

YELLOW MEDIA INC.
as Borrower

and

SCOTIA CAPITAL,
as Lead Arranger and Sole Book Runner

and

**BMO CAPITAL MARKETS, CIBC WORLD MARKETS,
RBC CAPITAL MARKETS and NATIONAL BANK FINANCIAL,**
as Co-Arrangers

and

THE BANK OF NOVA SCOTIA
as Administrative Agent

and

**BANK OF MONTREAL, CANADIAN IMPERIAL BANK OF COMMERCE
and ROYAL BANK OF CANADA,**
as Co-Syndication Agents

and

NATIONAL BANK OF CANADA,
as Documentation Agent

and

**The Several Lenders
from Time to Time Parties Hereto**

**SECOND AMENDED AND
RESTATED CREDIT
AGREEMENT**

Dated as of September 28, 2011

Prepared by:



**Fasken Martineau DuMoulin LLP
Toronto, Ontario**

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SECOND AMENDED AND RESTATED CREDIT AGREEMENT dated as of September 28, 2011, among Yellow Media Inc., a corporation amalgamated under the federal laws of Canada (the “**Borrower**”), the lending institutions from time to time parties hereto as Lenders (each a “**Lender**” and, collectively, the “**Lenders**”), The Bank of Nova Scotia, as Administrative Agent, Scotia Capital, as Lead Arranger and Sole Book Runner, BMO Capital Markets, CIBC World Markets, RBC Capital Markets and National Bank Financial, as Co-Arrangers, Bank of Montreal, Canadian Imperial Bank of Commerce and The Bank of Nova Scotia, as Co-Syndication Agents, and National Bank of Canada, as Documentation Agent.

WHEREAS the Borrower, Yellow Pages Income Fund, the Lenders and Royal Bank of Canada, in its capacity as administrative agent entered into a certain Amended and Restated Credit Agreement dated as of February 18, 2010 (as amended to the date hereof, the “**Existing Credit Agreement**”);

AND WHEREAS the Lenders have agreed to amend and restate the Existing Credit Agreement to provide certain credit facilities to the Borrower for the purposes set forth in Sections 2.1(d) and (e);

NOW THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the Borrower, the Lenders and the Administrative Agent agree to amend and restate the Existing Credit Agreement as follows:

ARTICLE 1 Definitions

As used herein, the following terms shall have the meanings specified in this Article 1 unless the context otherwise requires (it being understood that defined terms in this Agreement shall include in the singular number the plural and in the plural the singular):

1.1 Defined Terms

“**2013 MTNs**” means the unsecured medium term notes, Series 8 and 9 maturing December 3, 2013 and July 10, 2013, respectively and issued by the Borrower under a trust indenture dated as of April 21, 2004 between the Borrower, as issuer, CIBC Mellon Trust Company, as trustee, Yellow Pages Income Fund, YPG LP and Opco, as guarantors, as amended by a first supplemental trust indenture between the Borrower, CIBC Mellon Trust Company and Opco.

“**Acquired EBITDA**” shall mean, with respect to any Pro Forma Entity for any period, the amount for such period of Consolidated EBITDA of such Pro Forma Entity (determined using the definition of Consolidated EBITDA as if reference to the Borrower and its Subsidiaries therein were to such Pro Forma Entity and its Subsidiaries but only to the extent that the various elements of the definition of Consolidated EBITDA would be applicable to the Pro Forma Entity and its Subsidiaries), all as determined on a consolidated basis for such Pro Forma Entity in accordance with GAAP.

“**Acquired Entity or Business**” shall have the meaning provided in the definition of the term “Consolidated EBITDA”.

“**Acquisition**” shall mean the acquisition, by amalgamation or otherwise, by any Restricted Entity of (a) assets constituting a business unit or (b) a majority of the Capital Stock of a Person.

“**Administrative Agent**” shall mean The Bank of Nova Scotia, together with its Affiliates, as the administrative agent for the Lenders under this Agreement and the other Credit Documents or such other financial institution as may be appointed as the successor administrative agent in the manner and to the extent described in Section 11.9.

“**Administrative Agent’s Office**” shall mean the office of the Administrative Agent located at 3rd Floor, 720 King Street, Toronto, Ontario M5V 2T3 or such other office in Toronto, Ontario as the Administrative Agent may hereafter designate in writing as such to the Borrower and the Lenders.

“**Affiliate**” shall mean, with respect to any Person, (a) any other Person directly or indirectly controlling, controlled by, or under direct or indirect common control with such Person, and (b) any other Person in which such Person directly or indirectly through Subsidiaries has a 10% or greater equity interest. A Person shall be deemed to control a Person if such Person possesses, directly or indirectly, the power (i) to vote 10% or more of the Voting Stock having ordinary voting power for the election of directors (or the equivalent) of such other Person or (ii) to direct or cause the direction of the management and policies of such other Person, whether through the ownership of Capital Stock, by contract or otherwise.

“**Agreement**” shall mean this Second Amended and Restated Credit Agreement, as the same may be amended, modified, supplemented, restated or replaced from time to time.

“**Approved Fund**” shall mean any Person (other than a natural person) that is or will be engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by a Lender, an Affiliate of a Lender or an entity or an Affiliate of an entity that administers or manages a Lender.

“**Arrangers**” means Scotia Capital, BMO Capital Markets, CIBC World Markets, RBC Capital Markets and National Bank Financial.

“**Assignee**” shall have the meaning provided in Section 12.6(a)(iii).

“**Assignment and Assumption**” shall have the meaning provided in Section 12.6(a)(iii).

“Authorized Officer” shall mean, in respect of any Credit Party, the Chief Executive Officer, the President, any Executive Vice-President, any Senior Executive Vice President, any Senior Vice-President, the Chief Financial Officer, the Treasurer, the Vice President Corporate Finance, the Vice President and Principal Accounting Officer, the Director Corporate Finance and Assistant Treasurer, the Director Finance and Corporate Controller or the Secretary or General Counsel of such Credit Party or any other senior officer of such Credit Party designated as such in writing to the Administrative Agent by the relevant Credit Party.

“Available Revolving Commitment” shall mean, with respect to any Lender, an amount equal to the excess, if any, of (a) the amount of such Lender’s Revolving Commitment over (b) the sum of (i) the aggregate principal amount of all Revolving Loans (but not Swingline Loans) of such Lender then outstanding, (ii) such Lender’s Letter of Credit Exposure, and (iii) in the case of the Swingline Lender, the amount of the Swingline Commitment.

“Available NRT Commitment” shall mean, with respect to any Lender, an amount equal to the excess, if any, of (a) the amount of such Lender’s NRT Commitment over (b) the aggregate principal amount of all NRT Loans of such Lender then outstanding.

“BA Discount Proceeds” shall mean, with respect to any BA Loan, an amount calculated on the date of acceptance or advance of such BA Loan which is equal to the face or principal amount of such BA Loan multiplied by the quotient (rounded up or down to the fifth decimal place and 0.000005 being rounded up) obtained by dividing one by the sum of one plus the product of (i) the BA Discount Rate applicable to such BA Loan (expressed as a decimal) multiplied by (ii) a fraction, the numerator of which is the term of such BA Loan measured in days and the denominator of which is 365.

“BA Discount Rate” shall mean:

- (a) with respect to an issue of Bankers’ Acceptances with the same maturity date to be accepted by a Schedule I Lender hereunder, the CDOR Rate at or about 10:00 a.m. on the date of issuance and acceptance of such Bankers’ Acceptance for bankers’ acceptances having a comparable face value and an identical maturity date to the face value and maturity date of such issue of Bankers’ Acceptances;
- (b) with respect to an issue of Bankers’ Acceptances with the same maturity date to be accepted by a Schedule II Lender or a Schedule III Lender hereunder, the lesser of:
 - (i) the annual interest rate equivalent to the arithmetic average of the discount rates of the Non-Schedule I Reference Lenders determined by them in accordance with their normal practice at or

about 10:00 a.m. on the date of issue and acceptance of such Bankers' Acceptances for bankers' acceptances having a comparable face value and an identical maturity date to the face value and maturity date of such Bankers' Acceptances; and

(ii) the CDOR Rate plus 0.1 % per annum at or about 10:00 a.m. on the date of issue and acceptance of such Bankers' Acceptances for bankers' acceptances having a comparable face value and an identical maturity date to the face value and maturity date of such Bankers' Acceptances; and

(c) with respect to a BA Equivalent Loan with the same maturity date to be advanced by a Non-Acceptance Lender, the CDOR Rate plus 0.1 % per annum at or about 10:00 a.m. on the date of advance of such BA Equivalent Loan for bankers acceptances having comparable face value and an identical maturity date to the principal amount and maturity date of such BA Equivalent Loan.

“BA Equivalent Loan” shall mean, in relation to a BA Loan, an advance in Dollars made by a Non-Acceptance Lender pursuant to Section 2.14(i).

“BA Loans” shall mean Bankers' Acceptances and BA Equivalent Loans.

“Bankers' Acceptance” shall mean a Draft denominated in Dollars drawn by the Borrower and accepted by a Lender as provided in Section 2.14.

“Bankruptcy Act” shall have the meaning provided in Section 10.5.

“Board” shall mean:

(a) with respect to a Person that is a corporation or a company, the board of directors of such Person;

(b) with respect to a Person that is a limited partnership, the Board of the general partner of such Person that is responsible for the management of such Person; and

(c) with respect to a Person that is a trust, the board of trustees of such Person.

“Borrower” shall mean Yellow Media Inc., a corporation amalgamated under the federal laws of Canada, or any successor thereto.

“Borrower Guarantee” shall mean the unlimited, unconditional and irrevocable guarantee made by the Borrower in favour of the Administrative Agent for the benefit of the Finance Parties in which (i) all of the Obligations of the Guarantors are guaranteed in favour of the Finance Parties and (ii) all intercompany Indebtedness owed by the Guarantors to the Borrower is subordinated and postponed to the prior payment in full of the Obligations, such guarantee to be in

form and substance reasonably satisfactory to the Arrangers and the Borrower, as such guarantee may be amended, modified, supplemented, restated or replaced from time to time.

“**Borrowing**” shall mean and include (a) the incurrence of Swingline Loans from the Swingline Lender on a given date, (b) the issuance of Letters of Credit by the Letter of Credit Issuer on a given date, and (c) the incurrence of one Type of Revolving Loan or NRT Loan on a given date (or resulting from continuations on a given date) having, in the case of BA Loans, the same Interest Period (provided that Prime Loans incurred pursuant to Section 2.10(a) shall be considered part of any related Borrowing of BA Loans).

“**Budget**” shall mean, for any fiscal year of the Borrower, a lenders’ information package consisting of a reasonable sub-set of budget information presented to the Board of the Borrower for such fiscal year which will include, at the very least, a brief narrative overview, comparative statements of EBITDA and distributable income, as well as a comparative consolidated capitalization summary.

“**Business Day**” shall mean, for all purposes, any day excluding Saturday, Sunday and any day that shall be in the City of Toronto or the City of Montreal a legal holiday or a day on which banking institutions are authorized by law or other governmental actions to close.

“**Capital Expenditures**” shall mean, for any Person during any period, expenditures (whether paid in cash or accrued as liabilities and including in all events all amounts expended or capitalized under Capital Leases, but excluding any amount representing capitalized interest) by such Person during such period that, in conformity with GAAP, are or are required to be included as additions during such period to tangible fixed assets and other capital expenditures reflected in the consolidated balance sheet of such Person.

“**Capital Lease**”, as applied to any Person, shall mean any lease of any property (whether real, personal or mixed) by that Person as lessee that, in conformity with GAAP, is, or is required to be, accounted for as a finance lease obligation on the balance sheet of that Person.

“**Capitalized Lease Obligations**” shall mean, as applied to any Person, all obligations under Capital Leases of such Person and its Subsidiaries, in each case taken at the amount thereof accounted for as liabilities in accordance with GAAP.

“**Capital Stock**” means common shares, preferred shares or other equivalent equity interests (howsoever designated) of capital stock of a body corporate, equity preferred or common interests in a limited liability company, member or shareholder interests in an unlimited liability company, limited or general partnership interests in a partnership, trust units of a business trust or any other equivalent of such ownership interest.

“**CDOR Rate**” shall mean, as of any day with respect to a particular BA Loan and the Interest Period selected for such BA Loan by the Borrower requesting such BA Loan, the average interest rate equal to:

- (a) the arithmetic average of the annual yield rates for Dollar bankers acceptances for a term equal to such Interest Period (or a term as closely possible comparable to such Interest Period) quoted (at approximately 10:00 a.m. Toronto time on such day (or, if such day is not a Business Day, on the immediately preceding Business Day)) on the Reuters Monitor Money Rates Service, CDOR page “Canadian Interbank Bid BA Rates”; and
- (b) if such rate is not available on such day or if such Interest Period is less than one month, the rate for such date will be the annual discount rate (rounded upward to the nearest whole multiple of 1/100 of 1%) as of 10:00 a.m. (Toronto time) on such day at which the Administrative Agent is then offering to purchase Dollar bankers acceptances for a term approximately equal to such Interest Period (or a term as closely possible comparable to such Interest Period) accepted by it.

“**Change of Control**” shall mean and be deemed to have occurred if (a) any Person, or a group of Persons acting together, shall at any time own, in the aggregate, directly or indirectly, beneficially and of record, a majority of the issued and outstanding Voting Stock of the Borrower or (b) the Borrower ceases to own, in the aggregate, directly or indirectly, beneficially and of record, a majority of the issued and outstanding Voting Stock of (i) each of the other Restricted Entities in existence on the Closing Date or (ii) each Restricted Subsidiary formed or acquired after the Closing Date and in respect of which the Borrower owned, in the aggregate, directly or indirectly, beneficially and of record, a majority of the issued and outstanding Voting Stock at the time of such formation or acquisition.

“**Closing Date**” shall mean the date on which this Agreement becomes effective in accordance with Section 6.1.

“**Commitment Fee Rate**” shall mean, on any date, the applicable percentage per annum set forth below based on the Status in effect on such date (it being understood and agreed that the Commitment Fee Rate shall be adjusted on the date of any change in Status):

Status	Commitment Fee Rate
Level I Status	0.875%
Level II Status	0.750%
Level III Status	0.625%
Level IV Status	0.500%

“**Commitments**” shall mean, with respect to each Lender, such Lender’s Revolving Commitment and such Lender’s NRT Commitment.

“**Commodity Hedge Agreements**” shall mean commodity future contracts and other similar agreements entered into by the Credit Parties in order to protect such party against fluctuations in prices of commodities used in such party’s business and not for speculative purposes.

“**Confidential Information**” shall have the meaning provided in Section 12.16.

“**Consolidated Asset Value**” shall mean, at any particular time, the total book value of the assets of the Borrower, determined on a consolidated basis in accordance with GAAP, at such time.

“**Consolidated EBITDA**” shall mean, for any period, Consolidated Net Income plus the sum, without duplication, of the amounts for such period of the following to the extent deducted in calculating Consolidated Net Income: (a) Consolidated Interest Expense, (b) any tax expense included in Consolidated Net Income whether based on capital or income, (c) depreciation expense, (d) amortization expense (other than amortization of deferred publication costs), including amortization of deferred financing fees, (e) extraordinary losses and non recurring charges, (f) non cash charges (including the non cash portion of pension expense and non cash interest expense), (g) losses on asset sales, (h) restructuring charges or provisions, (i) any expenses or charges incurred in connection with any issuance of debt or equity securities, (j) any fees and expenses related to Permitted Acquisitions, (k) any deduction for minority interest expense, (l) losses or fees payable on sales, transfers or other dispositions of assets permitted pursuant to Section 9.4(b) and (m) one time expenses resulting from the consummation of the Trust Conversion, less the sum, without duplication, of the amounts for such period of the following to the extent included in calculating Consolidated Net Income: (n) extraordinary gains and non recurring gains, (o) non cash gains and (p) gains on asset sales, all as determined on a consolidated basis for the Borrower in accordance with GAAP, provided that (i) there shall be included in determining Consolidated EBITDA for any period the Acquired EBITDA of any Person, property, business or asset acquired to the extent not subsequently sold, transferred or otherwise disposed of (but not including the Acquired EBITDA of any related Person, property, business or assets to the extent not so acquired) by any Restricted Entity during such period (each such Person, property, business or asset acquired and not subsequently so disposed of, an “**Acquired Entity or Business**”), in each case based on the actual Acquired EBITDA of such Pro Forma Entity for such period (including the portion thereof occurring prior to such acquisition or conversion) and (iii) for purposes of the definition of the term “Permitted Acquisition” and Sections 9.3, 9.7 and 9.8, an adjustment in respect of each Acquired Entity or Business equal to the amount of the Pro Forma Adjustment with respect to such Acquired Entity or Business for such period (including the portion thereof occurring prior to such acquisition or conversion) as specified in the Pro Forma Adjustment Certificate delivered to the Lenders and

the Administrative Agent and (iv) for purposes of determining the Consolidated Total Debt to Consolidated EBITDA Ratio only, there shall be excluded in determining Consolidated EBITDA for any period the Acquired EBITDA of any Person, property, business or asset sold, transferred or otherwise disposed of by any Restricted Entity during such period (each such Person, property, business or asset so sold or disposed of, a “**Sold Entity or Business**”), in each case based on the actual Acquired EBITDA of such Pro Forma Entity for such period (including the portion thereof occurring prior to such sale, transfer, disposition or conversion).

“**Consolidated EBITDA to Consolidated Interest Expense Ratio**” shall mean, as of any date of determination, the ratio of (a) Consolidated EBITDA for the relevant Test Period to (b) Consolidated Interest Expense for such Test Period.

“**Consolidated Interest Expense**” shall mean, for any period, interest expense accrued or (without duplication) paid during such period in respect of cash interest payments (including that attributable to Capital Leases in accordance with GAAP but excluding that attributable to inter-company Indebtedness owing by a Credit Party), net of interest income (in respect of cash interest receipts accrued during such period) on a consolidated basis with respect to all outstanding Indebtedness of the Restricted Entities, including all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers’ acceptance financing and net costs under Financial Hedge Agreements (other than currency swap agreements, currency future or option contracts and other similar agreements, in each case to the extent not covering an interest rate component), but excluding, however, amortization of deferred financing costs and any other amounts of non cash interest, all as calculated on a consolidated basis in accordance with GAAP, provided that for purposes of the definition of the term “**Permitted Acquisition**” and Sections 9.3, 9.7 and 9.8, there shall be included in determining Consolidated Interest Expense for any period the interest expense (or income) of the type described above of any Acquired Entity or Business acquired during such period, in each case based on the interest expense (or income) of the type described above of such Pro Forma Entity for such period (including the portion thereof occurring prior to such acquisition) assuming any Indebtedness incurred or repaid in connection with any such acquisition or conversion had been incurred or repaid on the first day of such period.

“**Consolidated Net Income**” shall mean, for any Person and any period, the consolidated profit (or loss) after taxation of such Person during such period, determined on a consolidated basis in accordance with GAAP.

“**Consolidated Total Debt**” shall mean, as of any date of determination, the sum, without duplication, of all Indebtedness of the Restricted Entities of the types described in clauses (a), (b), (c), (d) and (f) of the definition of Indebtedness, all calculated on a consolidated basis in accordance with GAAP and to the extent reflected as indebtedness on the consolidated balance sheet of the Borrower in accordance with GAAP.

“**Consolidated Total Debt to Consolidated EBITDA Ratio**” shall mean, as of any date of determination, the ratio of (a) Consolidated Total Debt as of the last day of the relevant Test Period to (b) Consolidated EBITDA for the relevant Test Period.

“**Contingent Obligations**” shall mean, as to any Person, any obligation of such Person guaranteeing or intended to guarantee any Indebtedness of any other Person (the “**primary obligor**”) in any manner, whether directly or indirectly, including any obligation of such Person, whether or not contingent, (a) to purchase any such Indebtedness or any property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such Indebtedness or (ii) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (c) to purchase property, securities or services primarily for the purpose of assuring the owner of any such Indebtedness of the ability of the primary obligor to make payment of such Indebtedness or (d) otherwise to assure or hold harmless the owner of such Indebtedness against loss in respect thereof; provided, however, that the term “Contingent Obligations” shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Contingent Obligation shall be deemed to be an amount equal to the stated or determinable amount of the Indebtedness in respect of which such Contingent Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith or, if the Contingent Obligation is expressly limited to a specified amount, such specified amount.

“**Control**”, “**Controls**” and “**Controlled**”, when used with respect to any Person, shall mean the power to direct the management and policies of such Person, directly or indirectly, whether through ownership of Voting Stock, by contract or otherwise.

“**Credit Documents**” shall mean this Agreement, the Guarantee, the Borrower Guarantee and all subordination, postponement or inter-creditor agreements (including the Subordination Agreement) executed and delivered in favour of the Administrative Agent or the Lenders from time to time in connection with this Agreement or in connection with any of the other Credit Documents.

“**Credit Event**” shall mean and include the making (but not the continuation) of a Loan and the issuance of a Letter of Credit.

“**Credit Parties**” shall mean, at any time, the Borrower and the Guarantors at such time and “**Credit Party**” shall mean any one of the Credit Parties.

“**DBRS**” shall mean Dominion Bond Rating Service Limited.

“**Default**” shall mean any event, act or condition that with notice or lapse of time, or both, would constitute an Event of Default.

“**Defaulting Lender**” shall mean any Lender with respect to which a Lender Default is in effect.

“**Discount Note**” shall mean a non-interest-bearing promissory note or depository note (within the meaning of the *Depository Bills and Notes Act* (Canada)) denominated in Dollars issued by the Borrower to a Non-Acceptance Lender to evidence a BA Equivalent Loan.

“**Dividends**” shall have the meaning provided in Section 9.6.

“**Dollar Equivalent**” shall mean, on any date of determination, with respect to any amount denominated in any currency other than Dollars, the equivalent in Dollars of such amount as of such date, as determined by the Borrower in accordance with GAAP or as otherwise reflected in the Section 8.1 Financials in accordance with GAAP.

“**Dollars**” and “**\$**” shall mean the lawful currency of Canada.

“**Draft**” shall have the meaning specified in Section 2.14(f).

“**Drawing**” shall have the meaning provided in Section 3.4(b).

“**Environmental Claims**” shall mean any and all administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of non-compliance or violation, investigations (other than internal reports prepared by the Borrower or any of its Subsidiaries (a) in the ordinary course of such Person’s business or (b) as required in connection with a financing transaction or an acquisition or disposition of real estate) or proceedings relating in any way to any Environmental Law or any permit issued, or any approval given, under any such Environmental Law (hereinafter, “**Claims**”), including (i) any and all Claims by governmental or regulatory authorities for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law and (ii) any and all Claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief resulting from Hazardous Materials or arising from alleged injury or threat of injury to health, safety or the environment.

“**Environmental Law**” shall mean any applicable federal, provincial, state, foreign or local statute, law, rule, regulation, ordinance, code and rule of common law now or hereafter in effect and in each case as amended, and any binding judicial or administrative interpretation thereof, including any binding judicial or administrative order, consent decree or judgment, relating to the environment, human health or safety or Hazardous Materials.

“**Event of Default**” shall have the meaning provided in Article 10.

“Excused Subsidiaries” shall mean (a) each of the Subsidiaries of the Borrower for so long as it is not carrying on any business and owns no material assets, and (b) any Subsidiary acquired or formed by any Restricted Entity after the Closing Date (i) whose total assets, as at the last day of the Test Period ending on the last day of the most recent fiscal period for which Section 8.1 Financials have been delivered pursuant to Section 8.1, are less than 1% of the consolidated total assets of the Restricted Entities as at the end of such Test Period or (ii) whose gross revenues for such Test Period are less than 1 % of the consolidated gross revenues of the Restricted Entities for such Test Period, in each case determined in accordance with GAAP, but only for so long as the conditions set out in clauses (b)(i) and (b)(ii) continue to be met with respect to subsequent Test Periods; provided that at no time shall (x) the aggregate of the total assets of all Excused Subsidiaries, as at the last day of the Test Period ending on the last day of the most recent fiscal period for which Section 8.1 Financials have been delivered pursuant to Section 8.1, be greater than 5% of the consolidated total assets of the Restricted Entities as at the end of such Test Period, or (y) the aggregate of the gross revenues of all Excused Subsidiaries for such Test Period be greater than 5% of the consolidated gross revenues of the Restricted Entities for such Test Period, in each case determined in accordance with GAAP.

“Existing Credit Agreement” shall have the meaning provided in the recitals hereto.

“Facility” shall mean either the Revolving Facility or the NRT Facility.

“Fees” shall mean all amounts payable pursuant to, or referred to in, Section 4.1.

“Finance Documents” shall mean the Credit Documents and the Qualified Hedge Agreements.

“Finance Parties” shall mean the Administrative Agent, the Lenders and the Hedge Providers.

“Financial Hedge Agreements” shall mean interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts and other similar agreements entered into by Credit Parties not for speculative purposes.

“Fiscal Quarter” shall mean, with respect to each fiscal year of the Borrower and each of its Subsidiaries, (a) the first to third, inclusive, calendar months of such fiscal year, (b) the fourth to sixth, inclusive, calendar months of such fiscal year, (c) the seventh to ninth, inclusive, calendar months of such fiscal year and (d) the tenth to twelfth, inclusive, calendar months of such fiscal year.

“Fronting Fee” shall have the meaning provided in Section 4.1(c).

“GAAP” shall mean generally accepted accounting principles in Canada as in effect from time to time; provided, however, that if there occurs after the date

hereof any change in GAAP (or any change in the rules, regulations, pronouncements, opinions or other requirements of the Canadian Institute of Chartered Accountants, including the adoption of IFRS) from that used in the preparation of the financial statements referred to in Section 7.7 or that affects in any respect the calculation of any covenant contained in Article 9 or the terms related thereto contained in this agreement, the Required Majority Lenders and the Borrower shall negotiate in good faith amendments to the provisions of this Agreement that relate to the calculation of such covenant and such related terms with the intent of having the respective positions of the Lenders and the Borrower after such change in GAAP (or in the requirements of the Canadian Institute of Chartered Accountants) conform as nearly as possible to their respective positions as of the date of this Agreement and, until any such amendments have been agreed upon, the covenants in Article 9 shall be calculated as if no such change in GAAP (or in the requirements of the Canadian Institute of Chartered Accountants) has occurred.

“Governmental Authority” shall mean any government or any agency, bureau, board, commission, court, department, official, tribunal or other instrumentality of any government, whether federal, state, provincial, territorial or local, domestic or foreign, that has, in each case, jurisdiction over the matter in question.

“Guarantee” shall mean the joint and several, unlimited, unconditional and irrevocable guarantee made by the Guarantors in favour of the Administrative Agent for the benefit of the Finance Parties in which (i) all of the Obligations of the Borrower and the other Guarantors are guaranteed in favour of the Finance Parties and (ii) all inter-company Indebtedness owed by the Borrower and the other Guarantors to such Guarantor is subordinated and postponed to the prior payment in full of the Obligations, such guarantee to be in form and substance reasonably satisfactory to the Arrangers and the Borrower, as such guarantee may be amended, modified, supplemented, restated or replaced from time to time.

“Guarantors” shall mean the Borrower and each existing and future Restricted Subsidiary from time to time that has executed and delivered a Guarantee pursuant to Section 6.1(a) or 8.10.

“Hazardous Materials” shall mean (a) any petroleum or petroleum products, radioactive materials, friable asbestos, urea formaldehyde foam insulation, transformers or other equipment that contain dielectric fluid containing regulated levels of polychlorinated biphenyls, and radon gas; (b) any chemicals, materials or substances defined as or included in the definition of “hazardous substances”, “hazardous waste”, “hazardous materials”, “extremely hazardous waste”, “restricted hazardous waste”, “toxic substances”, “toxic pollutants”, “contaminants”, or “pollutants”, or words of similar import, under any applicable Environmental Law; and (c) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any Governmental Authority.

“**Hedge Agreements**” shall mean Commodity Hedge Agreements and Financial Hedge Agreements.

“**Hedge Provider**” shall mean any Person that was a Lender at the time it entered into a Hedge Agreement as counterparty.

“**Hostile Take-Over Bid**” shall mean a Take-Over Bid by the Borrower or any of its Subsidiaries or in which the Borrower or any of its Subsidiaries is involved, in respect of which the board of directors (or equivalent governing body for such entity) of the target entity has recommended against acceptance of such Take-Over Bid to the target entity’s shareholders or equity holders or which is similarly opposed or contested.

“**IFRS**” means, at any given date, International Financial Reporting Standards, which include standards and interpretations adopted by the International Accounting Standards Board, applied on a consistent basis.

“**Implied Rating**” shall mean, as of any date, the Status on such day determined in accordance with the following rules:

- (a) if the senior unsecured debt of YMI has received an investment grade rating from two Recognized Rating Agencies, Status shall be based on the higher of such ratings, unless the differential between such ratings is more than one level, in which case Status shall be based on the mid-point of such ratings; and
- (b) if the senior unsecured debt of YMI has received a rating of less than investment grade from a Recognized Rating Agency, Status shall be based on the lowest of all ratings of the senior unsecured debt of YMI received from the Recognized Rating Agencies.

“**Indebtedness**” of any Person shall mean (a) all indebtedness of such Person for borrowed money, (b) the deferred purchase price of assets or services that in accordance with GAAP would be classified as a liability on the balance sheet of such Person, (c) the face amount of all bankers’ acceptances issued by such Person, (d) the face amount of all letters of credit issued for the account of such Person and, without duplication, all drafts drawn thereunder, (e) all Indebtedness of a second Person secured by any Lien on any property owned by such first Person, whether or not such Indebtedness has been assumed, (f) all Capitalized Lease Obligations of such Person, (g) all payment obligations of such Person under interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts and other similar agreements, (h) all payment obligations of such Person under commodity future contracts and other similar agreements and (i) without duplication, all Contingent Obligations of such Person, provided that Indebtedness shall not include current payables and accrued expenses, in each case arising in the ordinary course of business.

