



## CREDIT AGREEMENT/APPLICATION

40 MILBURN ROAD  
UNIT B  
HAMILTON, ONTARIO  
L8E 3L9

TOLL FREE. (877) 710.0707  
LOCAL (905) 578.0707  
Email: bill@bnalogistics.net

Business Name: \_\_\_\_\_

Other Name if Used: \_\_\_\_\_

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ Province: \_\_\_\_\_ Postal Code: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ Email: \_\_\_\_\_

**Business Structure** Please circle one:      Corporate:      Partnership:      Proprietorship:      Division/Subsidiary:

Ship to address if different: \_\_\_\_\_

Owners Name: \_\_\_\_\_ Owners Address: \_\_\_\_\_

Trade References	Contact	Phone	Account#
1)			
2)			

Narcotics Authorized Person: \_\_\_\_\_ OCP License # \_\_\_\_\_  
(Print Name)

**Monthly minimum requirement to stay open is \$25,000.00. Minimum order to ship out is \$1,000.00**  
**Accounts must maintain minimum monthly sales of \$25,000.00.**  
**Accounts that fall below this threshold after a (2) month period will be subject to a 5% mark-up.**

**Note: LPG is a Pharmaceutical Wholesaler not a Financial Institution. We do not extend terms for opening orders.**  
Twice a month you will receive a statement showing the invoices which are due to be paid and these will be withdrawn automatically from your account via EFT. All late payments will be subject to a 2% late fee.

I hereby acknowledge that I have read and I understand the contents of the Credit Agreement.

I hereby certify that the information in this credit agreement is correct. The information included in this credit application is for use by LPG Inventory Solutions in determining the amount of credit to be extended.

I hereby understand that LPG Inventory Solutions may also utilize the other sources of credit information, which it considers necessary in making this determination.

I hereby authorize the bank and trade references listed in this credit application to release the information necessary to assist LPG Inventory Solutions in establishing a line of credit.

I hereby agree to abide by the credit sales and returns policies of LPG Inventory Solutions and understand that failure to do so may result in revocation of credit privilege without further notice.

Authorized By Print: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**L.P.G. Pharmaceutical Advisors Ltd. o/a LPG Inventory Solutions**

NOTE: New accounts will not have Ozempic allocation for the first (3) months.

Revision #8 November 30, 2023  
17 - pages enclosed

## PRE-AUTHORIZED DEBIT (PAD) AGREEMENT

This agreement is attached to and forms part of:

The pre-authorized payment between \_\_\_\_\_ (the "Debtor") and L.P.G. Pharmaceutical Advisors Ltd. o/a LPG Inventory Solutions (the "Secured Party") (collectively, the "LPG Agreement")

### Bank Account Information

#### PLEASE ATTACH SAMPLE CHEQUE MARKED "VOID"

(if a counter cheque is provided, an Electronic Debit/Credit Verification Information form must accompany this agreement)

### Pre-authorized Debit (PAD) Details:

You authorize us or any assignee of our interest to debit the bank account, identified on the attached sample cheque, on the first day of each month (or any other payment period) for the monthly pre-authorized payment of Business PADs and any other amounts due under the LPG Agreement. You may change this authorization at any time on 10 days written notice to us. You may cancel this authorization at any time provided written notice is received 30 days before the next scheduled PAD. You have certain recourse rights if any debit does not comply with this agreement. For example, you have the right to receive reimbursement for any debit that is not authorized or is not consistent with this authorization. To obtain more information on your recourse rights, to obtain a sample cancellation form and for information on your rights to cancel an authorization or file a Reimbursement Claim, contact your financial institution or visit [www.cdnpay.ca](http://www.cdnpay.ca). The Secured Party is authorized at any time and without prior notice to authorize the financial institution designated by you under the PAD to debit your bank account with all amounts owed by to the Secured Party under this Agreement, including, but not limited to all interest, fees, charges, costs, and expenses relating to the Secured Party's pre-authorized payment. You have waived your right to receive pre-notification of the amount of the PAD and agreed that you do not require advance notice of the amount of the PAD before the debit is processed. You acknowledge and consent that the amount of the PAD will be varied and adjusted to accommodate all amounts owed by you to the Secured Party. You acknowledge that this Agreement meets the electronic standard set by the Canadian Payments Association, including Rule H1 and any additional rules and regulations.

