the Maturity Date to January 31, 2025, providing for additional interest, and adding additional underlying conditions of the Loan Agreement, a copy of which is attached hereto as **Exhibit “H”**; and,
- e. a letter of amendment dated January 31, 2025, amending the Maturity Date to April 30, 2025, subject to the fulfillment of certain conditions, amending the interest rate under the Loan Agreement and providing for additional interest, and amending the underlying conditions of the Loan Agreement, a copy of which is attached hereto as **Exhibit “I”**.

(collectively with the Loan Agreement, the “**Credit Agreement**”)

- 10. As of December 16, 2025, the Debtors were indebted to BDC in the approximate amount of \$2,624,756.05, plus legal fees and accruing interest (the “**Indebtedness**”) calculated as follows:

- (i) Outstanding principal balance of the Loan: \$2,000,000.00;
- (ii) Interest: \$137,598.08
- (iii) Payment in Kind (PIK): \$487,157.97

A copy of BDC’s loan statement as of December 16, 2025, is attached hereto as **Exhibit “J”**.

The Security

11. BDC holds security interests in all the property, assets, and undertakings of the Debtors pursuant to:

(a) a General Security Agreement executed by the Borrower in favour of BDC dated September 29, 2022, a copy of which is attached hereto as **Exhibit “K”**:

(b) a General Security Agreement executed by the Guarantor in favour of BDC dated September 29, 2022, a copy of which is attached hereto as **Exhibit “L”**;

(c) A Trademark and Patent Security Agreement executed by the Borrower in favour of BDC dated September 29, 2022 with respect to the Borrower’s Intellectual Property, a copy of which is attached hereto as **Exhibit “M”**;
and,

(d) A Patent and Trademark Security Agreement executed by the Borrower in favour of BDC dated September 29, 2022 with respect to the Borrower’s US Intellectual Property, a copy of which is attached hereto as **Exhibit “N”**.

(collectively, the **“Security”**)

12. The Security provides BDC with the right, upon default, to appoint a receiver or to apply to the Court for the appointment of a receiver.

13. BDC’s security interest in respect of the Borrower’s personal property was perfected on September 1, 2022, by registration of a Financing Statement against the Borrower in the provincial registry maintained under the *Personal Property*

Security Act (Ontario), R.S.O. 1990, c P. 10 (the "**PPSA**"). A copy of an Ontario PPSA search against the Borrower on December 15, 2025, is attached hereto as **Exhibit "O"**.

14. BDC's security interest in respect of the Guarantor's personal property was perfected on September 1, 2022, by registration of a Financing Statement against the Borrower in the provincial registry maintained under the *PPSA*. A copy of an Ontario PPSA search against the Guarantor on December 15, 2025, is attached hereto as **Exhibit "P"**.
15. In addition to the above-noted Security, the Guarantor provided the Guarantee.

Other Secured Creditors

16. The PPSA search results for the Borrower indicate that BDC is the Borrower's only registered secured creditor.
17. The PPSA search results for the Guarantor indicate that in addition to BDC, the Guarantor has two other registered secured creditors:
 - (a) Canadian Imperial Bank of Commerce ("**CIBC**"), registered September 21, 2018;
 - (b) Bonsai Growth Solutions Inc., registered December 20, 2024.
18. BDC and CIBC entered into a Priority Agreement dated September 22, 2022 (the "**Priority Agreement**"), with respect to their respective security in the Guarantor. A copy of the Priority Agreement is attached hereto as **Exhibit "Q"**.
19. The Priority Agreement provides, *inter alia*, that the BDC security shall have priority over the CIBC security other than with respect to cash collateral of the Guarantor

deposited by the Guarantor with CIBC, including GIC and GIC accounts, and renewals thereof, to the extent of the indebtedness owing by the Guarantor to CIBC from time to time under its corporate credit card facility and its standby letter of credit facility, to a maximum aggregate principal amount of \$76,550.00 plus all interest thereon.

20. I am advised by Eric Dwyer, a lawyer with Brazeau Seller LLP, and verily believe, that all PPSA registrants against the Guarantor will be served with a copy of the within application.

Default and Forbearance

21. The Borrower failed to repay the amounts owing under the Credit Agreement on the Maturity Date (April 30, 2025), which was an event of default.
22. In addition to the Borrower's failure to make payment by the Maturity Date, there were further events of default, including:
 - f. a failure-to-file cease trade order was issued against the Borrower by the Ontario Securities Commission on December 4, 2024, in default of the Borrower's obligation to comply with all applicable laws and regulations.
 - g. the Debtors, on a consolidated basis, were required to maintain liquidity at or greater than \$1,500,000.00, tested quarterly and revised on an annual basis at the discretion of BDC, which obligation the Debtors have been in default of as of April 14, 2025;
 - h. the Debtors, on a consolidated basis, were required to grow their contracted annual recurring revenue by a minimum of 20% from the previous year, tested

annually and revised on an annual basis at the discretion of the BDC, which obligation the Debtors have been in default of as of July 31, 2024,

- i. the Borrower was required to remit to BDC its annual consolidated audited financial statements within 120 days after the end of its financial year. As of April 29, 2025, BDC had not received said financial statements from the Borrower, in default of its obligation to provide same to BDC.

Demand Letters and NITES

23. On June 30, 2025, BDC, by its legal counsel, Brazeau Seller LLP, made a written demand for repayment of the Indebtedness to the Debtors, and provided the Debtors with notice of its intention to enforce its security pursuant to section 244 of the *BIA* (the “**Demand Letters and NITES**”). A copy of the Demand Letters and NITES are attached hereto as **Exhibit “R”**.
24. Throughout the second and third quarters of 2025, BDC worked with the Debtors to address their ongoing financial issues.
25. During this period, the Debtors retained Oak Hill Asset Management Inc. to assist them with attracting investment to refinance and restructure their operations.

Forbearance Agreement

26. BDC entered into an Acknowledgement of Default and Forbearance Offer with the Debtors, dated July 18, 2025 (the “**Forbearance Agreement**”). A copy of the Forbearance Agreement is attached hereto as **Exhibit “S”**.
27. Under the Forbearance Agreement, among other things:

- (a) BDC agreed to forebear from enforcing its rights against the Debtors until the earlier of (i) 90 days from the date of the Forbearance Agreement, being October 16, 2025; or (ii) the occurrence or existence of any Terminating Event (the "**Forbearance Period**"). Terminating events include, *inter alia*:
- (i) Any default under the Forbearance Agreement or any further breach of the Credit Agreement;
 - (ii) Any discrepancy of more than 15% between the cash flow forecast and actuals;
 - (iii) Failure to make payment of any amount due to BDC under the Forbearance Agreement or Credit Agreement;
 - (iv) The Borrower taking any insolvency proceeding or any steps to wind up or dissolve without BDC's prior written consent; and
 - (v) The occurrence of any material adverse change.
- (b) The Debtors acknowledged their Existing Defaults, as defined in the Forbearance Agreement, their liability for the Indebtedness, and that they had no defences in respect of said Indebtedness;
- (c) The Debtors consented to the immediate appointment of a receiver upon the expiration of the Forbearance Period, as follows:
- 2) BDC Capital shall be entitled to immediately exercise all or any part of its rights and remedies under this Forbearance Agreement, the Credit Agreement, the Security Agreements and other related credit documents, or applicable law including without limitation:
 - a) the Credit Parties specifically waive the notice period pursuant to section 244(2) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.

B-3, and subject to the expiration of the Forbearance Period, consent to the immediate appointment of a receiver and manager over all of its assets, undertakings, and property without further notice, on the terms and conditions set out in the model order for the appointment of a receiver attached to this agreement at **Appendix “B”**, with such modifications as BDC Capital and a receiver selected by BDC Capital consider appropriate.

Termination of Forbearance Period

28. The Debtors’ efforts to obtain investment and financing with the assistance of Oak Hill Asset Management Inc. were not successful, as the Debtors’ management failed to obtain any investment or financing despite BDC being under the understanding that there were various interested parties.
29. Then, on December 2, 2025, despite BDC previously indicating to management of the Debtors that this very proposal was not acceptable to BDC, the Debtors presented BDC with a Letter of Intent to only partially repay the Indebtedness. A copy of the Letter of Intent is attached hereto as **Exhibit “T”**.
30. This proposal is not satisfactory to BDC and made it clear that despite BDC providing ample time to the Debtors to restructure and refinance their business, the Debtors are not capable of restructuring their affairs and repaying BDC.
31. The Forbearance Period has expired under Part IV, section (a) of the Forbearance Agreement.
32. Accordingly, pursuant to Part IV, Section (f)(1) of the Forbearance Agreement, all monetary obligations owed by the Borrower, including the Indebtedness, became immediately due and payable in full without requirement for any further demand for payment, notice or other action by BDC.

33. The Forbearance Period has terminated, and Debtors have neglected and/or refused to repay the Indebtedness to BDC.
34. BDC is entitled to immediately enforce its security and appoint a receiver over the property, assets, and undertakings of the Debtors.

Immediate Need for Appointment of a Receiver

35. As of December 16, 2025, the Indebtedness remains unpaid and the statutory notice period provided for under the *BIA* and outlined in the NITES, which the Debtors waived in the Forbearance Agreement, has expired. The Debtors are unable to pay the Indebtedness.
36. BDC has lost confidence that management of the Debtors will be able to repay the Indebtedness.
37. The Debtors have failed to cooperate with BDC and BDC has lost confidence in the management of the Debtors.
38. BDC has and will continue to suffer substantial prejudice because of the Borrower's failure to repay the Indebtedness – in particular, the Debtors are outside their liquidity and revenue parameters and the Debtors' management has failed to work with BDC to restructure its affairs, all of which has resulted in a loss of value to the Debtors' business and imperils the value of the BDC collateral.
39. BDC seeks the appointment of the Receiver to preserve the value of the Debtors' business and to protect its Security under the Credit Agreement and Forbearance Agreement and to determine the best course of action to realize upon its Security, either through the continued operation of the Debtors' business, a sale of the

Debtors' business, or a discontinuance of the Debtors' business and a sale of its assets, all under the management and supervision of the Receiver.

40. The Borrower is a publicly listed company that is subject to a cease trade order, and the Debtors' operations are complex. The Receiver will be best positioned to deal with the continued operation of the Debtors business in the circumstances.
41. Accordingly, the appointment of the Receiver is immediately required to provide structure for the orderly management and/or wind-up of the business and to avoid a loss of value for the business and diminished value of BDC's collateral.
42. I have been advised by Philip Gennis of msi Spergel Inc. and verily believe that, upon appointment, the Receiver will assess the financial state of the Debtors and determine a strategy for the recovery of assets for the benefit of all stakeholders.
43. If this Honourable Court sees fit to make the Appointment Order, msi Spergel Inc., a licensed insolvency trustee with experience in mandates of this nature, has consented to act as Receiver. A copy of msi Spergel Inc.'s Consent to Act is attached hereto as **Exhibit "U"**.

SWORN BEFORE ME at the City of Toronto,
in the Province of Ontario on December 16,
2025, in accordance with O. Reg 431/20,
Administering Oath or Declaration Remotely



Commissioner for Taking Affidavits
(or as may be)

}



MARK O'CONNOR

This is **Exhibit 'A'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits



Profile Report

BLUERUSH INC. as of December 15, 2025

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	BLUERUSH INC.
Ontario Corporation Number (OCN)	2044283
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	April 06, 2004
Registered or Head Office Address	4711 Yonge Street, 10th Floor, Toronto, Ontario, M2N 6K8, Canada

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Minimum Number of Directors 3
Maximum Number of Directors 10

Active Director(s)

Name JOHN ECKERT
Address for Service 625 Sir Richards Road, Mississauga, Ontario, L5C 1A3,
Canada
Resident Canadian Yes
Date Began December 11, 2017

Name CHRIS RASMUSSEN
Address for Service 4711 Yonge Street, 10th Floor, Toronto, Ontario, M2N 6K8,
Canada
Resident Canadian Yes
Date Began November 30, 2020

Name MARK SOANE
Address for Service 4711 Yonge Street, 10th Floor, Toronto, Ontario, M2N 6K8,
Canada
Resident Canadian No
Date Began October 29, 2022

Name STEPHEN TAYLOR
Address for Service 4711 Yonge Street, 10th Floor, Toronto, Ontario, M2N 6K8,
Canada
Resident Canadian Yes
Date Began August 23, 2017

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Director/Registrar

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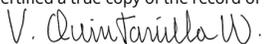
Active Officer(s)

Name SANDRA CLARKE
Position Chief Financial Officer
Address for Service 4711 Yonge Street, 10th Floor, Toronto, Ontario, M2N 6K8, Canada
Date Began March 24, 2023

Name ROBBIE GROSSMAN
Position Secretary
Address for Service 100 King Street West, 1 First Canadian Place, Suite 6000, Toronto, Ontario, M5X 1E2, Canada
Date Began November 15, 2015

Name STEPHEN TAYLOR
Position Chief Executive Officer
Address for Service 4711 Yonge Street, 10th Floor, Toronto, Ontario, M2N 6K8, Canada
Date Began December 11, 2017

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Corporate Name History

Name	BLUERUSH INC.
Effective Date	April 27, 2018
Previous Name	BLUERUSH MEDIA GROUP CORP.
Effective Date	December 04, 2007
Previous Name	SOYERS CAPITAL LIMITED
Effective Date	April 06, 2004

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Director/Registrar

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Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

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V. Quintanilla W.

Director/Registrar

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Expired or Cancelled Business Names

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

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V. Quintanilla W.

Director/Registrar

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Document List

Filing Name	Effective Date
CIA - Notice of Change PAF: STEPHEN TAYLOR	June 13, 2023
CIA - Notice of Change PAF: STEPHEN TAYLOR	June 01, 2023
CIA - Notice of Change PAF: STEPHEN TAYLOR	May 01, 2023
CIA - Notice of Change PAF: STEPHEN TAYLOR	March 27, 2023
CIA - Notice of Change PAF: STEPHEN TAYLOR	February 28, 2023
BCA - Articles of Amendment	December 08, 2022
CIA - Notice of Change PAF: STEPHEN TAYLOR	November 28, 2022
CIA - Notice of Change PAF: Stephen TAYLOR	September 22, 2022
CIA - Notice of Change PAF: Nicole BALLESTRIN	June 07, 2022
Annual Return - 2021 PAF: Nicole BALLESTRIN	March 24, 2022
CIA - Notice of Change PAF: Stephen TAYLOR	November 15, 2021
CIA - Notice of Change PAF: DERRILYNN HEYWOOD - OTHER	July 29, 2021
CIA - Notice of Change PAF: STEPHEN TAYLOR - DIRECTOR	December 11, 2020

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CIA - Notice of Change PAF: STEPHEN TAYLOR - DIRECTOR	August 20, 2020
CIA - Notice of Change PAF: DAVID BADUN - OFFICER	April 16, 2020
CIA - Notice of Change PAF: ROBBIE GROSSMAN - OTHER	March 19, 2019
CIA - Notice of Change PAF: DAVE BADUN - OFFICER	January 11, 2019
CIA - Notice of Change PAF: DAVID R. BADUN - OFFICER	December 04, 2018
CIA - Notice of Change PAF: ROBBIE GROSSMAN - OTHER	August 01, 2018
BCA - Articles of Amendment	April 27, 2018
CIA - Notice of Change PAF: ROBBIE GROSSMAN - OTHER	December 27, 2017
CIA - Notice of Change PAF: ROBBIE GROSSMAN - OTHER	January 07, 2016
Annual Return - 2015 PAF: LAURENCE LUBIN - DIRECTOR	June 18, 2015
Annual Return - 2014 PAF: LAURENCE LUBIN - DIRECTOR	June 18, 2015
Annual Return - 2013 PAF: LAURENCE LUBIN - DIRECTOR	June 18, 2015
Annual Return - 2012 PAF: LAURENCE LUBIN - DIRECTOR	June 18, 2015
Annual Return - 2011 PAF: LAURENCE LUBIN - DIRECTOR	June 18, 2015
Annual Return - 2010 PAF: LAURENCE LUBIN - DIRECTOR	June 18, 2015

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Annual Return - 2009 PAF: LAURENCE LUBIN - DIRECTOR	June 18, 2015
CIA - Notice of Change PAF: ROBBIE GROSSMAN - OTHER	April 16, 2015
CIA - Notice of Change PAF: ROBBIE GROSSMAN - OTHER	October 19, 2011
CIA - Notice of Change PAF: ROBBIE GROSSMAN - OTHER	April 01, 2010
CIA - Notice of Change PAF: ROBBIE GROSSMAN - OTHER	December 21, 2009
Annual Return - 2008 PAF: DANIEL EZER - OTHER	January 24, 2009
Annual Return - 2007 PAF: DANIEL EZER - OTHER	March 28, 2008
Annual Return - 2007 PAF: DANIEL EZER - OTHER	March 28, 2008
BCA - Articles of Amendment	December 04, 2007
CIA - Notice of Change PAF: BARRY M. POLISUK - OTHER	June 25, 2007
Annual Return - 2006 PAF: DANIEL EZER - OTHER	October 28, 2006
Annual Return - 2005 PAF: DANIEL EZAR - OTHER	November 27, 2005
CIA - Notice of Change PAF: BARRY M. POLISUK - OTHER	April 14, 2005
CIA - Notice of Change PAF: BARRY M. POLISUK - OTHER	April 12, 2005
CIA - Notice of Change PAF: BARRY M. POLISUK - OTHER	April 11, 2005

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V. Quintanilla W.

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Annual Return - 2003 PAF: DANIEL EZER - OTHER	December 27, 2004
CIA - Notice of Change PAF: BARRY M. POLISUK - OTHER	August 11, 2004
BCA - Articles of Amendment	July 08, 2004
CIA - Initial Return PAF: BARRY M. POLISUK - OTHER	June 14, 2004
BCA - Articles of Incorporation	April 06, 2004

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

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V. Quintanilla W.

Director/Registrar

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Rapport de profil

BLUERUSH INC. en date du 15 décembre 2025

Loi	Loi sur les sociétés par actions
Type	Société par actions de l'Ontario
Dénomination	BLUERUSH INC.
Numéro de société de l'Ontario	2044283
Autorité législative responsable	Canada - Ontario
Statut	Active
Date de constitution	06 avril 2004
Adresse légale ou du siège social	4711 Yonge Street, 10th Floor, Toronto, Ontario, M2N 6K8, Canada

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

V. Quintanilla W.

Directeur ou registrateur

Ce rapport présente les renseignements les plus récents déposés à compter du 27 juin 1992 à l'égard des sociétés, et le 1er avril 1994, à l'égard des dépôts en vertu de la Loi sur les noms commerciaux et de la Loi sur les sociétés en commandite et enregistrés dans les dossiers électroniques tenus par le Ministère à la date et à l'heure auxquelles le rapport est généré, sauf si le rapport est généré pour une date antérieure. Si ce rapport est produit pour une date antérieure, le rapport contient les renseignements les plus récents déposés et enregistrés dans les dossiers électroniques tenus par le Ministère jusqu'à la date « en date du » indiquée sur le rapport. Des renseignements historiques supplémentaires peuvent exister au format papier ou microfiche.

Nombre minimal d'administrateurs 3
Nombre maximal d'administrateurs 10

Administrateurs en fonction

Dénomination JOHN ECKERT
Adresse aux fins de signification 625 Sir Richards Road, Mississauga, Ontario, L5C 1A3,
Canada
Résident canadien Oui
Date d'entrée en fonction 11 décembre 2017

Dénomination CHRIS RASMUSSEN
Adresse aux fins de signification 4711 Yonge Street, 10th Floor, Toronto, Ontario, M2N 6K8,
Canada
Résident canadien Oui
Date d'entrée en fonction 30 novembre 2020

Dénomination MARK SOANE
Adresse aux fins de signification 4711 Yonge Street, 10th Floor, Toronto, Ontario, M2N 6K8,
Canada
Résident canadien Non
Date d'entrée en fonction 29 octobre 2022

Dénomination STEPHEN TAYLOR
Adresse aux fins de signification 4711 Yonge Street, 10th Floor, Toronto, Ontario, M2N 6K8,
Canada
Résident canadien Oui
Date d'entrée en fonction 23 août 2017

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V. Quintanilla W.

Directeur ou registrateur

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Dirigeants en fonction

Dénomination

Poste

Adresse aux fins de signification

Date d'entrée en fonction

SANDRA CLARKE

Responsable des finances

4711 Yonge Street, 10th Floor, Toronto, Ontario, M2N 6K8,
Canada

24 mars 2023

Dénomination

Poste

Adresse aux fins de signification

Date d'entrée en fonction

ROBBIE GROSSMAN

Secrétaire

100 King Street West, 1 First Canadian Place, Suite 6000,
Toronto, Ontario, M5X 1E2, Canada

15 novembre 2015

Dénomination

Poste

Adresse aux fins de signification

Date d'entrée en fonction

STEPHEN TAYLOR

Responsable de la direction

4711 Yonge Street, 10th Floor, Toronto, Ontario, M2N 6K8,
Canada

11 décembre 2017

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V. Quintanilla W.

Directeur ou registrateur

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Historique des dénominations sociales

Nom	BLUERUSH INC.
Date d'entrée en vigueur	27 avril 2018
Ancienne dénomination	BLUERUSH MEDIA GROUP CORP.
Date d'entrée en vigueur	04 décembre 2007
Ancienne dénomination	SOYERS CAPITAL LIMITED
Date d'entrée en vigueur	06 avril 2004

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

V. Quintanilla W.

Directeur ou registrateur

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Noms commerciaux en vigueur

Cette personne morale n'a aucun nom commercial actif enregistré en vertu de la Loi sur les noms commerciaux de l'Ontario.

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

V. Quintanilla W.

Directeur ou registrateur

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Noms commerciaux expirés ou révoqués

Les noms commerciaux actifs enregistrés de cette personne morale en vertu de la Loi sur les noms commerciaux de l'Ontario sont expirés ou annulés.

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V. Quintanilla W.

Directeur ou registrateur

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Liste de documents

Nom du dépôt	Date d'entrée en vigueur
CIA - Avis de modification PRE: STEPHEN TAYLOR	13 juin 2023
CIA - Avis de modification PRE: STEPHEN TAYLOR	01 juin 2023
CIA - Avis de modification PRE: STEPHEN TAYLOR	01 mai 2023
CIA - Avis de modification PRE: STEPHEN TAYLOR	27 mars 2023
CIA - Avis de modification PRE: STEPHEN TAYLOR	28 février 2023
BCA - Statuts de modification	08 décembre 2022
CIA - Avis de modification PRE: STEPHEN TAYLOR	28 novembre 2022
CIA - Avis de modification PRE: Stephen TAYLOR	22 septembre 2022
CIA - Avis de modification PRE: Nicole BALLESTRIN	07 juin 2022
Rapport annuel - 2021 PRE: Nicole BALLESTRIN	24 mars 2022
CIA - Avis de modification PRE: Stephen TAYLOR	15 novembre 2021
CIA - Avis de modification PRE: DERRILYNN HEYWOOD - OTHER	29 juillet 2021
CIA - Avis de modification PRE: STEPHEN TAYLOR - DIRECTOR	11 décembre 2020

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V. Quintanilla W.

Directeur ou registrateur

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CIA - Avis de modification PRE: STEPHEN TAYLOR - DIRECTOR	20 août 2020
CIA - Avis de modification PRE: DAVID BADUN - OFFICER	16 avril 2020
CIA - Avis de modification PRE: ROBBIE GROSSMAN - OTHER	19 mars 2019
CIA - Avis de modification PRE: DAVE BADUN - OFFICER	11 janvier 2019
CIA - Avis de modification PRE: DAVID R. BADUN - OFFICER	04 décembre 2018
CIA - Avis de modification PRE: ROBBIE GROSSMAN - OTHER	01 août 2018
BCA - Statuts de modification	27 avril 2018
CIA - Avis de modification PRE: ROBBIE GROSSMAN - OTHER	27 décembre 2017
CIA - Avis de modification PRE: ROBBIE GROSSMAN - OTHER	07 janvier 2016
Rapport annuel - 2015 PRE: LAURENCE LUBIN - DIRECTOR	18 juin 2015
Rapport annuel - 2014 PRE: LAURENCE LUBIN - DIRECTOR	18 juin 2015
Rapport annuel - 2013 PRE: LAURENCE LUBIN - DIRECTOR	18 juin 2015
Rapport annuel - 2012 PRE: LAURENCE LUBIN - DIRECTOR	18 juin 2015
Rapport annuel - 2011 PRE: LAURENCE LUBIN - DIRECTOR	18 juin 2015
Rapport annuel - 2010 PRE: LAURENCE LUBIN - DIRECTOR	18 juin 2015

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V. Quintanilla W.

Directeur ou registrateur

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Rapport annuel - 2009 PRE: LAURENCE LUBIN - DIRECTOR	18 juin 2015
CIA - Avis de modification PRE: ROBBIE GROSSMAN - OTHER	16 avril 2015
CIA - Avis de modification PRE: ROBBIE GROSSMAN - OTHER	19 octobre 2011
CIA - Avis de modification PRE: ROBBIE GROSSMAN - OTHER	01 avril 2010
CIA - Avis de modification PRE: ROBBIE GROSSMAN - OTHER	21 décembre 2009
Rapport annuel - 2008 PRE: DANIEL EZER - OTHER	24 janvier 2009
Rapport annuel - 2007 PRE: DANIEL EZER - OTHER	28 mars 2008
Rapport annuel - 2007 PRE: DANIEL EZER - OTHER	28 mars 2008
BCA - Statuts de modification	04 décembre 2007
CIA - Avis de modification PRE: BARRY M. POLISUK - OTHER	25 juin 2007
Rapport annuel - 2006 PRE: DANIEL EZER - OTHER	28 octobre 2006
Rapport annuel - 2005 PRE: DANIEL EZAR - OTHER	27 novembre 2005
CIA - Avis de modification PRE: BARRY M. POLISUK - OTHER	14 avril 2005
CIA - Avis de modification PRE: BARRY M. POLISUK - OTHER	12 avril 2005
CIA - Avis de modification PRE: BARRY M. POLISUK - OTHER	11 avril 2005

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

V. Quintanilla W.

Directeur ou registrateur

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Rapport annuel - 2003 PRE: DANIEL EZER - OTHER	27 décembre 2004
CIA - Avis de modification PRE: BARRY M. POLISUK - OTHER	11 août 2004
BCA - Statuts de modification	08 juillet 2004
CIA - Rapport initial PRE: BARRY M. POLISUK - OTHER	14 juin 2004
BCA - Statuts constitutifs	06 avril 2004

Tous les renseignements de la « PRE » (personne autorisant le dépôt) sont affichés exactement tels qu'ils sont enregistrés dans le Registre des entreprises de l'Ontario. Lorsque la PRE ne figure pas sur un document, les renseignements n'ont pas été enregistrés dans le Registre des entreprises de l'Ontario.

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V. Quintanilla W.

Directeur ou registrateur

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This is **Exhibit 'B'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits



Corporate Profile / Profil corporatif

Date and time of Corporate Profile (YYYY-MM-DD)	2025-12-15 12:41 PM	(AAAA-MM-JJ) Date et heure du Profil corporatif
--------------------------------------------------------	---------------------	--------------------------------------------------------

CORPORATE INFORMATION		RENSEIGNEMENTS CORPORATIFS
Corporate name	Dénomination	
	BLUERUSH DIGITAL MEDIA CORP.	
Corporation number	660602-4	Numéro de société ou d'organisation
Business number	846632123RC0001	Numéro d'entreprise
Governing legislation	Régime législatif	
	<i>Canada Business Corporations Act (CBCA) - 2006-07-31</i> <i>Loi canadienne sur les sociétés par actions (LCSA) - 2006-07-31</i>	
Status	Statut	
	Active	
	Active	

REGISTERED OFFICE ADDRESS	ADRESSE DU SIÈGE
	4711 Yonge Street, 10th Floor Toronto ON M2N 6K8 Canada

ANNUAL FILINGS	DÉPÔTS ANNUELS		
Anniversary date (MM-DD)	07-31	(MM-JJ) Date anniversaire	
Filing period (MM-DD)	07-31 to/au 09-29	(MM-JJ) Période de dépôt	
Status of annual filings	Statut des dépôts annuels		
	Overdue	2025	En retard
	Filed	2024	Déposé
	Filed	2023	Déposé
Date of last annual meeting (YYYY-MM-DD)	2024-09-20	(AAAA-MM-JJ) Date de la dernière assemblée annuelle	
Type	Type		
	Non-distributing corporation with 50 or fewer shareholders		
	Société n'ayant pas fait appel au public et comptant 50 actionnaires ou moins		

DIRECTORS		ADMINISTRATEURS
Minimum number	1	Nombre minimal
Maximum number	10	Nombre maximal
Current number	1	Nombre actuel
Stephen Taylor	5700 Yonge Street, Suite 200, Toronto ON M2M 4K2, Canada	

INDIVIDUALS WITH SIGNIFICANT CONTROL	PERSONNES AYANT UN CONTRÔLE IMPORTANT
Last updated (YYYY-MM-DD)	2024-11-18 (AAAA-MM-JJ) Dernière mise à jour
There are no individuals with significant control over the corporation. Il n'y a aucun particulier ayant un contrôle important de la société.	

CORPORATE HISTORY	HISTORIQUE CORPORATIF
Corporate name history (YYYY-MM-DD)	(AAAA-MM-JJ) Historique de la dénomination
2006-07-31 to / à 2007-12-04 2007-12-04 to present / à maintenant	BLUERUSH.TV INC. BLUERUSH DIGITAL MEDIA CORP.
Certificates issued (YYYY-MM-DD)	(AAAA-MM-JJ) Certificats émis
Certificate of Incorporation	2006-07-31 Certificat de constitution en société
Certificate of Amendment	2007-12-04 Certificat de modification
Amendment details: Corporate name	Renseignements concernant les modifications aux statuts : Dénomination sociale
Amendments details are only available for amendments effected after 2010-03-20. Some certificates issued prior to 2000 may not be listed.	Seuls les renseignements concernant les modifications effectuées après 2010-03-20 sont disponibles. Certains certificats émis avant 2000 pourraient ne pas être listés.
Documents filed (YYYY-MM-DD)	(AAAA-MM-JJ) Documents déposés

The Corporate Profile sets out the most recent information filed with and accepted by Corporations Canada as of the date and time set out on the Profile.	Le Profil corporatif fait état des renseignements fournis et acceptés par Corporations Canada à la date et à l'heure indiquées dans le profil.
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Profile Report

BLUERUSH DIGITAL MEDIA CORP. as of December 15, 2025

Act	Corporations Information Act
Type	Extra-Provincial Federal Corporation with Share
Name	BLUERUSH DIGITAL MEDIA CORP.
Ontario Corporation Number (OCN)	1755196
Governing Jurisdiction	Canada - Federal
Incorporation/Amalgamation Date	July 31, 2006
Registered or Head Office Address	366 Adelaide Street East, 433, Toronto, Ontario, M5A 3X9, Canada
Status	Refer to Governing Jurisdiction
Date Commenced in Ontario	July 31, 2006
Principal Place of Business	366 Adelaide Street East, 433, Toronto, Ontario, M5A 3X9, Canada

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Chief Officer or Manager

Name

LARRY LUBIN

Address for Service

366 Adelaide Street East, 433, Toronto, Ontario, M5A 3X9,
Canada

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Corporate Name History

Refer to Governing Jurisdiction

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Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

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Expired or Cancelled Business Names

Name	BLUERUSH
Business Identification Number (BIN)	180000770
Status	Inactive - Expired
Registration Date	January 02, 2008
Expired Date	January 01, 2013

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V. Quintanilla W.

Director/Registrar

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Document List

Filing Name	Effective Date
CIA - Initial Return PAF: LARRY LUBIN - DIRECTOR	December 31, 2007

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

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Director/Registrar

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Rapport de profil

BLUERUSH DIGITAL MEDIA CORP. en date du 15 décembre 2025

Loi	Loi sur les renseignements exigés des personnes morales
Type	Personne morale extraprovinciale fédérale avec capital-actions
Dénomination	BLUERUSH DIGITAL MEDIA CORP.
Numéro de société de l'Ontario	1755196
Autorité législative responsable	Canada - Fédéral
Date de constitution ou de fusion	31 juillet 2006
Adresse légale ou du siège social	366 Adelaide Street East, 433, Toronto, Ontario, M5A 3X9, Canada
Statut	Consulter l'autorité législative responsable
Date de début des activités en Ontario	31 juillet 2006
Établissement principal	366 Adelaide Street East, 433, Toronto, Ontario, M5A 3X9, Canada

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

V. Quintanilla W.

Directeur ou registrateur

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Directeur ou dirigeant principal

Nom

LARRY LUBIN

Adresse aux fins de signification

366 Adelaide Street East, 433, Toronto, Ontario, M5A 3X9,
Canada

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V. Quintanilla W.

Directeur ou registrateur

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Historique des dénominations sociales

Consulter l'autorité législative responsable

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Noms commerciaux en vigueur

Cette personne morale n'a aucun nom commercial actif enregistré en vertu de la Loi sur les noms commerciaux de l'Ontario.

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

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Noms commerciaux expirés ou révoqués

Dénomination	BLUERUSH
Numéro d'identification d'entreprise (NIE)	180000770
Statut	Inactive - Expiré
Date d'enregistrement	02 janvier 2008
Date d'expiration	01 janvier 2013

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Directeur ou registrateur

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Liste de documents

Nom du dépôt	Date d'entrée en vigueur
CIA - Rapport initial PRE: LARRY LUBIN - DIRECTOR	31 décembre 2007

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This is **Exhibit 'C'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits



LETTER OF OFFER

August 24, 2022

BlueRush Inc.
75 Sherbourne Street, Suite 112
Toronto, Ontario M5A 2P9

Attention of: Stephen Taylor, CEO

Re: Letter of Offer of financing no. 237172-01 granted to BlueRush Inc.

Sir,

On the basis of the preliminary information obtained from the Borrower and subject to the acceptance of the present letter of offer of financing, as amended from time to time (the "**Letter of Offer**"), BDC Capital Inc. ("**BDC Capital**"), a wholly owned subsidiary of Business Development Bank of Canada (the "**Bank**") is prepared to grant the following financing (the "**Financing**").

FINANCING PURPOSE

Growth Capital

\$6,114,262.00

FUNDING

BDC Capital

\$6,114,262.00

Convertible Debt Investment

\$2,000,000.00

Equity Investment

\$3,577,337.00

\$ 536,925.00

\$6,114,262.00

No change to the Financing purpose or funding may be made without BDC Capital's prior written consent. The proceeds of the Financing may only be used for this Financing purpose.

The Letter of Offer is open for acceptance until September 5, 2022 (the "**Acceptance Date**"). Unless the Letter of Offer executed by the Financing Parties is received by BDC Capital no later than the Acceptance Date, the Letter of Offer shall automatically become null and void.

BORROWER: BlueRush Inc. (the "**Borrower**").

GUARANTORS: BlueRush Digital Media Corp. (the "**Corporate Guarantor**" or the "**Guarantor**").

FINANCING AMOUNT: \$2,000,000.00, in Canadian currency.

INTEREST RATE: The Financing and all other amounts owed by the Financing Parties pursuant to the Financing Documents for which an applicable rate is not otherwise provided for herein shall bear interest at the following rate:

Floating Rate
BDC Capital's Floating Base Rate plus a variance (the "**Variance**") of 1.2% per year. On the date hereof, BDC Capital's Floating Base Rate is 6.8% per year.

INTEREST CALCULATION: Interest shall be calculated daily on the outstanding principal, commencing on the date of the first disbursement, both before and after maturity, default and judgment.

Arrears of interest or interest on outstanding principal arrears shall bear interest at the higher of: i) the rate applicable to the Financing, or ii) BDC Capital's Base Rate at the relevant time plus 5%. Interest on any overdue Fixed or Variable Component of the Additional Return and other amounts owing by the Financing Parties pursuant to the Financing Documents shall bear interest at the higher of: i) the rate applicable to the Financing, or ii) BDC Capital's Base Rate at the relevant time plus 5%, with the exception of the management fees of the Financing and cancellation fees that will not bear interest. In all cases, interest on arrears shall be calculated daily and compounded monthly.

MATURITY DATE: September 30, 2024 or the date on which the last principal payment hereunder is scheduled to be made, which ever date comes last, as amended from time to time (the "**Maturity Date**").

At the option of the Borrower, exercisable by written notice to BDC Capital on or before August 31, 2024, the Maturity Date may be extended from September 30, 2024 for up to an additional 12 months, provided that no Event of Default shall have occurred that is continuing, and the Borrower does not experience any Material Adverse Change. During such extension period, the outstanding principal of the Financing shall bear interest (excluding PIK Interest, as herein defined) either at BDC Capital's one-year fixed interest rate plus 1.20% per year, or at the option of the Borrower, at BDC Capital's Floating Base Rate plus 1.20% per year, which interest shall be calculated, compounded and paid in the same manner as for the period prior to any extension. Similarly, the Borrower will also continue to pay to BDC Capital the PIK Interest (as herein defined) at the rate of 7.00% per year, which shall be calculated, compounded and paid in the same manner as for the period prior to any extension. For greater clarity, the payment of PIK Interest will be postponed until the extended Maturity Date. The Borrower will continue to pay all other payments contemplated herein to and including the extended Maturity Date.

REPAYMENT: **Balloon Payment**
Principal of the Financing shall be payable by way of one balloon payment of \$2,000,000.00, payable on the Maturity Date.

Accrued interest is payable monthly on the last day of the month (the "Payment Date") commencing on the next occurring Payment Date following the first advance on the Financing.

On the Maturity Date, the principal and interest balance of the Financing and all other amounts owing pursuant to the Financing Documents will become due and payable.

Optional Prepayment

In addition to the scheduled payment as listed hereinabove, at the option of the Borrower, provided that the Borrower is not in default of its obligations to BDC Capital, the Borrower may prepay up to a maximum amount of \$1,000,000.00 of the Financing if the full \$2,000,000.00 is advanced (or a maximum amount of \$750,000.00 of the Financing if \$1,500,000.00 is advanced), once in each year commencing in 2023, without paying a Prepayment Bonus to BDC Capital. If in any year the Borrower does not take advantage of this prepayment privilege, such prepayment privilege available for such year (without paying a Prepayment Bonus to BDC Capital) shall cease and shall not be available.