“**Interest Period**” shall mean, with respect to any BA Loan, the interest period applicable thereto, as determined pursuant to Section 2.9.

“**Investment**” shall mean any advance, loan, extension of credit or capital contribution to, purchase of Capital Stock, bonds, notes, debentures or other securities of, or any other investment made in, any Person. The amount of any Investment shall be the original principal or capital amount thereof less all returns of principal or equity, or distributions or dividends paid, thereon and shall, if made by the transfer or exchange of property other than cash, be deemed to have been made in an original principal or capital amount equal to the fair value of such property at the time of such Investment, as determined in good faith by the Borrower.

“**L/C Maturity Date**” shall mean the date that is five Business Days prior to the Maturity Date.

“**L/C Participant**” shall have the meaning provided in Section 3.3(a).

“**L/C Participation**” shall have the meaning provided in Section 3.3(a).

“**Lead Arranger**” shall mean Scotia Capital.

“**Lender**” and “**Lenders**” shall have the respective meanings provided in the preamble to this Agreement.

“**Lender Default**” shall mean (a) the failure (which has not been cured) of a Lender to make available its portion of any Borrowing or to fund its portion of any unreimbursed payment under Section 3.3 or (b) a Lender having notified the Administrative Agent and/or the Borrower that it does not intend to comply with the obligations under Sections 2.1(a), 2.1(b) or 3.3.

“**Letter of Credit**” shall mean each standby letter of credit or letter of guarantee issued pursuant to Section 3.1.

“**Letter of Credit Commitment**” shall mean \$35,000,000 as such amount may be reduced from time to time pursuant to Section 3.1.

“**Letter of Credit Exposure**” shall mean, with respect to any Lender, the sum of (a) the amount of any Unpaid Drawings on Letters of Credit in respect of which such Lender has made (or is required to have made) payments to the Letter of Credit Issuer pursuant to Section 3.4(a) and (b) such Lender’s Revolving Commitment Percentage of the Letter of Credit Outstanding (excluding the portion thereof consisting of Unpaid Drawings in respect of which the Lenders have made (or are required to have made) payments to the Letter of Credit Issuer pursuant to Section 3.4(a)).

“**Letter of Credit Fee**” shall have the meaning provided in Section 4.1(b).

“**Letter of Credit Issuer**” shall mean The Bank of Nova Scotia and, as concerns any Letters of Credit outstanding as at the date hereof, Royal Bank of Canada, and any of their respective Affiliates or any successors thereto pursuant to Section 3.6.

“**Letter of Credit Outstanding**” shall mean, at any time, the sum, without duplication, of (a) the aggregate Stated Amount of all outstanding Letters of Credit and (b) the aggregate amount of all Unpaid Drawings in respect of all Letters of Credit.

“**Letter of Credit Request**” shall have the meaning provided in Section 3.2.

“**Level I Status**” shall mean, on any date, the Implied Rating of the senior unsecured debt of YMI is BB+ (or equivalent) or lower as of such date or the senior unsecured debt of YMI is not rated by two Recognized Rating Agencies as of such date.

“**Level II Status**” shall mean, on any date, the Implied Rating of the senior unsecured debt of YMI is BBB- (or equivalent) as of such date.

“**Level III Status**” shall mean, on any date, the Implied Rating of the senior unsecured debt of YMI is BBB (or equivalent) as of such date.

“**Level IV Status**” shall mean, on any date, the Implied Rating of the senior unsecured debt of YMI is BBB+ (or equivalent) or better as of such date.

“**Lien**” shall mean any mortgage, pledge, security interest, hypothecation, hypothec, assignment by way of security, lien (statutory or other) or similar encumbrance (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement or any lease in the nature thereof).

“**Loan**” shall mean any NRT Loan, Revolving Loan or Swingline Loan made by any Lender hereunder.

“**Material Adverse Change**” shall mean any change in the business, assets, operations, properties or financial condition of the Borrower and its Subsidiaries taken as a whole that would materially adversely affect the ability of the Credit Parties taken as a whole to perform their obligations under this Agreement and the other Finance Documents.

“**Material Adverse Effect**” shall mean a circumstance or condition affecting the business, assets, operations, properties or financial condition of the Borrower and its Subsidiaries taken as a whole that would materially adversely affect (a) the ability of the Credit Parties taken as a whole to perform their obligations under the Credit Documents or (b) the rights and remedies of the Administrative Agent and the Lenders under the Credit Documents.

“**Maturity Date**” means February 18, 2013.

“Minimum Borrowing Amount” shall mean (a) with respect to a Borrowing of Revolving Loans or NRT Loans, \$5,000,000 and (b) with respect to a Borrowing of Swingline Loans, \$100,000.

“Minority Investment” shall mean any Person (other than a Subsidiary) in which any Restricted Entity owns Capital Stock.

“Net Cash Proceeds” means, with respect to any Prepayment Trigger Event, the gross cash proceeds (including payments from time to time in respect of instalment obligations, if any) received by or on behalf of the Borrower in respect of such Prepayment Trigger Event in excess of \$25,000,000 less the sum of:

- (a) the amount, if any of all Taxes paid or estimated to be payable by or on behalf of the Borrower in connection with such Prepayment Trigger Event; and
- (b) reasonable and customary fees, commissions, expenses, issuance costs, discounts and other costs paid by or on behalf of the Borrower in connection with such Prepayment Trigger Event.

“Non-Acceptance Lender” shall mean a Lender which is either unable to, or does not customarily, accept Bankers’ Acceptances and for greater certainty includes all Lenders that are not Schedule I Lenders, Schedule II Lenders or Schedule III Lenders.

“Non-Schedule I Reference Lenders” shall mean up to two Schedule II Lenders and Schedule III Lenders designated as such by the Administrative Agent and the Borrower.

“Notice of Borrowing” shall have the meaning provided in Section 2.3(a).

“Notice of Continuation” shall have the meaning provided in Section 2.6(a).

“NRT Commitment” shall mean, (a) with respect to each Lender that is a Lender on the date hereof, the amount set forth on such Lender’s signature page as such Lender’s “NRT Commitment”, and (b) in the case of any Lender that becomes a Lender after the date hereof, the amount specified as such Lender’s “NRT Commitment” in the Assignment and Assumption contemplated in Section 12.6 pursuant to which such Lender assumes a portion of the Total NRT Commitment, in each case (i) subject to the conditions set forth in Section 2.1(a), and (ii) as the same may be changed from time to time pursuant to the terms hereof (including pursuant to Sections 4.2 and 12.6).

“NRT Commitment Percentage” shall mean, at any time, for each Lender, the percentage obtained by dividing (a) such Lender’s NRT Commitment by (b) the Total NRT Commitment, provided that at any time when the Total NRT Commitment shall have been terminated, each Lender’s NRT Commitment

Percentage shall be the percentage obtained by dividing (c) such Lender's NRT Exposure by (d) the aggregate amount of the NRT Exposures of all the Lenders.

"NRT Exposure" shall mean, with respect to any Lender at any time, the aggregate principal amount of the NRT Loans of such Lender then outstanding.

"NRT Facility" means the credit facility set forth in Section 2.1(a).

"NRT Loan" shall have the meaning provided in Section 2.1(a).

"Obligations" shall mean all indebtedness, obligations and liabilities, present or future, absolute or contingent, matured or not, at any time owing by any of the Credit Parties to any of the Finance Parties, or remaining unpaid by any of the Credit Parties to any of the Finance Parties, under or in connection with any of the Finance Documents and Obligations of a particular Credit Party shall mean all indebtedness, obligations and liabilities, present or future, absolute or contingent, matured or not, at any time owing by such Credit Party to any of the Finance Parties, or remaining unpaid by such Credit Party to any of the Finance Parties, under or in connection with any of the Finance Documents to which such Credit Party is a party. For certainty, "Obligations" shall include interest accruing subsequent to the filing of, or which would have accrued but for the filing of, a petition for bankruptcy, in accordance with and at the rate (including any rate applicable upon any Default or Event of Default to the extent lawful) specified herein, whether or not such interest is an allowable claim in such bankruptcy proceeding.

"Opco" means Yellow Pages Group Co., an unlimited liability company formed under the laws of the Province of Nova Scotia, or any successor thereto.

"Order" means any binding and enforceable decree, injunction, judgement, order, ruling, assessment or writ issued by a Governmental Authority.

"Outstanding Swingline Amount" shall have the meaning provided in Section 2.1(c).

"Participant" shall have the meaning provided in Section 12.6(a)(ii).

"Permitted Acquisition" shall mean an Acquisition by a Restricted Entity during any particular fiscal year of the Borrower, together with the aggregate of the purchase prices for all other Permitted Acquisitions during such fiscal year, but only if (a) the purchase price for such acquisition (or for a series of related acquisitions of which such acquisition is a part) during a particular fiscal year of the Borrower shall not exceed \$50,000,000, (b) such Acquisition and all transactions related thereto shall be consummated in accordance with applicable law; (c) such Acquisition shall, in the case of the acquisition of Capital Stock of a Person by a Restricted Entity, result in the issuer of such Capital Stock becoming a Restricted Subsidiary and, to the extent required by the terms and conditions hereof, a Guarantor, (d) no Default or Event of Default shall have occurred and be

continuing at the time of such Acquisition or would occur after giving effect to such Acquisition and the Restricted Entities shall be in compliance with the covenants set forth in Articles 8 and 9 after giving effect to such Acquisition; and (e) the Borrower shall be in compliance, on a *pro forma* basis after giving effect to such Acquisition (including any related Pro Forma Adjustment), with the covenants set forth in Sections 9.7 and 9.8, as such covenants are recomputed as at the last day of the most recently ended Test Period under such Sections as if such acquisition had occurred on the first day of such Test Period, and such compliance shall have been certified in a certificate of an Authorized Officer of the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, delivered to the Administrative Agent.

“Permitted Liens” shall mean (a) Liens for taxes, assessments, customs duties or governmental charges or claims not yet due or which are being contested in good faith and by appropriate proceedings for which appropriate provisions have been established in accordance with GAAP; (b) Liens in respect of property or assets of a Restricted Entity imposed by law, such as carriers’, warehousemen’s, construction and/or mechanics’ Liens, and other similar Liens arising in the ordinary course of business and Liens arising under zoning laws and ordinances and municipal bylaws and regulations, in each case so long as such Liens arise in the ordinary course of business and do not individually or in the aggregate have a Material Adverse Effect; (c) Liens arising from judgments or decrees in circumstances not constituting an Event of Default under Section 10.7; (d) Liens (other than those arising by Requirement of Law that are not permitted by clause (a) of this definition) incurred or deposits made in connection with workers’ compensation, unemployment insurance and other types of social security, or to secure the performance of tenders, statutory obligations, surety and appeal bonds, bids, leases, government contracts, performance and return-of-money bonds and other similar obligations incurred in the ordinary course of business; (e) ground leases in respect of real property on which facilities owned or leased by a Restricted Entity are located; (f) easements, rights-of-way, restrictive covenants or agreements, minor defects or irregularities in title and other similar charges or encumbrances not interfering in any material respect with the business of the Restricted Entities taken as a whole; (g) any interest or title of a lessor, creditor or seller or secured by a lessor’s, a creditor’s or a seller’s interest under any Capital Lease, any lease not prohibited by this Agreement, any conditional sale, instalment sale or other title retention agreement or any lease in the nature thereof; (h) Liens incurred by the licensing of trademarks by a Restricted Entity to others in the ordinary course of business; and (i) leases or subleases granted to others, not interfering in any material respect with the business of the Restricted Entities taken as a whole.

“Permitted Refinancing Indebtedness” shall mean any Indebtedness incurred to Refinance any other Indebtedness (or any Indebtedness previously issued to Refinance any such Indebtedness), so long as (a) such refinancing Indebtedness has a maturity greater than 12 months after the maturity of the Indebtedness being Refinanced and there are no scheduled principal payments required thereunder

prior to such 12 month period, (b) such refinancing Indebtedness is the obligation of the same Person as that of the Indebtedness being Refinanced and is not guaranteed by any Person except to the extent the Indebtedness being Refinanced was guaranteed by such Person, (c) such refinancing Indebtedness is secured only to the extent (if at all), and by the assets, that the Indebtedness being refinanced was so secured, (d) the principal amount of such refinancing Indebtedness does not exceed the outstanding amount of the Indebtedness being Refinanced at the time such Indebtedness is being Refinanced, (e) such refinancing Indebtedness has the same (or, from the perspective of the Lenders, more favourable) subordination provisions, if any, as the Indebtedness being Refinanced, and (f) all other terms of such refinancing Indebtedness (including, without limitation, with respect to the amortization schedules, redemption provisions, maturities, covenants, defaults and remedies but excluding pricing), are not, taken as a whole, materially less favourable to the respective borrower than those previously existing with respect to the Indebtedness being Refinanced. For certainty, no Permitted Refinancing Indebtedness shall have a cross-default event of default.

“**Person**” shall mean any individual, partnership, joint venture, firm, corporation, limited liability company, unlimited liability company, association, trust or other enterprise or any Governmental Authority.

“**Prepayment Trigger Event**” means any disposition or dispositions of assets of the Restricted Entities in any fiscal year of the Borrower, the aggregate proceeds for which exceed \$25,000,000 during such fiscal year.

“**Prime Loan**” shall mean each Loan bearing interest at the rate provided in Section 2.8(a).

“**Prime Margin**” shall mean, with respect to each Prime Loan at any date, the applicable percentage per annum set forth below based on the Status in effect on such date (it being understood and agreed that the Prime Margin shall be adjusted on the date of any change in Status):

Status	Prime Margin
Level I Status	2.5%
Level II Status	2.0%
Level III Status	1.5%
Level IV Status	1.0%

“**Prime Rate**” shall mean a fluctuating rate of interest per annum, expressed on the basis of a year of 365 days which is equal on each day to the greater of:

- (a) the rate of interest (however designated) announced by the Administrative Agent as its reference rate for determining interest chargeable by it on Dollar commercial loans made in Canada in effect on such day; and

- (b) 0.5% per annum above the CDOR Rate which would apply to Bankers' Acceptances issued on such day with an Interest Period of one month (or, if such day is not a Business Day, as of 10:00 a.m. on the immediately preceding Business Day).

“Pro Forma Adjustment” shall mean, for any Test Period that includes any of the four Fiscal Quarters first following any Permitted Acquisition, with respect to the Acquired EBITDA of the applicable Acquired Entity or Business and/or with respect to the Consolidated EBITDA of the Borrower after giving effect to such Permitted Acquisition, the *pro forma* increase or decrease in such Acquired EBITDA and/or the Consolidated EBITDA of the Borrower after giving effect to such Permitted Acquisition, as the case may be, projected by the Borrower in good faith as a result of reasonably identifiable and supportable net cost savings or additional net costs, as the case may be, determined in accordance with Section 1.3.

“Pro Forma Adjustment Certificate” shall mean any certificate of an Authorized Officer of the Borrower delivered pursuant to Section 8.1(i).

“Pro Forma Entity” shall mean any Acquired Entity or Business or any Sold Entity or Business.

“Qualified Hedge Agreement” shall mean any Hedge Agreement between a Credit Party on the one hand and a Hedge Provider on the other hand.

“Real Estate” shall have the meaning provided in Section 8.1(g).

“Recognized Rating Agencies” shall mean any rating agencies acceptable to the Arrangers, acting reasonably, it being agreed that S&P and DBRS are acceptable to the Arrangers.

“Refinance” means to extend, refinance, renew, replace, substitute or refund. **“Refinanced”** shall have a correlative meaning.

“Register” shall have the meaning provided in Section 12.6(c).

“Required Majority Lenders” shall mean, at any date, (a) Lenders having or holding a majority of the sum of (i) the Total NRT Commitment at such date (provided that in the case of a Defaulting Lender, for this purpose only, its NRT Commitment shall be deemed to be equal to the outstanding principal amount of all NRT Loans of such Defaulting Lender at such date), and (ii) the Total Revolving Commitment at such date (provided that in the case of a Defaulting Lender, for this purpose only, its Revolving Commitment shall be deemed to be equal to the outstanding principal amount of all Revolving Loans of such Defaulting Lender at such date) or (b) if the Total Revolving Commitment and the Total NRT Commitment have been terminated or for the purpose of acceleration pursuant to Article 10, holders of a majority of the outstanding principal amount of the Loans and Letter of Credit Exposures in the aggregate at such date.

“Required 80% Lenders” shall mean, at any date, (a) Lenders having or holding at least 80% of the sum of (i) the Total NRT Commitment at such date (provided that in the case of a Defaulting Lender, for this purpose only, its NRT Commitment shall be deemed to be equal to the outstanding principal amount of all NRT Loans of such Defaulting Lender at such date) and (ii) the Total Revolving Commitment at such date (provided that in the case of a Defaulting Lender, for this purpose only, its Revolving Commitment shall be deemed to be equal to the outstanding principal amount of all Revolving Loans of such Defaulting Lender at such date) or (b) if the Total Revolving Commitment and the Total NRT Commitment have been terminated or for the purpose of acceleration pursuant to Article 10, holders of at least 80% of the outstanding principal amount of the Loans and Letter of Credit Exposures in the aggregate at such date.

“Requirement of Law” shall mean, as to any Person, the certificate of incorporation and by-laws or other organizational or governing documents of such Person, and any law, treaty, rule, regulation, guideline, policy or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or assets or to which such Person or any of its property or assets is subject and whether or not having the force of law.

“Restricted Entities” shall mean, at any time, the Borrower and the Restricted Subsidiaries at such time and **“Restricted Entity”** shall mean any one of the Restricted Entities.

“Restricted Indebtedness” means any Indebtedness of the Restricted Entities that has a current maturity date later than the Maturity Date.

“Restricted Subsidiary” shall mean each Subsidiary of the Borrower (other than an Excused Subsidiary).

“Revolving Commitment” shall mean, (a) with respect to each Lender that is a Lender on the date hereof, the amount set forth on such Lender’s signature page as such Lender’s “Revolving Commitment”, and (b) in the case of any Lender that becomes a Lender after the date hereof, the amount specified as such Lender’s “Revolving Commitment” in the Assignment and Assumption contemplated in Section 12.6 pursuant to which such Lender assumed a portion of the Total Revolving Commitment, in each case (i) subject to the conditions set forth in Section 2.1(b), and (ii) as the same may be changed from time to time pursuant to the terms hereof (including pursuant to Sections 4.2 and 12.6).

“Revolving Commitment Percentage” shall mean, at any time, for each Lender, the percentage obtained by dividing (a) such Lender’s Revolving Commitment by (b) the Total Revolving Commitment, provided that at any time when the Total Revolving Commitment shall have been terminated, each Lender’s Revolving Commitment Percentage shall be the percentage obtained by dividing (c) such

Lender's Revolving Exposure by (d) the aggregate amount of the Revolving Exposures of all the Lenders.

"Revolving Exposure" shall mean, with respect to any Lender at any time, the sum of (a) the aggregate principal amount of the Revolving Loans of such Lender then outstanding, (b) such Lender's Letter of Credit Exposure at such time and (c) such Lender's Revolving Commitment Percentage of the aggregate principal amount of the Swingline Loans then outstanding.

"Revolving Facility" means the credit facility set forth in Section 2.1(b).

"Revolving Loan" shall have the meaning provided in Section 2.1(b).

"Sale Leaseback" shall mean any transaction or series of related transactions pursuant to which a Restricted Entity (a) sells, transfers or otherwise disposes of any property, movable or immovable, whether now owned or hereafter acquired, and (b) as part of such transaction, thereafter rents or leases such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold, transferred or disposed.

"S&P" shall mean Standard & Poor's Ratings Service or any successor by merger or consolidation to its business.

"Schedule I Lenders" shall mean, at any time, the Lenders that are listed in Schedule I to the *Bank Act* (Canada) at such time.

"Schedule II Lenders" shall mean, at any time, the Lenders that are listed in Schedule II to the *Bank Act* (Canada) at such time.

"Schedule III Lenders" shall mean, at any time, the Lenders that are listed in Schedule III to the *Bank Act* (Canada) at such time.

"Section 8.1 Financials" shall mean the financial statements delivered, or required to be delivered, pursuant to Section 8.1(a) or 8.1(b) together with the accompanying officer's certificate delivered, or required to be delivered, pursuant to Section 8.1(e).

"Securitization" shall mean, with respect to the Restricted Entities, the transfer or pledge of assets or interests in assets to a trust, partnership, corporation or other Person, directly or indirectly, which transfer or pledge is funded by such Person in whole or in part by borrowings or the issuance of instruments or securities that are paid principally from the cash flow derived from such assets or interests in assets, in each case on customary terms for fair market value consideration.

"September, 2011 Projections" means the financial projections of the Borrower delivered by the Borrower to the Lenders on September 25, 2011.

“**Sold Entity or Business**” shall have the meaning provided in the definition of the term “Consolidated EBITDA”.

“**Stamping Fee**” shall have the meaning provided in Section 2.14(c).

“**Stamping Fee Rate**” shall mean, with respect to each accepted or advanced BA Loan by a Lender on any date, the applicable percentage per annum set forth below based on the Status in effect on such date (it being understood and agreed that the Stamping Fee Rate shall be adjusted on the date of any change in Status):

Status	Stamping Fee Rate
Level I Status	3.5%
Level II Status	3.0%
Level III Status	2.5%
Level IV Status	2.0%

“**Stated Amount**” of any Letter of Credit shall mean the maximum amount from time to time available to be drawn thereunder, determined without regard to whether any conditions to drawing could then be met.

“**Status**” shall mean, as of any date, the existence of Level I Status, Level II Status, Level III Status or Level IV Status, as the case may be, on such date. Changes in Status resulting from changes in the Implied Rating shall become effective on the date of the change in the Implied Rating.

“**Subordination Agreement**” shall mean the subordination and postponement agreement to be entered into between the Borrower and the Administrative Agent, in form and substance satisfactory to the Arrangers and as the same may be amended, modified, supplemented or replaced from time to time, and pursuant to which the Borrower subordinates and postpones the Indebtedness of each other Restricted Entity owing to the Borrower to the Obligations of the Borrower and the Guarantors.

“**Subsidiary**” of any Person shall mean and include (a) any corporation more than 50% of whose stock of any class or classes having by the terms thereof ordinary voting power to elect a majority of the directors of such corporation (irrespective of whether or not at the time stock or issued share capital of any class or classes of such corporation shall have or might have voting power by reason of the happening of any, contingency) is at the time owned by such Person directly or indirectly through Subsidiaries and (b) any partnership, trust, association, joint venture or other entity in which such Person directly or indirectly through Subsidiaries has more than a 50% equity interest and more than a 50% voting interest at the time and (c) any other corporation, partnership, trust, association, joint venture or other entity (i) the accounts of which would be consolidated with those of such Person in such Person’s consolidated financial statements if such statements were prepared in accordance with GAAP and (ii) that is controlled (as defined in clause (b) of the definition of such term in the definition of the term

“Affiliate”) by such Person. Unless otherwise expressly provided, all references herein to a “Subsidiary” shall mean a Subsidiary of the Borrower.

“**Sustainable Capital Expenditures**” shall mean Capital Expenditures required to be incurred, and in fact incurred, to maintain in the ordinary course of business the assets of the Restricted Entities in the state existing as at the Closing Date.

“**Swingline Commitment**” shall mean \$10,000,000, as such amount may be adjusted from time to time pursuant to Section 4.2(b).

“**Swingline Lender**” shall mean The Bank of Nova Scotia and its successors and permitted assigns with respect to the Swingline Commitment.

“**Swingline Loans**” shall have the meaning provided in Section 2.1(c).

“**Swingline Repayment Event**” shall mean any one of the following events:

- (a) the date which is five Business Days prior to the Maturity Date; or
- (b) the Administrative Agent declares the principal of and any accrued interest in respect of all Loans and all Obligations owing hereunder and under the other Credit Documents to be forthwith due and payable pursuant to Article 10; or
- (c) the aggregate principal amount of Swingline Loans is equal to or exceeds the Swingline Commitment; or
- (d) each Monday or, if a particular Monday is not a Business Day, the next following Business Day.

“**Take-Over Bid**” shall mean a “take-over bid” as defined by the *Securities Act* (Ontario) except that all references to “Ontario” shall be amended to “any jurisdiction in the world”.

“**Tax Act**” means the *Income Tax Act* (Canada), as amended from time to time, and regulations promulgated thereunder. Section references to the Tax Act are to the Tax Act as in effect at the date of this Agreement and any subsequent provisions of the Tax Act amendatory thereof, supplemental thereto or substituted therefor.

“**Taxes**” shall have the meaning provided in Section 5.4(a)(i).

“**Test Period**” shall mean, for any determination under this Agreement, the four consecutive Fiscal Quarters of the Borrower then last ended.

“**Total Commitment**” shall mean the sum of the Total Revolving Commitment and the Total NRT Commitment.

"Total Exposure" means the sum of the Revolving Exposure of all Lenders and the NRT Exposure of all Lenders.

"Total NRT Commitment" shall mean the sum of the NRT Commitments of all the Lenders, which as of the Closing Date was \$250,000,000.

"Total Revolving Commitment" shall mean the sum of the Revolving Commitments of all the Lenders, which as of the Closing Date was \$250,000,000.

"Transferee" shall have the meaning provided in Section 12.6(e).

"Trust Conversion" shall have the meaning ascribed thereto in the Existing Credit Agreement.

"Type" shall mean (a) as to any NRT Loan, its nature as a Prime Loan or BA Loan, and (b) as to any Revolving Loan, its nature as a Prime Loan, BA Loan or Letter of Credit.

"United States" shall mean the United States of America.

"Unpaid Drawing" shall have the meaning provided in Section 3.4(a).

"Utilization" means, at any particular time, the Total Exposure at such time divided by the Total Commitment at such time, expressed as a percentage.

"Voting Stock" means Capital Stock of a Person which carries voting rights or the right to Control such Person under any circumstances, provided that Capital Stock which carries the right to vote or Control conditionally upon the happening of an event shall not be considered Voting Stock until the occurrence of such event and then only during the continuance of such event.

1.2 Exchange Rates

For purposes of determining compliance under Article 9 with respect to any amount in a currency other than Dollars, such amount shall be deemed to be equal to the Dollar Equivalent thereof at the time such amount was incurred or expended, as the case may be, or based on the average exchange rate for the relevant period, as determined by the Borrower in accordance with GAAP or as otherwise reflected in the Section 8.1 Financials in accordance with GAAP.

1.3 Accounting and Financial Determinations

Unless otherwise specified, all accounting terms used herein shall be interpreted, and all accounting determinations and computations hereunder shall be made, in accordance with GAAP. Unless otherwise expressly provided herein, all financial covenants and defined financial terms shall be computed on a consolidated basis for the Restricted Entities, in each case without duplication. Such computations shall not give effect to adjustments in component amounts required or permitted by Canadian Institute of Chartered Accountants Handbook

Sections 1581 and 3062 and the Financial Accounting Standards Board Statements of Financial Accounting Standards Nos. 141 and 142, and related authoritative pronouncements, as a result of Permitted Acquisitions or the amortization or write-off of any amounts in connection therewith and related financings thereof.

For purposes of computing the ratios referred to in Sections 9.7 and 9.8, inclusive, such ratios (and any financial calculations or components required to be made or included therein) shall be determined, with respect to the relevant Test Period, after giving *pro forma* effect to each acquisition and disposition of a Person, business or asset consummated after the Closing Date and during such period, together with all transactions relating thereto consummated during such period (including any incurrence, assumption, refinancing or repayment of Indebtedness), as if such acquisition, disposition and related transactions had been consummated on the first day of such Test Period, in each case based on historical results accounted for in accordance with GAAP except as otherwise provided for herein.

ARTICLE 2 AMOUNT AND TERMS OF CREDIT

2.1 Commitments

- (a) Subject to and upon the terms and conditions herein set forth, each Lender having a NRT Commitment jointly but not solidarily (i.e., severally) agrees to make a loan or loans denominated in Dollars (each a “**NRT Loan**” and, collectively, the “**NRT Loans**”) to the Borrower, which NRT Loans (i) have been fully advanced as at the date hereof, (ii) may, at the option of the Borrower, be maintained as, and/or converted into, Prime Loans or BA Loans, (iii) may not be reborrowed if repaid, (iv) for any such Lender at any time, shall not result in such Lender’s NRT Exposure at such time exceeding such Lender’s NRT Commitment at such time, and (v) after giving effect thereto and to the application of the proceeds thereof, shall not result at any time in the aggregate amount of the Lenders’ NRT Exposures at such time exceeding the Total NRT Commitment then in effect. The Borrower shall repay to the Lenders quarterly repayments as follows:

<u>Date of Repayment</u>	<u>Amount of Repayment</u>
Each of:	
January 1, 2012	\$25,000,000
April 1, 2012	\$25,000,000
July 1, 2012	\$25,000,000
October 1, 2012 and	\$25,000,000
January 1, 2013	\$25,000,000

On the Maturity Date, all remaining outstanding NRT Loans shall be repaid in full. As of the Closing Date, the aggregate NRT Commitments of the Lenders will be \$250,000,000.