Date: \_\_\_\_\_, 202\_\_\_\_

\_\_\_\_\_  
Name of the Debtor

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name of the Debtor

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

I have authority to bind the corporation.

*(complete only if Debtor is a corporation)*



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Hamilton ON L8E 3L9  
Phone: 1 877 710 0707  
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## GENERAL SECURITY AGREEMENT

This GENERAL SECURITY AGREEMENT dated as of the \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_\_\_ (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time in accordance with the provisions hereof, this "**Agreement**"), is made by \_\_\_\_\_ located at \_\_\_\_\_ (the "**Debtor**"), in favour of L.P.G. PHARMACEUTICAL ADVISORS LTD. O/A LPG INVENTORY SOLUTIONS located at 40 Milburn Road, Unit B, Hamilton Ontario, L8E 3L9 (the "**Secured Party**") in consideration of the Secured Party entering into the Credit Agreement/Application dated the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ (the "**LPG Agreement**") and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Debtor.

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

- (a) all present and after-acquired property, assets and undertaking of the Debtor of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and Motor Vehicles, but excluding Consumer Goods), Intangibles, Intellectual Property (defined below), chattel paper, Documents of Title, Instruments, Securities (including those listed in Schedule A), Securities Accounts (including those listed in Schedule B) and all other Investment Property, Money, and any other contract rights or rights to the payment of money;
- (b) all Proceeds and products of each of the foregoing, including any and all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Debtor from time to time with respect to any of the foregoing;
- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating the foregoing;
- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing; and
- (f) the last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Debtor is hereby excepted out of the security interests hereby created, but should the Secured Party need to enforce against the Collateral, the Debtor shall hold the last date in trust for the Secured Party and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

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

2. **Attachment of Security Interest.** The Debtor acknowledges that value has been given, that the Debtor has rights in the Collateral and that the parties have not agreed to postpone the time for attachment of any



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security interest in this Agreement. The Debtor acknowledges that any security interest in this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Debtor acquires rights in such after-acquired Collateral.

3. Registration. The Debtor acknowledges that upon the execution of this Agreement they are authorizing Loopstra Nixon LLP, or any other agent acting for the Secured Party, to at the Secured Party's request, register and perfect, and maintain the registration and perfection of, the security interests in this Agreement.

4. Limitation on Grant of Security Interest.

(a) To the extent the grant of the security interest in respect of any contract, permit, lease, licence, instrument, document or other agreement entered into by the Debtor would result in the breach or termination of or cause a default under such contract, permit, lease, licence, instrument, or other agreement (each an "**Excluded Asset**"), each such Excluded Asset shall not be subject to the security interest created hereby while such restriction applies but shall be held in trust by the Debtor in favour of the Secured Party, but only for so long as such prohibition or requirement for consent is not terminated, rendered unenforceable or otherwise deemed ineffective by the PPSA or any other applicable law; provided however that Excluded Assets shall not include any Proceeds, products, substitutions or replacements of any Excluded Asset (unless such Proceeds, products, substitutions, or replacements would themselves otherwise constitute Excluded Assets) and provided further that if any Excluded Asset would have otherwise constituted Collateral, when such asset shall cease to be an Excluded Asset, such asset shall be deemed at all times from and after the date hereof to constitute Collateral subject to the security interest created hereby. The Debtor will use all commercially reasonable efforts to obtain the consent of each other party to any and all Excluded Assets to the assignment of such Excluded Assets to the Secured Party in accordance with this Agreement. The Debtor will also use all commercially reasonable efforts to ensure that no material agreement entered into on or after the date of this Agreement shall expressly prohibit assignment of the benefits of such agreement as collateral security to the Secured Party.

(b) The security interest with respect to trademarks constitutes a security interest in, and a charge, hypothecation and pledge of, such Collateral in favour of the Secured Party, but does not constitute an assignment of such Collateral to the Secured Party.