If such a payment causes the Borrower or the Corporate Guarantor to fail to comply with debt covenants and financial requirements required by the Borrower's or the Corporate Guarantor's operating or term lender, it shall be paid only up to an amount that does not put the Borrower or the Corporate Guarantor in default with debt covenants and financial requirements required by the Borrower's or the Corporate Guarantor's operating or term lender.

PREPAYMENT:

The Borrower may prepay at any time all or part of the outstanding principal provided that the Borrower pays to BDC Capital:

- (i) the full or partial amount of the Financing, as applicable,
- (ii) all interest, any Fixed Component of the Additional Return and any other fees or expenses then due, as applicable, and
- (iii) the Prepayment Bonus.

Partial prepayments shall be applied regressively on the then last maturing instalments of principal.

The occurrence of any event of default listed in Schedule A – SECTION VI resulting in BDC Capital demanding payment of the Financing prior to the Maturity Date will be deemed to be a prepayment, and the Borrower will pay to BDC Capital:

- (iv) the outstanding balance of the Financing,
- (v) all interest, any Fixed Component of the Additional Return and any other fees or expenses then due, as applicable, and
- (vi) the Prepayment Bonus.

Notwithstanding any repayment, prepayment or deemed prepayment of the Financing, each Variable Component of the Additional Return, as defined hereafter, survives and remains payable, as if the Financing had not been repaid, prepaid or deemed prepaid. All obligations related to such Variable Components of the Additional Return as well as

any security granted in connection therewith shall remain in full force and effect until all such obligations are fully satisfied.

ADDITIONAL RETURN COMPONENTS:

FIXED COMPONENT OF THE ADDITIONAL RETURN

Additional Interest

In addition to the interest payable on the Financing, the Borrower will also pay to BDC Capital additional interest ("Payment-in-Kind" or "PIK") on the outstanding amount of the Financing (including compounded interest) at the rate of 7.00% per annum ("PIK Interest") with interest accruing daily and compounded annually (with interest on compounded interest at the same interest rate) and paid on the Maturity Date.

BDC Capital shall be entitled, in its sole discretion, to demand payment of the PIK Interest and the Borrower shall pay BDC Capital the PIK Interest upon the occurrence of any of the following events of payment:

- a) The original or amended Maturity Date or any prepayment date;
- b) An event of default by the Borrower or the Corporate Guarantor pursuant to the terms hereof or any security document related thereto executed by the Borrower or the Corporate Guarantor;
- c) The merger or amalgamation of the Borrower or the Corporate Guarantor with a corporation, partnership or legal entity dealing at arm's length;
- d) The sale, transfer, conveyance or license or other right to use of a substantial part (50% or more of the value) of the assets of the Borrower or the Corporate Guarantor to a third party (or a group of third parties) dealing at arm's length, other than the license of property in the normal course of business;
- e) The sale, transfer or conveyance (including any share exchange) of 50% or more of the issued and outstanding voting and/or participating shares from the share capital of the Borrower or the Corporate Guarantor to a third party (or a group of third parties) dealing at arm's length; and,
- f) A Change of Control of the Borrower or the Corporate Guarantor.

VARIABLE COMPONENT OF THE ADDITIONAL RETURN

The Borrower expressly recognizes that the variable components of the additional return set forth in this section (each a "Variable Component of the Additional Return") and the Borrower's obligations to pay any such Variable Component of the Additional Return will survive and remain fully payable and enforceable until the later of (i) Maturity Date, notwithstanding any repayment, prepayment or deemed prepayment prior to the Maturity Date, or (ii) the date on which the Financing is fully repaid.

The Borrower expressly understands that it is the intent of BDC Capital that these Variable Components of the Additional Return survive until the Maturity Date, that they are part of the expected return of the Financing to appropriately compensate BDC Capital for the value creation and risk taken by BDC Capital in completing the Financing:

Bonus on Sale

In addition to the other payments herein set forth, in the event of, whether by one transaction or a series of transactions (including a transaction or a series of transactions

with an affiliate (as such term is defined in the *Canada Business Corporations Act*) agreed to before or on the later of (i) Maturity Date, or (ii) the date on which the Financing is fully repaid:

- i) the sale, transfer, conveyance or license or other right to use of a substantial part (50% or more of the value) of the assets of the Borrower or the Corporate Guarantor to a third party (or a group of third parties) dealing at arm's length;
- ii) the sale, transfer or conveyance (including any share exchange) of 50% or more of the issued and outstanding voting and/or participating shares from the share capital of the Borrower or of the Corporate Guarantor to a third party (or a group of third parties) dealing at arm's length;
- iii) a Change of Control of the Borrower or of the Corporate Guarantor (excluding further to an amalgamation); or
- iv) the amalgamation of the Borrower or of the Corporate Guarantor with a third party (or a group of third parties) dealing at arm's length;

(each a "Bonus on Sale Event")

the Borrower will pay to BDC Capital, no later than 30 days following a Bonus on Sale Event, an additional compensation premium in the form of a bonus (the "Bonus on Sale"), notwithstanding any payment, prepayment or deemed prepayment of the Financing.

The Bonus on Sale will be calculated as follows:

- in the event of i) above: the Bonus on Sale will represent 1.0% of the gross purchase price (up to a maximum Bonus on Sale of \$40,000) to be paid to the Borrower or the Corporate Guarantor, their shareholders or any of their affiliates, as applicable, as total consideration for completing the acquisition, as such amount is determined in the final agreements executed at closing of the Bonus on Sale Event and to be provided to BDC Capital (the "Gross Purchase Price" or "GPP"). For greater certainty, it is intended that the Gross Purchase Price will include, without limitation, all consideration received or to be received at any time in relation with such transactions, including cash, shares, payments in kind, pre-transaction dividends, earn outs, management bonuses or other forms of compensation, assumed debt, and other forms of consideration, payable to any of the Borrower or the Corporate Guarantor, their shareholders or any of their affiliates.
- in the event of ii) and iii) above, the Bonus on Sale will represent 1.0% of the adjusted Gross Purchase Price (up to a maximum Bonus on Sale of \$40,000), which will be calculated according to the following formula (the "Adjusted GPP"):

$$\text{Adjusted GPP} = \frac{\text{GPP}}{\text{Y\%}}$$

Where: Y% is the percentage of the issued and outstanding shares sold, transferred or conveyed

- in the event of iv) above: the Bonus on Sale will represent 1.0% of the value attributed by the amalgamating parties to the issued and outstanding shares of the Borrower and of the Corporate Guarantor in connection with the amalgamation (up to a maximum Bonus on Sale of \$40,000);
- in the event of any of i), ii) iii) or iv) above: at the option of BDC Capital, the Bonus on Sale will represent 1.0% of the market capitalization of the Borrower at the time of the Bonus on Sale Event (up to a maximum Bonus on Sale of \$40,000).

SECURITY:

As collateral security for the fulfilment of all present and future obligations of the Borrower and the Corporate Guarantor, each Financing Party, as applicable, shall provide BDC Capital with the following security or guarantees (collectively the "Security"), namely:

- a) a General Security Agreement, granting a general and continuing security interest in all of the Borrower's and the Corporate Guarantor's present and after acquired personal property and, without limiting the foregoing, on all present and future assets of the Borrower and the Corporate Guarantor related to Intellectual Property of the Borrower and the Corporate Guarantor. This security interest shall rank in first position with respect to the Intellectual Property but subordinated in rank to any other security granted: i) on receivables and inventory in favour of the financial institution financing the Borrower's and the Corporate Guarantor's line of credit for its daily operations, ii) previously to financial institutions but except Intellectual Property and iii) on specific assets in connection with the financing of equipment needed by the Borrower and the Corporate Guarantor in the normal course of its business;
- b) a duly executed guarantee for 100% of the amount due pursuant to the Financing Documents on the date BDC Capital demands payment under this guarantee from the Corporate Guarantor, in a form substantially similar to the draft guarantee annexed hereto as Schedule B;
- c) assignment to BDC Capital of a Life insurance policy owned by the Borrower on the life of Steve Taylor in the coverage amount of \$1,500,000.00 with BDC Capital also named as beneficiary thereof. Such assignment may be delivered to BDC Capital no later than 60 days following the disbursement of the Financing;
- d) a duly executed postponement and subordination agreement in favour of BDC Capital with respect to any amount of capital and interest payments from received loans or issued notes owed by the Borrower or the Corporate Guarantor to any of its shareholders or any other parties;
- e) any other security or such other documents as BDC Capital may reasonably request, including in order to register and/or to perfect the Security to be granted to BDC Capital as provided hereunder.

All security documents shall be in form and substance satisfactory to BDC Capital and prepared by BDC Capital's legal counsel.

**CONDITIONS
PRECEDENT TO
DISBURSEMENT:**

Any obligation to make any advance under the Letter of Offer is subject to the following conditions being fulfilled to the entire satisfaction of BDC Capital:

Receipt by BDC Capital of:

- The Security in form and substance satisfactory to BDC Capital, registered as required to perfect and maintain the validity and rank of the Security, and such certificates, authorizations, resolutions and legal opinions as BDC Capital may reasonably require, including legal opinions on the existence and corporate capacity of the Financing Parties as well as on the validity and enforceability of the Security;
- Written evidence, including evidence of payment, attesting that the Financing Parties have obtained all the other sources of financing, as applicable, on terms acceptable to BDC Capital, acting reasonably;
- Financial and other information relating to each Financing Party and their businesses as BDC Capital may reasonably require.

Completion to the satisfaction of BDC Capital of the following events:

- Legal due diligence of the Financing Parties.

Furthermore, without limiting the foregoing:

All the representations and warranties made by the Borrower or the Corporate Guarantor and its representatives shall be true and exact as at the date of any disbursement of the Financing and a certificate to that effect must be signed by the Borrower and the Corporate Guarantor and its representatives prior to any such disbursement.

The Borrower and the Corporate Guarantor shall have transferred in favour of BDC Capital all the rights which the Borrower and the Corporate Guarantor holds in any all-risk insurance, including fire insurance, policies affecting its assets, BDC Capital being designated by the Borrower and the Corporate Guarantor as loss payee on such policies for the full amount of the Financing.

The Financing Parties shall not be (i) in default pursuant to the terms of any other contract, agreement or obligation entered into or executed in favour of BDC Capital nor (ii) in default under any other agreement with any third party for the granting of a loan or other financial assistance.

The Financing is expected to be disbursed in two tranches, the first tranche in the amount of \$1,500,000.00, and the second tranche in the amount of \$500,000.00. In addition to the conditions precedent set out above for all advances, any obligation to advance the first tranche of \$1,500,000.00 under this Letter of Offer is subject to the following conditions being fulfilled to the entire satisfaction of BDC Capital:

No Material Adverse Change in the financial situation of the Financing Parties or in the risk evaluation shall have occurred as at the date of any disbursement of the Financing and the Borrower and the Corporate Guarantor shall provide updated consolidated in-house financial statements and senior lender's compliance certificate (if applicable) never older than 60 days which compare favourably with budgets provided and which show no Material Adverse Change in the financial situation of the Borrower or the Corporate Guarantor since the last consolidated audited financial statements submitted to BDC Capital and the consolidated internal financial statements submitted to BDC Capital at the time of authorization.

For any disbursement occurring more than ninety (90) days after the Borrower's fiscal year-end, the Borrower will provide BDC Capital with the consolidated audited financial statements and senior lender's compliance certificate (if applicable).

In addition to the conditions precedent set out above, any obligation to advance the second tranche of \$500,000.00 under this Letter of Offer is subject to the following conditions being fulfilled to the entire satisfaction of BDC Capital:

No Material Adverse Change in the financial situation of the Financing Parties or in the risk evaluation shall have occurred as at the date of any disbursement of the Financing and the Borrower and the Corporate Guarantor shall provide updated consolidated in-house financial statements and senior lender's compliance certificate (if applicable) never older than 60 days which compare favourably with budgets provided and which show no Material Adverse Change in the financial situation of the Borrower or the Corporate Guarantor since the last consolidated audited financial statements submitted to BDC Capital and the consolidated internal financial statements submitted to BDC Capital at the time of authorization.

For any disbursement occurring more than ninety (90) days after the Borrower's fiscal year-end, the Borrower will provide BDC Capital with the consolidated audited financial statements and senior lender's compliance certificate (if applicable).

**UNDERLYING
CONDITIONS:**

So long as any amount owing pursuant to the Financing Documents remains unpaid, the following conditions shall be met:

- a) Requested documents:
 - (i) The Borrower shall remit to BDC Capital its annual consolidated audited financial statements, within 120 days after the end of its financial year;
 - (ii) The Borrower shall remit to BDC Capital its consolidated internal financial statements, on a quarterly basis, within 60 days after the end of each quarter;
 - (iii) The quarterly internal financial statements remitted to BDC Capital shall have a comparative section with the results of the corresponding period of the last financial year;
 - (iv) Each of the Borrower and the Corporate Guarantor shall remit further to any change in the enterprise or on demand to BDC Capital (i) a corporate ownership chart, (ii) an organizational chart and (iii) an updated list of employees reporting to the President and CEO;

- (v) Each of the Borrower and the Corporate Guarantor shall remit annually to BDC Capital a listing of all aged accounts payable and accounts receivable with a copy of the approved annual budget;
- b) Each of the Financing Parties must provide BDC Capital, as quickly as possible, with the financial statements and reports and any other financial information that BDC Capital may reasonably require from time to time;
- c) The Borrower and the Corporate Guarantor agree to maintain the present remuneration program in favour of Steve Taylor and Larry Lubin (including salaries, dividends, bonuses and other advantages) at a level no higher than currently provided. Notwithstanding, the compensation for each of Steve Taylor and Larry Lubin is permitted to be increased in the ordinary course of business, and as per approval of the board of directors of the Borrower.

In addition, so long as any amount owing under or pursuant to this Letter of Offer or any other Financing Document remains unpaid, the financial ratios mentioned below must be met at all time by each of the Borrower and the Corporate Guarantor, on a consolidated basis:

- a) Liquidity to be equal to or greater than \$1,500,000, tested quarterly, commencing October 31, 2022, and revised on an annual basis at the discretion of BDC Capital;

"Liquidity" is defined as cash and cash equivalents plus accounts receivable plus undrawn available line of credit (if applicable) minus accounts payable minus accrued liabilities.

- b) Contracted Annual Recurring Revenue base to grow a minimum of 20% from the previous year, tested annually, commencing on July 31, 2023, and revised on an annual basis at the discretion of BDC Capital.

The above mentioned ratios shall be calculated on the basis of the consolidated financial statements of the Borrower.

DISBURSEMENT:

Unless otherwise authorized and except for refinancing of BDC Capital loans, funds will be disbursed to BDC Capital's legal counsel who will confirm to BDC Capital the execution, delivery and registration of the security. The latter may, if they have provided their final invoicing concurrently with the above confirmation, pay it from the disbursed funds. Any subsequent fees or disbursement shall be collected directly from the Borrower.

BDC Capital may cancel any portion of the Financing which has not been disbursed after six months from August 23, 2022 (the "Authorization Date").

FEES:

Cancellation Fee

If no part of the Financing has been disbursed by August 23, 2023 (the "Lapsing Date"), the Borrower and the Corporate Guarantor shall pay BDC Capital a cancellation fee of \$60,000.00, provided, however, that BDC Capital shall have the right to extend the

Lapsing Date in its sole and entire discretion without notice to or consent from the Borrower or the Corporate Guarantor. For greater certainty and in any event, BDC Capital will not charge a cancellation fee on any portion of the Financing cancelled by BDC Capital prior to the Lapsing Date.

In case of partial disbursement not already provided for in this Letter of Offer, any part of the Financing that has not been disbursed by the Lapsing Date will automatically be cancelled. If more than 50% of the Financing is so automatically cancelled, the Borrower and the Corporate Guarantor shall pay a cancellation fee of 3% of the portion of the Financing automatically so cancelled.

The cancellation fee is payable on demand and is liquidated damages, not a penalty, and represents a reasonable estimate of BDC Capital's damages should the Financing be cancelled or allowed to lapse in whole or in part.

Standby Fee

Commencing 3 months after the Authorization Date, the Borrower and the Corporate Guarantor shall pay BDC Capital a non-refundable standby fee calculated at a rate of 3.0% per annum on the first tranche of \$1,500,000.00 which has not been advanced or cancelled. This fee shall be calculated daily and be payable in arrears commencing on the next occurring Payment Date and on each Payment Date thereafter. For greater certainty and in any event, BDC Capital will not charge a standby fee on the second tranche of \$500,000.00 which has not been advanced or cancelled.

Financing Management Fee

The Borrower and the Corporate Guarantor shall pay BDC Capital a non-refundable management fee of \$100.00 per month. This management fee is payable on the date of the first Payment Date following the initial advance of the Financing and thereafter on each monthly anniversary of such first advance, until the Maturity Date.

Legal Fees and Expenses

The Borrower and the Corporate Guarantor shall pay all legal fees and expenses of BDC Capital incurred in connection with the Financing and the Financing Documents including the enforcement of the Financing and the Financing Documents. All legal fees and expenses of BDC Capital in connection with any amendment or waiver related to the foregoing shall also be for the account of the Borrower and the Corporate Guarantor.

The Borrower's and the Corporate Guarantor's obligation to indemnify BDC Capital under this Section continues before and after default and notwithstanding repayment of the Financing or discharge of any part or all of the Security.

**REPRESENTATIONS
AND WARRANTIES:**

Each of the Borrower and the Corporate Guarantor makes the representations and warranties in Schedule A – Section III. These representations and warranties shall survive the execution of the Letter of Offer and shall continue in force and effect until the full payment and performance of all obligations of the Financing Parties pursuant to the Financing Documents.

COVENANTS:	So long as any amount owing pursuant to the Financing Documents remains unpaid, each of the Borrower and the Corporate Guarantor shall perform the covenants set forth in Schedule "A" – Sections IV and V.
EVENTS OF DEFAULT:	The occurrence of any of the events listed in Schedule A – SECTION VI constitutes an event of default under the Letter of Offer. If a default occurs, any obligation of BDC Capital to make any advance, shall, at BDC Capital's option, terminate and BDC Capital may, at its option, demand immediate payment of the Financing and enforce any security, the whole without any prejudice to the covenants of the Financing Parties to pay a Variable Component of the Additional Return or the Prepayment Bonus, as applicable, if a portion of the Financing has been disbursed before the occurrence of the default justifying the application of this paragraph.
CONFLICTS:	The Financing Documents constitute the entire agreement between BDC Capital and the Financing Parties. To the extent that any provision of the Financing Documents is inconsistent with or in conflict with the provisions of the Letter of Offer, the provisions of the Letter of Offer shall govern.
INDEMNITY:	The Borrower and the Corporate Guarantor shall indemnify and hold BDC Capital harmless against any and all claims, damages, losses, liabilities and expenses incurred, suffered or sustained by BDC Capital by reason of or relating directly or indirectly to the Financing Documents save and except any such claim, damage, loss, liability and expense resulting from the gross negligence or wilful misconduct of BDC Capital.
SCHEDULES:	All Schedules have been inserted after the signature page and form an integral part of the Letter of Offer.
DEFINITIONS:	In the Letter of Offer, capitalized terms have the meanings described in Schedule "A"- Section I or Section II or are defined elsewhere in the text of the Letter of Offer.
GOVERNING LAW:	The Letter of Offer shall be governed by and construed in accordance with the laws of the province of Ontario and the laws of Canada applicable therein. Any claim or suit for any reason whatsoever under this Letter of Offer shall be brought in the city of Toronto, province of Ontario, Canada, at the exclusion of any other judicial district which may have jurisdiction over such dispute as prescribed by law.
SUCCESSORS AND ASSIGNS:	The Letter of Offer shall be binding on and enure to the benefit of each Financing Party and BDC Capital and their respective successors and assigns. No Financing Party shall have the right to assign, in whole or in part, its rights and obligations under or pursuant to the Financing Documents without BDC Capital's prior written consent.
ACCEPTANCE:	The Letter of Offer and any modification of it may be executed and delivered by original signature, fax, or any other electronic means of communication acceptable to BDC Capital and in any number of counterparts, each of which is deemed to be an original and all of which taken together shall constitute one and the same Letter of Offer.
MARKETING CONSENT FORM:	By execution of the Marketing Consent Form attached herewith as Schedule C, the Borrower will expressly consent, acknowledge and agree that BDC Capital and the Bank

use the Borrower's information and logo for promotion, advertisement and marketing of their products, services and activities in accordance with such consent.

Should you have any questions regarding the Letter of Offer, do not hesitate to communicate with Enes Kula at (416) 973 - 5345.

This 24th day of August, 2022.

BDC CAPITAL INC.

Enes Kula
By: _____
Enes Kula
Director
Growth & Transition Capital

Emilie Ong
By: _____
Emilie Ong
Associate
Growth & Transition Capital

CONSENT AND ACCEPTANCE

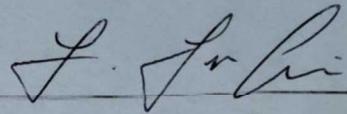
Each Financing Party hereby accepts the foregoing terms and conditions set forth above and in all attached Schedules.

Signed this 29th day of August 2022.

BLUERUSH INC.

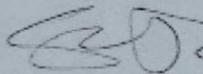
By: 

By: Steve Taylor, CEO

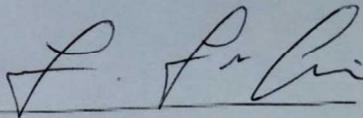


Larry Lubin, President

BLUERUSH DIGITAL MEDIA CORP.

By: 

By: Steve Taylor, CEO



Larry Lubin, President

SCHEDULE A

SECTION I DEFINITIONS

"Annual Gross Sales" means comprehensively (during a given financial year) the total amount of the actual selling price of the totality of the goods sold and the services rendered by a business carried on by all the companies whose annual gross sales are used for the purposes of this calculation (the "seller") regardless of the place where the goods and services are sold, notably the following amounts:

- (i) the amounts received by the seller in consideration of the sale of goods, articles and merchandise;
- (ii) the amounts received by the seller in consideration of services rendered;
- (iii) the amounts received by the seller in consideration of the sale or leasing of any property (including intellectual property) of the seller or other persons or the granting of a licence in respect of any such property;
- (iv) all the amounts received and receivable, whatever they may be; and
- (v) all the proceeds, if applicable, from insurance against operating losses and the insurance proceeds received in respect of any business of the seller

in each case, regardless of whether these sales or these amounts received are certified by a cheque, cash, a credit, a charge account, instruments or otherwise, without any deduction permitted for bank charges, bad debt accounts, remuneration of a collection agency or bad debts, but does not include:

- (i) the amount of retail sales taxes or goods and services taxes imposed by any governmental authority directly on sales and collected from customers at the point of sale by the seller acting as a representative of such authority, provided that the amount of these taxes is added to the selling price, that it is not part of the indicated price of the article or the service and that it is actually paid by the seller to such authority;
- (ii) the refunds granted in consideration of merchandise sold to the seller, to the extent that the selling price of such merchandise has previously been included in the annual gross sales; and
- (iii) any refund on merchandise obtained from suppliers and manufacturers.

"ASPE" means the accounting standards for private enterprises, Part II CPA Canada Handbook.

"BDC Capital's Base Rate" - means the annual rate of interest announced by the Bank through its offices from time to time as its base rate applicable to each of BDC Capital's fixed interest rate plans then in effect for determining the fixed interest rates on Canadian dollar loans.

"BDC Capital's Floating Base Rate" - means the annual rate of interest announced by the Bank through its offices from time

to time as its floating rate then in effect for determining the floating interest rates on Canadian dollar loans. The interest rate applicable to the Financing shall vary automatically without notice to the Financing Parties upon each change in BDC Capital's Floating Base Rate.

"Change of Control" - means any operation or series of operations pursuant to which the Control of a Person is transferred from one Person to another or is acquired by a Person, or any binding undertaking to proceed with any such operation or series of operations.

"Control" - means the power to, directly or indirectly, direct or cause the direction of the management and business or affairs of a Person, whether through ownership of voting securities, by contract or otherwise, including, but without limiting the foregoing, in the case of a corporation the holding, directly or indirectly of more than fifty per cent (50%) of the voting shares of such corporation.

"Corresponding Fixed Interest Rate Plan" means, at any time in respect of a prepayment, the fixed interest rate plan then being offered by BDC Capital to its clients equal to the number of years, rounded to the nearest year (minimum of one year), from the date such prepayment is received to the earlier of (i) the next scheduled Interest Adjustment Date, or (ii) the Maturity Date.

"Equity Interests" - means, with respect to any Person, any and all shares, interests, participations, rights in, or other equivalents (however designated) of such Person's capital, including any interest in a partnership, limited partnership or other similar Person and any beneficial interest in a trust, which carry the right to vote on the election of directors or individuals exercising similar functions in respect of such Person and/or which entitle their holder to participate in the profits of such Person.

"Financing" - shall have the meaning indicated in the preamble, or, as the context may require, at any time the unpaid principal balance of the Financing.

"Financing Documents" - means, collectively, the application for financing, the Letter of Offer, the security contemplated by the Letter of Offer and all other documents, instruments and agreements delivered in connection with the foregoing.

"Financing Party" - means either the Borrower or any of the Guarantors and **"Financing Parties"** means collectively each of the Borrower or Guarantors.

"Fixed Component of the Additional Return" - means and shall refer to any additional return component described and contained in the Fixed Component of the Additional Return sub-section of the present Letter of Offer.

"IFRS" - means the International Financial Reporting Standards issued by the International Accounting Standards Board and adopted by the Accounting Standards Board as Canadian GAAP for publicly accountable enterprises and the ones which opt to adopt such standards.

"Intellectual Property" or "IP" – means collectively all present and future intellectual property of a Financing Party, including, without limitation, whether or not reduced to writing, all inventions, all rights to inventions, discoveries, patents, processes, technologies, data, designs, trademarks, trade names, trade dresses, copyright, works of authorship, trade secrets, know-how, domain names, source codes, proprietary information, licenses and any other forms or embodiments of intellectual property including those already known, or hereafter known, and any and all goodwill related thereto and in respect of the foregoing, any registrations and applications for registration, all amendments, improvements, renewals and extensions.

"Interest Adjustment Date"- means, in respect of any fixed interest rate plan, the day after the Interest Expiration Date of such fixed interest rate plan.

"Interest Expiration Date"- means the date on which a fixed interest rate plan expires.

"Material Adverse Change" – means (i) a material adverse change in, or a material adverse effect upon, the financial condition, operations, assets, business, properties or prospects of any Financing Party, (ii) a material impairment of the ability of any Financing Party to perform any of its obligations under any Financing Document, or (iii) a material adverse effect upon any substantial portion of the assets subject to security in favour of BDC Capital or upon the legality, validity, binding effect, rank or enforceability of any Financing Document.

"Person" – designates any individual, natural person, sole proprietorship, partnership, limited partnership, unincorporated association, syndicate or organization, any trust, body corporate, government agency, and a natural person in his or her capacity as trustee, executor, administrator, or other legal representative and any other form of organization or entity whatsoever.

"Public Issuer" – means any Financing Party who has Equity Interests listed or posted for trading on the Toronto Stock Exchange or the TSX Venture Exchange or any other stock exchange or over-the-counter market acceptable to BDC Capital.

"Public Issuer Notice" – means a written notice delivered by a Public Issuer to BDC Capital as described in the Covenants section of this Schedule "A".

"Tangible Equity" – means the sum of the amount of the Financing; plus (i) the share capital (except for preferred shares that are included in long-term debt, except if they are subordinated); plus (ii) retained earnings; plus (iii) subordinated loans or advances from the shareholders in favor of BDC Capital; minus (iv) loans or advances to the shareholders, directors, related or non-related businesses other than in the normal course of business; and minus (v) non-business assets.

"Term Debt" – means the sum of (i) the long-term debt plus (ii) the capital leases including the current portion to be paid over the next 12 months; plus (iii) the book value of preferred shares subject to a formal redemption agreement at the option of the holder or that would set out precise amounts and dates, if any.

"Term Debt to Tangible Equity Ratio" – means the ratio of the Term Debt over the Tangible Equity.

"Variable Component of the Additional Return" – as the meaning ascribed to it in the Variable Component of the Additional Return sub-section of the Letter of Offer.

"Working Capital" – means the total current assets minus (i) the total current liabilities (within the meaning ascribed to them by IFRS, applied consistently) less (ii) future income tax receivables and less (iii) the account receivables due from related parties or outside the ordinary course of business and plus the current portion of the long-term debt due over the next twelve (12) months.

"Working Capital Ratio" – is calculated by dividing total current assets (within the meaning ascribed to them by IFRS, applied consistently) less future income tax receivable, less account receivable due from related parties or outside the ordinary course of business by the total current liabilities excluding the current portion of the long-term debt due over the next twelve (12) months.

SECTION II PREPAYMENT DEFINITIONS

"Interest Differential Charge" – means, in respect of the prepayment of the Financing or any portion of the Financing on a fixed interest rate plan, if, on the date of the prepayment, the BDC Capital's Base Rate for the Corresponding Fixed Interest Rate Plan is lower than the BDC Capital's Base Rate in effect when the Borrower entered or renewed the fixed interest rate plan, whichever is most recent, the amount calculated as follows: (i) the difference between the two rates; (ii) such interest differential is multiplied by the principal that would have been outstanding at each future Payment Date until the next Interest Adjustment Date (or the maturity of the principal if earlier); (iii) the Interest Differential Charge is the present value of those monthly amounts calculated using BDC Capital's Base Rate for the Corresponding Fixed Interest Rate Plan as the discount rate. In the case of partial prepayment, the Interest Differential Charge will be reduced in the same

proportion as the amount prepaid bears to the principal outstanding on the Loan at the time prepayment is received.

"Prepayment Bonus" – means as of the date of the prepayment the sum of: i) the Prepayment Indemnities, and, where applicable, ii) the Interest Differential Charges; calculated separately for each of the Financing facilities of the Letter of Offer subject to the prepayment.

"Prepayment Indemnity(ies)" – corresponds to the sum of the following amounts, each being discounted as of the date of the prepayment, as follow:

- the interests calculated at the Variance of the applicable rate of the Financing which would normally have been payable on the outstanding principal on each future Payment Date until the Maturity Date, taking into account, for the purposes of the determination of the interests amount, all future regular repayments of capital as provided for in the Letter of Offer up to the Maturity Date (and therefore excluding ECFs, if applicable);

plus

- the Financing management fees that would normally have been payable on each future Payment Date until the Maturity Date;

and, if applicable,

- any Fixed Components of the Additional Return cash flow that would have been due on each future Payment Date until the Maturity Date had it not been for the prepayment;

it being agreed that the discount calculations will be completed (i) at the BDC Capital's Base Rate for the corresponding Fixed Interest Rate Plan in the case of a fixed interest rate Financing, or (ii) at the BDC Capital's Floating Base Rate in the case of a floating interest rate Financing.

SECTION III REPRESENTATIONS AND WARRANTIES

Each of the Borrower and the Corporate Guarantor hereby represents and warrants to BDC Capital that:

1. It is a partnership, trust or corporation, as the case may be, duly constituted, validly existing and duly registered or qualified to carry on business in each jurisdiction where it is required by applicable laws to be so registered or qualified.
2. The execution, delivery and performance of its obligations under the Letter of Offer and the other Financing Documents to which it is a party have been duly authorized and constitute legal, valid and binding obligations enforceable in accordance with their respective terms.

3. It is not in violation of any applicable law, which violation could lead to a Material Adverse Change.
4. No Material Adverse Change exists and there are no circumstances or events that constitute or would constitute, with the lapse of time, the giving of notice or otherwise, a Material Adverse Change.
5. It is not in default under the Letter of Offer or any other Financing Document.
6. All information provided by it to BDC Capital is complete and accurate and does not omit any material fact and, without limiting the generality of the foregoing, all financial statements delivered by it to BDC Capital fairly present its financial condition as of the date of such financial statements and the results of its operations for the period covered by such financial statements, all in accordance with IFRS.
7. There is no pending or threatened claim, action, prosecution or proceeding of any kind including but not limited to non-compliance with environmental law or arising from the presence or release of any contaminant against it or its assets before any court or administrative agency which, if adversely determined, could lead to a Material Adverse Change.
8. In respect of properties and assets charged pursuant to the Financing Documents, it has good and marketable title, free and clear of any encumbrances, except for what has been disclosed herein or has been accepted in writing by BDC Capital.
9. It is the rightful owner of all its intellectual property with all right, title and interest in and to all of its intellectual property.

The foregoing representations and warranties shall remain in full force and true until the Financing is repaid in full.

SECTION IV COVENANTS

The Borrower and the Corporate Guarantor shall:

1. Perform its obligations and covenants under the Financing Documents.
2. Maintain in full force and effect and enforceable the Security contemplated by this Letter of Offer.
3. Notify BDC Capital immediately of the occurrence of any default under the Letter of Offer or any other Financing Documents.
4. Comply with all applicable laws and regulations.

5. Keep all its assets insured for physical damages and losses on an "All-Risks" basis for their full replacement value and cause all such insurance policies to name BDC Capital as loss payee as its interests may appear. The policies shall also name BDC Capital as mortgagee and include a standard mortgage clause in respect of buildings over which BDC Capital holds security and, as further security, assign or hypothecate all insurance proceeds to BDC Capital; and

If requested by BDC Capital, maintain adequate general liability insurance and environmental insurance or any other type of insurance it may reasonably require to protect it against any losses or claims arising from pollution or contamination incidents and to provide certified copies of such policies.

6. Notify BDC Capital immediately of any loss or damage to its property.
7. Without limiting the generality of paragraph 4 above, in relation to its business operations and the assets and projects of its business, operate in conformity with all environmental laws and regulations; make certain that its assets are and will remain free of environmental damage; inform BDC Capital immediately upon becoming aware of any environmental issue and promptly provide BDC Capital with copies of all communications with environmental authorities and all environmental assessments; pay the cost of any external environmental consultant engaged by BDC Capital to effect an environmental audit and the cost of any environmental rehabilitation or removal necessary to protect, preserve or remediate the assets, including any fine or penalty BDC Capital is obligated to incur by reason of any statute, order or directive by a competent authority.
8. Promptly pay all government remittances, assessments and taxes including real estate taxes and provide BDC Capital with proof of payments as BDC Capital may request from time to time.
9. Promptly furnish to BDC Capital such information, reports, certificates and other documents concerning any Financing Party as BDC Capital may reasonably request from time to time.
10. Not engage in, or permit its premises to be used by a tenant or other person, for any activity which BDC Capital, from time to time, deems ineligible, including without limitation any of the following ineligible activities:
 - a) businesses that are sexually exploitive or that are inconsistent with generally accepted community standard of conduct and propriety, including

those that feature sexually explicit entertainment, products or services; businesses that are engaged in or associated with illegal activities; businesses trading in countries that are proscribed by the Federal Government;

- b) businesses that operate as stand-alone nightclubs, bars, lounges, cabarets, casinos, discotheques, video arcades, pool and billiard halls, and similar operations;
- c) businesses that operate any form of sexually exploitive business or disseminate media content that is sexually explicit.

BDC Capital's finding that there is an ineligible activity will be final and binding between the parties and shall not be subject to review. The prohibition set out in this paragraph 10 shall also apply to any entity that Controls, is Controlled by, or that is under the common control with, any Financing Party.

11. In the event that one or several related corporations are incorporated or acquired, including all new subsidiaries and sister companies of the Borrower, these new entities shall ratify and become a party to this Letter of Offer as co-borrower or guarantor at the sole discretion of BDC Capital. BDC Capital may require that these new entities grant in favour of BDC Capital security which shall be registered on their assets to guarantee their respective obligations and the obligations and the Financing pursuant to this Letter of Offer.
12. When a Financing Party is a Public Issuer:
 - a) deliver a notice to BDC Capital for its review and approval, within 5 business days after any Person or group of Persons, acting jointly or in concert, directly or indirectly, acquire Equity Interests resulting in the ownership of 20% or more of the Equity Interests of such Public Issuer. This Public Issuer Notice shall contain the names and addresses of any Person or group of Persons that acquired such Equity Interests together with the details of the Equity Interests so acquired;
 - b) repay the Financing in full, including accrued interest, costs and any other outstanding amounts (but excluding any Prepayment Bonus), within 60 days from the date on which BDC Capital notifies the Borrower in writing that BDC Capital, in its sole discretion, is not satisfied with the issuance or transfer of Equity Interests identified in the Public Issuer Notice required by paragraph 12 (a) above.

SECTION V
NEGATIVE COVENANTS

Without the prior written consent of BDC Capital, neither the Borrower nor the Corporate Guarantor shall:

1. Change the nature of its business.
2. Change their jurisdiction of incorporation, formation or continuance, or the jurisdiction in which their chief place of business, chief executive office or registered office is located.
3. Amalgamate, merge, acquire or otherwise combine its business, or create an affiliated company ("affiliate" having the meaning given to it in the Canada Business Corporations Act).
4. Sell or otherwise transfer a substantial part of its business or any substantial part of its assets, or grant any license (with the exception of non-exclusive licenses granted by the Borrower and the Corporate Guarantor to its respective customers in the normal course of its activities), nor encumber or compromise in any way its Intellectual Property.
5. Permit or allow any transaction, including but not limited to the sale, transfer, or issuance of an Equity Interest, that would result in a Person who is not a Financing Party acquiring:
 - a. a direct Equity Interest in a Financing Party, except for options granted to employees under an approved stock option plan; or
 - b. an indirect Equity Interest in a Financing Party of 25% or more. For the purposes of this subparagraph b., an indirect Equity Interest means an Equity Interest held by a Person through one or more intermediaries.

This paragraph 5 shall not apply to the sale, transfer, or issuance of any Equity Interests of a Public Issuer.

6. Permit a Change of Control of a Financing Party.
7. Allow a loan to be sought or extended, an investment to be made, a guarantee to be given, and no asset securing the Financing shall be pledged or hypothecated to another creditor, whether done for the benefit of the Borrower or for the benefit of a third party.
8. Declare a dividend on, or redeem or repay any obligation in respect of any shares in its capital. In addition, any advance or transfer of funds in any form whatsoever shall be made to the ultimate shareholders and/or to the corporations they own.