- (b) Subject to and upon the terms and conditions herein set forth, each Lender having a Revolving Commitment jointly but not solidarily (i.e., severally) agrees to make a loan or loans denominated in Dollars (each a “**Revolving Loan**” and, collectively, the “**Revolving Loans**”) to the Borrower, which Revolving Loans (i) shall be made at any time and from time to time on and after the Closing Date and prior to the Maturity Date, (ii) may, at the option of the Borrower, be incurred and maintained as, and/or converted into, Prime Loans or BA Loans, (iii) may be repaid and reborrowed in accordance with the provisions hereof, (iv) for any such Lender at any time, shall not result in such Lender’s Revolving Exposure at such time exceeding such Lender’s Revolving Commitment at such time and (v) after giving effect thereto and to the application of the proceeds thereof, shall not result at any time in the aggregate amount of the Lenders’ Revolving Exposures at such time exceeding the Total Revolving Commitment then in effect. On the Maturity Date, all Revolving Loans shall be repaid in full. As of the Closing Date, the aggregate Revolving Commitments of the Lenders will be \$250,000,000.
- (c) Subject to and upon the terms and conditions herein set forth, the Swingline Lender in its individual capacity agrees, at any time and from time to time on and after the Closing Date and prior to the date which is five Business Days prior to the Maturity Date, to make a loan or loans (each a “**Swingline Loan**” and, collectively, the “**Swingline Loans**”) to the Borrower by way of overdraft on an account maintained by the Borrower with the Swingline Lender (and designated as such by the Borrower and Swingline Lender), which Swingline Loans (i) shall be Prime Loans, (ii) shall not exceed at any time the Swingline Commitment, (iii) shall not result in the Swingline Lender’s Revolving Exposure at any time exceeding the Swingline Lender’s Revolving Commitment at such time, (iv) shall not, after giving effect thereto and to the application of the proceeds thereof, exceed in the aggregate at any time outstanding the principal amount of, when added to the aggregate principal amount of all Revolving Loans then outstanding and all Letter of Credit Outstanding at such time, the Total Revolving Commitment then in effect and (v) may be repaid and reborrowed in accordance with the provisions hereof. On the date which is five Business Days prior to the Maturity Date, each outstanding Swingline Loan shall be repaid in full. The Swingline Lender shall not make any Swingline Loan after receiving a written notice from the Borrower, the Administrative Agent or any Lender stating that a Default or Event of Default exists and is continuing until such time as the Swingline Lender shall have received written notice of (i) rescission of all such notices from the party or parties originally delivering such notice (provided that in the case of any such notice delivered by the Borrower, the Administrative Agent has not objected to or contested such rescission) or (ii) the waiver of such Default or Event of Default in accordance with the provisions of Section 12.1. In the event that the Swingline Loans are not repaid in full on the occurrence of a Swingline Repayment Event, the Swingline Lender shall promptly notify the Administrative Agent of such non-payment and the outstanding principal amount of the Swingline Loans and the amount of accrued and unpaid interest thereon (the aggregate of such amounts of principal and interest being the “**Outstanding Swingline Amount**”) and the Administrative Agent shall, in turn, promptly notify

each Lender of the Outstanding Swingline Amount and the amount of such Lender's Revolving Loan (being such Lender's Revolving Commitment Percentage of the Outstanding Swingline Amount) in respect thereof, and each Lender shall be irrevocably obligated to make Prime Loans to the Borrower in the amount of such Lender's Revolving Loan by 12:00 noon (Toronto time) on the Business Day of such notice from the Administrative Agent (if given prior to 10:30 a.m. (Toronto time) on such Business Day; otherwise, by 12:00 noon (Toronto time) on the Business Day next following the Business Day of such notice) by making the amount of such Revolving Loan available to the Administrative Agent at the Administrative Agent's Office. Such Revolving Loans shall be made without regard to the Minimum Borrowing Amount. The Administrative Agent shall use the proceeds of such Revolving Loans solely for the purpose of reimbursing the Swingline Lender for the Outstanding Swingline Amount. Each Lender's obligation to make the Revolving Loans referred to in this clause shall be absolute and unconditional and shall not be affected by any circumstance, including (i) any set-off, counterclaim, recoupment, defense or other right which such Lender may have against the Swingline Lender, any Credit Party or any Person for any reason whatsoever; (ii) the occurrence or continuance of any Default; (iii) any adverse change in the condition (financial or otherwise) of any Credit Party; (iv) the acceleration or maturity of any Obligations or the termination of any Commitment after the making of any Swingline Loan; (v) any breach of any Finance Document by any Person; or (vi) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing. Each Lender agrees to indemnify the Swingline Lender (to the extent not reimbursed by the Borrower), rateably according to its Revolving Commitment Percentage, from and against any and all losses and claims of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against the Swingline Lender in any way relating to or arising out of any Swingline Loans, provided that no Lender shall be liable for any portion of such losses or claims resulting from the Swingline Lender's gross negligence or wilful misconduct as determined by a final judgment of a court of competent jurisdiction. The Swingline Lender may resign as the Swingline Lender upon 60 days' prior written notice to the Administrative Agent, the Lenders and the Borrower. If the Swingline Lender shall resign as the Swingline Lender under this Agreement, then the Borrower shall appoint from among the Lenders with Revolving Commitments a successor Swingline Lender, whereupon such successor issuer shall succeed to the rights, powers and duties of the Swingline Lender, and the term "Swingline Lender" shall mean such successor issuer effective upon such appointment. The acceptance of any appointment as the Swingline Lender hereunder by a successor Lender shall be evidenced by an agreement entered into by such successor, in a form satisfactory to the Borrower and the Administrative Agent and, from and after the effective date of such agreement, such successor Lender shall have all the rights and obligations of the previous Swingline Lender under this Agreement and the other Credit Documents. After the resignation of the Swingline Lender hereunder, the resigning Swingline Lender shall remain a party hereto and shall continue to have all the rights and obligations of the

Swingline Lender under this Agreement and the other Credit Documents with respect to Swingline Loans made by it prior to such resignation, but shall not be required to make additional Swingline Loans. After any retiring Swingline Lender's resignation as Swingline Lender, the provisions of this Agreement relating to the Swingline Lender shall inure to its benefit as to any actions taken or omitted to be taken by it (a) while it was the Swingline Lender under this Agreement or (b) at any time with respect to Swingline Loans made by it.

- (d) The Borrower shall use the proceeds from NRT Loans for its general corporate purposes; provided however that, notwithstanding any of the foregoing, none of the proceeds from NRT Loans may be used to finance any Hostile Take-Over Bid.
- (e) The Revolving Commitment shall replace the commitments under the Existing Credit Agreement and the Borrower shall use the proceeds from Revolving Loans and Swingline Loans (i) for its general corporate purposes (including the payment of Dividends to the extent permitted under Section 9.6(a)), (ii) to fund redemptions under its commercial paper programs from time to time and (iii) to finance its day-to-day operating requirements; provided however that, notwithstanding any of the foregoing, none of the proceeds from Revolving Loans or Swingline Loans may be used to finance any Hostile Take-Over Bid.

2.2 Minimum Amount of Each Borrowing; Maximum Number of Borrowings

The aggregate principal amount of each Borrowing of Revolving Loans shall be in a multiple of \$1,000,000 and shall not be less than the Minimum Borrowing Amount with respect thereto. More than one Borrowing may be incurred on any date, provided that at no time shall there be outstanding more than 15 Borrowings of BA Loans under this Agreement.

2.3 Notice of Borrowing

- (a) Whenever the Borrower desires to incur Revolving Loans hereunder (other than Borrowings to repay Unpaid Drawings or the Outstanding Swingline Amount) or NRT Loans hereunder, it shall give the Administrative Agent at the locations set forth in Section 12.2 written notice (or telephonic notice promptly confirmed in writing) prior to 10:00 a.m. (Toronto time) at least one Business Day prior to the date of such Borrowing (a "**Notice of Borrowing**") shall be substantially in the form of Schedule B and, except as otherwise expressly provided in Section 2.10(a), shall be irrevocable. The Administrative Agent shall promptly give each Lender written notice (or telephonic notice promptly confirmed in writing) of each proposed Borrowing of Revolving Loans and the proposed Borrowing of NRT Loans, of such Lender's proportionate share thereof and of the other matters covered by the related Notice of Borrowing.
- (b) No Notice of Borrowing is required for Swingline Loans.
- (c) Borrowings to reimburse Unpaid Drawings shall be made upon the notice specified in Section 3.4(c).

- (d) Borrowings to repay the Outstanding Swingline Amount shall be made upon the notice specified in Section 2.1(c).
- (e) Without in any way limiting the obligation of the Borrower to confirm in writing any notice it may give hereunder by telephone, the Administrative Agent may act prior to receipt of written confirmation without liability upon the basis of such telephonic notice believed by the Administrative Agent in good faith to be from or on behalf of an Authorized Officer of the Borrower. In each such case the Borrower hereby waives the right to dispute the Administrative Agent's record of the terms of any such telephonic notice.

2.4 Disbursement of Funds

- (a) No later than 12:00 noon (Toronto time) on the date specified in each Notice of Borrowing, each Lender will make available its *pro rata* portion, if any, of each Borrowing requested to be made on such date in the manner provided below.
- (b) Each Lender shall make available all amounts it is to fund under any Borrowing (other than Swingline Loans) in immediately available funds to the Administrative Agent at the Administrative Agent's Office and the Administrative Agent will (except in the case of Borrowings to repay Unpaid Drawings or the Outstanding Swingline Amount) make available to the Borrower, by depositing to an account designated by the Borrower or as otherwise directed in writing by the Borrower, the aggregate of the amounts so made available (such amount being, in the case of BA Loans, the BA Discount Proceeds with respect to such BA Loans less the applicable Stamping Fee). Unless the Administrative Agent shall have been notified by any Lender prior to the date of any such Borrowing that such Lender does not intend to make available to the Administrative Agent its portion of the Borrowing or Borrowings to be made on such date, the Administrative Agent may assume that such Lender has made such amount available to the Administrative Agent on such date of Borrowing, and the Administrative Agent, in reliance upon such assumption, may (in its sole discretion and without any obligation to do so) make available to the Borrower a corresponding amount. If such corresponding amount is not in fact made available to the Administrative Agent by such Lender and the Administrative Agent has made available same to the Borrower, the Administrative Agent shall be entitled to recover such corresponding amount from such Lender. If such Lender does not pay such corresponding amount forthwith upon the Administrative Agent's demand therefor, the Administrative Agent shall promptly notify the Borrower, and the Borrower shall immediately pay such corresponding amount to the Administrative Agent. The Administrative Agent shall also be entitled to recover from such Lender or the Borrower, as the case may be, interest on such corresponding amount in respect of each day from the date such corresponding amount was made available by the Administrative Agent to the Borrower to the date such corresponding amount is recovered by the Administrative Agent, at a rate per annum equal to (i) if paid by such Lender, the standard interbank reference rate then in effect in Canada or (ii) if paid by the

Borrower, the then-applicable rate of interest, calculated in accordance with Section 2.8, for the respective Loans.

- (c) Nothing in this Section 2.4 shall be deemed to relieve any Lender from its obligation to fulfil its commitments hereunder or to prejudice any rights that the Borrower may have against any Lender as a result of any default by such Lender hereunder (it being understood, however, that no Lender shall be responsible for the failure of any other Lender to fulfil its commitments hereunder).

2.5 Repayment of Loans; Evidence of Debt

- (a) The Borrower shall repay to the Administrative Agent, for the benefit of the Lenders, on the Maturity Date, the then-unpaid NRT Loans and the then-unpaid Revolving Loans (other than Swingline Loans) and retire all other then outstanding Revolving Exposure.
- (b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of the Borrower to the appropriate lending office of such Lender resulting from each NRT Loan and Revolving Loan made by such lending office of such Lender from time to time, including the amounts and currency of principal and interest payable and paid to such lending office of such Lender from time to time under this Agreement. For greater certainty, the Swingline Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of the Borrower to the Swingline Lender resulting from each Swingline Loan made by the Swingline Lender from time to time, including the amounts of principal and interest payable and paid to the Swingline Lender from time to time under this Agreement.
- (c) The Administrative Agent shall maintain the Register pursuant to Section 12.6(c), and a subaccount for each Lender, in which Register and subaccounts (taken together) shall be recorded (i) the amount of each NRT Loan and Revolving Loan made hereunder, the Type of each NRT Loan and Revolving Loan made and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender (other than the Swingline Lender in respect of Swingline Loans) hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder from the Borrower and each Lender's share thereof.
- (d) The entries made in the Register and accounts and subaccounts maintained pursuant to paragraphs (b) and (c) of this Section shall, to the extent permitted by applicable law, be *prima facie* evidence of the existence and amounts of the obligations of the Borrower therein recorded; provided, however, that the failure of any Lender or the Administrative Agent to maintain such account, such Register or such subaccount, as applicable, or any error therein, shall not in any manner affect the obligation of the Borrower to repay (with applicable interest) the NRT Loans and Revolving Loans made to the Borrower by such Lender in accordance with the terms of this Agreement. In the event that there is an

inconsistency between the accounts maintained by a Lender pursuant to Section 2.5(b) and the Register maintained by the Administrative Agent pursuant to Section 12.6(c), the said Register shall prevail.

- (e) All payments to be made by the Administrative Agent to any Lender hereunder shall be made in accordance with the payment instructions of such Lender which have been provided to the Administrative Agent from time to time.

2.6 Changes in Type of Loan

- (a) The Borrower shall have the option on any Business Day to continue all or a portion equal to at least the Minimum Borrowing Amount of the outstanding principal amount of NRT Loans or Revolving Loans of one Type into a Borrowing or Borrowings of another permitted Type or to continue the outstanding principal amount of any BA Loans as BA Loans for an additional Interest Period, provided that (i) no partial continuation of BA Loans shall reduce the outstanding principal amount of BA Loans made pursuant to a single Borrowing to less than the Minimum Borrowing Amount, (ii) Prime Loans may not be continued into BA Loans, if a Default or Event of Default is in existence on the date of the proposed continuation and the Administrative Agent has or the Required Majority Lenders have determined in its or their sole discretion not to permit such continuation, (iii) BA Loans may not be continued as BA Loans for an additional Interest Period if a Default or Event of Default is in existence on the date of the proposed continuation and the Administrative Agent has or the Required Majority Lenders have determined in its or their sole discretion not to permit such continuation (or the Administrative Agent or the Required Majority Lenders may permit such continuation but may limit the length of the Interest Period of the continued BA Loan) and (iv) Borrowings resulting from continuations pursuant to this Section 2.6 shall be limited in number as provided in Section 2.2. Each such continuation shall be effected by the Borrower by giving the Administrative Agent at the location set forth in Section 12.2 written notice, prior to 10:00 a.m. (Toronto time) at least one Business Day prior to the date of such continuation, substantially in the form of Schedule C (or telephonic notice promptly confirmed in writing) (each a “**Notice of Continuation**”) specifying the NRT Loans or Revolving Loans to be so continued, the Type of NRT Loans or Revolving Loans to be continued into and, if such NRT Loans or Revolving Loans are to be continued as BA Loans, the Interest Period to be initially applicable thereto. The Administrative Agent shall give each Lender notice as promptly as practicable of any such proposed continuation affecting any of its NRT Loans or Revolving Loans.
- (b) If any Default or Event of Default is in existence at the time of any proposed continuation of any BA Loans and the Administrative Agent has or the Required Majority Lenders have determined in its or their sole discretion not to permit such continuation, such BA Loans shall be automatically continued on the last day of the current Interest Period into Prime Loans.

- (c) If upon the expiration of any Interest Period in respect of BA Loans, the Borrower has failed to elect a new Interest Period to be applicable thereto as provided in paragraph (a) above, the Borrower shall be deemed to have elected to continue such Borrowing of BA Loans into a Borrowing of Prime Loans effective as of the expiration date of such current Interest Period.

2.7 Pro Rata Borrowings

Each Borrowing of NRT Loans under this Agreement shall be granted by the Lenders *pro rata* on the basis of their then-applicable NRT Commitment Percentage, provided that the Administrative Agent may adjust the proportions of the Lenders with respect to any Borrowing to be granted by such Lenders to ensure that no Lender's NRT Exposure (after granting its portion of such Borrowing) exceeds its NRT Commitment. Each Borrowing of Revolving Loans under this Agreement shall be granted by the Lenders *pro rata* on the basis of their then-applicable Revolving Commitment Percentage, provided that the Administrative Agent may adjust the proportions of the Lenders with respect to any Borrowing to be granted by such Lenders to ensure that no Lender's Revolving Exposure (after granting its portion of such Borrowing) exceeds its Revolving Commitment. It is understood that no Lender shall be responsible for any default by any other Lender in its obligation to make NRT Loans or Revolving Loans hereunder and that each Lender shall be obligated to make the NRT Loans or Revolving Loans provided to be made by it hereunder, regardless of the failure of any other Lender to fulfil its commitments hereunder.

2.8 Interest and Fees

- (a) The unpaid principal amount of each Prime Loan shall bear interest from the date of the Borrowing thereof until maturity (whether by acceleration or otherwise and both before and after default and judgment) at a rate per annum that shall at all times be the Prime Margin plus the Prime Rate in effect from time to time.
- (b) The Borrower shall pay to each Lender that accepts or advances a BA Loan, as a condition of and at the time of such acceptance or advance, a Stamping Fee at the Stamping Fee Rate, calculated on the basis of a year of 365 days on the face amount at maturity (or the principal amount in the case of a BA Equivalent Loan) of such Bankers' Acceptance for the period from and including the date of acceptance (or advance in the case of a BA Equivalent Loan) to but excluding the maturity date of such Bankers' Acceptance.
- (c) If all or a portion of (i) the principal amount of any Loan or (ii) any interest thereon or fees payable hereunder shall not be paid when due (whether at the stated maturity, by acceleration or otherwise), such overdue amount shall bear interest at a rate per annum that is (A) in the case of overdue principal, to the extent permitted by applicable law, equal to the rate that would otherwise be applicable thereto plus 2% (after as well as before maturity and judgment), (B) in the case of any overdue interest with respect to any Loan equal to the rate of interest applicable to such Loan plus, to the extent permitted by applicable law, 2%, or (C) in the case of any overdue fees or other amount owing hereunder,

equal to the rate of interest applicable to Prime Loans plus 2% for fees or such other amounts, in each case from and including the date of such non-payment to but excluding the date on which such amount is paid in full (after as well as before maturity and judgment). All interest payable pursuant to this Section 2.8(c) shall be payable upon demand.

- (d) Interest on each Loan shall accrue from and including the date of any Borrowing to but excluding the date of any repayment thereof and shall, except as otherwise provided pursuant to Section 2.8(b), be payable (i) in respect of each Prime Loan, monthly in arrears accrued to the last day of each month, on the first Business Day of the next month, and (ii) in respect of each Loan on any prepayment (on the amount prepaid), at maturity (whether by acceleration or otherwise) and, after such maturity, on demand.
- (e) All computations of interest hereunder shall be made in accordance with Section 5.5.

2.9 Interest Periods

At the time the Borrower gives a Notice of Borrowing or Notice of Continuation in respect of the making of, or continuation into or continuation as, a Borrowing of BA Loans prior to 10:00 a.m. (Toronto time) on the first Business Day prior to the applicable date of making or continuation of such BA Loans, the Borrower shall have the right to elect by giving the Administrative Agent written notice (or telephonic notice promptly confirmed in writing) the Interest Period applicable to such Borrowing, which Interest Period shall, at the option of the Borrower, be one, two, three or six months (or, if available to all the Lenders making such loans as determined by such Lenders in good faith based on prevailing market conditions, a nine or twelve month period or a period of less than one month as well). Notwithstanding anything to the contrary contained above:

- (a) the initial Interest Period for any Borrowing of BA Loans shall commence on the date of such Borrowing (including the date of any continuation from a Borrowing of Prime Loans) and each Interest Period occurring thereafter in respect of such Borrowing shall commence on the day on which the preceding Interest Period expires;
- (b) the Borrower shall not be entitled to elect any Interest Period in respect of any BA Loan if such Interest Period would extend beyond the Maturity Date; and
- (c) no BA Loan shall mature on a day which is not a Business Day.

2.10 Increased Costs, Illegality, etc.

- (a) In the event that the Administrative Agent shall have reasonably determined (which determination shall, absent clearly demonstrable error, be final and conclusive and binding upon all parties hereto) that there does not exist a normal market in Canada for the purchase and sale of bankers' acceptances, then, and in any such event, the Administrative Agent shall within a reasonable time thereafter

give notice (if by telephone confirmed in writing) to the Borrower and each of the other Lenders of such determination. Thereafter BA Loans shall no longer be available until such time as the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice by the Administrative Agent no longer exist (which notice the Administrative Agent agrees to give at such time when such circumstances no longer exist), and any Notice of Borrowing or Notice of Continuation given by the Borrower with respect to BA Loans that have not yet been incurred shall be deemed rescinded by the Borrower. Any maturing BA Loans shall thereafter, and until contrary notice is provided by the Administrative Agent, be continued as a Prime Loan.

- (b) If, after the date hereof, the adoption of any applicable law, rule or regulation regarding capital adequacy, or any change therein, or any change in the interpretation or administration thereof by any Governmental Authority, the National Association of Insurance Commissioners, Superintendent of Financial Institutions, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by a Lender or its parent with any request or directive made or adopted after the date hereof regarding capital adequacy (whether or not having the force of law) of any such authority, association, central bank or comparable agency, has or would have the effect of reducing the rate of return on such Lender's or its parent's capital or assets as a consequence of such Lender's commitments or obligations hereunder to a level below that which such Lender or its parent could have achieved but for such adoption, effectiveness, change or compliance (taking into consideration such Lender's or its parent's policies with respect to capital adequacy), then from time to time, promptly after demand by such Lender (with a copy to the Administrative Agent), the Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender or its parent for such reduction, it being understood and agreed, however, that a Lender shall not be entitled to such compensation as a result of such Lender's compliance with, or pursuant to any request or directive to comply with, any such law, rule or regulation as in effect on the date hereof. Each Lender, upon determining in good faith that any additional amounts will be payable pursuant to this Section 2.10(b), will give prompt written notice thereof to the Borrower, which notice shall set forth in reasonable detail the basis of the calculation of such additional amounts, although the failure to give any such notice shall not, subject to Section 2.13, release or diminish any of the Borrower's obligations to pay additional amounts pursuant to this Section 2.10(b) upon receipt of such notice.

2.11 Compensation

If (a) any payment of principal of any BA Loan or any continuation of any BA Loan is made by the Borrower (or a replacement Lender in the case of Section 12.7) to or for the account of a Lender other than on the last day of the Interest Period for such BA Loan pursuant to Sections 2.5, 2.6, 2.10, 5.1 or 12.7, as a result of acceleration of the maturity of the BA Loans pursuant to Article 10 or for any other reason, (b) any Borrowing of BA Loans is not made as a result of a withdrawn Notice of Borrowing, (c) any Prime Loan is not continued into a BA Loan

as a result of a withdrawn Notice of Continuation, (d) any BA Loan is not continued as a BA Loan as a result of a withdrawn Notice of Continuation or (e) any prepayment of principal of any BA Loan is not made as a result of a withdrawn notice of prepayment pursuant to Section 5.1, the Borrower shall, after receipt of a written request by such Lender (which request shall set forth in reasonable detail the basis for requesting such amount), pay to the Administrative Agent for the account of such Lender any amounts required to compensate such Lender for any additional losses, costs or expenses that such Lender may reasonably incur as a result of such payment, failure to borrow, failure to continue or failure to prepay, including any loss, cost or expense (excluding loss of anticipated profits) actually incurred by reason of the liquidation or reemployment of deposits or other funds acquired by any Lender to fund or maintain such BA Loan.

2.12 Change of Lending Office

Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Sections 2.10(b), 3.5 or 5.4 with respect to such Lender, it will, if requested by the Borrower, use reasonable efforts (subject to overall policy considerations of such Lender) to designate another lending office for any Loans affected by such event, provided that such designation is made on such terms that such Lender and its lending office suffer no economic, legal or regulatory disadvantage, with the object of avoiding the consequence of the event giving rise to the operation of any such Section. Nothing in this Section 2.12 shall affect or postpone any of the obligations of the Borrower or the right of any Lender provided in Section 2.10, 3.5 or 5.4.

2.13 Notice of Certain Costs

Notwithstanding anything in this Agreement to the contrary, to the extent any notice required by Sections 2.10, 2.11, 3.5 or 5.4 is given by any Lender more than 180 days after such Lender has knowledge (or should have had knowledge) of the occurrence of the event giving rise to the additional cost, reduction in amounts, loss, tax or other additional amounts described in such Sections, such Lender shall not be entitled to compensation under Sections 2.10, 2.11, 3.5 or 5.4, as the case may be, for any such amounts incurred or accruing prior to the giving of such notice to the Borrower.

2.14 Bankers' Acceptances

- (a) The Administrative Agent, promptly following receipt of a Notice of Borrowing or Notice of Continuation, requesting BA Loans, shall advise each applicable Lender of the face or principal amount and term of each BA Loan to be accepted (and purchased) or advanced by it. The aggregate face or principal amount of BA Loans to be accepted or advanced by a Lender shall be determined by the Administrative Agent by reference to that Lender's applicable *pro rata* portion of the issue or advance of BA Loans, except that the aggregate face amount of Bankers' Acceptances to be accepted by the applicable Lenders shall be reduced by the Administrative Agent in its sole discretion as may be necessary to ensure that the face amount of the Bankers' Acceptance to be accepted by each applicable Lender would be \$100,000 or a whole multiple thereof, and the balance

of the requested Borrowing shall be advanced or continued by way of Prime Loans.

- (b) On the date specified in a Notice of Borrowing or Notice of Continuation on which Bankers' Acceptances are to be accepted, the Administrative Agent shall advise the Borrower as to the Administrative Agent's determination of the BA Discount Rate for the BA Loans to be purchased or advanced, as the case may be.
- (c) The Borrower shall sell and each Lender shall purchase the Bankers' Acceptance accepted by it at the applicable BA Discount Rate. The Lenders shall provide the Administrative Agent, for the account of the Borrower, the BA Discount Proceeds less a fee (the "**Stamping Fee**") payable by the Borrower on the face amount or principal amount of the BA Loan for its term at the Stamping Fee Rate.
- (d) In the event the Borrower requests a continuation of BA Loans for a further Interest Period, concurrent with the payment by the Borrower to the Administrative Agent of the face or principal amount of such BA Loans or the portion thereof to be replaced (the "**Maturing Amount**") (or arrangements satisfactory to the Administrative Agent being effected to ensure the BA Discount Proceeds from the replacement BA Loans are applied to repay the Maturing Amount and the Borrower concurrently paying to the Administrative Agent any positive difference between the Maturing Amount and such BA Discount Proceeds), each Lender shall accept and purchase (or advance in the case of a BA Equivalent Loan) on the terms herein its *pro rata* portion of Drafts having an aggregate face amount equal to the Maturing Amount.
- (e) Each Lender may from time to time hold, sell, rediscount or otherwise dispose of any or all Bankers' Acceptances accepted and purchased by it.
- (f) In order to facilitate the issuance of Bankers' Acceptances pursuant to this Agreement, the Borrower hereby authorizes each of the Lenders, and appoints each of the Lenders as the Borrower's attorney, to complete, sign and endorse drafts or depository bills (as defined in the *Depository Bills and Notes Act* (Canada) (each such executed draft or bill being herein referred to as a "**Draft**") on its behalf in handwritten form or by facsimile or mechanical signature or otherwise in accordance with the applicable Notice of Borrowing or Notice of Continuation and, once so completed, signed and endorsed to accept them as Bankers' Acceptances under this Agreement and then if applicable, purchase, discount or negotiate such Bankers' Acceptances in accordance with the provisions of this Agreement. Drafts so completed, signed, endorsed and negotiated on behalf of the Borrower by a Lender shall bind the Borrower as fully and effectively as if so performed by an Authorized Officer of the Borrower. Each draft of a Bankers' Acceptance completed, signed or endorsed by a Lender shall mature on the last day of the term thereof. All Bankers' Acceptances to be accepted by a particular Lender shall, at the option of such Lender, be issued in the form of depository bills made payable originally to and deposited with The

Depository for Securities Limited pursuant to the *Depository Bills and Notes Act* (Canada).

- (g) Any Drafts to be used for Bankers' Acceptances which are held by a Lender shall be held in safekeeping with the same degree of care as if they were such Lender's own property being kept at the place at which they are to be held. The Borrower may, by written notice to the Administrative Agent, designate persons other than Authorized Officers authorized to give the Administrative Agent instructions regarding the manner in which Drafts are to be completed and the times at which they are to be issued; provided however that receipt by the Administrative Agent of a Notice of Borrowing or Notice of Continuation requesting an advance or continuation into, Bankers' Acceptances shall be deemed to be sufficient authority from Authorized Officers or such designated persons for each of the Lenders to complete, and issue Drafts in accordance with such notice. None of the Administrative Agent or the Lenders nor any of their respective directors, officers, employees or representatives shall be liable for any action taken or omitted to be taken by any of them under this Section 2.14(g) except for their own respective gross negligence or wilful misconduct as determined by a final judgment of a court of competent jurisdiction.
- (h) The Borrower waives presentment for payment and any other defence to the payment of any amounts due to a Lender in respect of a Bankers' Acceptance accepted and purchased by it pursuant to this Agreement which might exist solely by reason of the Bankers' Acceptance being held, at the maturity thereof, by the Lender in its own right and the Borrower agrees not to claim any days of grace if the Lender as holder sues the Borrower on the Bankers' Acceptance for payment of the amount payable by the Borrower thereunder.
- (i) Whenever the Borrower requests a NRT Loan or Revolving Loan under this Agreement by way of Bankers' Acceptances, each Non-Acceptance Lender shall, in lieu of accepting a Bankers' Acceptance, make a BA Equivalent Loan by way of Discount Note in an amount equal to the Non-Acceptance Lender's *pro rata* portion of the BA Loan. All terms of this Agreement applicable to Bankers' Acceptances shall apply equally to Discount Notes evidencing BA Equivalent Loans with such changes as may in the context be necessary. For greater certainty:
 - (i) the term of a Discount Note shall be the same as the Interest Period for Bankers' Acceptances accepted on the same date of the Borrowing in respect of the same BA Loan;
 - (ii) a stamping fee will be payable in respect of a Discount Note and shall be calculated at the same rate and in the same manner as the Stamping Fee in respect of a Bankers' Acceptance; and
 - (iii) the proceeds from a BA Equivalent Loan shall be equal to the BA Discount Proceeds of the Discount Note.