5. Secured Obligations. The Collateral secures the payment and performance of all present and future obligations of the Debtor to the Secured Party from time to time including, without limitation, all present and future obligations of the Debtor arising under the guarantee (if applicable), and the LPG Agreement, this Agreement, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, whether the indebtedness is reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether incurred by the Debtor alone or with another or others and whether as a principal or surety, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise, together with all fees, costs, legal fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities related thereto (all such obligations, covenants, duties, debts, liabilities, sums and expenses set forth in this Section 4 being herein collectively called the "**Secured Obligations**").



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6. **Intellectual Property.** The Debtor hereby further authorizes the Secured Party to file with the Canadian Intellectual Property Office this Agreement and other documents for the purpose of recording, perfecting, confirming, continuing, enforcing or protecting the security interests in all intellectual property, including licences, copyrights, copyright licences, patents, patent licences, patent applications, service marks, trademarks, trademark licences, trademark applications, trade styles, trade names, technology, know-how and processes, trade secrets, inventions, industrial designs, all rights therein, and all rights to sue at law or in equity for any past, present, or future infringement, violation, misuse, misappropriation or other impairment thereof, whether arising under the laws of Canada, the laws of any Canadian province or territory or foreign laws or otherwise, including the right to receive injunctive relief and all proceeds and damages therefrom (collectively, the "Intellectual Property") granted by the Debtor hereunder.

7. **Representations and Warranties.** The Debtor represents and warrants as follows:

- (a) The Debtor's place or places of business and the location or locations of the Collateral, including all books and records in respect of Accounts, are set out in Schedule C hereto.
- (b) The Debtor is the sole, direct, legal and beneficial owner of, and has good marketable title to, all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to, each item of after-acquired Collateral free and clear of any mortgages, charges, hypothecs, pledges, trusts, liens, security interests and other claims except for the security interests created by this Agreement.
- (c) The Debtor has been duly incorporated and validly exists under the laws of its jurisdiction of incorporation and has full power, capacity, authority and legal right to borrow, grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement.
- (d) This Agreement has been duly authorized, executed and delivered by the Debtor and constitutes a legal, valid and binding obligation of the Debtor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).
- (e) The Securities (including those listed in Schedule A) and other Equity Interests have been duly authorized and validly issued and are fully paid and non-assessable and subject to no options to purchase or similar rights. No Person (other than the Debtor) has any right to acquire or cause to be issued to them any of the Collateral.
- (f) The Collateral does not include any certificated securities that the Debtor has not delivered to the Secured Party.
- (g) The Debtor has taken all action required on its part for control to have been obtained by the Secured Party over all Collateral with respect to which such control may be obtained pursuant to the *Personal Property Security Act (Ontario)* ("PPSA") and, to the extent applicable the *Securities Transfer Act (Ontario)*. No person other than the Secured Party has control or possession of all or any part of the Collateral.



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8. Covenants. The Debtor covenants as follows:

- (a) The Debtor will not, without providing at least 20 days' prior written notice to the Secured Party, change its legal name, jurisdiction of incorporation corporate structure, province, or territory in which its registered office, chief executive office or its principal place of business is located. The Debtor will, prior to any such change, take all actions requested by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.
- (b) The Collateral will be kept at those locations listed in Schedule C and, except for Inventory sold or leased in the ordinary course of business, the Debtor will not remove the Collateral from such locations without obtaining the Secured Party's prior written consent or as otherwise permitted in the LPG Agreement. The Debtor will, prior to any such change, take all actions required by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.
- (c) The Debtor will not sell, dispose of, lease, assign or otherwise transfer any of the Collateral except as expressly provided for in the LPG Agreement, in the ordinary course of business, or with the prior written consent of the Secured Party. The Debtor will not amend or terminate any chattel paper, document of title, instrument, security, investment property or intangible, without the prior written consent of the Secured Party.
- (d) The Debtor will not grant, create, permit or suffer to exist any mortgage, hypothec, pledge, lien, security interest, option, right of first offer, right of first refusal, encumbrance, statutory lien or trust (including any conditional sale or other title retention agreement or finance lease) or other restriction or limitation of any nature whatsoever on the Collateral except as expressly provided for in the LPG Agreement or with the prior written consent of the Secured Party.
- (e) The Debtor will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Secured Party.
- (f) The Debtor will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any Applicable Law. The Debtor will keep all licences, permits, agreements, registrations and applications relating to the Intellectual Property used by Debtor in good standing. The Debtor shall, at its own cost and expense, defend title to the Collateral and the security interests of the Secured Party therein against the claim or demand of any person claiming against or through the Debtor and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (g) The Debtor will pay promptly when due all Debt, including without limitation Taxes and Contractual Obligations, subject to the terms of the LPG Agreement.
- (h) The Debtor will permit the Secured Party, and its representatives, agents, consultants and advisors, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Debtor shall, upon request by the Secured Party, provide the Secured Party with any information