9. Make any modifications to the end date of its fiscal year, its accounting standards and/or policies.

SECTION VI
EVENTS OF DEFAULT

1. Any Financing Party fails to pay any amount owing under or pursuant to the Financing Documents.
2. Any Financing Party fails to comply with or to perform any provision of the Letter of Offer or any other Financing Documents.
3. Any Financing Party is in default under any other agreement with BDC Capital or any third party for the granting of a loan or other financial assistance and such default remains unremedied after any cure period provided in such other agreement.
4. Any representation or warranty made by any Financing Party herein or in any other Financing Document is breached, false or misleading in any material respect, or becomes at any time false.
5. Any schedule, certificate, financial statement, report, notice or other writing furnished by any Financing Party to BDC Capital in connection with the Financing is false or misleading in any material respect on the date as of which the facts therein set forth are stated or certified.
6. Any Financing Party becomes insolvent or generally fails to pay, or admits in writing its inability or refusal to pay its debts as they become due; or any Financing Party applies for, consents to, or acquiesces in the appointment of a trustee, receiver or other custodian for such Financing Party or any property thereof, or makes a general assignment for the benefit of creditors; or, in the absence of such application, consent or acquiescence, a trustee, receiver or other custodian is appointed for any Financing Party or for a substantial part of the property of such Financing Party; or any bankruptcy, reorganization, debt arrangement, or other case or proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding, is commenced in respect of any Financing Party; or any Financing Party takes any action to authorize, or in furtherance of, any of the foregoing.
7. The Borrower and/or the Corporate Guarantor ceases or threatens to cease to carry on all or a substantial part of its business.
8. The death of any individual Financing Party or any person that Controls any Financing Party.

9. The occurrence of a Change of Control of the Borrower and/or the Corporate Guarantor from the date of the application of financing.
10. Any Financing Party is in violation of any applicable law relating to terrorism or money laundering, including the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada).
11. Any Financing Party, any Person who Controls a Financing Party, or any officer, director, or shareholder of a Financing Party, is in violation of trade and economic sanctions imposed by the Parliament of Canada.
12. The occurrence, in the opinion of BDC Capital, of a Material Adverse Change.

**SECTION VII
GENERAL TERMS AND CONDITIONS**

Each Financing Party agrees to the following additional provisions:

Interest Cap

If the aggregate amount of charges payable as interest, additional interest, interest on arrears, or any other charges paid or payable in connection with the Financing (collectively the "Charges") at any time whatsoever would constitute the application of an effective annual rate of interest in excess of the limit permitted by any applicable law, then the Charges shall be reduced so that the charges paid or payable shall not exceed the maximum permissible under such law. Any excess which has been paid will be refunded by BDC Capital within ten business days following BDC Capital's determination of the amount to be refunded.

Other Available Interest Rate Plans

If applicable, the Borrower having selected a floating interest rate plan may select BDC Capital available fixed interest rate plan. The expiry date of the selected plan shall occur after the initial Maturity Date or subsequently amended Maturity Date of the Financing. If the Borrower so selects any fixed rate plan before the Acceptance Date, it shall be based on BDC Capital's Base Rate in effect on the Authorization Date. If the selection is made after the Acceptance Date, the Borrower will have to pay to BDC Capital applicable fee and the interest rate shall be based on BDC Capital's Base Rate then in effect. The new rate shall become effective on the fourth day following receipt of the request by BDC Capital.

However, in the event of a period of increased interest rate volatility, which will be determined by a fluctuation of greater than 0.5% during the same transaction day of the yield to maturity of the five-year Canada bond benchmark, BDC Capital reserves the right to suspend the borrower's right to switch from a floating interest rate plan to a fixed interest rate plan.

Interest Adjustment Date

If the Financing is not paid in full by the Interest Adjustment Date, BDC Capital will set a new interest rate plan based on the revised Interest Adjustment Date of the Financing at BDC Capital's Base Rate then in effect adjusted by the Variance and shall then notify the Borrower.

In the event BDC Capital should demand repayment of the Financing by reason of an event of default, any fixed interest rate applicable at the time of demand shall continue to apply to the Financing until full repayment and shall not be adjusted at the next Interest Adjustment Date.

Pre-Authorized Payment System

All payments provided for in the Letter of Offer must be made by pre-authorized debits from the Borrower's bank account. The Borrower shall sign all documentation required to that effect and provide a sample cheque marked void.

Application of Payments

All payments will be applied in the following order:

1. any Prepayment Bonus (including the monthly interest and Interest Differential Charge);
2. protective disbursements;
3. standby fees (arrears and current);
4. arrears, in the following order: transaction fees, administration fees, management fees, bonuses or other premiums, interest and principal;
5. current balances, in the following order: transaction fees, management fees, bonuses or other premiums, interest and principal;
6. cancellation fees; and
7. other amounts due and payable under the Financing Documents.

Other than regular payments of principal and interest, BDC Capital may apply any other monies received by it, before or after default, to any debt the Borrower may owe BDC Capital under or pursuant to the Letter of Offer or any other agreement and BDC Capital may change those applications from time to time in its sole discretion.

Consent to Disclosure and Exchange of Information

Each Financing Party authorizes BDC Capital, at any time and from time to time, (i) to obtain financial, compliance, account status and any other information about a Financing Party and its respective business from its accountants, its auditors, any financial institution, creditor, credit reporting or rating agency, credit bureau, governmental department, body or utility, and (ii) to disclose and exchange information with any financial institution relating to, in connection with or arising from the business of any Financing Party which BDC Capital may currently have or subsequently obtain.

Each Financing Party recognizes that in accordance with prudent business practices to « know your client » and in accordance with its internal policies, BDC Capital may be

required to obtain, verify, maintain information regarding the Financing Parties, their directors, their officers, the Persons holding direct or indirect Equity Interests, and any other Persons who exercise Control over a Financing Party. Each Financing Party agrees to provide without delay all information, including supporting documents and other evidence that BDC Capital, or a potential assignee or another company with an interest in BDC Capital, acting reasonably, could ask to comply with internal policies or legislation in the

fight against the laundering of proceeds of crime or financing of terrorist activities that apply to them.

Notices

Notices must be in writing and may be given in person, or by letter sent by fax, mail, courier or electronically; if to a Financing Party, at its address above or such other addresses as the Financing Party may advise BDC Capital in writing, or if to BDC Capital, at BDC Capital's address above.

SCHEDULE B

Corporate Guarantee

SCHEDULE C

MARKETING CONSENT FORM



MARKETING CONSENT FORM

BDC and BDC Capital Inc. (together "BDC") are proud of our business relationships and may like to promote it. We would like to use your Corporation's information and logo for promotion, advertisement and marketing of BDC products, services and activities.

Your consent is required to permit BDC's use of the Corporation's:

- Name
- Logo
- Trademarks and images
- Size and type of financing or investment alongside the Corporation's name in any presentation, advertising, marketing and PR material prepared by BDC for such purposes and authorize BDC employees to publish promotional material and displays using different medias or platforms.

The Corporation hereby grants BDC for an unlimited period of time with a limited license to use the information for the purposes described above. You may withdraw your consent at any time by contacting your BDC representative.

The Corporation acknowledges and agrees that BDC shall be entitled to determine, in its sole discretion, whether to use such information; that no compensation will be payable by BDC in connection therewith; and that BDC shall have no liability whatsoever to the Corporation or any of its employees, officers, directors, affiliates or shareholders in obtaining and using such information as contemplated herein. The Corporation is solely responsible for defense and maintenance of its intellectual property.

For any question you may have, please contact your BDC representative.

Name of the Corporation: _____

Signature on behalf of the Corporation: the undersigned, _____ has the authority to bind the Corporation to this consent.

Signature: _____

Title: _____

Date: _____

Email: _____

Phone: _____

This is **Exhibit 'D'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits



**BDC Capital Inc., a wholly-owned subsidiary of
Business Development Bank of Canada
Banque de développement du Canada**

GUARANTEE

GUARANTOR:	BLUERUSH DIGITAL MEDIA CORP. , a corporation incorporated under the laws of Canada	the "Guarantor"
CREDITOR:	BDC CAPITAL INC. , a wholly-owned subsidiary of BUSINESS DEVELOPMENT BANK OF CANADA , with an office at 81 Bay St., Suite 3700, Toronto, Ontario M5J 0E7	"BDC"
DEBTOR:	BLUERUSH INC. , a corporation incorporated under the laws of the Province of Ontario	the "Borrower"
DEBT:	\$2,000,000.00	the "Principal Sum"
LIMIT OF LIABILITY:	100% of the Outstanding Balance on the date BDC demands payment under this guarantee	the "Limited Amount"
DATED:	September 29, 2022	
BDC BUSINESS CENTRE:	ONTARIO (Province/Territory)	the "Governing Jurisdiction"

IN CONSIDERATION of BDC agreeing to make a loan to the Borrower of the Principal Sum, the Guarantor covenants with BDC as follows:

1. DEBT AND SECURITY

In this guarantee, "Loan Security" means all accepted letters of offer, loan agreements, promissory notes, debentures, mortgages, hypothecations, pledges, assignments and security agreements of any kind which BDC may hold at any time as security for the payment of the Principal Sum and all agreements amending, extending or renewing those security instruments. The Guarantor has read all of the Loan Security held by BDC as of the date of this guarantee.

2. GUARANTEE

The Guarantor unconditionally guarantees performance by the Borrower of all promises under the Loan Security and payment by the Borrower of the Principal Sum, protective disbursements, interest and other amounts the Borrower has promised to pay under the Loan Security (the foregoing amounts collectively are called the "Outstanding Balance"). The Guarantor also promises to pay to BDC all legal fees and disbursements, on a solicitor and client basis, incurred by BDC in reference to any suit upon this guarantee. The liability of the Guarantor under this guarantee does not exceed the Limited Amount plus legal expenses plus interest on the Limited Amount at the rate provided under the Loan Security calculated and compounded monthly from the date BDC demands payment under this guarantee.

This guarantee shall be a continuing guarantee and the obligations guaranteed hereunder shall include all present and future indebtedness and liabilities of the Borrower to BDC under the Loan Security, of any nature whatsoever, and whether incurred by the Borrower alone or with others.

3. LIABILITY AS PRINCIPAL DEBTOR

As between BDC and the Guarantor, the Guarantor is liable as principal debtor for all of the Borrower's covenants contained in the Loan Security notwithstanding any act or omission of the Borrower or of BDC which might otherwise operate as a partial or absolute discharge of the Guarantor if the Guarantor were only a surety.

4. LIABILITY NOT DIMINISHED BY ACTS OF BDC OR THE BORROWER

Except for payment of all sums due under the Loan Security, payment of the amount due under this guarantee or written discharge, no act or omission of BDC or of the Borrower, before or after default, discharges or diminishes the liability of the Guarantor under this guarantee and without restricting the foregoing, the Guarantor covenants with BDC as follows:

- (a) BDC may grant time and other indulgences to the Borrower, to a Guarantor and to any other person liable for all or any portion of the Principal Sum;
- (b) BDC may modify, extend or renew (in either case, on the then current, or on new, terms), exchange, abstain from perfecting, discharge or abandon the Loan Security or any part of it or anything mortgaged or charged by it;
- (c) BDC may enter into any agreement with the Borrower to vary the terms of any agreement affecting the payment or repayment of Principal Sum, including a change in the rate of interest chargeable on the Principal Sum;
- (d) BDC may enter into any agreement or accept any compromise that has the effect of diminishing or extinguishing the liability of the Borrower to BDC or the value of the Loan Security or the value of anything mortgaged by it;
- (e) BDC need not ascertain or enforce compliance by the Borrower or any other person with any covenant under the Loan Security;
- (f) BDC bears no responsibility for any neglect or omission with respect to anything mortgaged under the Loan Security, either during possession by the Borrower or by any third party or by BDC or by anyone on behalf of BDC;
- (g) BDC is not bound to seek recourse against the Borrower before requiring payment from the Guarantor and BDC may enforce its various remedies under this guarantee and the Loan Security or any part of it at any time, in any manner and in any order as BDC may choose;

- (h) BDC bears no duty to the Guarantor in respect of the liquidation of anything mortgaged under the Loan Security and, without restricting the foregoing, it is under no duty to avoid waste of, to obtain a fair price for or to avoid neglect in the liquidation of anything mortgaged under the Loan Security;
- (i) BDC has no obligation to ensure that any Loan Security, other guarantee or security collateral to a guarantee is executed, perfected or delivered and, if by reason of want of authority or failure of execution and delivery or failure to comply with laws respecting perfection and registration of instruments or any other reason, any intended Loan Security, guarantee or collateral security is not granted, is unenforceable or becomes unenforceable, the liability of the Guarantor under this guarantee remains enforceable and undiminished; and
- (j) The Guarantor confirms and agrees that any modifications of the loan terms or Loan Security may be agreed upon directly between BDC and the Borrower without notice to the Guarantor and without the Guarantor's further concurrence.

5. SUBROGATION

The Guarantor shall not be subrogated in any manner to any right of BDC until all money due to BDC under the Loan Security is paid.

6. RELEASE

If more than one person guarantees any of the obligations of the Borrower to BDC under this guarantee or any other instrument, BDC may release any of those persons on any terms BDC chooses and each person executing this guarantee who has not been released shall remain liable to BDC under this guarantee as if the person so released had never guaranteed any of the obligations of the Borrower.

7. PAYMENT AND REMEDYING DEFAULTS

The Guarantor shall pay the amount guaranteed or rectify any default immediately upon receiving a demand from BDC and shall do so whether or not BDC has exhausted its recourses against the Borrower, other parties, the Loan Security or anything mortgaged under the Loan Security. A demand is effectually made when a letter is posted to the address of the Guarantor last known to BDC.

8. NO COLLATERAL AGREEMENTS OR REPRESENTATIONS

Any agreement between BDC and the Guarantor diminishing the liability of the Guarantor under this guarantee, altering any term of this guarantee or imposing any condition against the operation of any such term is of no further force or effect. Any representation made by BDC having such effect is waived. The Guarantor warrants that there are no agreements, representations or conditions that have been relied upon by the Guarantor that are not expressed in this guarantee.

9. CHANGES MUST BE IN WRITING

This guarantee may only be amended by writing executed by BDC. No agreement has the effect of diminishing or discharging the liability of the Guarantor under this guarantee unless the agreement is in writing and executed by BDC. The Guarantor shall not rely upon any future representation made by BDC in respect of the liability of the Guarantor under this guarantee unless such representation is in writing executed by BDC.

10. JOINT AND SEVERAL LIABILITY

Where this guarantee has been executed by more than one person, the liability of the persons executing this guarantee is joint and several and every reference in this guarantee to the "Guarantor" shall be construed as meaning each person who has executed it as well as all of them. This guarantee is binding on those who have executed it notwithstanding that it may remain unexecuted by any other person.

11. JURISDICTION

The laws of the Governing Jurisdiction shall govern the enforcement of this Guarantee and the Guarantor agrees to submit to the jurisdiction of the Courts of the Governing Jurisdiction.

12. ASSIGNS

This guarantee is binding upon the Guarantor and the Guarantor's heirs, executors, administrators, successors and assigns and shall enure to the benefit of BDC, its successors and assigns. BDC may assign this guarantee.

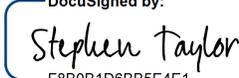
13. COUNTERPARTS

This guarantee may be executed in any number of counterparts each of which shall be deemed an original with the same effect as if the signatures thereto and hereto were upon the same instrument. Additionally, this guarantee may be signed and transmitted electronically, in a format approved by BDC and such an electronically signed and transmitted version of this guarantee shall be deemed to be an original for all purposes and shall have the same legal effect as if manually signed and delivered.

[the remainder of this page is intentionally left blank]

Executed, Sealed and Delivered by

BLUERUSH DIGITAL MEDIA CORP.

DocuSigned by:

By: _____
Name: Stephen Taylor
Title: CEO

I have authority to bind the Corporation.

This is **Exhibit 'E'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits



BDCID: 10029715181

September 22, 2022

Mr. Stephen Taylor
BlueRush Inc.
112-75 Sherbourne St
Toronto, ON
M5A 2P9

Re: BDC Capital Inc. ("BDC Capital") Financing No. 237172-01

Dear Mr. Taylor:

We write in reference to our Letter of Offer dated August 24, 2022 related to Financing No. 237172-01, and any subsequent amendments thereto, BDC Capital Inc. ("BDC Capital"), a wholly owned subsidiary of Business Development Bank of Canada ("the Bank"), subject to the terms set out below, the following amendments will be made to your Financing.

The amendments shall take effect upon receipt by BDC Capital of the Acceptance Form duly signed by all signatories no later than September 26, 2022.

Amendments – Financing No. 237172-01:

INTEREST RATE

Fixed Rate: Effective September 22, 2022, the interest rate on the Financing will be adjusted to 9.00% per year, being BDC Capital's Base Rate of 7.80% per year plus a Variance of 1.20% per year. The next Interest Adjustment Date for this fixed interest rate plan is September 30, 2024.

All other terms and conditions of your financing with BDC Capital remain unchanged.

Yours truly,

Ayse Ural

Ayse Ural
Associate
Growth and Transition Capital
Phone: (416) 954-2607
Ayse.URAL@bdc.ca

Enes Kula

Enes Kula
Senior Director
Growth and Transition Capital
Phone: (416) 973-5345
Enes.KULA@bdc.ca

Encl.

Business Development Bank of Canada
81 Bay Street
Unit 3700
Toronto, ON
M5J0E7

Attention: Enes Kula

Re: BDC Capital Inc. (“BDC Capital”) Financing No. 237172-01

The undersigned accept the terms and conditions set forth in BDC Capital’s Letter of Amendment dated September 22, 2022.

Signed this _____ day of _____, _____.
(date) (month) (year)

BORROWER(S)

BlueRush Inc.

E-SIGNED by Stephen Taylor
on 2022-09-23

_____, Authorized Signing Officer

Name: _____
[Please print name of signing party]

GUARANTOR(S)

Bluerush Digital Media Corp.

E-SIGNED by Stephen Taylor
on 2022-09-23

_____, Authorized Signing Officer

Name: _____
[Please print name of signing party]

This is **Exhibit 'F'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits



BDCID: 10036278561

February 6, 2024

Mr. Stephen Taylor
BlueRush Inc.
4711 Yonge Street, 10th Floor
North York, ON
M2N 6K8

Re: BDC Capital Financing 237172-01

Dear Mr. Taylor:

We write in reference to our Letter of Offer dated August 24, 2022 related to Financing No. 237172-01, and any subsequent amendments thereto, BDC Capital Inc., a wholly owned subsidiary of Business Development Bank of Canada, subject to the terms set out below, the following amendments will be made to your Financing.

The amendments shall take effect upon receipt by BDC Capital of the Acceptance Form duly signed by all signatories no later than May 5, 2024.

Amendments – Financing Number 237172-01:

SECURITY

The following existing Security relating to the Financing:

A General Security Agreement, granting a general and continuing security interest in all of the Borrower's and the Corporate Guarantor's present and after acquired personal property and, without limiting the foregoing, on all present and future assets of the Borrower and the Corporate Guarantor related to Intellectual Property of the Borrower and the Corporate Guarantor. This security interest shall rank in first position with respect to the Intellectual Property but subordinated in rank to any other security granted: i) on receivables and inventory in favour of the financial institution financing the Borrower's and the Corporate Guarantor line of credit for its daily operations, ii) previously to financial institutions but except Intellectual Property and iii) on specific assets in connection with the financing of equipment needed by the Borrower and the Corporate Guarantor in the normal course of its business.

is modified and is now replaced with:

A General Security Agreement, granting a general and continuing security interest in all of the Borrower's and the Corporate Guarantor's present and after acquired personal property and, without limiting the foregoing, on all present and future assets of the Borrower and the Corporate Guarantor related to Intellectual Property of the Borrower and the Corporate Guarantor. This security interest shall rank in first position with respect to the Intellectual Property but subordinated



in rank to any other security granted: i) on receivables and inventory in favour of the financial institution financing the Borrower's and the Corporate Guarantor line of credit for its daily operations, ii) previously to financial institutions but except Intellectual Property, iii) on specific assets in connection with the financing of equipment needed by the Borrower and the Corporate Guarantor in the normal course of its business, and iv) on Scientific Research and Experimental Development tax credits for the Borrower's 2023 and subsequent tax years (the "SRED Claims") in favour of the financial institution financing the SRED Claims.

All other terms and conditions of your financing with BDC Capital remain unchanged.

We confirm that we have informed you and you have agreed that a transaction fee in the amount of \$500.00 will be automatically withdrawn from your account on your next payment date.

Yours truly,

Cassandre Pierre-Louis

Cassandre Pierre-Louis
Analyst, Growth and Transition Capital
Phone: (437) 227-8712
Cassandre.Pierre-Louis@bdc.ca

Enes Kula

Enes Kula
Senior Director, Growth and Transition Capital
Phone: (416) 973-5345
Enes.KULA@bdc.ca

Encl.



Business Development Bank of Canada
81 Bay Street
Unit 3700
Toronto, ON
M5J 0E7

Attention: Enes Kula

Re: BDC Loan 237172-01

The undersigned accept the terms and conditions set forth in BDC Capital's Letter of Amendment dated February 6, 2024.

Signed this _____ day of _____, _____.
(date) (month) (year)

BORROWER(S)

BlueRush Inc.

E-SIGNED by Steve Taylor
on 2024-02-06

_____, Authorized Signing Officer

Name: _____

[Please print name of signing party]

GUARANTOR(S)

Bluerush Digital Media Corp.

E-SIGNED by Steve Taylor
on 2024-02-06

_____, Authorized Signing Officer

Name: _____

[Please print name of signing party]

This is **Exhibit 'G'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits



BDCID: 10039377907

September 27, 2024

Mr. Stephen Taylor
BlueRush Inc.
4711 Yonge Street, 10th Floor
North York, ON
M2N 6K8

Re: BDC Capital Financing 237172-01

Dear Mr. Taylor:

We write in reference to our Letter of Offer dated August 24, 2022 related to Financing No. 237172-01, and any subsequent amendments thereto, BDC Capital Inc., a wholly owned subsidiary of Business Development Bank of Canada, subject to the terms set out below, the following amendments will be made to your Financing.

The amendments shall take effect upon receipt by BDC Capital of the Acceptance Form duly signed by all signatories no later than September 30, 2024.

Amendments – Financing Number 237172-01:

REPAYMENT

Balloon Payment

Principal of the Financing shall be payable by way of one balloon payment of \$2,000,000.00, payable on October 31, 2024 (the “**Maturity Date**”).

Interest is payable monthly in arrears on the last day of the month (the “**Payment Date**”) commencing on the next occurring Payment Date following the first advance on the Financing.

On the Maturity Date, all other amounts owing pursuant to the Financing Documents will become due and payable.

All other terms and conditions of your financing with BDC Capital remain unchanged.

Yours truly,

Cassie Pierre-Louis

Cassandre Pierre-Louis
Analyst, Growth and Transition Capital
Phone: (437) 227-8712
Cassandre.Pierre-Louis@bdc.ca

Enes Kula

Enes Kula
Senior Director, Growth and Transition Capital
Phone: (416) 973-5345
Enes.KULA@bdc.ca

Encl.



Business Development Bank of Canada
81 Bay Street
Unit 3700
Toronto, ON
M5J 0E7

Attention: Enes Kula

Re: BDC Loan 237172-01

The undersigned accept the terms and conditions set forth in BDC Capital's Letter of Amendment dated September 27, 2024.

Signed this _____ day of _____, _____.
(date) (month) (year)

BORROWER(S)

BlueRush Inc.

E-SIGNED by Stephen Taylor
on 2024-09-27

_____, Authorized Signing Officer

Name: _____
[Please print name of signing party]

GUARANTOR(S)

Bluerush Digital Media Corp.

E-SIGNED by Stephen Taylor
on 2024-09-27

_____, Authorized Signing Officer

Name: _____
[Please print name of signing party]

This is **Exhibit 'H'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits



October 31, 2024

Mr. Stephen Taylor
BlueRush Inc.
4711 Yonge Street, 10th Floor
North York, ON
M2N 6K8

Re: BDC Capital Financing 237172-01

Dear Mr. Taylor:

We write in reference to our Letter of Offer dated August 24, 2022 related to Financing No. 237172-01, and any subsequent amendments thereto, BDC Capital Inc., a wholly owned subsidiary of Business Development Bank of Canada, subject to the terms set out below, the following amendments will be made to your Financing.

The amendments shall take effect upon receipt by BDC Capital of the Acceptance Form duly signed by all signatories no later than October 31, 2024.

Amendments – Financing Number 237172-01:

REPAYMENT

Balloon Payment

Principal of the Financing shall be payable by way of one balloon payment of \$2,000,000.00, payable on January 31, 2025 (the “**Maturity Date**”).

Interest is payable monthly in arrears on the last day of the month (the “**Payment Date**”) commencing on the next occurring Payment Date following the first advance on the Financing.

On the Maturity Date, all other amounts owing pursuant to the Financing Documents will become due and payable.

ADDITIONAL RETURN COMPONENTS

FIXED COMPONENT OF THE ADDITIONAL RETURN

Additional Interest

In addition to the interest payable on the Financing, the Borrower will also pay to BDC Capital additional interest (“**Payment-in-Kind**” or “**PIK**”) on the outstanding amount of the Financing (including compounded interest) at the rate of 7% per annum (“**PIK Interest**”) with interest accruing daily and compounded annually (with interest on compounded interest at the same interest rate) and paid on the Maturity Date, January 31, 2025. For greater clarity, the Borrower will continue to pay to BDC Capital the PIK Interest during the extended period, between October 31, 2024 and January 31, 2025, at the rate of 7.0% per annum with interest calculated and paid in the same manner for the period prior to the extension.



BDC Capital shall be entitled, in its sole discretion, to demand payment of the PIK Interest and the Borrower shall pay BDC Capital the PIK Interest upon the occurrence of any of the following events of payment:

- a) The original or amended Maturity Date or any prepayment date;
- b) An event of default by the Borrower or the Corporate Guarantor pursuant to the terms hereof or any security document related thereto executed by the Borrower or the Corporate Guarantor;
- c) The merger or amalgamation of the Borrower or the Corporate Guarantor with a corporation, partnership or legal entity dealing at arm's length;
- d) The sale, transfer, conveyance or license or other right to use of a substantial part (50% or more of the value) of the assets of the Borrower or the Corporate Guarantor to a third party (or a group of third parties) dealing at arm's length, other than the license of property in the normal course of business;
- e) The sale, transfer or conveyance (including any share exchange) of 50% or more of the issued and outstanding voting and/or participating shares from the share capital of the Borrower or the Corporate Guarantor to a third party (or a group of third parties) dealing at arm's length; and,
- f) A Change of Control of the Borrower or the Corporate Guarantor.

UNDERLYING CONDITIONS

The following underlying condition is added relating to the Financing:

The Borrower and Corporate Guarantor are not permitted to repay principal, or interest related to the Promissory Note, with a principal sum of \$180,000, between BlueRush Digital Media Corp. and Round13 Founders Fund SPV, L.P., dated March 22, 2024, without prior written consent of BDC Capital.

All other terms and conditions of your financing with BDC Capital remain unchanged. We confirm that we have informed you and you have agreed that a transaction fee in the amount of \$2,500.00 will be automatically withdrawn from your account on your next payment date.

Yours truly,

Ayşe Ural

Ayşe Ural
Associate, Growth and Transition Capital
Phone: (416) 954-2607
Ayşe.Ural@bdc.ca

Enes Kula

Enes Kula
Senior Director, Growth and Transition Capital
Phone: (416) 973-5345
Enes.KULA@bdc.ca

Encl.



Business Development Bank of Canada
81 Bay Street
Unit 3700
Toronto, ON
M5J 0E7

Attention: Enes Kula

Re: BDC Loan 237172-01

The undersigned accept the terms and conditions set forth in BDC Capital's Letter of Amendment dated October 31, 2024.

Signed this _____ day of _____, _____.
(date) (month) (year)

BORROWER(S)

BlueRush Inc.

E-SIGNED by Stephen Taylor

on 2024-10-31

_____, Authorized Signing Officer

Name: _____

[Please print name of signing party]

GUARANTOR(S)

Bluerush Digital Media Corp.

E-SIGNED by Stephen Taylor

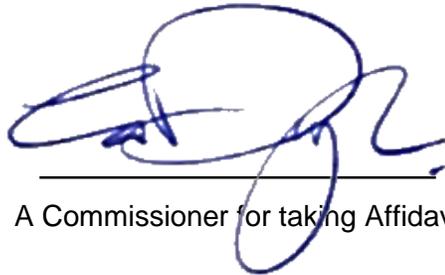
on 2024-10-31

_____, Authorized Signing Officer

Name: _____

[Please print name of signing party]

This is **Exhibit 'I'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits



BDCID: 10041276998

January 31, 2025

BlueRush Inc.
4711 Yonge Street, 10th Floor
North York, ON
M2N 6K8

Att: Mr. Stephen Taylor

Re: BDC Capital Inc. ("BDC Capital") Financing No. 237172-01

Dear Mr. Taylor:

We write in reference to our Letter of Offer dated August 24, 2022 related to Financing No. 237172-01, and any subsequent amendments thereto. Subject to the terms set out below, the following amendments will be made to your Financing. Capitalized terms not otherwise defined in this letter shall have the meaning given to them in the Letter of Offer.

You have requested BDC Capital to extend the Maturity Date by three (3) months and waive the current financial covenant breaches until April 30, 2025. BDC Capital is prepared to extend the Maturity Date by three months from January 31, 2025 to April 30, 2025 subject to the following conditions being fulfilled to BDC Capital's satisfaction and provided that no Material Adverse Change shall have occurred:

- i. Receipt by BDC Capital of a fully executed copy of the board of directors' resolution confirming to take private the operating entity, BlueRush Digital Media Corp.
- ii. Confirmation of an engagement with Andre Brosseau to support the process and receipt by BDC Capital of the terms of such engagement and regular monthly reports setting out the progress for implementation.
- iii. Confirmation of an engagement with Gary Wang, who will work with Steve Taylor to complete the financial, legal, and regulatory requirements through the process and receipt by BDC Capital of the terms of such engagement.
- iv. Confirmation of the intention to engage the services of an investment banker and receipt by BDC Capital of the terms of such engagement. BDC Capital expects this engagement to be formalized by February 20, 2025.

The amendments shall take effect upon receipt by BDC Capital of the Acceptance Form duly signed by all signatories no later than February 5, 2025.

Failure to comply with the above-referenced conditions will constitute an event of default under the Letter of Offer. BDC Capital is not committed to granting any further waivers, extensions or amendments to the terms and conditions of the Letter of Offer as amended hereby, and the Borrower and Corporate Guarantor should not rely on any additional concessions other than as specifically provided for in this letter.



Amendments – Financing Number 237172-01:

INTEREST RATE

Floating Rate: Effective February 1, 2025, the interest rate on the Financing will be adjusted to BDC Capital's Floating Base Rate plus a Variance of 3.70% per year. BDC Capital's Floating Base Rate is currently 7.30% per year and accordingly effective February 1, 2025 the interest rate will be 11.00% per year (excluding the Additional Interest or PIK).

ADDITIONAL RETURN COMPONENTS:

FIXED COMPONENT OF THE ADDITIONAL RETURN

Additional Interest

In addition to the interest payable on the Financing, the Borrower will also pay to BDC Capital additional interest ("Payment-in-Kind" or "PIK") on the outstanding amount of the Financing (including compounded interest) from the date of the advance of the Financing at the rate of 7.00% per annum ("PIK Interest") with interest accruing daily and compounded annually (with interest on compounded interest at the same interest rate) and paid on the Maturity Date, April 30, 2025. For greater clarity, the Borrower will continue to pay to BDC Capital the PIK Interest during the extended period, between February 1, 2025 and April 30, 2025, at the rate of 7.0% per annum with PIK Interest calculated and paid in the same manner for the period prior to the extension. On January 31, 2025, the accrued PIK Interest is \$344,654.37.

BDC Capital shall be entitled, in its sole discretion, to demand payment of the PIK Interest and the Borrower shall pay BDC Capital the PIK Interest upon the occurrence of any of the following events of payment:

- a) The original or amended Maturity Date or any prepayment date;
- b) An event of default by the Borrower or the Corporate Guarantor pursuant to the terms hereof or any security document related thereto executed by the Borrower or the Corporate Guarantor;
- c) The merger or amalgamation of the Borrower or the Corporate Guarantor with a corporation, partnership or legal entity dealing at arm's length;
- d) The sale, transfer, conveyance or license or other right to use of a substantial part (50% or more of the value) of the assets of the Borrower or the Corporate Guarantor to a third party (or a group of third parties) dealing at arm's length, other than the license of property in the normal course of business;
- e) The sale, transfer or conveyance (including any share exchange) of 50% or more of the issued and outstanding voting and/or participating shares from the share capital of the Borrower or the Corporate Guarantor to a third party (or a group of third parties) dealing at arm's length; and,
- f) A Change of Control of the Borrower or the Corporate Guarantor.

REPAYMENT

Balloon Payment

Principal of the Financing shall be payable by way of one balloon payment of \$2,000,000.00, payable on April 30, 2025 (the "**Maturity Date**").



Interest is payable monthly in arrears on the last day of month (the “**Payment Date**”) commencing on the next occurring Payment Date following the first advance on the Financing.

On the Maturity Date, the principal and interest balance and all other amounts owing pursuant to the Financing Documents will become due and payable.

UNDERLYING CONDITIONS

The following underlying conditions have been added to the Financing:

- The Borrower and Corporate Guarantor are not permitted to repay principal or interest related to each of the loans advanced by John Eckert (\$100,000), Mark Soane (USD\$50,000), and Chris Rassmussen (\$50,000) without the prior written consent of BDC Capital.

All other terms and conditions of your financing with BDC Capital remain unchanged. We confirm that we have informed you and you have agreed that a transaction fee in the amount of \$5,000.00 will be automatically withdrawn from your account on your next payment date.

Yours truly,

Enes Kula

Enes Kula
Senior Director, Growth and Transition Capital
Phone: (416) 973-5345
Enes.KULA@bdc.ca

Ana Kovacevic

Ana Kovacevic
Analyst, Growth and Transition Capital
Phone: (416) 973-5371
Ana.Kovacevic@bdc.ca

Encl.



BDC Capital Inc.
81 Bay Street
Unit 3700
Toronto, ON
M5J0E7

Attention: Enes Kula

Re: BDC Capital Inc. (“BDC Capital”) Financing No. 237172-01

The undersigned accept the terms and conditions set forth in BDC Capital’s Letter of Amendment dated January 31, 2025.

Signed this _____ day of _____, _____.
(date) (month) (year)

BORROWER(S)

BlueRush Inc.

 E-SIGNED by Stephen Taylor
on 2025-02-03

_____, Authorized Signing Officer

Name: _____
[Please print name of signing party]

GUARANTOR(S)

Bluerush Digital Media Corp.

 E-SIGNED by Stephen Taylor
on 2025-02-03

_____, Authorized Signing Officer

Name: _____
[Please print name of signing party]

This is **Exhibit 'J'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits

Client Number 237172



C/A Number 23717201

Description	Value
PRINCIPAL EXCLUDING ARREARS	0.00
PRINCIPAL ARREARS	2,000,000.00
INTEREST	137,598.08
ACCRUED TO	2025-12-15
MISCELLANEOUS	3,000.00
PROTECTIVE DISBURSEMENT	7,910.00
INTEREST ON PROTECTIVE DISBURSEMENT	275.79
Total	2,148,783.87

Description	Value
TAX ACCOUNT	0.00
DEPOSIT ACCOUNT WITH INTERESTS	0.00
DEPOSIT ACCOUNT WITHOUT INTERESTS	0.00
DEPOSIT ACCOUNT UNALLOCATED PAYMENTS	0.00
Total Deposit	0.00
Total Net	2,148,783.87
DAILY INTEREST ACCRUAL	561.64
DAILY IOI ACCRUAL	35.95
INTEREST RATE PLAN	Daily float
SPECIAL INTEREST RATE TYPE	STD
EFFECTIVE BASE RATE	6.550000 %
VARIANCE RATE	3.700000 %
INTEREST ADJUSTMENT DATE	
PROT.DISB. - DAILY INTEREST ACCRUAL	2.22
PROT.DISB. - DAILY IOI ACCRUAL	0.06
OPTION EXPIRY DATE	2025-12-15

Disclaimers:

1. Payout figures do not include: Prepayment indemnity, interest differential, net present value of premiums and royalties and the amount of the option. For these calculations, refer to the Letter of Offer of Credit, Letters of Amendment, Circulars and the revised Calculus software.
2. Escrow account balances must be analyzed internally before confirming the total payout figures to the borrower.
3. Floating Plan: Daily interest accrual subject to operational rate change.