ARTICLE 3 LETTERS OF CREDIT

3.1 Letters of Credit

- (a) Subject to and upon the terms and conditions herein set forth, the Borrower, at any time and from time to time on or after the Closing Date and prior to the L/C Maturity Date, may request that the Letter of Credit Issuer issue, for the account of the Borrower or any other Restricted Entity, a standby letter of credit or letters of credit or a letter of guarantee or letters of guarantee (in such form as may be approved by the Letter of Credit Issuer in its reasonable discretion) which is participated by the Letter of Credit Issuer pursuant to Section 3.3 (each such letter of credit or letter of guarantee, a “**Letter of Credit**”).
- (b) Notwithstanding the foregoing, (i) no Letter of Credit shall be issued the Stated Amount of which, when added to the Letter of Credit Outstanding at such time, would exceed the Letter of Credit Commitment then in effect; (ii) no Letter of Credit shall be issued the Stated Amount of which, when added to the sum of the Letter of Credit Outstanding at such time, the aggregate principal amount of all Revolving Loans then outstanding and the Swingline Commitment, would exceed the Total Revolving Commitment then in effect; (iii) each Letter of Credit shall have an expiry date occurring no later than one year after the date of issuance thereof, unless otherwise agreed upon by the Administrative Agent and the Letter of Credit Issuer, provided that in no event shall such expiry date occur later than the L/C Maturity Date; (iv) each Letter of Credit shall be denominated in Dollars and shall provide for drawings thereunder to be made in Dollars; and (v) no Letter of Credit shall be issued by the Letter of Credit Issuer after it has received a written notice from the Borrower, the Administrative Agent or any Lender stating that a Default or Event of Default has occurred and is continuing until such time as the Letter of Credit Issuer shall have received a written notice of (A) rescission of such notice from the party or parties originally delivering such notice (provided that in the case of any such notice delivered by the Borrower, the Administrative Agent has not objected to or contested such rescission) or (B) the waiver of such Default or Event of Default in accordance with the provisions of Section 12.1.
- (c) Upon at least three Business Days’ prior written notice (or telephonic notice promptly confirmed in writing) to the Administrative Agent and the Letter of Credit Issuer, the Borrower shall have the right, on any day, to permanently terminate or reduce the Letter of Credit Commitment, in whole or in part, provided that, after giving effect to such termination or reduction, the Letter of Credit Outstanding shall not exceed the Letter of Credit Commitment.

3.2 Letter of Credit Requests and Information to Administrative Agent

- (a) Whenever the Borrower desires that a Letter of Credit be issued for its account or the account of any other Restricted Entity, it shall give the Administrative Agent and the Letter of Credit Issuer at least three (or such lesser number as may be

agreed upon by the Administrative Agent and the Letter of Credit Issuer) Business Days' written notice thereof. Each notice shall be executed by the Borrower and shall be in the form of Schedule D (each a "**Letter of Credit Request**"). The Administrative Agent shall promptly transmit copies of each Letter of Credit Request to each Lender.

- (b) The making of each Letter of Credit Request shall be deemed to be a representation and warranty by the Borrower that the Letter of Credit may be issued in accordance with, and will not violate the requirements of, Section 3.1(b).
- (c) The Letter of Credit Issuer shall, as soon as practicable following the issuance, cancellation or termination of any Letter of Credit, provide a copy of such Letter of Credit, cancellation or termination to the Administrative Agent.

3.3 Letter of Credit Participations

- (a) Immediately upon the issuance by the Letter of Credit Issuer of any Letter of Credit, the Letter of Credit Issuer shall be deemed to have sold and transferred to each other Lender that has a Revolving Commitment (each such other Lender, in its capacity under this Section 3.3, an "**L/C Participant**"), and each such L/C Participant shall be deemed irrevocably and unconditionally to have purchased and received from the Letter of Credit Issuer, without recourse or warranty, an undivided interest and participation (each an "**L/C Participation**"), to the extent of such L/C Participant's Revolving Commitment Percentage from time to time, in such Letter of Credit, each substitute letter of credit, each drawing made thereunder and the obligations of the Borrower under this Agreement with respect thereto, and any security therefor or guaranty pertaining thereto (although the Letter of Credit Fee will be paid directly to the Administrative Agent for the rateable account of the L/C Participants as provided in Section 4.1(b) and the L/C Participants shall have no right to receive any portion of any Fronting Fees).
- (b) In determining whether to pay under any Letter of Credit, the Letter of Credit Issuer shall have no obligation relative to the L/C Participants or the Credit Parties other than to confirm that any documents required to be delivered under such Letter of Credit have been delivered and that they appear to comply on their face with the requirements of such Letter of Credit. Any action taken or omitted to be taken by the Letter of Credit Issuer under or in connection with any Letter of Credit issued by it, unless taken or omitted through its gross negligence or wilful misconduct as determined by a final judgment of a court of competent jurisdiction, shall not create for the Letter of Credit Issuer any resulting liability.
- (c) In the event that the Letter of Credit Issuer makes any payment under any Letter of Credit issued by it and the Borrower shall not have repaid the amount in full to the Letter of Credit Issuer pursuant to Section 3.4(a), the Letter of Credit Issuer shall promptly notify the Administrative Agent (who shall in turn promptly notify each L/C Participant) of the failure, and each L/C Participant shall promptly and unconditionally pay to the Administrative Agent, for the account of the Letter of

Credit Issuer, the amount of the L/C Participant's Revolving Commitment Percentage (determined as of the date of the notice referred to above) of the unreimbursed payment in Dollars and in same day funds. If the Letter of Credit Issuer so notifies, prior to 11:00 a.m. (Toronto time) on any Business Day, any L/C Participant that it is required to fund a payment under a Letter of Credit, the L/C Participant shall make available to the Administrative Agent for the account of the Letter of Credit Issuer the L/C Participant's Revolving Commitment Percentage of the amount of the payment on such Business Day in same day funds. If and to the extent the L/C Participant shall not have so made its Revolving Commitment Percentage of the amount of the payment available to the Administrative Agent for the account of the Letter of Credit Issuer, the L/C Participant agrees to pay to the Administrative Agent for the account of the Letter of Credit Issuer, forthwith on demand, the amount, together with interest thereon for each day from the date of demand until the date the amount is paid to the Administrative Agent for the account of the Letter of Credit Issuer at the standard interbank reference rate then in effect in Canada. The failure of any L/C Participant to make available to the Administrative Agent for the account of the Letter of Credit Issuer the L/C Participant's Revolving Commitment Percentage of any payment under any Letter of Credit shall not relieve any other L/C Participant of its obligation hereunder to make available to the Administrative Agent for the account of the Letter of Credit Issuer the other L/C Participant's Revolving Commitment Percentage of any payment under the Letter of Credit on the date required, as specified above, but no L/C Participant shall be responsible for the failure of any other L/C Participant to make available to the Administrative Agent such other L/C Participant's Revolving Commitment Percentage of the payment. Notwithstanding the foregoing, the Administrative Agent shall be entitled to adjust the proportions of any of the foregoing amounts required to be paid by the L/C Participants to ensure that no L/C Participant's Revolving Exposure exceeds its Revolving Commitment.

- (d) Whenever the Letter of Credit Issuer receives a payment in respect of an unpaid reimbursement obligation as to which the Administrative Agent has received for the account of the Letter of Credit Issuer any payments from the L/C Participants pursuant to paragraph (c) above, the Letter of Credit Issuer shall pay to the Administrative Agent and the Administrative Agent shall promptly pay to each L/C Participant that has paid its applicable portion of such reimbursement obligation, in Dollars and in same day funds, an amount equal to such L/C Participant's share (based upon the proportionate aggregate amount originally funded by such L/C Participant to the aggregate amount funded by all L/C Participants) of the principal amount of such reimbursement obligation and interest thereon accruing after the purchase of the respective L/C Participations.
- (e) The obligations of the L/C Participants to make payments to the Administrative Agent for the account of the Letter of Credit Issuer with respect to Letters of Credit issued by it shall be irrevocable and not subject to counterclaim, set-off or other defense or any other qualification or exception whatsoever and shall be

made in accordance with the terms and conditions of this Agreement under all circumstances, including any of the following circumstances:

- (i) any lack of validity or enforceability of this Agreement or any of the other Credit Documents;
- (ii) the existence of any claim, set-off, defense or other right that the Borrower may have at any time against a beneficiary named in a Letter of Credit, any transferee of any Letter of Credit (or any Person for whom any such transferee may be acting), the Administrative Agent, the Letter of Credit Issuer, any Lender or other Person, whether in connection with this Agreement, any Letter of Credit, the transactions contemplated herein or any unrelated transactions (including any underlying transaction between the Borrower and the beneficiary named in any such Letter of Credit);
- (iii) any draft, certificate or any other document presented under any Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect;
- (iv) the surrender or impairment of any security for the performance or observance of any of the terms of any of the Credit Documents; or
- (v) the occurrence of any Default or Event of Default;

provided, however, that no L/C Participant shall be obligated to pay to the Administrative Agent for the account of the Letter of Credit Issuer such L/C Participant's Revolving Commitment Percentage of any unreimbursed amount arising from any wrongful payment made by the Letter of Credit Issuer under a Letter of Credit as a result of acts or omissions constituting wilful misconduct or gross negligence on the part of the Letter of Credit Issuer as determined by a final judgment of a court of competent jurisdiction.

3.4 Agreement to Repay Letter of Credit Drawings

- (a) The Borrower hereby agrees to reimburse the Letter of Credit Issuer, by making payment to the Administrative Agent in Dollars in immediately available funds at the Administrative Agent's Office, for any payment or disbursement made by the Letter of Credit Issuer under any Letter of Credit (each such amount so paid until reimbursed, an "**Unpaid Drawing**") immediately after, and in any event on the date of, such payment, with interest on the amount so paid or disbursed by the Letter of Credit Issuer, to the extent not reimbursed prior to 5:00 p.m. (Toronto time) on the date of such payment or disbursement, from and including the date paid or disbursed to but excluding the date the Letter of Credit Issuer is reimbursed therefor, at a rate per annum that shall at all times be the Prime Margin plus the Prime Rate as in effect from time to time, provided that, notwithstanding anything contained in this Agreement to the contrary, (i) unless the Borrower shall have notified the Administrative Agent and the Letter of Credit Issuer prior to 10:00 a.m. (Toronto time) on the date of such drawing that the

Borrower intends to reimburse the Letter of Credit Issuer for the amount of such drawing with funds other than the proceeds of Loans, the Borrower shall be deemed to have given a Notice of Borrowing to the Administrative Agent requesting that the applicable Lenders make Revolving Loans (which shall initially be Prime Loans) on the date on which such drawing is honoured in an amount equal to the amount of such drawing and (ii) each applicable Lender shall, on such date, make Revolving Loans in an amount equal to such Lender's *pro rata* portion of such Borrowing in accordance with the provisions of Section 2.4.

- (b) The Borrower's obligations under this Section 3.4 to reimburse the Letter of Credit Issuer with respect to Unpaid Drawings (including, in each case, interest thereon) shall be absolute and unconditional under any and all circumstances and irrespective of any setoff, counterclaim or defense to payment that the Borrower or any other Person may have or have had against the Letter of Credit Issuer, the Administrative Agent or any Lender (including in its capacity as an L/C Participant), including any defence based upon the failure of any drawing under a Letter of Credit (each a "**Drawing**") to conform to the terms of the Letter of Credit, any nonapplication or misapplication by the beneficiary of the proceeds of such Drawing or any of the circumstances described in Sections 3.3(e)(i) to 3.3(e)(v) inclusive, provided that the Borrower shall not be obligated to reimburse the Letter of Credit Issuer for any wrongful payment made by the Letter of Credit Issuer under the Letter of Credit issued by it as a result of acts or omissions constituting wilful misconduct or gross negligence on the part of the Letter of Credit Issuer as determined by a final judgment of a court of competent jurisdiction.
- (c) Each payment by the Letter of Credit Issuer under any Letter of Credit shall constitute a request by the Borrower for a Revolving Loan by way of Prime Loans in the amount of the Unpaid Drawing in respect of such Letter of Credit. The Letter of Credit Issuer shall notify the Borrower and the Administrative Agent, by 10:00 a.m. (Toronto time) on any Business Day on which the Letter of Credit Issuer intends to honour a drawing under a Letter of Credit, of (i) the Letter of Credit Issuer's intention to honour such drawing and (ii) the amount of such drawing. Unless otherwise instructed by the Borrower by 10:30 a.m. (Toronto time) on such Business Day, the Administrative Agent shall promptly notify each Lender of such drawing and the amount of its Revolving Loan to be made in respect thereof, and each Lender shall be irrevocably obligated to make Prime Loans to the Borrower in the amount of such Lender's Revolving Commitment Percentage of the applicable Unpaid Drawing by 12:00 noon (Toronto time) on such Business Day by making the amount of such Revolving Loan available to the Administrative Agent at the Administrative Agent's Office. Such Revolving Loans shall be made without regard to the Minimum Borrowing Amount. The Administrative Agent shall use the proceeds of such Revolving Loans solely for the purpose of reimbursing the Letter of Credit Issuer for the related Unpaid Drawing.

3.5 Increased Costs

If after the date hereof, the adoption of any applicable law, rule or regulation, or any change therein, or any change in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or actual compliance by the Letter of Credit Issuer or any L/C Participant with any request or directive made or adopted after the date hereof (whether or not having the force of law), by any such authority, central bank or comparable agency shall either (a) impose, modify or make applicable any reserve, deposit, capital adequacy or similar requirement against letters of credit issued by the Letter of Credit Issuer, or any L/C Participant's L/C Participation therein, or (b) impose on the Letter of Credit Issuer or any L/C Participant any other conditions affecting its obligations under this Agreement in respect of Letters of Credit or L/C Participations therein or any Letter of Credit or such L/C Participant's L/C Participation therein; and the result of any of the foregoing is to increase the cost to the Letter of Credit Issuer or such L/C Participant of issuing, maintaining or participating in such Letter of Credit, or to reduce the amount of any sum received or receivable by the Letter of Credit Issuer or such L/C Participant hereunder (other than any such increase or reduction attributable to taxes) in respect of Letters of Credit or any L/C Participations therein, then, promptly after receipt of written demand to the Borrower by the Letter of Credit Issuer or such L/C Participant, as the case may be (a copy of which notice shall be sent by the Letter of Credit Issuer or such L/C Participant to the Administrative Agent), the Borrower shall pay to the Letter of Credit Issuer or such L/C Participant such additional amount or amounts as will compensate the Letter of Credit Issuer or such L/C Participant for such increased cost or reduction of sums received or receivable, it being understood and agreed, however, that neither the Letter of Credit Issuer nor any L/C Participant shall be entitled to such compensation as a result of such Person's compliance with, or pursuant to any request or directive to comply with, any such law, rule or regulation as in effect on the date hereof. A certificate submitted to the Borrower by the Letter of Credit Issuer or any L/C Participant, as the case may be (a copy of which certificate shall be sent by the Letter of Credit Issuer or such L/C Participant to the Administrative Agent), setting forth in reasonable detail the basis for the determination of such additional amount or amounts necessary to compensate the Letter of Credit Issuer or such L/C Participant as aforesaid, shall be conclusive and binding on the Borrower absent clearly demonstrable error.

3.6 Successor Letter of Credit Issuer

The Letter of Credit Issuer may resign as the Letter of Credit Issuer upon 60 days' prior written notice to the Administrative Agent, the Lenders and the Borrower. If the Letter of Credit Issuer shall resign as the Letter of Credit Issuer under this Agreement, then the Borrower shall appoint from among the Lenders with Revolving Commitments a successor issuer of Letters of Credit, whereupon such successor issuer shall succeed to the rights, powers and duties of the Letter of Credit Issuer, and the term "Letter of Credit Issuer" shall mean such successor issuer effective upon such appointment. At the time such resignation shall become effective, the Borrower shall pay to the resigning Letter of Credit Issuer all accrued and unpaid fees pursuant to Sections 4.1(c) and 4.1(d). The acceptance of any appointment as the Letter of Credit Issuer hereunder by a successor Lender shall be evidenced by an agreement entered into by such successor, in a form satisfactory to the Borrower and the Administrative Agent and, from and after the effective date of such agreement, such successor Lender shall have all the rights and

obligations of the previous Letter of Credit Issuer under this Agreement and the other Credit Documents. After the resignation of the Letter of Credit Issuer hereunder, the resigning Letter of Credit Issuer shall remain a party hereto and shall continue to have all the rights and obligations of the Letter of Credit Issuer under this Agreement and the other Credit Documents with respect to Letters of Credit issued by it prior to such resignation, but shall not be required to issue additional Letters of Credit. After any retiring Letter of Credit Issuer's resignation as Letter of Credit Issuer, the provisions of this Agreement relating to the Letter of Credit Issuer shall inure to its benefit as to any actions taken or omitted to be taken by it (a) while it was the Letter of Credit Issuer under this Agreement or (b) at any time with respect to Letters of Credit issued by the Letter of Credit Issuer.

ARTICLE 4 FEES; COMMITMENTS

4.1 Fees

- (a) The Borrower agrees to pay to the Administrative Agent in Dollars, for the account of each Lender with a Revolving Commitment (in each case *pro rata* according to the respective Available Revolving Commitments of all such Lenders), a commitment fee for each day from and including the Closing Date to but excluding the Maturity Date on the average daily closing balances of the amount of the Available Revolving Commitment (without regard to any Swingline Loans outstanding on such day). Such commitment fee shall be payable in arrears (i) on the first Business Day of each of April, July, October and January (for the three-month period (or portion thereof) ended on such day) and (ii) on the Maturity Date (for the period ended on such date for which no payment has been received pursuant to clause (i) above), and shall be computed during such period at a per annum rate equal to the Commitment Fee Rate on the average daily closing balances of the amount of the Available Revolving Commitment (without regard to any Swingline Loans outstanding on such day).
- (b) The Borrower agrees to pay to the Administrative Agent in Dollars for the account of the Lenders with a Revolving Commitment *pro rata* on the basis of their respective Letter of Credit Exposure, a fee in respect of each Letter of Credit (the "**Letter of Credit Fee**"), for the period from and including the date of issuance of such Letter of Credit to but not including the termination date of such Letter of Credit computed at the per annum rate equal to the Stamping Fee Rate on the average daily Stated Amount of such Letter of Credit. Such Letter of Credit Fees shall be due and payable quarterly in arrears on the first Business Day of each of April, July, October and January and on the date upon which the Total Revolving Commitment terminates and the Letter of Credit Outstandings shall have been reduced to zero.
- (c) The Borrower agrees to pay directly to the Letter of Credit Issuer in Dollars, a fee in respect of each Letter of Credit issued by it (the "**Fronting Fee**"), for the period from and including the date of issuance of such Letter of Credit to but not including the termination date of such Letter of Credit, computed at the rate equal

to 0.250% per annum on the average daily Stated Amount of such Letter of Credit. Such Fronting Fees shall be due and payable quarterly in arrears on the first Business Day of each of April, July, October and January and on the date upon which the Total Revolving Commitment terminates and the Letter of Credit Outstandings shall have been reduced to zero.

- (d) The Borrower agrees to pay directly to the Letter of Credit Issuer in Dollars upon each renewal of, drawing under, and/or amendment of, a Letter of Credit issued by it such amount as the Letter of Credit Issuer and the Borrower may agree upon.
- (e) All fees provided for in this Section 4.1 which are based on a rate per annum shall be calculated on the basis of a 365-day year for the actual days elapsed.
- (f) Notwithstanding any other provision of this Section 4.1, the Borrower shall not be obligated to pay any amounts under this Section 4.1 to any Defaulting Lender.

4.2 Reductions of Commitments

- (a) Upon at least two Business Days' prior written notice (or telephonic notice promptly confirmed in writing) to the Administrative Agent at the Administrative Agent's Office (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrower shall have the right, without premium or penalty, on any day, to permanently terminate or reduce the Total Revolving Commitment in whole or in part, provided that (i) any such reduction shall apply proportionately and permanently to reduce the Revolving Commitment of each of the Lenders, (ii) any partial reduction pursuant to this Section 4.2(a) shall be in the amount of at least \$5,000,000, (iii) after giving effect to any such partial reduction of the Total Revolving Commitment, the Total Revolving Commitment shall be at least \$15,000,000, and (iv) after giving effect to such termination or reduction and to any prepayments of the Revolving Loans made on the date thereof in accordance with this Agreement, the sum of (A) the aggregate outstanding principal amount of the Revolving Loans, (B) the Swingline Commitment and (C) the Letter of Credit Outstandings shall not exceed the Total Revolving Commitment. For greater certainty, (i) if the Total Revolving Commitment is permanently terminated, the Letter of Credit Commitment and the Swingline Commitment shall each be automatically and concurrently terminated, (ii) if the Total Revolving Commitment is permanently reduced to an amount less than the then current Swingline Commitment without the Borrower also permanently reducing the Swingline Commitment to at least the same amount, the Swingline Commitment shall be automatically and concurrently permanently reduced to the same amount as the Total Revolving Commitment and (iii) if the Total Revolving Commitment is permanently reduced to an amount less than the then current Letter of Credit Commitment without the Borrower also permanently reducing the Letter of Credit Commitment to at least the same amount, the Letter of Credit Commitment shall be automatically and concurrently permanently reduced to the same amount as the Total Revolving Commitment.

- (b) Upon at least two Business Days' prior written notice (or telephonic notice promptly confirmed in writing) to the Administrative Agent at the Administrative Agent's Office (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrower shall have the right from time to time, without premium or penalty, on any day, to reduce or increase the Swingline Commitment in whole or in part (in each case without permanently terminating or reducing the Swingline Commitment), provided that (i) no Default or Event of Default shall be existing at the time of any such increase, (ii) the amount of the Swingline Commitment shall at no time exceed \$10,000,000, (iii) any partial reduction or increase pursuant to this Section 4.2(b) shall be in an amount that is a whole multiple of \$100,000, and (iv) after giving effect to any such reduction or increase and to any prepayments of the Swingline Loans made on the date thereof in accordance with this Agreement, the sum of (A) the aggregate outstanding principal amount of the Revolving Loans, (B) the Swingline Commitment and (C) the Letter of Credit Outstandings shall not exceed the Total Revolving Commitment.

- (c) Upon at least two Business Days' prior written notice (or telephone notice promptly confirmed in writing) to the Administrative Agent (which notice the Administrative Agent shall promptly transmit to each of the Lenders), the Borrower shall have the right, without premium or penalty, on any day, to permanently terminate or reduce the Total NRT Commitment in whole or in part, provided that (i) any such reduction shall apply (x) to the scheduled instalments (including the instalment due and payable on the Maturity Date) in inverse order of maturity and (y) proportionately and permanently to reduce the NRT Commitment of each of the Lenders, (ii) any partial reduction pursuant to this Section 4.2(c) shall be in the amount of at least \$5,000,000, and (iii) after giving effect to such termination or reduction and to any prepayments of the NRT Loans made on the date thereof in accordance with this Agreement, the aggregate principal amount of the NRT Loans shall not exceed the Total NRT Commitment.

4.3 Mandatory Termination of Commitments

- (a) The Total NRT Commitment shall terminate at 5:00 p.m. (Toronto time) on the Maturity Date.

- (b) The Total Revolving Commitment shall terminate at 5:00 p.m. (Toronto time) on the Maturity Date.

- (c) The Swingline Commitment shall terminate at 5:00 p.m. (Toronto time) on the date which is five Business Days prior to the Maturity Date.

ARTICLE 5 PAYMENTS

5.1 Voluntary Prepayments

The Borrower shall have the right to prepay NRT Loans, Revolving Loans and Swingline Loans, without premium or penalty, in whole or in part from time to time. Such prepayment of NRT Loans and Revolving Loans shall be subject to the following conditions: (a) the Borrower shall give the Administrative Agent at the Administrative Agent's Office written notice substantially in the form of Schedule J (or telephonic notice promptly confirmed in writing) of its intent to make such prepayment, the amount of such prepayment and, in the case of BA Loans, the specific Borrowing(s) to be prepaid, which notice shall be given by the Borrower no later than 10:00 a.m. (Toronto time) two Business Days (in the case of a BA Loan) or one Business Day (in the case of a Prime Loan) prior to the date of such prepayment and shall promptly be transmitted by the Administrative Agent to each of the Lenders; (b) each partial prepayment of any Borrowing shall be in an amount that is a multiple of \$100,000 and in an aggregate principal amount of at least \$5,000,000; (c) BA Loans may not be repaid on any day other than the last day of an Interest Period applicable thereto except as may be otherwise provided in this Agreement and (d) prepayments under the NRT Facility shall be applied to the scheduled instalments (including the instalment due and payable on the Maturity Date) (i) in inverse order of maturity and (ii) to proportionally and permanently to reduce the NRT Commitment of each of the Lenders; provided further that at the Borrower's election in connection with any prepayment pursuant to this Section 5.1, such prepayment shall not be applied to any NRT Loan or Revolving Loan of a Defaulting Lender. For greater certainty, no notice of, or minimum amount of, prepayments of Swingline Loans is required.

5.2 Mandatory Prepayments

On each occasion that a Prepayment Trigger Event occurs, the Borrower shall give written notice thereof to the Administrative Agent and shall, contemporaneously with the occurrence of such Prepayment Trigger Event, prepay outstanding credit granted to the Borrower under the Facilities in an amount equal to 100% of the Net Cash Proceeds. Section 2.11 shall be complied with in connection with any such prepayment. Other than any payments required pursuant to Section 2.11, there are no premiums, penalties or other additional payments associated with any mandatory prepayments under this Section 5.2. Amounts which are prepaid as aforesaid shall be applied firstly to the scheduled instalments under the NRT Facility (including the instalment due and payable on the Maturity Date) in inverse order of maturity and secondly to the Revolving Facility. In each case, any amounts which are prepaid as aforesaid may not be reborrowed.

5.3 Method and Place of Payment

- (a) Except as otherwise specifically provided herein, all payments to be made by the Borrower under this Agreement shall be made, without set-off, counterclaim or deduction of any kind, to the Administrative Agent for, as the case may be, the (i) rateable account of the Lenders of either Facility, (ii) account of the Letter of Credit Issuer, (iii) account of the Swingline Lender, or (iv) rateable account of all

the Lenders following an Event of Default and acceleration pursuant to Article 10, not later than 12:00 noon (Toronto time) on the date when due. Such payments shall be made in immediately available funds at the Administrative Agent's Office, it being understood that written or facsimile notice by the Borrower to the Administrative Agent to make a payment from the funds in the Borrower's account at the Administrative Agent's Office shall constitute the making of such payment to the extent of such funds held in such account. All payments under each Credit Document (whether of principal, interest or otherwise) shall be made in Dollars. The Administrative Agent will thereafter cause to be distributed on the same day (if payment was actually received by the Administrative Agent prior to 3:00 p.m. (Toronto time) on such day) like funds relating to the payment of principal or interest or Fees rateably to the Lenders entitled thereto. A payment shall be deemed to have been made by the Administrative Agent on the date on which it is required to be made under this Agreement if the Administrative Agent has, on or before such date, taken steps to make such payment in accordance with the regulations or operating procedures of the clearing or settlement system used by the Administrative Agent in order to make such payment.

- (b) Any payments under this Agreement that are made later than 3:00 p.m. (Toronto time), shall be deemed to have been made on the next succeeding Business Day. Whenever any payment to be made hereunder shall be stated to be due on a day that is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest shall be payable during such extension at the applicable rate in effect immediately prior to such extension.