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concerning the Collateral, the Debtor and its business, as the Secured Party may reasonably request, including access to the Debtor's senior executives, accountants and auditors to discuss any information concerning the Collateral.

(i) The Debtor shall insure the Collateral against loss or damage by fire and such other risks and hazards, in such amounts, with the Secured Party as loss payee and upon such other terms as set out in the LPG Agreement or as the Secured Party may from time to time require. Any insurance proceeds received by the Secured Party shall be applied against the Secured Obligations or released to the Debtor, as set out in the LPG Agreement, without prejudice to any rights or remedies of the Secured Party.

(j) The Debtor shall promptly, and within two (2) business days, provide the Secured Party with written notice of any event that occurs that would have a material adverse effect upon the Collateral or upon the financial condition of the Debtor.

(k) The Debtor will make and maintain all filings, registrations and records necessary to maintain its right in the patents, trademarks, copyrights and industrial designs included in the Intellectual Property.

9. Survival. All representations, warranties and covenants made by the Debtor shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

10. Investment Property.

(a) Unless a Default or an Event of Default shall have occurred and be continuing, the Debtor may, to the extent the Debtor has such right as a holder of the Collateral consisting of Investment Property, other securities, shares, interests, units, trust units, partnership, members or other equity interests, participations or other equivalents of shares in a corporation or equivalent ownership interests in a person (collectively, "**Equity Interests**") or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that, in the Secured Party's reasonable judgment, any such vote, consent, ratification or waiver would detract from the value thereof as Collateral or be inconsistent with or result in any violation of any provision of the LPG Agreement or this Agreement. The Debtor may, unless a Default or an Event of Default shall have occurred and be continuing, receive and retain all dividends and other distributions with respect to the Collateral consisting of securities, other Equity Interests or indebtedness owed by any obligor.

(b) Where Collateral includes electronic chattel paper, the Debtor shall take all commercially reasonable efforts to cause the record comprising such chattel paper to be created, stored and transferred in a manner satisfactory to the Secured Party and which will provide the Secured Party with control of the electronic chattel paper.

(c) The Debtor shall promptly, in a manner satisfactory to the Secured Party: (i) cause a security certificate to be issued for any Investment Property that is in the form of an uncertificated security to the extent that such request can be accommodated by the Issuer thereof; (ii) duly endorse all share certificates at any time held or acquired by it relating to the Collateral in blank for transfer or execute stock powers of attorney in blank in form and substance satisfactory to the Secured Party; (iii) deliver



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such share certificates and stock powers to the Secured Party; and (iv) take all other steps to give exclusive control over such certificated securities to the Secured Party.

(d) Where Investment Property (i) is held in an account of a securities intermediary, the Debtor shall enter into, and use commercially reasonable efforts to cause any securities intermediary for any securities accounts or entitlements forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Debtor and said securities intermediary, in a form and substance acceptable to the Secured Party; and (ii) consists of uncertificated securities and is not held in an account of a securities intermediary, the Debtor shall enter into, and use commercially reasonable efforts to cause any issuer of uncertificated securities forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Debtor and said issuer, in a form and substance acceptable to the Secured Party.