Fixed until Sept. 30/2024 - Floating since then
Interest Coupon Base + 1.2% 9%
PIK rate 7%

1st Advance	9/29/2022	2,000,000.00		Days	Principal	PIK	Ending principal
	0	9/29/2022	9/30/2022	2	2,000,000.00	767.12	
	1	10/1/2022	10/31/2022	31	2,000,000.00	11,890.41	
	2	11/1/2022	11/30/2022	30	2,000,000.00	11,506.85	
	3	12/1/2022	12/31/2022	31	2,000,000.00	11,890.41	
	4	1/1/2023	1/31/2023	31	2,000,000.00	11,890.41	
	5	2/1/2023	2/28/2023	28	2,000,000.00	10,739.73	
	6	3/1/2023	3/31/2023	31	2,000,000.00	11,890.41	
	7	4/1/2023	4/30/2023	30	2,000,000.00	11,506.85	
	8	5/1/2023	5/31/2023	31	2,000,000.00	11,890.41	
	9	6/1/2023	6/30/2023	30	2,000,000.00	11,506.85	
	10	7/1/2023	7/31/2023	31	2,000,000.00	11,890.41	
	11	8/1/2023	8/31/2023	31	2,000,000.00	11,890.41	
	12	9/1/2023	9/30/2023	30	2,000,000.00	11,506.85	2,140,767.12
	13	10/1/2023	10/31/2023	31	2,140,767.12	12,727.30	
	14	11/1/2023	11/30/2023	30	2,140,767.12	12,316.74	
	15	12/1/2023	12/31/2023	31	2,140,767.12	12,727.30	
	16	1/1/2024	1/31/2024	31	2,140,767.12	12,727.30	
	17	2/1/2024	2/29/2024	28	2,140,767.12	11,495.63	
	18	3/1/2024	3/31/2024	31	2,140,767.12	12,727.30	
	19	4/1/2024	4/30/2024	30	2,140,767.12	12,316.74	
	20	5/1/2024	5/31/2024	31	2,140,767.12	12,727.30	
	21	6/1/2024	6/30/2024	30	2,140,767.12	12,316.74	
	22	7/1/2024	7/31/2024	31	2,140,767.12	12,727.30	
	23	8/1/2024	8/31/2024	31	2,140,767.12	12,727.30	
	24	9/1/2024	9/30/2024	30	2,140,767.12	12,316.74	2,290,620.82
	25	10/1/2024	10/31/2024	31	2,290,620.82	13,618.21	
	26	11/1/2024	11/30/2024	30	2,290,620.82	13,178.91	
	27	12/1/2024	12/31/2024	31	2,290,620.82	13,618.21	
	28	1/1/2025	1/31/2025	31	2,290,620.82	13,618.21	
	29	2/1/2025	2/28/2025	28	2,290,620.82	12,300.32	
	30	3/1/2025	3/31/2025	31	2,290,620.82	13,618.21	
	31	4/1/2025	4/30/2025	30	2,290,620.82	13,178.91	
	32	5/1/2025	5/31/2025	31	2,290,620.82	13,618.21	
	33	6/1/2025	6/30/2025	30	2,290,620.82	13,178.91	
	34	7/1/2025	7/1/2025	31	2,290,620.82	13,618.21	
	35	8/1/2025	8/31/2025	31	2,290,620.82	13,618.21	
	36	9/1/2025	9/30/2025	30	2,290,620.82	13,178.91	2,450,964.28
	37	10/1/2025	10/31/2025	31	2,450,964.28	14,571.49	
	38	11/1/2025	11/30/2025	30	2,450,964.28	14,101.44	
	39	12/1/2025	12/16/2025	16	2,450,964.28	7,520.77	

Total PIK @ Jan31/2025 344,654.37
Principal Balance 2,000,000.00
O/S Balance 2,344,654.37

Extended Maturity (Apr30/2025)

Total PIK 383,751.82
Principal 2,000,000.00
O/S Balance 2,383,751.82

Receivership order (Dec16/2025)

Total PIK 487,157.97
Principal 2,000,000.00
O/S Balance 2,487,157.97

This is **Exhibit 'K'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits



**BDC Capital Inc., a wholly-owned subsidiary of
Business Development Bank of Canada
Banque de développement du Canada**

GENERAL SECURITY AGREEMENT

THIS AGREEMENT dated the 29 day of September, 2022.

BETWEEN:

BLUERUSH INC., a corporation incorporated under the laws of the Province of Ontario, with its head office at 5700 Yonge St., Suite 200, Toronto, Ontario M2M 4K2

(the "Debtor")

AND:

BDC CAPITAL INC., a wholly-owned subsidiary of Business Development Bank of Canada, with a business centre at 81 Bay St., Suite 3700, Toronto, Ontario M5J 0E7

("BDC")

1. SECURITY INTEREST

(You, as the Debtor, will grant to BDC a charge, referred to as a security interest, over all personal property now held or in the future held or acquired by you. You will also grant a charge, referred to as a floating charge, over your complete undertaking. These charges are the security BDC will hold in consideration of lending you funds or providing the credit facility to you.)

1.1 For consideration the Debtor hereby:

- (a) mortgages and charges as a fixed and specific charge, and assigns and transfers to BDC, and grants to BDC a general and continuing security interest in all of the Debtor's present and after acquired personal property including, without limitation:
 - (i) all office, trade, manufacturing and all other equipment and all goods, including, without limitation, machinery, tools, fixtures, computers, furniture, furnishings, chattels, motor vehicles and other tangible personal property that is not Inventory, and all parts, components, attachments, accessories, accessions, replacements, substitutions, additions and improvements to any of the above (all of which is collectively called the "Equipment");
 - (ii) all inventory, including, without limitation, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in process, finished goods, returned goods, repossessed goods, all livestock and their young after conception, all crops and timber, and all packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing (all of which is collectively called the "Inventory");
 - (iii) all debts, accounts, claims, demands, moneys and choses in action which now are, or which may at any time be, due or owing to or owned by the Debtor and all books, records, documents, papers and electronically recorded data recording, evidencing or relating to the debts, accounts, claims, demands, moneys and choses in action (all of which is collectively called the "Accounts");

- (iv) all documents of title, chattel paper, instruments, securities and money, and all other personal property, of the Debtor that is not Equipment, Inventory or Accounts;
 - (v) all patents, trade-marks, copyrights, industrial designs, plant breeder's rights, integrated circuit topographies, trade-names, goodwill, confidential information, trade secrets and know-how, including without limitation, environmental technology and bio-technology, software and any registrations and applications for registration of the foregoing and all other intellectual and industrial property of the Debtor (all of which is collectively called the "Intellectual Property");
 - (vi) all the Debtor's contractual rights, licenses and all other choses in action of every kind which now are, or which may at any time be due or owing to or owned by the Debtor, and all other intangible property of the Debtor, that is not Accounts, chattel paper, instruments, documents of title, Intellectual Property, securities or money;
 - (vii) the personal property described in Schedule "A" attached to this Agreement and all additions thereto and replacements thereof; and
 - (viii) all proceeds of every nature and kind arising from the personal property referred to in this Security Agreement;
- (b) grants to BDC a general and continuing security interest and charges by way of a floating charge:
- (i) all of the undertaking and assets of the Debtor, of every nature or kind and wherever situate, whether presently owned or hereafter acquired, and all their proceeds, other than its assets and undertakings that are otherwise validly and effectively subject to the charges and security interests in favour of BDC created pursuant to this Clause 1.1.

1.2 The security interests, mortgages, transfers, assignments, charges, grants and conveyances created pursuant to Clause 1.1 shall be collectively called the "Security Interests", and the property subject to the Security Interests and all property, assets and undertaking charged, assigned or transferred or secured by any instruments supplemental to or in implementation of this Security Agreement are collectively called the "Collateral".

1.3 The schedules, including definitions, form part of this Security Agreement.

2. EXCEPTIONS

(With few exceptions, all of your personal property is subject to the security interests and charges described in Clause 1.1. Only the last day of any lease term and possibly your consumer goods are excepted. Corporations do not hold consumer goods.)

2.1 The last day of the term created by any lease or agreement is excepted out of any charge or the Security Interests but the Debtor shall stand possessed of the reversion and shall remain upon trust to assign and dispose of it to any third party as BDC shall direct.

2.2 All the Debtor's consumer goods are excepted out of the Security Interests.

3. ATTACHMENT

(Value or consideration has flowed between you and BDC and the Security Interests in your personal property are complete once you sign this Security Agreement.)

The Debtor agrees that the Security Interests attach upon the signing of this Security Agreement (or in the case of after acquired property, upon the date of acquisition), that value has been given, and that the Debtor has (or in the case of after acquired property, will have upon the date of acquisition) rights in the Collateral and the Debtor confirms that there has been no agreement between the Debtor and BDC to postpone the time for attachment of the Security Interests and that it is the Debtor's understanding that BDC intends the Security Interests to attach at the same time.

4. PURCHASE MONEY SECURITY INTEREST

(To the extent that BDC helps you acquire an interest in any personal property, you grant a special security interest to BDC over that personal property. The special security interest is known as a "Purchase Money Security Interest".)

The Debtor acknowledges and agrees that the Security Interests constitute and are intended to create Purchase Money Security Interests in Collateral to the extent that moneys advanced by BDC, including all future advances and re-advances, are used or are to be used, in whole or in part, to purchase or otherwise to acquire rights in Collateral.

5. OBLIGATIONS SECURED

(The Security Interests and charges you have granted to BDC secure all indebtedness and all obligations to BDC.)

This Security Agreement is in addition to and not in substitution for any other security interest or charge now or in the future held by BDC from the Debtor or from any other person and shall be general and continuing security for the payment and performance of all indebtedness, liabilities and obligations of the Debtor to BDC (including interest thereon), whether incurred prior to, at the time of or after the signing of this Security Agreement (including extensions and renewals, and all other liabilities of the Debtor to BDC, present and future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wherever and however incurred, including all advances on current or running account, future advances and re-advances of any loans or credit by BDC and the Debtor's obligation and liability under any contract or guarantee now or in the future in existence whereby the Debtor guarantees payment of the debts, liabilities and/or obligations of a third party to BDC, and for the performance of all obligations of the Debtor to BDC, whether or not contained in this Security Agreement (all of which indebtedness, liabilities and obligations are collectively called the "Obligations").

6. REPRESENTATIONS AND WARRANTIES

(You state that you are able to legally grant this Security Agreement to BDC, it will be binding and the Collateral is not subject to any encumbrances that have not been approved by BDC. You own the Collateral and nothing prevents you from granting the Security Interests and charges in favour of BDC. BDC will rely on all of the following representations and warranties.)

6.1 The Debtor represents and warrants to BDC that:

- (a) if a corporation, it is a corporation incorporated and organized and validly existing and in good standing under the laws of the jurisdiction of its incorporation; it has the corporate power to own or lease its property and to carry on the business conducted by it; it is qualified as a corporation to carry on the business conducted by it and to own or lease its property and is in good standing under the laws of each jurisdiction in which the nature of its business or the property owned or leased by it makes such qualification necessary; and the execution, delivery and performance of this Security Agreement are within its corporate powers, have been authorized and do not contravene, violate or conflict with any law or the terms and provisions of its constating documents or its by-laws or any shareholders agreement or any other agreement, indenture or undertaking to which the Debtor is a party or by which it is bound;
- (b) if it is a corporation, its name as set forth on page 1 of this Security Agreement is its full, true and correct name as stated in its constating documents and if such name is in English, it does not have or use a French language form of its name or a combined English language and French language form of its name and vice versa, and the Debtor has provided a written memorandum to BDC accurately setting forth all prior names under which the Debtor has operated;
- (c) if it is a partnership, its name as set forth on page 1 is its full, true and correct, and where required or voluntarily registered its registered, name; it is a partnership validly created and organized and validly existing under the laws of the jurisdiction of its creation; it has the power to carry on the business conducted by it; it is qualified as a partnership to carry on the business conducted by it and is in good standing under the laws of each jurisdiction in which the nature of its business makes such qualification necessary; and the execution, delivery and performance of this Agreement are within its powers, have been authorized, and do not contravene, violate or conflict with any law or the terms of its partnership agreement or any other agreement, indenture or undertaking to which the Debtor is a party or by which it is bound, and a complete list of the names, addresses and (if individuals) the dates of birth of the partners of the partnership are set forth on a Schedule attached to this Security Agreement;

- (d) if the Debtor is an individual, that individual's full name and address provided to BDC are the individual's full and correct name and address and the individual's date of birth as described on the individual's birth certificate a true copy of which has been provided to BDC or, if no birth certificate issued from any jurisdiction in Canada exists, as described on the documents provided to BDC is the individual's correct birth date;
- (e) there is no litigation or governmental proceedings commenced or pending against or affecting the Collateral or the Debtor, in which a decision adverse to the Debtor would constitute or result in a material adverse change in the business, operations, properties or assets or in the condition, financial or otherwise, of the Debtor; and the Debtor agrees to promptly notify BDC of any such future litigation or governmental proceeding;
- (f) it does not have any information or knowledge of any facts relating to its business, operations, property or assets or to its condition, financial or otherwise, which it has not disclosed to BDC in writing and which, if known to BDC, might reasonably be expected to deter BDC from extending credit or advancing funds to the Debtor;
- (g) it has good title and lawfully owns and possesses all presently held Collateral, free from all security interests, charges, encumbrances, liens and claims, save only the Security Interests and the charges or security interests consented to in writing by BDC, and it has not granted any licenses in or of its Intellectual Property other than as disclosed and consented to by BDC;
- (h) to the extent that any of the Collateral includes serial numbered goods and motor vehicles which require serial number registration by virtue of the Act and its regulations including motor vehicles, trailers, manufactured homes, mobile homes, boats, outboard motors for boats or aircraft, the Debtor has given the full and correct serial numbers and any Ministry of Transport designation marks or other relevant licensing authority marks of all such Collateral to BDC;
- (i) the Collateral is and/or will be located at the place(s) described in Schedule "A" and will not be removed from such location(s) without the prior written consent of BDC;
- (j) this Security Agreement is granted in accordance with resolutions of the directors (and of the shareholders as applicable) of the Debtor, if the Debtor is a corporation, or, if the Debtor is a partnership, of the partners of the Debtor, and all other requirements have been fulfilled to authorize and make the execution and delivery of this Security Agreement, and the performance of the Debtor's obligations valid and there is no restriction contained in the constating documents of the Debtor or in any shareholders agreement or partnership agreement which restricts the powers of the authorized signatories of the Debtor to borrow money or give security; and
- (k) the Debtor's place(s) of business and chief executive office have been correctly provided to BDC

7. COVENANTS OF THE DEBTOR

(The Security Interests and the Collateral must be protected while the Security Agreement remains in effect. These covenants are your promises to BDC describing how BDC's Security Interests will be attended to. You will also covenant to maintain accurate books and records and allow BDC's inspection. Your promises are found in the Security Agreement and Schedules.)

7.1 The Debtor covenants with BDC that while this Security Agreement remains in effect the Debtor will:

- (a) promptly pay and satisfy the Obligations as they become due or are demanded;
- (b) defend the title to the Collateral for BDC's benefit, against the claims and demands of all persons;
- (c) fully and effectually maintain and ensure that the Security Interests are and continue to be valid and effective;
- (d) maintain the Collateral in good condition and repair and provide adequate storage facilities to protect the Collateral and not permit the value of the Collateral to be impaired;

- (e) observe and conform to all valid requirements of any governmental authority relative to any of the Collateral and all covenants, terms and conditions upon or under which the Collateral is held;
- (f) forthwith pay and satisfy:
 - (i) all taxes, assessments, rates, duties, levies, government fees, claims and dues lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Debtor shall in good faith contest its obligations so to pay and shall furnish to BDC such security as BDC may require;
 - (ii) all security interests, charges, encumbrances, liens and claims which rank or could rank in priority to, or on an equal basis with, any of the Security Interests; and
 - (iii) all fees from time to time chargeable by BDC arising out of any term of the commitment letter between BDC and the Debtor including, without limitation, inspection, administration and returned cheque handling fees;
- (g) forthwith pay and satisfy all costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) which may be incurred by BDC in connection with granting loans or credit to the Debtor, including for:
 - (i) inspecting the Collateral;
 - (ii) negotiating, preparing, perfecting, registering or renewing the registration of this Security Agreement and the Security Interests, any Financing or Financing Change Statement, any modification or amending agreement and other documents relating to the Debtor's obligations, whether or not relating to this Security Agreement;
 - (iii) complying with any disclosure requirements under the Act;
 - (iv) investigating title to the Collateral;
 - (v) taking, recovering, keeping possession and disposing of the Collateral;
 - (vi) maintaining the Collateral in good repair, storing the Collateral and preparing the Collateral for disposition;
 - (vii) any inspection, appraisal, investigation or environmental audit of the Collateral and the cost of any environmental rehabilitation, treatment, removal or repair necessary to protect, preserve or remedy the Collateral including any fine or penalty BDC becomes obligated to pay by reason of any statute, order or direction of competent authority;
 - (viii) all other actions and proceedings taken to preserve the Collateral, enforce this Security Agreement and of any other security interest held by BDC as security for the Obligations, protect BDC from liability in connection with the Security Interests or assist BDC in its loan and credit granting or realization of the Security Interest, including any actions under Bankruptcy and Insolvency Act (Canada) and all remuneration of any Receiver (as defined in Article 15 hereof) or appointed pursuant to Bankruptcy and Insolvency Act (Canada);
 - (ix) any sums BDC pays as fines, or as clean up costs because of contamination of or from the Debtor's assets. Further, the Debtor will indemnify BDC and its employees and agents from any liability or costs incurred including legal defense costs. The Debtor's obligation under this paragraph continues even after the Obligations are repaid and this agreement is terminated.
- (h) at BDC's request, execute and deliver further documents and instruments and do all acts as BDC in its absolute discretion requires to confirm, register and perfect, and maintain the registration and perfection of, the Security Interests;

- (i) notify BDC promptly of:
 - (i) any change in the information contained in this Security Agreement relating to the Debtor, its business or the Collateral, including, without limitation, any change of name or address (including any change of trade name, proprietor or partner) and any change in the present location of any Collateral;
 - (ii) the details of any material acquisition of Collateral, including the acquisition of any motor vehicles, trailers, manufactured homes, boats or aircraft;
 - (iii) any material loss or damage to the Collateral;
 - (iv) any material default by any account debtor in the payment or other performance of its obligations to the Debtor respecting any Accounts;
 - (v) any claims against the Debtor including claims in respect of the Intellectual Property or of any actions taken by the Debtor to defend the registration of or the validity of or any infringement of the Intellectual Property;
 - (vi) the return to or repossession by the Debtor of Collateral that was disposed of by the Debtor; and
 - (vii) all additional places of business and any changes in its place(s) of business or chief executive office;
- (j) prevent the Collateral, other than Inventory sold, leased, or otherwise disposed of as permitted by this Security Agreement, from being or becoming an accession to property not covered by this Security Agreement;
- (k) carry on and conduct its business and undertaking in a proper and businesslike manner so as to preserve and protect the Collateral and the earnings, income, rents, issues and profits of the Collateral, including maintenance of proper and accurate books of account and records;
- (l) permit BDC and its representatives, at all reasonable times, access to the Collateral including all of the Debtor's property, assets and undertakings and to all its books of account and records for the purpose of inspection and the taking of extracts and copies, whether at the Debtor's premises or otherwise, and the Debtor will render all assistance necessary;
- (m) observe and perform all its obligations under:
 - (i) leases, licences, undertakings, and any other agreements to which it is a party;
 - (ii) any statute or regulation, federal, provincial, territorial, or municipal, to which it is subject;
- (n) deliver to BDC from time to time promptly upon request:
 - (i) any documents of title, instruments, securities and chattel paper constituting, representing or relating to the Collateral;
 - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral to allow BDC to inspect, audit or copy them;
 - (iii) all financial statements prepared by or for the Debtor regarding the Debtor's business;
 - (iv) such information concerning the Collateral, the Debtor and the Debtor's business and affairs as

BDC may reasonably require;

- (o) with respect to the Intellectual Property, take all necessary steps and initiate all necessary proceedings, to maintain the registration or recording of the Intellectual Property, to defend the Intellectual Property from infringement and to prevent any licensed or permitted user from doing anything that may invalidate or otherwise impair the Intellectual Property;
- (p) with respect to copyright forming part of the Intellectual Property, provide to BDC waivers of the moral rights thereto executed by all contributors or authors of the copyrighted work;
- (q) receive and hold in trust on behalf of and for the benefit of BDC all proceeds from the sale or other disposition of any Collateral;
- (r) consent to BDC contacting and making enquiries of the Debtor's lessors, as well as municipal or other government officials or assessors; and
- (s) observe and perform the additional covenants and agreements set out in any schedules to this Security Agreement, including Schedule B, if any.

7.2 Any amounts required to be paid to BDC by the Debtor under this Clause 7 shall be immediately payable with interest at the highest rate borne by any of the Obligations until all amounts have been paid.

7.3 This Security Agreement shall remain in effect until it has been terminated by BDC by notice of termination to the Debtor and all registrations relating to the Security Agreement have been discharged.

8. INSURANCE

(It is your obligation to thoroughly insure the Collateral in order to protect your interests and those of BDC. You will follow the specific requirements of the insurance coverage described in this Clause.)

8.1 The Debtor covenants that while this Security Agreement is in effect the Debtor shall:

- (a) maintain or cause to be maintained insurance on the Collateral with a reputable insurer, of kinds, for amounts and payable to such person or persons, all as BDC may require, and in particular maintain insurance on the Collateral to its full insurable value against loss or damage by fire and all other risks of damage, including an extended coverage endorsement and in the case of motor vehicles, insurance against theft;
- (b) cause the insurance policy or policies required by this Security Agreement to be assigned to BDC, including a standard mortgage clause or a mortgage endorsement, as BDC may require;
- (c) pay all premiums respecting such insurance, and deliver all policies to BDC, if it so requires.

8.2 If proceeds of any required insurance becomes payable, BDC may, in its absolute discretion, apply these proceeds to the Obligations as BDC sees fit or release any insurance proceeds to the Debtor to repair, replace or rebuild, but any release of insurance proceeds to the Debtor shall not operate as a payment on account of the Obligations or in any way affect this Security Agreement or the Security Interests.

8.3 The Debtor will forthwith, on the happening of loss or damage to the Collateral, notify BDC and furnish to BDC at the Debtor's expense any necessary proof and do any necessary act to enable BDC to obtain payment of the insurance proceeds, but nothing shall limit BDC's right to submit to the insurer a proof of loss on its own behalf.

8.4 The Debtor hereby authorizes and directs the insurer under any required policy of insurance to include the name of BDC as loss payee on any policy of insurance and on any cheque or draft which may be issued respecting a claim settlement under and by virtue of such insurance, and the production by BDC to any insurer of a notarial or certified copy of this Security Agreement (notarized or certified by a notary public or solicitor) shall be the insurer's complete authority for so doing.

8.5 If the Debtor fails to maintain insurance as required, BDC may, but shall not be obliged to, maintain or effect such insurance coverage, or so much insurance coverage as BDC may wish to maintain.

9. OTHER PROHIBITIONS

(You agree to not encumber your property so as to interfere with the security interests or charges granted to BDC and you will not dispose of any of the Collateral except inventory disposed of in the ordinary course of your business.)

Without the prior written consent of BDC the Debtor will not:

- (a) create or permit to exist any security interest in, charge, encumbrance or lien over, or claim against any of its property, assets, undertakings including without limitation the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests created by this Security Agreement;
- (b) grant, sell, or otherwise assign any of its chattel paper or any of the Collateral except only Inventory that is disposed of in accordance with Clause 10.2; or
- (c) where the Debtor is a corporation
 - (i) repay or reduce any shareholders loans or other debts due to its shareholders; or
 - (ii) change its name, merge with or amalgamate with any other entity;

10. RESTRICTIONS ON SALE OR DISPOSAL OF COLLATERAL

(You will preserve and protect all of the Collateral and not dispose of it without the consent of BDC. Any sales or other disposition will result in you holding the proceeds in trust for BDC. Your responsibilities towards the Collateral and any trust proceeds are important to BDC.)

10.1 Except as provided by this Security Agreement, without BDC's prior written consent the Debtor will not:

- (a) sell, lease, license or otherwise dispose of the Collateral;
- (b) release, surrender or abandon possession of the Collateral; or
- (c) move or transfer the Collateral from the jurisdictions in which the Security Interests have been perfected.

10.2 Provided that the Debtor is not in default under this Security Agreement, the Debtor may lease, sell, license, consign or otherwise deal with items of Inventory only in the ordinary course of its business and for the purposes of carrying on its business.

10.3 Any disposition of any Collateral, excepting sales of Inventory in the ordinary course, shall result in the Debtor holding the proceeds in trust for and on behalf of BDC and subject to BDC's exclusive direction and control. Nothing restricts BDC's rights to attach, seize or otherwise enforce its Security Interests in any Collateral sold or disposed, unless it is sold or disposed with BDC's prior written consent.

11. PERFORMANCE OF OBLIGATIONS

(If you do not strictly do all those things that you have agreed to do in this Security Agreement, BDC may perform those obligations but you will be required to pay for them.)

If the Debtor fails to perform its covenants and agreements under this Security Agreement, BDC may, but shall not be obliged to, perform any or all of such covenants and agreements without prejudice to any other rights and remedies of BDC, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) incurred by BDC shall be immediately payable by the Debtor to BDC with interest at the highest rate borne by any of the Obligations and shall be secured by the Security Interests, until all such amounts have been paid.

12. ACCOUNTS

(Any dealing with the Collateral that results in an account being created, or proceeds arising, is of particular importance to BDC. The account, or proceeds, acts in substitution for the Collateral that has been sold, usually inventory. You will protect the account or proceeds in favour of BDC.)

Notwithstanding any other provision of this Security Agreement, BDC may collect, realize, sell or otherwise deal with all or a portion of the Accounts in such manner, upon such terms and conditions and at any time, whether before or after default, as may seem to it advisable, and without notice to the Debtor, except in the case of disposition after default and then subject to the applicable provisions of the Act, if any. All forms of payment received by the Debtor in payment of any Account, or as proceeds, shall be subject to the Security Interests and shall be received and held by the Debtor in trust for BDC.

13. APPROPRIATION OF PAYMENTS

(BDC has the right to determine how funds it receives will be applied in relation to your loan facility.)

Any and all payments made respecting the Obligations and monies realized from any Security Interests (including monies collected in accordance with or realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as BDC sees fit, and BDC may at any time change any appropriation as BDC sees fit.

14. DEFAULT

(You must comply with the payment and other obligations that you have made in favour of BDC. You must also strictly satisfy the covenants and agreements that you have made in this Security Agreement. Failure to do so will be considered a default and BDC will consider its legal remedies and possibly pursue them. This Clause defines the defaults and outlines your obligations.)

14.1 Unless waived by BDC, the Debtor shall be in default under this Security Agreement and shall be deemed to be in default under all other agreements between the Debtor and BDC in any of the following events:

- (a) the Debtor defaults, or threatens to default, in payments when due of any of the Obligations; or
- (b) the Debtor is in breach of, or threatens to breach, any term, condition, obligation or covenant made by it to or with BDC, or any representation or warranty of the Debtor to BDC is untrue or ceases to be accurate, whether or not contained in this Security Agreement; or
- (c) the Debtor or a guarantor of the Debtor declares itself to be insolvent or admits in writing its inability to pay its debts generally as they become due, or makes an assignment for the benefit of its creditors, is declared bankrupt, makes a proposal or otherwise takes advantage of any provisions for relief under *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or similar legislation in any jurisdiction, or makes an authorized assignment; or
- (d) a receiver, manager, receiver and manager or receiver-manager of all or a part of the Collateral is appointed; or
- (e) an order is made or a resolution is passed for the winding up of the Debtor or a guarantor of the Debtor; or
- (f) the Debtor or a guarantor of the Debtor ceases or threatens to cease to carry on all or a substantial part of its business or makes or threatens to make a sale of all or substantially all of its assets; or
- (g) distress or execution is levied or issued against all or any part of the Collateral; or
- (h) if the Debtor is a corporation and any member or shareholder:
 - (i) commences an action against the Debtor; or
 - (ii) gives a notice of dissent to the Debtor in accordance with the provisions of any governing legislation; or
- (i) if the Debtor is a corporation and its voting control changes without BDC's prior written consent; or

- (j) the Debtor uses any monies advanced to it by BDC for any purpose other than as agreed upon by BDC; or
- (k) without BDC's prior written consent, the Debtor creates or permits to exist any security interest, charge, encumbrance, lien or claim against any of the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests; or
- (l) the holder of any other security interest, charge, encumbrance, lien or claim against any of the Collateral does anything to enforce or realize on such security interest, charge, encumbrance, lien or claim; or
- (m) the Debtor enters into an amalgamation, a merger or other similar arrangement with any other person without BDC's prior written consent or, if the Debtor is a corporation, it is continued or registered in a different jurisdiction without BDC's prior written consent; or
- (n) BDC in good faith and on commercially reasonable grounds believes that the prospect of payment or performance of any of the Obligations is impaired or that any of the Collateral is or is about to be placed in jeopardy or removed from the jurisdiction in which this Security Agreement has been registered; or
- (o) the lessor under any lease to the Debtor of any real or personal property takes any steps to or threatens to terminate such lease or otherwise exercise any of its remedies under such lease as a result of any default by the Debtor; or
- (p) the Debtor causes or allows hazardous materials to be brought upon any lands or premises occupied by the Debtor or to be incorporated into any of its assets, or the Debtor causes, permits, or fails to remedy any environmental contamination upon, in or under any of its lands or assets, or fails to comply with any abatement or remediation order given by a responsible authority; or
- (q) any permit, license, certification, quota or order granted to or held by the Debtor is cancelled, revoked or reduced, as the case may be, or any order against the Debtor is enforced, preventing the business of the Debtor from being carried on for more than 5 days or materially adversely changing the condition (financial or otherwise) of the Debtor's business; or
- (r) if an individual, the Debtor dies or is declared incompetent by a court of competent jurisdiction.

15. ENFORCEMENT

(If a default occurs, BDC has numerous remedies and legal rights, including enforcement of the Security Agreement according to this Clause. You also have rights, provided by the *Personal Property Security Act* and the common law in your jurisdiction.)

15.1 Upon any default under this Security Agreement BDC may declare any or all of the Obligations whether or not payable on demand to become immediately due and payable and the Security Interests will immediately become enforceable. To enforce and realize on the Security Interests BDC may take any action permitted by law or in equity as it may deem expedient and in particular, without limitation, BDC may do any of the following:

- (a) appoint by instrument a receiver, manager, receiver and manager or receiver-manager (the "Receiver") of all or any part of the Collateral, with or without bond as BDC may determine, and in its absolute discretion remove such Receiver and appoint another in its stead;
- (b) enter upon any of the Debtor's premises at any time and take possession of the Collateral with power to exclude the Debtor, its agents and its servants, without becoming liable as a mortgagee in possession;
- (c) preserve, protect and maintain the Collateral and make such replacements and repairs and additions to the Collateral as BDC deems advisable;
- (d) dispose of all or part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such

conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to BDC may seem reasonable, provided that if any sale, lease or other disposition is on credit the Debtor will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received;

- (e) register assignments of the Intellectual Property, and use sell, assign, license or sub-license any of the Intellectual Property; and
- (f) exercise all of the rights and remedies of a secured party under the Act and any other applicable laws.

15.2 A Receiver appointed pursuant to this Security Agreement insofar as responsibility for its actions is concerned shall be the agent of the Debtor and not of BDC and, to the extent permitted by law or to such lesser extent permitted by its appointment, shall have all the powers of BDC under this Security Agreement, and in addition shall have power to:

- (a) carry on the Debtor's business and for such purpose from time to time to borrow money either secured or unsecured, and if secured by granting a security interest on the Collateral, such security interest may rank before or on an equal basis with or behind any of the Security Interests and if it does not so specify such security interest shall rank in priority to the Security Interests; and
- (b) make an assignment for the benefit of the Debtor's creditors or a proposal on behalf of the Debtor under Bankruptcy and Insolvency Act (Canada); and
- (c) commence, continue or defend proceedings in the name of the Receiver or in the name of the Debtor for the purpose of protecting, seizing, collecting, realizing or obtaining possession of or payment for the Collateral; and
- (d) make any arrangement or compromise that the Receiver deems expedient.

15.3 Subject to the claims, if any, of the creditors of the Debtor ranking in priority to this Security Agreement, all amounts realized from the disposition of the Collateral pursuant to this Security Agreement will be applied as BDC, in its absolute discretion and to the full extent permitted by law, may direct as follows:

- (a) in payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and its own client basis) incurred by BDC respecting or incidental to:
 - (i) the exercise by BDC of the rights and powers granted to it by this Security Agreement; and
 - (ii) the appointment of the Receiver and the exercise by the Receiver of the powers granted to it by this Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver;
- (b) in or toward payment to BDC of all principal and other monies (except interest) due in respect of the Obligations;
- (c) in or toward payment to BDC of all interest remaining unpaid respecting the Obligations; and
- (d) in payment to those parties entitled thereto under the Act.

16. GENERAL PROVISIONS PROTECTING BDC

(You have granted this Security Agreement to BDC in consideration by BDC advancing funds or providing credit or a credit facility to you. BDC will not be responsible for debts or liabilities that may arise except to the extent that it agrees to be responsible or liable in this Security Agreement. If enforcement becomes necessary, BDC will act in good faith and in a commercially reasonable manner.)

16.1 To the full extent permitted by law, BDC shall not be liable for any debts contracted by it during enforcement of this Security Agreement, for damages to persons or property or for salaries or non-fulfilment of contracts during any period when BDC shall manage the Collateral upon entry or seizure, nor shall BDC be liable to account as a mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any

default or omission for which a mortgagee in possession may be liable. BDC shall not be bound to do, observe or perform or to see to the observance or performance by the Debtor of any obligations or covenants imposed upon the Debtor nor shall BDC, in the case of securities, instruments or chattel paper, be obliged to preserve rights against other persons, nor shall BDC be obliged to keep any of the Collateral identifiable. To the full extent permitted by law, the Debtor waives any provision of law permitted to be waived by it which imposes greater obligations upon BDC than described above.

16.2 Neither BDC nor any Receiver appointed by it shall be liable or accountable for any failure to seize, collect, realize, sell or obtain payments for the Collateral nor shall they be bound to institute proceedings for the purposes of seizing, collecting, realizing or obtaining payment or possession of the Collateral or the preserving of any right of BDC, the Debtor or any other party respecting the Collateral. BDC shall also not be liable for any misconduct, negligence, misfeasance by BDC, the Receiver or any employee or agent of BDC or the Receiver, or for the exercise of the rights and remedies conferred upon BDC or the Receiver by this Security Agreement.

16.3 BDC or any Receiver appointed by it may grant extensions of time and other indulgences, take and give securities, accept compromises, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the debtors of the Debtor, co-obligants, guarantors and others and with the Collateral and other securities as BDC may see fit without liability to BDC and without prejudice to BDC's rights respecting the Obligations or BDC's right to hold and realize the Collateral.

16.4 BDC in its sole discretion may realize upon any other security provided by the Debtor in any order or concurrently with the realization under this Security Agreement whether such security is held by it at the date of this Security Agreement or is provided at any time in the future. No realization or exercise of any power or right under this Security Agreement or under any other security shall prejudice any further realization or exercise until all Obligations have been fully paid and satisfied.

16.5 Any right of BDC and any obligation of the Debtor arising under any other agreements between BDC and the Debtor shall survive the signing, registration and advancement of any money under this Security Agreement, and no merger respecting any such right or obligation shall occur by reason of this Security Agreement. The obligation, if any, of the Debtor to pay legal fees, a commitment fee, a standby fee or administration fees, under the terms of BDC's commitment letter with the Debtor shall survive the signing and registration of this Security Agreement and BDC's advancement of any money to the Debtor and any legal fees, commitment fees, standby fees or administration fees owing by the Debtor shall be secured by the Collateral.

16.6 In the event that BDC registers a notice of assignment of Intellectual Property the Debtor shall be responsible for and shall indemnify BDC against all maintenance and renewal costs in respect thereof, and any costs of initiating or defending litigation, together with all costs, liabilities and damages related thereto.

16.7 Notwithstanding any taking of possession of the Collateral, or any other action which BDC or the Receiver may take, the Debtor now covenants and agrees with BDC that if the money realized upon any disposition of the Collateral is insufficient to pay and satisfy the whole of the Obligations due to BDC at the time of such disposition, the Debtor shall immediately pay to BDC an amount equal to the deficiency between the amount of the Obligations and the sum of money realized upon the disposition of the Collateral, and the Debtor agrees that BDC may bring action against the Debtor for payment of the deficiency, notwithstanding any defects or irregularities of BDC or the Receiver in enforcing its rights under this Security Agreement.

17. APPOINTMENT OF ATTORNEY

(You appoint BDC your attorney for specific matters.)

The Debtor hereby irrevocably appoints BDC or the Receiver, as the case may be, with full power of substitution, as the attorney of the Debtor for and in the name of the Debtor, to do, make, sign, endorse or execute under seal or otherwise all deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Debtor is obliged to sign, endorse or execute and generally to use the name of the Debtor and to do everything necessary or incidental to the exercise of all or any of the powers conferred on BDC, or the Receiver, as the case may be, pursuant to this Security Agreement. This grant and authority shall continue and survive any mental infirmity or legal incapacity of the Debtor subsequent to the execution hereof.

18. CONSOLIDATION

(Should you wish to redeem the Security Interest, BDC may require you to also pay other obligations to it before discharging its Security Interests.)

For the purposes of the laws of all jurisdictions in Canada, the doctrine of consolidation applies to this Security Agreement.

19. NO OBLIGATION TO ADVANCE

(BDC determines, in the end, whether any advances or further advances under the loan facility will be made.)

Neither the preparation and execution of this Security Agreement nor the perfection of the Security Interests or the advance of any monies by BDC shall bind BDC to make any advance or loan or further advance or loan, or extend any time for payment of any indebtedness or liability of the Debtor to BDC.

20. WAIVER

(Indulgences granted by BDC should not be taken for granted.)

BDC may permit the Debtor to remedy any default without waiving the default so remedied. BDC may from time to time and at any time partially or completely waive any right, benefit or default under this Security Agreement but such waiver shall not be a bar to or a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default under this Security Agreement. No waiver shall be effective unless it is in writing and signed by BDC. No delay or omission on the part of BDC in exercising any right shall operate as a waiver of such right or any other right.

21. NOTICE

(This Clause describes how the various notices referred to in this Security Agreement may be given.)

Notice may be given to either party by prepaid mail or delivered to the party for whom it is intended, at the principal address of such party provided in this Security Agreement or at such other address as may be given in writing by one party to the other, and any notice if mailed shall be deemed to have been given at the expiration of three business days after mailing and if delivered, on delivery.

22. EXTENSIONS

(Your duties and responsibilities to BDC remain in place regardless of any concerns you may have about the loan facility or BDC's actions.)

BDC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of security interests, and otherwise deal with the Debtor, the Debtor's account debtors, sureties and others and with the Collateral and other security interests as BDC may see fit without prejudice to the Debtor's liability or BDC's right to hold and realize on the Security Interests.

23. NO MERGER

(Except as agreed upon in the Security Agreement or another contract specifically discussing this point, this Security Agreement is an independent obligation on your part.)

This Security Agreement shall not create any merger or discharge of any of the Obligations, or any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security interest of any form held or which may be held by BDC now or in the future from the Debtor or from any other person. The taking of a judgment respecting any of the Obligations will not operate as a merger of any of the covenants contained in this Security Agreement.

24. RIGHTS CUMULATIVE

(This Agreement describes some rights and remedies of BDC. BDC also is entitled to rely on all other rights and remedies available to it in law and in any other agreements it has entered into with you.)

BDC's rights and remedies set out in this Security Agreement, and in any other security agreement held by BDC from the Debtor or any other person to secure payment and performance of the Obligations, are cumulative and no right or remedy contained in this Security Agreement or any other security agreements is intended to be exclusive but each will be in addition to every other right or remedy now or hereafter existing at law, in equity or by

statute, or pursuant to any other agreement between the Debtor and BDC that may be in effect from time to time.

25. ASSIGNMENT

(Should BDC assign or transfer or otherwise deal with this Security Agreement on its own behalf, you agree that the Security Agreement shall remain binding and effective upon you.)

BDC may, without notice to the Debtor, at any time assign or transfer, or grant a security interest in, all or any of the Obligations, this Security Agreement and the Security Interests. The Debtor agrees that the assignee, transferee or secured party, as the case may be, shall have all of BDC's rights and remedies under this Security Agreement and the Debtor will not assert as a defence, counterclaim, right of set-off or otherwise any claim which it now has or may acquire in the future against BDC in respect of any claim made or any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the assigned Obligations to the assignee, transferee or secured party, as the case may be, as the said Obligations become due.

26. SATISFACTION AND DISCHARGE

(Until this Security Agreement is terminated and any registrations relating to it are discharged, the Security Agreement will remain effective even though the indebtedness to BDC may have been paid.)

Any partial payment or satisfaction of the Obligations, or any ceasing by the Debtor to be indebted to BDC shall not be a redemption or discharge of this Security Agreement. The Debtor shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations, and upon written request by the Debtor and, subject to applicable law, payment to BDC of an administrative fee to be fixed by BDC and payment of all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred by BDC in connection with the Obligations and such release and discharge. The Debtor shall, subject to applicable law, pay an administrative fee, to be fixed by BDC, for the preparation or execution of any full or partial release or discharge by BDC of any security it holds, of the Debtor, or of any guarantor or covenantor with respect to any Obligations.

27. ENVIRONMENT

The Debtor represents and agrees that:

- (a) it operates and will continue to operate in conformity with all applicable environmental laws, regulations, standards, codes, ordinances and other requirements of any jurisdiction in which it carries on business and will ensure its staff is trained as required for that purpose;
- (b) it has an environmental emergency response plan and all officers and employees are familiar with that plan and their duties under it;
- (c) it possesses and will maintain all environmental licences, permits and other governmental approvals as may be necessary to conduct its business and maintain the Collateral;
- (d) there has been no complaint, prosecution, investigation or proceeding, environmental or otherwise, respecting the Debtor's business or assets including without limitation the Collateral;
- (f) it will advise BDC immediately upon becoming aware of any environmental problems relating to its business or the Collateral;
- (g) it will provide BDC with copies of all communications with environmental officials and all environmental studies or assessments prepared for the Debtor and it consents to BDC contacting and making enquiries of environmental officials or assessors;
- (h) it will from time to time when requested by BDC provide to BDC evidence of its full compliance with the Debtor's obligations in this Clause 27.

28. ENUREMENT

This Security Agreement shall enure to the benefit of BDC and its successors and assigns, and shall be binding upon the Debtors and its heirs, executors, administrators, successors and any assigns permitted by BDC, as the case may be.

29. INTERPRETATION

29.1 In this Security Agreement:

- (a) "Collateral" has the meaning set out in Clause 1 and any reference to the Collateral shall, unless the context otherwise requires, be deemed to be a reference to the Collateral in whole or in part;
- (b) "the Act" means the *Personal Property Security Act* of the province in which the business centre of BDC is located, as described on page 1 of this Security Agreement, and all regulations under the Act, as amended from time to time.

29.2 Words and expressions used in this Security Agreement that have been defined in the Act shall be interpreted in accordance with their respective meanings given in the Act unless otherwise defined in this Security Agreement or unless the context otherwise requires.

29.3 The invalidity or unenforceability of the whole or any part of any clause of this Security Agreement shall not affect the validity or enforceability of any other clause or the remainder of such clause of this Security Agreement.

29.4 The headings used in this Security Agreement have been inserted for convenience of reference only and shall not define, limit, alter or enlarge the meaning of any provision of this Security Agreement.

29.5 This Security Agreement shall be governed by the laws of the province referred to in subclause 29.1(b). For enforcement purposes, the Debtor hereby attorns to the jurisdiction of the courts and laws of any province, state, territory or country in which BDC enforces its rights and remedies hereunder.

30. COPY OF AGREEMENT AND FINANCING STATEMENT

The Debtor:

- (a) acknowledges receiving a copy of this Security Agreement; and
- (b) if the Act so permits, waives all rights to receive from BDC a copy of any financing statement or financing change statement filed, or any verification statement or other document received at any time respecting this Security Agreement.

31. TIME

Time shall in all respects be of the essence.

32. INDEPENDENT ADVICE

The Debtor acknowledges having received, or having had the opportunity to receive, independent legal and accounting advice respecting this Security Agreement and its effect.

33. PARENTHETICAL COMMENTS

The Debtor acknowledges and agrees that the comments in parentheses are intended to provide a brief but not thorough indication of the intent of the legal provisions that follow in each subsequent clause, and do not form part of this Security Agreement.

34. THE COMMITMENT LETTER

BDC has extended an offer of financing or a commitment letter to the Debtor relating to the loan facilities secured by this Security Agreement. The Debtor acknowledges and agrees that in the event of any discrepancy between any term of this Security Agreement and any term of the commitment letter, the terms of the commitment letter shall apply and take precedence over the terms of this Security Agreement.

[the remainder of this page is intentionally left blank]

IN WITNESS WHEREOF the Debtor has hereunto set his hand and seal or has affixed its corporate seal duly attested by the hand(s) of its proper officer(s) in that behalf, on the day and year first above written.

BLUERUSH INC.

DocuSigned by:

Stephen Taylor

By:

F8B0B1D6BB5E4E1...

Name: Stephen Taylor

Title: CEO

I have authority to bind the Corporation.

SCHEDULE "A"

Subclause 1.1 (a) (vii):

the following specific items, even though they may be included within the descriptions of Collateral (insert description by item or kind):

the following serial numbered goods:

Type	Serial No. (re: motor vehicles & trailers) Dept. of Transport No. (re: aircraft)	Year	Make and Model

Subclause 6.1 (c):

Date of Birth of Debtor (if an individual):

Month

Day

Year

Subclause 6.1 (i):

Location(s) of the Collateral:

5700 Yonge St., Suite 200, Toronto, Ontario M2M 4K2
1751 Rue Richardson, #3116, Montreal, Quebec H3K 1G6

Subclause 6.1 (k):

The Debtor's place(s) of business ("POB") and chief executive office ("CEO")

Chief Executive Office:	5700 Yonge St., Suite 200, Toronto, Ontario M2M 4K2
Place of Business:	5700 Yonge St., Suite 200, Toronto, Ontario M2M 4K2
And:	1751 Rue Richardson, #3116, Montreal, Quebec H3K 1G6

This is **Exhibit 'L'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits



**BDC Capital Inc., a wholly-owned subsidiary of
Business Development Bank of Canada
Banque de développement du Canada**

GENERAL SECURITY AGREEMENT

THIS AGREEMENT dated the 29 day of September, 2022.

BETWEEN:

BLUERUSH DIGITAL MEDIA CORP., a corporation incorporated under the laws of Canada, with its head office at 5700 Yonge St., Suite 200, Toronto, Ontario M2M 4K2

(the "Debtor")

AND:

BDC CAPITAL INC., a wholly-owned subsidiary of Business Development Bank of Canada, with a business centre at 81 Bay St., Suite 3700, Toronto, Ontario M5J 0E7

("BDC")

1. SECURITY INTEREST

(You, as the Debtor, will grant to BDC a charge, referred to as a security interest, over all personal property now held or in the future held or acquired by you. You will also grant a charge, referred to as a floating charge, over your complete undertaking. These charges are the security BDC will hold in consideration of lending you funds or providing the credit facility to you.)

1.1 For consideration the Debtor hereby:

- (a) mortgages and charges as a fixed and specific charge, and assigns and transfers to BDC, and grants to BDC a general and continuing security interest in all of the Debtor's present and after acquired personal property including, without limitation:
 - (i) all office, trade, manufacturing and all other equipment and all goods, including, without limitation, machinery, tools, fixtures, computers, furniture, furnishings, chattels, motor vehicles and other tangible personal property that is not Inventory, and all parts, components, attachments, accessories, accessions, replacements, substitutions, additions and improvements to any of the above (all of which is collectively called the "Equipment");
 - (ii) all inventory, including, without limitation, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in process, finished goods, returned goods, repossessed goods, all livestock and their young after conception, all crops and timber, and all packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing (all of which is collectively called the "Inventory");
 - (iii) all debts, accounts, claims, demands, moneys and choses in action which now are, or which may at any time be, due or owing to or owned by the Debtor and all books, records, documents, papers and electronically recorded data recording, evidencing or relating to the debts, accounts, claims, demands, moneys and choses in action (all of which is collectively called the "Accounts");

- (iv) all documents of title, chattel paper, instruments, securities and money, and all other personal property, of the Debtor that is not Equipment, Inventory or Accounts;
 - (v) all patents, trade-marks, copyrights, industrial designs, plant breeder's rights, integrated circuit topographies, trade-names, goodwill, confidential information, trade secrets and know-how, including without limitation, environmental technology and bio-technology, software and any registrations and applications for registration of the foregoing and all other intellectual and industrial property of the Debtor (all of which is collectively called the "Intellectual Property");
 - (vi) all the Debtor's contractual rights, licenses and all other choses in action of every kind which now are, or which may at any time be due or owing to or owned by the Debtor, and all other intangible property of the Debtor, that is not Accounts, chattel paper, instruments, documents of title, Intellectual Property, securities or money;
 - (vii) the personal property described in Schedule "A" attached to this Agreement and all additions thereto and replacements thereof; and
 - (viii) all proceeds of every nature and kind arising from the personal property referred to in this Security Agreement;
- (b) grants to BDC a general and continuing security interest and charges by way of a floating charge:
- (i) all of the undertaking and assets of the Debtor, of every nature or kind and wherever situate, whether presently owned or hereafter acquired, and all their proceeds, other than its assets and undertakings that are otherwise validly and effectively subject to the charges and security interests in favour of BDC created pursuant to this Clause 1.1.

1.2 The security interests, mortgages, transfers, assignments, charges, grants and conveyances created pursuant to Clause 1.1 shall be collectively called the "Security Interests", and the property subject to the Security Interests and all property, assets and undertaking charged, assigned or transferred or secured by any instruments supplemental to or in implementation of this Security Agreement are collectively called the "Collateral".

1.3 The schedules, including definitions, form part of this Security Agreement.

2. EXCEPTIONS

(With few exceptions, all of your personal property is subject to the security interests and charges described in Clause 1.1. Only the last day of any lease term and possibly your consumer goods are excepted. Corporations do not hold consumer goods.)

2.1 The last day of the term created by any lease or agreement is excepted out of any charge or the Security Interests but the Debtor shall stand possessed of the reversion and shall remain upon trust to assign and dispose of it to any third party as BDC shall direct.

2.2 All the Debtor's consumer goods are excepted out of the Security Interests.

3. ATTACHMENT

(Value or consideration has flowed between you and BDC and the Security Interests in your personal property are complete once you sign this Security Agreement.)

The Debtor agrees that the Security Interests attach upon the signing of this Security Agreement (or in the case of after acquired property, upon the date of acquisition), that value has been given, and that the Debtor has (or in the case of after acquired property, will have upon the date of acquisition) rights in the Collateral and the Debtor confirms that there has been no agreement between the Debtor and BDC to postpone the time for attachment of the Security Interests and that it is the Debtor's understanding that BDC intends the Security Interests to attach at the same time.

4. PURCHASE MONEY SECURITY INTEREST

(To the extent that BDC helps you acquire an interest in any personal property, you grant a special security interest to BDC over that personal property. The special security interest is known as a "Purchase Money Security Interest".)

The Debtor acknowledges and agrees that the Security Interests constitute and are intended to create Purchase Money Security Interests in Collateral to the extent that moneys advanced by BDC, including all future advances and re-advances, are used or are to be used, in whole or in part, to purchase or otherwise to acquire rights in Collateral.

5. OBLIGATIONS SECURED

(The Security Interests and charges you have granted to BDC secure all indebtedness and all obligations to BDC.)

This Security Agreement is in addition to and not in substitution for any other security interest or charge now or in the future held by BDC from the Debtor or from any other person and shall be general and continuing security for the payment and performance of all indebtedness, liabilities and obligations of the Debtor to BDC (including interest thereon), whether incurred prior to, at the time of or after the signing of this Security Agreement (including extensions and renewals, and all other liabilities of the Debtor to BDC, present and future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wherever and however incurred, including all advances on current or running account, future advances and re-advances of any loans or credit by BDC and the Debtor's obligation and liability under any contract or guarantee now or in the future in existence whereby the Debtor guarantees payment of the debts, liabilities and/or obligations of a third party to BDC, and for the performance of all obligations of the Debtor to BDC, whether or not contained in this Security Agreement (all of which indebtedness, liabilities and obligations are collectively called the "Obligations").

6. REPRESENTATIONS AND WARRANTIES

(You state that you are able to legally grant this Security Agreement to BDC, it will be binding and the Collateral is not subject to any encumbrances that have not been approved by BDC. You own the Collateral and nothing prevents you from granting the Security Interests and charges in favour of BDC. BDC will rely on all of the following representations and warranties.)

6.1 The Debtor represents and warrants to BDC that:

- (a) if a corporation, it is a corporation incorporated and organized and validly existing and in good standing under the laws of the jurisdiction of its incorporation; it has the corporate power to own or lease its property and to carry on the business conducted by it; it is qualified as a corporation to carry on the business conducted by it and to own or lease its property and is in good standing under the laws of each jurisdiction in which the nature of its business or the property owned or leased by it makes such qualification necessary; and the execution, delivery and performance of this Security Agreement are within its corporate powers, have been authorized and do not contravene, violate or conflict with any law or the terms and provisions of its constating documents or its by-laws or any shareholders agreement or any other agreement, indenture or undertaking to which the Debtor is a party or by which it is bound;
- (b) if it is a corporation, its name as set forth on page 1 of this Security Agreement is its full, true and correct name as stated in its constating documents and if such name is in English, it does not have or use a French language form of its name or a combined English language and French language form of its name and vice versa, and the Debtor has provided a written memorandum to BDC accurately setting forth all prior names under which the Debtor has operated;
- (c) if it is a partnership, its name as set forth on page 1 is its full, true and correct, and where required or voluntarily registered its registered, name; it is a partnership validly created and organized and validly existing under the laws of the jurisdiction of its creation; it has the power to carry on the business conducted by it; it is qualified as a partnership to carry on the business conducted by it and is in good standing under the laws of each jurisdiction in which the nature of its business makes such qualification necessary; and the execution, delivery and performance of this Agreement are within its powers, have been authorized, and do not contravene, violate or conflict with any law or the terms of its partnership agreement or any other agreement, indenture or undertaking to which the Debtor is a party or by which it is bound, and a complete list of the names, addresses and (if individuals) the dates of birth of the partners of the partnership are set forth on a Schedule attached to this Security Agreement;

- (d) if the Debtor is an individual, that individual's full name and address provided to BDC are the individual's full and correct name and address and the individual's date of birth as described on the individual's birth certificate a true copy of which has been provided to BDC or, if no birth certificate issued from any jurisdiction in Canada exists, as described on the documents provided to BDC is the individual's correct birth date;
- (e) there is no litigation or governmental proceedings commenced or pending against or affecting the Collateral or the Debtor, in which a decision adverse to the Debtor would constitute or result in a material adverse change in the business, operations, properties or assets or in the condition, financial or otherwise, of the Debtor; and the Debtor agrees to promptly notify BDC of any such future litigation or governmental proceeding;
- (f) it does not have any information or knowledge of any facts relating to its business, operations, property or assets or to its condition, financial or otherwise, which it has not disclosed to BDC in writing and which, if known to BDC, might reasonably be expected to deter BDC from extending credit or advancing funds to the Debtor;
- (g) it has good title and lawfully owns and possesses all presently held Collateral, free from all security interests, charges, encumbrances, liens and claims, save only the Security Interests and the charges or security interests consented to in writing by BDC, and it has not granted any licenses in or of its Intellectual Property other than as disclosed and consented to by BDC;
- (h) to the extent that any of the Collateral includes serial numbered goods and motor vehicles which require serial number registration by virtue of the Act and its regulations including motor vehicles, trailers, manufactured homes, mobile homes, boats, outboard motors for boats or aircraft, the Debtor has given the full and correct serial numbers and any Ministry of Transport designation marks or other relevant licensing authority marks of all such Collateral to BDC;
- (i) the Collateral is and/or will be located at the place(s) described in Schedule "A" and will not be removed from such location(s) without the prior written consent of BDC;
- (j) this Security Agreement is granted in accordance with resolutions of the directors (and of the shareholders as applicable) of the Debtor, if the Debtor is a corporation, or, if the Debtor is a partnership, of the partners of the Debtor, and all other requirements have been fulfilled to authorize and make the execution and delivery of this Security Agreement, and the performance of the Debtor's obligations valid and there is no restriction contained in the constating documents of the Debtor or in any shareholders agreement or partnership agreement which restricts the powers of the authorized signatories of the Debtor to borrow money or give security; and
- (k) the Debtor's place(s) of business and chief executive office have been correctly provided to BDC

7. COVENANTS OF THE DEBTOR

(The Security Interests and the Collateral must be protected while the Security Agreement remains in effect. These covenants are your promises to BDC describing how BDC's Security Interests will be attended to. You will also covenant to maintain accurate books and records and allow BDC's inspection. Your promises are found in the Security Agreement and Schedules.)

7.1 The Debtor covenants with BDC that while this Security Agreement remains in effect the Debtor will:

- (a) promptly pay and satisfy the Obligations as they become due or are demanded;
- (b) defend the title to the Collateral for BDC's benefit, against the claims and demands of all persons;
- (c) fully and effectually maintain and ensure that the Security Interests are and continue to be valid and effective;
- (d) maintain the Collateral in good condition and repair and provide adequate storage facilities to protect the Collateral and not permit the value of the Collateral to be impaired;

- (e) observe and conform to all valid requirements of any governmental authority relative to any of the Collateral and all covenants, terms and conditions upon or under which the Collateral is held;
- (f) forthwith pay and satisfy:
 - (i) all taxes, assessments, rates, duties, levies, government fees, claims and dues lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Debtor shall in good faith contest its obligations so to pay and shall furnish to BDC such security as BDC may require;
 - (ii) all security interests, charges, encumbrances, liens and claims which rank or could rank in priority to, or on an equal basis with, any of the Security Interests; and
 - (iii) all fees from time to time chargeable by BDC arising out of any term of the commitment letter between BDC and the Debtor including, without limitation, inspection, administration and returned cheque handling fees;
- (g) forthwith pay and satisfy all costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) which may be incurred by BDC in connection with granting loans or credit to the Debtor, including for:
 - (i) inspecting the Collateral;
 - (ii) negotiating, preparing, perfecting, registering or renewing the registration of this Security Agreement and the Security Interests, any Financing or Financing Change Statement, any modification or amending agreement and other documents relating to the Debtor's obligations, whether or not relating to this Security Agreement;
 - (iii) complying with any disclosure requirements under the Act;
 - (iv) investigating title to the Collateral;
 - (v) taking, recovering, keeping possession and disposing of the Collateral;
 - (vi) maintaining the Collateral in good repair, storing the Collateral and preparing the Collateral for disposition;
 - (vii) any inspection, appraisal, investigation or environmental audit of the Collateral and the cost of any environmental rehabilitation, treatment, removal or repair necessary to protect, preserve or remedy the Collateral including any fine or penalty BDC becomes obligated to pay by reason of any statute, order or direction of competent authority;
 - (viii) all other actions and proceedings taken to preserve the Collateral, enforce this Security Agreement and of any other security interest held by BDC as security for the Obligations, protect BDC from liability in connection with the Security Interests or assist BDC in its loan and credit granting or realization of the Security Interest, including any actions under Bankruptcy and Insolvency Act (Canada) and all remuneration of any Receiver (as defined in Article 15 hereof) or appointed pursuant to Bankruptcy and Insolvency Act (Canada);
 - (ix) any sums BDC pays as fines, or as clean up costs because of contamination of or from the Debtor's assets. Further, the Debtor will indemnify BDC and its employees and agents from any liability or costs incurred including legal defense costs. The Debtor's obligation under this paragraph continues even after the Obligations are repaid and this agreement is terminated.
- (h) at BDC's request, execute and deliver further documents and instruments and do all acts as BDC in its absolute discretion requires to confirm, register and perfect, and maintain the registration and perfection of, the Security Interests;

- (i) notify BDC promptly of:
 - (i) any change in the information contained in this Security Agreement relating to the Debtor, its business or the Collateral, including, without limitation, any change of name or address (including any change of trade name, proprietor or partner) and any change in the present location of any Collateral;
 - (ii) the details of any material acquisition of Collateral, including the acquisition of any motor vehicles, trailers, manufactured homes, boats or aircraft;
 - (iii) any material loss or damage to the Collateral;
 - (iv) any material default by any account debtor in the payment or other performance of its obligations to the Debtor respecting any Accounts;
 - (v) any claims against the Debtor including claims in respect of the Intellectual Property or of any actions taken by the Debtor to defend the registration of or the validity of or any infringement of the Intellectual Property;
 - (vi) the return to or repossession by the Debtor of Collateral that was disposed of by the Debtor; and
 - (vii) all additional places of business and any changes in its place(s) of business or chief executive office;
- (j) prevent the Collateral, other than Inventory sold, leased, or otherwise disposed of as permitted by this Security Agreement, from being or becoming an accession to property not covered by this Security Agreement;
- (k) carry on and conduct its business and undertaking in a proper and businesslike manner so as to preserve and protect the Collateral and the earnings, income, rents, issues and profits of the Collateral, including maintenance of proper and accurate books of account and records;
- (l) permit BDC and its representatives, at all reasonable times, access to the Collateral including all of the Debtor's property, assets and undertakings and to all its books of account and records for the purpose of inspection and the taking of extracts and copies, whether at the Debtor's premises or otherwise, and the Debtor will render all assistance necessary;
- (m) observe and perform all its obligations under:
 - (i) leases, licences, undertakings, and any other agreements to which it is a party;
 - (ii) any statute or regulation, federal, provincial, territorial, or municipal, to which it is subject;
- (n) deliver to BDC from time to time promptly upon request:
 - (i) any documents of title, instruments, securities and chattel paper constituting, representing or relating to the Collateral;
 - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral to allow BDC to inspect, audit or copy them;
 - (iii) all financial statements prepared by or for the Debtor regarding the Debtor's business;
 - (iv) such information concerning the Collateral, the Debtor and the Debtor's business and affairs as

BDC may reasonably require;

- (o) with respect to the Intellectual Property, take all necessary steps and initiate all necessary proceedings, to maintain the registration or recording of the Intellectual Property, to defend the Intellectual Property from infringement and to prevent any licensed or permitted user from doing anything that may invalidate or otherwise impair the Intellectual Property;
- (p) with respect to copyright forming part of the Intellectual Property, provide to BDC waivers of the moral rights thereto executed by all contributors or authors of the copyrighted work;
- (q) receive and hold in trust on behalf of and for the benefit of BDC all proceeds from the sale or other disposition of any Collateral;
- (r) consent to BDC contacting and making enquiries of the Debtor's lessors, as well as municipal or other government officials or assessors; and
- (s) observe and perform the additional covenants and agreements set out in any schedules to this Security Agreement, including Schedule B, if any.

7.2 Any amounts required to be paid to BDC by the Debtor under this Clause 7 shall be immediately payable with interest at the highest rate borne by any of the Obligations until all amounts have been paid.

7.3 This Security Agreement shall remain in effect until it has been terminated by BDC by notice of termination to the Debtor and all registrations relating to the Security Agreement have been discharged.

8. INSURANCE

(It is your obligation to thoroughly insure the Collateral in order to protect your interests and those of BDC. You will follow the specific requirements of the insurance coverage described in this Clause.)

8.1 The Debtor covenants that while this Security Agreement is in effect the Debtor shall:

- (a) maintain or cause to be maintained insurance on the Collateral with a reputable insurer, of kinds, for amounts and payable to such person or persons, all as BDC may require, and in particular maintain insurance on the Collateral to its full insurable value against loss or damage by fire and all other risks of damage, including an extended coverage endorsement and in the case of motor vehicles, insurance against theft;
- (b) cause the insurance policy or policies required by this Security Agreement to be assigned to BDC, including a standard mortgage clause or a mortgage endorsement, as BDC may require;
- (c) pay all premiums respecting such insurance, and deliver all policies to BDC, if it so requires.

8.2 If proceeds of any required insurance becomes payable, BDC may, in its absolute discretion, apply these proceeds to the Obligations as BDC sees fit or release any insurance proceeds to the Debtor to repair, replace or rebuild, but any release of insurance proceeds to the Debtor shall not operate as a payment on account of the Obligations or in any way affect this Security Agreement or the Security Interests.

8.3 The Debtor will forthwith, on the happening of loss or damage to the Collateral, notify BDC and furnish to BDC at the Debtor's expense any necessary proof and do any necessary act to enable BDC to obtain payment of the insurance proceeds, but nothing shall limit BDC's right to submit to the insurer a proof of loss on its own behalf.

8.4 The Debtor hereby authorizes and directs the insurer under any required policy of insurance to include the name of BDC as loss payee on any policy of insurance and on any cheque or draft which may be issued respecting a claim settlement under and by virtue of such insurance, and the production by BDC to any insurer of a notarial or certified copy of this Security Agreement (notarized or certified by a notary public or solicitor) shall be the insurer's complete authority for so doing.

8.5 If the Debtor fails to maintain insurance as required, BDC may, but shall not be obliged to, maintain or effect such insurance coverage, or so much insurance coverage as BDC may wish to maintain.

9. OTHER PROHIBITIONS

(You agree to not encumber your property so as to interfere with the security interests or charges granted to BDC and you will not dispose of any of the Collateral except inventory disposed of in the ordinary course of your business.)

Without the prior written consent of BDC the Debtor will not:

- (a) create or permit to exist any security interest in, charge, encumbrance or lien over, or claim against any of its property, assets, undertakings including without limitation the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests created by this Security Agreement;
- (b) grant, sell, or otherwise assign any of its chattel paper or any of the Collateral except only Inventory that is disposed of in accordance with Clause 10.2; or
- (c) where the Debtor is a corporation
 - (i) repay or reduce any shareholders loans or other debts due to its shareholders; or
 - (ii) change its name, merge with or amalgamate with any other entity;

10. RESTRICTIONS ON SALE OR DISPOSAL OF COLLATERAL

(You will preserve and protect all of the Collateral and not dispose of it without the consent of BDC. Any sales or other disposition will result in you holding the proceeds in trust for BDC. Your responsibilities towards the Collateral and any trust proceeds are important to BDC.)

10.1 Except as provided by this Security Agreement, without BDC's prior written consent the Debtor will not:

- (a) sell, lease, license or otherwise dispose of the Collateral;
- (b) release, surrender or abandon possession of the Collateral; or
- (c) move or transfer the Collateral from the jurisdictions in which the Security Interests have been perfected.

10.2 Provided that the Debtor is not in default under this Security Agreement, the Debtor may lease, sell, license, consign or otherwise deal with items of Inventory only in the ordinary course of its business and for the purposes of carrying on its business.

10.3 Any disposition of any Collateral, excepting sales of Inventory in the ordinary course, shall result in the Debtor holding the proceeds in trust for and on behalf of BDC and subject to BDC's exclusive direction and control. Nothing restricts BDC's rights to attach, seize or otherwise enforce its Security Interests in any Collateral sold or disposed, unless it is sold or disposed with BDC's prior written consent.

11. PERFORMANCE OF OBLIGATIONS

(If you do not strictly do all those things that you have agreed to do in this Security Agreement, BDC may perform those obligations but you will be required to pay for them.)

If the Debtor fails to perform its covenants and agreements under this Security Agreement, BDC may, but shall not be obliged to, perform any or all of such covenants and agreements without prejudice to any other rights and remedies of BDC, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) incurred by BDC shall be immediately payable by the Debtor to BDC with interest at the highest rate borne by any of the Obligations and shall be secured by the Security Interests, until all such amounts have been paid.

12. ACCOUNTS

(Any dealing with the Collateral that results in an account being created, or proceeds arising, is of particular importance to BDC. The account, or proceeds, acts in substitution for the Collateral that has been sold, usually inventory. You will protect the account or proceeds in favour of BDC.)

Notwithstanding any other provision of this Security Agreement, BDC may collect, realize, sell or otherwise deal with all or a portion of the Accounts in such manner, upon such terms and conditions and at any time, whether before or after default, as may seem to it advisable, and without notice to the Debtor, except in the case of disposition after default and then subject to the applicable provisions of the Act, if any. All forms of payment received by the Debtor in payment of any Account, or as proceeds, shall be subject to the Security Interests and shall be received and held by the Debtor in trust for BDC.

13. APPROPRIATION OF PAYMENTS

(BDC has the right to determine how funds it receives will be applied in relation to your loan facility.)

Any and all payments made respecting the Obligations and monies realized from any Security Interests (including monies collected in accordance with or realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as BDC sees fit, and BDC may at any time change any appropriation as BDC sees fit.

14. DEFAULT

(You must comply with the payment and other obligations that you have made in favour of BDC. You must also strictly satisfy the covenants and agreements that you have made in this Security Agreement. Failure to do so will be considered a default and BDC will consider its legal remedies and possibly pursue them. This Clause defines the defaults and outlines your obligations.)

14.1 Unless waived by BDC, the Debtor shall be in default under this Security Agreement and shall be deemed to be in default under all other agreements between the Debtor and BDC in any of the following events:

- (a) the Debtor defaults, or threatens to default, in payments when due of any of the Obligations; or
- (b) the Debtor is in breach of, or threatens to breach, any term, condition, obligation or covenant made by it to or with BDC, or any representation or warranty of the Debtor to BDC is untrue or ceases to be accurate, whether or not contained in this Security Agreement; or
- (c) the Debtor or a guarantor of the Debtor declares itself to be insolvent or admits in writing its inability to pay its debts generally as they become due, or makes an assignment for the benefit of its creditors, is declared bankrupt, makes a proposal or otherwise takes advantage of any provisions for relief under Bankruptcy and Insolvency Act (Canada), the Companies' Creditors Arrangement Act (Canada) or similar legislation in any jurisdiction, or makes an authorized assignment; or
- (d) a receiver, manager, receiver and manager or receiver-manager of all or a part of the Collateral is appointed; or
- (e) an order is made or a resolution is passed for the winding up of the Debtor or a guarantor of the Debtor; or
- (f) the Debtor or a guarantor of the Debtor ceases or threatens to cease to carry on all or a substantial part of its business or makes or threatens to make a sale of all or substantially all of its assets; or
- (g) distress or execution is levied or issued against all or any part of the Collateral; or
- (h) if the Debtor is a corporation and any member or shareholder:
 - (i) commences an action against the Debtor; or
 - (ii) gives a notice of dissent to the Debtor in accordance with the provisions of any governing legislation; or
- (i) if the Debtor is a corporation and its voting control changes without BDC's prior written consent; or

- (j) the Debtor uses any monies advanced to it by BDC for any purpose other than as agreed upon by BDC; or
- (k) without BDC's prior written consent, the Debtor creates or permits to exist any security interest, charge, encumbrance, lien or claim against any of the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests; or
- (l) the holder of any other security interest, charge, encumbrance, lien or claim against any of the Collateral does anything to enforce or realize on such security interest, charge, encumbrance, lien or claim; or
- (m) the Debtor enters into an amalgamation, a merger or other similar arrangement with any other person without BDC's prior written consent or, if the Debtor is a corporation, it is continued or registered in a different jurisdiction without BDC's prior written consent; or
- (n) BDC in good faith and on commercially reasonable grounds believes that the prospect of payment or performance of any of the Obligations is impaired or that any of the Collateral is or is about to be placed in jeopardy or removed from the jurisdiction in which this Security Agreement has been registered; or
- (o) the lessor under any lease to the Debtor of any real or personal property takes any steps to or threatens to terminate such lease or otherwise exercise any of its remedies under such lease as a result of any default by the Debtor; or
- (p) the Debtor causes or allows hazardous materials to be brought upon any lands or premises occupied by the Debtor or to be incorporated into any of its assets, or the Debtor causes, permits, or fails to remedy any environmental contamination upon, in or under any of its lands or assets, or fails to comply with any abatement or remediation order given by a responsible authority; or
- (q) any permit, license, certification, quota or order granted to or held by the Debtor is cancelled, revoked or reduced, as the case may be, or any order against the Debtor is enforced, preventing the business of the Debtor from being carried on for more than 5 days or materially adversely changing the condition (financial or otherwise) of the Debtor's business; or
- (r) if an individual, the Debtor dies or is declared incompetent by a court of competent jurisdiction.

15. ENFORCEMENT

(If a default occurs, BDC has numerous remedies and legal rights, including enforcement of the Security Agreement according to this Clause. You also have rights, provided by the *Personal Property Security Act* and the common law in your jurisdiction.)

15.1 Upon any default under this Security Agreement BDC may declare any or all of the Obligations whether or not payable on demand to become immediately due and payable and the Security Interests will immediately become enforceable. To enforce and realize on the Security Interests BDC may take any action permitted by law or in equity as it may deem expedient and in particular, without limitation, BDC may do any of the following:

- (a) appoint by instrument a receiver, manager, receiver and manager or receiver-manager (the "Receiver") of all or any part of the Collateral, with or without bond as BDC may determine, and in its absolute discretion remove such Receiver and appoint another in its stead;
- (b) enter upon any of the Debtor's premises at any time and take possession of the Collateral with power to exclude the Debtor, its agents and its servants, without becoming liable as a mortgagee in possession;
- (c) preserve, protect and maintain the Collateral and make such replacements and repairs and additions to the Collateral as BDC deems advisable;
- (d) dispose of all or part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such

conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to BDC may seem reasonable, provided that if any sale, lease or other disposition is on credit the Debtor will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received;

- (e) register assignments of the Intellectual Property, and use sell, assign, license or sub-license any of the Intellectual Property; and
- (f) exercise all of the rights and remedies of a secured party under the Act and any other applicable laws.

15.2 A Receiver appointed pursuant to this Security Agreement insofar as responsibility for its actions is concerned shall be the agent of the Debtor and not of BDC and, to the extent permitted by law or to such lesser extent permitted by its appointment, shall have all the powers of BDC under this Security Agreement, and in addition shall have power to:

- (a) carry on the Debtor's business and for such purpose from time to time to borrow money either secured or unsecured, and if secured by granting a security interest on the Collateral, such security interest may rank before or on an equal basis with or behind any of the Security Interests and if it does not so specify such security interest shall rank in priority to the Security Interests; and
- (b) make an assignment for the benefit of the Debtor's creditors or a proposal on behalf of the Debtor under Bankruptcy and Insolvency Act (Canada); and
- (c) commence, continue or defend proceedings in the name of the Receiver or in the name of the Debtor for the purpose of protecting, seizing, collecting, realizing or obtaining possession of or payment for the Collateral; and
- (d) make any arrangement or compromise that the Receiver deems expedient.

15.3 Subject to the claims, if any, of the creditors of the Debtor ranking in priority to this Security Agreement, all amounts realized from the disposition of the Collateral pursuant to this Security Agreement will be applied as BDC, in its absolute discretion and to the full extent permitted by law, may direct as follows:

- (a) in payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and its own client basis) incurred by BDC respecting or incidental to:
 - (i) the exercise by BDC of the rights and powers granted to it by this Security Agreement; and
 - (ii) the appointment of the Receiver and the exercise by the Receiver of the powers granted to it by this Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver;
- (b) in or toward payment to BDC of all principal and other monies (except interest) due in respect of the Obligations;
- (c) in or toward payment to BDC of all interest remaining unpaid respecting the Obligations; and
- (d) in payment to those parties entitled thereto under the Act.

16. GENERAL PROVISIONS PROTECTING BDC

(You have granted this Security Agreement to BDC in consideration by BDC advancing funds or providing credit or a credit facility to you. BDC will not be responsible for debts or liabilities that may arise except to the extent that it agrees to be responsible or liable in this Security Agreement. If enforcement becomes necessary, BDC will act in good faith and in a commercially reasonable manner.)

16.1 To the full extent permitted by law, BDC shall not be liable for any debts contracted by it during enforcement of this Security Agreement, for damages to persons or property or for salaries or non-fulfilment of contracts during any period when BDC shall manage the Collateral upon entry or seizure, nor shall BDC be liable to account as a mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any

default or omission for which a mortgagee in possession may be liable. BDC shall not be bound to do, observe or perform or to see to the observance or performance by the Debtor of any obligations or covenants imposed upon the Debtor nor shall BDC, in the case of securities, instruments or chattel paper, be obliged to preserve rights against other persons, nor shall BDC be obliged to keep any of the Collateral identifiable. To the full extent permitted by law, the Debtor waives any provision of law permitted to be waived by it which imposes greater obligations upon BDC than described above.

16.2 Neither BDC nor any Receiver appointed by it shall be liable or accountable for any failure to seize, collect, realize, sell or obtain payments for the Collateral nor shall they be bound to institute proceedings for the purposes of seizing, collecting, realizing or obtaining payment or possession of the Collateral or the preserving of any right of BDC, the Debtor or any other party respecting the Collateral. BDC shall also not be liable for any misconduct, negligence, misfeasance by BDC, the Receiver or any employee or agent of BDC or the Receiver, or for the exercise of the rights and remedies conferred upon BDC or the Receiver by this Security Agreement.

16.3 BDC or any Receiver appointed by it may grant extensions of time and other indulgences, take and give securities, accept compromises, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the debtors of the Debtor, co-obligants, guarantors and others and with the Collateral and other securities as BDC may see fit without liability to BDC and without prejudice to BDC's rights respecting the Obligations or BDC's right to hold and realize the Collateral.

16.4 BDC in its sole discretion may realize upon any other security provided by the Debtor in any order or concurrently with the realization under this Security Agreement whether such security is held by it at the date of this Security Agreement or is provided at any time in the future. No realization or exercise of any power or right under this Security Agreement or under any other security shall prejudice any further realization or exercise until all Obligations have been fully paid and satisfied.

16.5 Any right of BDC and any obligation of the Debtor arising under any other agreements between BDC and the Debtor shall survive the signing, registration and advancement of any money under this Security Agreement, and no merger respecting any such right or obligation shall occur by reason of this Security Agreement. The obligation, if any, of the Debtor to pay legal fees, a commitment fee, a standby fee or administration fees, under the terms of BDC's commitment letter with the Debtor shall survive the signing and registration of this Security Agreement and BDC's advancement of any money to the Debtor and any legal fees, commitment fees, standby fees or administration fees owing by the Debtor shall be secured by the Collateral.

16.6 In the event that BDC registers a notice of assignment of Intellectual Property the Debtor shall be responsible for and shall indemnify BDC against all maintenance and renewal costs in respect thereof, and any costs of initiating or defending litigation, together with all costs, liabilities and damages related thereto.

16.7 Notwithstanding any taking of possession of the Collateral, or any other action which BDC or the Receiver may take, the Debtor now covenants and agrees with BDC that if the money realized upon any disposition of the Collateral is insufficient to pay and satisfy the whole of the Obligations due to BDC at the time of such disposition, the Debtor shall immediately pay to BDC an amount equal to the deficiency between the amount of the Obligations and the sum of money realized upon the disposition of the Collateral, and the Debtor agrees that BDC may bring action against the Debtor for payment of the deficiency, notwithstanding any defects or irregularities of BDC or the Receiver in enforcing its rights under this Security Agreement.

17. APPOINTMENT OF ATTORNEY

(You appoint BDC your attorney for specific matters.)

The Debtor hereby irrevocably appoints BDC or the Receiver, as the case may be, with full power of substitution, as the attorney of the Debtor for and in the name of the Debtor, to do, make, sign, endorse or execute under seal or otherwise all deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Debtor is obliged to sign, endorse or execute and generally to use the name of the Debtor and to do everything necessary or incidental to the exercise of all or any of the powers conferred on BDC, or the Receiver, as the case may be, pursuant to this Security Agreement. This grant and authority shall continue and survive any mental infirmity or legal incapacity of the Debtor subsequent to the execution hereof.

18. CONSOLIDATION

(Should you wish to redeem the Security Interest, BDC may require you to also pay other obligations to it before discharging its Security Interests.)

For the purposes of the laws of all jurisdictions in Canada, the doctrine of consolidation applies to this Security Agreement.

19. NO OBLIGATION TO ADVANCE

(BDC determines, in the end, whether any advances or further advances under the loan facility will be made.)

Neither the preparation and execution of this Security Agreement nor the perfection of the Security Interests or the advance of any monies by BDC shall bind BDC to make any advance or loan or further advance or loan, or extend any time for payment of any indebtedness or liability of the Debtor to BDC.

20. WAIVER

(Indulgences granted by BDC should not be taken for granted.)

BDC may permit the Debtor to remedy any default without waiving the default so remedied. BDC may from time to time and at any time partially or completely waive any right, benefit or default under this Security Agreement but such waiver shall not be a bar to or a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default under this Security Agreement. No waiver shall be effective unless it is in writing and signed by BDC. No delay or omission on the part of BDC in exercising any right shall operate as a waiver of such right or any other right.

21. NOTICE

(This Clause describes how the various notices referred to in this Security Agreement may be given.)

Notice may be given to either party by prepaid mail or delivered to the party for whom it is intended, at the principal address of such party provided in this Security Agreement or at such other address as may be given in writing by one party to the other, and any notice if mailed shall be deemed to have been given at the expiration of three business days after mailing and if delivered, on delivery.

22. EXTENSIONS

(Your duties and responsibilities to BDC remain in place regardless of any concerns you may have about the loan facility or BDC's actions.)

BDC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of security interests, and otherwise deal with the Debtor, the Debtor's account debtors, sureties and others and with the Collateral and other security interests as BDC may see fit without prejudice to the Debtor's liability or BDC's right to hold and realize on the Security Interests.

23. NO MERGER

(Except as agreed upon in the Security Agreement or another contract specifically discussing this point, this Security Agreement is an independent obligation on your part.)

This Security Agreement shall not create any merger or discharge of any of the Obligations, or any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security interest of any form held or which may be held by BDC now or in the future from the Debtor or from any other person. The taking of a judgment respecting any of the Obligations will not operate as a merger of any of the covenants contained in this Security Agreement.

24. RIGHTS CUMULATIVE

(This Agreement describes some rights and remedies of BDC. BDC also is entitled to rely on all other rights and remedies available to it in law and in any other agreements it has entered into with you.)

BDC's rights and remedies set out in this Security Agreement, and in any other security agreement held by BDC from the Debtor or any other person to secure payment and performance of the Obligations, are cumulative and no right or remedy contained in this Security Agreement or any other security agreements is intended to be exclusive but each will be in addition to every other right or remedy now or hereafter existing at law, in equity or by

statute, or pursuant to any other agreement between the Debtor and BDC that may be in effect from time to time.

25. ASSIGNMENT

(Should BDC assign or transfer or otherwise deal with this Security Agreement on its own behalf, you agree that the Security Agreement shall remain binding and effective upon you.)

BDC may, without notice to the Debtor, at any time assign or transfer, or grant a security interest in, all or any of the Obligations, this Security Agreement and the Security Interests. The Debtor agrees that the assignee, transferee or secured party, as the case may be, shall have all of BDC's rights and remedies under this Security Agreement and the Debtor will not assert as a defence, counterclaim, right of set-off or otherwise any claim which it now has or may acquire in the future against BDC in respect of any claim made or any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the assigned Obligations to the assignee, transferee or secured party, as the case may be, as the said Obligations become due.

26. SATISFACTION AND DISCHARGE

(Until this Security Agreement is terminated and any registrations relating to it are discharged, the Security Agreement will remain effective even though the indebtedness to BDC may have been paid.)

Any partial payment or satisfaction of the Obligations, or any ceasing by the Debtor to be indebted to BDC shall not be a redemption or discharge of this Security Agreement. The Debtor shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations, and upon written request by the Debtor and, subject to applicable law, payment to BDC of an administrative fee to be fixed by BDC and payment of all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred by BDC in connection with the Obligations and such release and discharge. The Debtor shall, subject to applicable law, pay an administrative fee, to be fixed by BDC, for the preparation or execution of any full or partial release or discharge by BDC of any security it holds, of the Debtor, or of any guarantor or covenantor with respect to any Obligations.

27. ENVIRONMENT

The Debtor represents and agrees that:

- (a) it operates and will continue to operate in conformity with all applicable environmental laws, regulations, standards, codes, ordinances and other requirements of any jurisdiction in which it carries on business and will ensure its staff is trained as required for that purpose;
- (b) it has an environmental emergency response plan and all officers and employees are familiar with that plan and their duties under it;
- (c) it possesses and will maintain all environmental licences, permits and other governmental approvals as may be necessary to conduct its business and maintain the Collateral;
- (d) there has been no complaint, prosecution, investigation or proceeding, environmental or otherwise, respecting the Debtor's business or assets including without limitation the Collateral;
- (f) it will advise BDC immediately upon becoming aware of any environmental problems relating to its business or the Collateral;
- (g) it will provide BDC with copies of all communications with environmental officials and all environmental studies or assessments prepared for the Debtor and it consents to BDC contacting and making enquiries of environmental officials or assessors;
- (h) it will from time to time when requested by BDC provide to BDC evidence of its full compliance with the Debtor's obligations in this Clause 27.

28. ENUREMENT

This Security Agreement shall enure to the benefit of BDC and its successors and assigns, and shall be binding upon the Debtors and its heirs, executors, administrators, successors and any assigns permitted by BDC, as the case may be.

29. INTERPRETATION

29.1 In this Security Agreement:

- (a) "Collateral" has the meaning set out in Clause 1 and any reference to the Collateral shall, unless the context otherwise requires, be deemed to be a reference to the Collateral in whole or in part;
- (b) "the Act" means the *Personal Property Security Act* of the province in which the business centre of BDC is located, as described on page 1 of this Security Agreement, and all regulations under the Act, as amended from time to time.

29.2 Words and expressions used in this Security Agreement that have been defined in the Act shall be interpreted in accordance with their respective meanings given in the Act unless otherwise defined in this Security Agreement or unless the context otherwise requires.

29.3 The invalidity or unenforceability of the whole or any part of any clause of this Security Agreement shall not affect the validity or enforceability of any other clause or the remainder of such clause of this Security Agreement.

29.4 The headings used in this Security Agreement have been inserted for convenience of reference only and shall not define, limit, alter or enlarge the meaning of any provision of this Security Agreement.

29.5 This Security Agreement shall be governed by the laws of the province referred to in subclause 29.1(b). For enforcement purposes, the Debtor hereby attorns to the jurisdiction of the courts and laws of any province, state, territory or country in which BDC enforces its rights and remedies hereunder.

30. COPY OF AGREEMENT AND FINANCING STATEMENT

The Debtor:

- (a) acknowledges receiving a copy of this Security Agreement; and
- (b) if the Act so permits, waives all rights to receive from BDC a copy of any financing statement or financing change statement filed, or any verification statement or other document received at any time respecting this Security Agreement.

31. TIME

Time shall in all respects be of the essence.

32. INDEPENDENT ADVICE

The Debtor acknowledges having received, or having had the opportunity to receive, independent legal and accounting advice respecting this Security Agreement and its effect.

33. PARENTHETICAL COMMENTS

The Debtor acknowledges and agrees that the comments in parentheses are intended to provide a brief but not thorough indication of the intent of the legal provisions that follow in each subsequent clause, and do not form part of this Security Agreement.

34. THE COMMITMENT LETTER

BDC has extended an offer of financing or a commitment letter to Bluerush Inc. relating to the loan facilities secured by this Security Agreement. The Debtor acknowledges and agrees that in the event of any discrepancy between any term of this Security Agreement and any term of the commitment letter, the terms of the commitment letter shall apply and take precedence over the terms of this Security Agreement.

[the remainder of this page is intentionally left blank]

IN WITNESS WHEREOF the Debtor has hereunto set his hand and seal or has affixed its corporate seal duly attested by the hand(s) of its proper officer(s) in that behalf, on the day and year first above written.

BLUERUSH DIGITAL MEDIA CORP.

DocuSigned by:
Stephen Taylor
By: _____
Name: Stephen Taylor
Title: CEO

I have authority to bind the Corporation.

SCHEDULE "A"

Subclause 1.1 (a) (vii):

the following specific items, even though they may be included within the descriptions of Collateral (insert description by item or kind):

the following serial numbered goods:

Type	Serial No. (re: motor vehicles & trailers) Dept. of Transport No. (re: aircraft)	Year	Make and Model

Subclause 6.1 (c):

Date of Birth of Debtor (if an individual):

Month

Day

Year

Subclause 6.1 (i):

Location(s) of the Collateral:

5700 Yonge St., Suite 200, Toronto, Ontario M2M 4K2
1751 Rue Richardson, #3116, Montreal, Quebec H3K 1G6

Subclause 6.1 (k):

The Debtor's place(s) of business ("POB") and chief executive office ("CEO")

Chief Executive Office:	5700 Yonge St., Suite 200, Toronto, Ontario M2M 4K2
Place of Business:	5700 Yonge St., Suite 200, Toronto, Ontario M2M 4K2
And:	1751 Rue Richardson, #3116, Montreal, Quebec H3K 1G6

This is **Exhibit 'M'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits

TRADE-MARK AND PATENT SECURITY AGREEMENT

TO: **BDC Capital Inc.**, a wholly-owned subsidiary of Business Development Bank of Canada
(the “**Lender**”)

DATED with the effect as of September 29, 2022.

WHEREAS:

- A. BLUERUSH INC. (the “**Borrower**”) is indebted or liable, or may become indebted or liable, to the Lender pursuant to a letter of offer dated August 24, 2022, issued by the Lender to the Borrower and accepted by the Borrower (the “**Loan Agreement**”);
- B. To secure the payment and performance of all of the indebtedness, liabilities and obligations incurred by the Borrower, or to be incurred by the Borrower, to and in favour of the Lender, the Borrower has entered into, *inter alia*, a general security agreement in favour of the Lender dated with effect as of the date hereof (the “**General Security Agreement**”); and
- C. As additional security for the due payment and performance of all of the indebtedness, liabilities and obligations incurred by the Borrower, or to be incurred by the Borrower, to and in favour of the Lender, the Borrower has agreed to pledge, mortgage, hypothecate and grant a security interest in all of its right, title, interest and benefit in, to, under and in respect of the Trade-mark Collateral and Patent Collateral (as hereinafter defined) to the Lender, on the terms and conditions set forth below.

NOW THEREFORE, in consideration of the extension of credit by the Lender to the Borrower and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Borrower, the Borrower hereby agrees with and in favour of the Lender as follows:

1. **Defined Terms**

In this Agreement, the following terms shall have the following meanings:

- (a) “**Agreement**” means this Agreement, including the Schedules, as the same may be amended, varied, supplemented, restated, renewed or replaced at any time and from time to time;
- (b) “**Loan Agreement**” has the meaning specified in Recital A to this Agreement;
- (c) “**Event of Default**” shall have the same meaning ascribed thereto in the Loan Agreement and in the General Security Agreement;
- (d) “**General Security Agreement**” has the meaning specified in Recital B to this Agreement;
- (e) “**Law**” shall have the same meaning ascribed thereto in the Loan Agreement;
- (f) “**Obligations**” means any and all of the debts, liabilities and obligations owing by the Borrower to the Lender;
- (g) “**Patent**” and “**Patents**” have the meanings specified in Section 2(b)(i) of this Agreement;
- (h) “**Patent Collateral**” has the meaning specified in Section 2(b) of this Agreement;

- (i) **“Trade-mark”** and **“Trade-marks”** have the meanings specified in Section 2(a)(i) of this Agreement; and
- (j) **“Trade-mark Collateral”** has the meaning specified in Section 2(a) of this Agreement.

2. **Grant of Security**

- (a) As general and continuing collateral security for the payment and performance of all Obligations, the Borrower hereby grants a general continuing collateral lien, charge and security interest in all of the world-wide right, title, benefit and interest in and in respect of the following property and assets now existing, owned or used or hereafter existing, owned, acquired, adopted or used by the Borrower or any of its successors or assigns or to which the Borrower or any of its successors or assigns is or may hereafter otherwise become entitled (collectively, the **“Trade-Mark Collateral”**):
 - (i) all trade-marks, trade names, corporate names, company names, business names, fictitious business names, trade dress, service marks, certification marks, collective marks, logos and other forms of business identifiers, and all prints and labels on which any of the foregoing have appeared or appear and designs (all of the foregoing items in this Section 2(a)(i) being hereinafter individually referred to as a **“Trade-mark”** and collectively referred to as the **“Trade-marks”**), all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications with the Canadian Trade-marks Office or in any office or agency of the United States of America or any foreign country, including those referred to in Schedule 1 hereto and all reissues, extensions or renewals thereof;
 - (ii) all Trade-mark licenses and other agreements providing the Borrower with the right to use and/or exploit any items of the type described in Section 2(a)(i) including each Trade-mark licence referred to in Schedule 1 hereto;
 - (iii) all of the goodwill of the business connected with the use of, and symbolized by, any Trade-mark described in Section 2(a)(i);
 - (iv) the right to sue third parties for past, present and future infringements of any Trade-mark Collateral described in Section 2(a)(i) and, to the extent applicable, Section 2(a)(ii); and
 - (v) all proceeds of, and rights associated with, the foregoing, including any claim by the Borrower against third parties for past, present or future infringement or dilution of any Trade-mark, Trade-mark registration or Trade-mark licence, including any Trade-mark, Trade-mark registration or Trade-mark licence referred to in Schedule 1 hereto, or for any injury to the goodwill associated with the use of any such Trade-mark or for breach or enforcement of any Trade-mark licence and all rights corresponding thereto throughout the world.
- (b) The Borrower hereby assigns, pledges, hypothecates, charges, mortgages, delivers, and transfers to the Secured Party, and hereby grants to the Secured Party, a continuing security interest in all of the following property, whether now or hereafter existing or acquired by the Borrower (the **“Patent Collateral”**) as security for the Obligations:
 - (i) all of its inventions and discoveries, whether patentable or not, all of its letters patent and applications for letters patent throughout the world, including all patent applications in preparation for filing and each patent and patent application referred to in Item A of Schedule 2 attached hereto;

- (ii) all reissues, divisions, continuations, continuations-in-part, extensions, renewals and re-examinations of any of the items described in Section 2(b)(i);
- (iii) all of its patent licenses, and other agreements providing the Borrower with the right to use any items of the type referred to in Sections 2(b)(i) and (ii) above, including each patent license referred to in Item B of Schedule 2 attached hereto; and
- (iv) all proceeds of, and rights associated with, the foregoing (including licenses, royalties, payments, claims, damages and proceeds of infringement suits), the right to sue third parties for past, present or future infringements of any patent or patent application, and for breach or enforcement of any patent license.

3. Agreement for Security Purposes

This Agreement has been executed and delivered by the Borrower for the purpose of recording the lien, charge and security interest of the Lender in the Trade-mark Collateral and Patent Collateral relating to the Trade-marks and Patents registered or pending in Canada and referred to in Schedules 1 and 2 with the Canadian Patents and Trade-marks Office and recording the lien, charge and security interest of the Lender in the Trade-Mark Collateral and Patent Collateral relating to the Trade-marks and Patents registered or pending in the United States and referred to in Schedules 1 and 2 with the United States Patent and Trade Marks Office, in each case, to the extent such lien, charge and security interest may be so recorded therein. The lien, charge and security interest granted hereby have been granted as a supplement to, and not in limitation of, the lien, charge and security interest granted to the Lender under the General Security Agreement. The General Security Agreement (and all rights and remedies of the Lender provided for therein) shall remain in full force and effect in accordance with their terms.

4. Attachment of Liens

The Borrower confirms that value has been given, that the Borrower has rights in the Trade-mark Collateral and Patent Collateral, and that the parties have not agreed to postpone the time for attachment of the lien, charge and security interest constituted hereby in any of the Trade-mark Collateral and Patent Collateral.

5. Limitations on Grant of Liens

If the grant of any lien, charge and security interest in respect of any Trade-mark licence hereunder would result in the termination or breach of such licence, then the applicable Trade-mark licence shall not be subject to any lien, charge or security interest hereunder but shall, to the fullest extent permitted thereby, be held in trust by the Borrower for the Lender and on exercise by the Lender of any of its rights under this Agreement following an Event of Default, assigned by the Borrower, as directed by the Lender.

6. Enforcement; Remedies

If an Event of Default occurs, the Lender may exercise all rights and remedies granted to it in this Agreement, the General Security Agreement and the Loan Agreement, and all rights and remedies of a secured party provided at Law. Without limitation, the Borrower hereby acknowledges and affirms that certain rights and remedies given to the Lender with respect to the lien, charge and security interest in the Trade-mark Collateral and Patent Collateral granted hereby are set forth in the General Security Agreement, the terms and provisions of which (and all rights and remedies of the Lender provided for therein) are incorporated by reference herein as if fully set forth herein.

7. Representations and Warranties

The Borrower hereby represents and warrants to the Lender, and acknowledges that the Lender is relying thereon, notwithstanding any investigation by the Lender or otherwise, that:

- (a) **Title; No Other Liens.** The Borrower owns all of the Trade-mark Collateral and Patent Collateral free and clear of any and all liens, charges and security interests of others (other than the liens, charges and security interests in favour of the Lender). No security agreement, financing statement or other current and valid like public notice with respect to all or any part of the Trade-mark Collateral and Patent Collateral is on file or on record in any public office.
- (b) **Priority Liens.** The lien, charge and security interest granted by the Borrower to the Lender pursuant to this Agreement constitutes a first priority and fully perfected lien, charge and security interest in the Trade-mark Collateral and Patent Collateral.
- (c) **Power and Authority; Authorization.** The Borrower has the corporate power and authority and the legal right to execute and deliver, to perform its obligations under, and to grant the lien, charge and security interest in the Trade-mark Collateral and Patent Collateral pursuant to this Agreement, and the Borrower has taken all necessary corporate action to authorize its execution, delivery and performance of, and grant of the lien, charge and security interest in the Trade-mark Collateral and Patent Collateral pursuant to, this Agreement.
- (d) **Enforceability.** This Agreement constitutes a legal, valid and binding obligation of the Borrower enforceable in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity.
- (e) **No Conflict.** The execution, delivery and performance of this Agreement will not violate any provision of any requirement of Law or contractual obligation of the Borrower and will not result in the creation or imposition of any lien, charge or security interest on any of the Trade-mark Collateral and Patent Collateral. No consent or authorization of, filing with, or other act by or in respect of, any arbitrator or governmental authority and no consent of any other Person (including any shareholder or Lender of the Borrower) is required in connection with the execution, delivery, performance, validity or enforceability of this Agreement, except for such as have been obtained or made and are in full force and effect, and the terms of which have been disclosed to the Lender.
- (f) **Trade-mark Collateral.** With respect to the Trade-mark Collateral:
 - (i) the Trade-marks are valid, subsisting, unexpired, enforceable and have not been abandoned, adjudged invalid or unenforceable, in whole or in part;
 - (ii) except as set forth in Schedule 1, no Trade-marks of the Borrower have been licensed or franchised to any other Person;
 - (iii) the Borrower has made all necessary filings and recordings in Canada or the United States of America, as applicable, to protect its interest in the Trade-mark Collateral, and in such other appropriate offices throughout the world;
 - (iv) the Borrower is the exclusive owner of the entire right, title and interest in and to such Trade-marks owned by the Borrower and is entitled to use the Trade-marks leased or licensed to the Borrower and, to the Borrower's knowledge, no claim

has been made that the use of such Trade-marks does or may violate the asserted rights of any other Person; and

- (v) no holding, decision or judgment has been rendered by any governmental authority in any litigation, action, investigation, or like proceeding to which the Borrower was or is a party which would limit, cancel or question the validity of any Trade-marks of the Borrower which has had or is likely to have, when aggregated with all other such holdings, decisions or judgments, a material adverse effect upon the Borrower's business, property or financial condition and the Borrower is not aware of any action or proceeding which would limit, cancel or question the validity of any Trade-marks of the Borrower which has had or is likely to have, when aggregated with all other such actions or proceedings, a material adverse effect upon the Borrower's business, property or financial condition.

(g) **Patent Collateral.** With respect to the Patent Collateral:

- (i) to the best of the Borrower's knowledge, after due inquiry and investigation, such Patent Collateral is valid, subsisting, unexpired and enforceable and has not been abandoned or adjudged invalid or unenforceable, in whole or in part;
- (ii) the Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to such Patent Collateral and no claim has been made that the use of such Patent Collateral does or may, conflict with, infringe, misappropriate, dilute, misuse or otherwise violate any of the rights of any third party;
- (iii) the Patent Collateral described in Schedule 2 constitutes all of the registered Patents, pending Patent applications and Patent applications in preparation owned by the Borrower and all Patent licenses that have been granted to or by the Borrower as of the date hereof;
- (iv) the Borrower has made all necessary filings and recordings to protect its interest in such Patent Collateral, including recordings of all of its interests in the Canadian Intellectual Property Office or the United States of America, as applicable, and to the extent necessary, has used proper statutory notice in connection with its use of any material patent included in the Patent Collateral;
- (v) to the Borrower's knowledge, no third party is infringing upon any Patent Collateral owned or used by the Borrower in any material respect, or any of its respective licensees;
- (vi) no settlement or consents, covenants not to sue, nonassertion assurances, or releases have been entered into by the Borrower or to which the Borrower is bound that adversely affects its rights to own or use any Patent Collateral except as would not result in a material impairment of any of the Patent Collateral, in any case individually or in the aggregate;
- (vii) the Borrower has not made any previous assignment, sale, transfer or agreement constituting a present or future assignment, sale or transfer of any Patent Collateral for purposes of granting a security interest or as Collateral that has not been terminated or released;

- (viii) the consummation of the transactions contemplated by the Loan Documents will not result in the termination or material impairment of any of the Patent Collateral; or
- (ix) the Borrower owns directly or is entitled to use by license or otherwise, all patents, licenses, technology, know-how, processes and rights with respect to any of the foregoing used in, necessary for or of importance to the conduct of the Borrower's business.

8. Covenants

The Borrower covenants and agrees with the Lender that:

- (a) **Further Documentation.** At any time and from time to time, upon the written request of the Lender, and at the sole expense of the Borrower, the Borrower will promptly and duly execute and deliver such further instruments and documents and take such further action as the Lender may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted. The Borrower agrees that the Lender will have the right to require that this Agreement be amended or supplemented (i) to reflect any changes in Laws, whether arising as a result of statutory amendments, court decisions or otherwise; (ii) to facilitate the creation and registration of appropriate security in all appropriate jurisdictions; or (iii) if the Borrower merges or amalgamates with any other Person or enters into any corporate reorganization, in each case in order to confer upon the Lender the lien, charge and security interest intended to be created hereby.
- (b) **Payment of Expenses; Indemnification.** The Borrower agrees to pay, and to indemnify and save the Lender harmless from, any and all liabilities, costs and expenses (including reasonable legal fees and expenses on a solicitor and his own client basis): (i) incurred by the Lender in the preparation, registration, administration or enforcement of this Agreement; (ii) with respect to, or resulting from, any delay by the Borrower in paying any and all excise, sales, goods and services or other taxes which may be payable or determined to be payable with respect to any of the Trade-mark Collateral and Patent Collateral; (iii) with respect to, or resulting from, any delay by the Borrower in complying with any requirement of Law applicable to any of the Trade-mark Collateral and Patent Collateral; or (iv) incurred by the Lender in connection with any of the transactions contemplated by this Agreement. The amount of all such liabilities, costs and expenses shall be deemed to form part of the Obligations, shall be payable on demand by the Lender and the payment of all such liabilities, costs and expenses shall be secured hereby.
- (c) **Limitation on Liens on Trade-mark Collateral and Patent Collateral.** The Borrower shall not create, incur or permit to exist, shall defend the Trade-mark Collateral and Patent Collateral against, and shall take such other action as is necessary to remove, any lien, charge or security interest or claim on or to the Trade-mark Collateral and Patent Collateral, and the Borrower shall defend the right, title, benefit and interest of the Lender in and to any of the Trade-mark Collateral and Patent Collateral against the claims and demands of all Persons.
- (d) **Limitations on Dispositions of Collateral.** The Borrower shall not sell, transfer, lease or otherwise dispose of any of the Trade-mark Collateral and Patent Collateral, or attempt, offer or contract to do so except as permitted in writing by the Lender.

(e) **Trade-mark Collateral**

- (i) The Borrower shall, with respect to each of its Trade-marks: (A) maintain the quality of products and services offered under such Trade-marks; (B) employ such Trade-marks with the appropriate notice of registration sufficient to obtain the benefit of such notice; (C) as soon as practicable after the filing of a Trade-mark application for any mark which is confusingly similar or a colourable imitation of such Trade-marks, grant to the Lender and cause to be perfected a lien, charge and security interest in such Trade-marks pursuant to this Agreement; and (D) not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby any Trade-marks may become invalidated.
- (ii) The Borrower shall notify the Lender immediately if it knows, or has reason to know, that any application or registration relating to any Trade-mark may expire, become abandoned or dedicated to the public domain, or of any material adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the Canadian Trade-mark Office or any court or tribunal in any country) regarding the Borrower's ownership of the Trade-marks or its right to register the same or to keep and maintain the same.
- (iii) Whenever the Borrower, either by itself or through any agent, employee, licensee or designee, will file an application for the registration of any Trade-mark with the Canadian Trade-mark Office or any similar office or agency in any other country or any political subdivision thereof or any similar office or agency in any other country or any political subdivision thereof, the Borrower shall report such filing to the Lender within five (5) business days after such filing occurs. Upon request of the Lender, the Borrower will execute and deliver any and all agreements, instruments, documents, and papers as the Lender may request to evidence the Lender's lien, charge and security interest in any Trade-mark and the goodwill of the business symbolized thereby of the Borrower connected with the use of and symbolized by the Trade-marks, and the Borrower hereby constitutes the Lender its attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; such power being coupled with an interest is irrevocable until the Obligations have been indefeasibly paid and performed in full. Notwithstanding anything herein to the contrary, unless an Event of Default will have occurred, the Lender will from time to time execute and deliver, upon the reasonable written request of the Borrower, any and all instruments, certificates or other documents, in a form reasonably acceptable to the Lender, necessary or appropriate in the reasonable judgment of the Borrower for the Borrower to continue to exploit, licence, use, enjoy and protect the Trade-marks; provided, however, that any such instrument, certificate or other document will, in the reasonable judgment of the Lender, in no way impair, adversely alter, or otherwise adversely affect the lien, charge and security interest in the Trade-mark Collateral granted hereby.
- (iv) The Borrower shall take all reasonable and necessary steps, to the extent reasonably practicable, including, without limitation, in any proceeding before the Canadian Trade-mark Office, or any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of the Trade-marks, including, without limitation, filing of applications for renewal, affidavits of use and affidavits of incontestability. If any Trade-marks included in the Trade-mark Collateral are infringed, misappropriated or diluted by a third party in any manner which would have a material adverse effect and would materially impair

such Trade-mark Collateral, the Borrower shall promptly notify the Lender after it learns of such infringement, misappropriation or dilution and the Borrower shall promptly take such action (including entering into licences or covenants not to sue) as is appropriate under the circumstances to protect such Trade-mark.

(f) **Patent Collateral**

- (i) the Borrower shall pursue the registration and maintenance of each material patent now or hereinafter included in the Patent Collateral, including the payment of required fees and taxes, the filing of responses to office actions issued by the Canadian Intellectual Property Office or other governmental authorities, the filing of applications for renewal or extension, the filing of divisional, continuation, continuation-in-part, reissue and renewal applications or extensions, the payment of maintenance fees and the participation in interference, re-examination, opposition, cancellation, infringement and misappropriation proceedings;
- (ii) the Borrower shall not, without the written consent of the Secured Party, discontinue use of or otherwise abandon any Patent Collateral, or abandon any right to file an application for patent unless the Borrower shall have previously determined that such use or the pursuit or maintenance of such Patent Collateral is no longer desirable in the conduct of the Borrower's business and that the loss thereof is of negligible economic value to the Borrower, and to the extent necessary, the Borrower shall use proper statutory notice in connection with its use of any material patent constituting a part of any of the Patent Collateral;
- (iii) Upon obtaining rights to any new registered Patents, pending Patent applications, Patent applications in preparation or upon granting rights to or being granted rights under any Patent licenses, the Borrower shall provide to the Secured Party an updated Schedule 2 including such new Patent Collateral;
- (iv) the Borrower will not do or fail to perform any act whereby any of the Patent Collateral may lapse or become abandoned or dedicated to the public or unenforceable unless, at any time other than following the occurrence and during the continuance of an Event of Default, the Borrower shall reasonably and in good faith determines that any of such Patent Collateral is of negligible economic value to the Borrower;
- (v) the Borrower shall promptly notify the Secured Party if it knows, or has reason to know, that any application or registration relating to any material item of the Patent Collateral may become abandoned or dedicated to the public or placed in the public domain or invalid or unenforceable, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the Canadian Intellectual Property Office or any foreign counterpart thereof or any court) regarding the Borrower's ownership of any of the Patent Collateral, its right to register the same or to keep and maintain and enforce the same;
- (vi) in no event will the Borrower or any of its agents, employees, designees or licensees file an application for the registration of any Patent Collateral with the Canadian Intellectual Property Office or any similar office or agency in any other country or any political subdivision thereof, unless it promptly informs the Secured Party, and upon request of the Secured Party, executes and delivers all agreements, instruments and documents as the Secured Party may request to evidence the Secured Party's security interest in such Patent Collateral; and

- (vii) the Borrower will take all necessary steps, including in any proceeding before the Canadian Intellectual Property Office or any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue any application (and to obtain the relevant registration) filed with respect to, and to maintain any registration of, the Patent Collateral, including the filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings and the payment of fees and taxes (except to the extent that dedication, abandonment or invalidation is permitted hereunder).

9. Lender's Appointment as Attorney-in-Fact

- (a) The Borrower hereby irrevocably constitutes and appoints the Lender and any officer or agent of the Lender, with full power of substitution from time to time, as the Borrower's true and lawful attorney-in-fact, with full irrevocable and unconditional power and authority in the place and stead of the Borrower and in the name of the Borrower or in its own name, to do on the Borrower's behalf anything which can lawfully be done by an attorney in connection with the security interest granted herein and, without limitation, to execute any and all documents and instruments and do any assignments, transfers, registrations, agreements, licenses, assurances and things which may be necessary or desirable to accomplish the purposes of this Agreement, under the covenants and provisions contained in this Agreement, the General Security Agreement and the Loan Agreement and to use the name of the Borrower in the exercise of all or any of the powers hereby conferred on the Lender and the Borrower declares this to be a general power of attorney in the widest respect. The Borrower hereby ratifies all that said attorneys will lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and will be irrevocable until the Obligations have been indefeasibly paid and performed in full.
- (b) The Borrower also authorizes the Lender, at any time and from time to time, to execute any endorsements, assignments or other instruments of conveyance or transfer with respect to the Trade-mark Collateral in connection with any sale provided for herein or pursuant to the General Security Agreement or the Loan Agreement.

10. Termination of this Agreement

Upon indefeasible payment and performance in full of all of the Obligations, this Agreement shall be and become fully ended and terminated and all right, title, benefit and interest in and in respect of the Trade-mark Collateral and Patent Collateral pledged, mortgaged, hypothecated and secured by the Borrower hereunder shall be released and all covenants and agreements of the Borrower hereunder shall be at an end and the Lender shall, upon the written request of the Borrower and at the expense of the Borrower, execute such instruments and other documents and give such notifications or assurances as may be necessary to fully release, cancel and discharge this Agreement in the circumstances.

11. Performance by Lender of Borrower's Obligations

If the Borrower fails to perform or comply with any of its agreements contained herein and the Lender, as provided for by the terms of this Agreement, will itself perform or comply, or otherwise cause performance or compliance, with any such agreements, the expenses of the Lender incurred in connection with such performance or compliance shall be payable by the Borrower to the Lender on demand, shall be added to the Obligations and secured hereby.

12. **Severability**

If any covenant, obligation or agreement contained in this Agreement, or the application thereof to any person or circumstance, shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such covenant, obligation or agreement to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each covenant, obligation and agreement contained in this Agreement shall be separately valid and enforceable to the fullest extent permitted by Law.

13. **Interpretation**

The paragraph headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof. When used in this Agreement, the word “**including**” means “**including without limitation**”. Any reference in this Agreement to any statute will include all regulations made thereunder from time to time, and will include such statute as the same may be amended, supplemented or replaced from time to time.

14. **No Waiver**

The Lender shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any 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 will operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder will preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Lender of any right or remedy hereunder on any one occasion will not be construed as a bar to any right or remedy which the Lender would otherwise have on any future occasion. Without limiting the generality of the forgoing, this Agreement may not be waived, amended, supplemented or otherwise modified except by a written instrument executed by the Borrower and the Lender.

15. **Rights and Remedies Cumulative**

The rights or remedies given to the Lender hereunder are in addition to and not in substitution for any other rights or remedies to which the Lender may be entitled and may be exercised whether or not any Lender has pursued or is then pursuing any other such rights and remedies.

16. **Time of Essence**

Time shall be of the essence of this Agreement.

17. **Dealings by Lender**

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 Borrower or any third party having dealings with the Borrower, and with the Trade-mark Collateral and Patent Collateral or any part thereof, and with other security and sureties, as the Lender may see fit, all without prejudice to the Obligations or to the rights of the Lender under this Agreement. The powers conferred on the Lender hereunder are solely to protect the interests of the Lender in the Trade-mark Collateral and Patent Collateral and will not impose any duty upon the Lender to exercise any such powers. The Lender will be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, directors, employees, advisors or agents will be responsible to the Borrower for any act or failure to act hereunder, except for its or their own gross negligence or wilful misconduct.

18. Successors and Assigns

This Agreement shall be binding upon the Borrower and its successors and permitted assigns and shall enure to the benefit of the Lender and its successors and assigns. The Borrower may not assign any of its rights and obligations under this Agreement without the prior written consent of the Lender. The Lender may assign this Agreement, in whole or in part, in accordance with the provisions of the Loan Agreement.

19. Communication

Except as otherwise herein provided, any notice, report or other communication required hereunder shall be in writing and be given in accordance with the provisions of the Loan Agreement and shall be deemed to have been validly served, given or delivered when given in accordance with the provision of the Loan Agreement.

20. Non-Exclusivity of Remedies

This Agreement and the lien, charge and security interests arising hereunder are in addition to and not in substitution for any other security now or hereafter held by the Lender in respect of the Borrower, the Obligations or the Trade-mark Collateral and Patent Collateral. No remedy for the enforcement of the rights of the Lender hereunder will be exclusive of or dependent on any other such remedy but any one or more of such remedies may from time to time be exercised independently or in combination.

21. Release of Information

The Borrower hereby authorizes the Lender to provide a copy of this Agreement and such other information as may be requested of the Lender by Persons entitled thereto pursuant to any applicable legislation and otherwise in accordance with the provisions of the Loan Agreement.

22. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, and without prejudice to the ability of the Lender to enforce this Agreement in any other proper jurisdiction, the Borrower hereby irrevocably submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario for the purposes of this Agreement.

23. Miscellaneous Provisions

This Agreement is in addition to and not in substitution for any other security now or hereafter held by the Lender in respect of any of the property or undertakings of the Borrower.

24. Survival of Representations and Warranties

All agreements, representations, warranties and covenants made by or on behalf of the Borrower herein are material, will be considered to have been relied upon by the Lender and shall survive the execution and delivery of this Agreement or any investigation made at any time by or on behalf of the Lender and any disposition or payment of the Obligations until indefeasible payment and satisfaction in full thereof.

25. Acknowledgement of Receipt

The Borrower hereby acknowledges receipt of an executed copy of this Agreement.

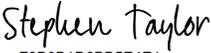
26. **Paramountcy**

If there is a conflict between a provision in this Agreement and a provision in the Loan Agreement, the provision in the Loan Agreement shall prevail.

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DATED as of the date first written above.

BLUERUSH INC.

DocuSigned by:

By: _____
Name: Stephen Taylor
Title: CEO

I have authority to bind the Corporation.

**SCHEDULE 1
TRADE-MARKS**

Canadian Trade-marks

Trademark	TMA Registration No.	Renewal Date	Registration Date	Application Serial No.
INDIVIDEO	TMA1133675	2032-07-12	2022-07-12	1925388

**SCHEDULE 2
PATENTS**

ITEM A – PATENTS

Issued Patents

Country	Patent No.	Issue Date	Inventor(s)	Title

Pending Patent Applications

Country	Serial No.	Filing Date	Inventor(s)	Title

Patent Applications in Preparation

Country	Docket No.	Expected Filing Date	Inventor(s)	Title

ITEM B – PATENT LICENSES

Country or Territory	Licensor	Licensee	Effective Date	Expiration Date	Subject Matter

NOTICE OF SECURITY INTEREST IN INTELLECTUAL PROPERTY

THIS NOTICE DATED September 29, 2022.

WHEREAS BLUERUSH INC. (the “**Debtor**”) is the owner of the registered trademarks and patents set forth in Attachment 1 attached hereto (collectively, the “**Intellectual Property**”);

WHEREAS BDC Capital Inc. (the “**Lender**”) entered into, *inter alia*, a General Security Agreement with the Debtor dated as of the date hereof by which the Debtor granted to the Lender a security interest and lien in all of its property, including the Intellectual Property;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in accordance with the terms and obligations set forth in the General Security Agreement, the Debtor hereby confirms the granting of a security interest and lien in the Intellectual Property to the Lender.

[the remainder of this page is intentionally left blank]

DATED as of the date first written above.

BLUERUSH INC.

DocuSigned by:
Stephen Taylor
Per: _____
Name: Stephen Taylor
Title: CEO

I have authority to bind the corporation.

Attachment 1

Canadian Trade-marks

Trademark	TMA Registration No.	Renewal Date	Registration Date	Application Serial No.
INDIVIDEO	TMA1133675	July 12, 2032	July 12, 2022	1925388

Patents

ITEM A - PATENTS

Issued Patents

Country	Patent No.	Issue Date	Inventor(s)	Title

Pending Patent Applications

Country	Patent Application	Filing Date	Inventor(s)	Title

Patent Applications in Preparation

Country	Docket No.	Expected Filing Date	Inventor(s)	Title

ITEM B – PATENT LICENSES

Country or Territory	Licensor	Licensee	Effective Date	Expiration Date	Subject Matter

This is **Exhibit 'N'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits

PATENT AND TRADEMARK SECURITY AGREEMENT

This Patent and Trademark Security Agreement (this "Agreement"), dated as of September 29, 2022, is made by and between BLUERUSH INC., having a business location at the address set forth below next to its signature (the "Debtor"), and BDC CAPITAL INC. ("BDCC"), having a business location at the address set forth below next to its signature.

Recitals

A. Debtor and BDCC are parties to a letter of offer of financing dated August 24, 2022 (as amended, supplemented, restated or otherwise modified from time to time, the "Credit Agreement"), setting forth the terms on which BDCC may now or hereafter extend credit to or for the account of Debtor.

B. To secure the payment and performance of all of the indebtedness, liabilities and obligations incurred by Debtor, or to be incurred by Debtor, to and in favour of BDCC, Debtor has entered into, *inter alia*, a general security agreement in favour of BDCC dated as of the date hereof (the "**General Security Agreement**");

C. As a condition to extending credit to or for the account of Debtor, BDCC has required the execution and delivery of this Agreement by Debtor.

ACCORDINGLY, in consideration of the mutual covenants contained in the Credit Agreement and herein, the parties hereby agree as follows:

1. Definitions. All capitalized terms that are used but not otherwise defined herein shall have the meanings given to them in the General Security Agreement. In addition, the following terms have the meanings set forth below:

"Patents" means patents and patent applications, including (i) the patents and patent applications listed on Exhibit A (ii) all continuations, divisionals, continuations-in-part, re-examinations, reissues, and renewals thereof and improvements thereon, (iii) all income, royalties, damages and payments now and hereafter due or payable under and with respect thereto, including payments under all licenses entered into in connection therewith and damages and payments for past, present, or future infringements thereof, (iv) the right to sue for past, present, and future infringements thereof, and (v) all of Debtor's rights corresponding thereto throughout the world.

"Patent and Trademark Collateral" has the meaning given in Section 2.

"Security Interest" has the meaning given in Section 2.

"Trademarks" means any and all trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including (i) the trade names, registered trademarks, trademark applications, registered service marks and service mark applications listed on Exhibit B, (ii) all renewals thereof, (iii) all income, royalties, damages and payments now and hereafter due or payable under and with respect thereto, including payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (iv) the right to sue for past, present and future infringements and dilutions thereof, (v) the goodwill of Debtor's business symbolized by

the foregoing or connected therewith, and (vi) all of Debtor's rights corresponding thereto throughout the world.

2. Security Interest. Debtor hereby irrevocably grants, collaterally assigns and pledges to BDCC a continuing security interest (the "Security Interest") in the Debtor's Patents and Trademarks and all products and proceeds thereof (collectively, the "Patent and Trademark Collateral"), to secure the Obligations. This Agreement grants only the Security Interest herein described, is not intended to and does not affect any present transfer of title of any trademark registration or application and makes no assignment and grants no right to assign or perform any other action with respect to any intent to use trademark application, unless such action is permitted under 15 U.S.C. § 1060.

3. Security Agreement. The security interests granted to BDCC herein are granted in furtherance, and not in limitation of, the security interests granted to the BDCC pursuant to the Credit Agreement and General Security Agreement; provided, however, that nothing in this Agreement shall expand, limit or otherwise modify the security interests granted in the Credit Agreement or the General Security Agreement. Debtor hereby acknowledges and affirms that the rights and remedies of BDCC with respect to the Patent and Trademark Collateral are more fully set forth in the Credit Agreement and the General Security Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein. In the event of any conflict between the terms of this Agreement, the Credit Agreement or the General Security Agreement, the terms of the Credit Agreement shall govern.

4. Miscellaneous.

(a) No amendment or modification of this Agreement shall be effective unless it has been agreed to by BDCC and Debtor in a writing that specifically states that it is intended to amend or modify this Agreement. No failure by BDCC to exercise any right, remedy, or option under this Agreement, or delay by BDCC in exercising the same, will operate as a waiver thereof. No waiver by BDCC will be effective unless it is in writing, and then only to the extent specifically stated. The rights and remedies of BDCC under this Agreement shall be cumulative. No exercise by BDCC of one right or remedy shall be deemed an election, and no waiver by BDCC shall be deemed a continuing waiver. All notices to be given to Debtor or BDCC under this Agreement shall be given in the manner and with the effect provided in the Credit Agreement. This Agreement shall bind and inure to the benefit of the respective successors and assigns of each of the parties hereto. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

(b) TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, DEBTOR AND BDCC HEREBY WAIVE THEIR RESPECTIVE RIGHTS, IF ANY, TO A JURY TRIAL OF ANY CLAIM, CONTROVERSY, DISPUTE OR CAUSE OF ACTION DIRECTLY OR INDIRECTLY BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. DEBTOR AND BDCC REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS

FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(c) THE VALIDITY OF THIS AGREEMENT AND THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT OF THIS AGREEMENT, AND THE RIGHTS OF THE PARTIES, AS WELL AS ALL CLAIMS, CONTROVERSIES OR DISPUTES ARISING UNDER OR RELATED TO THIS AGREEMENT WILL BE DETERMINED UNDER, GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

IN WITNESS WHEREOF, the parties have executed this Patent and Trademark Security Agreement as of the date written above.

5700 Yonge St., Suite 200
Toronto, Ontario
M2M 4K2
Attention: Stephen Taylor

BLUERUSH INC.

By: _____
Name: Stephen Taylor
Title: CEO

81 Bay St., Suite 3700
Toronto, Ontario
M5J 0E7
Attention: Enes Kula

BDC CAPITAL INC.

By: *Enes Kula*

Name: Enes Kula
Title: Senior Director

By: *Angelo Zeni*

Name: Angelo Zeni
Title: Managing Director

FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(c) THE VALIDITY OF THIS AGREEMENT AND THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT OF THIS AGREEMENT, AND THE RIGHTS OF THE PARTIES, AS WELL AS ALL CLAIMS, CONTROVERSIES OR DISPUTES ARISING UNDER OR RELATED TO THIS AGREEMENT WILL BE DETERMINED UNDER, GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

IN WITNESS WHEREOF, the parties have executed this Patent and Trademark Security Agreement as of the date written above.

5700 Yonge St., Suite 200
Toronto, Ontario
M2M 4K2
Attention: Stephen Taylor

BLUERUSH INC.

DocuSigned by:
Stephen Taylor
By: _____
Name: Stephen Taylor
Title: CEO

81 Bay St., Suite 3700
Toronto, Ontario
M5J 0E7
Attention: Enes Kula

BDC CAPITAL INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

EXHIBIT A

UNITED STATES ISSUED PATENTS

None.

PATENT APPLICATIONS

None.

EXHIBIT B

UNITED STATES ISSUED TRADEMARKS, SERVICE MARKS AND COLLECTIVE
MEMBERSHIP MARKS

REGISTRATIONS

None.

APPLICATIONS

<u>Mark</u>	<u>Serial Number</u>	<u>Filing Date</u>
BLUERUSH	90243225	October 8, 2020

COLLECTIVE MEMBERSHIP MARKS AND/OR UNREGISTERED MARKS

None.

This is **Exhibit 'A'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

A Commissioner for taking Affidavits

NOTICE OF GRANT OF SECURITY INTEREST IN
PATENTS AND TRADEMARKS

United States Patent and Trademark Office

Ladies and Gentlemen:

Please be advised that pursuant to the Patent and Trademark Security Agreement (as the same may be amended, modified, restated or replaced from time to time), dated as of September 29, 2022, by and among BLUERUSH INC. ("Grantor") and BDC Capital Inc. ("Lender"), the undersigned Grantor has granted a continuing security interest in and continuing lien upon, the patents and trademarks shown below to Lender:

PATENT APPLICATION

<u>Title</u>	<u>Publication Number</u>	<u>Filed Date</u>
--------------	---------------------------	-------------------

TRADEMARK APPLICATION

<u>Mark</u>	<u>Serial Number</u>	<u>Filing Date</u>
BLUERUSH	90243225	October 8, 2020

[the remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Notice of Grant of Security Interest in Patents and Trademarks as of the date written above.

5700 Yonge St., Suite 200
Toronto, Ontario
M2M 4K2
Attention: Stephen Taylor

BLUERUSH INC.

By: _____
Name: Stephen Taylor
Title: CEO

81 Bay St., Suite 3700
Toronto, Ontario
M5J 0E7
Attention: Kyle Feucht

BDC CAPITAL INC.

By: *Enes Kula*

Name: Enes Kula
Title: Senior Director

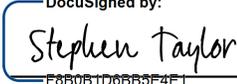
By: *Angelo Zeni*

Name: Angelo Zeni
Title: Managing Director

IN WITNESS WHEREOF, the parties have executed this Notice of Grant of Security Interest in Patents and Trademarks as of the date written above.

5700 Yonge St., Suite 200
Toronto, Ontario
M2M 4K2
Attention: Stephen Taylor

BLUERUSH INC.

By: 
Name: Stephen Taylor
Title: CEO

81 Bay St., Suite 3700
Toronto, Ontario
M5J 0E7
Attention: Kyle Feucht

BDC CAPITAL INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

This is **Exhibit 'O'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits

Enquiry Result

File Currency: 14DEC 2025



All Pages

Note: All pages have been returned.

Type of Search	Business Debtor								
Search Conducted On	BLUERUSH INC.								
File Currency	14DEC 2025								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	786355182	1	1	1	1	01SEP 2030			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
786355182		001	1		20220901 1331 1590 8488	P PPSA	8		
Individual Debtor	Date of Birth	First Given Name		Initial	Surname				
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	BLUERUSH INC.								
	Address			City	Province	Postal Code			
	5700 YONGE ST., SUITE 200			TORONTO	ON	M2M 4K2			
Individual Debtor	Date of Birth	First Given Name		Initial	Surname				
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address			City	Province	Postal Code			
Secured Party	Secured Party / Lien Claimant								
	BDC CAPITAL INC.								
	Address			City	Province	Postal Code			
	81 BAY ST., SUITE 3700			TORONTO	ON	M5J 0E7			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	CHAITONS LLP (AK/IV - 74700)								

Address	City	Province	Postal Code
5000 YONGE STREET, 10TH FLOOR	TORONTO	ON	M2N 7E9

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This is **Exhibit 'P'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely



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

A Commissioner for taking Affidavits

Enquiry Result

File Currency: 14DEC 2025

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All Pages ⏪ ⏩

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Type of Search	Business Debtor								
Search Conducted On	BLUERUSH DIGITAL MEDIA CORP.								
File Currency	14DEC 2025								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	512106048	1	3	1	5	20DEC 2029			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
512106048		001	1		20241220 0915 1590 1590	P PPSA	5		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	BLUERUSH DIGITAL MEDIA CORP.								
	Address				City	Province	Postal Code		
	4711 YONGE STREET, 10TH FLOOR				NORTH YORK	ON	M2N 6K8		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	BONSAI GROWTH SOLUTIONS INC.								
	Address				City	Province	Postal Code		
	408 - 55 WATER STREET, UNIT 8933				VANCOUVER	BC	V6B 1A1		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	MILLER THOMSON LLP (TORONTO)								

	Address	City	Province	Postal Code
	5800-40 KING ST W	TORONTO	ON	M5H 3S1

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	BLUERUSH DIGITAL MEDIA CORP.								
File Currency	14DEC 2025								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	744002226	2	3	2	5	21SEP 2028			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
744002226		001	2		20180921 1330 1219 1014	P PPSA	05		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	BLUERUSH DIGITAL MEDIA CORP.								
	Address				City	Province	Postal Code		
	112-75 SHERBOURNE ST				TORONTO	ON	M5A 2P9		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	CANADIAN IMPERIAL BANK OF COMMERCE								
	Address				City	Province	Postal Code		
	305 MILNER 6TH FLOOR				SCARBOROUGH	ON	M1B 3V4		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
				X	X				
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	INVESTMENT PROPERTY / SECURITIES BEING PLEDGE OF CIBC GIC ACCOUNT, AND RENEWALS AND SUBSTITUTIONS THEREOF, TOGETHER WITH ALL GOODS, SECURITIES, INVESTMENT PROPERTY, INSTRUMENTS, DOCUMENTS OF TITLE,								
Registering Agent	Registering Agent								
	D+H LIMITED PARTNERSHIP								
	Address				City	Province	Postal Code		
	2 ROBERT SPECK PARKWAY, 15TH FL				MISSISSAUGA	ON	L4Z 1H8		

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	BLUERUSH DIGITAL MEDIA CORP.								
File Currency	14DEC 2025								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
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FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
744002226		002	2		20180921 1330 1219 1014				
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
	CHATTEL PAPER, INTANGIBLES OR MONEY FORMING PROCEEDS OF THE FOREGOING COLLATERAL.								
Registering Agent	Registering Agent								
	Address				City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor									
Search Conducted On	BLUERUSH DIGITAL MEDIA CORP.									
File Currency	14DEC 2025									
	File Number	Family	of Families	Page						of Pages
	744002226	2	3	4						5
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT										
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number			Registered Under		
		001	1		20230724 0804 1219 4921					
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period				
	744002226			B RENEWAL	05					
Reference Debtor/ Transferor	First Given Name			Initial	Surname					
	Business Debtor Name									
	BLUERUSH DIGITAL MEDIA CORP.									
Other Change	Other Change									
Reason / Description	Reason / Description									
Debtor/ Transferee	Date of Birth	First Given Name			Initial	Surname				
	Business Debtor Name							Ontario Corporation Number		
	Address				City		Province	Postal Code		
Assignor Name	Assignor Name									
Secured Party	Secured party, lien claimant, assignee									
	Address				City		Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date	
Motor Vehicle Description	Year	Make			Model		V.I.N.			
General Collateral Description	General Collateral Description									
Registering Agent	Registering Agent or Secured Party/ Lien Claimant									
	TERANET COLLATERAL MANAGEMENT SOLUTIONS CORPORATION									
	Address				City		Province	Postal		

				Code
	2 ROBERT SPECK PARKWAY, 15TH FL	MISSISSAUGA	ON	L4Z 1H8

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	BLUERUSH DIGITAL MEDIA CORP.								
File Currency	14DEC 2025								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	786355272	3	3	5	5	01SEP 2030			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
786355272		001	1		20220901 1334 1590 8491	P PPSA	8		
Individual Debtor	Date of Birth	First Given Name		Initial	Surname				
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	BLUERUSH DIGITAL MEDIA CORP.								
	Address			City	Province	Postal Code			
	5700 YONGE ST., SUITE 200			TORONTO	ON	M2M 4K2			
Individual Debtor	Date of Birth	First Given Name		Initial	Surname				
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address			City	Province	Postal Code			
Secured Party	Secured Party / Lien Claimant								
	BDC CAPITAL INC.								
	Address			City	Province	Postal Code			
	81 BAY ST., SUITE 3700			TORONTO	ON	M5J 0E7			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			
Motor Vehicle Description	Year	Make			Model	V.I.N.			
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	CHAITONS LLP (AK/IV - 74700)								
	Address			City	Province	Postal Code			
	5000 YONGE STREET, 10TH FLOOR			TORONTO	ON	M2N 7E9			

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This is **Exhibit 'Q'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits

ACKNOWLEDGMENT

To: BDC CAPITAL INC. (“BDC”)

And To: BLUERUSH INC. (the “Borrower”) and BLUERUSH DIGITAL MEDIA CORP. (the “Corporation”)

Re: BDC loan to the Borrower in the principal amount of up to \$2,000,000 guaranteed by the Corporation

WHEREAS:

A. the Corporation has granted to the undersigned (“CIBC”) a security interest in certain of the Corporation’s present and after-acquired personal property to secure present and future debts and obligations of the Corporation to CIBC (the “CIBC Security”) under its corporate credit card facility;

B. the Corporation has granted to BDC a registered security interest, in all of the Corporation’s present and after-acquired personal property to secure present and future debts and obligations of the Corporation to BDC (the “BDC Security”), including without limitation, all indebtedness owing by the Borrower to BDC;

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, CIBC hereby agrees as follows:

1. The CIBC Security shall have priority to the BDC Security in the cash collateral of the Corporation deposited by the Corporation with CIBC, including GIC and GIC accounts, and renewals thereof, to the extent of the indebtedness owing by the Corporation to CIBC from time to time under its corporate credit card facility and its standby letter of credit facility, to a maximum aggregate principal amount of \$76,550 plus all interest thereon.
2. Except to the extent set out in paragraph 1, the CIBC Security is subordinated to the security constituted by the BDC Security.
3. The provisions set out in paragraphs 1 and 2 shall apply in all events and circumstances regardless of: (a) the date of execution, attachment, registration or perfection of any security interest held by BDC or CIBC; or (b) the date of any advance or advances made to the Corporation by BDC or CIBC; or (c) the date of default under the BDC Security or the CIBC Security; or (d) the dates of crystallization of any floating charges held by BDC or CIBC; or (e) any priority granted by any principle of law or any statute, including the *Personal Property Security Act (Ontario)*.
4. CIBC will not transfer or assign any of the CIBC Security without first obtaining from the proposed assignee or transferee an agreement to be bound by the provisions of this Acknowledgment.
5. Delivery of this Acknowledgment by facsimile or electronic transmission shall be as effective as delivery of a manually executed original of this Acknowledgment.
6. This Acknowledgement shall enure to the benefit of the Corporation and BDC and their respective successors and assigns and shall be binding upon the undersigned and its

successors and assigns. This Acknowledgment shall be governed by and construed in accordance with the laws of the Province of Ontario.

Dated this 22 day of September, 2022

**CANADIAN IMPERIAL BANK
OF COMMERCE**

By:  _____

Name: Lia Whyte

Title Relationship Manager, Commercial Banking

By:  _____

Name:

Title Robyn Morgan, Sr Manager Commercial Banking

This is **Exhibit 'R'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits

BRAZEAU SELLER LAW

BRAZEAU SELLER LLP
700-100 QUEEN STREET
OTTAWA, ONTARIO
CANADA K1P 1J9

TEL 613-237-4000
FAX 613-237-4001
BRAZEAUSELLER.COM

June 30, 2025

BY COURIER:

BlueRush Inc.
4711 Yonge Street, 10th Floor
Toronto, Ontario M2N 6K8

AND

BlueRush Digital Media Corp.
4711 Yonge Street, 10th Floor
Toronto, Ontario M2N 6K8

Attention: Stephen Taylor

Dear Mr. Taylor:

**RE: BlueRush Inc. ("BlueRush") Indebtedness Pursuant to Financing No. 237172-01 and Letter of Offer of Financing dated August 24, 2022 (the "Letter of Offer")
Our File No.: 4504757**

Please be advised that we are the solicitors for BDC Capital Inc. ("**BDC Capital**").

Pursuant to the terms of the Letter of Offer and the General Security Agreement dated September 29, 2022 (the "**GSA**"), BlueRush is in default of its repayment obligations owing to BDC Capital, requiring BlueRush to make immediate repayment of its aggregate indebtedness.

Pursuant to a Guarantee dated September 29, 2022, BlueRush Digital Media Corp. provided an unconditional guarantee of BlueRush's obligations under the Letter of Offer and the GSA (the "**Guarantee**").

Accordingly, BDC Capital hereby demands payment by BlueRush and BlueRush Digital Media Corp. (jointly and severally) in the amount of **\$2,440,800.87** (the "**Indebtedness**"), being the total sum owing to BDC Capital by BlueRush pursuant to the Letter of Offer, calculated as at June 30, 2025 as follows:

	Amount Owing in Canadian Dollars
Principal Amount	\$2,000,000.00
Interest	\$36,150.90
Payment in Kind ("PIK")	\$402,149.97

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Legal Fees	\$3,000.00
Total	\$2,440,800.87
Per Diem Interest	\$599.68
Per Diem PIK	\$416.11

The Indebtedness must be paid within ten (10) business days, no later than 5:00 pm on **July 15, 2025**, by certified cheque payable to Brazeau Seller, LLP, in trust, forwarded to the undersigned's attention. In the event the Indebtedness is not repaid by July 15, 2025, BDC Capital shall take steps to pursue and enforce the terms of the Letter of Offer, the Guarantee, and its security under the GSA. In that regard, we enclose a Notice of Intention to Enforce Security pursuant to s.244(1) of the *Bankruptcy and Insolvency Act*.

In addition, if we are required to commence legal proceedings against BlueRush and BlueRush Digital Media Corp., we will claim additional amounts for pre-judgment and post-judgment interest, and all other costs including legal costs on a full indemnity basis.

I trust the foregoing to be sufficiently clear, however, if you have any questions concerning the above, please do not hesitate to contact the undersigned. Otherwise, BDC Capital shall anticipate repayment of the Indebtedness in full no later than July 15, 2025.

Yours very truly,

Per:



Fred Seller
fseller@brazeauseller.com
Direct: 613-907-8150
Encl.

NOTICE OF INTENTION TO ENFORCE SECURITY

(Subsection 244(1) of the Bankruptcy and Insolvency Act)

TO: BLUERUSH INC., an insolvent corporation
4711 Yonge Street, 10th Floor
Toronto, Ontario M2N 6K8

TAKE NOTICE THAT:

1. BDC Capital Inc. ("**BDC Capital**"), a secured creditor, intends to enforce its security on the property of the insolvent corporation described below:
 - a. All present and after-acquired personal property, except consumer goods, of BlueRush Inc. ("**BlueRush**") as more particularly described in the General Security Agreement dated September 29, 2022, granted by BlueRush in favour of BDC Capital.
2. The security that is to be enforced is in the form of the General Security Agreement referred to in paragraph 1 herein.
3. The total amount of indebtedness secured by the security is **\$2,440,800.87** and is described in a letter from Brazeau Seller LLP to BlueRush dated June 30, 2025.
4. The secured creditor will not have the right to enforce the security until after expiry of the 10-day period after this notice is sent, unless the insolvent person consents to an earlier enforcement in the form attached hereto as Schedule "A".

DATED at Ottawa, Ontario this 30th day of June 2025.

BDC Capital Inc. by its solicitors and authorized agents;

PER: 

Fred Seller

Brazeau Seller LLP
100 Queen Street, Suite 700
Ottawa, Ontario K1P 1J9

T: 613-907-8150
fseller@brazeauseller.com

Schedule "A"

CONSENT TO EARLY ENFORCEMENT

I hereby consent to the immediate enforcement of the above-noted security, notwithstanding section 244(1) of the *Bankruptcy and Insolvency Act*.

BLUERUSH INC.

Date: _____

Per: _____

Name:

Title:

I have the authority to bind the Corporation.

BRAZEAU SELLER LAW

BRAZEAU SELLER LLP
700-100 QUEEN STREET
OTTAWA, ONTARIO
CANADA K1P 1J9

TEL 613-237-4000
FAX 613-237-4001
BRAZEAUSELLER.COM

June 30, 2025

BY COURIER:

BlueRush Inc.
4711 Yonge Street, 10th Floor
Toronto, Ontario M2N 6K8

AND

BlueRush Digital Media Corp.
4711 Yonge Street, 10th Floor
Toronto, Ontario M2N 6K8

Attention: Stephen Taylor

Dear Mr. Taylor:

**RE: BlueRush Inc. ("BlueRush") Indebtedness Pursuant to Financing No. 237172-01 and Letter of Offer of Financing dated August 24, 2022 (the "Letter of Offer")
Our File No.: 4504757**

Please be advised that we are the solicitors for BDC Capital Inc. ("**BDC Capital**").

Pursuant to the terms of the Letter of Offer and the General Security Agreement dated September 29, 2022 (the "**GSA**"), BlueRush is in default of its repayment obligations owing to BDC Capital, requiring BlueRush to make immediate repayment of its aggregate indebtedness.

Pursuant to a Guarantee dated September 29, 2022, BlueRush Digital Media Corp. provided an unconditional guarantee of BlueRush's obligations under the Letter of Offer and the GSA (the "**Guarantee**").

Accordingly, BDC Capital hereby demands payment by BlueRush and BlueRush Digital Media Corp. (jointly and severally) in the amount of **\$2,440,800.87** (the "**Indebtedness**"), being the total sum owing to BDC Capital by BlueRush pursuant to the Letter of Offer, calculated as at June 30, 2025 as follows:

	Amount Owing in Canadian Dollars
Principal Amount	\$2,000,000.00
Interest	\$36,150.90
Payment in Kind ("PIK")	\$402,149.97

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Legal Fees	\$3,000.00
Total	\$2,440,800.87
Per Diem Interest	\$599.68
Per Diem PIK	\$416.11

The Indebtedness must be paid within ten (10) business days, no later than 5:00 pm on **July 15, 2025**, by certified cheque payable to Brazeau Seller, LLP, in trust, forwarded to the undersigned's attention. In the event the Indebtedness is not repaid by July 15, 2025, BDC Capital shall take steps to pursue and enforce the terms of the Letter of Offer, the Guarantee, and its security under the GSA. In that regard, we enclose a Notice of Intention to Enforce Security pursuant to s.244(1) of the *Bankruptcy and Insolvency Act*.

In addition, if we are required to commence legal proceedings against BlueRush and BlueRush Digital Media Corp., we will claim additional amounts for pre-judgment and post-judgment interest, and all other costs including legal costs on a full indemnity basis.

I trust the foregoing to be sufficiently clear, however, if you have any questions concerning the above, please do not hesitate to contact the undersigned. Otherwise, BDC Capital shall anticipate repayment of the Indebtedness in full no later than July 15, 2025.

Yours very truly,

Per:



Fred Seller
fseller@brazeauseller.com
Direct: 613-907-8150
Encl.

NOTICE OF INTENTION TO ENFORCE SECURITY

(Subsection 244(1) of the Bankruptcy and Insolvency Act)

TO: BLUERUSH DIGITAL MEDIA CORP.,
4711 Yonge Street, 10th Floor
Toronto, Ontario M2N 6K8

TAKE NOTICE THAT:

1. BDC Capital Inc. ("**BDC Capital**"), a secured creditor, intends to enforce its security on the property of the insolvent corporation described below:
 - a. All present and after-acquired personal property, except consumer goods, of BlueRush Inc. ("**BlueRush**") as more particularly described in the General Security Agreement dated September 29, 2022, granted by BlueRush in favour of BDC Capital.
2. The security that is to be enforced is in the form of the General Security Agreement referred to in paragraph 1 herein.
3. The total amount of indebtedness secured by the security is **\$2,440,800.87** and is described in a letter from Brazeau Seller LLP to BlueRush dated June 30, 2025.
4. The secured creditor will not have the right to enforce the security until after expiry of the 10-day period after this notice is sent, unless the insolvent person consents to an earlier enforcement in the form attached hereto as Schedule "A".

DATED at Ottawa, Ontario this 30th day of June 2025.

BDC Capital Inc. by its solicitors and authorized agents;

PER: 

Fred Seller

Brazeau Seller LLP
100 Queen Street, Suite 700
Ottawa, Ontario K1P 1J9

T: 613-907-8150
fseller@brazeauseller.com

Schedule "A"

CONSENT TO EARLY ENFORCEMENT

I hereby consent to the immediate enforcement of the above-noted security, notwithstanding section 244(1) of the *Bankruptcy and Insolvency Act*.

BLUERUSH DIGITAL MEDIA CORP.

Date: _____

Per: _____

Name:

Title:

I have the authority to bind the Corporation.

This is **Exhibit 'S'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits



July 18, 2025

VIA EMAIL: steve.taylor@bluerush.com

BlueRush Inc.
 4711 Yonge Street, 10th Floor
 Toronto, Ontario M2N 6K8

AND

BlueRush Digital Media Corp. (the "Guarantor")
 4711 Yonge Street, 10th Floor
 Toronto, Ontario M2N 6K8

Attention: Stephen Taylor

RE: Acknowledgement of Default and Forbearance Offer regarding Financing No. 237172-01 and Letter of Offer of Financing dated August 24, 2022

BDC Capital Inc. ("**BDC Capital**") has made available to BlueRush Inc. (the "**Borrower**") one or more credit facilities pursuant to the following Credit Agreement (as defined below):

- 1) a letter of offer dated August 24, 2022, between BDC Capital, as lender, the Borrower, as borrower, and the Guarantor, as guarantor, making a credit facility available to the Borrower (the "**Letter of Offer**");
- 2) a letter of amendment dated September 22, 2022, between BDC Capital, the Borrower, and the Guarantor amending the interest rate of the Letter of Offer ("**Amendment No. 1**");
- 3) a letter of amendment dated February 6, 2024, between BDC Capital, the Borrower, and the Guarantor amending the Security in the Letter of Offer ("**Amendment No. 2**");
- 4) a letter of amendment dated September 27, 2024, between BDC Capital, the Borrower, and the Guarantor amending the balloon payment terms under the Letter of Offer ("**Amendment No. 3**");
- 5) a letter of amendment dated October 31, 2024, between BDC Capital, the Borrower, and the Guarantor amending the balloon payment terms, additional interest and underlying conditions under the Letter of Offer ("**Amendment No. 4**");
- 6) a letter of amendment dated January 31, 2025, between BDC Capital, the Borrower, and the Guarantor amending the Maturity Date, interest rate, additional interest, and underlying conditions under the Letter of Offer ("**Amendment No. 5**");

(the Letter of Offer, Amendment No. 1, Amendment No. 2, Amendment No. 3, Amendment No. 4, Amendment No. 5 are hereinafter collectively referred to as the "**Credit Agreement**").

BDC Capital	Borrower	Guarantor
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Capitalized terms used herein and not otherwise defined have the meanings given to them in the Credit Agreement.

I. DEBT AND SECURITY

Pursuant to the Credit Agreement and a guarantee agreement dated September 29, 2022 from the Guarantor in favour of BDC Capital (the “**Guarantee**”), as at June 30, 2025 (the “**Statement Date**”), the Borrower and the Guarantor (together, the “**Credit Parties**”) are indebted to BDC Capital as follows (the “**Statement Date Debt**”):

Type	Amount Owing in Canadian Dollars
Principal Amount under Credit Agreement	\$2,000,000.00
Interest under Credit Agreement	\$36,150.90
Payment in Kind (“ PIK ”) under Credit Agreement	\$402,149.97
Legal Fees	\$3,000.00
Total	\$2,440,800.87
Per Diem Interest	\$599.68
Per Diem PIK	\$416.11

Note: interest, fees (including professional fees), costs and expenses continue to accrue.

II. EXISTING DEFAULTS, DEMAND LETTER AND S. 244 NOTICE

The Borrower has defaulted under the terms of the Credit Agreement and Existing Security (as defined below), including without limitation the following:

- 1) the Borrower is in default in the amount of \$438,300.87 as of June 30, 2025;
- 2) the Borrower and the Guarantor, on a consolidated basis, were required to maintain Liquidity at or greater than \$1,500,000.00, tested quarterly and revised on an annual basis at the discretion of BDC Capital. As of April 14, 2025, this Liquidity condition is in default;
- 3) the Borrower and the Guarantor, on a consolidated basis, were required to grow the contracted annual recurring revenue by a minimum of 20% from the previous year, tested annually and revised on an annual basis at the discretion of BDC Capital. As of July 31, 2024, continuing until April 14, 2025, this minimum growth requirement is in default;
- 4) the Borrower was required to remit to BDC Capital its annual consolidated audited financial statements within 120 days after the end of its financial year. As of April 29, 2025, such audited financial statements were not delivered;

BDC Capital	Borrower	Guarantor
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- 5) the Borrower and the Guarantor are required to comply with all applicable laws and regulations. A cease trade order was issued against the Borrower for noncompliance with applicable laws and regulations;

(collectively, the “**Existing Defaults**”).

BDC Capital has not waived and does not waive any of the Existing Defaults.

On June 30, 2025, BDC Capital, by its counsel Brazeau Seller LLP, forwarded to the Borrower and the Guarantor demand letters, demanding payment in full of amounts owing under the Credit Agreement and providing notices of intention to enforce its security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (the “**Demand Letters**”).

III. ACKNOWLEDGEMENTS, REPRESENTATIONS AND AGREEMENTS

By signing this Acknowledgment of Default and Forbearance Offer (the “**Forbearance Agreement**”), the Credit Parties acknowledge, represent and agree as follows:

- 1) each of the above statements is true and accurate;
- 2) the Credit Parties are each liable to BDC Capital in accordance with the terms of the Credit Agreement and Guarantee, together with, but not limited to, all accrued interest, and all Professional Fees and Forbearance Fees as set out in Article IV(b) below and all legal and other expenses incurred by BDC Capital in connection with the Credit Agreement and the enforcements of its rights under the Credit Agreement, Security (as defined below) and this Forbearance Agreement (collectively, the “**Indebtedness**”);
- 3) the Borrower is indebted to BDC Capital in the amount of the Indebtedness, which is due and payable;
- 4) each agreement listed in **Appendix “A”** (collectively, the “**Security Agreements**”) is valid, binding, and enforceable as against the Credit Parties described as being a party to each such agreement in **Appendix “A”**;
- 5) the repayment of the Indebtedness and the performance of the Borrowers’ obligations owing to BDC Capital under the Credit Agreement and the Forbearance Agreement are secured by, among other things, the security interests arising from the Security Agreements (collectively, the “**Existing Security**”) and the Guarantee;
- 6) the Security Agreements, Existing Security and Guarantee are valid, binding and enforceable. The Borrower confirms that all assets that serve as collateral under the Security Agreements are in existence, in the possession and control of the Borrower and have not been transferred, sold, or encumbered without BDC Capital’s consent or impaired in any manner which would deteriorate from or adversely affect the value of same;
- 7) the Existing Defaults have occurred and have not been rectified as of the date of this Forbearance Agreement;
- 8) no other defaults other than the Existing Defaults have occurred at the date of this Forbearance Agreement;

BDC Capital	Borrower	Guarantor
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- 9) the Borrower and the Guarantor do not have any valid claim against BDC Capital (including, for set-off or damages) or any defence on any basis whatsoever against BDC Capital in connection with the enforcement of the Indebtedness and Existing Security and, if there are any such defences or claims, the Borrower and the Guarantor hereby expressly waive any such defences or claims and release BDC Capital from said claims, including, without limitation, any application by BDC Capital to appoint a Receiver upon the expiration of the Forbearance Period (as defined below);
- 10) all factual information provided by or on behalf of the Borrower to BDC Capital for the purposes of or in connection with this Forbearance Agreement or any transaction contemplated herein is true and accurate in all material respects on the date as of which such information is dated or certified; and
- 11) except as expressly modified in this Forbearance Agreement by specific reference, all of the covenants in this Forbearance Agreement are in addition to and not in substitution for the covenants of the Credit Parties in the Credit Agreement, the Security Agreements and the Guarantee, and the Credit Parties acknowledge and agree that the Credit Agreement, the Security Agreements and the Guarantee remain in full force and effect as at the date hereof. The Credit Agreement, the Security Agreements and the Guarantee are to be read and construed in conjunction with this Forbearance Agreement.

IV. FORBEARANCE AVAILABLE

(a) Forbearance Period and Limitations

The Borrower has requested that BDC Capital forbear from enforcing its rights and remedies at this time to permit it to develop a business plan in order to repay the Indebtedness owing to BDC Capital.

In reliance upon the acknowledgments, agreements, representations, warranties and covenants of the Borrower contained in this Forbearance Agreement, BDC Capital is prepared to (i) forbear from taking enforcement steps in respect of the Existing Defaults and (ii) continue to extend credit under the Credit Agreement on the terms set out at paragraph V below from the date of this Forbearance Agreement until the earlier of:

- 1) 90 days from the date of this Forbearance Agreement; or
- 2) the occurrence or existence of any Terminating Event, as defined below

(the “**Forbearance Period**”).

(b) Forbearance Fees

As consideration for BDC Capital’s forbearance, the Borrower shall pay to BDC Capital a one-time fee of \$3,000.00 which amount shall be payable by the Borrower upon the execution of this Forbearance Agreement (the “**Forbearance Fee**”).

The Borrower further agrees to pay all professional fees and disbursements, including legal fees and disbursements and consultant fees and disbursements, if any (the “**Professional Fees**”), incurred by BDC Capital since the Existing Defaults, including the Professional Fees in connection with the Forbearance Agreement and the exercise of its rights under the Credit Agreement and

BDC Capital	Borrower	Guarantor
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the Security Agreements, and authorizes BDC Capital to debit, from time to time or periodically, from any bank account of the Borrower with BDC Capital so as to pay the Professional Fees which the Borrower undertakes to pay pursuant to this Forbearance Agreement.

(c) Forbearance Conditions

BDC Capital’s obligation to forbear during the Forbearance Period is conditional upon the Borrower satisfying the following conditions:

- 1) as a condition precedent to entering the Forbearance Agreement, the Borrower shall prepare a rolling 13-week cash flow forecast effective July 23 2025, in form and content accepted by BDC Capital (the “**Cash Flow**”);
- 2) the Borrower shall, within thirty (30) days of the execution of this Forbearance Agreement, provide source information and confirmation of funding in the amount of \$750,000.00 received pursuant to the partial revocation order issued under the securities legislation of Ontario bearing OSC File No. 2024/0717 (the “**OSC Order**”), together with copies of all related documents, to the satisfaction of BDC Capital;
- 3) starting two weeks after the execution of this Forbearance Agreement, the Borrower shall provide to BDC Capital on a bi-weekly basis, a variance report showing actual receipts and disbursements, together with internal income statements and a balance sheet, of the prior two weeks and the variance between the amount forecasted under the Cash Flow and the actuals (the “**Variance Report**”);
- 4) starting on August 1, 2025, the Borrower shall provide to BDC Capital on a monthly basis, an updated Cash Flow;
- 5) together with subsections IV(c)3) and IV(c)4) above, the Borrower shall provide a certificate executed by Stephen Taylor indicating that all of the facts set out in the Variance Report are true and accurate and that the updated Cash Flow is a reasonable and fair estimate of future receipts and disbursements;
- 6) starting two weeks after the execution of this Forbearance Agreement, the Borrower shall provide to BDC Capital on a bi-weekly basis, status updates of progress under the services agreement between the Borrower and Oak Hill Asset Management Inc. dated July 1, 2025 (the “**Oak Hill Agreement**”), including but not limited to the names of investors, parties contacted, and amounts raised, if any;
- 7) starting on August 1, 2025, the Borrower shall provide to BDC Capital on a monthly basis, a certificate executed by the Board of Directors of the Borrower, confirming that the Borrower is in compliance with its conditions and obligations under the Oak Hill Agreement and the OSC Order and any other laws and regulations applicable to the Borrower;
- 8) upon receipt of the Borrower’s audited financial statements for fiscal year 2024 issued by MNP LLP, the Borrower shall forthwith provide copies to BDC Capital;
- 9) forthwith upon receipt of the Borrower’s financial statements for Q3 of fiscal year 2025 as reviewed by MNP LLP, the Borrower shall provide copies to BDC Capital;

BDC Capital	Borrower	Guarantor
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- 10) the Borrower shall provide BDC Capital with confirmation from MNP LLP regarding the anticipated completion of the 2025 fiscal year-end audit and forecasted issuance of financial statements for fiscal year 2025;
- 11) the Borrower shall continue to pay interest amounts owing under the Credit Agreement as and when they become due;
- 12) the Borrower shall ensure any material amounts and/or individuals providing funds to the Borrower pursuant to the Oak Hill Agreement or otherwise, or any individuals becoming a director/officer of the Borrower, comply with the BDC Capital "Know-Your-Client" rules;
- 13) in the event cash flow for the business is insufficient to cover any payments due and owing under this Forbearance Agreement or the Credit Agreement, the Guarantor shall make the required payment immediately without requirement for any further demand for payment, notice or other action by BDC Capital;
- 14) in the event of any irregularity or further step required in connection with the Credit Agreement or the Security Agreements, to cooperate with any request by BDC Capital to rectify such irregularity or take such further steps so that the agreements reflect the intention of the parties to create binding and enforceable debt obligations and security interests/charges in favour of BDC Capital to the greatest extent and with the highest priority possible; and
- 15) the Borrower shall provide BDC Capital with written notice within forty-eight (48) hours of becoming aware of any breach of any of the above conditions

(collectively, the "Forbearance Conditions").

(d) Default / Terminating Events

Other than as may be consented to in writing by BDC Capital, the occurrence of any of the following events will constitute a "Terminating Event" under this Forbearance Agreement and a default and breach under the Credit Agreement and the Security Agreements:

- 1) any default or breach by the Borrower under this Forbearance Agreement, or any further default or breach of any obligation or covenant occurs under the Credit Agreement and the Security Agreements that is not an Existing Default or otherwise the subject of this Forbearance Agreement;
- 2) The Variance Report indicates a discrepancy of more than 15% between the Cash Flow and actual receipts and disbursements;
- 3) the Borrower fails to make any payment when due to BDC Capital including without limitation under this Forbearance Agreement, the Credit Agreement and the Security Agreements;
- 4) any creditor of the Borrower exercises, seeks to exercise, provides notice that it intends to exercise, or purports to exercise any rights or remedies against any of the property, assets or undertakings of the Borrower or the Guarantor, which is not adequately and promptly addressed by the Borrower, to BDC Capital's satisfaction;

BDC Capital	Borrower	Guarantor
	DS	

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- 5) the Borrower brings any proceeding or takes any other insolvency, winding up, or protection action under the *Bankruptcy and Insolvency Act*, the *Companies' Creditors Arrangement Act*, the *Ontario Business Corporations Act*, or any similar legislation;
- 6) any steps are taken by the Borrower or a third party to wind up or dissolve the Borrower without the prior written consent of BDC Capital;
- 7) any representation and warranty made by the Borrower in connection with the execution and delivery of this Forbearance Agreement, the Credit Agreement or the Security Agreements proves to have been incorrect in any material respect at the time it was made;
- 8) the sale, lease, transfer, relocation, abandonment or any other disposition of the assets of the Borrower outside the ordinary course of business without the prior written consent of BDC Capital;
- 9) the Borrower fails to provide BDC Capital with the reporting or other information specified in the Forbearance Agreement, the Credit Agreement or the Security Agreements;
- 10) any representation or financial reporting information provided by the Borrower to BDC Capital proves to have been false, misleading, inaccurate or incorrect in any material respect at the time that representation or financial reporting information was made or delivered;
- 11) there has been, in the sole opinion of BDC Capital, a material adverse change in the affairs of the Borrower or the Guarantor with respect to the security position of BDC Capital;
- 12) there has been, in the sole opinion of BDC Capital, acting reasonably, a change that may negatively affect the business of the Borrower or the Guarantor, the value of assets used to secure any loan granted by BDC Capital, the Borrower's property and/or the Guarantor's property or their financial position or any of BDC Capital's rights and remedies, and;
- 13) any action which the Borrower or the Guarantor may take only with the prior written consent of BDC Capital is taken without that prior written consent being obtained.

(f) Termination of Forbearance Period

The Borrower agrees and acknowledges that BDC Capital has not, in any manner whatsoever, undertaken to agree to any additional delay or to tolerate the Borrower's defaults beyond the Existing Defaults.

On the expiration of the Forbearance Period, the obligation of BDC Capital to forbear will automatically and without further action terminate and be of no further force or effect, and:

- 1) all monetary obligations owed by the Borrower, including the Indebtedness, shall become immediately due and payable in full without requirement for any further demand for payment, notice or other action by BDC Capital;
- 2) BDC Capital shall be entitled to immediately exercise all or any part of its rights and remedies under this Forbearance Agreement, the Credit Agreement, the Security

BDC Capital	Borrower	Guarantor
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Agreements and other related credit documents, or applicable law including without limitation:

- a) the Credit Parties specifically waive the notice period pursuant to section 244(2) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, and subject to the expiration of the Forbearance Period, consent to the immediate appointment of a receiver and manager over all of its assets, undertakings, and property without further notice, on the terms and conditions set out in the model order for the appointment of a receiver attached to this agreement at **Appendix “B”**, with such modifications as BDC Capital and a receiver selected by BDC Capital consider appropriate.

V. NO NOVATION

This letter does not constitute a novation of the credit already extended to the Borrower, nor a waiver of the rights, remedies or ranks arising from any previous financing offer or security documents or other documents or agreements associated therewith, which remain in full force and continue to guarantee all of the terms, obligations and conditions, whether referred to in this Forbearance Agreement or not. All of the terms and conditions of previous contractual agreements between the Borrower and BDC Capital, including the Security Agreements, will continue to apply subject to the changes required under this Forbearance Agreement.

VI. GENERAL

- 1) This Forbearance Agreement is governed by and is to be construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada as applicable therein (“**Applicable Law**”).
- 2) Unless otherwise specified, all monetary amounts are in Canadian dollars (“**CDN**”).
- 3) Time is of the essence of this Forbearance Agreement.
- 4) No amendment, discharge, modification, restatement, supplement, termination or waiver of this Forbearance Agreement or any section of this Forbearance Agreement is binding unless it is in writing and executed by BDC Capital.
- 5) No waiver of, failure to exercise or delay in exercising, any section of this Forbearance Agreement constitutes a waiver of any other Section (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.
- 6) This Forbearance Agreement constitutes the entire agreement between the parties pertaining to the subject matter of this Forbearance Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties, and there are no representations, warranties or other agreements between the parties, express or implied, in connection with the subject matter of this Forbearance Agreement except as specifically set out in this Forbearance Agreement.
- 7) Each section of this Forbearance Agreement is distinct and severable. If any section of this Forbearance Agreement, in whole or in part, is or becomes illegal, invalid, void, voidable or unenforceable in any jurisdiction by any court of competent jurisdiction, said

BDC Capital	Borrower	Guarantor
	DS	

section will be deemed severed from this Forbearance Agreement and the illegality, invalidity or unenforceability of that section, in whole or in part, will not affect:

- a) the legality, validity or enforceability of the remaining sections of this Forbearance Agreement, in whole or in part; or
 - b) the legality, validity or enforceability of that section, in whole or in part, in any other jurisdiction.
- 8) No party has been induced to enter into this Forbearance Agreement in reliance on, and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a term in this Forbearance Agreement.
 - 9) Any notice or communication to be delivered in connection with this Forbearance Agreement shall be delivered in accordance with the Credit Agreement.
 - 10) The Borrower and the Guarantor will execute and deliver to BDC Capital any further agreements and documents and provide any further assurances, undertakings and information required to give full effect to the terms, conditions, undertakings and guarantees agreed to in this Forbearance Agreement.
 - 11) This Forbearance Agreement enures to the benefit of and is binding upon the parties and their respective successors and permitted assigns.
 - 12) This Forbearance Agreement may be executed and delivered by the parties in one or more counterparts, each of which will be deemed to be an original, and each of which may be delivered by e-mail or other functionally equivalent electronic means of transmission, and those counterparts will together constitute one and the same instrument.
 - 13) Each party has obtained or had the opportunity to obtain independent legal advice in relation to this Forbearance Agreement prior to its execution and this Forbearance Agreement has been reviewed, or each party has had the opportunity to have had this Forbearance Agreement reviewed by each party's professional advisors. Each party acknowledges that this Forbearance Agreement expresses their agreement, and that, if there is any ambiguity in any of its provisions, that provision should not be interpreted against the author of the provision.
 - 14) The Borrower and the Guarantor agree to fully indemnify BDC Capital for all costs including, without limiting the generality of the foregoing, all actual present and future legal and agent fees and disbursements incurred by BDC Capital in respect of or in any way related to the Borrower and the Guarantor including, without limitation, BDC Capital's legal fees in connection with the preparation and enforcement of this Forbearance Agreement. The Borrower and the Guarantor each specifically waive any and all rights they may have to assess any of the legal or agent fees previously paid or payable by BDC Capital to its solicitors or payable to its solicitors or agents in connection with or in any way related to the Borrower and the Guarantor up to the date of this Forbearance Agreement whether such right of assessment arises pursuant to the *Solicitors Act* (Ontario) or under any other law or statute.

BDC Capital	Borrower	Guarantor
	DS	

- 15) BDC Capital will release and discharge all security and covenants provided by the Borrower and/or the Guarantor in respect of the Credit Agreement once BDC Capital is repaid in full and all obligations secured or guaranteed (as applicable) have been satisfied in full in accordance with the terms of the Credit Agreement.

VII. ACCEPTANCE PERIOD

- 16) The Borrower must accept this agreement by returning a counter-signed copy of this Forbearance Agreement to the attention of Robert Morais, Assistant Vice-President, Portfolio Manager, Growth and Transition Capital **on or before July 29, 2025.**

This letter is issued without prejudice to BDC Capital's rights and remedies. This letter must not be construed as a waiver by BDC Capital of its rights and remedies.

Sincerely,
BDC CAPITAL INC.

Robert Morais

By: _____
Robert Morais, Assistant Vice-President,
Portfolio Manager, Growth and Transition
Capital

Benoit Mignacco

By: _____
Benoit Mignacco, Vice-President, Portfolio
Manager, Growth and Transition Capital

BDC Capital	Borrower	Guarantor
	DS	

ST

ACCEPTANCE

A duly signed document sent by email will be considered an original document.

I (We), the undersigned, borrower or duly authorized representative(s) of the Borrower (in the case of a legal entity, claiming to be duly authorized by a resolution dated 7/29/2025, or by-law, a unanimous shareholder agreement or otherwise), acknowledge having read this Forbearance Agreement dated July 18, 2025, together with its appendices, if any, and accept all of its terms, conditions and obligations.

Signed in Toronto, this 29 day of July, 2025.

BLUERUSH INC.

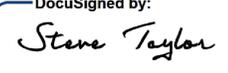
By: 
Name: Stephen Taylor
Title: President
I/we have authority to bind the Corporation.

THE FOLLOWING GUARANTOR IS PARTY TO THIS FORBEARANCE AGREEMENT

The Guarantor hereinafter named acknowledges having read the provisions of this Forbearance Agreement dated July 18, 2025, together with its appendices, if any, and accept all its terms, conditions and obligations. The Guarantor hereby undertakes to sign any document in order to give full and complete effect to its commitments as guarantor of the Indebtedness and other obligations provided for in the Credit Agreement and this Forbearance Agreement.

Signed in Toronto, this 29 day of July, 2025.

BLUERUSH DIGITAL MEDIA CORP.

By: 
Name: Stephen Taylor
Title: President
I/we have authority to bind the Corporation.

BDC Capital	Borrower	Guarantor
		

APPENDIX "A"
Existing Security

1. a General Security Agreement dated September 29, 2022, from the Borrower in favour of BDC Capital;
2. a General Security Agreement dated September 29, 2022, from the Guarantor in favour of BDC Capital;
3. an Assignment of Insurance Monies dated September 29, 2022, from the Borrower in favour of BDC Capital;
4. an Assignment of Insurance Monies dated September 29, 2022, from the Guarantor in favour of BDC Capital;
5. a Trademark and Patent Security Agreement dated September 29, 2022, from the Borrower in favour of BDC Capital with respect to the Borrower's Intellectual Property;
6. a Patent and Trademark Security Agreement dated September 29, 2022, from the Borrower in favour of BDC Capital with respect to the Borrower's US Intellectual Property;
7. All other security granted by the Borrower and the Guarantor to BDC Capital and not otherwise listed above.

BDC Capital	Borrower	Guarantor
	DS	

ST



APPENDIX "B"
Receivership Order

See attached.

BDC Capital	Borrower	Guarantor
	DS	

ST

This is **Exhibit 'T'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits

PRIVATE & CONFIDENTIAL

December 2, 2025

Business Development Bank of Canada
81 Bay Street, Suite 3700
Toronto, Ontario
M5J 0E7

Attention: Robert Morais, Assistant Vice President, Portfolio Management, Growth and Transition Capital

Dear Robert:

This letter ("**Letter of Intent**") sets out the terms and conditions upon which 1001431845 Ontario Inc. (the "**Company**") proposes to purchase all right, title and interest in and to the secured loan in the principal amount of \$2,000,000 (the "**Loan**") provided by BDC Capital, as lender (the "**Assignor**"), to Bluerush Inc., as borrower (the "**Borrower**"), all of the accrued and unpaid interest and payments under the Loan (together with the Loan, the "**Outstanding Indebtedness**") and all of the security agreements, assignments, registrations and guarantees and rights to collateral in respect of such loan (the "**Security Documents**" and, together with the Outstanding Indebtedness, the "**Purchased Assets**"). The proposed acquisition by the Company of the Purchased Assets is referred to in this Letter of Intent as the "**Transaction**" and the closing date of the Transaction is referred to as the "**Closing**".

Except as set forth in Section 10 of this Letter of Intent, a binding agreement for the purchase of the Purchased Assets will only arise upon joint execution and delivery of a definitive purchase agreement (the "**Definitive Agreement**"). Upon receipt of an executed copy of this Letter of Intent, the Company will immediately proceed to complete its due diligence review of the Purchased Assets and the Borrower in accordance with Section 3 of this Letter of Intent.

While the parties anticipate that the matters set forth in this Letter of Intent will form the basis for a Definitive Agreement to be entered into by the parties, the parties acknowledge that further negotiations and the conduct by the Company of its due diligence review in accordance with Section 3 of this Letter of Intent may result in issues being raised that require the matters described in this Letter of Intent to be supplemented, amended or qualified.

All dollar amounts in this Letter of Intent refer to Canadian dollars.

The principal terms and conditions of this Letter of Intent are set forth below:

1. Purchase Price

Subject to the conditions outlined in this Letter of Intent, the Company proposes to purchase the Purchased Assets for an aggregate purchase price of \$1,000,000 (the "**Purchase Price**"). \$500,000 of the Purchase Price would be payable on Closing and the remaining \$500,000 would be payable 24 months following Closing.

The Purchase Price assumes that the Assignor is responsible for all of its own transaction expenses incurred in completing the Transaction.

2. Conditions to Closing

The Closing would be conditional upon the Company being satisfied with each of the following:

- (a) completion by the Company of its due diligence review of the Borrower and the Purchased Assets in accordance with Section 3 below;
- (b) the Company obtaining financing satisfactory to the Company in its sole discretion (the “**Financing Condition**”);
- (c) The Company and the Assignor obtaining all required consents to the completion of the Transaction on terms satisfactory to the Company; and
- (d) the Company obtaining required Board approvals.

3. Due Diligence

The Company would expect to target (i) completing its business, intellectual property, legal, and other third party due diligence of the Borrower and the Purchased Assets on or before January 30, 2026, (ii) entering into the Definitive Agreement with the Assignor on or before February 13, 2026, (iii) confirming meeting or waiving the Financing Condition on or before February 17, 2026 and (iv) Closing on or before February 27, 2026.

During the Exclusive Period (as hereinafter in Section 5 defined), the Assignor will:

- (a) grant to the Company and to its affiliates and their respective officers, directors, employees, agents, advisors, accountants, lawyers, auditors or representatives (collectively, “**Representatives**”) the right to inspect the assets, agreements, instruments, books and records relating to the Purchased Assets and to consult with the Assignor’s Representatives concerning the Borrower and the Purchased Assets;
- (b) use commercially reasonable efforts to obtain such information in respect of the assets, properties, financial statements, agreements, books and records of the Borrower as may be reasonably requested by the Company; and
- (c) direct the Assignor’s Representatives to provide information to the Company as reasonably requested.

This timeframe assumes that the Company and the Company’s Representatives, are provided with full and timely access to the foregoing as reasonably requested by any of them for the purposes of evaluating and effectuating the Transaction. This timeframe also assumes full and timely cooperation by the Assignor, its management and the Assignor’s Representatives. To the extent the Company does not receive such access and full and timely cooperation, the timeframe outlined above would be extended appropriately.

The Company will be under no obligation to continue with its due diligence investigations or with negotiations for a Definitive Agreement, or to enter into a Definitive Agreement if, at any time, the results

of its diligence review are not satisfactory to it in its sole discretion.

4. Standstill Pending Closing

From the date hereof until the earlier of (a) termination or expiry of this Letter of Intent or (b) the Closing, the Assignor agrees that neither it nor any of its affiliates or administrative agents shall (i) declare, and such parties shall be prohibited from declaring, any event of default under the Loan or the Security Documents or (ii) otherwise directly or indirectly seek to exercise any rights or remedies under the Loan or the Security Documents.

5. Exclusive Negotiations

In order to induce the Company to expend the time and resources necessary to complete our due diligence review, until February 13, 2026 (as extended in accordance with the second paragraph of this Section 5, the “**Exclusive Period**”), none of the Assignor, nor any officer, director, employee, consultant, affiliate, advisor, agent or representative of the Assignor will (i) solicit, initiate, or encourage any inquiries, proposals, or offers from any corporation, partnership, person, entity or group (a “**Third Party**”) other than the Company or an affiliate of the Company respecting any lease, transfer, sale, assignment or any similar transaction related to the Purchased Assets (a “**Third Party Acquisition**”), (ii) provide any information to or respond to any questions of any Third Party respecting the Assignor, the Borrower or the Purchased Assets in response to any inquiry concerning, or in order to facilitate, any Third Party Acquisition, or (iii) engage in any negotiations or discussions with or enter into any agreement, understanding or undertaking with any Third Party concerning any Third Party Acquisition (and shall discontinue any current or pending discussions). Upon receipt of any information request that could result in a Third Party Acquisition or the receipt of any proposal respecting a Third Party Acquisition, the occurrence of such request or proposal and its contents shall promptly be communicated in writing to the Company at peter.allison.lenehan@gmail.com and kurbskhanbhai@gmail.com.

The Exclusive Period will be automatically extended to March 13, 2026 provided that, prior to February 13, 2026, the Company has provided the Assignor with a draft of the Definitive Agreement and confirmed in writing that it has substantially completed its due diligence review. Notwithstanding the foregoing, if at any time during the Exclusive Period, the Company determines that it will not be proceeding with the Transaction, it will forthwith notify the Assignor at the address noted on the first page of this Letter of Intent and the provisions of this Section 5 will thereafter have no further force or effect.

Each of the Company and the Assignor will pay its own legal, accounting and other transaction fees in connection with the Transaction, provided that if the Assignor during the Exclusive Period violates the exclusivity provisions of this Section 5 of this Letter of Intent, the Company shall have the right to reimbursement of all reasonable fees and expenses incurred by the Company in connection with the Transaction, including, without limitation, all third-party legal, accounting and other advisory fees and expenses, to be paid by the Assignor to the Company within 5 business days of the Company’s request for such reimbursement.

6. Definitive Agreement

The parties will proceed in good faith with the negotiation of the terms and conditions of the Definitive Agreement and related agreements. The Definitive Agreement will embody the terms and conditions of this Letter of Intent and additional representations, warranties, covenants, conditions and indemnities negotiated between the parties. The Company will prepare the first draft of the Definitive Agreement.

7. Protection of Confidential Information; Compelled Disclosures.

- (a) For purposes of this Letter of Intent, “**Confidential Information**” means all information which is non-public, confidential or proprietary in nature, whether transferred in writing, orally, visually, electronically or by other means, disclosed by a party (the “**Disclosing Party**”) to the other party (the “**Receiving Party**”). Confidential Information includes but is not limited to proposals, contracts, technical and/or financial information, databases, information pertaining to negotiations and any reports, analyses or notes that are based on, reflect or contain Confidential Information. Confidential Information shall not include information that (i) is or becomes generally available to the public other than as a result of a disclosure, in violation of this Letter of Intent by the Receiving Party or its Representatives (ii) was available to or known to the Receiving Party or its Representatives prior to disclosure by the Disclosing Party or its Representatives, (iii) is or becomes available to the Receiving Party or its Representatives from a source other than the Disclosing Party or its Representatives, provided that the source of such information was not known by the Receiving Party or its Representatives to be prohibited from disclosing such information to the Receiving Party or its Representatives by a legal, contractual or fiduciary obligation or (iv) has otherwise been independently acquired or developed by the Receiving Party or its Representatives without violating any obligations under this Letter of Intent.
- (b) As a condition to being provided with any disclosure of or access to Confidential Information, the Receiving Party shall: (i) not access or use Confidential Information other than as necessary to exercise its rights or perform its obligations under and in accordance with this Letter of Intent; (ii) except as may be permitted by and subject to its compliance with Section 7(c), not disclose or permit access to Confidential Information other than to its Representatives who: (A) need to know such Confidential Information for purposes of the Receiving Party’s exercise of its rights or performance of its obligations under and in accordance with this Letter of Intent; (B) have been informed of the confidential nature of the Confidential Information and the Receiving Party’s obligations under this Section 7; and (C) are bound by confidentiality and restricted use obligations at least as protective of the Confidential Information as the terms set forth in this Section 7; (iii) safeguard the Confidential Information from unauthorized use, access or disclosure using at least the degree of care it uses to protect its own confidential information and in no event less than a reasonable degree of care; and (iv) ensure its Representatives’ compliance with and be responsible and liable for any of its Representatives’ noncompliance with, the terms of this Section 7.
- (c) If the Receiving Party or any of its Representatives is compelled by applicable law, regulatory authority or legal or administrative proceeding or investigation to disclose any Confidential Information then, to the extent permitted by applicable law, the Receiving Party shall: (i) promptly, and prior to such disclosure, notify the Disclosing Party in writing of such requirement so that the Disclosing Party can seek a protective order or other remedy, or waive its rights under Section 7; and (ii) provide reasonable assistance to the Disclosing Party in opposing such disclosure or seeking a protective order or other limitations on disclosure. If the Disclosing Party waives compliance or, after providing the notice and assistance required under this Section 7(c), the Receiving Party or its Representatives in the opinion of its legal counsel remains required by applicable law to

disclose any Confidential Information, the such person or entity shall disclose only that portion of the Confidential Information that is legally required to be disclosed without liability under this Letter of Intent and, upon the Disclosing Party's request, shall use commercially reasonable efforts to obtain assurances from the applicable court or other presiding authority that such Confidential Information will be afforded confidential treatment.

- (d) As soon as practicable after receipt of a notice from the Disclosing Party to the Receiving Party, the Receiving Party shall (i) at the Receiving Party's election, either destroy or return to the Disclosing Party all Confidential Information furnished by the Disclosing Party or their Representatives which is in tangible or electronic form, including any copies which the Receiving Party or their Representatives have made and (ii) certify to the Disclosing Party, in writing, that the Receiving Party has done the foregoing. Any Confidential Information that is not returned or destroyed, including, without limitation, any oral Confidential Information, will remain subject to the confidentiality obligations set forth in this Letter of Intent. Notwithstanding the foregoing, the Receiving Party may retain (A) one copy of the Confidential Information solely for evidentiary purposes in the event of any dispute or proceeding based on or arising from this Letter of Intent, (B) copies of any computer records and files containing any Confidential Information that have been created pursuant to the Receiving Party's automatic electronic archiving and back-up procedures until such computer records and files have been deleted in the ordinary course and (C) one copy of any Confidential Information to the extent retention of such Confidential Information is required to comply with applicable law or regulation.
- (e) Each Receiving Party understands and agrees that monetary damages would not be a sufficient remedy for any breach of this Section 7 by the Receiving Party or their Representatives and that, in addition to all other remedies, the Disclosing Party shall be entitled to specific performance or injunctive or other equitable relief as a remedy for any such breach. Each Receiving Party agrees to waive, and cause their Representatives to waive, any requirement for the securing or posting of any bond or security in connection with such remedy.

8. Termination. This Letter of Intent may be terminated (a) upon mutual agreement of the parties or (b) following the expiry of the Exclusive Period, by either party for any reason upon providing 5 business days written notice to the other party. Upon termination of this Letter of Intent, the parties shall have no further obligations under this Letter of Intent, except with respect to the Binding Provisions (as defined below) which shall survive in full force and effect. Upon termination of this Letter of Intent, the parties agree to return to one another or certify the destruction of all Confidential Information exchanged in the course of the discussions and negotiations contemplated by this Letter of Intent in accordance with Section 7.

9. Intent of the Parties and Governing Law

This Letter of Intent supersedes all prior expressions of interest, discussions, agreements or undertakings of the parties relating to the Transaction. This Letter of Intent shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The parties to this Letter of Intent agree to submit all disputes arising out of or relating to this Letter of Intent to the exclusive jurisdiction of the Ontario courts.

10. Binding Provisions

This Letter of Intent is an expression of intent only and is not intended to create legally binding obligations of the parties. Notwithstanding the foregoing, Sections 4, 5, 7, 8, 9 and 10 of this Letter of Intent shall constitute binding and enforceable obligations of the parties hereto.

11. Expiry

This Letter of Intent will be open for signature by the Assignor until 5:00 pm (Toronto time) on December 8, 2025, failing which this Letter of Intent shall automatically become null and void without any further effect on any party.

Please indicate your approval of this letter of intent by signing and returning one copy to the attention of the Company. A facsimile or electronic copy of this Letter of Intent will be treated for all purposes as an original and a copy of this Letter of Intent executed in counterparts will be treated as one and same document for all purposes.

We look forward to working with you on completing this Transaction.

Sincerely,

1001431845 ONTARIO INC.

By: Allison Lenehan
Name: Allison Lenehan
Title: Director

ACCEPTED AND AGREED:

Date: _____

BUSINESS DEVELOPMENT BANK OF CANADA

By: _____
Name:
Title:

This is **Exhibit 'U'** referred to in the Affidavit of **Mark O'Connor**, sworn remotely at the city of Toronto, in the Province of Ontario before me at city of Ottawa, in the Province of Ontario on December 16, 2025, in accordance with O. Reg 431/20, Administering Oath or Declaration Remotely

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

A Commissioner for taking Affidavits

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

BDC CAPITAL INC.

Applicant

- and -

BLUERUSH INC. and BLUERUSH DIGITAL MEDIA CORP.

Respondents

APPLICATION UNDER Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43, as amended

CONSENT TO ACT

msi Spergel Inc. hereby consents to act as receiver and manager over all the property, assets, and undertaking of every nature and kind whatsoever and wherever situated, including all proceeds thereof, of BlueRush Inc. and BlueRush Digital Media Corp in accordance with an order substantially in the form of the receivership order sought and included in the Application Record of BDC Capital Inc.

Dated at Toronto this 15th day of December, 2025.

MSI SPERGEL INC.

Philip H. Gennis

Name: Philip H. Gennis, JD., CIRP., LIT

Title: Licensed Insolvency Trustee

BDC CAPITAL INC.

and

BLUERUSH INC. et al.

Court File No.: CL-25-00753618-0000

Applicant

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

CONSENT TO ACT OF MSI SPERGEL INC.

BRAZEAU SELLER LLP

700-100 Queen Street
Ottawa, ON K1P 1J9

FRED E. SELLER

LSO #: 28868A

ERIC DWYER

LSO# 79413V

Email: edwyer@brazeauseller.com

Tel: 613-237-4000

Lawyers for the Applicant

BDC CAPITAL INC.

and

BLUERUSH INC. et al.

Court File No.:CL-25-00753618-0000

Applicant

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

AFFIDAVIT OF MARK O'CONNOR

BRAZEAU SELLER LLP

700-100 Queen Street
Ottawa, ON K1P 1J9

FRED E. SELLER

LSO #: 28868A

ERIC DWYER

LSO# 79413V

Email: edwyer@brazeauseller.com

Tel: 613-237-4000

Lawyers for the Applicant

TAB 3

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	MONDAY, THE 29 TH
)	
JUSTICE J. STEELE)	DAY OF DECEMBER, 2025

BDC CAPITAL INC.

Applicant

- and -

BLUERUSH INC. and BLUERUSH DIGITAL MEDIA CORP.

Respondents

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "*BIA*") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "*CJA*") appointing msi Spergel Inc. as receiver and manager (in such capacities, the "**Receiver**") without security, of all property, assets, and undertakings of BlueRush Inc. and BlueRush Digital Media Corp. (the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Mark O'Connor sworn December 16, 2025, and the Exhibits thereto and on hearing the submissions of counsel for the Applicant and all other parties listed on the Counsel Slip and on reading the consent of msi Spergel Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the *BIA* and section 101 of the *CJA*, msi Spergel Inc. is hereby appointed Receiver, without security, of all of the property, assets, and undertakings of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
- (d) to engage consultants, advisors, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with

the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order, and in this regard, the Receiver is authorized to retain independent counsel to represent it on any matters which the Receiver, in its judgment, determines it requires independent advice;

- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

- (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; and
- (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required.

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with the Applicant and affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have;

- (r) make an assignment into bankruptcy on behalf of the Debtors; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of its current and former directors, officers, employees, contractors, consultants, project managers, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, source code, computer tapes, computer disks, or other data storage media containing any such information, including without limitation, access to all electronic databases and cloud-based platforms including passwords (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer, cloud-based platform or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records

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

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the *BIA*, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from

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

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the *BIA*, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the *BIA* or under the *Wage Earner Protection Program Act*.

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the *BIA* or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the *BIA* or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and

encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the *BIA*.

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

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$200,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the *BIA*.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/files/guides/the-guide-concerning-commercial-list-e-service-en.pdf>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL <https://www.spergelcorporate.ca/engagements/>

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

GENERAL

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

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

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

31. THIS COURT ORDERS that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

33. THIS COURT ORDERS that, notwithstanding Rule 59.05, this order is effective from the date it is made, and it is enforceable without any need for entry and filing. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or application for leave to appeal is brought to an appellate court.

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$_____

1. THIS IS TO CERTIFY that msi Spergel Inc., the receiver and manager (the "**Receiver**") of the property, assets, and undertakings of BlueRush Inc. and BlueRush Digital Media Corp. (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 29th day of December, 2025 (the "**Order**") made in an action having Court file number CL-25-00753618 has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly] not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

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

DATED the _____ day of _____, 2025.

msi Spergel Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

TAB 4

Revised: January 21, 2014
s.243(1) BIA (National Receiver) and s. 101 CJA (Ontario) Receiver

Court File No.: CL-25-00753618 Court File No. _____

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE _____) WEEKDAYMONDAY, THE 29TH #
JUSTICE J. STEELE _____) DAY OF MONTHDECEMBER, 20YR2025

BDC CAPITAL INC.

PLAINTIFF¹

PlaintiffApplicant

- and -

BLUERUSH INC. and BLUERUSH DIGITAL MEDIA CORP.

DEFENDANT

DefendantRespondents

ORDER

(Appointing Receiver)

THIS MOTION APPLICATION made by the PlaintiffApplicant² for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing msi Spergel Inc. [RECEIVER'S NAME] as receiver {and manager} (in such

¹The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.

²Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".

capacities, the "Receiver") without security, of all ~~of the property, assets, and~~ undertakings of ~~BlueRush Inc. and BlueRush Digital Media Corp. and properties of [DEBTOR'S NAME]~~ (the "Debtors") acquired for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of ~~[NAME]~~ Mark O'Connor sworn ~~[DATE]~~ December 16, 2025, and the Exhibits thereto and on hearing the submissions of counsel for ~~the Applicant and all other parties listed on the Counsel Slip [NAMES], no one appearing for [NAME] although duly served as appears from the affidavit of service of [NAME] sworn [DATE]~~ and on reading the consent of ~~msi Spergel Inc. [RECEIVER'S NAME]~~ to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of ~~Motion Application~~ and the ~~Motion Application~~ is hereby abridged and validated³ so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the *BIA* and section 101 of the *CJA*, ~~msi Spergel Inc. [RECEIVER'S NAME]~~ is hereby appointed Receiver, without security, of all of the ~~property, assets, and~~ undertakings ~~and properties~~ of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (the "Property").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

³ If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
- (d) to engage consultants, advisors, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order, and in this regard, the Receiver is authorized to retain independent counsel to represent it on any matters which the Receiver, in its judgment, determines it requires independent advice;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;

- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings.⁴ The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding ~~\$,~~ \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed ~~\$~~; \$250,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, for section 31 of the Ontario *Mortgages*

~~⁴ This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~

Act, as the case may be,⁵ shall not be required, ~~and in each case the Ontario Bulk Sales Act shall not apply.~~

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with the Applicant and such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; ~~and~~
- (q)(r) make an assignment into bankruptcy on behalf of the Debtors; and

⁵ ~~If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

~~(s)~~ to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of its current and former directors, officers, employees, contractors, consultants, project managers, agents, accountants, legal counsel and shareholders, and all other persons acting on ~~its~~ their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, source code, computer tapes, computer disks, or other data storage media containing any such information, including without limitation, access to all electronic databases and cloud-based platforms including passwords (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer, cloud-based platform or other electronic system of information storage, whether by

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

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the *BIA*, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the *BIA* or under the *Wage Earner Protection Program Act*.

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all

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material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless

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otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the *BIA*.⁶

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

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed ~~_____~~ \$200,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges

⁶~~Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the *BIA*.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at https://www.ontariocourts.ca/scj/files/guides/the_guide_concerning_commercial_list_e-service-en.pdf) <https://www.ontariocourts.ca/scj/files/guides/the-guide-concerning-commercial-list-e-service-en.pdf> shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL <https://www.spergelcorporate.ca/engagements/>.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by

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

GENERAL

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

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

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

31. THIS COURT ORDERS that the ~~Plaintiff~~-Applicant shall have its costs of this ~~motion~~ application, up to and including entry and service of this Order, provided for by the terms of the ~~Plaintiff's~~-Applicant's security or, if not so provided by the ~~Plaintiff's~~-Applicant's security,

then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

32-33. THIS COURT ORDERS that, notwithstanding Rule 59.05, this order is effective from the date it is made, and it is enforceable without any need for entry and filing. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or application for leave to appeal is brought to an appellate court.

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that msi Spergel Inc., [RECEIVER'S NAME], the receiver and manager (the "**Receiver**") of the property, assets, and undertakings of and properties BlueRush Inc. and BlueRush Digital Media Corp. (collectively, the "Debtors") [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ___ day of _____, 20__ (the "**Order**") made in an action having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

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

DATED the ____ day of _____, 2025.

msi Spergel Inc., [RECEIVER'S NAME], solely
in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

BDC CAPITAL INC.

and

BLUERUSH INC. et al.

Court File No.:CL-25-00753618-0000

Applicant

Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

APPLICATION RECORD

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Ottawa, ON K1P 1J9

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