5.4 Gross-Up for Taxes

- (a) (i) All payments made by the Borrower under this Agreement shall be made free and clear of, and without deduction or withholding for or on account of, any current or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, or any interest or penalties in respect thereof, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority ("**Taxes**") except to the extent that such deduction or withholding is required by any applicable law, as modified by the administrative practice of any relevant Governmental Authority then in effect. If any such Taxes are required to be withheld from any amount payable to the Administrative Agent or any Lender hereunder, or if the Administrative Agent or any Lender is subject to Taxes under Part XIII of the Tax Act (or any successor part) in respect of any such amount but such Taxes are not levied by way of deduction or withholding ("**Part XIII Tax Payable**"), the Borrower shall:
 - (A) promptly notify the Administrative Agent of such requirement;
 - (B) pay to the relevant Governmental Authority (I) the full amount required to be deducted or withheld (including the full amount of Taxes required to be deducted or withheld from any additional

amount paid by the Borrower to the Administrative Agent or such Lender under this Section 5.4(a)), or as the case may be (II) the full amount of any Part XIII Tax Payable in respect of such amount (including the full amount of Taxes payable on any additional amount paid by the Borrower to the Administrative Agent or such Lender under this Section 5.4(a)). The Borrower shall pay such amount (whether such amount is governed by (I) or (II)) to such Governmental Authority within the time period required by applicable law for Taxes referred to in (I) that are required to be deducted or withheld;

- (C) as promptly as possible thereafter, forward to the Administrative Agent and such Lender an official receipt (or a certified copy), or other documentation reasonably acceptable to the Administrative Agent and such Lender, evidencing such payment to such Governmental Authority; and
 - (D) pay to the Administrative Agent or such Lender, in addition to the payment to which the Administrative Agent or such Lender is otherwise entitled under this Agreement, such additional amount as is necessary to ensure that the net amount actually received by the Administrative Agent or such Lender (free and clear of any such Taxes, whether assessable against the Borrower, the Administrative Agent or such Lender) will equal the full amount the Administrative Agent or such Lender would have received had no such deduction or withholding been required or no Part XIII Tax Payable been levied, as the case may be.
- (ii) If the Borrower fails to pay to the relevant Governmental Authority within the time period referenced in (B) any Taxes that it was required to pay to such Governmental Authority under this Section 5.4(a) in respect of any payment to or for the benefit of the Administrative Agent or any Lender under this Agreement or fails to furnish the Administrative Agent or such Lender, as applicable, with the documentation referred to in Section 5.4(a) when required to do so, the Borrower shall forthwith on demand fully indemnify the Administrative Agent or such Lender, as applicable, on an after-Taxes basis, from and against any Taxes (including interest and penalties), losses and expenses which the Administrative Agent or such Lender may suffer or incur as a result of such failure.
 - (iii) The Borrower shall also indemnify the Administrative Agent and each Lender, on an after-Taxes basis, for any additional Taxes on net income (including interest and penalties in respect thereof) that the Administrative Agent or such Lender may be obliged to pay as a result of the payment of additional amounts under this Section 5.4(a) within ten (10) days from the date the Administrative Agent or such Lender, as applicable, makes written demand therefor, accompanied by a certificate stating the amount

of the relevant Taxes, including interest and/or penalties, and the computation thereof, which certificate shall (absent manifest error) be conclusive.

- (iv) The Borrower's obligations under this Section 5.4(a) shall survive the termination of this Agreement and the payment of the Loans and all other amounts payable hereunder.

- (b) Notwithstanding Section 5.4(a), the Borrower shall not be required to indemnify or pay any additional amounts in respect of Canadian Taxes (including, for greater certainty, Part XIII Tax Payable) applicable to any amount payable with respect to any Loan or portion thereof pursuant to Section 5.4(a) above to any Lender that is not a Canadian Qualified Lender, unless such Loan or portion thereof, as the case may be, was assigned, participated or transferred to such Lender at the request of the Borrower or was assigned, participated or transferred to such Lender following the occurrence of and during the continuance of an Event of Default pursuant to Section 10.1 or 10.5. For the purposes hereof, "Canadian Qualified Lender" means a Lender which (i) is not a "non-resident" within the meaning of the Tax Act, or (ii) is an "authorized foreign bank" within the meaning of the Tax Act, but only in respect of an amount payable with respect to any Loan or portion thereof that is paid or credited in respect of its "Canadian banking business" within the meaning of the Tax Act.

- (c) If the Borrower determines in good faith that a reasonable basis exists for contesting any Taxes for which a payment has been made hereunder, the relevant Lender or the Administrative Agent, as applicable, shall cooperate with the Borrower in challenging such Taxes at the Borrower's expense if so requested by the Borrower. If any Lender or the Administrative Agent, as applicable, receives a refund of, or credit for, Taxes for which a payment has been made by the Borrower pursuant to this Agreement, which refund or credit in the good faith judgment of such Lender or Administrative Agent, as the case may be, is attributable to such payment made by the Borrower, then the Lender or the Administrative Agent, as the case may be, shall reimburse the Borrower for such amount as the Lender or Administrative Agent, as the case may be, determines to be the proportion of the refund or credit as will leave it, after such reimbursement, in no better or worse position than it would have been in if the payment had not been required. A Lender or Administrative Agent shall claim any refund or credit that it determines is available to it, unless it concludes in its reasonable discretion that it would be adversely affected by making such a claim. Neither the Lender nor the Administrative Agent shall be obliged to disclose any information regarding its tax affairs or computations to the Borrower in connection with this paragraph (c) or any other provision of this Section 5.4, except to the extent necessary for determining the basis for any amounts required to be indemnified by the Borrower under this Section 5.4.

5.5 Computations of Interest and Fees

- (a) Interest on Prime Loans and interest on overdue interest shall be calculated on the basis of a 365-day year for the actual days elapsed.
- (b) For the purposes hereof, whenever interest is calculated on the basis of a year of 365 days, each rate of interest determined pursuant to such calculation expressed as an annual rate for the purposes of the *Interest Act* (Canada) is equivalent to such rate as so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by 365.
- (c) All interest payments to be made under this Agreement shall be paid without allowance or deduction for deemed re-investment or otherwise, both before and after maturity and before and after default and/or judgment, if any, until payment of the amount on which such interest is accruing, and interest will accrue on overdue interest, if any.
- (d) Interest on each Loan shall be payable in Dollars.
- (e) Notwithstanding any provision of this Agreement, in no event shall the aggregate “interest” (as defined in Section 347 of the *Criminal Code* (Canada)) payable under this Agreement exceed the effective annual rate of interest on the “credit advanced” (as defined in that Section) under this Agreement lawfully permitted by that Section and, if any payment collected or demanded pursuant to this Agreement in respect of “interest” (as defined in that section) is determined to be contrary to the provisions of that section, such payment, collection or demand shall be deemed to have been made by mutual mistake of the Borrower and the Lenders and the amount of such payment or collection shall be refunded to the Borrower. For the purposes of this Agreement, the effective annual rate of interest shall be determined in accordance with generally accepted actuarial practices and principles over the relevant term and, in the event of dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the Administrative Agent will be *prima facie* evidence of such rate.
- (f) The amount of costs and expenses required to be paid or reimbursed by the Borrower pursuant to Section 12.5 or any other provision of this Agreement or any other Credit Document shall bear interest until paid, as well after as before demand, default, maturity and judgement, at the highest rate provided for in Section 2.8(c).
- (g) If interest is not paid on the indebtedness of the Borrower to the Lenders hereunder, or any part thereof, as and when interest is due and payable hereunder, unpaid interest shall bear interest until paid, as well after as before demand, default, maturity and judgment, at the rates provided for in Section 2.8(b).

ARTICLE 6
CONDITIONS PRECEDENT

6.1 Conditions Precedent to Effectiveness of this Agreement.

This Agreement shall become effective upon the satisfaction or waiver, on or prior to September 28, 2011 of the following conditions precedent:

- (a) **Credit Documents.** The Administrative Agent shall have received (i) this Agreement, executed and delivered by a duly Authorized Officer of each of the parties hereto, (ii) a Confirmation re: Guarantee executed and delivered by a duly Authorized Officer of each of Opco, YPG (USA) Holdings, Inc., Yellow Pages Group, LLC, Canpages Inc. and Wall2Wall Media Inc. and (iii) the Borrower Guarantee, executed and delivered by a duly Authorized Officer of the Borrower.
- (b) **Closing Certificate.** The Administrative Agent shall have received a certificate of the Borrower, dated the Closing Date, substantially in the form of Schedule A, with appropriate insertions, executed by the Secretary of the Borrower.
- (c) **Proceedings and Incumbency of the Credit Parties.** The Administrative Agent shall have received (i) a copy of the resolutions, in form and substance satisfactory to the Arrangers, of the Board of the Borrower (or a duly authorized committee thereof) authorizing (A) the execution, delivery and performance of the Credit Documents (and any agreements relating thereto) to which it is a party and (B) the extensions of credit contemplated hereunder, in each case certified by an Authorized Officer of the Borrower to be a true and correct copy of such resolution and to be unamended and in full force and effect and (ii) the name, title and specimen signature of each Authorized Officer that is authorized to execute Credit Documents on behalf of the Borrower, in each case certified by an Authorized Officer of the Borrower to be true and correct.
- (d) **Organic Documents.** The Administrative Agent shall have received true and complete copies of the articles of incorporation or amalgamation (including any articles of amendment) and by-laws of the Borrower, a certificate of status or good standing with respect to the Borrower and issued by its jurisdiction of incorporation or organization.
- (e) **No Material Adverse Change.** Since June 30, 2011, there shall not have been, occurred or arisen any change, event, fact or circumstance that has or has had a material adverse effect on the operations, assets or financial condition of the Borrower and its Subsidiaries, taken as a whole, but excluding any such effect caused by, resulting from or arising as a result of any fact, circumstance or condition that (i) is generally applicable to the industry in which the Credit Parties operate, (ii) is generally applicable to the United States or Canadian economy or securities markets or (iii) results from the consummation of the transactions contemplated hereby or any breach by the Borrower of any provisions hereof.

- (f) **Fees.** The Administrative Agent and the Lead Arranger shall have received the fees which the Borrower have agreed to pay to them on the Closing Date.
- (g) **Legal Opinions.** The Administrative Agent shall have received, with a counterpart for each Lender, the executed legal opinions of (i) counsel to the Borrower, with respect to the status and capacity of the Credit Parties, the due authorization, execution and delivery of the Credit Documents by the Credit Parties, the validity, binding effect, legality and enforceability of the Credit Documents, compliance with the constating documents of the Credit Parties and with applicable law and such other matters as the Arrangers may reasonably request and (ii) counsel to the Administrative Agent, with respect to such matters as the Arrangers may reasonably require, in each case in form and substance satisfactory to the Arrangers.
- (h) **Absence of Litigation.** There shall be no litigation, investigation or governmental proceeding outstanding, pending or threatened in writing which would have the effect of enjoining or restricting a Borrowing hereunder.
- (i) **Repayment/Reduction of Revolving Facility.** The Borrower shall have paid down and/or reduced the Revolving Facility and the Revolving Commitment (for the purposes hereof only, as each such term is defined in the Existing Credit Agreement) to \$250,000,000 and the aggregate credit outstanding under the Revolving Facility (as established hereunder) shall not, immediately following this Agreement becoming effective, exceed \$50,000,000.

6.2 **Conditions Precedent to All Credit Events.**

The agreement of each Lender to make any Loan requested to be made by it on any date and the obligation of the Letter of Credit Issuer to issue Letters of Credit on any date is subject to the satisfaction or waiver of the following conditions precedent:

- (a) **No Default; Representations and Warranties True and Correct.** At the time of each Credit Event and also after giving effect thereto (a) there shall exist no Default or Event of Default and (b) all representations and warranties made by any Credit Party contained herein or in the other Credit Documents shall be true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the date of such Credit Event (except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date).
- (b) Notice of Borrowing; Letter of Credit Request.
 - (i) Prior to the making of each NRT Loan or Revolving Loan (other than any NRT Loan or Revolving Loan made pursuant to Section 3.4(a)), the Administrative Agent shall have received a Notice of Borrowing (whether in writing or by telephone) meeting the requirements of Section 2.3.

- (ii) Prior to the issuance of each Letter of Credit, the Administrative Agent and the Letter of Credit Issuer shall have received a Letter of Credit Request meeting the requirements of Section 3.2(a).

The acceptance of the benefits of each Credit Event shall constitute a representation and warranty by each Credit Party to each of the Lenders that all the applicable conditions specified above exist as of that time.

ARTICLE 7 REPRESENTATIONS AND WARRANTIES

In order to induce the Lenders to enter into this Agreement, to make the Loans and issue or participate in Letters of Credit as provided for herein, the Borrower (as to itself and each of its Subsidiaries) makes the following representations and warranties to, and agreements with, the Lenders, all of which shall survive the execution and delivery of this Agreement and the making of the Loans and the issuance of the Letters of Credit:

7.1 Organizational Status

The Borrower and each of its Subsidiaries is a duly organized and validly existing company or other entity in good standing under the laws of the jurisdiction of its incorporation, formation or organization. The Borrower and each of its Subsidiaries (a) has the corporate or other organizational power and authority to own its property and assets and to transact the business in which it is engaged and (b) has duly qualified and is authorized to do business and is in good standing in all jurisdictions where it is required to be so qualified, in each case except where the failure to have such authority or to be so qualified, as the case may be, would not reasonably be expected to result in a Material Adverse Effect.

7.2 Capacity, Power and Authority

Each Credit Party has the capacity, power and authority to execute, deliver and carry out the terms and provisions of the Credit Documents to which it is a party and has taken all necessary action, partnership, corporate or otherwise, to authorize the execution, delivery and performance of the Credit Documents to which it is a party. Each Credit Party has duly executed and delivered each Credit Document to which it is a party and each such Credit Document constitutes the legal, valid and binding obligation of such Credit Party enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or similar laws affecting creditors' rights generally and subject to general principles of equity.

7.3 No Violation

Neither the execution, delivery and performance by any Credit Party of the Credit Documents to which it is a party nor compliance with the terms and provisions thereof nor the consummation of the transactions contemplated herein or therein will (a) contravene any applicable provision of any material law, statute, rule, regulation, order, writ, injunction or decree of any court or Governmental Authority, (b) result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien upon any of the property or assets

of the Borrower or any of its Subsidiaries pursuant to, the terms of any material indenture, loan agreement, lease agreement, mortgage, deed of trust, agreement or other material instrument to which the Borrower or any of its Subsidiaries is a party or by which it or any of its property or assets is bound or (c) violate any provision of the certificate of incorporation or by-laws (or similar constating documents) of the Borrower or any of its Subsidiaries.

7.4 Litigation

There are no actions, suits or proceedings (including Environmental Claims) pending or, to the knowledge of the Borrower (after due internal inquiry), threatened with respect to the Borrower or any of its Subsidiaries that would reasonably be expected to result in a Material Adverse Effect, other than what is listed in Schedule I hereto.

7.5 Governmental Approvals

No order, consent, approval, license, authorization, or validation of, or filing, recording or registration with, or exemption by, any Governmental Authority or any other Person is required to authorize or is required in connection with (a) the execution, delivery and performance of any Credit Document or (b) the legality, validity, binding effect or enforceability of any Credit Document.

7.6 True and Complete Disclosure

To the knowledge of the Borrower, after due inquiry:

- (a) All factual information and data (taken as a whole) heretofore or contemporaneously furnished, by or on behalf of the Borrower or any of its Subsidiaries or any of their respective authorized consultants, agents or representatives in writing to the Administrative Agent and/or any Lender on or before the Closing Date (including all information contained in the Credit Documents) for purposes of or in connection with this Agreement or any transaction contemplated herein was true and complete in all material respects on the date as of which such information or data is dated or certified and was not incomplete by omitting to state any material fact necessary to make such information and data (taken as a whole) not misleading at such time in light of the circumstances under which such information or data was furnished, it being understood and agreed that for purposes of this Section 7.6(a), such factual information and data shall not include projections and *pro forma* financial information.
- (b) The projections and *pro forma* financial information contained in the information and data referred to in paragraph (a) above were based on good faith estimates and assumptions believed by such Persons to be reasonable at the time made, it being recognized by the Lenders that such projections as to future events are not to be viewed as facts and that actual results during the period or periods covered by any such projections may differ from the projected results.

7.7 Financial Condition; Financial Statements

The consolidated financial statements of the Borrower for the fiscal quarter ended June 30, 2011 present fairly in all material respects the consolidated financial position of the Borrower and its Subsidiaries at the date thereof and the results of operations for the period covered thereby. Such financial statements have been prepared in accordance with GAAP consistently applied except to the extent provided in the notes to said financial statements. There has been no Material Adverse Change since June 30, 2011.

7.8 Tax Returns and Payments

Each of the Borrower and its Subsidiaries has filed all material tax returns, domestic and foreign, required to be filed by it and has paid all material taxes and assessments payable by it that have become due, other than those not yet delinquent or contested in good faith. The Borrower and each of its Subsidiaries have paid, or have provided adequate reserves (in the good faith judgment of the management of the Borrower) in accordance with GAAP for the payment of, all material income taxes applicable for all prior fiscal years and for the current fiscal year to the Closing Date.

7.9 Subsidiaries

On the Closing Date, the organizational structure of the Borrower and its Subsidiaries will be as set forth in Schedule G hereto; on such date (a) there will be no Subsidiaries of the Borrower other than those identified in Schedule G hereto, (b) there will be no Excused Subsidiary (other than 613413 Saskatchewan Ltd. and Clear Sky Media Inc.) and (c) there will be no Minority Investment (other than the 13% interest in Acquisio Inc., the 30% interest in 411 Local Search Corp., the 35% interest in Ziplocal, L.P. and the 2% interest in Call Genie Inc.).

7.10 Patents, etc

The Borrower and each of its Subsidiaries have obtained all patents, trademarks, servicemarks, trade names, copyrights, licenses and other rights, free from burdensome restrictions, that are necessary for the operation of their respective businesses as currently conducted and as proposed to be conducted, except where the failure to obtain any such rights would not reasonably be expected to have a Material Adverse Effect.

7.11 Environmental Laws

- (a) Other than instances of non-compliance that would not reasonably be expected to have a Material Adverse Effect: (i) the Borrower and each of its Subsidiaries are in compliance with all Environmental Laws in all jurisdictions in which the Borrower and each of its Subsidiaries are currently doing business (including having obtained all material permits required under Environmental Laws) and (ii) the Borrower will comply and cause each of its Subsidiaries to comply with all such Environmental Laws (including all permits required under Environmental Laws).

- (b) Neither the Borrower nor any of its Subsidiaries has treated, stored, transported or disposed of Hazardous Materials at or from any currently or formerly owned Real Estate (as defined in Section 8.1(g)) or facility relating to its business in a manner that would reasonably be expected to have a Material Adverse Effect.

7.12 Properties

The Borrower and each of its Subsidiaries have good title to or leasehold interest in all properties that are necessary for the operation of their respective businesses as currently conducted and as proposed to be conducted, free and clear of all Liens (other than any Liens permitted by this Agreement) and except where the failure to have such good title would not reasonably be expected to have a Material Adverse Effect.

7.13 Deemed Repetition of Representations and Warranties

The representations and warranties set out in Section 7.1 to 7.12 inclusive will be deemed to be repeated by the Borrower as of the date of each request for new Borrowing by the Borrower (including conversions and continuations of Borrowings) and as of the date on which a Successor Borrower assumes all of the obligations of the Borrower under the Credit Documents pursuant to Section 9.3(b) (but after giving effect to such assumption), except to the extent that on or prior to such date (a) the Borrower have advised the Administrative Agent in writing of a variation in any such representation or warranty, and (b) the Required Majority Lenders have approved such variation, and except where such representations and warranties expressly relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date.

ARTICLE 8 AFFIRMATIVE COVENANTS

The Borrower (on its own behalf and on behalf of each of its Subsidiaries) hereby covenants and agrees that on the Closing Date and thereafter, until the Commitments, the Swingline Commitment and each Letter of Credit have terminated and the Loans and Unpaid Drawings, together with interest, Fees and all other Obligations incurred hereunder, are paid in full:

8.1 Information Covenants

The Borrower will furnish to each Lender and the Administrative Agent:

- (a) **Annual Financial Statements.** As soon as available and in any event on or before the date that is 120 days after the end of each fiscal year of the Borrower, the consolidated financial statements of the Borrower and its Subsidiaries and a reconciliation showing the differences that would be reflected in such financial statements for the Restricted Entities, in each case, as at the end of such fiscal year and the related consolidated statement of operations and cash flows for such fiscal year prepared in accordance with GAAP, setting forth comparative consolidated figures for the preceding fiscal year, and certified by independent chartered accountants of recognized national standing whose opinion shall not be

qualified as to the scope of audit or as to the status of the Borrower or any of the Subsidiaries as a going concern.

- (b) **Quarterly Financial Statements.** As soon as available and in any event on or before the date that is 60 days after the end of each Fiscal Quarter, the consolidated financial statements of the Borrower and its Subsidiaries and a reconciliation showing the differences that would be reflected in such financial statements for the Restricted Entities, in each case as at the end of such Fiscal Quarter and the related consolidated statement of operations for such Fiscal Quarter and for the elapsed portion of the fiscal year ended with the last day of such Fiscal Quarter, and the related consolidated statement of cash flows for such Fiscal Quarter and for the elapsed portion of the fiscal year ended with the last day of such Fiscal Quarter, and setting forth comparative consolidated figures for the related periods in the prior fiscal year or, in the case of such consolidated balance sheet, for the last day of the prior fiscal year, and prepared in accordance with GAAP, all of which shall be certified by an Authorized Officer of the Borrower, subject to changes resulting from audit and normal year-end audit adjustments.
- (c) **Budgets.** Within 90 days after the commencement of each fiscal year of the Borrower, a Budget for such fiscal year.
- (d) **Financial Projections.** As soon as available and in any event on or prior to the end of each fiscal year of the Borrower, financial projections for the Borrower for the upcoming three years which shall include, without limitation, (x) a breakdown of print and online revenues, (y) distributable cash flow and distribution calculations and (z) expected revenue drivers and which projections should be in a format consistent with the September, 2011 Projections.
- (e) **Compliance Certificates.** At the time of the delivery of the financial statements provided for in Sections 8.1(a) and (b), a certificate of an Authorized Officer of the Borrower in substantially the form of Schedule F to the effect that no Default or Event of Default exists or, if any Default or Event of Default does exist, specifying the nature and extent thereof, which certificate shall be in form and detail satisfactory to the Administrative Agent, acting reasonably, and setting forth (i) the calculations required to establish whether the Borrower and its Subsidiaries were in compliance with the provisions of Sections 9.7 and 9.8 as at the end of such fiscal year or period, as the case may be, (ii) a specification of any change in the identity of the Restricted Entities and Excused Subsidiaries as at the end of such fiscal year or period, as the case may be, from the Restricted Entities and Excused Subsidiaries provided to the Lenders on the Closing Date or the most recent fiscal year or period, as the case may be, (iii) a confirmation of the identity of the Restricted Entities and Excused Subsidiaries and, if additional Guarantees are required to be delivered, delivery thereof in accordance with Section 8.10, (iv) the then applicable status and (v) any change to the information contained in Section 7.9.

- (f) **Notice of Default or Litigation.** Promptly after an Authorized Officer of the Borrower or any of its Subsidiaries obtains knowledge thereof, notice of (i) the occurrence of any event that constitutes a Default or Event of Default, which notice shall specify the nature thereof, the period of existence thereof and what action the Borrower or such Subsidiary proposes to take with respect thereto and (ii) any litigation or governmental proceeding pending or threatened against the Borrower or any of its Subsidiaries that would reasonably be expected to result in a Material Adverse Effect.
- (g) **Environmental Matters.** Promptly after an Authorized Officer of the Borrower or any of its Subsidiaries obtains knowledge, notice of any one or more of the following environmental matters, unless such environmental matters would not, individually or when aggregated with all other such matters, be reasonably expected to result in a Material Adverse Effect:
- (i) Any pending or threatened Environmental Claim against the Borrower or any of its Subsidiaries or any Real Estate (as defined below);
 - (ii) Any condition or occurrence on any Real Estate that (A) results in non-compliance by the Borrower or any of its Subsidiaries with any applicable Environmental Law or (B) could reasonably be anticipated to form the basis of an Environmental Claim against the Borrower or any of its Subsidiaries or any Real Estate;
 - (iii) Any condition or occurrence on any Real Estate that could reasonably be anticipated to cause such Real Estate to be subject to any restrictions on the ownership, occupancy, use or transferability of such Real Estate under any Environmental Law; and
 - (iv) The taking of any removal or remedial action in response to the actual or alleged presence of any Hazardous Material on any Real Estate.

All such notices shall describe in reasonable detail the nature of the claim, investigation, condition, occurrence or removal or remedial action and the Borrower's response thereto. The term "**Real Estate**" shall mean land, buildings and improvements owned or leased by the Borrower or any of its Subsidiaries, but excluding all operating fixtures and equipment, whether or not incorporated into improvements.

- (h) **Other Information.** Promptly upon filing thereof, copies of any filings or registration statements with, and reports to, any Governmental Authority in any relevant jurisdiction by the Borrower or any of its Subsidiaries pursuant to applicable securities laws (other than amendments to any registration statement (to the extent such registration statement, in the form it becomes effective, is delivered to the Lenders) and exhibits to any registration statement) and copies of all financial statements, proxy statements, notices and reports that the Borrower or any of its Subsidiaries shall send to the holders of any publicly issued securities of

the Borrower and/or any of its Subsidiaries in their capacity as such holders (in each case to the extent not theretofore delivered to the Lenders pursuant to this Agreement) and, with reasonable promptness, such other information (financial or otherwise) as the Administrative Agent on its own behalf or on behalf of any Lender may reasonably request in writing from time to time. The Borrower shall be deemed to have furnished the information required by this clause 8.1(h) by making the said available on SEDAR and having notified the Administrative Agent that such information has been posted on SEDAR and is freely accessible without charge provided however that should any Lender be unable to access SEDAR the Borrower agrees to provide such Lender with paper or electronic copies of the information required to be furnished pursuant to clause 8.1(h) promptly following notice (and thereafter so long as such notice remains in effect) from the Administrative Agent that such Lender has requested same.

- (i) **Pro Forma Adjustment Certificate.** Not later than the last day of each Fiscal Quarter in which the Borrower elects to make a Pro Forma Adjustment, a certificate of an Authorized Officer of the Borrower setting forth the amount of such Pro Forma Adjustment and, in reasonable detail, the calculation and basis therefor.
- (j) **Additional Information.** Such additional financial or operating reports or statements as the Administrative Agent may, from time to time, reasonably require.

8.2 Books, Record and Inspections

The Borrower will, and will cause each of its Subsidiaries to, (i) permit officers and designated representatives of the Administrative Agent or the Required Majority Lenders to visit and inspect any of the properties or assets of the Credit Parties and any of their respective Subsidiaries in whomsoever's possession to the extent that it is within a Credit Party's or such Subsidiary's control to permit such inspection, and to examine the books of account of any Credit Party and any such Subsidiary and discuss the affairs, finances and accounts of such Credit Party and of any such Subsidiary with, and be advised as to the same by, its and their officers and independent accountants, and (ii) permit officers and designated representatives of the Administrative Agent or the Required Majority Lenders to view copies of contracts of the Restricted Entities (subject to reasonable confidentiality arrangements established by the Borrower), all at such reasonable times during normal business hours and intervals and to such reasonable extent as the Administrative Agent or the Required Majority Lenders, as the case may be, may desire.

8.3 Maintenance of Insurance

The Borrower will, and will cause each of its Subsidiaries to, at all times maintain in full force and effect, with insurance companies that the Borrower believes (in the good faith judgment of the management of the Borrower) are financially sound and responsible at the time the relevant coverage is placed or renewed, insurance in at least such amounts and against at least such risks (and with such risk retentions) as are usually insured against in the same general

area by companies engaged in the same or a similar business; and will furnish to the Administrative Agent at such times as may reasonably be requested in writing by the Administrative Agent, information presented in reasonable detail as to the insurance so carried.

8.4 Payment of Taxes

The Borrower will pay and discharge, and will cause each of its Subsidiaries to pay and discharge, all material taxes, assessments and governmental charges or levies imposed upon it or upon its capital, income or profits, or upon any properties belonging to it, prior to the date on which material penalties attach thereto, and all lawful material claims that, if unpaid, could reasonably be expected to become a material Lien upon any properties of any Restricted Entity, provided that neither the Borrower nor any of its Subsidiaries shall be required to pay any such tax, assessment, charge, levy or claim that is being contested in good faith and by proper proceedings if it has maintained adequate reserves (in the good faith judgment of the management of the Borrower) with respect thereto in accordance with GAAP.

8.5 Organizational Existence

The Borrower will do, and will cause each of its Subsidiaries to do, or cause to be done, all things necessary to preserve and keep in full force and effect its existence and its partnership, corporate and unlimited liability company rights and authority, except to the extent that the failure to do so would not reasonably be expected to have a Material Adverse Effect; provided, however, that the Borrower and its Subsidiaries may consummate any transaction permitted under Section 9.3, 9.4 or 9.5.

8.6 Compliance with Statutes, Obligations, etc.

The Borrower will, and will cause each of its Subsidiaries to, comply with its constating documents and all applicable laws, rules, regulations and orders, except to the extent the failure to do so would not reasonably be expected to have a Material Adverse Effect.

8.7 Good Repair

The Borrower will, and will cause each of its Subsidiaries to, ensure that its properties and equipment used or useful in its business in whomsoever's possession they may be to the extent that it is within the Borrower's or such Subsidiary's control to cause same, are kept in good repair, working order and condition, normal wear and tear excepted, and that from time to time there are made in such properties and equipment all needful and proper repairs, renewals, replacements, extensions, additions, betterments and improvements thereto, to the extent and in the manner customary for companies in similar businesses and consistent with third party leases, except in each case to the extent the failure to do so would not be reasonably expected to have a Material Adverse Effect.

8.8 Transactions with Affiliates

The Borrower will conduct, and cause each of its Subsidiaries to conduct, all transactions with any of its Affiliates (other than another Credit Party) on terms that are substantially as favourable to the Borrower or such Subsidiary as it would obtain in a comparable

arm's-length transaction with a Person that is not an Affiliate, provided that the foregoing restrictions shall not apply to (a) customary fees paid to members of the Board of the Borrower and the Board of each of the Subsidiaries of the Borrower, (b) transactions between and among Credit Parties that do not involve any other Affiliate and (c) transactions permitted by Section 9.3 or 9.6.

8.9 End of Fiscal Years; Fiscal Quarters

The Borrower will, for financial reporting purposes, cause (a) each of its, and each of its Subsidiaries', fiscal years to be comprised of twelve calendar months ending on December 31 of each year and (b) each of its, and each of its Subsidiaries', Fiscal Quarters to end on dates consistent with such fiscal year-end and the Borrower's past practice; provided, however, that the Borrower may, upon written notice to the Administrative Agent, change the financial reporting convention specified above to any other financial reporting convention reasonably acceptable to the Administrative Agent, in which case the Borrower and the Administrative Agent will, and are hereby authorized by the Lenders to, make any adjustments to this Agreement that are necessary in order to reflect such change in financial reporting.