11. Power of Attorney. The Debtor hereby irrevocably constitutes and appoints the Secured Party and any officer or employee of the Secured Party as the Debtor's true and lawful attorney, with full power of substitution and with full authority in the place and stead of the Debtor and in the name of the Debtor or otherwise, from time to time, in the Secured Party's discretion to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, to receive, endorse and collect all instruments made payable to the Debtor representing any dividend, interest payment or other distribution in respect of the Collateral or any part thereof and to give full discharge for the same, to transfer, endorse, negotiate and sign on behalf of the Debtor any of the Equity Interests, to complete the blanks in any transfers of shares, bonds or debentures, any power of attorney or other documents delivered to it, to provide instructions or entitlement orders to any securities intermediary which maintains any securities account in which any Collateral is maintained, and to delegate its powers and for any delegate to sub-delegate the same (but the Secured Party shall not be obligated to and shall have no liability to the Debtor or any third party for failure to do so or take any action). Such appointment, being coupled with an interest, shall be irrevocable until the full and final discharge of the security interests created by this Agreement. The Debtor hereby ratifies all acts that such attorneys shall lawfully do or cause to be done by virtue hereof.

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

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

14. Set-Off. The Secured Party may, without notice to the Debtor or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Debtor from the Secured Party or any of the Secured Party's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, as the Secured Party may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Secured Party's records are proof of such recording absent manifest error.



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When applying a deposit or other obligation in a different currency than the Secured Obligations to the Secured Obligations, the Secured Party will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Secured Party.

15. Remedies. Upon the occurrence of an Event of Default that is continuing, the Secured Party may, by notice, terminate any further advances and declare any or all of the Secured Obligations to be immediately due and payable and the Secured Party may proceed to realize upon the Collateral and immediately enforce its rights and remedies, including the following:

- (a) the Secured Party may assert all rights and remedies of a secured party under the PPSA or other applicable law;
- (b) the Secured Party may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;
- (c) the Secured Party can take possession of the Collateral by requiring the Debtor to assemble and deliver the Collateral, or make the Collateral available, to the Secured Party at a place and time designated by the Secured Party;
- (d) the Secured Party may take possession of the Collateral by carrying on all or any part of the business of the Debtor and may, to the exclusion of all others, including the Debtor, enter upon, occupy and use any of the land and premises, buildings, plant and undertaking owned, occupied or used by the Debtor and may use any of the tools, machinery, equipment, intangibles (including Intellectual Property) of the Debtor for such time as the Secured Party sees fit, free of charge and without liability, in order to carry on the business of the Debtor or to manufacture or complete the manufacture of Inventory and to pack and ship finished products;
- (e) the Secured Party may borrow money required for the maintenance, preservation or protection of the Collateral, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Agreement;
- (f) the Secured Party may exercise and enforce all rights and remedies of the Debtor with respect to the Collateral, including collecting or compromising all or any of the Debtor's Accounts;
- (g) the Secured Party may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions as the Secured Party may deem commercially reasonable;
- (h) the Secured Party may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Secured Party or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall (i) have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this Agreement; (ii) act as agent for the Debtor and not the Secured Party, and the Secured Party shall not in any way be responsible for any of the actions of the Receiver, its employees, agents and contractors;



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and (iii) be removed as the discretion of the Secured Party and a replacement appointed by the Secured Party;

(i) the Secured Party may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall (i) have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this Agreement; (ii) act as agent for the Debtor and not the Secured Party, and the Secured Party shall not in any way be responsible for any of the actions of the Receiver, its employees, agents and contractors; and (iii) be removed as the discretion of the Secured Party and a replacement appointed by the Secured Party;

(j) all rights of the Debtor to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 9; and (ii) receive the dividends and other distributions that it would otherwise be entitled to receive and retain pursuant to Section 9, shall immediately cease, and all such rights shall thereupon become vested in the Secured Party, which shall have the sole right to exercise such voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and

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

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

17. Defined Terms. Unless otherwise defined herein, terms used herein that are defined in the PPSA shall have the meanings assigned to them in the PPSA or the regulations made under the PPSA.

18. Acknowledgement and Waiver. The Debtor acknowledges receipt of a fully executed copy of this Agreement. To the extent permitted by law, the Debtor hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement registered or received by or on behalf of the Secured Party in connection with the Secured Party's interest in the Collateral.