8.10 Additional Guarantors

Subject to the last two paragraphs of this Section 8.10, the Borrower will cause (a) any Restricted Subsidiary formed or otherwise purchased or acquired after the date hereof and (b) any Subsidiary of the Borrower that is not a Restricted Subsidiary on the date hereof but subsequently becomes a Restricted Subsidiary, in each case (i) to promptly execute an instrument whereby it agrees to be bound by the Guarantee as a Guarantor as if an original signatory thereto (in form and substance reasonably satisfactory to the Administrative Agent), in order to become a Guarantor and (ii) to promptly deliver or cause to be delivered such officers' certificates and legal opinions (confirming the validity and enforceability of such Guarantee) in connection therewith as may reasonably be requested by the Administrative Agent, provided that nothing in this Section 8.10 (or any other provision of any Finance Document) shall require any Subsidiary of the Borrower to incur obligations under any Guarantee that would cause such Subsidiary to violate any applicable law, rule or regulation or any requirement of any relevant regulatory authority.

The Borrower shall cause each of LesPac Inc. and SNAP Guides Inc. to comply with the preceding paragraph on or prior to October 30 2011.

Until such time as Mediative G.P. Inc. and Mediative Performance L.P. are wholly-owned Subsidiaries, while each shall be a Restricted Subsidiary neither shall be required to provide a Guarantee pursuant to the first paragraph of this Section 8.10.

8.11 Use of Proceeds

The Borrower will use the Letters of Credit and the proceeds of all Loans only for the purposes set forth in Sections 2.1(d) and (e).

8.12 Changes in Business

From the Closing Date, the Borrower and its Subsidiaries taken as a whole will not fundamentally and substantively alter the character of their business taken as a whole from the business conducted by the Borrower and its Subsidiaries taken as a whole on the Closing Date and other business activities incidental or related to any of the foregoing; provided, however, that the Borrower and its Subsidiaries may, through a Permitted Acquisition or otherwise, carry on media businesses and advertising businesses, including print advertising and electronic advertising.

8.13 Ranking of Obligations

The Borrower shall, and shall cause each of the other Restricted Entities to, ensure that their respective Obligations rank at least *pari passu* in right of payment with the other senior unsecured and unsubordinated debt of any Restricted Entity, as the case may be.

ARTICLE 9 NEGATIVE COVENANTS

The Borrower (on its own behalf and on behalf of each of its Subsidiaries) hereby covenants and agrees that on the Closing Date and thereafter, until the Commitments, the Swingline Commitment and each Letter of Credit have terminated and the Loans and Unpaid Drawings, together with interest, Fees and all other Obligations incurred hereunder, are paid in full:

9.1 Limitation on Indebtedness

The Borrower will not, and will not permit any of the other Restricted Entities to, create, incur, assume or suffer to exist any Indebtedness, except:

- (a) Indebtedness arising under the Credit Documents;
- (b) Indebtedness between the Credit Parties;
- (c) Contingent Obligations incurred by Restricted Entities in respect of Indebtedness of other Restricted Entities that is permitted to be incurred under this Agreement;
- (d)
 - (i) Indebtedness (including Indebtedness arising under Capital Leases) incurred within 270 days of the acquisition, construction or improvement of fixed or capital assets to finance the acquisition, construction or improvement of such fixed or capital assets or otherwise incurred in respect of Capital Expenditures,
 - (ii) Indebtedness arising under Capital Leases, conditional sales, instalment sales, other title retention agreements or any leases in the nature thereof entered into in the ordinary course of business other than Capital Leases entered into pursuant to subclause (i) above, and
 - (iii) any refinancing, refunding, renewal or extension of any Indebtedness specified in subclause (i) or (ii) above, provided that the principal amount thereof is not increased above the principal amount thereof

outstanding immediately prior to such refinancing, refunding, renewal or extension, except to the extent otherwise permitted hereunder, provided that, at no time shall the aggregate amount of the Indebtedness under this Section 9.1(d) exceed \$25,000,000;

- (e) Indebtedness in respect of Hedge Agreements incurred in the ordinary course of business;
- (f) unsecured Indebtedness of a Restricted Entity to another Restricted Entity;
- (g) unsecured Indebtedness of the Restricted Entities existing as at the date hereof (and any Permitted Refinancing Indebtedness thereof); and
- (h) Indebtedness secured by a Lien permitted pursuant to Section 9.2.

9.2 Limitation on Liens

The Borrower will not, and will not permit any of the other Restricted Entities to, create, incur, assume or suffer to exist any Lien upon any property or assets of any kind (movable or immovable, corporeal or incorporeal) of any of the Restricted Entities, whether now owned or hereafter acquired, except:

- (a) Liens arising under the Credit Documents;
- (b) Permitted Liens;
- (c) Liens securing Indebtedness permitted pursuant to Section 9.1(d), provided that such Liens attach at all times only to the assets so financed, together with all substitutions, additions, accessions and replacements thereto and proceeds thereof;
- (d) Liens existing on the Closing Date and not otherwise permitted hereunder and set out on Schedule E;
- (e) the replacement, extension or renewal of any Lien permitted by clauses (a) through (d) above upon or in the same assets theretofore subject to such Lien or the replacement, extension or renewal (without increase in the amount or change in any direct or contingent obligor except to the extent otherwise permitted hereunder) of the Indebtedness secured thereby; and
- (f) Liens comprised by escrow arrangements entered into in connection with asset sales, transfers or other dispositions permitted pursuant to Section 9.4.

9.3 Limitation on Fundamental Changes

Except as expressly permitted by Section 8.12, 9.4 or 9.6, or as part of an Investment not prohibited by Section 9.5, the Borrower will not, and will not permit any of the other Restricted Entities to, enter into any plan of arrangement, merger, consolidation or

amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution), or convey, sell, lease, assign, transfer or otherwise dispose of, all or substantially all its business units, assets or other properties, except that:

- (a) any Subsidiary of the Borrower or any other Person may be merged, amalgamated or consolidated (including by way of liquidation or winding up) with or into the Borrower, provided that (i) the Borrower shall be the continuing or surviving entity or the Person formed by or surviving any such merger, amalgamation or consolidation (if other than the Borrower) shall be an entity organized or existing under the laws of Canada or any province thereof (the Borrower or such Person, as the case may be, being herein referred to as the “**Successor Entity**”), (ii) the Successor Entity shall expressly assume all the obligations of the Borrower under this Agreement and the other Finance Documents to which it is a party pursuant to a supplement hereto or thereto in form and substance reasonably satisfactory to the Administrative Agent, (iii) no Default or Event of Default is then existing and no Default or Event of Default would result from the consummation of such merger, amalgamation or consolidation, (iv) in the case of any such merger, amalgamation or consolidation involving a Person other than a Restricted Subsidiary, the Successor Entity shall be in compliance, on a *pro forma* basis after giving effect to such merger, amalgamation or consolidation, with the covenants set forth in Sections 9.7 and 9.8 as such covenants are recomputed as at the last day of the most recently ended Test Period under each such Section as if such merger, amalgamation or consolidation had occurred on the first day of such Test Period, (v) in the case of any such merger, amalgamation or consolidation involving the Borrower, each Guarantor shall have, by one or more instruments in form and substance reasonably satisfactory to the Administrative Agent, confirmed that the Guarantee shall apply to the Obligations of the Successor Entity, and (vi) the Successor Entity shall have delivered to the Administrative Agent an officer’s certificate, in form and substance reasonably satisfactory to the Administrative Agent, certifying the compliance referred to in clause (iv) above and stating that such merger, amalgamation or consolidation and such supplement to this Agreement and each instrument delivered pursuant to clause (v) above comply with this Agreement, and a legal opinion (in form and substance reasonably satisfactory to the Administrative Agent) with respect to the Finance Documents to be delivered, if any, pursuant to clauses (ii) and (v) above; provided further that if the foregoing are satisfied, the Successor Entity (if other than the Borrower) will succeed to, and be substituted for, the Borrower under this Agreement and the other Finance Documents to which the Borrower is a party;
- (b) any Subsidiary of the Borrower or any other Person may be merged, amalgamated or consolidated (including by way of liquidation or winding up) with or into the Borrower, provided that (i) the Borrower shall be the continuing or surviving entity or the Person formed by or surviving any such merger, amalgamation or consolidation (if other than the Borrower) shall be an entity organized or existing under the laws of Canada or any province thereof (the Borrower or such Person, as the case may be, being herein referred to as the “**Successor Borrower**”), (ii) the Successor Borrower shall expressly assume all the obligations of the

Borrower under this Agreement and the other Finance Documents pursuant to a supplement hereto or thereto in form and substance reasonably satisfactory to the Administrative Agent, (iii) no Default or Event of Default is then existing and no Default or Event of Default would result from the consummation of such merger, amalgamation or consolidation, (iv) each Guarantor, unless it is the other party to such merger, amalgamation or consolidation, shall have, by one or more instruments in form and substance reasonably satisfactory to the Administrative Agent, confirmed that the Guarantee shall apply to the Obligations of the Successor Borrower, and (v) the Borrower shall have delivered to the Administrative Agent an officer's certificate, in form and substance reasonably satisfactory to the Administrative Agent, stating that such merger, amalgamation or consolidation and such supplement to this Agreement and each instrument delivered pursuant to clause (iv) above comply with this Agreement, and a legal opinion (in form and substance reasonably satisfactory to the Administrative Agent) with respect to the Finance Documents to be delivered, if any, pursuant to clauses (ii) and (iv) above; provided further that if the foregoing are satisfied, the Successor Borrower (if other than the Borrower) will succeed to, and be substituted for, the Borrower under this Agreement and the other Finance Documents to which the Borrower is a party;

- (c) any Subsidiary of the Borrower or any other Person (other than the Borrower) may be merged, amalgamated or consolidated (including by way of liquidation or winding up) with or into any one or more Subsidiaries of the Borrower, provided that (i) in the case of any merger, amalgamation or consolidation involving one or more Restricted Subsidiaries, (A) a Restricted Subsidiary shall be the continuing or surviving corporation or (B) the Borrower shall take all steps necessary to cause the Person formed by or surviving any such merger, amalgamation or consolidation (if other than a Restricted Subsidiary) to become a Restricted Subsidiary, and if required by the terms of this Agreement, a Guarantor, (ii) in the case of any merger, amalgamation or consolidation involving one or more Guarantors, a Guarantor shall be the continuing or surviving corporation and shall acknowledge and confirm all of its obligations under the Finance Documents to which it is a party or the Person formed by or surviving any such merger, amalgamation or consolidation (if other than a Guarantor) shall be deemed to be a Guarantor and it and the Borrower shall comply with Section 8.10, (iii) no Default or Event of Default is then existing and no Default or Event of Default would result from the consummation of such merger, amalgamation or consolidation, (iv) in the case of any such merger, amalgamation or consolidation involving a Person other than the Borrower or any Restricted Subsidiary, the Borrower shall be in compliance, on a *pro forma* basis after giving effect to such merger, amalgamation or consolidation, with the covenants set forth in Sections 9.7 and 9.8 as such covenants are recomputed as at the last day of the most recently ended Test Period under each such Section as if such merger, amalgamation or consolidation had occurred on the first day of such Test Period; (v) in the case of any such merger, amalgamation or consolidation involving a Person other than a Restricted Entity, the Borrower shall have delivered to the Administrative Agent an Officers' Certificate stating that such merger, amalgamation or consolidation

complies with this Agreement and confirming compliance with Section 8.10; and (vi) in the case of a merger, amalgamation or consolidation involving one or more Guarantors or requiring the delivery of an instrument whereby a Restricted Subsidiary agrees to be bound by the Guarantee as Guarantor pursuant to Section 8.10, the Borrower shall cause to be delivered to the Administrative Agent, a legal opinion (in form and substance reasonably satisfactory to the Administrative Agent) confirming the validity and enforceability of the documents to be delivered pursuant to clause (c)(ii) above or Section 8.10;

- (d) any Restricted Subsidiary that is not a Guarantor may sell, lease, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or otherwise) to a Credit Party; and
- (e) any Guarantor may sell, lease, transfer or otherwise dispose of any or all of its assets (upon voluntary liquidation or otherwise) to a Credit Party.

The Borrower will not permit any of its Subsidiaries that is not a Guarantor by virtue of Section 8.10 to enter into any merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself (or suffer any liquidation or dissolution) with or into a Credit Party (a “**Combination Event**”) except to the extent that, after giving effect to such Combination Event, any Liens on the property, assets or undertaking of such Subsidiary immediately prior to such Combination Event would otherwise have been permitted under this agreement to be Liens on the property, assets or undertaking of a Credit Party, as the surviving entity resulting from such Combination Event.

9.4 Limitation on Transfer of Assets

The Borrower will not, and will not permit any of the other Restricted Entities to, (i) convey, sell, lease, assign, transfer or otherwise dispose of any of its property, business or assets (including receivables, leasehold interests and assets sold pursuant to a Sale Leaseback or a Securitization), whether now owned or hereafter acquired (other than any such sale, transfer, assignment or other disposition resulting from any casualty or condemnation of any assets of a Restricted Entity) or (ii) sell any Capital Stock of any Restricted Subsidiary owned by it to any Person other than another Credit Party, except that:

- (a) a Restricted Entity may sell, transfer or otherwise dispose of inventory or used or surplus equipment and vehicles in the ordinary course of business;
- (b) Restricted Entities may sell, transfer or otherwise dispose of other assets for fair value, provided that with respect to sales, transfers and disposals by the Borrower and the Restricted Subsidiaries of assets for value where the aggregate consideration therefor during any particular fiscal year of the Borrower exceeds \$25,000,000, the Borrower shall make a mandatory prepayment under the Facilities in accordance with Section 5.2, (ii) with respect to any such sale, transfer or disposition (or series of related sales, transfers or dispositions), the Borrower shall be in compliance, on a *pro forma* basis after giving effect to such sale, transfer or disposition, with the covenants set forth in Articles 8 and 9 (and

with respect to the covenants set forth in Sections 9.7 and 9.8, as such covenants are recomputed as at the last day of the most recently ended Test Period under each such Section as if such sale, transfer or disposition had occurred on the first day of such Test Period) and such compliance shall have been certified in a certificate of an Authorized Officer of the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, delivered to the Administrative Agent and (iii) no Default or Event of Default is then existing and after giving effect to any such sale, transfer or disposition no Default or Event of Default shall have occurred and be continuing;

- (c) any Credit Party may make sales of assets or other dispositions to another Credit Party; and
- (d) a Restricted Entity may effect any transaction permitted by Section 9.3.

9.5 Limitation on Acquisitions and Investments

The Borrower will not, and will not permit any of the other the Restricted Entities to (a) make any Acquisition other than a Permitted Acquisition or (b) make Investments in Minority Investments except for such Investments in an aggregate amount (calculated in accordance with the provisions of the definition of the term Investments in Section 1.1) not in excess of \$10,000,000 per fiscal year of the Borrower.

9.6 Limitation on Dividends

- (a) The Borrower will not declare or pay any distributions (other than distributions payable solely in its Capital Stock) or return any capital to its shareholders or make any other distribution, payment or delivery of property or cash to its shareholders as such, or redeem, retire, purchase or otherwise acquire, directly or indirectly, for consideration, any of its Capital Stock now or hereafter outstanding (or any warrants for or options or stock appreciation rights in respect of any of such Capital Stock), or set aside any funds for any of the foregoing purposes, or permit any of the other Restricted Entities to purchase or otherwise acquire for consideration (other than in connection with an investment not prohibited by Section 9.5) any Capital Stock of the Borrower, now or hereafter outstanding (or any options or warrants or stock appreciation rights issued by such Person with respect to its Capital Stock) (all of the foregoing, “**Dividends**”), provided that, so long as no Default or Event of Default exists or would exist after giving effect thereto, (i) the Borrower may redeem in whole or in part any Capital Stock of the Borrower (A) for another class of Capital Stock or rights to acquire Capital Stock of the Borrower or (B) with proceeds from substantially concurrent capital contributions or issuances of new classes of Capital Stock, provided that such other class of Capital Stock contains terms and provisions at least as advantageous to the Lenders in all respects material to their interests as those contained in the Capital Stock redeemed thereby, (ii) the Borrower may repurchase its Capital Stock held by its officers, directors and employees so long as such repurchase is pursuant to, and in accordance with the terms of, employment agreements,

management and/or employee option plans or shareholder or partnership agreements of the Borrower, (iii) the Borrower may make investments not prohibited by Section 9.5 and (iv) the Borrower may declare and pay dividends on the preferred shares of the Borrower existing as at the date hereof, (v) the Borrower may, on or prior to October 17, 2011, pay the dividends on the common shares of the Borrower that were declared on August 4, 2011.

- (b) The Borrower will not, at any time that a Default or Event of Default has occurred and is continuing, suffer or permit any of the other Restricted Entities to declare or pay any distributions (other than distributions payable solely in its Capital Stock) to any Person other than a Credit Party, or return any capital to any of its shareholders unless such shareholder is a Credit Party, or make any other distribution, payment or delivery of property or cash to any of its shareholders as such unless such shareholder is a Credit Party, or redeem, retire, purchase or otherwise acquire, directly or indirectly, for consideration, any of its Capital Stock now or hereafter outstanding (or any warrants for or options or stock appreciation rights in respect of any of such Capital Stock) unless such Capital Stock is owned by a Credit Party, or set aside any funds for any of the foregoing purposes.

9.7 Consolidated Total Debt to Consolidated EBITDA Ratio

The Borrower will not permit the Consolidated Total Debt to Consolidated EBITDA Ratio for any Test Period beginning with the first Test Period ending after the Closing Date to be greater than the ratio of 3.50 to 1.

9.8 Consolidated EBITDA to Consolidated Interest Expense Ratio

The Borrower will not permit the Consolidated EBITDA to Consolidated Interest Expense Ratio for any Test Period beginning with the first Test Period ending after the Closing Date to be less than the ratio of 3.5 to 1.

9.9 Limitation on Restricted Indebtedness

The Borrower shall not pay or prepay any principal or interest on any Restricted Indebtedness provided, that, for so long as no Default or Event of Default has occurred and is outstanding or would arise as a result of such payment of interest, the Borrower may make scheduled payments of interest on any Restricted Indebtedness and provided further that the Borrower may deploy an amount not exceeding \$125,000,000 in repurchasing the 2013 MTNs provided, at the time of any such repurchase, (w) the Consolidated Total Debt to Consolidated EBITDA Ratio most recently reported by the Borrower to the Administrative Agent pursuant to Section 8.1(a) or (b) is less than 3.25 to 1, (x) EBITDA for the Test Period most recently reported by the Borrower to the Administrative Agent pursuant to Section 8.1(a) or (b) is no less than the projected EBITDA for such Test Period as set out in the September, 2011 Projections (as supplemented by a quarterly breakdown of EBITDA which supplement shall be delivered by the Borrower to the Administrative Agent on or prior to October 30, 2011 and which quarterly breakdown shall be consistent with the September, 2011 Projections), (y) at least \$75,000,000 of payments or prepayments have been made by the Borrower with respect to the NRT Facility

without the Borrower drawing upon the Revolving Facility to make all or any or part of such payments and (z) there would remain (after effecting such repurchase) at least \$125,000,000 of undrawn availability under the Revolving Facility. For certainty, the preceding sentence shall not prohibit the payment or prepayment of principal or interest on any Restricted Indebtedness solely with the Capital Stock of the Borrower.

ARTICLE 10 EVENTS OF DEFAULT

Upon the occurrence of any of the following specified events (each an “**Event of Default**”):

10.1 Payments

The Borrower shall (a) default in the payment when due of any principal of the Loans or (b) default, and such default shall continue for five or more days, in the payment when due of any interest on the Loans or any Fees or any Unpaid Drawings or any other amounts owing hereunder or under any other Finance Document; or

10.2 Representations, etc.

Any representation, warranty or statement made or deemed made by any Credit Party herein or in the other Credit Documents or any certificate delivered or required to be delivered pursuant hereto or thereto shall prove to be untrue in any material respect on the date as of which made or deemed made (it being understood that, for purposes of the foregoing, the truth of the representations and warranties set forth in Section 7.6 shall be determined without reference to the knowledge of the Borrower); or

10.3 Covenants

Any Credit Party shall: (a) default in the due performance or observance by it of any term, covenant or agreement contained in Section 8.1(f), Section 8.12 or Article 9; or (b) default in the due performance or observance by it of any term, covenant or agreement (other than those referred to in Section 10.1 or 10.2 or clause (a) of this Section 10.3) contained in this Agreement or the other Credit Documents and such default shall continue unremedied for a period of at least 30 days after the Borrower has knowledge of such default or after receipt of written notice by the Borrower from the Administrative Agent or the Required Majority Lenders; or

10.4 Default Under Other Agreements

- (a) A Restricted Entity shall default in any payment with respect to any Indebtedness (other than the Obligations), in excess of \$50,000,000 in the aggregate, beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created (without waiver of failure by the holder or holders of such Indebtedness); or

- (b) A Restricted Entity shall default in the observance or performance of any agreement or condition relating to any Indebtedness (other than the Obligations), in excess of \$50,000,000 in the aggregate or contained in any instrument or agreement evidencing, securing or relating thereto beyond the period of grace, if any, provided in the instrument or agreement under which such Indebtedness was created (without waiver of failure by the holder or holders of such Indebtedness) if the effect of such event has caused the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to declare such Indebtedness to become due prior to its stated maturity.

10.5 Bankruptcy, etc.

A Restricted Entity shall commence a voluntary case concerning itself under the *Bankruptcy and Insolvency Act* (Canada), the *Companies Creditors' Arrangement Act* (Canada), the *Winding-up and Restructuring Act* (Canada), the *Bankruptcy Code* (United States) as now or hereafter in effect, or any successor thereto or any similar legislation in any other applicable jurisdiction (collectively, the "**Bankruptcy Act**"); or an involuntary case is commenced against a Restricted Entity and the petition or application is not contested within 10 days after commencement of the case; or an involuntary case is commenced against a Restricted Entity and the petition or application is not dismissed within 45 days after commencement of the case; or a receiver, trustee, liquidator, custodian or similar official is appointed for, or takes charge of, all or substantially all of the property of a Restricted Entity or a Restricted Entity commences any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to a Restricted Entity itself other than as permitted under Section 9.3; or there is commenced against a Restricted Entity any such proceeding that remains undismissed for a period of 45 days; or a Restricted Entity is adjudicated insolvent or bankrupt; or any order of relief or other order approving any such case or proceeding is entered; or a Restricted Entity makes a general assignment for the benefit of creditors, files under the Bankruptcy Act or takes a similar action under the Bankruptcy Act; or any corporate or similar action is taken by a Restricted Entity for the purpose of effecting any of the foregoing; or a Restricted Entity is unable to pay its debts as they fall due, or makes a general assignment for the benefit of or a composition with its creditors generally; or a Restricted Entity takes any corporate or similar action or other steps are taken or legal proceedings are started for its winding-up, dissolution, administration or insolvent re-organization or for the appointment of a liquidator, administrator or administrative receiver of it other than as permitted under Section 9.3; or

10.6 Guarantee

The Guarantee or any material provision thereof shall cease to be in full force or effect or any Guarantor shall deny or disaffirm in writing such Guarantor's obligations under the Guarantee; or

10.7 Judgments

One or more judgments or decrees shall be entered against a Restricted Entity involving a liability of \$50,000,000 or more in the aggregate for all such judgments and decrees

for the Restricted Entities (to the extent not paid or fully covered by insurance provided by a carrier not disputing coverage) and any such judgments or decrees shall not have been satisfied, vacated, discharged or stayed or bonded pending appeal within 60 days from the entry thereof; or

10.8 Change of Control

A Change of Control shall occur;

then, and in any such event, and at any time thereafter, if any Event of Default shall then be continuing, the Administrative Agent shall, upon the written request of the Required Majority Lenders, by written notice to the Borrower, take any or all of the following actions, without prejudice to the rights of the Administrative Agent or any Lender to enforce its claims against the Borrower, except as otherwise specifically provided for in this Agreement (provided that, if an Event of Default specified in Section 10.5 shall occur with respect to any Credit Party, the result that would occur upon the giving of written notice by the Administrative Agent as specified in clauses (i), (ii) and (iv) below shall occur automatically without the giving of any such notice): (i) declare the Total Commitment terminated, whereupon the Commitments and the Swingline Commitment, if any, of each Lender or the Swingline Lender, as the case may be, shall forthwith terminate immediately and any Fees theretofore accrued shall forthwith become due and payable without any other notice of any kind; (ii) declare the principal of and any accrued interest in respect of all Loans and all Obligations owing hereunder and under the other Finance Documents to be, whereupon the same shall become, forthwith due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower; (iii) terminate any Letter of Credit that may be terminated in accordance with its terms; and/or (iv) direct the Borrower to pay (and the Borrower agrees that upon receipt of such notice, or upon the occurrence of an Event of Default specified in Section 10.5 with respect to any Credit Party, they will pay) to the Administrative Agent at the Administrative Agent's Office such additional amounts of cash, to be held as security for the Borrower's reimbursement obligations for Drawings that may subsequently occur thereunder, equal to the aggregate Stated Amount of all Letters of Credit issued and then outstanding.

10.9 Remedies Cumulative

The rights and remedies of the Administrative Agent and the Lenders under this Agreement and the other Finance Documents are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or by equity, and any single or partial exercise by the Lenders of any right or remedy for a default or breach of any term, covenant, condition or agreement herein contained shall not be deemed to be a waiver of or to alter, affect, or prejudice any other right or remedy or other rights or remedies to which the Lenders may be lawfully entitled for the same default or breach, and any waiver by the Administrative Agent or the Lenders of the strict observance, performance or compliance with any term, covenant, condition or agreement herein contained, and any indulgence granted by the Administrative Agent or the Lenders shall be deemed not to be a waiver of any subsequent default. In the event that the Administrative Agent or the Lenders shall have proceeded to enforce any such right, remedy or power contained herein or in the other Finance Documents and such proceedings shall have been discontinued or abandoned for any reason, by written agreement between the Lenders and the Borrower and/or the applicable Guarantors, then in each such event the Borrower and/or

the applicable Guarantors and the Lenders shall be restored to their former positions and the rights, remedies and powers of the Lenders shall continue as if no such proceedings had been taken.

ARTICLE 11 THE ADMINISTRATIVE AGENT

11.1 Appointment

Each Lender hereby irrevocably designates and appoints the Administrative Agent as the agent of such Lender under this Agreement and the other Credit Documents, and each such Lender irrevocably authorizes the Administrative Agent, in such capacity, to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement and the other Credit Documents, together with such other powers as are reasonably incidental thereto (including the power to execute documents on behalf of the Lenders). Notwithstanding any provision to the contrary elsewhere in this Agreement, the Administrative Agent shall not have any duties or responsibilities, except those expressly set forth herein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Credit Document or otherwise exist against the Administrative Agent.

11.2 Delegation of Duties

The Administrative Agent may execute any of its duties under this Agreement and the other Credit Documents by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys in-fact selected by it with reasonable care.

11.3 Exculpatory Provisions

Neither the Administrative Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates shall be (a) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with this Agreement or any other Credit Document (except for its or such Person's own gross negligence or wilful misconduct as determined by a final judgment of a court of competent jurisdiction) or (b) responsible in any manner to any of the Lenders for any recitals, statements, representations or warranties made by the Borrower or any Guarantor or any officer, employee, agent or consultant thereof contained in this Agreement or any other Credit Document or in any certificate, report, statement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Agreement or any other Credit Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Credit Document or for any failure of the Borrower or any Guarantor to perform its obligations hereunder or thereunder. The Administrative Agent shall not be under any obligation to any Lender to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Credit Document, or to inspect the

properties, books or records of the Borrower. The Administrative Agent shall not be under any obligation to any Lender to obtain the consent of any Person which is required in connection with an assignment by such Lender pursuant to Section 12.6(a)(iii) or to ascertain whether a particular assignment by a Lender pursuant to Section 12.6(a)(iii) requires the consent of any particular Person.

11.4 Reliance by Administrative Agent

The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, email, telecopy, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including counsel to the Borrower), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent may deem and treat the Lender specified in the Register with respect to any amount owing hereunder as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent. The Administrative Agent shall be fully justified in failing or refusing to take any action under this Agreement or any other Credit Document unless it shall first receive such advice or concurrence of the Required Majority Lenders (or each of the Lenders if required pursuant to Section 12.1) as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense that may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement and the other Credit Documents in accordance with a request of the Required Majority Lenders (or each of the Lenders if required pursuant to Section 12.1), and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders and all future holders of the Loans.

11.5 Notice of Default

The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless the Administrative Agent has received notice from a Lender or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a “notice of default”. In the event that the Administrative Agent receives such a notice, the Administrative Agent shall give notice thereof to the Lenders. The Administrative Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Majority Lenders (or each of the Lenders if required pursuant to Section 12.1), provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable in the best interests of the Lenders (except to the extent that this Agreement requires that such action be taken only with the approval of the Required Majority Lenders or each of the Lenders, as applicable).

11.6 Non-Reliance on Administrative Agent and Other Lenders

Each Lender expressly acknowledges that neither the Administrative Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Administrative Agent hereinafter taken, including any review of the affairs of the Borrower or any Guarantor, shall be deemed to constitute any representation or warranty by the Administrative Agent to any Lender. Each Lender represents to the Administrative Agent that it has, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of the Borrower and any Guarantor and made its own decision to make its Loans hereunder and enter into this Agreement. Each Lender also represents that it will, independently and without reliance upon the Administrative Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Credit Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Borrower and any Guarantor. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Administrative Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, assets, operations, properties, financial condition, prospects or creditworthiness of the Borrower or any Guarantor that may come into the possession of the Administrative Agent or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates.

11.7 Indemnification

The Lenders agree to indemnify the Administrative Agent in its capacity as such (to the extent not reimbursed by the Borrower forthwith on demand, without any obligation to seek recovery from the Borrower first, and without limiting the obligation of the Borrower to do so), ratably according to their respective portions of the Total Commitment in effect on the date on which indemnification is sought (or, if indemnification is sought after the date upon which the Commitments shall have terminated and the Loans shall have been paid in full, ratably in accordance with their respective portions of the Total Commitment in effect immediately prior to such date), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever that may at any time (including at any time following the payment of the Loans) be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of, the Commitments, this Agreement, any of the other Credit Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agent under or in connection with any of the foregoing, provided that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's gross negligence or wilful misconduct as determined by a final judgment of a court of competent jurisdiction. The

agreements in this Section 11.7 shall survive the payment of the Loans and all other amounts payable hereunder.

11.8 Administrative Agent in Its Individual Capacity

The Administrative Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with the Borrower and any Guarantor as though the Administrative Agent were not the Administrative Agent hereunder and under the other Credit Documents. With respect to the Loans made by it, the Administrative Agent shall have the same rights and powers under this Agreement and the other Credit Documents as any Lender and may exercise the same as though it were not the Administrative Agent, and the terms “Lender” and “Lenders” shall include the Administrative Agent in its individual capacity.

11.9 Successor Agent

The Administrative Agent may resign as Administrative Agent upon 20 days’ prior written notice to the Lenders and the Borrower. If the Administrative Agent is in default of its obligations under this Agreement and the Required Majority Lenders deem it advisable, the Lenders may terminate the Administrative Agent’s authority to act on behalf of the Lenders pursuant to this Article 11 upon 20 days’ prior written notice. If the Administrative Agent shall resign or be terminated as Administrative Agent under this Agreement and the other Credit Documents, then the Required Majority Lenders shall appoint from among the Lenders a successor agent for the Lenders, which successor agent shall be approved by the Borrower (which approval shall not be unreasonably withheld), whereupon such successor agent shall succeed to the rights, powers and duties of the Administrative Agent, and the term “Administrative Agent” shall mean such successor agent effective upon such appointment and approval, and the former Administrative Agent’s rights, powers and duties as Administrative Agent shall be terminated, without any other or further act or deed on the part of such former Administrative Agent or any of the parties to this Agreement or any holders of the Loans. After any retiring Administrative Agent’s resignation or termination as Administrative Agent, the provisions of this Article 11 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement and the other Credit Documents.

ARTICLE 12 MISCELLANEOUS

12.1 Amendments and Waivers

Neither this Agreement nor any other Credit Document, nor any terms hereof or thereof may be amended, supplemented or modified except in accordance with the provisions of this Section 12.1. The Administrative Agent may, without the consent of the Lenders, enter into technical, minor or administrative amendments to the Credit Documents (or any supplements thereto entered into pursuant to Section 9.3(a)(ii) or 9.3(b)(ii)). The Administrative Agent, acting in accordance with the instruction of the Required Majority Lenders, may from time to time (a) enter into with the relevant Credit Party or Credit Parties written amendments, supplements or modifications hereto and to the other Credit Documents for the purpose of adding

or amending any provisions to this Agreement or the other Credit Documents or changing in any manner the rights of the Lenders or of the Borrower hereunder or thereunder or (b) waive, on such terms and conditions as the Required Majority Lenders or the Administrative Agent, as the case may be, may specify in such instrument, any of the requirements of this Agreement or the other Credit Documents or any Default or Event of Default and its consequences; provided, however, that no such waiver and no such amendment, supplement or modification shall directly (i) forgive any portion of any Loan or extend the final scheduled maturity date of any Loan or reduce the stated rate, or forgive any portion, or extend the date for the payment, of any interest or fee payable hereunder (other than as a result of waiving the applicability of any post-default increase in interest rates) or extend the final expiration date of any Lender's Commitment or extend the final expiration date of any Letter of Credit beyond the L/C Maturity Date or increase the amount of any of the Commitments of any Lender or amend Section 5.3(a)(i) or permit any subordination or postponement of any of the Obligations to any other Indebtedness of the Borrower, in each case without the written consent of each Lender whose Loan, interest, fee or Commitment is changed as set forth above thereby or (ii) amend, modify or waive any provision of this Section 12.1 to reduce the vote required for any action referred to in this Section 12.1 or to eliminate the need for the consent of any Person, Persons or class of Persons with respect to any action referred to in this Section 12.1 without the written consent of each Lender, or if such amendment, modification or waiver only directly and adversely affects one or more but not all classes of Lenders, without the consent of each Lender in each such affected class, or (iii) reduce the percentages specified in the definitions of the terms "Required Majority Lenders" and "Required 80% Lenders" without the written consent of each Lender or (iv) consent to the assignment or transfer by the Borrower of its rights and obligations under any Credit Document to which it is a party (except as permitted pursuant to Section 9.3) without the written consent of each Lender or (v) release or limit the liability of Opco under the Guarantee without the written consent of each Lender or (vi) amend, modify or waive any provision of Article 11 without the written consent of the then-current Administrative Agent or (vii) amend, modify or waive any provision of Article 3 or Section 12.6(a)(iii) (to the extent it relates to the Letter of Credit Issuer) without the written consent of the Letter Credit Issuer or (viii) amend, modify or waive any provision hereof that relates to Swingline Loans (including Section 12.6(a)(iii) as it relates to the Swingline Lender) without the written consent of the Swingline Lender or (ix) change any NRT Commitment to any other Commitment or change any Revolving Commitment to any other Commitment, in each case without the prior written consent of each Lender directly and adversely affected thereby or (x) amend Section 5.3(a) to the extent that it relates to payments for the rateable account of Lenders without the written consent of each Lender directly and adversely affected thereby or (xi) release or limit the liability of a Guarantor (other than Opco) under the Guarantee without the written consent of the Required 80% Lenders. Any such waiver or release and any such amendment, supplement or modification shall apply equally to each of the affected Lenders and shall be binding upon the Borrower, such Lenders, the Administrative Agent and all future holders of the affected Loans. In the case of any waiver, the Borrower, the Lenders and the Administrative Agent shall be restored to their former positions and rights hereunder and under the other Credit Documents, and any Default or Event of Default waived shall be deemed to be cured and not continuing, it being understood that no such waiver shall extend to any subsequent or other Default or Event of Default or impair any right consequent thereon.

12.2 Notices

All notices, requests and demands to or upon the respective parties hereto to be effective shall be in writing (including by facsimile transmission), and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered, or three (3) days after being deposited in the mail, postage prepaid, or, in the case of telecopy notice, when received, addressed as follows in the case of the Borrower and the Administrative Agent, and as set forth on the signature page of each Lender in the case of such Lender (or as set forth in the Assignment and Assumption of any Lender which is an Assignee), or to such other address as may be hereafter notified by the respective parties hereto:

(a) The Borrower:

c/o Yellow Media Inc.
16 Place du Commerce
Île des Soeurs
Verdun, Quebec
H3E 2A5

Attention: General Counsel
Facsimile No.: (514) 934-4076

(b) The Administrative Agent:

The Bank of Nova Scotia
Global Loan Syndications Canada
Agency Services
Scotia Plaza, 62nd Floor
40 King Street West
Toronto, Ontario M5W 2X6

Attention: Head Agency Services
Facsimile No.: 416-866-3329

provided that any notice, request or demand to or upon the Administrative Agent or the Lenders pursuant to Sections 2.3, 2.6, 2.10, 4.2 and 5.1 shall not be effective until received.

12.3 No Waiver; Cumulative Remedies

No failure to exercise and no delay in exercising, on the part of the Administrative Agent or any Lender, any right, remedy, power or privilege hereunder or under the other Finance Documents shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

12.4 Survival of Representations and Warranties

All representations and warranties made hereunder, in the other Finance Documents and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Agreement and the making of the Loans hereunder.

12.5 Payment of Expenses and Taxes

The Borrower agrees (a) to pay or reimburse the Arrangers and the Administrative Agent for all their reasonable and documented out-of-pocket costs and expenses incurred in connection with the development, preparation and execution of, and any amendment, supplement or modification to, this Agreement and the other Finance Documents and any other documents prepared in connection herewith or therewith, and the consummation and administration of the transactions contemplated hereby and thereby (including, without limitation, the syndication of the Commitments), including, without limitation, the reasonable fees, disbursements and other charges of counsel to the Administrative Agent (on a substantial indemnity scale), (b) to pay or reimburse each Lender and the Administrative Agent for all its reasonable and documented costs and expenses incurred in connection with the enforcement or preservation of any rights under, or “workout” or restructuring of, this Agreement, the other Finance Documents and any such other documents, including, without limitation, the reasonable fees, disbursements and other charges (on a substantial indemnity scale) of counsel to each Lender and of counsel to the Administrative Agent, (c) to pay, indemnify, and hold harmless each Lender and the Administrative Agent from, any and all recording and filing fees and any and all liabilities with respect to, or resulting from any delay in paying, stamp, excise and other similar taxes, if any, that may be payable or determined to be payable in connection with the execution and delivery of, or consummation or administration of any of the transactions contemplated by, or any amendment, supplement or modification of, or any waiver or consent under or in respect of, this Agreement, the other Finance Documents and any such other documents, and (d) to pay, indemnify, and hold harmless each Lender, the Arrangers, the Administrative Agent and their respective directors, officers, employees, trustee, agents and Affiliates (collectively, the “**Indemnitees**”) from and against any and all other liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (including reasonable and documented fees, disbursements and other charges of counsel (on a substantial indemnity scale) incurred in connection with any investigative, administrative or judicial proceeding commenced or threatened by any Person, whether or not any such Indemnitee shall be designated as a party or potential party thereto, and any fees or expenses incurred by any Indemnitee in enforcing this indemnity), whether direct, indirect or consequential and whether based on any federal, provincial or foreign laws, statutes, rules, regulations or guidelines (including Environmental Laws), common law, equity, contract or otherwise that may be imposed on, incurred by or asserted against any Indemnitee, in any manner arising out of or relating to (i) this Agreement, the other Credit Documents and any other agreements, documents contemplated hereby or thereby or transactions (including the execution, delivery, enforcement, performance and administration of any of the Finance Documents (including any enforcement of the Guarantee) and the breach by any Credit Party of, or default by any Credit Party under, any of the provisions of any of the Finance Documents), (ii) the violation of, non-compliance with or liability under, any Environmental Law applicable to the operations of the Borrower or any of its Subsidiaries or

applicable to any of the Real Estate, or (iii) any Environmental Claim or any Hazardous Materials relating to or arising from, directly or indirectly, any past or present activity, operation, land ownership, possession or control, or practice of the Borrower or any of its Subsidiaries from time to time (all the foregoing in this clause (d), collectively, the “**indemnified liabilities**”), provided that the Borrower shall have no obligation hereunder to any Indemnitee with respect to indemnified liabilities arising from the gross negligence or wilful misconduct of such Indemnitee as determined by a final judgment of a court of competent jurisdiction and provided further that the Borrower shall have no obligation hereunder to any Indemnitee with respect to claims to the extent relating to disputes among the Lenders, any of the Arrangers and/or the Administrative Agent. The agreements in this Section 12.5 shall survive repayment of the Loans and all other amounts payable hereunder.

Each of the Lenders, the Arrangers and the Administrative Agent agree that any and all of their respective rights under this Agreement, the other Finance Documents and any other agreements contemplated hereby and thereby, including recourse for any obligation or claim for any indemnification thereunder, is limited to recourse to the Borrower and the Guarantors and their assets as contemplated hereby, and none of the direct or indirect limited partners, partners, shareholders, or any of their respective employees, directors or officers shall have any obligations or liability, or be subject to any recourse, in respect of any such obligations or claims hereunder or thereunder.

12.6 Successors and Assigns; Participations and Assignments

- (a) (i) This Agreement shall be binding upon and inure to the benefit of, the Borrower, the Lenders, the Administrative Agent and their respective successors and assigns, except that, subject to Sections 9.3(a) and 9.3(b), the Borrower may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of each Lender.
- (ii) Any Lender may, in the ordinary course of its business and in accordance with applicable law, at any time sell to one or more banks or other entities (“**Participants**”) participating interests in any Loan owing to such Lender, any Commitment of such Lender or any other interest of such Lender hereunder and under the other Credit Documents. In the event of any such sale by a Lender of a participating interest to a Participant, such Lender’s obligations under this Agreement to the other parties to this Agreement shall remain unchanged, such Lender shall remain solely responsible for the performance thereof, such Lender shall remain the beneficial holder of any such Loan and all other rights against the other parties to this Agreement and the other Credit Documents for all purposes under this Agreement and the other Credit Documents, and the Borrower and the Administrative Agent shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this Agreement and the other Credit Documents. In no event shall any Participant under any such participation have any right to approve any amendment or waiver of any provision of any Credit Document, or any consent to any departure by any Credit Party therefrom, except to the

extent that such amendment, waiver or consent would directly forgive any principal of any Loan or reduce the stated rate, or forgive any portion, or postpone the date for the payment, of any principal, interest or fee payable hereunder (other than as a result of waiving the applicability of any post-default increase in interest rates), increase the aggregate amount of the Commitments of any Lender, postpone the date of the final scheduled maturity of any Loan or release or limit the liability of Opco under the Guarantee, in each case to the extent subject to such participation. The Borrower agrees that if amounts outstanding under this Agreement are due or unpaid, or shall have been declared or shall have become due and payable upon the occurrence of an Event of Default, each Participant shall, to the maximum extent permitted by applicable law, be deemed to have the right of setoff in respect of its participating interest in amounts owing under this Agreement to the same extent as if the amount of its participating interest were owing directly to it as a Lender under this Agreement, provided that, in purchasing such participating interest, such Participant shall be deemed to have agreed to share with the Lenders the proceeds thereof as provided in Section 12.8 as fully as if it were a Lender hereunder. The Borrower also agrees that each Participant shall be entitled to the benefits of Sections 2.10, 2.11, 3.5 and 5.4 (to the extent applicable) with respect to its participation in the Commitments and the Loans outstanding from time to time as if it were a Lender, provided that, no Participant shall be entitled to receive any greater amount pursuant to any such Section than the transferor Lender would have been entitled to receive in respect of the amount of the participation transferred by such transferor Lender to such Participant had no such transfer occurred, and further provided that no Participant shall be entitled to the benefits of Section 5.4 until such date as such Participant shall have provided written notice to the Borrower and the Administrative Agent of the circumstances giving rise to the application of Section 5.4 together with sufficient information to enable the Borrower to comply with their obligations under Section 5.4. Furthermore, each time a participating interest is sold pursuant to the provisions hereof, the Lender who sold such participating interest shall, if not already done so by the Participant, deliver to the Borrower sufficient information to enable the Borrower to comply with their obligations under Section 5.3.

- (iii) Any Lender may, in the ordinary course of its business and in accordance with applicable law, at any time and from time to time assign to (A) any Lender or any Affiliate thereof or Approved Fund with respect thereto (with the consent of the Borrower if any increased costs (which, for greater certainty, shall not include any increase in the BA Discount Rate which would result from such Lender, Affiliate or Approved Fund being a Schedule II Lender, Schedule III Lender or Non-Acceptance Lender) would result therefrom) or, (B) with the consent of the Borrower and the Administrative Agent (which in each case shall not be unreasonably withheld or delayed, it being understood that, without limitation, the

Borrower shall have the right to withhold their consent to any assignment if, in order for such assignment to comply with applicable law, the Borrower would be required to obtain the consent of, or make any filing or registration with, any Governmental Authority), to an additional bank or fund that is regularly engaged in making, purchasing or investing in loans or securities or a financial institution (an “**Assignee**”) all or any part of its rights and obligations under this Agreement and the other Credit Documents pursuant to an assignment and assumption agreement, substantially in the form set forth in Schedule H hereto (“**Assignment and Assumption**”), with such modifications as the Administrative Agent shall require from time to time, executed by such Assignee and such assigning Lender (and, in the case of an Assignee that is not then a Lender, an Affiliate thereof or an Approved Fund with respect thereto, by the Borrower and the Administrative Agent) and delivered to the Borrower and to the Administrative Agent for its acceptance and recording in the Register, together with sufficient information to enable the Borrower to comply with their obligations under Section 5.3, provided that, except in the case of an assignment of all of a Lender’s interests under this Agreement, unless otherwise agreed to by the Administrative Agent, no such assignment to an Assignee (other than any Lender, any Affiliate thereof or any Approved Fund with respect thereto) and its Affiliates shall be in an aggregate principal amount of less than \$5,000,000. Upon such execution, delivery, acceptance and recording (referred to as the “**Assignment Effective Date**”), (A) the Assignee thereunder shall be a party hereto and, to the extent provided in such Assignment and Assumption, have the rights and obligations of a Lender hereunder with a Commitment as set forth therein and (B) the assigning Lender thereunder shall, to the extent provided in such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all or the remaining portion of an assigning Lender’s rights and obligations under this Agreement, such assigning Lender shall cease to be a party hereto). Notwithstanding any provision of this Agreement to the contrary, (A) the consent of the Borrower shall not be required for any assignment that occurs at any time when any Event of Default shall have occurred and be continuing and (B) the consent of the Swingline Lender and the Letter of Credit Issuer shall be required for any assignment that includes an assignment of all or any part of a Lender’s Revolving Commitment.

- (b) Nothing herein shall prohibit any Lender from pledging or assigning all or any portion of its Loans to any Federal Reserve Bank in accordance with applicable law, and any Lender that is an investment fund that invests in bank loans may, without the consent of the Borrower or the Administrative Agent, pledge or assign all or any portion of its Loans and promissory notes evidencing such Loans to any trustee or any other representative of holders of obligations owed or securities issued by such investment fund as security for such obligations or securities, provided that no such pledge or assignment shall release a Lender from any of its

obligations hereunder, substitute any such pledgee or assignee for such Lender as party hereto or increase the obligations of the Borrower hereunder. In order to facilitate such pledge or assignment, the Borrower hereby agrees that, upon request of any Lender at any time and from time to time, the Borrower shall provide to such Lender, at the Borrower's own expense, a promissory note in form satisfactory to such Lender, acting reasonably, evidencing the Loans owing to such Lender.

- (c) The Administrative Agent, on behalf of the Borrower, shall maintain at the address of the Administrative Agent referred to in Section 12.2 a copy of each Assignment and Assumption delivered to it and a register (the "**Register**") for the recordation of the names and addresses of the Lenders and the Commitments of, and principal amount of the Revolving Loans and NRT Loans (whether or not evidenced by a promissory note) owing to, each Lender from time to time. Notwithstanding Section 12.5, the entries in the Register shall be conclusive, in the absence of manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register as the owner of a Loan or other obligation hereunder as the owner thereof for all purposes of this Agreement and the other Credit Documents, notwithstanding any notice to the contrary. Any assignment of any Loan or other obligation hereunder (whether or not evidenced by a promissory note) shall be effective only upon appropriate entries with respect thereto being made in the Register. Any assignment of all or part of a Loan evidenced by a promissory note shall be registered on the Register only upon surrender for registration of assignment or transfer of such promissory note evidencing such Loan, accompanied by a duly executed Assignment and Assumption, and thereupon one or more new promissory notes in the same aggregate principal amount shall be issued to the designated Assignee and the old promissory notes shall be returned by the Administrative Agent to the Borrower marked "cancelled". The Register shall be available for inspection by the Borrower at any reasonable time and from time to time upon reasonable prior notice.
- (d) The Administrative Agent shall (i) upon its receipt of an Assignment and Assumption executed by an assigning Lender and an Assignee (and, in the case of an Assignee that is not then a Lender, an Affiliate thereof or an Approved Fund with respect thereto, by the Borrower and, in the case of an assignment of a Revolving Commitment, the Swingline Lender and the Letter of Credit Issuer), together with payment to the Administrative Agent of a registration and processing fee of \$3,500, promptly accept such Assignment and Assumption and (ii) on the effective date determined pursuant thereto record the information contained therein in the Register.
- (e) Subject to Section 12.16, the Borrower authorizes each Lender to disclose to any Participant or Assignee (each, a "**Transferee**") and any prospective Transferee any and all financial information in such Lender's possession concerning the Borrower and its Affiliates that has been delivered to such Lender by or on behalf of the Borrower pursuant to this Agreement or which has been delivered to such

Lender by or on behalf of the Borrower in connection with such Lender's credit evaluation of the Borrower and its Affiliates prior to becoming a party to this Agreement, provided that neither the Administrative Agent nor any Lender shall provide to any Transferee or prospective Transferee any of the Confidential Information unless such person shall have previously executed a Confidentiality Agreement substantially in the form prescribed from time to time by the Loan Sales and Trading Association.

12.7 Replacements of Lenders under Certain Circumstances

- (a) The Borrower shall be permitted to replace any Lender that (a) requests reimbursement for amounts owing pursuant to Section 2.10, 3.5 or 5.4 or (b) becomes a Defaulting Lender, with a replacement bank or other financial institution, provided that (i) such replacement does not conflict with any Requirement of Law, (ii) no Event of Default shall have occurred and be continuing at the time of such replacement, (iii) the replacement bank or institution shall purchase, at par (or, in the case of a Lender requesting reimbursement pursuant to clause (a), if such replacement takes place within one year following the Closing Date and a majority of the Lenders have similarly requested reimbursement, at 101% of par), all Loans and other amounts (other than any disputed amount) pursuant to Section 2.10, 2.11, 3.5 or 5.4, as the case may be, owing to such replaced Lender prior to the date of replacement or as a result of such replacement, (iv) the replacement bank or institution, if not already a Lender, and the terms and conditions of such replacement, shall be reasonably satisfactory to the Administrative Agent, (v) the replaced Lender shall be obligated to make such replacement in accordance with the provisions of Section 12.6 (provided that the Borrower shall be obligated to pay the registration and processing fee referred to therein) and (vi) any such replacement shall not be deemed to be a waiver of any rights that the Borrower, the Administrative Agent or any other Lender shall have against the replaced Lender.
- (b) In the event that (i) any Person becoming a Lender with a Revolving Commitment results in a reduced rate of return to the Letter of Credit Issuer or requires the Letter of Credit Issuer to set aside capital in an amount that is greater than that which is required to be set aside for other Lenders participating in the Letters of Credit, or (ii) S&P, Moody's or Thompson's Bank Watch (or Insurance Watch Ratings Service, in the case of Lenders that are insurance companies (or Best's Insurance Reports, if such insurance company is not rated by Insurance Watch Ratings Service)) shall, after the date that any Lender with a Revolving Commitment becomes a Lender, downgrade the long-term certificate of deposit rating or long-term senior unsecured debt rating of such Lender, and the resulting rating shall be below BBB-, Baa3 or C (or BB, in the case of any Lender that is an insurance company (or B, in the case of an insurance company not rated by Insurance Watch Ratings Service)) respectively, then the Letter of Credit Issuer or the Borrower shall have the right, but not the obligation, upon notice to such Lender and the Administrative Agent, to replace such Lender with an Assignee in accordance with and subject to the restrictions contained in Section 12.6, and such

Lender hereby agrees to transfer and assign without recourse (in accordance with and subject to the restrictions contained in Section 12.6) all its interests, rights and obligations in respect of its Revolving Commitment under this Agreement to such Assignee; provided that (i) no such assignment shall conflict with any law, regulation or order of any Governmental Authority and (ii) such Assignee shall pay to such Lender in immediately available funds on the date of such assignment the principal of and interest and fees (if any) accrued to the date of payment on the Revolving Loans made, and Letters of Credit participated in, by such Lender hereunder and all other amounts accrued for such Lender's account or owed to it hereunder.

12.8 Adjustments; Set-off

- (a) Upon termination of the Total Revolving Commitment and each Lender's Revolving Commitment, the Administrative Agent shall calculate each Lender's Revolving Commitment Percentage based on such Lender's Revolving Exposure at such time. If any Lender's Revolving Commitment Percentage calculated on such basis is greater than the ratio of such Lender's Revolving Commitment (including, for greater certainty, in the case of the Swingline Lender, the Swingline Commitment) to the Total Revolving Commitment (such Lender, a "**Selling Lender**"), then each of the other Lenders' whose Revolving Commitment Percentage calculated on the basis of Revolving Exposure is less than such other Lender's Revolving Commitment Percentage calculated on the basis of its Revolving Commitment (each such other Lender, a "**Purchasing Lender**") shall purchase for cash from the Selling Lender, without recourse or representation or warranty (other than as to ownership and no Liens or claims by any Person), an interest in the Revolving Exposure of the Selling Lender at par in such amount as would result in a pro rata participation (based on Revolving Commitments) by each Lender, in the aggregate Revolving Exposure of all the Lenders. The Administrative Agent, upon consultation with the applicable Lenders, shall have the power to settle any documentation required to evidence any such purchase and, if deemed advisable by the Administrative Agent, to execute any document as attorney for any Lender in order to complete any such purchase. The Borrower acknowledges that the foregoing arrangements are to be settled by the Lenders among themselves, and the Borrower expressly consents to the foregoing arrangements among the Lenders. The Administrative Agent shall recalculate each Lender's Revolving Commitment Percentage from time to time after termination of the Total Revolving Commitment and each Lender's Revolving Commitment on the basis hereinbefore provided and the Lenders shall adjust their respective Revolving Commitment Percentages from time to time in accordance with this Section 12.8(a) as may be required.
- (b) If any Lender (a "**benefitted Lender**") shall at any time receive any payment of all or part of its Loans, or interest thereon, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off, pursuant to events or proceedings of the nature referred to in Section 10.5, or otherwise), other than a payment or distribution to it from the Administrative Agent to which it is entitled

under a Credit Document, in a greater proportion than any such payment to or collateral received by any other Lender, if any, in respect of such other Lender's Loans, or interest thereon, such benefitted Lender shall purchase for cash from the other Lenders a participating interest in such portion of each such other Lender's Loan, or shall provide such other Lenders with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such benefitted Lender to share the excess payment or benefits of such collateral or proceeds ratably with each of the Lenders; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such benefitted Lender, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest.

- (c) After the occurrence and during the continuance of an Event of Default, in addition to any rights and remedies of the Lenders provided by law, each Lender shall have the right, without prior notice to the Borrower, any such notice being expressly waived by the Borrower to the extent permitted by applicable law, upon any amount becoming due and payable by the Borrower hereunder (whether at the stated maturity, by acceleration or otherwise) to set-off and appropriate and apply against such amount any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Lender or any branch or agency thereof to or for the credit or the account of the Borrower. Each Lender agrees promptly to notify the Borrower and the Administrative Agent after any such set-off and application made by such Lender, provided that the failure to give such notice shall not affect the validity of such set-off and application.

12.9 Marshalling; Payments Set Aside

Neither the Administrative Agent nor any Lender shall be under any obligation to marshal any assets in favour of any Credit Party or any other party or against or in payment of any or all of the Obligations. To the extent that any Credit Party makes a payment or payments to the Administrative Agent, Swingline Lender, any Letter of Credit Issuer or Lenders (or to the Administrative Agent for the benefit of Lenders), or the Administrative Agent, Swingline Lender, any Letter of Credit Issuer or Lenders enforce any Liens or exercise their rights of setoff, and such payment or payments or the proceeds of such enforcement or setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, any other provincial, state or federal law, common law or any equitable cause, then, to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor or related thereto, shall be revived and continued in full force and effect as if such payment or payments had not been made or such enforcement or setoff had not occurred.

12.10 Counterparts

This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by email (in pdf format) or facsimile transmission), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrower and the Administrative Agent.

12.11 Severability

Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

12.12 Integration

This Agreement and the other Finance Documents represent the agreement of the Borrower, the Administrative Agent and the Lenders with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent or any Lender relative to subject matter hereof not expressly set forth or referred to herein, in any Assignment and Assumption or in the other Finance Documents.

12.13 Governing Law

This agreement and the rights and obligations of the parties hereunder shall be governed by, and construed and interpreted in accordance with, the law of the Province of Quebec and the laws of Canada applicable therein (excluding any conflict of laws rule or principle which might refer such construction to the laws of another jurisdiction).

12.14 Submission to Jurisdiction; Waivers

The Borrower hereby irrevocably and unconditionally:

- (a) submits for itself and its property in any legal action or proceeding relating to this Agreement, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the Province of Quebec;
- (b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;
- (c) agrees that service of process in any such action or proceeding may be effected in accordance with the local rules of civil procedure or by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage

prepaid, to the Borrower at its address set forth in Section 12.2 or at such other address of which the Administrative Agent shall have been notified pursuant thereto;

- (d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and
- (e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 12.14 any special, exemplary, punitive or consequential damages.

12.15 Acknowledgements

The Borrower hereby acknowledges that:

- (a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Credit Documents to which it is a party;
- (b) neither the Administrative Agent nor any Lender (in any capacity) has any fiduciary relationship with or duty to the Borrower arising out of or in connection with this Agreement or any of the other Credit Documents to which it is a party, and the relationship between Administrative Agent and Lenders, on one hand, and the Borrower, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and
- (c) no joint venture is created hereby or by the other Credit Documents to which the Borrower is a party or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or between the Borrower and the Lenders.