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



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20. Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Debtor therefrom shall be effective unless the same shall be in writing and signed by the Secured Party and the Debtor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.
21. Notices. All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the LPG Agreement and shall be given in the manner and become effective as set forth in the LPG Agreement.
22. Continuing Security Interest; Assignment. This Agreement creates a general and continuing security interest in the Collateral and shall (a) remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Debtor, its successors and permitted assigns, and (c) enure to the benefit of the Secured Party and its successors, transferees and assigns; provided that the Debtor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Secured Party. The Secured Party may assign or transfer any of its rights under this Agreement without the consent of the Debtor.
23. Amalgamation. The Debtor acknowledges that, if it amalgamates with another person, the term Debtor, when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any Collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Secured Party at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Secured Party thereafter arising.
24. Governing Law. All matters arising out of or relating to this Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in that province and the parties irrevocably attorn to the non-exclusive jurisdiction of the courts of Ontario.
25. Counterparts and Electronic Transmission. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.
26. Conflict with LPG Agreement. To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the LPG Agreement, the terms of the LPG Agreement shall govern to the extent necessary to remove the conflict or inconsistency.
27. Further Assurances. The Debtor agrees that, at any time and from time to time, at the expense of the Debtor, the Debtor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Secured Party may reasonably request to create and maintain the validity, perfection or priority of and protect



L.P.G. Pharmaceutical Advisors Ltd. o/a LPG Inventory Solutions  
40 Milburn Road, Unit B  
Hamilton ON L8E 3L9  
Phone: 1 877 710 0707  
[bill@bnalogistics.net](mailto:bill@bnalogistics.net) / [www.lpgis.com](http://www.lpgis.com)

any security interest granted or purported to be granted hereby or to enable the Secured Party to exercise and enforce its rights and remedies hereunder with respect to any Collateral.

**[SIGNATURE PAGE FOLLOWS]**



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

---

Name of the Debtor

---

Signature

---

Name of the Debtor

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

I have authority to bind the corporation.

*(complete only if Debtor is a corporation)*



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#### SCHEDULE A

#### PLEDGED SECURITIES

Issuer	Class/Type of Security	Certificate Number (if certificated)	Number of Securities
N/A	N/A	N/A	N/A



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**SCHEDULE B**

**SECURITIES ACCOUNTS**

<b>Securities Intermediary</b>	<b>Account Number</b>
N/A	N/A



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#### SCHEDULE C

##### LOCATION OF THE COLLATERAL

List locations of collateral as required by Section 6(a) and Section 7(b):

[INSERT ADDRESS OF PHARMACY]



L.P.G. Pharmaceutical Advisors Ltd. o/a LPG Inventory Solutions  
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Hamilton ON L8E 3L9  
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EXHIBIT "C"

**NOTICE AND ACKNOWLEDGEMENT OF PPSA REGISTRATION**

TO: L.P.G. PHARMACEUTICAL ADVISORS LTD. O/A LPG INVENTORY SOLUTIONS

AND TO: LOOPSTRA NIXON LLP

RE: PPSA Financing Statement registered in relation to the general security agreement dated as of the \_\_\_\_ day of \_\_\_\_\_, 202\_\_ made by \_\_\_\_\_ (the "**Debtor**") located at \_\_\_\_\_ in favour of L.P.G. PHARMACEUTICAL ADVISORS LTD. O/A LPG INVENTORY SOLUTIONS (the "**Secured Party**") located at 40 Milburn Road, Unit B, Hamilton Ontario, L8E 3L9, in consideration of the Credit Agreement/Application dated the \_\_\_\_ day of \_\_\_\_\_, 202\_\_ between the Debtor and Secured Party and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Debtor.

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The undersigned acknowledges receipt of a copy of the attached financing statement registered against the Debtor in favour of the Secured Party under the *Personal Property Security Act* (Ontario).

DATED as of \_\_\_\_\_, 202\_\_.

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Name of the Debtor

---

Name of the Debtor

---

Signature

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

I have authority to bind the corporation.

(complete only if Debtor is a corporation)