12.16 Confidentiality

The Administrative Agent and each Lender shall maintain the confidentiality of all non-public information furnished by or on behalf of the Borrower in connection with such Lender's evaluation of whether to become a Lender hereunder or obtained by such Lender or the Administrative Agent pursuant to the requirements of this Agreement ("**Confidential Information**"), in accordance with its customary procedure for handling confidential information of this nature and (in the case of a Lender that is a bank) in accordance with safe and sound banking practices and in any event may make disclosure as required or requested by any governmental agency or regulatory authority (including, without limitation, the Office of the Superintendent of Financial Institutions, the National Association of Insurance Commissioners or similar organizations), representatives thereof or any nationally recognized rating agency that requires access to information about such Lender's investment portfolio or pursuant to legal process or to such Lender's or the Administrative Agent's lawyers, professional advisors or independent auditors or Affiliates, provided that unless specifically prohibited by applicable law or court order, each Lender and the Administrative Agent shall notify the Borrower of any request by any governmental agency or representative thereof (other than any such request in connection with an examination of the financial condition or regulatory compliance of such

Lender by such governmental agency) for disclosure of any such non-public information prior to disclosure of such information, and provided further that in no event shall any Lender or the Administrative Agent be obligated or required to return any materials furnished by the Borrower or any Subsidiary of the Borrower. Each Lender and the Administrative Agent shall be entitled to provide to prospective Transferees or to prospective direct or indirect contractual counterparties in swap agreements to be entered into in connection with Loans made hereunder any of the Confidential Information provided that such Person shall have previously executed a Confidentiality Agreement substantially in the form prescribed from time to time by the Loan Sales and Trading Association.

12.17 Conversion of Currencies

- (a) If, for the purpose of obtaining judgment in any court, it is necessary to convert a sum owing hereunder in one currency into another currency, each party hereto agrees, to the fullest extent that it may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures in the relevant jurisdiction the first currency could be purchased with such other currency on the Business Day immediately preceding the day on which final judgment is given.
- (b) The obligations of the Borrower in respect of any sum due to any party hereto or any holder of the obligations owing hereunder (the “**Applicable Creditor**”) shall, notwithstanding any judgment in a currency (the “**Judgment Currency**”) other than the currency in which such sum is stated to be due hereunder (the “**Agreement Currency**”), be discharged only to the extent that, on the Business Day following receipt by the Applicable Creditor of any sum adjudged to be so due in the Judgment Currency, the Applicable Creditor may in accordance with normal banking procedures in the relevant jurisdiction purchase the Agreement Currency with the Judgment Currency; if the amount of the Agreement Currency so purchased is less than the sum originally due to the Applicable Creditor in the Agreement Currency, the Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Applicable Creditor against such loss. The obligations of the Borrower contained in this Section 12.17 shall survive the termination of this Agreement and the payment of all other amounts owing hereunder.

12.18 Documents in English

The parties expressly request that this agreement as well as all documents relating thereto be drawn up in English. Les parties ont expressément exigé que cette convention ainsi que tous les documents s’y rattachant soient rédigés en anglais.

12.19 Meaning of Include

The words “include”, “includes” and “including”, when used in this Agreement, shall be deemed to be followed by the phrase “without limitation”.

12.20 Solidary Obligations

Each obligation hereunder which is stated to be the obligation of the Borrower shall be deemed to be the solidary obligations of the Borrower.

12.21 Further Assurances

The Borrowers shall, and shall cause the Restricted Subsidiaries to, from time to time and at all times hereafter, upon every reasonable request of the Administrative Agent, make, do, execute, and deliver or cause to be made, done, executed and delivered all such further acts, deeds, assurances and things as may be necessary in the opinion of the Administrative Agent for more effectually implementing and carrying out the true intent and meaning of the Credit Documents or any agreement delivered pursuant thereto and such additional guarantee, legal opinions, consents, approvals, acknowledgements, undertakings and directions, in form and substance satisfactory to the Administrative Agent, as the Administrative Agent may from time to time request.

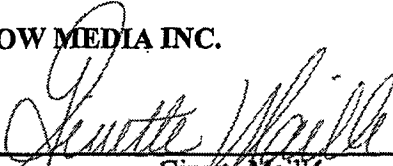
12.22 Waiver re: Limitation of Dividends

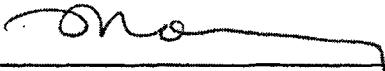
Pursuant to Section 9.6 of the Existing Credit Agreement, the Borrower covenanted and agreed, inter alia, that, so long as no Event of Default exists or would exist after giving effect thereto and the Borrower does not have Investment Grade Status (as defined therein), the Borrower could declare and pay Dividends during any particular Test Period in an aggregate amount not exceeding 50% of the Distributable Cash (excluding the \$100,000,000 addition set forth in such defined term) for such Test Period (the “**Limitation on Dividends Covenant**”). The Borrower declared and paid certain Dividends (collectively, the “**Prohibited Dividends**”) during the Test Period ending September 30, 2011 after the loss of its Investment Grade Status on August 4, 2011 (the “**Section 9.6(a)(iv) Defaults**”). The Lenders hereby waive the Borrower’s non-compliance with the Limitation on Dividends Covenant solely as it relates to Prohibited Dividends.

[Signature pages follow.]

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

YELLOW MEDIA INC.

By: 
Name: Ginette Maille
Title: INTERNAL CHIEF FINANCIAL OFFICER

By: 
Name: François D. Ramsay
Title: SENIOR VICE PRESIDENT, GENERAL COUNSEL AND SECRETARY

**THE BANK OF NOVA SCOTIA, as
Administrative Agent**

By: _____
Name:
Title:

By: _____
Name:
Title:

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

YELLOW MEDIA INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

**THE BANK OF NOVA SCOTIA, as
Administrative Agent**

By:  _____
Name: Robert Boomhour
Title: Director

By:  _____
Name: Clement Yu
Title: Associate

THE BANK OF NOVA SCOTIA, as a Lender

By: 
Name: Daniel P. Grouix
Title: Managing Director

By: 
Name: Duane D'sa
Title: Associate Director

Commitments:

Revolving Commitment: Cdn\$42,500,000
NRT Commitment: Cdn\$42,500,000

Address for Notice:

Corporate Banking
Communications, Media & Technology
Scotia Plaza, 62nd Floor
40 King Street West
Toronto, Ontario M5W 2X6

Attention: Managing Director
Facsimile No.: 416-933-7399

ROYAL BANK OF CANADA, as a Lender

By: Brad W. Clarkson
Name: BRAD W. CLARKSON
Title: AUTHORIZED SIGNATORY

By: _____
Name:
Title:

Commitments:

Revolving Commitment: Cdn\$40,000,000
NRT Commitment: Cdn\$40,000,000

Address for Notice:

20 King Street West, 7th Floor
Toronto, Ontario
M5H 1C4

Attention: Liability Department
Telefax: 416-974-8119

BANK OF MONTREAL, as a Lender

By: 
Name: **BRUNO LEMAY**
Title: **Managing Director**

By: 
Name: **RICHARD BELZIL**
Title: **Vice President**

Commitments:

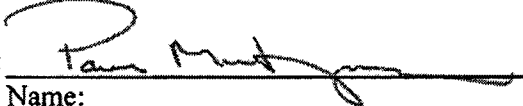
Revolving Commitment: Cdn\$40,000,000
NRT Commitment: Cdn\$40,000,000

Address for Notice:

1501 McGill College Avenue, Suite 3200
Montreal, Quebec H3A 3M8

Attention: Richard Belzil, Vice-President
Telefax: 514-282-5920

**CANADIAN IMPERIAL BANK OF
COMMERCE, as a Lender**

By: 
Name:
Title: **Paul Montgomery
CIBC General Manager**

By: _____
Name:
Title:

Commitments:

Revolving Commitment: Cdn\$40,000,000
NRT Commitment: Cdn\$40,000,000

Address for Notice:

25 King Street West
Commerce Court North, 16th Floor
Toronto ON M5L 1A2

Attention: Paul Montgomery
Telefax: (416) 980-5202

**NATIONAL BANK OF CANADA, as a
Lender**

By: 
Name: **Luc Bernier**
Title: **Directeur - Director**

By: 
Name: **Bruno Lévesque**
Title: **Directeur - Director**

Commitments:

Revolving Commitment: Cdn\$37,500,000

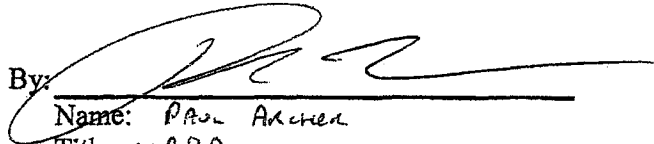
NRT Commitment: Cdn\$37,500,000


Address for Notice:

5650 d'Iberville St., Suite 603
Montreal, Quebec H2G 2B3

Attention: Loan Administration/Francine Simard
Telefax: (514) 271-5294

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

By: 
Name: PAUL ARCHER
Title: VP&D

By: 
Name: YVES BERGERON
Title:

Commitments:


Revolving Commitment: Cdn\$25,000,000
NRT Commitment: Cdn\$25,000,000

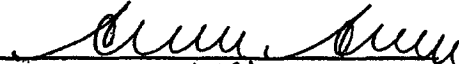
Address for Notice:

1 Place Ville Marie, Suite 2315
Montreal, Quebec H3B 3M5

Attention: J-F Godin, Vice-President
Telefax: (514) 289-0788

CAISSE CENTRALE DESJARDINS, as a
Lender

By: 
Name: ANDRÉ ROY
Title: VICE PRESIDENT

By: 
Name: ANTOINE AVRIL
Title: MANAGING DIRECTOR

Commitments:

Revolving Commitment: Cdn\$25,000,000
NRT Commitment: Cdn\$25,000,000

Address for Notice:

1170 rue Peel, Bureau 600
Montréal, Québec H3B 0B1

Attention: André Roy
Telefax: (514) 281-4317

**SCHEDULE A
[FORM OF]
CLOSING CERTIFICATE**

YELLOW MEDIA INC.

TO: The Lenders and the Agent (each, as defined below)

AND TO: Fasken Martineau DuMoulin LLP

AND TO: Stikeman Elliott LLP

RE: Second Amended and Restated Credit Agreement dated as of September 28, 2011 (the “**Credit Agreement**”); capitalized terms used herein and not otherwise defined shall have the meanings assigned thereto in the Credit Agreement) made between Yellow Media Inc. (the “**Borrower**”), the several Lenders who may from time to time be parties thereto (the “**Lenders**”), and The Bank of Nova Scotia, as Administrative Agent (the “**Agent**”)

The undersigned, _____, the _____ of the Borrower, hereby certifies to the best of my knowledge, information and belief, for and on behalf of the Borrower, and not in my personal capacity, that:

1. the representations and warranties of the Restricted Entities set forth in each Credit Document to which it is a party are true and correct in all material respects on and as of the date hereof, with the same effect as if made on the date hereof, except for representations and warranties expressly stated to relate to a specific earlier date, in which case such representations and warranties were true and correct in all material respects as of such earlier date;
2. other than in respect of the payment of Prohibited Dividends made in derogation of Section 9.6 of the Existing Credit Agreement, no Default or Event of Default has occurred and is continuing as of the date hereof or would arise as a result of or after giving effect to the Loans to be made on the date hereof;
3. there is no expectation of the occurrence of a Default or Event of Default during the Fiscal Quarter ending December 31, 2011;
4. the conditions precedent set forth in Article 6 of the Credit Agreement were satisfied as of the Closing Date;
5. at the date hereof, no winding up, liquidation, dissolution, insolvency, bankruptcy, arrangement, amalgamation, reorganization or continuation proceedings have been commenced or are being contemplated by any of the Restricted Entities and the Borrower has no knowledge of any such proceedings having been commenced or being contemplated in respect of any of the Restricted Entities by any other party, other than [description of proceeding, provided it is permitted hereunder.]

This certificate may be relied upon for the purpose of opinions delivered by Stikeman Elliott LLP, Fasken Martineau DuMoulin LLP and others in connection with the Credit Agreement.

DATED: _____, 2011

Name and title of Officer

I, _____, _____ of the Borrower,
DO HEREBY CERTIFY that _____ has been duly elected (or appointed)
and has duly qualified as, and on this day is, the _____ of the Borrower,
and the signature above is his genuine signature.

IN WITNESS WHEREOF, I have signed this Certificate this _____ day of
_____, 2011.

Name and title of Officer

**SCHEDULE B
[FORM OF]
NOTICE OF BORROWING**

TO: THE BANK OF NOVA SCOTIA, as Administrative Agent under the Credit Agreement (as defined below)
Global Wholesale Services
3rd Floor
720 King Street
Toronto, Ontario M5V 2T3

Attention: Director
Facsimile No.: 416-866-5991

Pursuant to that certain Second Amended and Restated Credit Agreement dated as of September 28, 2011, as amended, modified, supplemented, replaced or restated from time to time to the date hereof (said Credit Agreement, as so amended, modified, supplemented, replaced or restated from time to time, being the “**Credit Agreement**”, the terms defined therein and not otherwise defined herein being used herein as therein defined), by and among Yellow Media Inc. (the “**Borrower**”), the lenders who may from time to time be parties thereto (“the **Lenders**”), and The Bank of Nova Scotia, as Administrative Agent (the “**Administrative Agent**”), this represents the request of the Borrower to borrow as follows:

- _____ **A. NRT Loan:**
1. **Date of borrowing:**
_____, _____
 2. **Amount of borrowing:**
\$ _____
 3. **Lender(s):**
Lenders, in accordance with their NRT Commitments under the Credit Agreement
 4. **Interest rate option:**
 - a. Prime Loan

 - b. BA Loans with an initial Interest Period of _____ month(s)

 5. **Account:**
Account Number _____
Location of Account _____
- _____ **B. Revolving Loan:**

1. **Date of borrowing:**

_____, _____

2. **Amount of borrowing:**

\$ _____

3. **Lender(s):**

Lenders, in accordance with their Revolving Commitments under the Credit Agreement

4. **Interest rate option:**

- _____ a. Prime Loan
_____ b. BA Loans with an initial Interest Period of _____ month(s)

5. **Account:**

Account Number _____
Location of Account _____

The proceeds of such NRT Loan or Revolving Loan, as the case may be, are to be disbursed in accordance with the Borrower's direction(s).

The undersigned Authorized Officer signing this Notice of Borrowing on behalf of the Borrower, to the best of his or her knowledge, in his or her capacity as an Authorized Officer of the Borrower and not in his or her personal capacity, and the Borrower both certify that:

(i) The representations and warranties of the Restricted Entities contained in the Credit Agreement and the other Credit Documents are true, correct and complete in all material respects on and as of the date hereof to the same extent as though made on and as of the date hereof, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties were true, correct and complete in all material respects on and as of such earlier date; and

(ii) No event has occurred and is continuing or would result from the consummation of the Borrowing contemplated hereby that would constitute a Default or an Event of Default.

DATED: _____

YELLOW MEDIA INC.

By: _____

Name:

Title:

**SCHEDULE C
[FORM OF]
NOTICE OF CONTINUATION**

TO: THE BANK OF NOVA SCOTIA, as Administrative Agent under the Credit Agreement (as defined below)
Global Wholesale Services
3rd Floor
720 King Street
Toronto, Ontario M5V 2T3

Attention: Director
Facsimile No.: 416-866-5991

Pursuant to that certain Second Amended and Restated Credit Agreement dated as of September 28, 2011, as amended, modified, supplemented, replaced or restated from time to time to the date hereof (said Credit Agreement, as so amended, modified, supplemented, replaced or restated from time to time, being the “**Credit Agreement**”, the terms defined therein and not otherwise defined herein being used herein as therein defined), by and among Yellow Media Inc. (the “**Borrower**”), the lenders who may from time to time be parties thereto (“the **Lenders**”), and The Bank of Nova Scotia, as Administrative Agent (the “**Administrative Agent**”), this represents the request of the Borrower to continue Loans as follows:

1. **Date of continuation:**

_____ , _____

2. **Amount of Loans being continued:**

\$ _____

3. **Facility under which Loans being continued are outstanding:**

- _____ a. Revolving Facility
_____ b. NRT Facility

4. **Nature of continuation:**

- _____ a. Continuation of Prime Loan to BA Loans
_____ b. Continuation of BA Loans to Prime Loans
_____ c. Continuation (rollover) of BA Loans as BA Loans

5. If Loans are being continued as or into BA Loans, the duration of the new Interest Period that commences on the continuation date:
_____ month(s)

The undersigned Authorized Officer signing this Notice of Continuation on behalf of the Borrower, to the best of his or her knowledge, in his or her capacity as an Authorized Officer of the Borrower and not in his or her personal capacity, and the Borrower both certify that:

(i) the representations and warranties of the Restricted Entities contained in the Credit Agreement and the other Credit Documents are true, correct and complete in all material respects on and as of the date hereof to the same extent as though made on and as of the date hereof, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties were true, correct and complete in all material respects on and as of such earlier date; and

(ii) No event has occurred and is continuing or would result from the consummation of the Borrowing contemplated hereby that would constitute a Default or an Event of Default.

DATED: _____

YELLOW MEDIA INC.

By: _____
Name:
Title:

**SCHEDULE D
[FORM OF]
LETTER OF CREDIT REQUEST**

TO: THE BANK OF NOVA SCOTIA, as Administrative Agent under the Credit Agreement (as defined below)
Global Wholesale Services
3rd Floor
720 King Street
Toronto, Ontario M5V 2T3

Attention: Director
Facsimile No.: 416-866-5991

Pursuant to that certain Second Amended and Restated Credit Agreement dated as of September 28, 2011, as amended, modified, supplemented, replaced or restated from time to time to the date hereof (said Credit Agreement, as so amended, modified, supplemented, replaced or restated from time to time, being the “**Credit Agreement**”, the terms defined therein and not otherwise defined herein being used herein as therein defined), by and among Yellow Media Inc. (the “**Borrower**”), the lenders who may from time to time be parties thereto (“the **Lenders**”), and The Bank of Nova Scotia, as Administrative Agent (the “**Administrative Agent**”), this represents the request of the Borrower for the issuance of a Letter of Credit by the Letter of Credit Issuer as follows:

1. **Date of issuance of Letter of Credit:**

_____, _____

2. **Face amount of Letter of Credit:**

3. **Expiration date of Letter of Credit:**

_____, _____

4. **Name and address of beneficiary:**

Attached hereto is:

Copies of all documentation with respect to the supported transaction including a description of the proposed terms and conditions of such Letter of Credit, with a precise description of any documents to be presented by the beneficiary which, if presented by the beneficiary prior to the expiration date of such Letter of Credit, would require the Letter of Credit Issuer to make payment under such Letter of Credit.

The undersigned Authorized Officer signing this Letter of Credit Request on behalf of the Borrower, to the best of his or her knowledge, in his or her capacity as an Authorized Officer of the Borrower and not in his or her personal capacity, and the Borrower both certify that:

(i) The representations and warranties of the Restricted Entities contained in the Credit Agreement and the other Credit Documents are true, correct and complete in all material respects on and as of the date hereof to the same extent as though made on and as of the date hereof, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties were true, correct and complete in all material respects on and as of such earlier date; and

(ii) No event has occurred and is continuing or would result from the issuance of the Letter of Credit contemplated hereby that would constitute a Default or an Event of Default.

DATED: _____

YELLOW MEDIA INC.

By: _____
Name:
Title:

E-1

**SCHEDULE E
OUTSTANDING LIENS ON CLOSING DATE**

[Nil]

F-1
SCHEDULE F
[FORM OF] COMPLIANCE CERTIFICATE

TO: THE LENDERS AND THE ADMINISTRATIVE AGENT

I, _____, the _____ of Yellow Media Inc. (the “**Borrower**”), in such capacity and not personally, hereby certify to the best of my knowledge, information and belief that:

1. I am the duly appointed _____ of the Borrower, one of the Credit Parties named in the Second Amended and Restated Credit Agreement made as of September 28, 2011 among Yellow Media Inc., the several Lenders who may from time to time be parties thereto, and The Bank of Nova Scotia, as Administrative Agent (the “Credit Agreement”) and as such I am providing this certificate for and on behalf of the Borrowers pursuant to Section 8.1(e) of the Credit Agreement.
2. I am familiar with and have examined the provisions of the Credit Agreement including, without limitation, those of Articles 7, 8, 9 and 10 therein and have reviewed and am familiar with the contents of this certificate.
3. The attached Quarterly/Annual financial statements of the Borrower have been prepared in accordance with GAAP.
4. No Default or Event of Default has occurred and is continuing as of the date hereof [or if any Default or Event of Default does exist, specify the nature and extent thereof].
5. As of the last day of the Fiscal Quarter ending _____, the financial ratios referred to in Sections 9.7 and 9.8 of the Credit Agreement are as follows and were calculated as set forth in the attached supporting schedules:

	<u>Actual Ratio</u>	<u>Required Ratio</u>
(a) Consolidated Total Debt to Consolidated EBITDA	_____:1	≤ 3.50:1
(b) Consolidated EBITDA to Consolidated Interest Expense	_____:1	> 3.5:1

6. As of the last day of the Fiscal Quarter ending _____, the applicable Status was Level ____.
7. During the Fiscal Quarter ending _____:
 - (a) the following Restricted Entities and Excused Subsidiaries changed their corporate identities on the following dates:

<u>Former Corporate name</u>	<u>New Corporate Name</u>	<u>Date</u>
------------------------------	---------------------------	-------------

(b) the following changes were made to the information contained in Section 7.9 of the Credit Agreement:

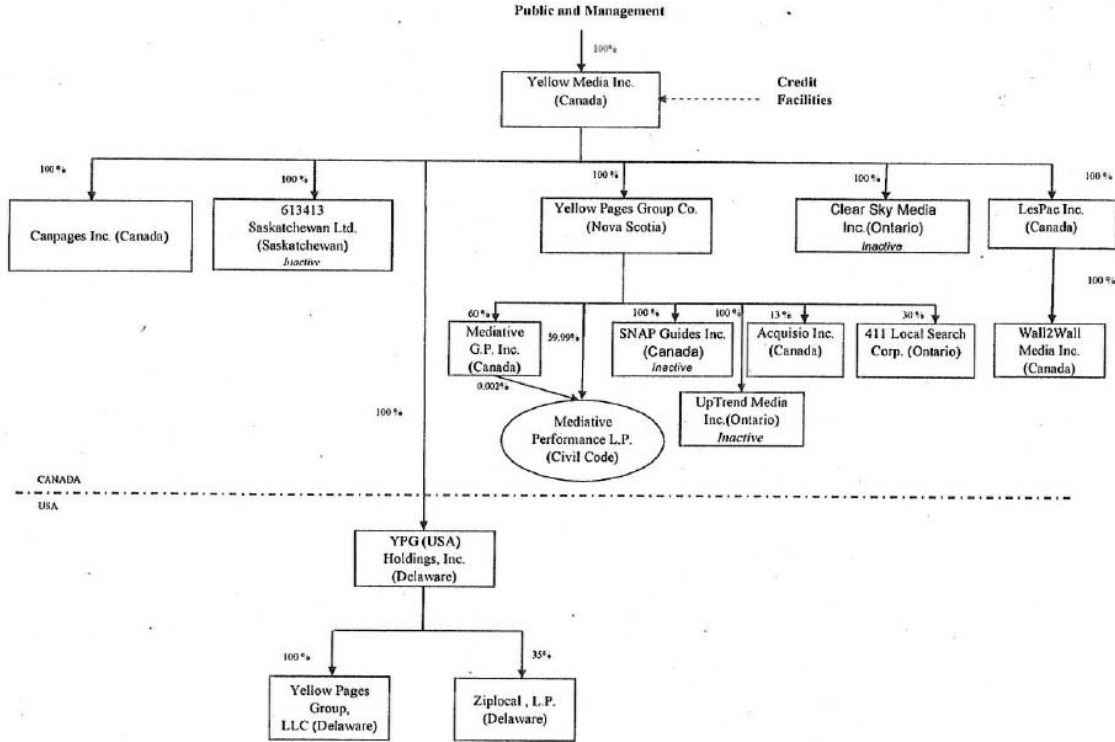
8. As of the last day of the Fiscal Quarter ending _____, the identity of each Guarantor, each Restricted Subsidiary and each Excused Subsidiary is as set forth in the attached supporting schedule.
9. As at the last day of the Fiscal Quarter ending _____, the mark-to-market exposure of all Hedging Agreements is as set forth in the attached schedule.
10. Unless the context otherwise requires, capitalized terms in the Credit Agreement which appear herein without definitions shall have the meanings ascribed thereto in the Credit Agreement.

DATED this ___ day of _____, _____.

[Name and Title]

SCHEDULE G ORGANIZATIONAL CHART

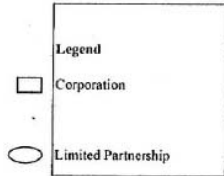
Yellow Pages Group - Corporate Structure
July 28, 2011



Changes from previous structure:
July 28, 2011
Yellow Media Inc. sells the shares of Trader Corporation

Other parties:
Corporations
Mediative Performance LP
Mediative G.P. Inc.
Acquisio Inc.
411 Local Search Corp.
Ziplocal, L.P.

Shareholders/antiholders
Enquiro Search Solution Inc. (39.99%)
Enquiro Search Solution Inc. (40%)
Several different shareholders (87%)
Several different shareholders (70%)
HM Capital PDC (63%)



**SCHEDULE H
[FORM OF]
ASSIGNMENT AND ASSUMPTION**

1. This Assignment and Assumption (the “Assignment and Assumption”) is dated as of the Effective Date set forth below and is entered into by and between [Insert name of Assignor] (the “Assignor”) and [Insert name of Assignee] (the “Assignee”). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the “Credit Agreement”), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.
2. For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor’s rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including without limitation any letters of credit, guarantees, bankers’ acceptances and swingline loans included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as, the “Assigned Interest”). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.
3. Assignor: _____
4. Assignee: _____
[and is an Affiliate/Approved Fund of [identify Lender]¹]
5. Borrower: Yellow Media Inc.
6. Administrative Agent: The Bank of Nova Scotia, as the administrative agent under the Credit Agreement
7. Credit Agreement: The Second Amended and Restated Credit Agreement dated as of September 28, 2011 among Yellow Media Inc., the Lenders parties thereto, and The Bank of Nova Scotia, as Administrative Agent

¹ Select as applicable.

8. Assigned Interest:

Facility Assigned	Aggregate Amount of Commitment/Loans for all Lenders ²	Amount of Commitment/Loans Assigned ²	Percentage Assigned of Commitment/Loans ³
NRT Facility	\$	\$	%
Revolving Facility	\$	\$	%

9. [Trade Date: _____]⁴

Effective Date: _____, 20__ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: _____

Title:

ASSIGNEE

[NAME OF ASSIGNEE]

By: _____

Title:

² Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

³ Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

⁴ To be completed if the Assignor and the Assignee intend that the minimum assignment amount is to be determined as of the Trade Date.

[Consented to and]⁵ Accepted:

THE BANK OF NOVA SCOTIA, as Administrative Agent

By _____

Title:

[Consented to:]⁶

[NAME OF RELEVANT PARTY]

By _____

Title:

⁵ To be added only if the consent of the Administrative Agent is required by the terms of the Credit Agreement.

⁶ To be added only if the consent of the Borrower and/or other parties (e.g. Swingline Lender or Letter of Credit Issuer) is required by the terms of the Credit Agreement.

**STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION**

Representations and Warranties.

Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Documents or any collateral thereunder, (iii) the financial condition of the Restricted Entities, any of their respective Subsidiaries or Affiliates or any other Person obligated in respect of any Credit Document or (iv) the performance or observance by the Restricted Entities, any of their respective Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Credit Document.

Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all requirements of an eligible Assignee under the Credit Agreement (subject to receipt of such consents as may be required under the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 8.1 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (v) if it is not a Canadian Qualified Lender, attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender.

Payments.

From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and

other amounts) to the Assignee whether such amounts have accrued prior to, on or after the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Administrative Agent for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves.

General Provisions.

This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy or email (in pdf format) shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the Province of Quebec. The parties expressly request that this agreement as well as all documents relating thereto be drawn up in English. Les parties ont expressément exigé que cette convention ainsi que tous les documents s'y rattachant soient rédigés en anglais.

I-1

**SCHEDULE I
LITIGATION**

[None]

SCHEDULE J
[FORM OF]
NOTICE OF VOLUNTARY PREPAYMENT

TO: THE BANK OF NOVA SCOTIA, as Administrative Agent under the Credit Agreement (as defined below)
Global Wholesale Services
3rd Floor
720 King Street
Toronto, Ontario M5V 2T3

Attention: Director
Facsimile No.: 416-866-5991

Pursuant to that certain Second Amended and Restated Credit Agreement dated as of September 28, 2011, as amended, modified, supplemented, replaced or restated from time to time to the date hereof (said Credit Agreement, as so amended, modified, supplemented, replaced or restated from time to time, being the “**Credit Agreement**”, the terms defined therein and not otherwise defined herein being used herein as therein defined), by and among Yellow Media Inc. (the “**Borrower**”), the lenders who may from time to time be parties thereto (“the **Lenders**”), and The Bank of Nova Scotia, as Administrative Agent, this represents the notice of the Borrower pursuant to Section 5.1 of the Credit Agreement that it intends to voluntarily prepay the following Loan:

1. **Date of voluntary prepayment:**
_____ , _____

2. **Amount of voluntary prepayment:**

\$ _____

3. **Facility under which Loan is to be prepaid:**

_____ a. Revolving Facility
_____ b. NRT Facility

4. **Type of Loan to be prepaid:**

_____ a. Prime Loan

_____ b. BA Loan

5. **If a BA Loan is to be prepaid, the specific Borrowing(s) to be prepaid are:**

DATED: _____

YELLOW MEDIA INC.

By: _____
Name:
Title: