NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

to be held on September 12, 2023 and

MANAGEMENT INFORMATION CIRCULAR

with respect to a plan of arrangement involving

9494-3677 QUÉBEC INC.

and

IOU FINANCIAL INC.

RECOMMENDATION TO SHAREHOLDERS:

THE BOARD OF DIRECTORS OF IOU FINANCIAL INC. UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE

FOR

THE ARRANGEMENT RESOLUTION

August 14, 2023

These materials are important and require your immediate attention. You have an important decision to make with respect to IOU Financial Inc. If you have questions relating to the meeting or about voting your form of proxy or voting instruction form, please contact our proxy solicitation agent and shareholder communications advisor, Morrow Sodali, by telephone at 1.888.444.0617 (North American Toll Free) or 1.289.695.3075 (Collect Outside North America) or by email at assistance@morrowsodali.com.

August 14, 2023

Dear Shareholders,

The board of directors (the "**Board of Directors**") of IOU Financial Inc. (the "**Company**") invites you to attend a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of the common shares of the Company (the "**Shares**") to be held as a virtual-only meeting conducted by live videoconference at https://web.lumiagm.com/412704157, on September 12, 2023, at 11:00 a.m. (Montréal time).

THE TRANSACTION

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass a special resolution (the "**Arrangement Resolution**") approving a statutory plan of arrangement (the "**Plan of Arrangement**") under *Chapter XVI – Division II* of the *Business Corporations Act* (Québec) involving the Company and 9494-3677 Québec Inc. (the "**Purchaser**"), a corporation created by a group composed of (i) NB Specialty Finance Fund LP ("**NBSF 1**"), a fund managed by Neuberger Berman Investment Advisers LLC (together with NBSF 1, "**Neuberger Berman**"), (ii) funds managed by Palos Capital, including Palos IOU Inc. (on behalf of itself and its affiliated entities, including Palos Merchant Fund L.P. and Palos Management Inc.) ("**Palos IOU**" and, together with Palos Capital, "**Palos**"), and (iii) Fintech Ventures Fund, LLLP ("**FinTech**" and, collectively with Neuberger Berman and Palos, the "**Purchaser Group**"), pursuant to which the Purchaser will, among other things, acquire all of the issued and outstanding Shares (other than the Rolling Shares (as defined below)) (the "**Arrangement**"). Pursuant to the Arrangement:

- *Shareholder Consideration*. **Shareholders (other than the Rolling Shareholders (as defined below) in respect of the Rolling Shares and Shareholders who have validly exercised their Dissent Rights (as defined below)) will receive $0.22 per Share in cash (the "Consideration").** The Consideration represents a premium of (i) approximately 83.3% to the closing price per Share on the TSX Venture Exchange (the "**TSX-V**") on July 13, 2023, the last trading day prior to the announcement of the Arrangement, and (ii) approximately 90.6% to the volume-weighted average price of the Shares on the TSX-V over the 30 trading days up to and including July 13, 2023, the last trading day prior to the announcement of the Arrangement.

- *Rolling Shares*. NBSF 1, Palos IOU and FinTech (collectively, the "**Rolling Shareholders**") have agreed to transfer an aggregate of 42,487,414 Shares (representing approximately 40.3% of the issued and outstanding Shares on a non-diluted basis) (collectively, the "**Rolling Shares**") to the Purchaser in exchange for common shares in the capital of the Purchaser pursuant to the Plan of Arrangement and the rollover agreements entered into by each of NBSF 1, Palos IOU and FinTech, on the one hand, and the Purchaser, on the other hand.

REASONS FOR THE ARRANGEMENT

The unanimous recommendation of each of the special committee of the Board of Directors (the "**Special Committee**") and the Board of Directors (with the Non-Participating Directors (as defined below) abstaining from voting) that Shareholders (other than the Rolling Shareholders) vote **FOR** the Arrangement Resolution is based on various factors, including those presented below. A detailed description of the information and factors considered by the Special Committee and the Board of Directors is set out in the accompanying management information circular (the "**Circular**").

- **Premium to Share Trading Price.** The Consideration represents a premium of (i) approximately 83.3% to the closing price per Share on the TSX-V on July 13, 2023, the last trading day prior to the announcement of the Arrangement, and (ii) approximately 90.6% to the volume-weighted average price of the Shares on the TSX-V over the 30 trading days up to and including July 13, 2023, the last trading day prior to the announcement of the Arrangement.

- **Independent Valuation and Fairness Opinion.** The independent valuation of the Shares by Evans & Evans, Inc. concludes that the Consideration is above the $0.168 to $0.185 per Share range of the fair market value of the Shares, as of April 30, 2023. The fairness opinion prepared by Evans & Evans, Inc. in respect of the Arrangement concludes that the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Rolling Shareholders).

- **Procedural Safeguards; Required Shareholder and Court Approvals.** The Arrangement was reviewed and evaluated by the Special Committee, which is comprised solely of independent directors who are unrelated to the management of the Company and the Rolling Shareholders and which was advised by independent financial advisors and legal counsel. The Arrangement will become effective only if it is approved by (i) at least two-thirds of the votes cast at the Meeting by Shareholders virtually present or represented by proxy and entitled to vote at the Meeting, and (ii) a simple majority of the votes cast at the Meeting by Shareholders virtually present or represented by proxy and entitled to vote at the Meeting, excluding the votes attached to Shares that are required to be excluded pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (in Québec, *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions)* ("**MI 61-101**"). The Arrangement must also be approved by the Superior Court of Québec (the "**Court**"), which will consider, among other things, the fairness and reasonableness of the Arrangement to the Shareholders (other than the Rolling Shareholders) and the holders of options to purchase Shares ("**Options**").

- **Shareholder and Director & Officer Support.** The Purchaser has entered into (i) irrevocable voting support agreements ("**Irrevocable VSAs**") with each member of the Purchaser Group and certain other Shareholders, thereby securing irrevocable support for the approval of the Arrangement by Shareholders representing approximately 48.6% of the issued and outstanding Shares (on a non-diluted basis), and (ii) voting support agreements ("**D&O VSAs**") with certain directors or officers of the Company, thereby securing support for the approval of the Arrangement by Shareholders representing approximately an additional 0.6% of the issued and outstanding Shares (on a non-diluted basis), subject to customary exceptions.

- **Dissent Rights.** The registered Shareholders have been granted dissent rights and, subject to certain conditions, may have their Shares transferred to the Purchaser against payment by the Purchaser of their fair value ("**Dissent Rights**").

- **Purchaser Group Commitment to the Proposed Transaction.** The Purchaser Group beneficially owns, or exercises control or direction over, directly or indirectly, an aggregate of approximately 46.1% of the issued and outstanding Shares and has secured irrevocable support for the approval of the Arrangement by Shareholders representing approximately 48.6% of the issued and outstanding Shares. On many occasions throughout the negotiation of the Arrangement, the Purchaser Group has reconfirmed its commitment to the Arrangement. As of the date of the Arrangement Agreement, to the knowledge of the Special Committee, no third party had entertained with the Company any credible strategic alternatives other than the Arrangement. The Company subsequently received an unsolicited, non-binding, conditional proposal from North Mill Equipment Finance LLC ("**NMEF**"), which the Purchaser Group has confirmed it will oppose. Given

that the Purchaser has secured irrevocable support for the approval of the Arrangement by Shareholders representing approximately 48.6% of the issued and outstanding Shares (on a non-diluted basis), the Purchaser Group's rejection of NMEF's unsolicited non-binding, conditional proposal means that such proposal is unable to be consummated. To be successfully consummated, it would need, among other things, to gather the support of more than two-thirds of the Shareholders, which would not be possible in the present circumstances without the support of the Purchaser Group.

- **Immediate Liquidity.** The trading volume of the Shares has historically been relatively limited given the Company's market capitalization and public float, thereby making it difficult for Shareholders to realize meaningful liquidity through the public markets on which the Shares trade. The all-cash Consideration provides the Shareholders (other than the Rolling Shareholders in respect of the Rolling Shares) with certainty of value and immediate liquidity for their Shares at a price that may not otherwise be available in the market in the absence of the Arrangement.

- **Debentures.** The Arrangement is not detrimental to the interests of the holders of the outstanding debentures of the Company given the existing features of such debentures negotiated at the time of their issuance, which provide the holders thereof with the right to require the repurchase of their debentures at a premium in the event of a change of control of the Company.

- **Options.** The Arrangement is not detrimental to the interests of the holders of Options as such holders will receive a cash payment equal to the "in-the-money" amount in respect of all vested and unvested Options.

- **Dependence of the Company on a Member of the Purchaser Group.** The Company depends on a member of the Purchaser Group as a principal source of capital for its ongoing business activities.

- **Deal Certainty.** The completion of the Arrangement is subject to a limited number of conditions, which in the view of the Special Committee, after receiving legal and financial advice, are reasonable in the circumstances and can reasonably be expected to be satisfied, and is not subject to any financing condition. Accordingly, it offers relative deal certainty.

- **Strategic Alternatives relative to the Status Quo.** The Special Committee and the Board of Directors assessed the current and anticipated future opportunities and risks associated with the business, operations, assets, financial performance and condition of the Company should it continue as a public corporation. In that regard and in considering the status quo as an alternative to pursuing the Arrangement, the Special Committee and the Board of Directors assessed the historical and continued weak performance of the Shares from a market price and liquidity perspective. After considering all available alternatives, the Special Committee and the Board of Directors determined (with the Non-Participating Directors abstaining from voting) that entering into the Arrangement was in the best interests of the Company and is fair to the Shareholders (other than the Rolling Shareholders).

- **Going Private.** The Company's business is very likely to be more effective as a private entity in that limited management resources will be more properly focused on its business operations rather than on public reporting and related obligations and costs.

- **Continuity of Operations.** The Purchaser Group has expressed its intention to maintain the operations of the Company, as well as its workforce, substantially intact following the completion of the Arrangement, providing continuity for the Company's stakeholders.

- **Risks.** The business, operations, assets, financial condition, operating results and prospects of the Company continue to be subject to significant uncertainty, including prevailing market conditions in technology and finance.

- **Ability to Respond to Unsolicited Superior Proposal.** If, at any time prior to the approval of the Arrangement Resolution at the Meeting, the Company receives an unsolicited bona fide written Acquisition Proposal and, among other things, the Board of Directors (with the Non-Participating Directors abstaining from voting) first determines, in good faith, upon the recommendation of the Special Committee, the Company's financial advisors and legal counsel, that such Acquisition Proposal constitutes, or is reasonably expected to result in, a Superior Proposal (as defined in the Circular) and that the failure to engage in such discussions or negotiations would be inconsistent with its fiduciary duties, the Company may enter into or participate in discussions or negotiations with such person regarding the Acquisition Proposal. In that event, the Company is nevertheless required to hold the Meeting and cause the Arrangement to be voted on at the Meeting. The $885,000 Termination Fee (as defined in the Circular) payable by the Company in certain circumstances is reasonable and consistent with prevailing market terms. Further, in the view of the Special Committee and the Board of Directors, the Termination Fee would not preclude a third party from making a Superior Proposal.

THE MEETING

The Meeting will be held at 11:00 a.m. (Montréal time) on September 12, 2023, in a virtual-only format conducted by live videoconference at https://web.lumiagm.com/412704157, the password being "iou2023" (case sensitive). Online access to the Meeting will begin at 10:30 a.m. (Montréal time) on September 12, 2023. The Company is holding the Meeting in a virtual-only format in order to provide Shareholders with an equal opportunity to attend and participate at the Meeting regardless of their geographic location or the particular constraints or circumstances that they may face.

The accompanying notice of special meeting (the "**Notice of Meeting**") and the Circular contain a detailed description of the Arrangement and set forth the actions to be taken by you at the Meeting. You should carefully consider all of the relevant information in the Notice of Meeting and the Circular and consult with your financial, legal or other professional advisors if you require assistance.

The Board of Directors has set the close of business (Montréal time) on August 8, 2023 as the record date (the "**Record Date**") for determining the Shareholders who are entitled to receive notice of, and to vote at, the Meeting. Only persons shown on the register of Shareholders at the close of business on the Record Date, or their duly appointed proxyholders, will be entitled to virtually attend the Meeting and vote on the Arrangement Resolution. Each Share entitled to be voted at the Meeting will entitle the holder thereof as of the Record Date to one vote at the Meeting in respect of the Arrangement Resolution.

VOTING REQUIREMENTS

For the Arrangement to proceed, the Arrangement Resolution must be approved by (i) at least two-thirds of the votes cast at the Meeting by Shareholders virtually present or represented by proxy and entitled to vote at the Meeting, and (ii) a simple majority of the votes cast at the Meeting by Shareholders virtually present or represented by proxy and entitled to vote at the Meeting, excluding for this purpose the Rolling Shareholders and related parties thereof and any other person required to be excluded pursuant to section 8.1(2) of MI 61-101.

BOARD RECOMMENDATION

The Board of Directors, based in part on the unanimous recommendation of the Special Committee and after receiving legal and financial advice, has unanimously (with (i) Philippe Marleau and Lucas Timberlake abstaining from voting due to their relationships with Palos and FinTech, respectively, and (ii) Robert Gloer (collectively with Philippe Marleau and Lucas Timberlake (the "Non-Participating Directors")) abstaining from voting due to his participation in the Arrangement as a Rolling Shareholder) determined that the Arrangement is in the best interests of the Company and is fair to the Shareholders (other than the Rolling Shareholders). The Board of Directors unanimously (with the Non-Participating Directors abstaining from voting) recommends that the Shareholders (other than the Rolling Shareholders) vote FOR the Arrangement Resolution. The determination of the Board of Directors is based on various factors described more fully in the Circular and, in particular, under the heading "*Reasons for the Arrangement*". In making its recommendation, each of the Board of Directors and the Special Committee carefully considered a variety of factors and believes that the all-cash Consideration is an attractive option for the Shareholders, taking into account the premium, liquidity, and anticipated future opportunities and risks associated with the business operations, operations, assets, financial performance and condition of the Company on a stand-alone basis.

VOTING SUPPORT AGREEMENTS

In connection with the Arrangement, the Rolling Shareholders and certain other Shareholders, who hold in aggregate 51,245,948 Shares (or approximately 48.6% of the issued and outstanding Shares (on a non-diluted basis)), have entered into Irrevocable VSAs with the Purchaser providing for such Shareholders to vote all Shares beneficially owned by them in favour of the Arrangement Resolution. In addition, Evan Price, Jeffrey Turner, Kathleen Miller and Yves Roy, each of whom is a director or officer of the Company holding Shares (in the aggregate, 654,777 Shares), representing in the aggregate approximately 0.6% of the issued and outstanding Shares, have entered into D&O VSAs pursuant to which each has agreed to vote in favour of the Arrangement Resolution, subject to customary exceptions.

LETTER OF TRANSMITTAL

If the Arrangement is approved and completed, before the Purchaser can pay you for your Shares, Computershare Investor Services Inc., who acts as depositary under the Arrangement (the "**Depositary**"), will need to receive the applicable letter of transmittal completed by you if you are a registered Shareholder, or by your broker, investment dealer, bank, trust company or other intermediary (an "**Intermediary**") if you are a non-registered Shareholder. Registered Shareholders must complete, sign, date and return the letter of transmittal which accompanies this Circular and is available under the Company's profile on SEDAR+ at www.sedarplus.ca. If you are a non-registered Shareholder, you must ensure that your Intermediary completes the necessary transmittal documents to ensure that you receive payment for your Shares if the Arrangement is completed. Holders of Options need not complete any documentation to receive the consideration payable to them under the Arrangement in respect of their Options, if any.

CLOSING CONDITIONS

The Arrangement is subject to customary closing conditions for a transaction of this nature, including Shareholder and Court approvals in the manner described above and certain regulatory approvals. If the necessary approvals are obtained and the other conditions to closing are satisfied or, if applicable, waived, it is anticipated that the Arrangement will be completed in the weeks following the Meeting and as a Shareholder, you will receive payment for your Shares shortly after closing provided the Depositary receives from you or your Intermediary duly completed transmittal documents.

VOTE USING THE FOLLOWING METHODS PRIOR TO THE MEETING

Your vote is important regardless of how many Shares you own. Whether or not you are able to virtually attend the Meeting, Shareholders are urged to vote as soon as possible electronically, by

telephone, email, fax or in writing, by following the instructions set out on the form of proxy or voting instruction form, as applicable, which accompanies the Notice of Meeting. Proxies must be received by the Company's transfer agent, Computershare Investor Services Inc., at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Attention: Investor Services, Fax: 1-866-249-7775, no later than 11:00 a.m. (Montréal time) on September 8, 2023 (or no later than 48 hours, excluding Saturdays, Sundays and holidays in the Province of Québec, before any reconvened meeting if the Meeting is adjourned or postponed). **If you hold Shares through an Intermediary, you should follow the instructions provided by your Intermediary to ensure your vote is counted at the Meeting.**

Voting Method	**Registered Shareholders and Non-Objecting Beneficial Owners** If your Shares are held in your name and are represented by a physical certificate or DRS Advice Or if you received a voting instruction form from Computershare Investor Services Inc.	**Objecting Beneficial Owners** If your Shares are held with an Intermediary and you received a voting instruction form from Broadridge Financial Services Inc. or your Intermediary
Internet 	www.investorvote.com	www.proxyvote.com
Fax 	1-866-249-7775	Complete, date, and sign the voting instruction form and fax it to the number listed therein.
Telephone 	1-866-732-8683 (Registered Shareholders) 1-866-734-8683 (Non-Objecting Beneficial Owners) Toll-Free	Call the toll-free listed on your voting instruction form and vote using the control number provided therein.

If you have any questions or need assistance in your consideration of the Arrangement or with the completion and delivery of your proxy, please contact our proxy solicitation agent and shareholder communications advisor, Morrow Sodali (Canada) Ltd. ("**Morrow Sodali**"), by telephone at 1.888.444.0617 (North American Toll Free) or 1.289.695.3075 (Collect Outside North America) or by email at assistance@morrowsodali.com.

If you have any questions about submitting your Shares to the Arrangement including with respect to completing the applicable letter of transmittal, please contact the Depositary at 1-800-564-6253 (for Shareholders in Canada and the United States) or 1-514-982-7555 (for Shareholders outside Canada and the United States).

On behalf of the Company, I would like to thank all of our Shareholders for their continuing support.

Yours very truly,

(signed) *"Evan Price"*

Evan Price
Chairman of the Board of Directors

IOU FINANCIAL INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
to be held on September 12, 2023

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of the common shares (the "**Shares**") of IOU Financial Inc. (the "**Company**") will be held as a virtual-only meeting conducted by live videoconference at https://web.lumiagm.com/412704157, on September 12, 2023, at 11:00 a.m. (Montréal time) for the following purposes:

1. to consider, pursuant to an interim order of the Superior Court of Québec dated August 10, 2023 (as same may be amended, modified or varied, the "**Interim Order**") and, if deemed advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**") to approve a proposed statutory plan of arrangement (the "**Plan of Arrangement**") involving the Company, on the one hand, and 9494-3677 Québec Inc. (the "**Purchaser**"), a corporation created by a group composed of (i) NB Specialty Finance Fund LP ("**NBSF 1**"), a fund managed by Neuberger Berman Investment Advisers LLC (together with NBSF 1, "**Neuberger Berman**"), (ii) funds managed by Palos Capital, including Palos IOU Inc. ("**Palos IOU**" and, together with Palos Capital, "**Palos**"), and (iii) Fintech Ventures Fund, LLLP ("**FinTech**" and, collectively with Neuberger Berman and Palos, the "**Purchaser Group**"), on the other hand, pursuant to Chapter XVI – Division II of the *Business Corporations Act* (Québec) (the "**Arrangement**"). The full text of the Arrangement Resolution is set forth in Appendix B to the accompanying management information circular (the "**Circular**"); and

2. to transact such other business as may properly come before the Meeting or any postponement or adjournment thereof.

Specific details of the matters proposed to be put before the Meeting are set forth in the Circular which accompanies and is deemed to form part of this notice of special meeting of Shareholders (this "**Notice of Meeting**").

To provide Shareholders with an equal opportunity to attend and participate at the Meeting, regardless of their geographic location or the particular constraints or circumstances that they may face, the Meeting will be held in a virtual-only format conducted by live videoconference at https://web.lumiagm.com/412704157, the password being "iou2023" (case sensitive). Shareholders will not be able to attend the Meeting in person. Online access to the Meeting will begin at 10:30 a.m. (Montréal time) on September 12, 2023.

Shareholders are entitled to vote at the Meeting either virtually or by proxy with each Share entitling the holder thereof to one vote at the Meeting. The board of directors of the Company has fixed August 8, 2023 as the record date for determining Shareholders who are entitled to receive notice of and vote at the Meeting. Only Shareholders whose names have been entered in the register of the Company as at the close of business (Montréal time) on such date will be entitled to receive notice of and vote at the Meeting.

Your vote is important regardless of how many Shares you own. Whether or not you are able to virtually attend the Meeting, Shareholders are urged to vote as soon as possible electronically, by telephone, email, fax or in writing, by following the instructions set out on the form of proxy or voting instruction form, as applicable, which accompanies this Notice of Meeting. Proxies must be received by the Company's transfer agent, Computershare Investor Services Inc. (the "**Transfer Agent**"), at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Attention: Investor Services, Fax: 1-866-249-7775, no later than 11:00 a.m. (Montréal time) on September 8, 2023 (or no later than 48 hours, excluding Saturdays, Sundays and holidays in the Province of Québec, before any reconvened meeting if the Meeting is adjourned or postponed). The deadline for the deposit of proxies may be waived or extended by the Chair of the Meeting at his discretion, without notice.

If you hold your Shares through a broker, investment dealer, bank, trust company or other intermediary (an "**Intermediary**") and received a voting instruction form from your Intermediary, Broadridge Financial Solutions Inc. ("**Broadridge**") or the Transfer Agent, you should follow the instructions in the voting instruction form to ensure your vote is counted at the Meeting.

The voting rights attached to the Shares represented by a proxy in the enclosed form of proxy will be voted in accordance with the instructions indicated thereon. **If no instructions are given, the voting rights attached to such Shares will be voted FOR the Arrangement Resolution.**

A registered Shareholder who has submitted a proxy may revoke such proxy by: (a) completing and signing a proxy bearing a later date and depositing it with the Transfer Agent in accordance with the instructions set out above, or (b) depositing an instrument in writing executed by the registered Shareholder or by such Shareholder's personal representative authorized in writing (i) at the office of the Transfer Agent no later than 11:00 a.m. (Montréal time) on September 8, 2023 (or no later than 48 hours, excluding Saturdays, Sundays and holidays in the Province of Québec, before any reconvened meeting if the Meeting is adjourned or postponed), (ii) with the scrutineers of the Meeting, addressed to the attention of the Chair of the Meeting, prior to the commencement of the Meeting on the day of the Meeting, or where the Meeting has been adjourned or postponed, prior to the commencement of the reconvened or postponed Meeting on the day of such reconvened or postponed Meeting, or (iii) in any other manner permitted by law. In addition, if you are a registered Shareholder, once you log in to the Meeting and you accept the terms and conditions, you may (but are not obliged to) revoke any and all previously submitted proxies by voting by poll on the matters put forth at the Meeting. If you attend the Meeting but do not vote by poll, your previously submitted proxy will remain valid.

A non-registered Shareholder who has given voting instructions in accordance with the voting instruction form may revoke such voting instructions by following the instructions on the voting instruction form. However, if the non-registered Shareholder is an objecting beneficial owner, the Intermediary or Broadridge from whom such Shareholder received the voting instruction form may be unable to take any action on the revocation if such revocation is not provided sufficiently in advance of the Meeting or any adjournment or postponement thereof.

Registered Shareholders and duly appointed proxyholders, including non-registered Shareholders who have duly appointed themselves as proxyholders and registered their appointment with the Transfer Agent as described in this Circular, will be able to attend, ask questions and vote at the virtual Meeting.

Pursuant to the Interim Order, registered Shareholders have been granted the right to dissent in respect of the Arrangement and, if the Arrangement becomes effective, to be paid an amount equal to the fair value of their Shares. This dissent right, and the procedures for its exercise, are described in the Circular under "*Information Concerning the Meeting – Dissent Rights of Shareholders"*. Failure to comply strictly with the dissent procedures described in the Circular will result in the loss or unavailability of any right to dissent. Persons who are beneficial owners of Shares registered in the name of an Intermediary who wish to dissent should be aware that only registered Shareholders are entitled to dissent. Accordingly, a beneficial owner of Shares desiring to exercise this right must make arrangements for the Shares beneficially owned by such Shareholder to be registered in the Shareholder's name prior to the time the written objection to the Arrangement Resolution is required to be received by the Company or, alternatively, make arrangements for the registered holder of such Shares to exercise such right to dissent on the Shareholder's behalf. It is strongly suggested that any Shareholder wishing to dissent seek independent legal advice, as the failure to comply strictly with the provisions of the *Business Corporations Act* (Québec), as modified by the Interim Order and the Plan of Arrangement, may result in the forfeiture of such Shareholder's right to dissent.

If you have any questions or need assistance in your consideration of the Arrangement or with the completion and delivery of your proxy, please contact Morrow Sodali (Canada) Ltd., the Company's proxy solicitation agent and shareholder communications advisor, by telephone at 1.888.444.0617 (North

American Toll Free) or 1.289.695.3075 (Collect Outside North America) or by email at assistance@morrowsodali.com**.**

If you have any questions about submitting your Shares to the Arrangement including with respect to completing the applicable letter of transmittal, please contact Computershare Investor Services Inc., who will act as depositary under the Arrangement, at 1-800-564-6253 (for Shareholders in Canada and the United States) or 1-514-982-7555 (for Shareholders outside Canada and the United States).

Dated at Montréal, Québec, this 14th day of August, 2023.

BY ORDER OF THE BOARD OF DIRECTORS OF IOU FINANCIAL INC.

by (signed*) "Evan Price"*

Evan Price
Chairman of the Board of Directors

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MANAGEMENT INFORMATION CIRCULAR

Introduction

This Circular is furnished in connection with the solicitation of proxies by and on behalf of management of the Company for use at the Meeting and any adjournment or postponement thereof.

In this Circular, the Company and its Subsidiaries are collectively referred to as the "Company", as the context requires.

All capitalized terms used in this Circular but not otherwise defined herein have the meanings set forth in the Glossary attached to this Circular as Appendix A or elsewhere in the Circular. Information contained in this Circular is given as of August 14, 2023, except where otherwise noted and except that information in documents incorporated by reference is given as of the dates noted therein. No person has been authorized to give any information or to make any representation in connection with the Arrangement and other matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by the Company, the Purchaser, Neuberger Berman, Palos or FinTech, as applicable.

This Circular does not constitute the solicitation of an offer to purchase, or the making of an offer to sell, any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation or offer is not authorized or in which the person making such solicitation or offer is not qualified to do so or to any person to whom it is unlawful to make such solicitation or offer.

Information contained in this Circular is not intended to be and should not be construed as legal, tax or financial advice and Shareholders are urged to consult their own professional advisors in connection therewith.

Descriptions in this Circular of the terms of the Arrangement Agreement, the Plan of Arrangement, the Fairness Opinion and Independent Valuation and the Interim Order are summaries of the terms of those documents. Shareholders should refer to the full text of each of the Plan of Arrangement, the Fairness Opinion and Independent Valuation and the Interim Order, which are attached to this Circular as Appendices C, D, and E, respectively. A copy of the Arrangement Agreement has been filed by the Company under its profile on SEDAR+ at www.sedarplus.ca. **You are urged to carefully read the full text of these documents.**

Information Pertaining to the Purchaser and the Guarantors

Certain information in this Circular pertaining to the Purchaser and the Guarantors, including but not limited to, information under "*Information Concerning the Purchaser and the Guarantors*" has been furnished by the Purchaser and the Guarantors. Although the Company does not have any knowledge that would indicate that such information is untrue or incomplete, neither the Company nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information, or for the failure by the Purchaser or any Guarantor, as applicable, to disclose events or information that may affect the completeness or accuracy of such information.

Forward-Looking Statements

Certain statements contained in this Circular may constitute forward-looking information or forward-looking statements (collectively, "**forward-looking statements**") under the meaning of applicable

Securities Laws, including but not limited to, statements or implications with respect to the rationale of the Special Committee and the Board of Directors for entering into the Arrangement Agreement, the expected benefits of the Arrangement, the terms and conditions of the Arrangement Agreement, the timing of various steps to be completed in connection with the Arrangement, and other statements that are not historical facts. Often but not always, forward-looking statements can be identified by the use of forward-looking terminology such as "may", "will", "expect", "believe", "estimate", "plan", "could", "should", "would", "outlook", "forecast", "anticipate", "foresee", "continue" or the negative of these terms or variations of them or similar terminology.

Although the Company believes that the forward-looking statements in this Circular are based on information and assumptions that are reasonable, including assumptions that the Parties will receive, in a timely manner and on satisfactory terms, the necessary Court and Shareholder approvals, and that the Parties will otherwise be able to satisfy, in a timely manner, the other conditions to the Closing of the Arrangement, including that there be no Material Adverse Effect, these forward-looking statements are by their nature subject to a number of factors that could cause actual results to differ materially from management's expectations and plans as set forth in such forward-looking statements, including, without limitation, the following factors, many of which are beyond the Company's control and the effects of which can be difficult to predict: (a) the possibility that the Arrangement will not be completed on the terms and conditions, or on the timing, currently contemplated, and that it may not be completed at all, due to a failure to obtain or satisfy, in a timely manner or otherwise, required Shareholder, regulatory and court approvals and other conditions of closing necessary to complete the Arrangement or for other reasons; (b) risks related to tax matters; (c) the possibility of adverse reactions or changes in business resulting from the announcement or completion of the Arrangement; (d) risks relating to the Company's ability to retain and attract key personnel during the interim period; (e) the possibility of litigation relating to the Arrangement, (f) credit, market, currency, operational, liquidity and funding risks generally and relating specifically to the Arrangement, including changes in economic conditions, interest rates, or tax legislation or lending regulatory requirement (g) the potential of a third party making an Acquisition Proposal or a Superior Proposal to the Arrangement; (h) risks related to diverting management's attention from the Company's ongoing business operations; and (i) other risks inherent to the business carried out by the Company and factors beyond its control which could have a Material Adverse Effect on the Company or its ability to complete the Arrangement. Failure to obtain the necessary Shareholder, regulatory and court approvals, or the failure of the Parties to otherwise satisfy the conditions for the completion of the Arrangement or to complete the Arrangement, may result in the Arrangement not being completed on the proposed terms or at all. In addition, if the Arrangement is not completed, and the Company continues as an independent entity, there are risks that the announcement of the Arrangement and the dedication of substantial resources by the Company to the completion of the Arrangement could have an impact on its business and strategic relationships, including with future and prospective employees, customers, suppliers and partners, operating results and activities in general, and could have a Material Adverse Effect on its current and future operations, financial condition and prospects. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected.

The Company cautions that the foregoing lists of factors and assumptions are not exhaustive and other factors could also adversely affect its results. For more information on the risks, uncertainties and assumptions that could cause the Company's actual results to differ from current expectations, please refer to the matters discussed under the "*Risk Factors*" section of this Circular as well as the Company's other public filings, available on SEDAR+ at www.sedarplus.ca.

The forward-looking statements contained in this Circular describe the Company's expectations at the date of this Circular and, accordingly, are subject to change after such date. Except as may be required by applicable Securities Laws, the Company does not undertake any obligation to update or revise any forward-looking statements contained in this Circular, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements.

Notice to Shareholders Not Resident in Canada

The Company is a corporation organized under the laws of the Province of Québec. The solicitation of proxies and the transactions contemplated in this Circular involve securities of a Canadian issuer and is being effected in accordance with Canadian Securities Laws. This Circular has been prepared in accordance with disclosure requirements under Canadian Securities Laws. Shareholders should be aware that disclosure requirements under Canadian Securities Laws may differ from requirements under laws in other jurisdictions.

The enforcement of civil liabilities under the securities laws of jurisdictions outside Canada may be affected adversely by the fact that the Company is organized under the laws of the Province of Québec and that certain of its directors and executive officers are residents of Canada. You may not be able to sue the Company or its directors or executive officers in a Canadian court for violations of foreign securities laws. It may be difficult to compel the Company to subject itself to a judgment of a court outside Canada.

THIS TRANSACTION HAS NOT BEEN APPROVED OR DISAPPROVED BY ANY SECURITIES REGULATORY AUTHORITY, NOR HAS ANY SECURITIES REGULATORY AUTHORITY PASSED UPON THE FAIRNESS OR MERITS OF THIS TRANSACTION OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

Shareholders who are foreign taxpayers should be aware that the Arrangement described in this Circular may have tax consequences both in Canada and such foreign jurisdiction. Except as set forth in "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*" below, tax consequences for such Shareholders are not described in this Circular. Shareholders are advised to consult their tax advisors to determine the particular tax consequences to them of the transactions contemplated in this Circular.

Currency

All dollar amounts set forth in this Circular are in Canadian dollars, except where otherwise indicated.

QUESTIONS AND ANSWERS ABOUT THE MEETING AND THE ARRANGEMENT

The following are some questions that you, as a Shareholder, may have relating to the Meeting and the Arrangement and answers to those questions. These questions and answers do not provide all of the information relating to the Meeting or the Arrangement and are qualified in their entirety by the more detailed information contained elsewhere in this Circular, the attached Appendices, the form of proxy (or voting instruction form) and the Letter of Transmittal, all of which are important and should be reviewed carefully. You are urged to read this Circular in its entirety before making a decision related to your Shares. See the Glossary attached to this Circular as Appendix A for the meanings assigned to capitalized terms used below and elsewhere in this Circular and not otherwise defined herein.

Q: Why did I receive this package of information?

A: On July 13, 2023, the Company entered into the Arrangement Agreement with the Purchaser pursuant to which, among other things, the Purchaser has agreed to acquire all of the issued and outstanding Shares (other than the Rolling Shares) pursuant to the Plan of Arrangement. The Arrangement is subject to, among other things, obtaining the requisite approval of the Shareholders. As a Shareholder as of the close of business on August 8, 2023, you are entitled to receive notice of, and to vote at, the Meeting. Management of the Company is soliciting your proxy, or vote, and providing this Circular in connection with that solicitation.

Q: What is the Arrangement?

A: A plan of arrangement is a statutory procedure under Québec corporate law that allows a corporation to carry out transactions with the approval of its securityholders and the Court. The Plan of Arrangement you are being asked to consider will provide for, among other things, the acquisition of all of the issued and outstanding Shares (other than the Rolling Shares) by the Purchaser.

Q: Are there summaries of the material terms of the agreements relating to the Arrangement?

A: Yes. This Circular includes a summary of the Arrangement Agreement and the terms of the Plan of Arrangement. For more information, see "*The Arrangement Agreement*".

Q: Does the Board of Directors support the Arrangement?

A: Yes. The Board of Directors, acting on the unanimous recommendation of the Special Committee and after receiving legal and financial advice, unanimously (with Philippe Marleau and Lucas Timberlake abstaining from voting due to their relationships with Palos and FinTech, respectively, and Robert Gloer abstaining from voting due to his participation in the Arrangement as a Rolling Shareholder) determined that the Arrangement is in the best interests of the Company and fair to the Shareholders (other than the Rolling Shareholders) and recommends that the Shareholders (other than the Rolling Shareholders) vote **FOR** the Arrangement Resolution.

The Board of Directors established the Special Committee to consider and evaluate the Arrangement and matters related thereto. The Special Committee is comprised of Evan Price (Chair), Yves Roy, Neil Wolfson and Kathleen Miller, each of whom is independent of the Company and the Rolling Shareholders under applicable corporate and securities laws.

In making its recommendation, each of the Board of Directors and the Special Committee carefully considered the terms of the Arrangement and the Arrangement Agreement and believes that the Consideration in cash is an attractive alternative for Shareholders, taking into account the premium, liquidity, and anticipated future opportunities and risks associated with the business operations, assets, financial performance and condition of the Company on a stand-alone basis.

The Board of Directors and the Special Committee received from the Financial Advisor (i) an opinion to the effect that, as of the date of such opinion, based upon and subject to the assumptions made, procedures followed, matters considered and qualifications and limitations upon the review undertaken by them in preparing their opinion, the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Rolling Shareholders), and (ii) an independent valuation of the Shares that concludes that the Consideration is above the $0.168 to $0.185 per Share range of the fair market value of the Shares, each as more fully described below under "*Fairness Opinion and Independent Valuation*". A copy of the Fairness Opinion and Independent Valuation is attached to this Circular as Appendix D.

Following an extensive review, evaluation and negotiation process, the Special Committee unanimously determined that the Arrangement is in the best interests of the Company and fair to the Shareholders (other than the Rolling Shareholders), and unanimously recommended that the Board of Directors approve the Arrangement and recommend that the Shareholders (other than the Rolling Shareholders) vote **FOR** the Arrangement Resolution.

See "*The Arrangement – Background to the Arrangement*", "*The Arrangement – Recommendation of the Special Committee*" and "*The Arrangement – Recommendation of the Board of Directors*".

Q: How does the Consideration offered for the Shares under the Arrangement compare to the market price of the Shares before the Arrangement was announced?

A: The Consideration payable under the Arrangement represents a premium of (i) approximately 83.3% to the closing price per Share on the TSX-V on July 13, 2023, the last trading day immediately prior to the announcement of the Arrangement, and (ii) approximately 90.6% to the volume-weighted average price per Share on the TSX-V over the 30 trading days up to and including July 13, 2023, the last trading day prior to the announcement of the Arrangement.

Q: Who has agreed to support the Arrangement?

A: In connection with the Arrangement, the Rolling Shareholders and certain other Shareholders, who hold in aggregate 51,245,948 Shares (or approximately 48.6% of the issued and outstanding Shares (on a non-diluted basis)), have entered into Irrevocable VSAs with the Purchaser providing for such Shareholders to vote all Shares beneficially owned by them in favour of the Arrangement Resolution. In addition, Evan Price, Jeffrey Turner, Kathleen Miller and Yves Roy, each of whom is a director or officer of the Company holding Shares (in the aggregate, 654,777 Shares), representing in the aggregate approximately 0.6% of the issued and outstanding Shares, have entered into D&O VSAs pursuant to which each has agreed to vote in favour of the Arrangement Resolution, subject to customary exceptions. See *"The Arrangement – Voting Support Agreements"*.

Q: When will the Arrangement become effective?

A: If Shareholders approve the Arrangement Resolution, subject to obtaining Court approval as well as the satisfaction or waiver of all other conditions precedent to the Arrangement, it is anticipated that the Arrangement will be completed in the weeks following the Meeting.

Q: What will I receive for my Shares under the Arrangement?

A: If the Arrangement is completed, each Shareholder (other than the Rolling Shareholders in respect of the Rolling Shares) will receive $0.22 per Share in cash.

Q: What will happen to the Company if the Arrangement is completed?

A: If the Arrangement is completed, the Purchaser will acquire all of the issued and outstanding Shares for $0.22 per Share in cash, except for Rolling Shares held by the Rolling Shareholders and Shares held by Dissenting Shareholders (which Shares will be acquired by the Purchaser for fair value in accordance

with the terms of *Chapter XIV* of the QBCA: see "*Information Concerning the Meeting – Dissent Rights of Shareholders*"). The Rolling Shareholders will transfer their respective Rolling Shares (all of the Rolling Shares being in the aggregate 42,487,414 Shares, which represents approximately 40.3% of the issued and outstanding Shares) to the Purchaser in exchange for common shares in the capital of the Purchaser in accordance with the Plan of Arrangement and the terms of the Rollover Agreement between such Rolling Shareholder and the Purchaser. Upon the completion of the Arrangement, the Company will be a wholly-owned Subsidiary of the Purchaser, which in turn will be owned by the Rolling Shareholders. In addition, each of the Options outstanding immediately prior to the Effective Time, whether vested or unvested, will be transferred to the Company in exchange for a cash payment from the Company equal to the amount by which the Consideration per Share exceeds the exercise price per Share of such Option, subject to applicable withholdings, and each will be subsequently cancelled in accordance with the Plan of Arrangement. See "*The Arrangement – Interests of Certain Persons in the Arrangement – Treatment of Company Equity Awards*".

It is expected that the Shares, which are currently listed and posted for trading on the TSX-V, will be de-listed following completion of the Arrangement. The Purchaser also expects, following completion of the Arrangement, to apply to have the Company cease to be a reporting issuer in all jurisdictions in which it is a reporting issuer in Canada. See "*The Arrangement – Stock Exchange De-Listing and Reporting Issuer Status*".

Q: Who is entitled to vote on the Arrangement Resolution at the Meeting and how will votes be counted?

A: Only Shareholders shown on the register of Shareholders at the close of business on the Record Date or their duly appointed proxyholders will be entitled to virtually attend the Meeting and vote on the Arrangement Resolution. Each Share entitled to be voted at the Meeting will entitle the holder thereof as of the Record Date to one vote at the Meeting in respect of the Arrangement Resolution. Computershare Investor Services Inc., the Company's transfer agent and registrar, will count the votes. See "*The Arrangement – Required Shareholder Approval*".

Q: What if I acquire Shares after the Record Date?

A: Only Shareholders as of the close of business on the Record Date are entitled to receive notice of, attend, be heard and vote at the Meeting.

Q: What Shareholder approvals are required at the Meeting in order for the Arrangement Resolution to become effective?

A: To become effective, the Arrangement Resolution must be approved by: (i) at least two-thirds of the votes cast at the Meeting by Shareholders virtually present or represented by proxy and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast at the Meeting by Shareholders virtually present or represented by proxy and entitled to vote at the Meeting, excluding for this purpose the Rolling Shareholders and related parties thereof and any other person required to be excluded pursuant to section 8.1(2) of MI 61-101. See "*The Arrangement – Required Shareholder Approval*" and "*The Arrangement – Regulatory Matters – Canadian Securities Law Matters*".

Q: When and where is the Meeting?

A: The Meeting will be held in a virtual-only format conducted by live videoconference at https://web.lumiagm.com/412704157, the password being "iou2023" (case sensitive) at 11:00 a.m. (Montréal time) on September 12, 2023. The Company is holding the Meeting in a virtual-only format in order to provide Shareholders with an equal opportunity to attend and participate at the Meeting, regardless of their geographic location or the particular constraints or circumstances that they may face.

Q: What is the quorum for the Meeting?

A: For all purposes contemplated by this Circular, the quorum for the transaction of business at the Meeting shall be met if at least two persons, each of whom is a Shareholder or a proxyholder representing a Shareholder, holding or representing by proxy together not less than 10% of the total number of outstanding Shares are virtually present or represented by proxy.

Q: Are the Shareholders entitled to Dissent Rights?

A: Only registered Shareholders are entitled to Dissent Rights on the Arrangement Resolution if they follow the procedures specified in the Plan of Arrangement, the QBCA, as modified by the Interim Order, and the Final Order. If you are a registered Shareholder and wish to exercise Dissent Rights, you should carefully review the requirements summarized in this Circular and the Plan of Arrangement, the Interim Order, and Chapter XIV of the QBCA, which are attached to this Circular as Appendices C, E and G, respectively, and consult with legal counsel. See "*Information Concerning the Meeting – Dissent Rights of Shareholders*".

Q: What other conditions must be satisfied to complete the Arrangement?

A: In addition to the Shareholder approval at the Meeting in the manner described above, the Arrangement is conditional upon, among other things, the Final Order from the Court. See "*The Arrangement Agreement – Conditions to the Arrangement Becoming Effective*".

Q: What will happen if the Arrangement Resolution is not approved or the Arrangement is not completed for any reason?

A: If the Arrangement Resolution is not approved or the Arrangement is not completed for any reason, the Arrangement Agreement may be terminated. If this occurs, the Company will continue to carry on as a reporting issuer in the normal and usual course, and will continue to face the risks and limitations that it currently faces with respect to its affairs, business and operations and future prospects. Note that the failure to complete the Arrangement could negatively impact the Share price and the Company, and that the Company may be required, in certain circumstances, to pay the Termination Fee of $885,000 (representing (approximately 3.7% of the Company's fully diluted equity value). If the Arrangement Agreement is terminated for breach of the Company's representations and warranties or covenants, the Company must reimburse the Purchaser for reasonable, documented expenses, costs and fees incurred by the Purchaser and its affiliates in connection with the Arrangement Agreement, in an amount not to exceed $250,000. See "*Risk Factors*".

Q: What do I need to do now in order to vote at the Meeting?

A: You should carefully read and consider the information contained in this Circular.

Whether or not you virtually attend the Meeting, you can appoint someone else to vote for you as your proxyholder. You can use the enclosed form of proxy or any other proper form of proxy to appoint your proxyholder. The persons named in the enclosed form of proxy are directors and/or officers of the Company. However, you can choose another person to be your proxyholder, including someone who is not a Shareholder. You may do so by crossing out the names printed on the proxy and inserting another person's name in the blank space provided. If you choose another person to be your proxyholder, for your vote to count, please make sure the person you appoint is aware that he or she has been appointed and virtually attends the Meeting.

If you are a registered Shareholder or non-registered Shareholder designated as a non-objecting beneficial owner (a "**Non-Objecting Beneficial Owner**") and voting your Shares by proxy or voting instruction form, the Transfer Agent must receive your signed proxy or voting instruction form in the return envelope provided, to Computershare Investor Services Inc., at 100 University Avenue, 8th Floor, Toronto,

Ontario M5J 2Y1, Attention: Investor Services, Fax: 1-866-249-7775, no later than 11:00 a.m. (Montréal time) on September 8, 2023 (or no later than 48 hours, excluding Saturdays, Sundays and holidays in the Province of Québec, before any reconvened meeting if the Meeting is adjourned or postponed). Failure to properly complete or deposit a proxy may result in its invalidation.

The deadline for deposit of proxies may be waived or extended by the Chair of the Meeting at his discretion, without notice.

If you are a non-registered Shareholder designated as an objecting beneficial owner (an "**Objecting Beneficial Owner**") whose Shares are held in the name of an Intermediary such as a broker, investment dealer, bank, trust company, trustee, clearing agency (such as CDS) or other nominee holder, you should follow the instructions provided by your Intermediary or Broadridge, on behalf of your Intermediary who will provide you with a voting instruction form to complete and cast your vote according to the instructions contained therein to ensure that your vote is counted at the Meeting. See *"Information Concerning the Meeting – Voting Instructions"*.

Q: If my Shares are held by my broker, will my broker vote my Shares for me?

A: If you are a Non-Objecting Beneficial Owner, you will receive a voting instruction form from the Transfer Agent to vote. If you are an Objecting Beneficial Owner, a broker or other Intermediary will only vote the Shares held by you if you provide instructions to your broker or other Intermediary directly on how to vote. Without instructions, those Shares may not be voted. Most Intermediaries delegate responsibility for obtaining instructions from clients to Broadridge. Broadridge will forward your instruction to the Transfer Agent. Broadridge typically mails a scannable voting instruction form in lieu of a proxy form to Objecting Beneficial Owners and provides appropriate instructions respecting voting of Shares to be represented at the Meeting. Objecting Beneficial Owners should complete the voting instruction form by following the directions provided on the form. Unless your broker or other Intermediary gives you its specific proxy, voting instruction form or other method to provide voting instructions to vote the Shares at the Meeting, you should complete the voting instruction form provided. You cannot vote your Shares at the Meeting. See "*Information Concerning the Meeting – Voting Instructions – Non-Registered Shareholders*".

Q: If my Shares are held by my broker, can I still vote at the Meeting?

A: Since the Company may not have access to the names of its non-registered Shareholders, if you virtually attend the Meeting, the Company will have no record of your holdings or of your entitlement to vote, unless your Intermediary has appointed you as the proxyholder. Therefore, if you are a non-registered Shareholder and wish to vote at the Meeting, please insert your own name in the space provided on the voting instruction form you received. By doing so, you are instructing your Intermediary or Broadridge to appoint you as proxyholder. Then sign and return the form, following the instructions provided on the form. Do not otherwise complete the form, as you will be voting at the Meeting. If you are a non-registered Shareholder who has appointed yourself as a proxyholder, you must register with Computershare Investor Services Inc. at https://www.computershare.com/IOUFinancial after submitting your voting instruction form in order to receive your username (please see the information under the headings "*Appointment of Proxies*" below for details).

Q: Should I send in my proxy now?

A: Yes. You should complete and submit the applicable enclosed proxy, voting instruction form or, if applicable, provide your broker or other Intermediary with voting instructions as soon as possible to ensure your vote is counted at the Meeting. See "*Information Concerning the Meeting*".

Q: Can I revoke my proxy after I submitted it?

A: Yes. A registered Shareholder who has submitted a proxy may revoke such proxy by: (a) completing and signing a proxy bearing a later date and depositing it with the Transfer Agent in accordance

with the instructions set out above, or (b) depositing an instrument in writing executed by the registered Shareholder or by such Shareholder's personal representative authorized in writing (i) at the office of the Transfer Agent no later than 11:00 a.m. (Montréal time) on September 8, 2023 (or no later than 48 hours, excluding Saturdays, Sundays and holidays in the Province of Québec, before any reconvened meeting if the Meeting is adjourned or postponed), (ii) with the scrutineers of the Meeting, addressed to the attention of the Chair of the Meeting, prior to the commencement of the Meeting on the day of the Meeting, or where the Meeting has been adjourned or postponed, prior to the commencement of the reconvened or postponed Meeting on the day of such reconvened or postponed Meeting, or (iii) in any other manner permitted by law. In addition, if you are a registered Shareholder, once you log in to the Meeting and you accept the terms and conditions, you may (but are not obliged to) revoke any and all previously submitted proxies by voting by poll on the matters put forth at the Meeting. If you attend the Meeting but do not vote by poll, your previously submitted proxy will remain valid.

A non-registered Shareholder who has given voting instructions in accordance with the voting instruction form may revoke such voting instructions by following the instructions. However, the Intermediary or Broadridge from whom an Objecting Beneficial Owner received the voting instruction form may be unable to take any action on the revocation if such revocation is not provided sufficiently in advance of the Meeting or any adjournment or postponement thereof.

Q: What if amendments are made to these matters, or other business is brought before the Meeting?

A: The accompanying form of proxy and voting instruction form confer discretionary authority on the persons named in it as proxies with respect to any amendments or variations to the matters identified in the Notice of Meeting or other matters that may properly come before the Meeting and the named proxies in your properly-executed proxy or voting instruction form will vote on such matters in accordance with their judgment. At the date of this Circular, management of the Company is not aware of any such amendments, variations or other matters which are to be presented for action at the Meeting.

Q: What are the Canadian income tax consequences of the Arrangement to the Shareholders?

A: For a summary of certain Canadian federal income tax consequences of the Arrangement to Shareholders (other than the Rolling Shareholders), see "*Certain Canadian Federal Income Tax Considerations*". Such summary is not intended to be and should not be construed as legal or tax advice to any particular Shareholder. Tax matters are complicated, and the income tax consequences of the Arrangement to you will depend on your particular circumstances. Because individual circumstances may differ, you should consult with your tax advisor(s) as to the specific tax consequences of the Arrangement to you.

Q: How were actual or potential conflicts of interest amongst directors managed?

A: The Special Committee is comprised entirely of independent directors and has been advised by Blakes, its independent legal advisor. The Special Committee retained the Financial Advisor to provide an independent valuation of the fair market value of the Shares and an opinion as to the fairness, from a financial point of view, of the Arrangement. In addition, each of the Non-Participating Directors were promptly excluded from receiving any information or participating in any deliberations concerning the Arrangement upon informing the Company of their respective interests, or potential interests, in the Arrangement.

Q: Who can help answer my questions?

A: Shareholders who would like additional copies, without charge, of this Circular or have additional questions about the Arrangement or the Meeting, including the procedures for submitting your Shares or voting your proxy, should contact the Company's proxy solicitation agent and shareholder communications advisor, Morrow Sodali, at the contact information provided below:

MORROW SODALI

North American Toll-Free Number: 1.888.444.0617
Outside North America, Banks, Brokers and Collect Calls: 1.289.695.3075
Email: assistance@morrowsodali.com
North American Toll-Free Facsimile: 1.877.218.5372

Copies of this Circular and the Meeting materials may also be found on the Company's website at www.ioufinancial.com and under the Company's profile on SEDAR+ at www.sedarplus.ca.

* * *

SUMMARY

The following is a summary of certain information contained in this Circular, including its Appendices. This summary is not intended to be complete and is qualified in its entirety by the more detailed information contained elsewhere in this Circular, including its Appendices. Certain capitalized terms used in this summary are defined in the Glossary attached to this Circular as Appendix A. Shareholders are urged to read this Circular and its Appendices carefully and in their entirety.

The Meeting

Meeting and Record Date

The Meeting will be held at 11:00 a.m. (Montréal time) on September 12, 2023 for the purposes set forth in the accompanying Notice of Meeting. To provide Shareholders with an equal opportunity to attend and participate at the Meeting, regardless of their geographic location or the particular constraints or circumstances that they may face, the Meeting will be held in a virtual-only format conducted by live videoconference at https://web.lumiagm.com/412704157, the password being "iou2023" (case sensitive). Online access to the Meeting will begin at 10:30 a.m. (Montréal time) on September 12, 2023. See "*Information Concerning the Meeting*". The Board of Directors has fixed August 8, 2023 as the Record Date for determining Shareholders who are entitled to receive notice of and vote at the Meeting.

The Arrangement Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass the Arrangement Resolution, a copy of which is attached as Appendix B to this Circular. See "*The Arrangement – Required Shareholder Approval*" for a discussion of the Shareholder approval requirements to effect the Arrangement.

Voting at the Meeting

This Circular is being sent to all Shareholders. Only registered Shareholders or the persons they appoint as their proxyholders are permitted to vote at the Meeting. Non-registered Shareholders should follow the instructions on the forms they receive so that their Shares can be voted. No other securityholders of the Company are entitled to vote at the Meeting. See "*Information Concerning the Meeting*".

Background to the Arrangement

See "*The Arrangement – Background to the Arrangement*" for a description of the background to the Arrangement.

Recommendation of the Special Committee

The Board of Directors established the Special Committee for the purposes of, among other things: (i) reviewing and considering the proposed form, structure, terms, conditions and timing of the Arrangement, as well as any alternative transaction proposal received by the Company, (ii) making such recommendations to the Board of Directors as it considers appropriate or desirable in relation to any such transaction (including whether or not to proceed with the Arrangement), and (iii) providing advice and guidance to the Board of Directors as to whether one or more transactions is or are in the best interests of the Company.

The Special Committee, after careful consideration, having taken into account such matters as it considered relevant and after receiving legal and financial advice, unanimously determined that the Arrangement is in the best interests of the Company and fair to the Shareholders (other than the Rolling Shareholders), and unanimously recommended that the Board of Directors approve the Arrangement and

recommend that the Shareholders (other than the Rolling Shareholders) vote **FOR** the Arrangement Resolution.

In forming its recommendation to the Board of Directors, the Special Committee considered a number of factors, including, without limitation, those listed under "*The Arrangement – Reasons for the Arrangement*". The Special Committee based its recommendation upon the totality of the information presented to and considered by it in light of the members of the Special Committee's knowledge of the business, financial condition and prospects of the Company and after taking into account the advice of the Company's financial and legal advisors and the advice and input of management of the Company.

Recommendation of the Board of Directors

After careful consideration and taking into account, among other things, the unanimous recommendation of the Special Committee, the Board of Directors, after receiving legal and financial advice, has unanimously (with the Non-Participating Directors abstaining from voting) determined that the Arrangement is in the best interests of the Company and fair to the Shareholders (other than the Rolling Shareholders). Accordingly, the Board of Directors unanimously (with the Non-Participating Directors abstaining from voting) recommends that the Shareholders (other than the Rolling Shareholders) vote **FOR** the Arrangement Resolution.

In forming its recommendation, the Board of Directors considered a number of factors, including, without limitation, the unanimous recommendation of the Special Committee and the factors listed below under "*The Arrangement – Reasons for the* Arrangement". The Board of Directors based its recommendation upon the totality of the information presented to and considered by it in light of the knowledge of the members of the Board of Directors of the business, financial condition and prospects of the Company and after taking into account the advice of the Company's financial and legal advisors and the advice and input of management of the Company.

Reasons for the Arrangement

The following summary of the information and factors considered by the Special Committee and the Board of Directors is not intended to be exhaustive, but includes a summary of the material information and factors considered in approving the Arrangement. In view of the variety of factors and the amount of information considered in connection with the Arrangement, the Special Committee and the Board of Directors did not find it practicable to, and did not, quantify or otherwise attempt to assign any relative weight to each of the specific factors considered in reaching its conclusions and recommendations. Individual members of the Special Committee and the Board of Directors may have assigned different weights to different factors.

- The Consideration represents a premium of (i) approximately 83.3% to the closing price per Share on the TSX-V on July 13, 2023, the last trading day prior to the announcement of the Arrangement, and (ii) approximately 90.6% to the volume-weighted average price of the Shares on the TSX-V over the 30 trading days up to and including July 13, 2023, the last trading day prior to the announcement of the Arrangement.

- The Independent Valuation concludes that the Consideration is above the $0.168 to $0.185 per Share range of the fair market value of the Shares.

- The Fairness Opinion concludes that the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Rolling Shareholders).

- The Arrangement must be approved by separate simple majority vote of the Shareholders other than the Purchaser Group and any director or senior officer of the Company receiving a "collateral benefit" within the meaning of MI 61-101.

- The Purchaser has entered into (i) Irrevocable VSAs with each member of the Purchaser Group and certain other Shareholders, thereby securing irrevocable support for the approval of the Arrangement by Shareholders representing approximately 48.6% of the issued and outstanding Shares (on a non-diluted basis), and (ii) D&O VSAs with certain directors or officers of the Company, thereby securing support for the approval of the Arrangement by Shareholders representing approximately an additional 0.6% of the issued and outstanding Shares (on a non-diluted basis), subject to customary exceptions.

- The registered Shareholders have been granted Dissent Rights and, subject to certain conditions, may have their Shares transferred to the Purchaser against payment by the Purchaser of their fair value.

- The Arrangement must be approved by the Court, which will consider, among other things, the fairness and reasonableness of the Arrangement to the Shareholders (other than the Rolling Shareholders) and the holders of Options.

- The Purchaser Group beneficially owns, or exercises control or direction over, directly or indirectly, an aggregate of approximately 46.1% of the issued and outstanding Shares. On many occasions during the negotiation of the Proposed Transaction, the Purchaser Group indicated that they were not interested in pursuing any alternative transaction to the Proposed Transaction. As of the date of the Arrangement Agreement, to the knowledge of the Special Committee, no third party had entertained with the Company any credible Strategic Alternatives. The Company subsequently received an unsolicited proposal from NMEF, which the Purchaser Group has confirmed it will oppose. Given that the Purchaser has secured irrevocable support for the approval of the Arrangement by Shareholders representing approximately 48.6% of the issued and outstanding Shares (on a non-diluted basis), the Purchaser Group's rejection of NMEF's unsolicited, non-binding, conditional proposal means that such proposal is unable to be consummated. To be successfully consummated, it would need, among other things, to gather the support of more than two-thirds of the Shareholders, which would not be possible in the present circumstances without the support of the Purchaser Group.

- The trading volume of the Shares has historically been relatively limited given the Company's market capitalization and public float, thereby making it difficult for Shareholders to realize meaningful liquidity through the public markets on which the Shares trade. The all-cash Consideration provides the Shareholders (other than the Rolling Shareholders in respect of the Rolling Shares) with certainty of value and immediate liquidity for their Shares at a price that may not otherwise be available in the market in the absence of the Arrangement.

- The Arrangement is not detrimental to the interests of the holders of the outstanding Debentures given the existing features of such Debentures negotiated at the time of their issuance, which provide the holders thereof with the right to require the repurchase of their Debentures at a premium in the event of a change of control of the Company.

- The Arrangement is not detrimental to the interests of the holders of Options as such holders will receive a cash payment equal to the "in-the-money" amount in respect of all vested and unvested Options.

- The Company depends on a member of the Purchaser Group as a principal source of capital for its ongoing business activities.

- The completion of the Arrangement is subject to a limited number of conditions, which in the view of the Special Committee, after receiving legal and financial advice, are

reasonable in the circumstances and can reasonably be expected to be satisfied, and is not subject to any financing condition. Accordingly, it offers relative deal certainty.

- The Special Committee and the Board of Directors assessed the current and anticipated future opportunities and risks associated with the business, operations, assets, financial performance and condition of the Company should it continue as a public corporation. In that regard and in considering the status quo as an alternative to pursuing the Arrangement, the Special Committee and the Board of Directors assessed the historical and continued weak performance of the Shares from a market price and liquidity perspective. After considering all available alternatives, the Special Committee and the Board of Directors determined (with the Non-Participating Directors abstaining from voting) that entering into the Arrangement was in the best interests of the Company and is fair to the Shareholders (other than the Rolling Shareholders).

- The Company's business is very likely to be more effective as a private entity in that limited management resources will be more properly focused on its business operations rather than on public reporting and related obligations and costs.

- The Purchaser Group has expressed its intention to maintain the operations of the Company, as well as its workforce, substantially intact following the completion of the Arrangement, providing continuity for the Company's stakeholders.

- The business, operations, assets, financial condition, operating results and prospects of the Company continue to be subject to significant uncertainty, including prevailing market conditions in technology and finance.

- If, at any time prior to the approval of the Arrangement Resolution at the Meeting, the Company receives an unsolicited bona fide written Acquisition Proposal and, among other things, the Board of Directors (with the Non-Participating Directors abstaining from voting) first determines, in good faith, upon the recommendation of the Special Committee, the Company's financial advisors and legal counsel, that such Acquisition Proposal constitutes, or is reasonably expected to result in, a Superior Proposal and that the failure to engage in such discussions or negotiations would be inconsistent with its fiduciary duties, the Company may enter into or participate in discussions or negotiations with such Person regarding the Acquisition Proposal. In that event, the Company is nevertheless required to hold the Meeting and cause the Arrangement to be voted on at the Meeting. The $885,000 Termination Fee payable by the Company in certain circumstances is reasonable and consistent with prevailing market terms. Further, in the view of the Special Committee and the Board of Directors, the Termination Fee would not preclude a third party from making a Superior Proposal.

The Special Committee, in making its unanimous recommendation, and the Board of Directors, in reaching its determination, also considered a number of potential risks and potential negative factors relating to the Arrangement, including the following:

- the risks to the Company and its Shareholders if the Arrangement is not completed, including the costs to the Company in pursuing the Arrangement, the diversion of the Company's management from the conduct of its business in the ordinary course, and the potential negative impact on the Company's financing sources (including, in particular, a member of the Purchaser Group, which is one of the Company's principal sources of financing);

- the fact that the Arrangement will be a taxable transaction for Canadian federal income tax purposes (and may also be a taxable transaction under other applicable tax laws) and, as

a result, Shareholders will generally be required to pay taxes on any gains that result from the disposition of their Shares pursuant to the Arrangement;

- the inability of the Company under the terms of the Arrangement Agreement to solicit additional interest from third parties, as well as the fact that if the Arrangement Agreement is terminated under certain circumstances, the Company must pay the Termination Fee to the Purchaser as described in the Arrangement Agreement, which may adversely affect the Company's financial condition;

- the restrictions imposed pursuant to the Arrangement Agreement on the conduct of the Company's business and operations during the period between the execution of the Arrangement Agreement and the consummation of the Arrangement or the termination of the Arrangement Agreement; and

- the conditions to the Purchaser's obligation to complete the Arrangement and the right of the Purchaser to terminate the Arrangement Agreement under certain circumstances.

The Special Committee and the Board of Directors' reasons for recommending the Arrangement include certain assumptions relating to forward-looking statements, and such statements and assumptions are subject to various risks. See "*Management Information Circular – Forward-Looking Statements*" and "*Risk Factors*".

Voting Support Agreements

Neuberger Berman, Palos (on behalf of itself and its affiliated entities, including Palos Merchant Fund L.P. and Palos Management Inc.), FinTech, Asheef Lalani and Charles Frischer, representing approximately 48.6% of the issued and outstanding Shares, have entered into Irrevocable VSAs in respect of the Arrangement pursuant to which they have agreed to, among other things, support the Arrangement and vote all of the Shares owned by them or over which they exercise control or direction in favour of the Arrangement Resolution.

In addition, Evan Price, Jeffrey Turner, Kathleen Miller and Yves Roy, each of whom is a director or officer of the Company, representing approximately 0.6% of the issued and outstanding Shares, have entered into D&O VSAs pursuant to which each has agreed to, among other things, support the Arrangement and vote in favour of the Arrangement Resolution all of the Shares owned by them or over which they exercise control or direction, subject to customary exceptions.

Other than with respect to the Rolling Shareholders in respect of the Rolling Shares, the Shares held by the Supporting Shareholders will be treated in the same fashion under the Arrangement as Shares held by any other Shareholder. Copies of the Voting Support Agreements are available under the Company's profile on SEDAR+ at www.sedarplus.ca.

Rolling Shareholders

The Rolling Shareholders will transfer their respective Rolling Shares to the Purchaser in exchange for common shares in the capital of the Purchaser pursuant to the Plan of Arrangement and the terms of the Rollover Agreements entered into by the Rolling Shareholders and the Purchaser. Upon completion of the Arrangement, the Company will be a wholly owned Subsidiary of the Purchaser, which in turn will be owned by the Rolling Shareholders.

Fairness Opinion and Independent Valuation

The Company retained the Financial Advisor in connection with the proposed Arrangement. The Financial Advisor has provided the Independent Valuation and the Fairness Opinion as described in greater detail under *"The Arrangement – Fairness Opinion and Independent Valuation*". The Independent Valuation

and Fairness Opinion were prepared solely for the benefit and use of the Special Committee in its consideration of the Arrangement**.**

Independent Valuation

Pursuant to its engagement by the Special Committee on March 27, 2023, the Financial Advisor provided the Special Committee with the Independent Valuation, which determined that, as at April 30, 2023, based upon and subject to the assumptions, limitations and qualifications contained therein, the fair market value of the Shares ranged from $0.168 to $0.185 per Share. The complete text of the Independent Valuation is attached as Appendix D to this Circular. **Shareholders are urged to, and should, read the Independent Valuation in its entirety.**

Fairness Opinion

On July 13, 2023, the Financial Advisor rendered to the Special Committee its oral opinion, which was subsequently confirmed in a written opinion dated July 13, 2023, that, as of such date and based upon and subject to the various assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken by the Financial Advisor in preparing its opinion, the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Rolling Shareholders). The complete text of the Fairness Opinion is attached as Appendix D to this Circular. **Shareholders are urged to, and should, read the Fairness Opinion in its entirety.**

Arrangement Steps

Procedural Steps

The Arrangement will be implemented by way of a statutory plan of arrangement under the provisions of Chapter XVI — Division II of the QBCA pursuant to the terms of the Arrangement Agreement. The following procedural steps must be taken in order for the Arrangement to be effective:

(a) the Required Shareholder Approval must be obtained in the manner set forth in the Interim Order;

(b) the Court must grant the Final Order approving the Arrangement;

(c) all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, including the required Regulatory Approvals, must be satisfied or, if applicable, waived by the appropriate party or parties; and

(d) the Articles of Arrangement, prepared in the form prescribed by the QBCA and signed by an authorized director or officer of the Corporation, must be filed with the Enterprise Registrar and a Certificate of Arrangement issued related thereto.

In the event that the Arrangement does not proceed for any reason, including because it does not receive the required Shareholder or Court approval, the Shareholders will not receive any payment for their Shares in connection with the Arrangement and the Company will continue as a publicly-traded company.

Arrangement Steps

Pursuant to the terms of the Plan of Arrangement, commencing at the Effective Time, the following events or transactions shall occur and shall be deemed to occur in the following sequence at two-minute intervals without any further authorization, act or formality:

(a) each Rolling Share shall be transferred and assigned by the holder thereof to, and acquired by, the Purchaser, in exchange for the applicable Rollover Shares, in accordance with the

terms of the Rollover Agreement, and

(i) in respect of each Rolling Share so transferred and assigned each Rolling Shareholder shall cease to be the holder of such Rolling Share so exchanged and to have any rights as holders of such Rolling Shares other than the right to be issued the Rollover Shares in accordance with the terms of the Rollover Agreement and such holder's name shall be removed from the Company's register of holders of Shares at such time; and

(ii) the Purchaser shall be deemed to be the transferee of such Rolling Shares free and clear of all Encumbrances, shall be entered in the Company's register of holders of Shares as the registered holder of the Rolling Shares so transferred, and shall be deemed the legal and beneficial owner thereof;

(b) each Option issued and outstanding immediately prior to the Effective Time (whether vested or unvested, notwithstanding the terms of the Stock Option Plan or any stock option agreement, shall be deemed to be unconditionally vested and exercisable, and such Option shall, without any further action on behalf of the holder of Options, be deemed to be assigned, transferred and surrendered by such holder to the Company in exchange for a cash payment equal to the product obtained by multiplying (i) the amount by which the Consideration exceeds the exercise price per Share of such Option by (ii) the number of Shares into which such Option is exercisable (the "**Option Cash-Out Consideration**"), less applicable withholdings (provided that where such amount is zero or negative, the holder of such Option shall not be entitled to receive any amount in respect of such Option, and all obligations in respect thereof shall be deemed to be fully satisfied, and provided further that where such amount is greater than zero but less than $0.01, the consideration to be received in respect of such Option shall be $0.01) and such Option shall immediately be cancelled;

(c) (i) each holder of Options shall cease to be a holder of such Options, (ii) such holder's name shall be removed from each applicable register, (iii) the Stock Option Plan and all agreements relating to such Options shall be terminated and shall be of no further force and effect, and (iv) such holder shall thereafter have only the right to receive the Option Cash-Out Consideration at the time and in the manner specified herein and contemplated hereby;

(d) each Share held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred by the holder thereof, without any further act or formality on his, her or its part, to the Purchaser in consideration for a debt claim against the Purchaser in an amount determined in accordance with Article 3 of the Plan of Arrangement and thereupon:

(i) such Dissenting Shareholder shall cease to be the holder of such Shares and to have any rights as holder of such Shares other than the right to be paid fair value by the Purchaser for such Shares as set out in Section 3.1 of the Plan of Arrangement;

(ii) such Dissenting Shareholder's name shall be removed as the holder of such Share from the Company's register of holders of Shares; and

(iii) the Purchaser shall be deemed to be the transferee of such Shares free and clear of all Encumbrances, and shall be entered in the Company's register of holders of Shares as the holder thereof;

(e) each Share outstanding immediately prior to the Effective Time, other than those Shares held by (i) Dissenting Shareholders who have validly exercised Dissent Rights, and (ii) the Purchaser, including the Rolling Shares transferred pursuant to Section 2.3(a) of the Plan of Arrangement (which Rolling Shares shall not be exchanged under the Arrangement but

shall remain outstanding as Shares held by the Purchaser) shall, without any further action by or on behalf of a holder of Shares, be deemed to be transferred and assigned by the holder thereof to the Purchaser in exchange for the Consideration, and

(i) in respect of each such Share transferred and assigned pursuant to Section 2.3(e) of the Plan of Arrangement, the Former Shareholders (other than Dissenting Shareholders who have validly exercised Dissent Rights and the Purchaser) shall cease to be the holders of such Shares and to have any rights as holders of such Shares other than the right to be paid the Consideration by the Purchaser in accordance with this Plan of Arrangement

(ii) such Former Shareholders' names shall be removed from the Company's register of holders of Shares at such time; and

(iii) the Purchaser shall be deemed to be the transferee of such Shares free and clear of all Encumbrances, and shall be entered in the Company's register of holders of Shares as the registered holder of the Shares so transferred and shall be deemed the legal and beneficial owner thereof.

Upon issuance of the Final Order and the satisfaction or waiver of the conditions precedent to the proposed Arrangement set forth in the Arrangement Agreement, the Company will file the Articles of Arrangement and such other documents as may be required to give effect to the Arrangement with the Enterprise Registrar pursuant to the QBCA.

Upon issuance of the Certificate of Arrangement by the Enterprise Registrar, the transactions comprising the Arrangement shall occur and shall be deemed to have occurred in the order set out in the Plan of Arrangement without any further act or formality.

Arrangement Agreement

On July 13, 2023, the Company and the Purchaser entered into the Arrangement Agreement under which they agreed, subject to certain terms and conditions, to complete the Arrangement.

This Circular contains a summary of certain provisions of the Arrangement Agreement, which summary is qualified in its entirety by the full text of the Arrangement Agreement, a copy of which is available under the Company's profile on SEDAR+ at www.sedarplus.ca. See "*The Arrangement Agreement*".

Parties to the Arrangement

The Company

The Company is a wholesale lender that provides quick and easy access to growth capital to small businesses through a network of preferred brokers across the US and Canada.

Built on its proprietary IOU360 technology platform that connects underwriters, merchants and brokers in real time, the Company has become a trusted alternative to banks by originating over US$1 billion in loans to fund small business growth since 2009. The Company was named one of the 50 Best Places to Work in Fintech for 2022 by American Banker.

The Purchaser

The Purchaser, a corporation existing under the laws of Québec, is an entity created by the Purchaser Group, and was formed on June 30, 2023, solely for the purpose of engaging in the transactions contemplated by the Arrangement Agreement and has not engaged in any business activities other than in connection with the transactions contemplated by the Arrangement Agreement and obtaining the financing contemplated by the Arrangement Agreement to complete the Arrangement.

The Guarantors: Neuberger Berman, Palos and FinTech

(a) *Neuberger Berman*

Neuberger Berman, founded in 1939, is a private, independent, employee-owned investment manager. The firm manages a range of strategies – including equity, fixed income, quantitative and multi-asset class, private equity, real estate and hedge funds – on behalf of institutions, advisors and individual investors globally. Neuberger Berman's investment philosophy is founded on active management, engaged ownership and fundamental research, including industry-leading research into material environmental, social and governance factors. Neuberger Berman is a PRI Leader, a designation awarded to fewer than 1% of investment firms. With offices in 26 countries, the firm's diverse team has over 2,750 professionals. For nine consecutive years, Neuberger Berman has been named first or second in Pensions & Investments Best Places to Work in Money Management survey (among those with 1,000 employees or more). The firm manages $443 billion in client assets as of June 30, 2023.

(b) *Palos*

Palos Capital, based in Montréal, Québec, is a boutique financial services firm that primarily operates through two subsidiaries: Palos Wealth Management Inc. (PWM) and Palos Management Inc. (PMI). PWM offers wealth management services, including discretionary portfolio management and separately managed account services to individual, corporate and institutional clients. PMI is an independent, investment fund manager and portfolio manager.

Palos IOU Inc. is a newly formed corporation consisting of certain (i) affiliates of Palos Capital, and (ii) directors and officers of the Company.

(c) *FinTech*

FinTech is an early-stage venture capital firm founded in 2015 and headquartered in Atlanta, GA, with offices in New York, NY. The firm focuses exclusively on investing in and partnering with entrepreneurs building promising technology-enabled companies in the banking, capital markets, and lending sectors. The Fintech Ventures team has multiple decades of collective operational and investment experience, with numerous successful exits.

Termination Fee

The Arrangement Agreement requires that the Company pay the Termination Fee in certain circumstances. See "*The Arrangement Agreement – Termination Fee; Expenses of the Purchaser and the Company* ".

Expense Reimbursements

If the Arrangement Agreement is terminated for breach of the Company's representations and warranties or covenants, the Company will reimburse the Purchaser for reasonable, documented expenses, costs and fees incurred by the Purchaser and its affiliates in connection with the Arrangement Agreement, in an amount not to exceed $250,000.

If the Arrangement Agreement is terminated because the Outside Date is reached, and this Outside Date is reached due to the Company's failure to obtain certain regulatory approvals agreed between the Parties in the Arrangement Agreement, the Purchaser will reimburse the Company for reasonable, documented expenses, costs and fees incurred by the Company in connection with the Arrangement Agreement, in an amount not to exceed $250,000.

Shareholder Approval

For the Arrangement to proceed, the Arrangement Resolution must be approved by (i) not less than two-thirds of the votes cast at the Meeting by Shareholders virtually present or represented by proxy and entitled to vote at the Meeting, and (ii) a simple majority of the votes cast at the Meeting by Shareholders virtually present or represented by proxy and entitled to vote at the Meeting, excluding for this purpose the Rolling Shareholders and related parties thereof and any other person required to be excluded pursuant to section 8.1(2) of MI 61-101.

The Arrangement Resolution must be passed in order for the Company to seek the Final Order and implement the Arrangement on the Effective Date. See "*The Arrangement – Required Shareholder Approval*".

Letter of Transmittal

Registered Shareholders can find a copy of the Letter of Transmittal, which accompanies this Circular, under the Company's profile on SEDAR+ at www.sedarplus.ca. In order for a registered Shareholder to receive the Consideration for each Share held by such Shareholder, following the Effective Time, such registered Shareholder must deposit the certificate(s) and/or DRS Advice(s) representing his, her or its Shares with the Depositary. The Letter of Transmittal, properly completed and duly executed, together with all other documents and instruments referred to in the Letter of Transmittal or reasonably requested by the Depositary, must accompany all certificates and DRS Advices for Shares deposited for payment pursuant to the Arrangement. Except as described elsewhere in this Circular, the Consideration will be denominated in Canadian dollars, provided that a Shareholder is to be paid a converted amount in U.S. dollars if either (a) the Shareholder has elected to receive U.S. dollars in its Letter of Transmittal prior to the Effective Date, or (b) the Shareholder's address of record is outside of Canada and the Shareholder has not made an election to receive Canadian dollars prior to the Effective Date.

Any non-registered Shareholder whose Shares are registered in the name of an Intermediary such as a broker, investment dealer, bank, trust company, trustee, clearing agency (such as CDS) or other nominee should contact that Intermediary and should follow the instructions of that Intermediary in order to receive the Consideration following the Effective Time. See "*Arrangement Mechanics – Letter of Transmittal*".

The Purchaser reserves the right, if it so elects, in its absolute discretion, to instruct the Depositary to waive any defect or irregularity contained in any Letter of Transmittal received by them and any such waiver will be binding upon the affected Shareholders. The granting of a waiver to one or more Shareholders does not constitute a waiver for any other Shareholders. The Company and the Purchaser reserve the right to demand strict compliance with the terms of the Letters of Transmittal and the Arrangement. The method used to deliver the Letter of Transmittal and any accompanying certificate(s) representing the Shares, and all other required documents, is at the option and risk of the holder surrendering them, and delivery will be deemed effective only when such documents are actually received by the Depositary. The Company and the Purchaser recommend that the necessary documentation be hand delivered or delivered by courier to the Depositary at its office(s) specified on the last page of the Letter of Transmittal, and a receipt obtained; otherwise the use of registered mail with return receipt requested, properly insured, is recommended.

Holders of Options need not complete any documentation to receive the consideration payable to them under the Arrangement in respect of their Options.

Court Approval of the Arrangement

The Arrangement requires approval by the Court under section 414 of the QBCA. A copy of the Notice of Presentation applying for the Final Order approving the Arrangement is attached to this Circular as Appendix F. Subject to the approval of the Arrangement Resolution by Shareholders at the Meeting, the hearing in respect of the Final Order is expected to take place on or about September 15, 2023 at 2:15 p.m. (Montréal time) in room 16.04 of the Court located at 1 Notre-Dame Street East, Montréal,

Québec, H2Y 1B6, or as soon thereafter as is reasonably practicable. At the hearing, the Court will consider, among other things, the fairness and reasonableness of the terms and conditions of the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit. Se*e "The Arrangement Regulatory Matters – Court Approvals*".

Once the Final Order is granted and the other conditions contained in the Arrangement Agreement are satisfied or, if applicable, waived to the extent legally permissible, the Articles of Arrangement will be filed with the Enterprise Registrar under the QBCA for issuance of the Certificate of Arrangement giving effect to the Arrangement.

MI 61-101 Requirements

The Company is a reporting issuer in Alberta, British Columbia, Ontario and Québec and, accordingly, is subject to applicable Securities Laws of such provinces, including MI 61-101. MI 61-101 regulates transactions which raise the potential for conflicts of interest and is intended to ensure that all securityholders are treated in a manner that is fair and that is perceived to be fair with respect to these types of transactions. The Arrangement is a "business combination" (as defined in MI 61-101) and, accordingly, certain requirements of MI 61-101 apply, including the requirements to obtain "majority of the minority" approval of the Arrangement. *See* "*The Arrangement – Regulatory Matters – Canadian Securities Law Matters*".

Stock Exchange Delisting and Ceasing Reporting Issuer Status

It is expected that, shortly following the completion of the Arrangement, the Shares will be delisted from the TSX-V and that the Company will apply to cease to be a reporting issuer in all Canadian jurisdictions in which it is a reporting issuer, that is Alberta, British Columbia, Ontario and Québec. See "*The Arrangement – Stock Exchange De-listing and Reporting Issuer Status*".

Dissent Rights

Pursuant to and in accordance with the Plan of Arrangement, the Interim Order and the provisions of Chapter XIV of the QBCA (as modified or supplemented by the Interim Order, the Plan of Arrangement and any other order of the Court), registered Shareholders (other than (i) the Rolling Shareholders; (ii) holders of Options; and (iii) Shareholders that have failed to exercise all the voting rights carried by the Shares they hold against the Arrangement Resolution) have the right to demand the repurchase of their Shares in connection with the Arrangement and, if the Arrangement becomes effective, to be paid the fair value of their Shares by the Purchaser; provided that such Shareholders must exercise all of their available voting rights against the adoption and approval of the Arrangement Resolution. There can be no assurance that a Shareholder that dissents will receive consideration for his, her or its Shares of equal or greater value to the Consideration such Shareholder would have received on completion of the Arrangement if such Shareholder did not exercise its Dissent Rights.

Persons who are beneficial owners of Shares registered in the name of an Intermediary who wish to exercise Dissent Rights should be aware that they may only do so through the registered owner of such Shares. Accordingly, a non-registered owner of Shares desiring to exercise Dissent Rights must make arrangements for the Shares beneficially owned by that holder to be registered in the name of the Shareholder prior to the time the Dissent Notice is required to be received by the Corporation or, alternatively, make arrangements for the registered holder of such Shares to exercise Dissent Rights on behalf of the holder. In such case, the Dissent Notice should specify the number of Shares. A Dissenting Shareholder may only dissent with respect to all the Shares held on behalf of any one beneficial owner and registered in the name of the Dissenting Shareholder, subject to such Dissenting Shareholder exercising all the voting rights carried by such Shares against the Arrangement Resolution.

The dissent procedures require that a registered Shareholder who wishes to dissent ensure that a written notice of objection to the Arrangement Resolution is sent to the Company (Attention: Daniel O'Keefe, Chief Financial Officer) by e-mail (dokeefe@ioufinancial.com) no later than 5:00 p.m. (Montréal time) on September 8, 2023, or 5:00 p.m. (Montréal time) on the second business day prior to the date that any adjourned or postponed Meeting is reconvened or held, as the case may be, and must otherwise strictly comply with the dissent procedures in Chapter XIV of the QBCA, as modified and supplemented by the Interim Order, the Plan of Arrangement and any other order of the Court.

Shareholders should carefully read the section in this Circular titled "*Information Concerning the Meeting – Dissent Rights of Shareholders*" if they wish to exercise Dissent Rights and seek their own legal advice as failure to strictly comply with the dissent procedures in Chapter XIV of the QBCA, as modified and supplemented by the Interim Order, the Plan of Arrangement and any other order of the Court, will result in the loss or unavailability of the right to dissent. Information on Dissent Rights is qualified in its entirety by reference to the full text of Chapter XIV of the QBCA, which is attached as Appendix G to this Circular, as modified by the Interim Order, which is attached to this Circular as Appendix E, and the Plan of Arrangement, which is attached to this Circular as Appendix C.

It is a condition to the Purchaser's obligation to complete the Arrangement that Shareholders holding no more than 5% of the issued and outstanding Shares shall have exercised Dissent Rights that have not been withdrawn as at the Effective Date.

Depositary and Proxy Solicitation Agent

On August 8, 2023, the Company and the Purchaser retained Computershare Investor Services Inc. to act as depositary for the receipt of certificates in respect of Shares and related Letters of Transmittal.

The Company has retained Morrow Sodali, among other things, to assist in the solicitation of proxies. The solicitation of proxies is made on behalf of management of the Company. If you have any questions or need assistance in your consideration of the Arrangement or with the completion and delivery of your proxy, please contact Morrow Sodali by telephone at 1.888.444.0617 (North American Toll Free) or 1.289.695.3075 (Collect Outside North America) or by email at assistance@morrowsodali.com.

Risk Factors

Shareholders should consider a number of risk factors relating to the Arrangement and the Company in evaluating whether to approve the Arrangement Resolution. These risk factors are discussed herein and/or in certain sections of documents publicly filed, which sections are incorporated herein by reference. See "*Risk Factors*".

* * *

INFORMATION CONCERNING THE MEETING

Purpose of the Meeting

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to pass the Arrangement Resolution (a copy of which is attached as Appendix B to this Circular) and such other business as may properly come before the Meeting. At the time of printing of this Circular, the Board of Directors and management of the Company know of no other matter expected to come before the Meeting, other than the vote on the Arrangement Resolution.

Meeting Information

The Meeting will be held at 11:00 a.m. (Montréal time) on September 12, 2023, for the purposes set forth in the accompanying Notice of Meeting. To provide Shareholders with an equal opportunity to attend and participate at the Meeting, regardless of their geographic location or the particular constraints, circumstances or risks that they may face, the Meeting will be held in a virtual-only format conducted by live videoconference at https://web.lumiagm.com/412704157, the password being "iou2023" (case sensitive). Online access to the Meeting will begin at 10:30 a.m. (Montréal time) on September 12, 2023.

The Company believes that the ability to participate in the Meeting in a meaningful way remains important despite the decision to hold the Meeting in a virtual-only format. It is anticipated that registered Shareholders and duly appointed proxyholders attending the Meeting virtually will have substantially the same opportunity to ask questions on matters of business before the Meeting as would be the case for shareholders and duly appointed proxyholders attending a meeting in person. Shareholders attending the Meeting virtually will have the opportunity to submit questions at the Meeting by submitting them in writing through the text box. Questions received from Shareholders which relate to the business of the Meeting are expected to be addressed in the question-and-answer section of the Meeting. Such questions will be read by the Chair of the Meeting or a designee of the Chair and responded to by a representative of the Company as they would be for shareholders attending a meeting in person. To ensure fairness for all attendees, the Chair of the Meeting will decide on the amount of time allocated to each question and will have the right to limit or consolidate questions and to reject questions that do not relate to the business of the Meeting or which are determined to be inappropriate or otherwise out of order.

Only Shareholders of record on the Record Date of August 8, 2023 will be entitled to receive notice of, attend, be heard and vote at the Meeting. No Shareholder who becomes a Shareholder after the Record Date shall be entitled to vote at the Meeting.

Attending the Meeting

The Meeting will be held in a virtual-only format conducted by live videoconference at https://web.lumiagm.com/412704157, the password being "iou2023" (case sensitive).

Registered Shareholders and duly appointed and registered proxyholders will be able to virtually attend, participate and vote at the Meeting. Registered Shareholders and duly appointed and registered proxyholders who participate in the Meeting online will be able to listen to the Meeting, ask questions and vote, all in real time, provided they are connected to the Internet and comply with all of the requirements set out below under "*Voting Instructions – Registered Shareholders – Voting at the Virtual Meeting*".

Non-registered Shareholders who have not duly appointed themselves as proxyholders may still virtually attend the Meeting as guests. Guests will be able to listen to the Meeting but will not be able to vote at the Meeting. See "*Voting instructions – Non-Registered Shareholders – Voting at the Virtual Meeting*".

Registered Shareholders, duly appointed and registered proxyholders and guests, including non-registered Shareholders who have not duly appointed themselves as proxyholder, can log in to the Meeting as set out below. Guests can listen to the Meeting but are not able to vote.

- Log in online at https://web.lumiagm.com/412704157. It is recommended that you log in at least 15 minutes before the Meeting starts.

- Click "Login" and then enter your username (see below) and password "iou2023" (case sensitive).

  OR

- Click "Guest" and then complete the online form.

Registered Shareholders

The 15-digit control number located on the form of proxy or in the email notification you received is your "username" for the purposes of logging in to the Meeting.

Duly Appointed Proxyholders

The Transfer Agent will provide proxyholders with a username by email after the proxyholder has been duly appointed and registered in accordance with the instructions provided in the form of proxy.

If you virtually attend the Meeting, it is important that you are connected to the Internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedures. If you have any doubt of your system's compatibility, you can check by visiting https://www.lumiglobal.com/faq for additional information. If you encounter technical difficulties, please contact Lumi at support support@lumiglobal.com.

Voting Instructions

You can vote your Shares by proxy or at the Meeting. Please follow the instructions below based on whether you are a registered Shareholder or a non-registered Shareholder.

Registered Shareholders

You are a registered Shareholder if you have a share certificate or DRS Advice for Shares and they are registered in your name or if you hold Shares through direct registration. You will find a form of proxy enclosed.

How to Vote

In order for your vote to be counted, your voting instructions must be received by no later than 11:00 a.m. (Montréal time) on September 8, 2023 (or no later than 48 hours, excluding Saturdays, Sundays and holidays in the Province of Québec, before any reconvened meeting if the Meeting is adjourned or postponed).

Voting by Proxy

Voting by proxy means you are giving the person or persons named in your form of proxy the authority to virtually attend the Meeting, or any adjournment or postponement thereof, and vote your Shares for you. Please mark your vote, sign, date and follow the return instructions provided in the enclosed form of proxy. By doing this, you are giving the directors or executive officers of the Company who are named in the form of proxy the authority to vote your Shares at the Meeting, or any adjournment or postponement thereof.

You may vote by proxy using one of the following methods:

- by Internet at www.investorvote.com;
- by fax to 1-866-249-7775;
- by telephone by calling 1-866-732-8683 (toll-free within Canada or the U.S.); or
- by mail, using the envelope accompanying your proxy.

You can choose another person to be your proxyholder, including someone who is not a Shareholder. You can do so by following the instructions set out below under "*Appointment of Proxies*".

The Shares represented by any proxy received by management of the Company will be voted for or against the Arrangement Resolution, as the case may be, by the persons named in the enclosed form of proxy in accordance with the direction of the Shareholder appointing them. In the absence of any direction to the contrary, the Shares represented by proxies received by management of the Company will be voted on any ballot FOR the Arrangement Resolution.

Voting at the Virtual Meeting

You do not need to complete or return your form of proxy if you plan to vote at the Meeting. Simply follow the instructions set out under "*Information Concerning the Meeting – Attending the Meeting*" above, to attend the Meeting online and complete a ballot virtually during the Meeting.

Changing your Vote

A registered Shareholder who has submitted a proxy may revoke such proxy by: (a) completing and signing a proxy bearing a later date and depositing it with the Transfer Agent in accordance with the instructions set out above, or (b) depositing an instrument in writing executed by the registered Shareholder or by such Shareholder's personal representative authorized in writing (i) at the office of the Transfer Agent no later than 11:00 a.m. (Montréal time) on September 8, 2023 (or no later than 48 hours, excluding Saturdays, Sundays and holidays in the Province of Québec, before any reconvened meeting if the Meeting is adjourned or postponed), (ii) with the scrutineers of the Meeting, addressed to the attention of the Chair of the Meeting, prior to the commencement of the Meeting on the day of the Meeting, or where the Meeting has been adjourned or postponed, prior to the commencement of the reconvened or postponed Meeting on the day of such reconvened or postponed Meeting, or (iii) in any other manner permitted by Law. In addition, once a registered Shareholder logs in to the Meeting and accepts the terms and conditions, such registered Shareholder may (but is not obliged to) revoke any and all previously submitted proxies by voting by poll on the matters put forth at the Meeting. If a registered Shareholder attends the Meeting but does not vote by poll, his, her or its previously submitted proxy will remain valid.

The revocation of a proxy does not, however, affect any matter on which a vote has been taken prior to the revocation.

If you have followed the process for attending and voting at the Meeting virtually, voting at the Meeting virtually will revoke your previous proxy.

Non-Registered Shareholders

You are a non-registered Shareholder if your Shares are held in the name of an Intermediary (such as a bank, trust company or securities broker) or in the name of a clearing agency (such as CDS). Your

voting instruction form contains a 16-digit control number provided to you by Broadridge or your Intermediary.

Unless you instruct your Intermediary or Broadridge to vote in accordance with their request for voting instructions, they are generally prohibited from voting your Shares, as such Shares should only be voted upon instructions of the beneficial owner of the Shares. You may vote your Shares at the Meeting virtually or through your Intermediary or the Transfer Agent by following the instructions provided to you by them if you are an Objecting Beneficial Owner or Non-Objecting Beneficial Owner, respectively. Please contact your Intermediary should you wish to vote at the Meeting.

Voting at the Virtual Meeting

Non-registered Shareholders who have not duly appointed themselves as proxyholder will not be able to vote at the Meeting, but will be able to participate as a guest. This is because the Company does not have unrestricted access to the names of its non-registered Shareholders. If you virtually attend the Meeting, the Company may have no record of your shareholdings or entitlement to vote, unless your Intermediary has appointed you as proxyholder.

Should a non-registered Shareholder wish to virtually attend and vote at the Meeting (or have another person attend and vote on behalf of the non-registered Shareholder), the non-registered Shareholder should follow the instructions for voting at the Meeting that are provided on the relevant voting instruction form and refer to the instructions set out below under "*Appointment of Proxies*".

How to Vote by Voting Instruction Form

If you are a Non-Objecting Beneficial Owner, and were mailed a voting instruction form by the Transfer Agent, in order for your vote to be counted, your voting instructions must be received by no later than 11:00 a.m. (Montréal time) on September 8, 2023 (or no later than 48 hours, excluding Saturdays, Sundays and holidays in the Province of Québec, before any reconvened meeting if the Meeting is adjourned or postponed).

You may vote using one of the following methods:

- by Internet at www.investorvote.com;
- by fax to 1-866-249-7775;
- by telephone by calling 1-866-734-8683 (toll-free within Canada or the U.S.); or
- by mail, using the envelope accompanying your voting instruction form.

If you are a Non-Objecting Beneficial Owner, the Company or the Transfer Agent has sent this Circular and accompanying materials directly to you, and your name and address and information about your holdings of Shares, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding Shares on your behalf. By choosing to send these materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

In the case of Objecting Beneficial Owners, applicable regulations in Canada require Intermediaries to seek voting instructions from such Shareholders in advance of the Meeting. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Objecting Beneficial Owners in order to ensure that their Shares are voted at the Meeting. The form of proxy or voting instruction supplied to you by your Intermediary will be similar to the proxy provided to registered Shareholders. However, its purpose is limited to instructing the Intermediary on how to vote your Shares

on your behalf. In order for such proxy to be valid, it must be properly executed by the Intermediary holding the Shares and returned to the Transfer Agent by the Intermediary prior to the proxy deposit deadline of 11:00 a.m. (Montréal time) on September 8, 2023 (or no later than 48 hours, excluding Saturdays, Sundays and holidays in the Province of Québec, before any reconvened meeting if the Meeting is adjourned or postponed).

Most Intermediaries delegate responsibility for obtaining instructions from clients to Broadridge. Broadridge typically mails a scannable voting instruction form in lieu of a proxy form to Objecting Beneficial Owners and provides appropriate instructions respecting voting of Shares to be represented at the Meeting. **For your Shares to be voted, you must follow the instructions on the voting instruction form that is provided to you.** You can complete the voting instruction form by: (i) calling the phone number listed thereon; (ii) mailing the completed voting instruction form in the envelope provided; or (iii) using the Internet at www.proxyvote.com. Objecting Beneficial Owners who have questions about deciding how to vote or who have additional questions about this Circular or the matters described in this Circular, please contact your professional advisors. Additionally, the Company may utilize Broadridge's QuickVote™ service to assist Objecting Beneficial Owners with voting their Shares. Non-Objecting Beneficial Owners (who have not objected to the Company knowing who they are) may be contacted by the Company's proxy solicitation agent and shareholder communications advisor, Morrow Sodali, to conveniently obtain a vote directly over the telephone.

Non-registered Shareholders who receive voting instructions from their Intermediary other than those contained in the voting instruction form sent by Broadridge should carefully follow the instructions provided by their Intermediary to ensure their vote is counted.

Subject to the terms of your voting instruction form, if you do not specify how you want your Shares voted, they will be voted FOR the Arrangement Resolution.

Changing your Vote

If you have already sent your completed voting instruction form to your Intermediary and you change your mind about your voting instructions, or want to vote at the Meeting, contact your Intermediary to find out whether this is possible and what procedure to follow.

Exercise of Discretion by Proxies

If you do not specify on your proxy form how you want a proxyholder appointed by you (other than the management nominees) to vote your Shares, then your proxyholder can vote your Shares as he or she sees fit. Shares represented by properly executed proxies appointing the management nominees of the Company as designated in the proxy will be voted for or against the Arrangement Resolution in accordance with the instructions contained in the proxy. **If a proxy appointing management nominees does not contain voting instructions, the Shares represented by such proxies will be voted FOR the Arrangement Resolution.**

Appointment of Proxies

Shareholders have the right to appoint a person (a "**third-party proxyholder**") other than the management nominees identified in the form of proxy or voting instruction form, as applicable, as proxyholder. The following applies to such Shareholders who wish to appoint a third-party proxyholder, including non-registered Shareholders who wish to appoint themselves as proxyholder to attend and vote at the Meeting.

Shareholders who wish to appoint a third-party proxyholder to attend at the Meeting as their proxyholder and vote their Shares must (a) submit their form of proxy or voting instruction form, as applicable, appointing that person as proxyholder; and (b) register that proxyholder with the Transfer Agent, as described below. Registering your proxyholder is an additional step to be completed **after** you have

submitted your form of proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving a username that is required to vote at the Meeting and only being able to attend as a guest.

- **Step 1 – Submit your Form of Proxy or Voting Instruction Form:** To appoint a third-party proxyholder, insert that person's name in the blank space provided in the form of proxy or voting instruction form and follow the instructions for submitting such form of proxy or voting instruction form. This must be completed before registering such proxyholder which is an additional step to be completed once you have submitted your form of proxy or voting instruction form. If you are a non-registered Shareholder and wish to vote at the Meeting, you must insert your own name in the space provided on the voting instruction form sent to you by your Intermediary or the Transfer Agent, follow all of the applicable instructions provided by your Intermediary **and** register yourself as your proxyholder, as described below. By doing so, you are instructing your Intermediary or the Transfer Agent to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your Intermediary or the Transfer Agent.

- **Step 2 – Register your Proxyholder:** To register a third-party proxyholder, Shareholders must visit https://www.computershare.com/IOUFinancial by no later than 11:00 a.m. (Montréal time) on September 8, 2023 and provide the Transfer Agent with the required proxyholder contact information so that the Transfer Agent may provide the proxyholder with a username via email. Without a username, proxyholders will not be able to vote at the Meeting but will be able to participate as a guest.

How the Votes are Counted

The Transfer Agent counts and tabulates the votes. It does this independent of the Company to make sure that the votes of individual Shareholders are confidential. The Transfer Agent refers proxy forms to the Company only when:

- it is clear that a Shareholder wants to communicate with management;
- the validity of the form is in question; or
- the law requires it.

Questions and Assistance in Voting

If you have any questions or need assistance in your consideration of the Arrangement or with the completion and delivery of your proxy, please contact Morrow Sodali by telephone at 1.888.444.0617 (North American Toll Free) or 1.289.695.3075 (Collect Outside North America) or by email at assistance@morrowsodali.com.

Solicitation of Proxies

Whether or not you plan to attend the Meeting, management of the Company, with the support of the Board of Directors, requests that you fill out your proxy or voting instruction form to ensure your votes are cast at the Meeting. **This solicitation of your proxy is made on behalf of management of the Company.**

Proxies are being solicited in connection with this Circular by the Company's management. The Company will bear the costs associated with the solicitation (with certain exceptions). The solicitation will be made primarily by mail, but proxies may also be solicited personally by regular employees of the Company to whom no additional compensation will be paid. In addition, we have retained the services of

Morrow Sodali who may contact you by telephone or email to solicit proxies for the Company. We estimate Morrow Sodali's fees will be up to approximately $40,000 in addition to certain out-of-pocket expenses.

Shareholders Entitled to Vote

Shareholders are entitled to vote either virtually at the Meeting or by proxy. The Board of Directors has fixed the close of business on August 8, 2023 as the Record Date for determining Shareholders who are entitled to receive notice of and vote at the Meeting. Quorum for the Meeting shall be met if at least two persons, each of whom is a Shareholder or a proxyholder representing a Shareholder, holding or representing by proxy together not less than 10% of the total number of issued and outstanding Shares are virtually present or represented by proxy. Shareholders whose names have been entered in the register of the Company as at the close of business (Montréal time) on the Record Date will be entitled to receive notice of and vote at the Meeting. Shares held through a broker, investment dealer, bank, trust company or other Intermediary, will be voted by the registered holder thereof, in accordance with the instructions given by the non-registered Shareholder to such Intermediary. No other securityholders are entitled to vote at the Meeting other than Shareholders.

To the knowledge of the Company, as at the date hereof, no person beneficially owns, or exercises control or direction over, directly or indirectly, more than 10% of the issued and outstanding Shares, other than as follows:

Name	Number of Common Shares	Percentage of Voting Shares
Fintech Ventures Fund, LLLP[(1)]	13,592,671	12.88%
NB Specialty Finance Fund LP[(2)]	15,665,839	14.84%
Palos IOU Inc.	14,321,575	13.57%

Notes:
(1) Lucas Timberlake, a director of the Company, exercises control over Fintech.
(2) Neuberger Berman exercises control over NBSF 1.

Dissent Rights of Shareholders

Only a registered Shareholder has the right to exercise Dissent Rights with respect to its Shares in connection with the Arrangement pursuant to and in the manner provided in the Plan of Arrangement, the Interim Order and Chapter XIV of the QBCA, as modified or supplemented by the Interim Order, the Plan of Arrangement and any other order of the Court.

Pursuant to the Interim Order and the Plan of Arrangement, in addition to any other restrictions under Chapter XIV of the QBCA, none of the following shall be entitled to Dissent Rights: (i) the Rolling Shareholders; (ii) holders of Options; and (iii) Shareholders that have failed to exercise all the voting rights carried by the Shares they hold against the Arrangement Resolution.

The following description of the rights of Dissenting Shareholders is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder, and is qualified in its entirety by the provisions of Chapter XIV of the QBCA, which is attached as Appendix G to this Circular, as modified or supplemented by the Interim Order, the Plan of Arrangement, which are attached to this Circular as Appendix E and Appendix C, respectively, and any other order of the Court. A Dissenting Shareholder who intends to exercise Dissent Rights should carefully consider and comply with the provisions of Chapter XIV of the QBCA, as modified by the Interim Order, the Plan of Arrangement and any other order of the Court. The statutory provisions covering the right to demand repurchase of shares are technical and complex. Failure to strictly comply with the provisions of Chapter XIV of the QBCA, as modified by the Interim Order, the Plan of Arrangement and any other order of the Court, and to adhere to the procedures established therein may result in the loss of all rights thereunder. The Court hearing the application for the Final Order has the discretion to alter the Dissent Rights described herein based on the evidence presented at such hearing.

Under the Interim Order, each registered Shareholder is entitled, in addition to any other rights the holder may have, to exercise Dissent Rights and to be paid by the Purchaser the fair value of the Shares held by the holder, determined, notwithstanding anything to the contrary contained in Chapter XIV of the QBCA, as of the close of business on the day before the Arrangement Resolution was adopted at the Meeting. Only registered Shareholders may exercise Dissent Rights. **Persons who are beneficial owners of Shares registered in the name of an Intermediary who wish to exercise Dissent Rights should be aware that they may only do so through the registered owner of such Shares. Accordingly, a non-registered owner of Shares desiring to exercise Dissent Rights must make arrangements for the Shares beneficially owned by that holder to be registered in the name of the Shareholder prior to the time the Dissent Notice is required to be received by the Corporation or, alternatively, make arrangements for the registered holder of such Shares to exercise Dissent Rights on behalf of the holder. In such case, the Dissent Notice should specify the number of Shares. A Dissenting Shareholder may only dissent with respect to all the Shares held on behalf of any one beneficial owner and registered in the name of the Dissenting Shareholder, subject to such Dissenting Shareholder exercising all the voting rights carried by such Shares against the Arrangement Resolution. Note that Chapter XIV of the QBCA, the text of which is attached as Appendix G to this Circular, sets forth special provisions which are required to be followed with respect to the exercise of Dissent Rights by beneficial shareholders (or non-registered Shareholders)**.

The dissent procedures require that a registered Shareholder who wishes to dissent ensure that a written notice of objection to the Arrangement Resolution (the "**Dissent Notice**") is sent to the Company (Attention: Daniel O'Keefe, Chief Financial Officer) by e-mail (dokeefe@ioufinancial.com) no later than 5:00 p.m. (Montréal time) on September 8, 2023, or 5:00 p.m. (Montréal time) on the second business day prior to the date that any adjourned or postponed Meeting is reconvened or held, as the case may be, and must otherwise strictly comply with the dissent procedures described.

The giving of a Dissent Notice does not deprive a registered Shareholder of the right to vote at the Meeting; however, Shareholders who do not vote all of their Shares against the Arrangement Resolution shall not be entitled to exercise Dissent Rights with respect to such Shares, subject to sections 393 to 397 of the QBCA, given that Chapter XIV — Division I of the QBCA provides there is no right of partial dissent and, pursuant to the Interim Order, a registered Shareholder may not exercise Dissent Rights in respect of only a portion of such holder's Shares. A vote either virtually or by proxy against the Arrangement Resolution will not by itself constitute a Dissent Notice.

Registered Shareholders who have validly exercised (and not withdrawn) Dissent Rights will only be entitled to be paid fair value for their Shares in accordance with Chapter XIV of the QBCA, as modified or supplemented by the Interim Order, the Plan of Arrangement and any other order of the Court, if the Arrangement Resolution is approved at the Meeting in accordance with the Interim Order and the Arrangement becomes effective.

Promptly after the Effective Time, the Purchaser is required to give notice (the "**Purchase Notice**") to each Dissenting Shareholder, which Purchase Notice shall mention the purchase price being offered for the Shares held by all Dissenting Shareholders and an explanation of how such price was determined. Within thirty (30) days after receiving the Purchase Notice, each Dissenting Shareholder is required, if the Dissenting Shareholder wishes to proceed with exercising Dissent Rights, to deliver to the Purchaser a written statement: (a) confirming that the Dissenting Shareholder wishes to exercise his, her or its Dissent Rights and have all of his, her or its Shares purchased at the purchase price indicated in the Purchase Notice (in such case, a "**Notice of Confirmation**"); or (b) indicating that the Dissenting Shareholder contests the purchase price indicated in the Purchase Notice and demands an increase in the purchase price offered (in such case, a "**Notice of Contestation**").

Additionally, if it has not been done previously, all certificates or DRS Advices representing the Shares in respect of which Dissent Rights were exercised, together with the completed and executed applicable Letter(s) of Transmittal, should be delivered with the Notice of Confirmation or the Notice of Contestation, as applicable. A Dissenting Shareholder who fails to send to the Purchaser, within the

required timeframe, a Notice of Confirmation or a Notice of Contestation, as the case may be, shall be deemed to have renounced his, her or its Dissent Rights and will be deemed to have participated in the Arrangement on the same basis as Shareholders who did not exercise Dissent Rights.

Upon receiving a Notice of Confirmation within the required timeframe, the Purchaser shall pay the Dissenting Shareholder, within ten (10) days of receiving such Notice of Confirmation, the purchase price indicated in the Purchase Notice for all of his, her or its Shares.

Upon receiving a Notice of Contestation within the required timeframe, the Purchaser may propose an increased purchase price within thirty (30) days of receiving such Notice of Contestation, which increased purchase price must be the same for all Shares held by Dissenting Shareholders who duly submitted a Notice of Contestation. If (a) the Purchaser does not follow up on a Dissenting Shareholder's contestation within thirty (30) days after receiving its Notice of Contestation, or (b) the Dissenting Shareholder contests the increase in the purchase price offered by the Purchaser, such Dissenting Shareholder may ask the Court to determine the increase in the purchase price. However, any such application to the Court must be made within ninety (90) days after receiving the Purchase Notice. As soon as any such application is filed with the Court by any Dissenting Shareholder, the Purchaser must notify this fact (a "**Notice of Application**") to all the other Dissenting Shareholders who are still contesting the purchase price, or the increase in the purchase price, offered by the Purchaser.

All Dissenting Shareholders who received the Notice of Application are bound by the judgment of the Court hearing the application as to the fair value of the Shares (which Court may entrust the appraisal of the fair value to an expert). Within ten (10) days after such Court judgment, the Purchaser must pay the purchase price determined by the Court to all Dissenting Shareholders who received the Notice of Application, and pay the increase in the purchase price to all Dissenting Shareholders who submitted a Notice of Contestation but did not contest the increase in the purchase price offered by the Purchaser.

All Shares held by registered Shareholders who exercise their Dissent Rights in respect of such Shares will, if the holders are ultimately entitled to be paid the fair value thereof, be deemed to be transferred to the Purchaser in exchange for the right to be paid the fair value of their Shares (which fair value, notwithstanding anything to the contrary contained in Chapter XIV of the QBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted at the Meeting and shall be subject to any applicable withholdings) and will not be entitled to any other payment or consideration (including any payment that would be payable under the Arrangement had they not exercised their Dissent Rights in respect of such Shares). If such Shareholders ultimately are not entitled, for any reason, to be paid fair value for such Shares, they shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of Shares and shall be entitled to receive only the Consideration in the same manner as such non-dissenting holders.

Registered Shareholders who are considering exercising Dissent Rights should be aware that there can be no assurance that the fair value of their Shares, as determined under Chapter XIV of the QBCA, as modified by the Interim Order, the Plan of Arrangement and any other order of the Court, will be more than or equal to the Consideration payable under the Arrangement. In addition, any judicial determination of fair value will result in a delay of receipt by Dissenting Shareholders of payment for their respective Shares.

The above summary does not purport to provide a comprehensive statement of the procedures to be followed by Dissenting Shareholders who seek the purchase of their Shares. Chapter XIV of the QBCA requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder. Accordingly, each Dissenting Shareholder who is considering exercising Dissent Rights should carefully consider and comply with the provisions of that section, the full text of which is set out in Appendix G to this Circular, as modified by the Interim Order, the Plan of Arrangement and any other order of the Court, and consult their own legal advisor as failure to strictly comply with the provisions of the QBCA

(as modified or supplemented by the Interim Order, the Plan of Arrangement and any other order of the Court) may prejudice Dissent Rights.

THE ARRANGEMENT

Background to the Arrangement

The Arrangement Agreement is the result of extensive arm's length negotiations between representatives of the Company and the Purchaser, as well as their respective advisors. The following is a summary of the main events that led to the execution of the Arrangement Agreement (including related definitive transaction agreements) and certain meetings, negotiations, discussions and actions of the various parties that preceded the public announcement of the Arrangement Agreement.

On March 5, 2023, the Company received a confidential non-binding proposal letter (the "**Proposal Letter**") from Neuberger Berman, Palos and FinTech (collectively, the "**Purchaser Group**"), for the proposed acquisition (the "**Proposed Transaction**") by a newly-formed purchase vehicle to act as Purchaser of all of the issued and outstanding Shares, other than those owned by the Purchaser Group, at a price of $0.22 per Share to be paid in cash.

In the Proposal Letter, the Purchaser Group advised that it beneficially owned, or exercised control or direction over, an aggregate of approximately 49.06% of the issued and outstanding Shares (on a non-diluted basis). Subsequently, the Company was informed that (i) the Purchaser Group owns, or exercises control or direction over approximately 46.1% of the outstanding Shares (on a non-diluted basis), and that (ii) certain members of management of the Company will roll their Shares into the Purchaser.

Given the rolling of the Purchaser Group's Shares into the Purchaser, the Board of Directors concluded that the Proposed Transaction would be a "business combination" within the meaning of MI 61-101.

On March 7, 2023, in response to the Proposal Letter, the Board of Directors established the Special Committee comprised exclusively of independent directors in order to review the Proposed Transaction and consider available alternatives to the Proposed Transaction to enhance shareholder value, including the option of the Company remaining an independent, stand-alone, publicly-traded corporation and continuing to pursue its strategic plan ("**Strategic Alternatives**"). The mandate of the Special Committee includes overseeing any negotiations or discussions with respect to the Proposed Transaction or Strategic Alternatives.

The Special Committee consists of Evan Price, who serves as Chair, Yves Roy, Neil Wolfson and Kathleen Miller. Following advice from legal counsel to the Special Committee and a review of each member of the Special Committee, the Special Committee has concluded that each of its members is independent of the Purchaser Group and of management of the Company and of any other person who may have relevant involvement with the Proposed Transaction, Strategic Alternatives or the Company, and is therefore qualified to serve on the Special Committee.

The Special Committee confirmed the availability and independence of Blakes to provide legal advice and retained Blakes as its legal advisor in connection with the execution of its mandate, including its consideration of the Proposed Transaction and Strategic Alternatives.

In addition, the Special Committee retained the Financial Advisor as financial advisor to the Special Committee in order to provide the Independent Valuation, as well as the Fairness Opinion. The Special Committee, based on representations made to it by the Financial Advisor, concluded that the Financial Advisor is independent of the Purchaser Group and is qualified to provide the Independent Valuation and the Fairness Opinion. The production of the Independent Valuation was requested by the Special Committee despite there being an exemption available under MI 61-101 applicable to issuers which securities are listed and posted on the TSX-V as the Special Committee was of the view that the

Independent Valuation would be beneficial to the integrity of the process being carried out in response to the Proposal Letter.

The Special Committee met on March 7, 14, 16, 18 and 24, 2023 to, among other things, consider the Proposal Letter and Strategic Alternatives and oversee ongoing discussions between its members and the Purchaser Group. On March 27, 2023, the Special Committee and the Purchaser Group settled the terms of and executed the Proposal Letter. Under the Proposal Letter, the Company agreed to provide to the Purchaser Group and their representatives reasonable due diligence access, in connection with which customary confidentiality agreements with each member of the Purchaser Group were executed. However, the Special Committee retained the right to consider and entertain Strategic Alternatives because, among other considerations, the Special Committee was of the view that it would be more prudent to first allow the Financial Advisor to advance in its preparation of the Independent Valuation and the Fairness Opinion in order to support the integrity of its evaluation of the Purchaser Group's offer price of $0.22 per Share (which represented a 57% premium to the Share price on the TSX-V on March 27, 2023) prior to granting the Purchaser Group exclusive negotiation rights.

The Special Committee subsequently met on April 11, 2023 to review the preliminary report of the Financial Advisor on the Proposed Transaction, and on April 25, 2023, to discuss ongoing exchanges with the Purchaser Group pertaining to due diligence matters and to the offer price under the Proposed Transaction. On May 5, 2023, the Company received a revision to the Proposal Letter from the Purchaser Group indicating that the offer price under the Proposed Transaction would be reduced from $0.22 to $0.20 per Share in light of recent market conditions. The Special Committee met on May 8, May 16 and May 23, 2023 to oversee ongoing discussions between its members and the Purchaser Group regarding the revised offer price under the Proposed Transaction. Over the course of these discussions, on the basis of representations made by the Special Committee as to the value of the Company and its operations in the current market environment, on May 23, 2023, the Purchaser Group agreed to increase the offer price back to $0.22 per Share. On that basis, on May 27, 2023, the Purchaser Group delivered to the Company a first draft of an arrangement agreement (the "**Draft Arrangement Agreement**") pursuant to which the Proposed Transaction would be carried out by way of plan of arrangement.

Throughout such period, the Special Committee held numerous formal and informal discussions among its members, with management of the Company, with Blakes and with the Company's legal counsel, Davies.

Between May 27, 2023 and July 13, 2023 negotiations took place regarding the terms of the Arrangement. Davies led the negotiation of all aspects of the Arrangement, including the Draft Arrangement Agreement and all other related material documentation, and, through Blakes as intermediary, the Special Committee was involved extensively in these negotiations. In this regard, the Special Committee routinely received advice from, and provided guidance to, Blakes. Advice was also received from the Financial Advisor. The Special Committee also held numerous formal and informal discussions among its members, with management of the Company, with Davies and with representatives of the Purchaser Group. The Special Committee paid particular attention to the financing sources of the Arrangement and conducted what it believed to be the appropriate inquiries in order to satisfy itself of the availability at the relevant time of the funds necessary to satisfy the consideration payable under the Arrangement.

During its meeting held on July 13, 2023, the Special Committee received presentations from the Financial Advisor, Blakes and Davies, including in respect of the directors' fiduciary duties in the context of assessing the Proposed Transaction. The Financial Advisor provided, in the form of a final draft, the Independent Valuation and the Fairness Opinion to the Special Committee to the effect that, subject to the assumptions, limitations and qualifications contained therein, the Arrangement is fair from a financial point of view to the Shareholders (other than the Rolling Shareholders) and indicated its intention to deliver final signed versions of the Independent Valuation and the Fairness Opinion contemporaneously with the signing of the Arrangement Agreement. At this meeting, the Special Committee also reviewed with Davies, as counsel to the Company, the terms of the latest Draft Arrangement Agreement in detail and considered them to be fair and reasonable in the circumstances.

Following the representations by the Financial Advisor and Blakes, the Chair of the Special Committee presented the unanimous recommendation of the Special Committee to the Board of Directors.

After discussion, the Board of Directors unanimously determined (with the Non-Participating Directors abstaining from voting) that the Arrangement is in the best interests of the Company and fair to the Shareholders (other than the Rolling Shareholders), and approved the Arrangement.

The Arrangement Agreement, the Voting Support Agreements and the other definitive transaction agreements were then entered into. On July 14, 2023, the Arrangement was publicly announced before the opening of markets.

Following the public announcement of the Arrangement, on July 18, 2023, the Chair of the Special Committee, Evan Price, received an unsolicited communication on behalf of North Mill Equipment Finance LLC ("**NMEF**") indicating its interest in discussing a potential alternative transaction to the Arrangement. Subsequently, on July 24, 2023, NMEF delivered a non-binding, conditional written expression of interest (the "**Expression of Interest**") to Mr. Price, wherein NMEF stated its interest in acquiring all, and only all, of the issued and outstanding Shares, by way of a plan of arrangement, for a cash consideration of $0.28 per Share, or $0.2877 per Share if the Purchaser were to waive payment of the Termination Fee upon the termination of the Arrangement Agreement (the "**Alternative Transaction**"). On July 25, 2023, NMEF issued a press release disclosing its delivery of the Expression of Interest to the Company.

On July 25, 2022, NMEF had submitted an unsolicited, confidential non-binding proposal to the Company to purchase all of the issued and outstanding Shares at an indicative price of between $0.35 to $0.45 per Share. The proposal was, among other things, subject to uncertain pricing assumptions and conditional, including completion of satisfactory due diligence by NMEF, the approval of NMEF's board of directors, and the grant of exclusivity in favour of NMEF. In evaluating the proposal, the Board of Directors sought advice from the Company's counsel, Davies, and discussed the proposal and the potential for the Company to pursue a strategic process with representatives of the Purchaser Group, who advised at that time they were not interested in supporting a sales process. On August 4, 2022, the Board of Directors unanimously determined, after considering a number of factors, including concerns regarding the sharing of competitively sensitive information with its competitor, NMEF, whether the trading price of the Shares accurately reflected the value of the Company, the short window for accepting the proposal, the requirement for exclusivity, the conditional and uncertain nature of the proposal, and that the transaction would be unfeasible without the support of the Company's largest shareholders, that it was not in the best interests of the Company, its shareholders or other stakeholders to enter into any further discussions with NMEF regarding its proposal. The Board of Directors advised NMEF of this determination on August 5, 2022 and NMEF made no further approaches to the Board of Directors until the delivery of the Expression of Interest.

The Special Committee held a meeting on July 26, 2023 in order to consider the Expression of Interest. At that meeting, it was determined that, given that the Purchaser Group (i) beneficially owns or exercises control or direction over an aggregate of approximately 46.1% of the issued and outstanding Shares (on a non-diluted basis), and (ii) has secured irrevocable voting support in respect of the Arrangement involving over approximately 48.6% of the issued and outstanding Shares (on a non-diluted basis), the support of the Purchaser would be required in order for the Alternative Transaction to be able to succeed and it would therefore be important to understand the intentions of the Purchaser Group in this regard. The Special Committee therefore communicated with the Purchaser Group in order to learn of its intentions and to discuss the possibility of the Purchaser increasing the consideration per Share under the Arrangement. The Company also issued a press release on July 26, 2023 confirming receipt of the Expression of Interest and disclosing that (i) the Expression of Interest and NMEF's subsequent press release are merely an invitation for the Company to negotiate an arrangement agreement with NMEF, (ii) the Expression of Interest is not a formal offer to the Shareholders, and (iii) there is no assurance that NMEF will make a formal offer to any Shareholders. In addition, the Company confirmed that the Board of Directors has not changed its unanimous approval and recommendation that Shareholders vote in favor of the Arrangement and, until such time as the Board of Directors makes its determination regarding whether the Expression of Interest constitutes a "Superior Proposal" under the Arrangement Agreement, the

Company will continue with the process set forth in the Arrangement Agreement, including holding the Meeting for the purpose of considering and voting on the Arrangement.

On July 27, 2023, the Board of Directors and the Special Committee received a written communication from the Purchaser, NBSF 1, FinTech, Palos and an affiliate of Palos stating that (i) the Purchaser Group will not vote (or permit to be voted) any Shares owned or controlled by it in favour of the Alternative Transaction (and will not otherwise support or tender (or permit to be tendered) any Shares owned or controlled by it to any alternative transaction with NMEF on substantially the same terms as the Alternative Transaction), and (ii) as such, there is no possibility that the Alternative Transaction can be consummated. The Purchaser further stated in such communication that the Expression of Interest is highly conditional, non-binding, incomplete and not bona fide and that despite the fact that any transaction between the Company and NMEF would require the Purchaser Group's support in order to be completed, NMEF had made no effort prior to delivering the Expression of Interest to engage with the Purchaser Group or to solicit its co-operation in connection with the Alternative Transaction. The Purchaser's communication went on that it could only be assumed therefore that NMEF submitted the Expression of Interest and issued its press release to interfere with the Arrangement and the compelling value and liquidity for Shareholders provided thereby.

In light of the Purchaser's communication, on August 1, 2023, the Special Committee and the Board of Directors (with the Non-Participating Directors abstaining from voting), in consultation with their legal and financial advisors, concluded that they were not yet in a position to determine whether the Alternative Transaction constitutes a "Superior Proposal" under the Arrangement Agreement, and on that day sent a written communication to NMEF advising them of the state of their deliberations and inviting them to communicate directly with the Purchaser Group regarding the Alternative Transaction and to provide the Board of Directors and the Special Committee with any further clarifications which could assist them in assessing the likelihood that the Alternative Transaction could be concluded.

On August 7, 2023, the Special Committee met with representatives of NMEF to determine whether the Alternative Transaction could reasonably be expected to be consummated. At the meeting, NMEF did not propose any satisfactory course of action pursuant to which the Alternative Transaction could reasonably be expected to be consummated and the Board of Directors (with the Non-Participating Directors abstaining from voting), on the recommendation of the Special Committee, subsequently determined that the Alternative Transaction did not constitute a "Superior Proposal" under the Arrangement Agreement. To be successfully consummated, the Alternative Transaction would need, among other things, to gather the support of more than two-thirds of the Shareholders, which would not be possible in the present circumstances without the support of the Purchaser Group.

On August 8, 2023, the Chair of the Special Committee, Evan Price, informed NMEF of the Board of Directors' determination that the Alternative Transaction did not constitute a "Superior Proposal" under the Arrangement Agreement and the Company subsequently issued a press release on August 9, 2023, announcing the Board of Directors' determination and reiterating its recommendation in favour of the Arrangement.

On August 14, 2023, the Board of Directors met and approved this Circular and other procedural matters related thereto and to the Arrangement.

Recommendation of the Special Committee

As described above under "*Background to the Arrangement*", the Special Committee established by the Board of Directors ultimately had responsibility to oversee, review and consider the Arrangement and make a recommendation to the Board of Directors with respect to the Arrangement. The Special Committee is comprised of Evan Price (Chair), Yves Roy, Neil Wolfson and Kathleen Miller, each an independent director of the Company, and the Special Committee met on numerous occasions both as a committee with solely its members and advisors present, and with management and the full Board of Directors present, where appropriate.

The Special Committee, after careful consideration, having taken into account such matters as it considered relevant and after having received legal and financial advice, unanimously determined that the Arrangement is in the best interests of the Company and fair to the Shareholders (other than the Rolling Shareholders) and unanimously recommended that the Board of Directors approve the Arrangement and recommend that the Shareholders (other than the Rolling Shareholders) vote **FOR** the Arrangement Resolution.

In forming its recommendation to the Board of Directors, the Special Committee considered a number of factors, including, without limitation, those listed below under "*The Arrangement – Reasons for the Arrangement*". The Special Committee based its recommendation upon the totality of the information presented to and considered by it in light of the members of the Special Committee's knowledge of the business, financial condition and prospects of the Company and after taking into account the advice of the Company's financial and legal advisors and the advice and input of management of the Company.

Recommendation of the Board of Directors

After careful consideration and taking into account, among other things, the unanimous recommendation of the Special Committee, the Board of Directors, after receiving legal advice, has unanimously (with the Non-Participating Directors abstaining from voting), determined that the Arrangement is in the best interests of the Company and fair to the Shareholders (other than the Rolling Shareholders). Accordingly, the Board of Directors, unanimously (with the Non-Participating Directors abstaining from voting) recommends that the Shareholders (other than the Rolling Shareholders) vote **FOR** the Arrangement Resolution (the "**Board Recommendation**").

In forming its recommendation, the Board of Directors considered a number of factors, including, without limitation, the unanimous recommendation of the Special Committee and the factors listed below under "*The Arrangement – Reasons for the Arrangement*". The Board of Directors based its recommendation upon the totality of the information presented to and considered by it in light of the knowledge of members of the Board of Directors of the business, financial condition and prospects of the Company and after taking into account the advice of the Company's financial and legal advisors and the advice and input of management of the Company.

Reasons for the Arrangement

The Special Committee, in unanimously recommending that the Board of Directors approve the Arrangement, and the Board of Directors, in unanimously determining that the Arrangement is in the best interests of the Company and is fair to the Shareholders (other than the Rolling Shareholders), considered and relied upon a number of factors, including, among others, the following (which are not listed in any relative order of importance):

- *Premium to Share Trading Price:* The Consideration represents a premium of (i) approximately 83.3% to the closing price per Share on the TSX-V on July 13, 2023, the last trading day prior to the announcement of the Arrangement, and (ii) approximately 90.6% to the volume-weighted average price of the Shares on the TSX-V over the 30 trading days up to and including July 13, 2023, the last trading day prior to the announcement of the Arrangement.

- *Independent Valuation*: The Independent Valuation concludes that the Consideration is above the $0.168 to $0.185 per Share range of the fair market value of the Shares, as of April 30, 2023.

- *Fairness Opinion:* The Fairness Opinion concludes that the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Rolling Shareholders).

- *Majority of the Minority Approval Requirement*: The Arrangement must be approved by separate simple majority vote of the Shareholders other than the Purchaser Group and any director or senior officer of the Company receiving a "collateral benefit" within the meaning of MI 61-101.

- *Shareholder and Director & Officer Support:* The Purchaser has entered into (i) Irrevocable VSAs with each member of the Purchaser Group and certain other Shareholders, thereby securing irrevocable support for the approval of the Arrangement by Shareholders representing approximately 48.6% of the issued and outstanding Shares (on a non-diluted basis), and (ii) D&O VSAs with certain directors or officers of the Company, thereby securing support for the approval of the Arrangement by Shareholders representing approximately an additional 0.6% of the issued and outstanding Shares (on a non-diluted basis), subject to customary exceptions.

- *Dissent Rights*: The registered Shareholders have been granted Dissent Rights and, subject to certain conditions, may have their Shares transferred to the Purchaser against payment by the Purchaser of their fair value.

- *Court Approval*: The Arrangement must be approved by the Court, which will consider, among other things, the fairness and reasonableness of the Arrangement to the Shareholders (other than the Rolling Shareholders,) and the holders of Options.

- *Purchaser Group Commitment to the Proposed Transaction*: The Purchaser Group beneficially owns, or exercises control or direction over, directly or indirectly, an aggregate of approximately 46.1% of the issued and outstanding Shares and has secured irrevocable support for the approval of the Arrangement by Shareholders representing approximately 48.6% of the issued and outstanding Shares. On many occasions throughout the negotiation of the Proposed Transaction, the Purchaser Group has reconfirmed its commitment to the Proposed Transaction. As of the date of the Arrangement Agreement, to the knowledge of the Special Committee, no third party had entertained with the Company any credible Strategic Alternatives. The Company subsequently received an unsolicited non-binding proposal from NMEF, which the Purchaser Group has confirmed it will oppose. Given that the Purchaser has secured irrevocable support for the approval of the Arrangement by Shareholders representing approximately 48.6% of the issued and outstanding Shares (on a non-diluted basis), the Purchaser Group's rejection of NMEF's unsolicited, non-binding, conditional proposal means that such proposal is unable to be consummated. To be successfully consummated, it would need, among other things, to gather the support of more than two-thirds of the Shareholders, which would not be possible in the present circumstances without the support of the Purchaser Group.

- *Immediate Liquidity*: The trading volume of the Shares has historically been relatively limited given the Company's market capitalization and public float, thereby making it difficult for Shareholders to realize meaningful liquidity through the public markets on which the Shares trade. The all-cash Consideration provides the Shareholders (other than the Rolling Shareholders in respect of the Rolling Shares) with certainty of value and immediate liquidity for their Shares at a price that may not otherwise be available in the market in the absence of the Arrangement.

- *Debentures*: The Arrangement is not detrimental to the interests of the holders of the outstanding Debentures given the existing features of such Debentures negotiated at the time of their issuance, which provide the holders thereof with the right to require the repurchase of their Debentures at a premium in the event of a change of control of the Company.

- *Options*: The Arrangement is not detrimental to the interests of the holders of Options as such holders will receive a cash payment equal to the "in-the-money" amount in respect of all vested and unvested Options.

- *Dependence of the Company on a Member of the Purchaser Group*: The Company depends on a member of the Purchaser Group as a principal source of capital for its ongoing business activities.

- *Deal Certainty*: The completion of the Arrangement is subject to a limited number of conditions, which in the view of the Special Committee, after receiving legal and financial advice, are reasonable in the circumstances and can reasonably be expected to be satisfied, and is not subject to any financing condition. Accordingly, it offers relative deal certainty.

- *Strategic Alternatives relative to the Status Quo:* The Special Committee and the Board of Directors assessed the current and anticipated future opportunities and risks associated with the business, operations, assets, financial performance and condition of the Company should it continue as a public corporation. In that regard and in considering the status quo as an alternative to pursuing the Arrangement, the Special Committee and the Board of Directors assessed the historical and continued weak performance of the Shares from a market price and liquidity perspective. After considering all available alternatives, the Special Committee and the Board of Directors determined (with the Non-Participating Directors abstaining from voting) that entering into the Arrangement was in the best interests of the Company and is fair to the Shareholders (other than the Rolling Shareholders).

- *Going Private*: The Company's business is very likely to be more effective as a private entity in that limited management resources will be more properly focused on its business operations rather than on public reporting and related obligations and costs.

- *Continuity of Operations*: The Purchaser Group has expressed its intention to maintain the operations of the Company, as well as its workforce, substantially intact following the completion of the Proposed Transaction, providing continuity for the Company's stakeholders.

- *Risks*: The business, operations, assets, financial condition, operating results and prospects of the Company continue to be subject to significant uncertainty, including prevailing market conditions in technology and finance.

- *Ability to Respond to Unsolicited Superior Proposal*: If, at any time prior to the approval of the Arrangement Resolution at the Meeting the Company receives an unsolicited bona fide written Acquisition Proposal and, among other things, the Board of Directors (with the Non-Participating Directors abstaining from voting) first determines, in good faith, upon the recommendation of the Special Committee, the Company's financial advisors and legal counsel, that such Acquisition Proposal constitutes, or is reasonably expected to result in, a Superior Proposal and that the failure to engage in such discussions or negotiations would be inconsistent with its fiduciary duties, the Company may enter into or participate in discussions or negotiations with such Person regarding the Acquisition Proposal. In that event, the Company is nevertheless required to hold the Meeting and cause the Arrangement to be voted on at the Meeting. The $885,000 Termination Fee payable by the Company in certain circumstances is reasonable and consistent with prevailing market terms. Further, in the view of the Special Committee and the Board of Directors, the Termination Fee would not preclude a third party from making a Superior Proposal.

The Special Committee, in making its unanimous recommendation, and the Board of Directors, in reaching its determination, also considered a number of potential risks and potential negative factors relating to the Arrangement, including the following:

- the risks to the Company and its Shareholders if the Arrangement is not completed, including the costs to the Company in pursuing the Arrangement, the diversion of the Company's management from the conduct of its business in the ordinary course, and the potential negative impact on the Company's financing sources (including, in particular, a member of the Purchaser Group, which is one of the Company's principal sources of financing);

- the fact that the Arrangement will be a taxable transaction for Canadian federal income tax purposes (and may also be a taxable transaction under other applicable tax laws) and, as a result, Shareholders will generally be required to pay taxes on any gains that result from the disposition of their Shares pursuant to the Arrangement;

- the inability of the Company under the terms of the Arrangement Agreement to solicit additional interest from third parties, as well as the fact that if the Arrangement Agreement is terminated under certain circumstances as described in the Arrangement Agreement, the Company must pay the Termination Fee to the Purchaser, which may adversely affect the Company's financial condition;

- the restrictions imposed pursuant to the Arrangement Agreement on the conduct of the Company's business and operations during the period between the execution of the Arrangement Agreement and the consummation of the Arrangement or the termination of the Arrangement Agreement; and

- the conditions to the Purchaser's obligation to complete the Arrangement and the right of the Purchaser to terminate the Arrangement Agreement under certain circumstances.

The foregoing discussion of the information and factors considered and given weight by the Special Committee and the Board of Directors is not intended to be exhaustive. The Special Committee, in unanimously recommending that the Board of Directors approve the Arrangement, and the Board of Directors, in unanimously determining (with the Non-Participating Directors abstaining from voting) that the Arrangement is in the best interests of the Company and is fair to the Shareholders (other than the Rolling Shareholders), did not assign any relative or specific weights to the foregoing factors, and individual directors may have given different weights to different factors. The Board of Directors resolved unanimously (with the Non-Participating Directors abstaining from voting) that the Arrangement was in the best interests of the Company and is fair to the Shareholders (other than the Rolling Shareholders).

The explanation of the reasons and reasoning set forth above contain forward-looking statements that should be read in conjunction with the section of this Circular entitled "*Forward-Looking Statements*" and "*Risk Factors*."

Fairness Opinion and Independent Valuation

In determining to recommend the approval of the Arrangement to the Board of Directors, the Special Committee considered, among other things, the Independent Valuation, which was prepared by the Financial Advisor in the manner prescribed by MI 61-101, and the Fairness Opinion which was also prepared by the Financial Advisor.

The full text of the Independent Valuation and Fairness Opinion, setting out the assumptions made, procedures followed, matters considered and limitations and qualifications on the review undertaken by the Financial Advisor in connection therewith, is attached to this Circular as Appendix D. The Independent Valuation and the Fairness Opinion were prepared exclusively for

the use of the Special Committee in connection with its consideration of the Arrangement and the unanimous recommendation of the Special Committee and the Board of Directors (with the Non-Participating Directors abstaining from voting) to the Shareholders (other than the Rolling Shareholders) as outlined in this Circular and is not to be otherwise used or relied upon. The Fairness Opinion does not address the relative merits of the Arrangement as compared to any other Strategic Alternative that may be available to the Company. The Independent Valuation and the Fairness Opinion are not recommendations as to how any Shareholder should vote with respect to the Arrangement Resolution or any other matter. The summary of the Independent Valuation and the Fairness Opinion set forth below is qualified in its entirety by reference to the full text of the Independent Valuation and the Fairness Opinion, and the Special Committee and the Board of Directors urge Shareholders to read the Independent Valuation and the Fairness Opinion carefully and in their entirety.

Selection of the Financial Advisor

The Special Committee considered three potential firms to act as its financial advisor and, as part of its process, invited the Financial Advisor to make a proposal to the Special Committee outlining, among other things, its qualifications to prepare an independent valuation of the Shares and a fairness opinion regarding the Consideration to be received by the Shareholders pursuant to the Arrangement. The Special Committee made enquiries with the Financial Advisor as to its qualifications and independence and received legal advice from its independent legal counsel regarding the selection of a valuator in the manner prescribed by MI 61-101. The production of the Independent Valuation was requested by the Special Committee despite there being an exemption available under MI 61-101 applicable to issuers which securities are listed and posted on the TSX-V as the Special Committee was of the view that the Independent Valuation would be beneficial to the integrity of the process being carried out in response to the Proposal Letter received from the Purchaser Group. See "*The Arrangement – Background to the Arrangement*".

After deliberation, the Special Committee determined that the Financial Advisor is independent of all "interested parties" and is a qualified "independent valuator" (as each such term is defined in MI 61-101) as required by MI 61-101 based, in part, on representations made to it by the Financial Advisor and on the factors set forth below. Accordingly, the Special Committee entered into an engagement letter with the Financial Advisor dated March 27, 2023 (the "**Evans & Evans Engagement Letter**"), which provided, among other things, that its services would be provided under the supervision and direction of the Special Committee. Pursuant to the Evans & Evans Engagement Letter, the Company agreed to pay the Financial Advisor a fixed fee for conducting the Independent Valuation in the manner prescribed by MI 61-101 and providing its Fairness Opinion and also agreed to reimburse the Financial Advisor for its reasonable and documented expenses and to indemnify it in respect of certain liabilities which may be incurred by the Financial Advisor in connection with the use of the Independent Valuation and the Fairness Opinion by the Special Committee. The fee to be paid to the Financial Advisor under the Evans & Evans Engagement Letter was negotiated and agreed to by the Financial Advisor and the Special Committee. No part of the fee payable to the Financial Advisor is contingent upon the conclusions expressed in the Independent Valuation or the Fairness Opinion or on the completion of the Arrangement.

Qualifications of the Financial Advisor

The Financial Advisor is a Canadian boutique investment banking firm with offices and affiliates in Canada, the United States and Asia. It offers a range of independent and advocate services including mergers & acquisitions advice, valuation and fairness opinions, business due diligence, business planning and market research. Since 1989, the Financial Advisor has worked in a broad range of sectors locally, regionally and internationally. As chartered business valuators and accredited senior appraisers, the Financial Advisor is actively involved in the areas of business valuation as well as goodwill impairment testing and the allocation of goodwill and intangible assets on a firm's balance sheet. This information relating to the Financial Advisor was provided by the Financial Advisor.

Independence of the Financial Advisor

In accordance with Part 6.1 (Independence and Qualifications of Valuator) of MI 61-101, the Financial Advisor has confirmed that it is independent of all "interested parties". Neither the Financial Advisor nor any of its affiliates:

- is an associated or affiliated entity or issuer insider of any "interested parties", as each such term is defined in MI 61-101, in respect of the Arrangement;
- is acting as an advisor to any "interested party" in respect of the Arrangement (except to provide the Independent Valuation and the Fairness Opinion as contemplated by its engagement by the Special Committee);
- is subject to any circumstance whereby the compensation of the Financial Advisor depends in whole or in part on an agreement, arrangement or understanding that gives the Financial Advisor a financial incentive in respect of the conclusions reached in the Independent Valuation and the Fairness Opinion or the outcome of the Arrangement;
- is or will be (i) a manager or co-manager of a soliciting dealer group for the Arrangement, or (ii) a member of a soliciting dealer group for the Arrangement whereby, in its capacity as a soliciting dealer, it would perform services beyond the customary soliciting dealer's function or would receive more than the per security or per security holder fees payable to other members of the group;
- is an external auditor of the Company or of an "interested party";
- has any material financial interest in the completion of the Arrangement;
- has any interest or relationship with any "interested party" which is set out in Section 5.2(a) or (c) of Companion Policy 61-101; or
- during the twenty-four (24) months prior to the date the Financial Advisor, was first contacted for the purposes of the Independent Valuation and the Fairness Opinion, had any relationship with any "interested party" which is set out in Section 5.2(b) of Companion Policy 61-101.

Scope of Review

In arriving at its opinion as to the fair market value per Share as at April 30, 2023 (the "**Valuation Date**"), the Financial Advisor has relied on the following documents and information:

- interviews with management of the Company on numerous occasions to gain a better understanding of the operation of the Company and the business plans going forward;
- interviews with members of the Special Committee;
- the Company's website;
- management responses to the Financial Advisor's valuation questionnaire;
- the consolidated unaudited interim financial statements of the Company for the three months ended March 31, 2023;

- the consolidated audited financial statements of the Company for the years ended December 31, 2019 to 2021, as audited by PricewaterhouseCoopers LLP, Montréal, Québec, and the audited financial statements of the Company for the year ended December 31, 2022, as audited by KPMG LLP, Montréal, Québec;

- the management's discussion and analysis of the Company for the three months ended March 31, 2023, and for the years ended December 31, 2021 and 2022;

- the Company's 2020, 2021 and 2022 annual reports;

- the Company's press releases for the 18 months preceding the Valuation Date;

- the Proposal Letter from the Purchaser Group to the Company dated March 27, 2023;

- the draft press release entitled "*Neuberger Berman, Palos Capital and Fintech Ventures to Acquire IOU at C$0.22 per Share in an All-Cash Transaction*" dated July 11, 2023 as provided by management;

- minutes of a meeting of the Company's management held on April 3, 2023;

- the Company's 2023 strategic plan;

- the Company's corporate presentation dated June 2022;

- the Company's board package dated August 26, 2022;

- the Company's capitalization table as of April 6, 2023 and option ledgers dated March 8, 2023 and April 6, 2023;

- the Company's 2023 budget as provided by management;

- information on the Company's market from a variety of sources;

- the trading price and trading volume the Shares on the TSX-V for the period between April 27, 2022 and July 13, 2023;

- information on the alternative lending platform market from various sources; and

- stock market trading data and financial information on the following companies: Accord Financial Corp., goeasy Ltd., Propel Holdings Inc., Prospa Group Limited, Lendified Holdings Inc., Plenti Group Limited, MoneyMe Limited, Zip Co Limited, FSA Group Limited, Montfort Capital Corp., Thorn Group Limited, Regional Management Corp., Sunlight Financial Holdings Inc., PRA Group, Inc., BM Technologies, Inc., Rocket Companies, Inc., Upstart Holdings, Inc., World Acceptance Corporation, and Katapult Holdings, Inc.

Conditions and Assumptions to the Independent Valuation and the Fairness Opinion

The Financial Advisor relied only on the information, materials and representations provided to it by the Company, and applied generally accepted valuation principles to the financial information it received from the Company. The Financial Advisor assumed that the information provided to it is accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions

contained in the Independent Valuation and the Fairness Opinion that the Company is aware of, and did not attempt to verify the accuracy or completeness of the data and information available.

The Independent Valuation and the Fairness Opinion, and more specifically the assessments and views contained therein, are meant as an independent review of the Company as at the Valuation Date, with respect to the Independent Valuation, and July 13, 2023 (the "**Fairness Date**"), with respect to the Fairness Opinion. The Financial Advisor makes no representations, conclusions or assessments, expressed or implied, regarding the Company or events after the date of the management-prepared financial statements. The information/assessments contained in the Independent Valuation and the Fairness Opinion pertain only to the conditions prevailing as of the Valuation Date and the Fairness Date, respectively.

The Financial Advisor's assessments and conclusion are based on the information that has been made available to it. The Financial Advisor reserves the right to review all information and calculations included or referred to in the Independent Valuation and the Fairness Opinion and, if it considers it necessary, to revise part and/or the entire Independent Valuation and/or Fairness Opinion in light of any information which becomes known to the Financial Advisor during or after the date of the Independent Valuation and the Fairness Opinion.

The Financial Advisor was not requested to, and did not, solicit indications of interest or proposals from third parties regarding a possible acquisition of or merger with the Company. The Financial Advisor's opinion also does not address the relative merits of the Arrangement as compared to any alternative business strategies or transactions that might exist for the Company, the underlying business decision of the Company to proceed with the Arrangement, or the effects of any other transaction in which the Company will or might engage. The Financial Advisor expresses no opinion or recommendation as to how any Shareholder should vote or act in connection with the Arrangement, any related matter or any other transactions.

The Financial Advisor has relied, with the Company's consent, on the assessments by the Company and its advisors, as to all legal, regulatory, accounting and tax matters with respect to the Company and the Arrangement, and accordingly the Financial Advisor is not expressing any opinion as to the value of the Company's tax attributes or the effect of the Arrangement thereon. The Financial Advisor is expressing no opinion as to whether any alternative transaction might have been more beneficial to the Shareholders, or as to the price at which any securities of the Company will trade on any stock exchange at any time.

The Financial Advisor has based its conclusions in the Independent Valuation and the Fairness Opinion upon a variety of factors. Accordingly, the Financial Advisor believes that its analyses must be considered as a whole. Selecting portions of its analyses or the factors considered by the Financial Advisor, without considering all factors and analyses together, could create a misleading view of the process underlying the Independent Valuation and the Fairness Opinion. The preparation of a comprehensive valuation report and fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. The Financial Advisor's conclusions as to the fairness, from a financial point of view, to the Shareholders (other than the Rolling Shareholders) of the Arrangement were based on its review of the Arrangement taken as a whole, in the context of the scope of the Financial Advisor's review, rather than on any particular element of the Arrangement or the Arrangement outside the context of the matters included in the scope of the Financial Advisor's review. The Independent Valuation and the Fairness Opinion should therefore be read in their entirety.

The Financial Advisor also made the following assumptions in completing the Independent Valuation and the Fairness Opinion:

- an audit of the Company's financial statements for the three months ended March 31, 2023 would not result in any material changes to the management-prepared financial statements provided to the Financial Advisor;
- there was no material change in the financial position of the Company between the date of its most recent financial statements and the Valuation Date and the Fairness Date, respectively, unless noted in the Independent Valuation and the Fairness Opinion;
- as at the Valuation Date all assets and liabilities of the Company have been recorded in its accounts and financial statements in compliance with International Financial Reporting Standards;
- the Company has satisfactory title to all of its assets (including the Company Intellectual Property) and there are no liens or encumbrances on such assets nor have any assets been pledged in any way;
- the information which is contained in the Independent Valuation and the Fairness Opinion is accurate, correct and complete, and the Company is not aware of any material omissions of information that would affect the conclusions contained in the Independent Valuation and the Fairness Opinion;
- the Company and all of its related parties and their principals had no contingent liabilities, unusual contractual arrangements, or substantial commitments, other than in the ordinary course of business, nor litigation pending or threatened, nor judgments rendered against, other than those disclosed by management and included in the Independent Valuation and the Fairness Opinion that would affect the conclusions contained in the Independent Valuation and the Fairness Opinion;
- the book value of the Company's assets at the Valuation Date equaled their fair market value unless otherwise noted;
- certain assumptions as outlined in the Exhibits to the Independent Valuation and the Fairness Opinion, respectively;
- the financial forecast / budget for the Company as at the Valuation Date as prepared by management represents management's best estimate of the future economic performance of the assets held by the Company as at the Valuation Date; and
- as at the Valuation Date, no third party purchaser(s) was (were) identified that would pay a premium to purchase 100% of the Shares.

Fair Market Value

In providing the Independent Valuation and the Fairness Opinion, the Financial Advisor was guided by the definition of fair market value in MI 61-101, being the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm's length with the other and under no compulsion to act.

Valuation Methodology

In valuing an asset and/or a business, there is no single or specific mathematical formula. The particular approach and the factors to consider will vary in each case. Where there is evidence of open market transactions having occurred involving the shares, or operating assets, of a business interest, those transactions may often form the basis for establishing the value of the company / asset. In the absence of open market transactions, there are the following three basic, generally-accepted approaches for valuing a business interest.

Income / Cash Flow Approach

The income / cash flow approach is a general way of determining a value indication of a business (or its underlying assets) using one or more methods wherein a value is determined by capitalizing or discounting anticipated future benefits. This approach contemplates the continuation of the operations, as if the business is a “going concern”.

Market Approach

The market approach to valuation is a general way of determining a value indication of a business or an equity interest therein using one or more methods that compare the subject entity to similar businesses, business ownership interests and securities (investments) that have been sold. Examples of methods applied under this approach include, as appropriate: (a) the “guideline company method”, (b) the “merger and acquisition method”; and (c) analyses of prior transactions of ownership interests in the subject entity.

Cost or Asset-based Approach

The cost or asset-based approach is adopted where either: (a) liquidation is contemplated because the business is not viable as an ongoing operation; (b) the nature of the business is such that asset values constitute the prime determinant of corporate worth (e.g., vacant land, a portfolio of real estate, marketable securities, or investment holding company, etc.); or (c) there are no indicated earnings/cash flows to be capitalized. If consideration of all relevant facts establishes that the Cost or Asset-Based Approach is applicable, the method to be employed will be either a going-concern scenario (“adjusted net book value method”) or a liquidation scenario (on either a forced or an orderly basis), depending on the facts.

Lastly, a combination of the above approaches may be necessary to consider the various elements that are often found within specialized companies and/or are associated with various forms of intellectual property.

Selected Valuation Approaches

With respect to the fair market value of the Company, the Financial Advisor believed it was appropriate to value the Company on a going concern basis. The reason for this is:

- the Company has sufficient working capital to maintain operations going forward;
- the Company has historically generated earnings and is generating a fair return on its assets; and
- the going concern approach yields a higher value than a liquidation approach.

Given the approaches of valuation outlined above, it is the view of the Financial Advisor that the most appropriate method in determining the range of the fair market value of the Company at the Valuation

Date is a weighting of the capitalized EBITDA method under the income approach and the guideline company method under the market approach.

The Financial Advisor considered the following other valuation approaches, but considered none of them to be appropriate in the circumstances: cost approach, market approach – historical transactions method, income approach – discounted cash flow method, and market approach – trading price method.

Capitalized EBITDA Method

In undertaking the capitalized EBITDA method, it is first necessary to determine the range of indicated EBITDA the Company is capable of generating. The Financial Advisor utilized the actual results for 2019 to 2022 and the budgeted EBITDA for 2023. Once the level of maintainable EBITDA has been determined, the next step is to select an appropriate EBITDA multiple that can be used to convert the EBITDA into value.

EBITDA multiple (inverse of discount rate minus the long-term growth rate) is used to convert a single period's cash flow into value. Comparatively, a discount rate is used to convert a future stream of cash flow into value. In selecting an appropriate EBITDA multiple to the Company's indicated future EBITDA, the Financial Advisor considered the influence of both internal and external factors on business risk.

When utilizing levered cash flow, the most appropriate discount rate is the Company's cost of equity. However, when utilizing unlevered or debt-free cash flow, the most appropriate discount rate is the Company's weighted average cost of capital ("**WACC**"), which provides an expected rate of return based on the Company's capital structure, the required yield on the Company's equity, and the required yield on interest-bearing debt. In assessing the total discount rate to apply to the Company's EBITDA, the Financial Advisor selected capitalization rates in the range of 13.0% to 14.0% based on the WACC less a long-term growth rate of 2.0%.

The Financial Advisor observed in the audited financial statements of the Company that the majority of the Company's operations are conducted in the United States; thereby substantially all the revenues generated and assets held by the Company are in the U.S. The income tax rate of 22.0% used in the analysis was therefore based on the U.S. average corporate tax rates.

The Financial Advisor selected and utilized a premium of 0.25% over the Moody's seasoned Baa corporate bond yield of 5.53% to estimate the cost of debt for the Company to be 5.78%. The remaining component of WACC, the cost of equity, was derived using the "build-up" method. The method constructs a discount rate by "building up" the components of such a rate. Starting with the risk-free rate prevalent at the Valuation Date, a generic equity risk premium, as well as a company-specific risk premium is then added.

An equity risk premium ("**ERP**") of 6.35% was utilized based on the Long Horizon expected ERP (supply side) as documented in the Kroll Cost of Capital Navigator. The build-up method also incorporates a small stock premium of 4.83% based on the 10th decile (market capitalization between US$2.0 million and US$218.2 million) small stock premium as per the Kroll Cost of Capital Navigator.

Combining the current long-term government bond yield and the equity-risk and small stock premia provides an estimate of the potential return that investors, in the February 2023 interest rate environment, require for investing in a diversified portfolio of equities of small companies. With Canadian long-term government bond yields at 2.96% as at the Valuation Date, the implied return requirement for investing in a market basket of publicly traded small companies is 14.14%.

The estimated required market return captures only systematic or market risk for small companies and does not address the risk specific to the Company and the industry in which the Company operates. For this reason, a notional purchaser of the Company would require a premium for the Company specific

and industry specific factors to induce investment. A number of factors indicate that an investment in the Company is riskier than an investment in the market. These factors include the risk associated with the revenue generation and achievement of industry margins. The Financial Advisor included an industry risk premium and a company specific risk premium to reflect that the Company is riskier than the average return of the market.

The Financial Advisor included an industry risk premium of 3.07% and a company specific risk premium of 100 to 300 basis points to reflect that the Company is riskier than the average return of the market to arrive at a cost of equity in the range of 18.2% to 20.2%.

Having estimated rates of return for both the debt and equity components of the Company's capital structure, the next step is to weight, at market value, each component based on the proportion each represents of total capitalization. A capital structure of 25% debt and 75% equity, based on the capitalization of the identified guideline public companies and professional judgement, was utilized. Applying these weightings results in a WACC range of 15.0% to 16.0%.

Thereafter, the range of capitalization rate of 13.0% to 14.0% was then calculated after subtracting the long-term growth rate of 2.0% from the calculated WACC range of 15.0% to 16.0%. The EBITDA multiple, i.e., inverse of the capitalization rate, range of 7.14x to 7.69x was then calculated.

Under the capitalized EBITDA method, the enterprise value was calculated to be in the range of $20,208,000 to $23,757,000. Thereafter, cash and cash equivalents were added and debt was subtracted to arrive at a fair market value range of equity of $16,870,000 to $20,420,000.

Guideline Public Company Method

Under the guideline public company method, valuation multiples are derived from share trading transactions that represent minority interests in publicly traded companies or recent private transactions. As such, the resulting valuation multiples provide an indication of value on a minority interest, marketable basis.

The guideline public company method involves identifying public companies similar to the Company with stocks that trade freely in the public markets on a daily basis. The objective of the guideline public company method is to derive multiples to apply to the fundamental financial or operational variables of the Company. Since the indication of value is based on minority interest transactions, if one is valuing a controlling interest, it may sometimes be necessary to consider applying a premium for control. A discount for lack of marketability may also be appropriate.

The Financial Advisor identified 19 companies as outlined in the Independent Valuation. Companies identified were operating in a similar space as the Company but not directly comparable companies due to the limited number of public companies operating in the business-to-business online lending services industry. As such, the Financial Advisor included companies operating in the fintech and alternative finance industries trading in the US and Canadian market. Although the comparable companies may not be direct competitors to the Company, they do or may offer similar products and/or services to their target markets and embody similar business and financial risk/reward characteristics that a notional investor would consider as being comparable.

The Financial Advisor used multiples of market capitalization to loans under management ("**LUA**") as a means of deriving the fair market value of the Company at the Valuation Date. The Financial Advisor observed that "Loans under Management" (or loan originations) is the key performance indicator and derives a majority of the Company's revenue, and hence deemed that the LUA multiple would be an appropriate parameter to conclude the equity value of the Company.

The Financial Advisor selected a market capitalization/LUA multiple of 11.5% between the minimum and first quartile of the multiples of the selected guideline public companies. A discount ranging

from 10.0% to 12.0% was applied to the selected multiple range to reflect the risk due to lack of liquidity and smaller size of the Company as compared to the guideline public companies to arrive at the selected adjusted market capitalization /LUA multiple range of 10.1% to 10.4%.

Thereafter, the market capitalization/LUA multiples were applied to the Company's LUA as of the Valuation Date to calculate the fair market value of the equity of the Company in the range of $19,330,000 to $19,770,000.

Fair Market Value Conclusion

Based on the work undertaken by the Financial Advisor as outlined in the Independent Valuation, the Financial Advisor concluded, and orally delivered its opinion on July 13, 2023 and subsequently confirmed in writing, that the fair market value of the Shares, as at the Valuation Date, is in the range of $18,100,000 to $20,100,000, as midpoints of the lows and highs of the fair market value ranges under the capitalized EBITDA method and the guideline public company method, or $0.168 to $0.185 per Share accounting for the impact of in-the-money Options.

Fairness Opinion

In the Fairness Opinion, the Financial Advisor assessed whether the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Rolling Shareholders). In doing so it considered, in addition to the matters and materials described above, the Independent Valuation. The Financial Advisor concluded in the Independent Valuation that the fair market value of a Share on a fully diluted basis, as at the Valuation Date, was in a range of $0.168 to $0.185.

There are a number of qualitative factors associated with the completion of the Arrangement that the Shareholders (other than the Rolling Shareholders) might consider in determining the overall fairness of the Arrangement. In assessing the fairness of the Arrangement to the Shareholders (other than the Rolling Shareholders), the Financial Advisor considered, inter alia, the following:

- The Consideration of $0.22 per Share is above the fair market value range of $0.168 to $0.185 per Share as determined by the Financial Advisor.

- The Financial Advisor conducted a review of the trading price and trading volume of the Shares on the TSX-V for the period between April 27, 2022 to July 13, 2023. The Shares traded on 97 days; however, no Shares were traded at or above the Consideration over the past 12 months. The lack of trading volume over an extended period indicates minimal liquidity. Accordingly, the ability of the Shareholders (other than the Rolling Shareholders) to monetize at a price above the Consideration is limited. The Consideration payable under the Arrangement represents a premium to the average trading price of the Shares over the 180 trading days preceding July 13, 2023 in the range of 47.6% to 78.9%.

- The Purchaser Group owns, controls or directs an aggregate of 48.6 million Shares, representing approximately 46.1% of the issued and outstanding Shares. In the view of the Financial Advisor, the existence of large Shareholders limits the ability of other Shareholders to realize value from their Shares from some other liquidity event (i.e., an arm's length purchaser).

- In assessing the fairness of the Arrangement, from a financial point of view, to the Shareholders (other than the Rolling Shareholders), the Financial Advisor also considered other potential benefits that may be realized subsequent to the completion of the Arrangement.

Based on the work undertaken by the Financial Advisor as outlined in the Independent Valuation, the Financial Advisor concluded, and orally delivered its opinion on July 13, 2023 and subsequently

confirmed in writing, that, as at July 13, 2023, and based upon and subject to the assumptions, limitations and qualifications contained therein, the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Rolling Shareholders).

Voting Support Agreements

The Purchaser and the Supporting Shareholders have entered into (i) irrevocable voting support agreements (each, an "**Irrevocable VSA**"), which do not permit the relevant Supporting Shareholders to terminate the Irrevocable VSAs in connection with a Superior Proposal, or (ii) "director & officer" voting support agreements (each, a "**D&O VSA**"), which permit the relevant Supporting Shareholders to terminate the D&O VSAs in connection with a Superior Proposal, all dated July 13, 2023, and in each case as more particularly described below.

Copies of the Voting Support Agreements are available under the Company's profile on SEDAR+ at www.sedarplus.ca. Other than with respect to the Rolling Shareholders in respect of the Rolling Shares, the Shares held by the Supporting Shareholders will be treated in the same fashion under the Arrangement as Shares held by any other Shareholder.

Irrevocable VSAs entered into with Supporting Shareholders

Neuberger Berman, Palos (on behalf of itself and its affiliated entities, including Palos Merchant Fund L.P. and Palos Management Inc.) FinTech, Asheef Lalani and Charles Frischer, representing approximately 48.6% of the issued and outstanding Shares, have entered into Irrevocable VSAs with the Purchaser in respect of the Arrangement pursuant to which they have agreed to, among other things, support the Arrangement and vote all of the Shares owned by them or over which they exercise control or direction in favour of the Arrangement Resolution.

Members of the Purchaser Group

Under the Irrevocable VSAs of the members of the Purchaser Group, the relevant Supporting Shareholders have agreed to, *inter alia*:

(a) from the date of the Irrevocable VSA until the termination of the same in accordance with its terms, not, and ensure that no beneficial owner of the Subject Shares will:

(i) without having first obtained the prior written consent of the Purchaser, sell, transfer, gift, assign, convey, pledge, hypothecate, encumber, option or otherwise dispose of any right or interest in any of the Subject Shares or enter into any agreement, arrangement, commitment or understanding in connection therewith, other than pursuant to the Arrangement or to one or more corporations directly or indirectly wholly-owned by the Shareholder without affecting beneficial ownership or control or direction over the Subject Shares;

(ii) other than pursuant to the Arrangement, grant or agree to grant any proxies or powers of attorney, deliver any voting instruction form, deposit any Subject Shares into a voting trust or pooling agreement, or enter into a voting agreement, commitment, understanding or arrangement, oral or written, with respect to the voting of any Subject Shares; or

(iii) other than pursuant to the Arrangement, requisition or join in the requisition of any meeting of any of the securityholders of the Company for the purpose of considering any resolution;

(b) from the date of the Irrevocable VSA until the termination of the same in accordance with its terms, cause to be counted as present for purposes of establishing quorum and to vote (or cause to be voted) all the Subject Shares listed in the Irrevocable VSA:

(i) at any meeting of any of the securityholders of the Company at which the Shareholder or any beneficial owner of the applicable type(s) of Subject Shares is entitled to vote, including the Meeting; and

(ii) in any action by written consent of the securityholders of the Company,

in favour of the approval, consent, ratification and adoption of the Arrangement Resolution and the transactions contemplated by the Arrangement Agreement (and any actions required for the consummation of the transactions contemplated by the Arrangement Agreement). In connection with the foregoing, subject to the Irrevocable VSA, the Supporting Shareholder agrees to deposit and to cause any beneficial owners of Subject Shares eligible to be voted to deposit a proxy, or voting instruction form, as the case may be, duly completed and executed in respect of all of the Subject Shares eligible to be voted as soon as practicable following the mailing of the Circular and in any event at least 10 calendar days prior to the Meeting and as far in advance as practicable of every adjournment or postponement thereof, voting all the Subject Shares eligible to be voted in favour of the Arrangement Resolution and any resolutions approving, consenting to, ratifying or adopting the transactions contemplated by the Arrangement Agreement (and any actions required for the consummation of the transactions contemplated by the Arrangement Agreement). The Supporting Shareholder agrees that it will not take, nor permit any Person on its behalf to take, any action to withdraw, amend or invalidate any proxy or voting instruction form deposited pursuant to the Irrevocable VSA notwithstanding any statutory or other rights or otherwise which the Supporting Shareholder might have unless the Irrevocable VSA has at such time been previously terminated in accordance with its terms;

(c) revoke and take all steps necessary to effect the revocation of any and all previous proxies granted or voting instruction forms or other voting documents delivered that may conflict or be inconsistent with the matters set forth in the Irrevocable VSA and not, directly or indirectly, grant or deliver any other proxy, power of attorney or voting instruction form with respect to the matters set forth in the Irrevocable VSA except as expressly required or permitted pursuant to the Arrangement;

(d) from the date of the Irrevocable VSA until the termination of the same in accordance with its terms, cause to be counted as present for purposes of establishing quorum and to vote (or cause to be voted) the Subject Shares against any proposed action by the Company, any Shareholder, any of the Company's Subsidiaries or any other Person: (i) in respect of any Acquisition Proposal or Superior Proposal or other merger, take-over bid, amalgamation, plan of arrangement, business combination, reorganization, recapitalization, dissolution, liquidation, winding up or similar transaction involving the Company or any Subsidiary of the Company, other than the Arrangement; (ii) which would reasonably be regarded as being directed towards or likely to prevent, delay or reduce the likelihood of the successful completion of the Arrangement, including without limitation any amendment to the articles or by-laws of the Company or any of its subsidiaries or their respective corporate structures or capitalization; or (iii) any action or agreement that would result in a breach of any representation, warranty, covenant or other obligation of the Company under the Arrangement Agreement if such breach requires securityholder approval;

(e) from the date of the Irrevocable VSA until the termination of the same in accordance with its terms, not, and ensure that its affiliates do not, directly or indirectly, through any officer, director, employee, representative or agent or otherwise:

(i) solicit proxies or become a participant in a solicitation in opposition to or competition with the Purchaser in connection with the Arrangement;

(ii) assist any Person in taking or planning any action that would compete with, restrain or otherwise serve to interfere with or inhibit the Purchaser in connection with the Arrangement;

(iii) act jointly or in concert with others with respect to voting securities of the Company for the purpose of opposing or competing with the Purchaser in connection with the Arrangement;

(iv) solicit, initiate, encourage or otherwise knowingly facilitate, (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Company or any Subsidiary or entering into any form of agreement, arrangement or understanding) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal (other than an Acquisition Proposal made by the Purchaser or an affiliate of the Purchaser pursuant to the Arrangement Agreement);

(v) knowingly participate in any discussions or negotiations with any Person (other than the Purchaser or any of its affiliates) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to an Acquisition Proposal;

(vi) accept or enter into, or publicly propose to accept or enter into, any letter of intent, agreement, arrangement or understanding related to any Acquisition Proposal (other than an Acquisition Proposal made by the Purchaser or an affiliate of the Purchaser pursuant to the Arrangement Agreement); or

(vii) cooperate in any way with, assist or participate in, knowingly encourage or otherwise facilitate or encourage any effort or attempt by any other Person to do or seek to do any of the foregoing; and

(f) not, and ensure that no beneficial owner of Subject Shares will, exercise any dissent rights in respect of the Arrangement.

Each Irrevocable VSA of the members of the Purchaser Group will terminate and be of no further force or effect upon the earliest to occur of:

(a) the mutual agreement in writing of the parties;

(b) the termination of the Arrangement Agreement; and

(c) the Closing.

Each Irrevocable VSA of the members of the Purchaser Group provides that if the Supporting Shareholder or any securityholder, director or officer of the Supporting Shareholder is also an officer or a director of the Company, nothing in such agreement shall restrict or limit the Supporting Shareholder from taking any action required to be taken in the discharge of his or her fiduciary duty as a director or officer of the Company or that is otherwise permitted by, and done in compliance with, the terms of the Arrangement Agreement, provided that the Supporting Shareholder agrees and acknowledges that the Irrevocable VSA may not be terminated by the Supporting Shareholder in the event of a Superior Proposal and the performance of such duties as director or officer may not impact the Supporting Shareholder's obligations under the Irrevocable VSA or otherwise entitle the Supporting Shareholder to terminate the Irrevocable VSA in the event of a Superior Proposal.

Asheef Lalani and Charles Frischer

Under the Irrevocable VSAs of Asheef Lalani and Charles Frischer, the relevant Supporting Shareholders have agreed to, *inter alia*:

(a) from the date of the Irrevocable VSA until the termination of the same in accordance with its terms, not, and ensure that no beneficial owner of the Subject Shares will:

(i) without having first obtained the prior written consent of the Purchaser, sell, transfer, gift, assign, convey, pledge, hypothecate, encumber, option or otherwise dispose of any right or interest in any of the Subject Shares or enter into any agreement, arrangement, commitment or understanding in connection therewith, other than pursuant to the Arrangement or to one or more corporations directly or indirectly wholly-owned by the Supporting Shareholder without affecting beneficial ownership or control or direction over the Subject Shares;

(ii) other than as set forth in the Irrevocable VSA, grant or agree to grant any proxies or powers of attorney, deliver any voting instruction form, deposit any Subject Shares into a voting trust or pooling agreement, or enter into a voting agreement, commitment, understanding or arrangement, oral or written, with respect to the voting of any Subject Shares; or

(iii) requisition or join in the requisition of any meeting of any of the securityholders of the Company for the purpose of considering any resolution;

(b) from the date of the Irrevocable VSA until the termination of the same in accordance with its terms, cause to be counted as present for purposes of establishing quorum and to vote (or cause to be voted) all the Subject Shares listed in the Irrevocable VSA:

(i) at any meeting of any of the securityholders of the Company at which the Shareholder or any beneficial owner of the applicable type(s) of Subject Shares is entitled to vote, including the Meeting; and

(ii) in any action by written consent of the securityholders of the Company,

in favour of the approval, consent, ratification and adoption of the Arrangement Resolution and the transactions contemplated by the Arrangement Agreement (and any actions required for the consummation of the transactions contemplated by the Arrangement Agreement). In connection with the foregoing, subject to the Irrevocable VSA, the Supporting Shareholder agreed to deposit and to cause any beneficial owners of Subject Shares eligible to be voted to deposit a proxy, or voting instruction form, as the case may be, duly completed and executed in respect of all of the Subject Shares eligible to be voted as soon as practicable following the mailing of the Circular and in any event at least 10 calendar days prior to the Meeting and as far in advance as practicable of every adjournment or postponement thereof, voting all the Subject Shares eligible to be voted in favour of the Arrangement Resolution and any resolutions approving, consenting to, ratifying or adopting the transactions contemplated by the Arrangement Agreement (and any actions required for the consummation of the transactions contemplated by the Arrangement Agreement). The Supporting Shareholder agreed that it will not take, nor permit any Person on its behalf to take, any action to withdraw, amend or invalidate any proxy or voting instruction form deposited pursuant to the Irrevocable VSA notwithstanding any statutory or other rights or otherwise which the Shareholder might have unless the Irrevocable VSA has at such time been previously terminated in accordance with its terms.

The Supporting Shareholder agreed to provide copies of each such proxy or voting instruction form referred to above to the Purchaser at the address in the Irrevocable VSA concurrently with its delivery as provided for above;

(c) revoke and take all steps necessary to effect the revocation of any and all previous proxies granted or voting instruction forms or other voting documents delivered that may conflict or be inconsistent with the matters set forth in the Irrevocable VSA and not to, directly or indirectly, grant or deliver any other proxy, power of attorney or voting instruction form with respect to the matters set forth in the Irrevocable VSA except as expressly required or permitted by the Irrevocable VSA;

(d) from the date of the Irrevocable VSA until the termination of the same in accordance with its terms, cause to be counted as present for purposes of establishing quorum and to vote (or cause to be voted) the Subject Shares against any proposed action by the Company, any Shareholder, any of the Company's Subsidiaries or any other Person: (i) in respect of any Acquisition Proposal or Superior Proposal or other merger, take-over bid, amalgamation, plan of arrangement, business combination, reorganization, recapitalization, dissolution, liquidation, winding up or similar transaction involving the Company or any Subsidiary of the Company, other than the Arrangement; (ii) which would reasonably be regarded as being directed towards or likely to prevent, delay or reduce the likelihood of the successful completion of the Arrangement, including without limitation any amendment to the articles or by-laws of the Company or any of its subsidiaries or their respective corporate structures or capitalization; or (iii) any action or agreement that would result in a breach of any representation, warranty, covenant or other obligation of the Company under the Arrangement Agreement if such breach requires securityholder approval;

(e) from the date of the Irrevocable VSA until the termination of the same in accordance with its terms, not, and ensure that its affiliates do not, directly or indirectly, through any officer, director, employee, representative or agent or otherwise:

(i) solicit proxies or become a participant in a solicitation in opposition to or competition with the Purchaser in connection with the Arrangement;

(ii) assist any Person in taking or planning any action that would compete with, restrain or otherwise serve to interfere with or inhibit the Purchaser in connection with the Arrangement;

(iii) act jointly or in concert with others with respect to voting securities of the Company for the purpose of opposing or competing with the Purchaser in connection with the Arrangement;

(iv) solicit, initiate, encourage or otherwise knowingly facilitate, (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Company or any Subsidiary or entering into any form of agreement, arrangement or understanding) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal (other than an Acquisition Proposal made by the Purchaser or an affiliate of the Purchaser pursuant to the Arrangement Agreement);

(v) knowingly participate in any discussions or negotiations with any Person (other than the Purchaser or any of its affiliates) regarding any inquiry, proposal or offer

that constitutes or may reasonably be expected to constitute or lead to an Acquisition Proposal;

(vi) accept or enter into, or publicly propose to accept or enter into, any letter of intent, agreement, arrangement or understanding related to any Acquisition Proposal (other than an Acquisition Proposal made by the Purchaser or an affiliate of the Purchaser pursuant to the Arrangement Agreement); or

(vii) cooperate in any way with, assist or participate in, knowingly encourage or otherwise facilitate or encourage any effort or attempt by any other Person to do or seek to do any of the foregoing;

(f) not, and to ensure that no beneficial owner of Subject Shares will, (i) exercise any dissent rights in respect of the Arrangement; or (ii) take any other action of any kind that would reasonably be regarded as likely to adversely affect, reduce the success of, materially delay or interfere with the completion of the Arrangement or the transactions contemplated by the Arrangement Agreement;

(g) at the request of the Purchaser, cause its applicable affiliates to, use all commercially reasonable efforts in its capacity, and their capacities, as a shareholder to assist the Company and the Purchaser to successfully complete the Arrangement and the other transactions contemplated by the Arrangement Agreement and the Irrevocable VSA, including without limitation cooperating with the Purchaser and the Company to make all requisite regulatory filings, provided that the Supporting Shareholder shall not be obligated to incur any expense in providing such cooperation, including by participating in any claim, action, suit, proceeding or investigation whether civil, criminal, administrative, or investigative, unless the Purchaser reimburses the Supporting Shareholder for such expenses.

Each Irrevocable VSA of Asheef Lalani and Charles Frischer also provides that, in the event that, in lieu of or in conjunction with the Arrangement, the Purchaser seeks to complete the acquisition of the Shares other than as contemplated by the Arrangement Agreement on a basis that: (a) provides for economic terms which, in relation to the Supporting Shareholder and its affiliates which beneficially own Subject Shares, on an after-tax basis, are at least equivalent to or better than those contemplated by the Arrangement Agreement; and (b) is otherwise on terms and conditions not materially more onerous on the Supporting Shareholder and its affiliates which beneficially own Subject Shares than the Arrangement (any such transaction, a "**VSA Alternative Transaction**"), then the Supporting Shareholder shall, during the term of the Irrevocable VSA, upon request of the Purchaser, support the completion of such VSA Alternative Transaction in the same manner as the Arrangement in accordance with the terms and conditions of the Irrevocable VSA.

Each Irrevocable VSA of Asheef Lalani and Charles Frischer will terminate and be of no further force or effect upon the earliest to occur of:

(a) the mutual agreement in writing of the parties;

(b) written notice by the Supporting Shareholder to the Purchaser if:

(i) subject to the Irrevocable VSA, any representation or warranty of the Purchaser under the Irrevocable VSA is untrue or incorrect in any material respect;

(ii) without the prior written consent of the Supporting Shareholder (not to be unreasonably withheld, conditioned or delayed), there is any decrease or change in the form of Consideration set out in the Arrangement Agreement, provided, for

greater certainty, that the Supporting Shareholder shall not be entitled to terminate the Irrevocable VSA under subsection 4.1(b)(ii) of the Irrevocable VSA upon any termination of the Arrangement Agreement; or

(iii) subject to the Irrevocable VSA, the Purchaser has not complied in any material respect with any of its covenants contained herein;

provided that at the time of such termination, the Supporting Shareholder is not in material default in the performance of its obligations under the Irrevocable VSA;

(c) written notice by the Purchaser to the Supporting Shareholder if:

(i) subject to the Irrevocable VSA, any representation or warranty of the Supporting Shareholder under the Irrevocable VSA is untrue or incorrect in any material respect; or

(ii) the Supporting Shareholder has not complied in any material respect with its covenants contained therein;

provided that at the time of such termination, the Purchaser is not in material default in the performance of its obligations under the Irrevocable VSA;

(d) the acquisition of the Subject Shares by the Purchaser; and

(e) the termination of the Arrangement Agreement, subject to Section 3.2 of the Irrevocable VSA.

Each Irrevocable VSA of Asheef Lalani and Charles Frischer provides that if the Supporting Shareholder is also an officer or a director of the Company, nothing in such agreement shall restrict or limit the Supporting Shareholder from taking any action required to be taken in the discharge of his or her fiduciary duty as a director or officer of the Company or that is otherwise permitted by, and done in compliance with, the terms of the Arrangement Agreement, provided that the Supporting Shareholder agrees and acknowledges that the Irrevocable VSA may not be terminated by the Supporting Shareholder in the event of a Superior Proposal and the performance of such duties as director or officer may not impact the Supporting Shareholder's obligations under the Irrevocable VSA or otherwise entitle the Supporting Shareholder to terminate the Irrevocable VSA in the event of a Superior Proposal.

D&O VSAs entered into with Supporting Shareholders

Evan Price, Jeffrey Turner, Kathleen Miller and Yves Roy, each of whom is a director or officer of the Company, representing in the aggregate approximately 0.6% of the issued and outstanding Shares, have entered into D&O VSAs with the Purchaser pursuant to which each has agreed to, among other things, support the Arrangement and vote in favour of the Arrangement Resolution all of the Shares owned by them or over which they exercise control or direction, subject to customary exceptions. Under the D&O VSAs, the relevant Supporting Shareholders have agreed to, *inter alia*:

(a) from the date of the D&O VSA until the termination of the same in accordance with its terms, to not, and ensuring that no beneficial owner of the Subject Shares will:

(i) without having first obtained the prior written consent of the Purchaser, sell, transfer, gift, assign, convey, pledge, hypothecate, encumber, option or otherwise dispose of any right or interest in any of the Subject Shares or enter into any agreement, arrangement, commitment or understanding in connection therewith,

other than pursuant to the Arrangement or to one or more corporations directly or indirectly wholly-owned by the Shareholder without affecting beneficial ownership or control or direction over the Subject Shares;

(ii) other than as set forth in the D&O VSA, grant or agree to grant any proxies or powers of attorney, deliver any voting instruction form, deposit any Subject Shares into a voting trust or pooling agreement, or enter into a voting agreement, commitment, understanding or arrangement, oral or written, with respect to the voting of any Subject Shares; or

(iii) requisition or join in the requisition of any meeting of any of the securityholders of the Company for the purpose of considering any resolution;

(b) from the date of the D&O VSA until the termination of the same in accordance with its terms, cause to be counted as present for purposes of establishing quorum and to vote (or cause to be voted) all the Subject Shares:

(i) at any meeting of any of the securityholders of the Company at which the Shareholder or any beneficial owner of the applicable type(s) of Subject Shares is entitled to vote on the approval, consent, ratification and adoption of the Arrangement Resolution and the transactions contemplated by the Arrangement Agreement, including the Meeting; and

(ii) in any action by written consent of the securityholders of the Company,

in favour of the approval, consent, ratification and adoption of the Arrangement Resolution and the transactions contemplated by the Arrangement Agreement (and any actions required for the consummation of the transactions contemplated by the Arrangement Agreement). In connection with the foregoing, subject to the D&O VSA, the Supporting Shareholder agrees to deposit and to cause any beneficial owners of Subject Shares eligible to be voted to deposit a proxy, or voting instruction form, as the case may be, duly completed and executed in respect of all of the Subject Shares eligible to be voted as soon as practicable following the mailing of the Circular and in any event at least 10 calendar days prior to the Meeting and as far in advance as practicable of every adjournment or postponement thereof, voting all the Subject Shares eligible to be voted in favour of the Arrangement Resolution and any resolutions approving, consenting to, ratifying or adopting the transactions contemplated by the Arrangement Agreement (and any actions required for the consummation of the transactions contemplated by the Arrangement Agreement). The Supporting Shareholder agrees that it will not take, nor permit any Person on its behalf to take, any action to withdraw, amend or invalidate any proxy or voting instruction form deposited pursuant to the D&O VSA notwithstanding any statutory or other rights or otherwise which the Supporting Shareholder might have unless the D&O VSA has at such time been previously terminated in accordance with its terms. The Supporting Shareholder will provide copies of each such proxy or voting instruction form referred to above to the Purchaser at the address noted in the D&O VSA concurrently with its delivery;

(c) revoke and take all steps necessary to effect the revocation of any and all previous proxies granted or voting instruction forms or other voting documents delivered that may conflict or be inconsistent with the matters set forth in the D&O VSA and not, directly or indirectly, grant or deliver any other proxy, power of attorney or voting instruction form with respect to the matters set forth in the D&O VSA except as expressly required or permitted by the D&O VSA;

(d) from the date of the D&O VSA until the termination of the same in accordance with its terms, cause from time to time to be counted as present for purposes of establishing

quorum and vote (or cause to be voted) the Subject Shares against any proposed action by the Company, any Shareholder, any of the Company's Subsidiaries or any other Person:

(i) in respect of any other merger, take-over bid, amalgamation, plan of arrangement, business combination, reorganization, recapitalization, dissolution, liquidation, winding up or similar transaction involving the Company or any Subsidiary of the Company, other than the Arrangement and any Acquisition Proposal that is a Superior Proposal in accordance with the Arrangement Agreement;

(ii) which would reasonably be regarded as being directed towards or likely to prevent, delay or reduce the likelihood of the successful completion of the Arrangement, including without limitation any amendment to the articles or by-laws of the Company or any of its subsidiaries or their respective corporate structures or capitalization, other than any Acquisition Proposal that is a Superior Proposal in accordance with the Arrangement Agreement; or

(iii) any action or agreement that would result in a breach of any representation, warranty, covenant or other obligation of the Company under the Arrangement Agreement if such breach requires securityholder approval;

(e) from the date of the D&O VSA until the termination of the same in accordance with its terms, to not, and to ensure that its subsidiaries do not, directly or indirectly, through any officer, director, employee, representative or agent or otherwise:

(i) solicit proxies or become a participant in a solicitation in opposition to or competition with the Purchaser in connection with the Arrangement;

(ii) knowingly assist any Person in taking or planning any action that would compete with, restrain or otherwise serve to interfere with or inhibit the Purchaser in connection with the Arrangement;

(iii) act jointly or in concert with others with respect to voting securities of the Company for the purpose of opposing or competing with the Purchaser in connection with the Arrangement;

(iv) solicit, initiate, knowingly encourage or otherwise knowingly facilitate, (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Company or any Subsidiary) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal (other than an Acquisition Proposal made by the Purchaser or an affiliate of the Purchaser pursuant to the Arrangement Agreement);

(v) knowingly participate in any discussions or negotiations with any Person (other than the Purchaser or any of its affiliates) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to an Acquisition Proposal, except in his capacity as a director or officer of the Company as permitted by the Arrangement Agreement;

(vi) accept or enter into, or publicly propose to accept or enter into, any letter of intent, agreement, arrangement or understanding related to any Acquisition Proposal (other than an Acquisition Proposal made by the Purchaser or an affiliate of the Purchaser pursuant to the Arrangement Agreement or a Superior Proposal made in accordance with the Arrangement Agreement); or

(vii) cooperate in any way with, assist or participate in, knowingly encourage or otherwise facilitate or encourage any effort or attempt by any other Person to do or seek to do any of the foregoing; and

(f) not, and ensure that no beneficial owner of Subject Shares will, exercise any dissent rights in respect of the Arrangement.

Each D&O VSA will terminate and be of no further force or effect upon the earliest to occur of:

(a) the mutual agreement in writing of the parties;

(b) written notice by the Supporting Shareholder to the Purchaser if: (i) any representation or warranty of the Purchaser under the D&O VSA is untrue or incorrect in any material respect; (ii) without the prior written consent of the Supporting Shareholder, at its sole discretion, (A) there is any decrease or change in the form of Consideration set out in the Arrangement Agreement, or (B) the Arrangement Agreement is amended in a manner that materially adversely impacts the Shareholders; (iii) the Purchaser has not complied in any material respect with any of the covenants contained under the D&O VSA; or (iv) if the Company receives an Acquisition Proposal that constitutes a Superior Proposal and the Purchaser does not exercise its right to match in accordance with the Arrangement Agreement, provided in each case that at the time of such termination, the Supporting Shareholder is not in material default in the performance of its obligations under the D&O VSA;

(c) written notice by the Purchaser to the Supporting Shareholder if: (i) any representation or warranty of the Shareholder under the D&O VSA is untrue or incorrect in any material respect; or (ii) the Supporting Shareholder has not complied in any material respect with its covenants contained in the D&O VSA; provided that at the time of such termination, the Purchaser is not in material default in the performance of its obligations under the D&O VSA;

(d) the acquisition of the Subject Shares by the Purchaser or an affiliate of the Purchaser; and

(e) the termination of the Arrangement Agreement, subject to section 3.2 of the D&O VSA.

Each D&O VSA provides that in the event that, in lieu of or in conjunction with the Arrangement, the Purchaser seeks to complete the acquisition of the Shares other than as contemplated by the Arrangement Agreement on the basis of a VSA Alternative Transaction, then the Supporting Shareholder shall, during the term of the D&O VSA, upon request of the Purchaser, support the completion of such VSA Alternative Transaction in the same manner as the Arrangement in accordance with the terms and conditions of the D&O VSA.

Each D&O VSA also provides that if the Supporting Shareholder is also an officer or a director of the Company, nothing in such agreement shall restrict or limit the Supporting Shareholder from taking any action required to be taken in the discharge of his or her fiduciary duty as a director or officer of the Company or that is otherwise permitted by, and done in compliance with, the terms of the Arrangement Agreement.

Arrangement Steps

Procedural Steps

The Arrangement will be implemented by way of a statutory plan of arrangement under the provisions of Chapter XVI — Division II of the QBCA pursuant to the terms of the Arrangement Agreement. The following procedural steps must be taken in order for the Arrangement to be effective:

(a) the Required Shareholder Approval must be obtained in the manner set forth in the Interim Order;

(b) the Court must grant the Final Order approving the Arrangement;

(c) all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, including the required Regulatory Approvals, must be satisfied or, if applicable, waived by the appropriate party or parties; and

(d) the Articles of Arrangement, prepared in the form prescribed by the QBCA and signed by an authorized director or officer of the Corporation, must be filed with the Enterprise Registrar and a Certificate of Arrangement issued related thereto.

In the event that the Arrangement does not proceed for any reason, including because it does not receive the required Shareholder or Court approval, the Shareholders will not receive any payment for their Shares in connection with the Arrangement and the Company will continue as a publicly-traded company.

Arrangement Steps

The following description is qualified in its entirety by reference to the full text of the Plan of Arrangement, attached as Appendix C to this Circular.

Pursuant to the terms of the Plan of Arrangement, commencing at the Effective Time, the following events or transactions shall occur and shall be deemed to occur in the following sequence at two-minute intervals without any further authorization, act or formality:

(a) each Rolling Share shall be transferred and assigned by the holder thereof to, and acquired by, the Purchaser, in exchange for the applicable Rollover Shares, in accordance with the terms of the Rollover Agreement, and

(i) in respect of each Rolling Share so transferred and assigned each Rolling Shareholder shall cease to be the holder of such Rolling Share so exchanged and to have any rights as holders of such Rolling Shares other than the right to be issued the Rollover Shares in accordance with the terms of the Rollover Agreement and such holder's name shall be removed from the Company's register of holders of Shares at such time; and

(ii) the Purchaser shall be deemed to be the transferee of such Rolling Shares free and clear of all Encumbrances, shall be entered in the Company's register of holders of Shares as the registered holder of the Rolling Shares so transferred, and shall be deemed the legal and beneficial owner thereof;

(b) each Option issued and outstanding immediately prior to the Effective Time (whether vested or unvested, notwithstanding the terms of the Stock Option Plan or any stock option agreement, shall be deemed to be unconditionally vested and exercisable, and such Option shall, without any further action on behalf of the holder of Options, be deemed to be assigned, transferred and surrendered by such holder to the Company in exchange for a cash payment equal to the product obtained by multiplying (i) the amount by which the Consideration exceeds the exercise price per Share of such Option by (ii) the number of Shares into which such Option is exercisable (the "**Option Cash-Out Consideration**"), less applicable withholdings (provided that where such amount is zero or negative, the holder of such Option shall not be entitled to receive any amount in respect of such Option, and all obligations in respect thereof shall be deemed to be fully satisfied, and provided further that where such amount is greater than zero but less than $0.01, the consideration to be received in respect of such Option shall be $0.01) and such Option shall immediately be cancelled;

(c) (i) each holder of Options shall cease to be a holder of such Options, (ii) such holder's name shall be removed from each applicable register, (iii) the Stock Option Plan and all agreements relating to such Options shall be terminated and shall be of no further force and effect, and (iv) such holder shall thereafter have only the right to receive the Option Cash-Out Consideration at the time and in the manner specified herein and contemplated hereby;

(d) each Share held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred by the holder thereof, without any further act or formality on his, her or its part, to the Purchaser in consideration for a debt claim against the Purchaser in an amount determined in accordance with Article 3 of the Plan of Arrangement and thereupon:

(i) such Dissenting Shareholder shall cease to be the holder of such Shares and to have any rights as holder of such Shares other than the right to be paid fair value by the Purchaser for such Shares as set out in Section 3.1 of the Plan of Arrangement;

(ii) such Dissenting Shareholder's name shall be removed as the holder of such Share from the Company's register of holders of Shares; and

(iii) the Purchaser shall be deemed to be the transferee of such Shares free and clear of all Encumbrances, and shall be entered in the Company's register of holders of Shares as the holder thereof;

(e) each Share outstanding immediately prior to the Effective Time, other than those Shares held by (i) Dissenting Shareholders who have validly exercised Dissent Rights, and (ii) the Purchaser, including the Rolling Shares transferred pursuant to Section 2.3(a) of the Plan of Arrangement (which Rolling Shares shall not be exchanged under the Arrangement but shall remain outstanding as Shares held by the Purchaser) shall, without any further action by or on behalf of a holder of Shares, be deemed to be transferred and assigned by the holder thereof to the Purchaser in exchange for the Consideration, and

(i) in respect of each such Share transferred and assigned pursuant to Section 2.3(e) of the Plan of Arrangement, the Former Shareholders (other than Dissenting Shareholders who have validly exercised Dissent Rights and the Purchaser) shall cease to be the holders of such Shares and to have any rights as holders of such Shares other than the right to be paid the Consideration by the Purchaser in accordance with this Plan of Arrangement;

(ii) such Former Shareholders' names shall be removed from the Company's register of holders of Shares at such time; and

(iii) the Purchaser shall be deemed to be the transferee of such Shares free and clear of all Encumbrances, and shall be entered in the Company's register of holders of Shares as the registered holder of the Shares so transferred and shall be deemed the legal and beneficial owner thereof.

Upon issuance of the Final Order and the satisfaction or waiver of the conditions precedent to the proposed Arrangement set forth in the Arrangement Agreement, the Company will file the Articles of Arrangement and such other documents as may be required to give effect to the Arrangement with the Enterprise Registrar pursuant to the QBCA.

Upon issuance of the Certificate of Arrangement by the Enterprise Registrar, the transactions comprising the Arrangement shall occur and shall be deemed to have occurred in the order set out in the Plan of Arrangement without any further act or formality.

Effective Date

Pursuant to section 420 of the QBCA, the Arrangement becomes effective on the date the Articles of Arrangement are filed, as shown on the Certificate of Arrangement.

Sources of Funds for the Arrangement

In connection with the Arrangement Agreement, NBSF 1, by its general partner, NB Specialty Finance Associates LP, by its general partner, NB Specialty Finance GP LLC, delivered to the Company an equity commitment letter (the "**Equity Commitment Letter**") pursuant to which Neuberger will purchase, or cause to be purchased, a portion of the equity of the Purchaser, as of the Effective Date (the "**Subject Equity Securities**") for a purchase price equal to (i) the amount required to be deposited by the Purchaser pursuant to Section 2.8 of the Arrangement Agreement, and (ii) such amount as is necessary to fund any expenses of the Purchaser related to the Arrangement (collectively, the "**Total Outstanding Closing Equity Amount**"). The Purchaser shall use the Total Outstanding Closing Equity Amount solely to fund the Arrangement and related expenses pursuant to, and in accordance with, the Arrangement Agreement. NBSF 1's obligation to fund the Total Outstanding Closing Equity Amount is subject to the satisfaction of the conditions set forth under Sections 6.1 and 6.2 of the Arrangement Agreement or waiver of such conditions by the Purchaser and will occur substantially contemporaneously with the Effective Date and the issuance to NBSF 1 of the Subject Equity Securities.

The Purchaser has covenanted in the Arrangement Agreement that it will use commercially reasonable efforts to arrange the Equity Financing on the terms and conditions described in the Equity Commitment Letter (provided that the Purchaser may, in its sole discretion, replace or amend the Equity Commitment Letter to add additional Equity Financing Sources or otherwise so long as the terms thereof are not, in the aggregate, less beneficial to the Purchaser than those in the Equity Commitment Letter as in effect on the date hereof).

The Purchaser has acknowledged and agreed that, prior to the Effective Time, none of the Company or any of its affiliates or Representatives shall have any obligations in respect of any financing that the Purchaser may raise in connection with the Arrangement. The Purchaser has acknowledged and agreed that the Purchaser obtaining financing is not a condition to any of its obligations under the Arrangement Agreement or to complete the Arrangement, regardless of the reasons why financing is not obtained or whether such reasons are within or beyond the control of the Purchaser. For the avoidance of doubt, if any financing referred to in Section 5.3 of the Arrangement Agreement is not obtained (other than as a result of the Company's breach of any representation, covenant or other provision set forth in the Arrangement Agreement) the Purchaser will continue to be obligated to consummate the Arrangement, subject to and on the terms contemplated therein.

Limited Guarantee

The Guarantors have entered into a limited guarantee dated July 13, 2023 (the "**Limited Guarantee**") pursuant to which each of the Guarantors has jointly (and not solidarily nor jointly and solidarily) guaranteed to the Company to pay a proportionate amount (based on the amount of such Guarantor's pro forma ownership of the Purchaser upon completion of the Arrangement) of all payment obligations of the Purchaser under the Arrangement Agreement, including any obligation to pay damages as a result of the non-fulfillment of any obligations of the Purchaser under the Arrangement Agreement, but in all events subject to (i) the limitations of the Arrangement Agreement, and (ii) an aggregate cap of $14,678,191.29.

Interests of Certain Persons in the Arrangement

In considering the determinations and recommendations of the Special Committee and the Board of Directors with respect to the Arrangement, Shareholders should be aware that certain directors and executive officers of the Company may have certain interests in connection with the Arrangement or may receive certain collateral benefits (as such term is defined in MI 61-101) that differ from, or are in addition

to, the interests of Shareholders generally in connection with the Arrangement and that may present them with actual or potential conflicts of interest in connection with the Arrangement. The Special Committee and the Board of Directors are aware of these interests and considered them along with other matters described herein.

Other than the interests and benefits described below, none of the directors or executive officers of the Company or, to the knowledge of the directors and executive officers of the Company, any of their respective associates or affiliates, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon in connection with the Arrangement or that would materially affect the Arrangement.

All of the benefits received, or to be received, by directors, officers or employees of the Company as a result of the Arrangement are, and will be, solely in connection with their services as directors, officers or employees of the Company. No benefit has been, or will be, conferred for the purpose of increasing the value of consideration payable to any such person for the Shares held by such persons and no consideration is, or will be, conditional on the person supporting the Arrangement.

Transaction Related Payments

There are no transaction related payments payable in connection with the completion of the Arrangement.

Change of Control Benefits

Except as set out elsewhere in this Circular, including under "*The Arrangement – Interests of Certain Persons in the Arrangement – Treatment of Company Equity Awards*", "*The Arrangement – Interests of Certain Persons in the Arrangement – Consideration*", and "*Regulatory Matters – Canadian Securities Law Matters*", there are no change of control benefits payable upon the Closing of the Arrangement under any employment, consulting or other agreements between the Company and any of its directors or executive officers, except for the senior executive employment agreement (the "**SEEA**") between IOU Central Inc. ("**IOU USA**") and Mr. Robert Gloer, President and Chief Executive Officer of IOU USA and the Company. The SEEA contains provisions with respect to benefits payable in the event of resignation or termination following a change of control of IOU USA and/or the Company. The SEEA was not negotiated in connection with the Arrangement and was entered into in the normal course of business on April 24, 2018, and amended on April 28, 2021.

Mr. Robert Gloer holds the position of Chief Executive Officer, in addition to the role of President of the Company. Mr. Gloer's current base salary as President and Chief Executive Officer of the Company is US$286,000 annually. Under the SEEA, Mr. Gloer is entitled to (i) receive an annual base salary; (ii) participate in all benefit and fringe benefit programs, including group benefit plans and policies provided by IOU USA or the Company to similarly situated executive of IOU USA or the Company; (iii) participate in the Stock Option Plan, any successor plan of the Stock Option Plan or any new equity compensation plan adopted by IOU USA or the Company in which officers of IOU USA or the Company are eligible to participate, subject to the respective terms of any such plan; (iv) an annual bonus, if any, as determined by the board of IOU USA or the Board of Directors; (v) vacations in accordance with IOU USA or the Company's vacation policy; (vi) reimbursement of all reasonable and necessary expenses actually incurred by Mr. Gloer directly in connection with the business and affairs of IOU USA and the performance of his duties under the SEEA; and (vii) coverage under the Company's directors' and officers' liability insurance policy.

In the SEEA, the expression "Change of Control" means: (i) the acquisition, directly or indirectly and by any means whatsoever, by any one shareholder, or group of shareholders acting jointly or in concert, of more than 50% of the outstanding voting shares of IOU USA or any affiliate thereof, including the Company; (ii) the "Incumbent Board" (at the time, Wayne Pommen, Serguei Kouzmine, Yves Roy, Evan Price and Philippe Marleau) ceases for any reason to constitute at least a majority of the Board of Directors;

provided however, that any individual becoming a director of the Company subsequent to the date of the SEEA, whose election, or nomination for election by the Shareholders, was approved by a vote of at least a majority of the directors of the Company then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened proxy contest with respect to the election or removal of directors of the Company or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the management of the Company or the Board of Directors; (iii) the consummation of a reorganization, merger, amalgamation, plan of arrangement or consolidation of or involving IOU USA or the Company or a sale or other disposition of all or substantially all of the assets of IOU USA or the Company or an acquisition of assets of one or more other corporations in a single transaction or in a series of linked transactions (each a "**Business Combination**"), in each case, unless, immediately following the consummation of such Business Combination: (A) all or substantially all of the individuals and entities who were the beneficial owners of the common shares of IOU USA or the Shares outstanding immediately prior to the consummation of such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding common shares and the combined voting power of the then outstanding securities entitled to vote generally in the election of directors (the "**Voting Securities**"), as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns IOU USA or the Company or all or substantially all of IOU USA's or the Company's assets either directly or through one or more subsidiaries) (the "**Continuing Corporation**") in substantially the same proportions as their ownership, immediately prior to the consummation of such Business Combination, of the outstanding common shares and other Voting Securities of IOU USA or the Company, as the case may be (excluding, for greater certainty, any common shares or other Voting Securities of the Continuing Corporation which such beneficial owners hold immediately following the consummation of the Business Combination as a result of their ownership prior to such consummation of shares or other securities of any company or other entity other than IOU USA or the Company involved in or forming part of such Business Combination), (B) no person (excluding any employee benefit plan (or related trust) sponsored or maintained by the Continuing Corporation or any corporation controlled by the Continuing Corporation) beneficially owns, directly or indirectly, more than 50% of, respectively, the then outstanding common shares of the Continuing Corporation or the combined voting power of the then outstanding Voting Securities of the Continuing Corporation, and (C) at least a majority of the members of the board of directors of the Continuing Corporation were members of the Incumbent Board at the time of the execution of the definitive agreement providing for such Business Combination or, in the absence of such an agreement, at the time at which approval of the Board of Directors was obtained for such Business Combination; or (iv) approval by the shareholders of IOU USA or the Shareholders of the complete liquidation or dissolution of IOU USA or the Company, respectively.

The SEEA includes a double trigger Change of Control provision which provides that within twelve (12) months following a transaction involving a Change of Control, (i) Mr. Gloer may resign for Good Reason, or (ii) IOU may terminate the SEEA and Mr. Gloer's employment by providing written notice to Mr. Gloer.

In the SEEA, the expression "Good Reason" means: (i) a material adverse change to Mr. Gloer's position, duties, authority, or responsibilities, including any material adverse change in the person(s) to whom Mr. Gloer reports or who report to Mr. Gloer, or any assignment to Mr. Gloer of any significant ongoing duties inconsistent in any material respect with Mr. Gloer's position, duties, authority or responsibilities; (ii) a decrease in Mr. Gloer's base salary of more than 20% or a material decrease in Mr. Gloer's incentive bonus structure, benefits, vacation or other compensation; (iii) a requirement that Mr. Gloer relocate to a location greater than fifty (50) kilometres from Mr. Gloer's primary work location; (iv) the failure of IOU USA to obtain a written agreement to expressly assume the SEEA from any successor owner (whether such succession is direct or indirect by purchase, merger, consolidation or otherwise) of all or substantially all of the shares of IOU USA or the Company, or the business and/or assets of IOU USA; or (v) any action or event that would constitute constructive dismissal of Mr. Gloer at law.

In either of the scenarios triggering the Change of Control provision, Mr. Gloer would be entitled to a lump sum payment and other benefits as follows: (i) payment to Mr. Gloer of an amount equal to his base salary and vacation pay earned by and payable to Mr. Gloer up to the date of termination, less applicable statutory deductions; (ii) payment to Mr. Gloer of any outstanding bonus and incentive payments owing to Mr. Gloer for the previous fiscal year, less applicable statutory deductions, and Mr. Gloer's bonus (if any) calculated pro rata based on Mr. Gloer's period of employment during the fiscal year in which the date of termination occurs for the period up to the date of termination (less applicable statutory deductions); (iii) payment to Mr. Gloer, as he may direct, of a lump sum payment equal to one and a half (1.5) month for each year of service up to a maximum of eighteen (18) months of Mr. Gloer's base salary as of the date of termination, less applicable statutory deductions; (iv) payment to Mr. Gloer, as he may direct, of a lump sum payment equal to the average of Mr. Gloer's bonus for the previous two (2) fiscal years, less applicable statutory deductions; (v) all options held by Mr. Gloer shall automatically vest as at the date of termination and expire ninety (90) days thereafter (subject to their initial term) (however, see the treatment of Options holders in the section "*The Arrangement – Interests of Certain Persons in the Arrangement – Treatment of Company Equity Awards*" below); and (vi) except for all short-term and long-term disability insurance and directors' and officers' liability insurance (which cease immediately effective the date of termination, subject to continued coverage, if any, under IOU USA's directors' and officers' liability insurance policies with respect to any acts, omissions or circumstances occurring or existing on or before the date on which Mr. Gloer ceases to be a director and officer of IOU USA), to the extent that IOU USA may do so legally and in compliance with its plans and policies in existence from time to time, the Company shall continue the benefits for one and a half (1.5) month for each year of service up to a maximum of eighteen (18) months from the date of termination (and if the Company cannot continue any particular benefit pursuant to the terms of the relevant plan or policy (including, without limitation, all disability insurance), then IOU USA shall reimburse Mr. Gloer for the reasonable actual cost of replacing such benefits with comparable benefits).

Intentions of Directors and Executive Officers

As of the Record Date, the Supporting Shareholders beneficially owned or exercised control or direction over, directly or indirectly, in the aggregate 51,900,725 Shares, which represented approximately 49.2% of the issued and outstanding Shares (on an undiluted basis).

Pursuant to the Voting Support Agreements, the Supporting Shareholders have agreed, among other things, to vote their Shares **FOR** the Arrangement Resolution. See "*The Arrangement – Voting Support Agreements*".

Treatment of Company Equity Awards

As of the Record Date, a total of 9,773,333 Options were outstanding.

Pursuant to the Plan of Arrangement, each Option, whether vested or unvested, outstanding immediately prior to the Effective Time, shall, notwithstanding the terms of the Stock Option Plan and any and all award or similar agreements relating to the Option and without any further action by or on behalf of the holder thereof, be deemed to have fully vested and be deemed to be assigned and surrendered by such holder to the Company in exchange for a cash payment equal to the amount by which the Consideration exceeds the exercise price per Share of such Option, less applicable withholdings, and each such Option shall immediately be cancelled and, for greater certainty, where such amount is zero or a negative, the holder of such Option will not be entitled to receive any amount in respect of such Option, and all obligations in respect of all such Options shall be deemed to be fully satisfied. The Stock Option Plan, each Option issued and outstanding immediately prior to the Effective Time and any agreements related thereto shall thereafter be immediately cancelled and terminated.

On or as soon as practicable after the Effective Date (and in any event, no later than ten (10) days thereafter), the Company shall process the cash payments through the Company's payroll systems or payroll providers (or issue a cheque for any such payment if such payment cannot be made through such

payroll system or payroll provider), to each holder of an Option as reflected on the register maintained by or on behalf of the Company in respect of Options, representing the amount, if any, which such holder of Options has the right to receive under the Plan of Arrangement for such Options, less applicable withholdings.

Consideration

The following table sets out the names and positions of the directors and executive officers of the Company as of August 8, 2023, the number of Shares (other than Rolling Shares), Rolling Shares and Options, owned or over which control or direction was exercised by such director or executive officer of the Company and, where known after reasonable inquiry, by their respective associates or affiliates and the consideration to be received for such Shares and Options pursuant to the Arrangement.

Name and Position with the Company	Shares other than Rolling Shares	Rolling Shares	Estimated amount of Consideration to be received in respect of Shares other than Rolling Shares[(1)(2)]	"In-the-Money" Options	Estimated amount of cash to be received in respect of Options[(3)]	Total estimated amount of consideration to be received (subject to applicable withholdings)
Executive Officers						
Robert Gloer, President and Chief Executive Officer	—	240,433	—	1,465,000	$130,100	$130,100
Daniel O'Keefe, Chief Financial Officer and Secretary	—	—	—	300,000	$18,000	$18,000
Jeffrey Turner, Executive Vice President of Risk Mitigation	160,000	—	$35,200	750,000	$85,000	$120,200
Directors						
Evan Price, Chairman of the Board of Directors	216,500	—	$47,630	410,000	$32,200	$79,830
Philippe Marleau, Director[(4)]	—	—	—	1,010,000	$97,400	$97,400
Yves Roy, Director	277,777	—	$61,110.94	240,000	$18,800	$79,910.94
Lucas Timberlake, Director[(5)]	1,092,671	12,500,000	—	185,000	$17,700	$17,700
Neil Wolfson, Director	—	—	—	185,000	$16,118.75	$16,118.75
Kathleen Miller, Director	500	—	$110	130,000	$5,572.50	$5,682.50

Notes:

(1) Equal to the product obtained by multiplying (i) the Consideration by (ii) the number of Shares other than Rolling Shares owned by such Shareholder.

(2) On July 13, 2023, Palos IOU Inc. entered into a share exchange agreement with certain former Shareholders, whereby Palos IOU Inc. acquired from such former Shareholders 14,321,575 Shares (including 240,433 Shares from Robert Gloer, 331,092 Shares from Madeline Wade and 111,111 Shares from Carl Brabander) at a price of $0.22 per Share in exchange for common shares in the capital of Palos IOU Inc. ("**Palos IOU Shares**") at a deemed price of $0.22 per Palos IOU Share on a one-for-one basis.

(3) Equal to the product obtained by multiplying (i) the amount by which the Consideration exceeds the exercise price per Share of such Option by (ii) the number of Shares into which such Option is exercisable.
(4) Philippe Marleau holds 50% of the shares of The Marleau Capital Corporation Inc. The Marleau Capital Corporation Inc. owns or exercises control or direction over 19,362,803 Shares: (i) 3,743,526 Shares are owned by Palos Merchant Fund L.P., a fund managed by its general partner, Palos Corporate Services Inc., which in turn is owned by Palos Capital Corporation, which is under the influence of The Marleau Capital Corporation Inc., (ii) 298,561 Shares are owned by Palos Management Inc., which in turn is owned by Palos Capital Corporation, and (iii) 14,321,575 Shares are owned by Palos IOU Inc. Palos Capital Corporation is the voting trustee over all of the Shares owned by Palos IOU Inc. Of these 19,362,803 Shares, only the 14,321,575 Shares held by Palos IOU Inc. are Rolling Shares.
(5) Lucas Timberlake, a director of the Company, exercises control over FinTech.

Continuing Insurance Coverage for Directors and Executive Officers of the Company

The Arrangement Agreement provides that prior to the Effective Date, the Company shall purchase prepaid non-cancellable, customary policies of directors' and officers' liability insurance providing protection comparable to the most favourable protection provided by the policies maintained by the Company and its Subsidiaries as were in effect on the date of the Arrangement Agreement providing coverage on a "trailing" or "run-off" basis for all present and former directors and officers of the Company with respect to claims arising within six years after the Effective Date relating to facts or events that occurred prior to the Effective Date, including claims by the Purchaser and its affiliates and by other insured parties thereunder, provided that the cost of such directors' and officers' liability insurance shall not exceed 250% of the current annual aggregate premium for directors' and officers' liability insurance currently maintained by the Company and its Subsidiaries.

The Purchaser has agreed in the Arrangement Agreement to cause the Company to honour all rights to indemnification or exculpation now existing in favour of present and former officers and directors of the Company to the extent they were disclosed to the Purchaser prior to the signing of the Arrangement Agreement, and has acknowledged that such rights, to the extent they were disclosed, shall survive the Arrangement and continue in full force and effect for a period of at least six years from the Effective Date. These insurance provisions are intended for the benefit of all present and former directors and officers of the Company and its Subsidiaries, as and to the extent applicable in accordance with their terms, and are enforceable by each of such Persons and his or her heirs, executors, administrators and other legal representatives (collectively, the "**Indemnified Parties**"); the Company holds the rights and benefits of Section 8.6 of the Arrangement Agreement in trust for and on behalf of the Indemnified Parties, and the Company has accepted such trust and agrees to hold the benefit of and enforce performance of such covenants on behalf of the Indemnified Parties; and if any of the Company or the Purchaser or any of their successors and assigns (i) amalgamates, consolidates with or merges or winds-up into any other Person and shall not be the continuing or surviving corporation or entity, or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in each such case, proper provisions shall be made so that the successors and assigns and transferees of the Company or the Purchaser, as the case may be, shall assume all of the obligations of the Company or the Purchaser, as applicable, set forth in Section 8.6 of the Arrangement Agreement.

Required Shareholder Approval

In order for the Arrangement to be effected, Shareholders will be asked to consider and, if deemed advisable, approve the Arrangement Resolution and any other related matters at the Meeting. The Arrangement Resolution must be approved by: (i) not less than two-thirds of the votes cast at the Meeting by Shareholders virtually present or represented by proxy and entitled to vote at the Meeting; and (ii) a simple majority of the votes cast at the Meeting by Shareholders virtually present or represented by proxy and entitled to vote at the Meeting, excluding for this purpose the Rolling Shareholders and related parties thereof and any other person required to be excluded pursuant to section 8.1(2) of MI 61-101 (the "**Required Shareholder Approval**").

The full text of the Arrangement Resolution and Plan of Arrangement are attached to this Circular as Appendices B and C, respectively.

Regulatory Matters

Regulatory Approvals

(a) The Company and the Purchaser have agreed to make promptly (and in any event within the required time periods for filing under applicable Law), unless they seek and obtain a waiver from the requirement to make, any filing required by Law with respect to the Arrangement in connection with the Regulatory Approvals and respond as promptly as practicable to any inquiries or requests for information and documentary material received from any Governmental Entity in connection with Regulatory Approvals.

(b) The Purchaser and the Company will consult and cooperate with each other in connection with the effort to obtain the Regulatory Approvals. Without limiting the generality of the foregoing:

(i) the Company and its legal counsel will be given a reasonable opportunity to review and comment on any proposed submissions to any Governmental Entity, and reasonable consideration will be given to any comments made by the Company and its legal counsel;

(ii) each Party will promptly notify the other Party of any communication from any Governmental Entity in connection with the Regulatory Approvals and will permit the other Party or its legal counsel, as appropriate, to review in advance any proposed communication with a Governmental Entity;

(iii) neither Party will participate in any meeting with a Governmental Entity in connection with its review of the Arrangement unless it consults with the other Party in advance and, to the extent permitted by the Governmental Entity, provides the other Party the opportunity to attend and participate thereat; and

(iv) neither the Purchaser nor the Company will take any action that would have the effect of delaying, impairing or impeding the receipt of any Regulatory Approval.

(c) Each of the Purchaser and the Company will use commercially reasonable efforts to obtain the Regulatory Approvals as soon as reasonably practicable but, in any event, no later than the Outside Date, and the Purchaser will further use commercially reasonable efforts to avoid, oppose, or seek to have lifted or rescinded, any application for, or any resulting injunction or restraining or other order seeking to: (i) cease trade, enjoin, prohibit, or impose any limitations, damages or conditions on, the Purchaser's ability to acquire, hold, or exercise full right of ownership over, any Shares, including the right to vote the Shares; or (ii) prohibit the ownership or operation by the Purchaser of the business of the Purchaser or its affiliates, the Company or any of the Company's Subsidiaries or compel the Purchaser or its affiliates to dispose of or hold separate any material portion of the business or assets of the Purchaser or its affiliates, the Company or any of the Company's Subsidiaries' as a result of the Arrangement.

(d) The Purchaser will keep the Company and its legal counsel informed as to the status of the proceedings related to obtaining the Regulatory Approvals.

Court Approvals

An arrangement of a corporation under the QBCA requires approval by the Court. On August 10, 2023, the Company obtained the Interim Order providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order and the Notice of Presentation of the Final Order are attached to this Circular as Appendices E and F, respectively.

If the Arrangement Resolution is approved by the Shareholders at the Meeting in the manner required by the Interim Order, the Company will apply to the Court to obtain the Final Order. The hearing

in respect of the Final Order is scheduled to take place in room 16.04 at the Court located at 1 Notre-Dame Street East, Montréal, Québec, H2Y 1B6 on September 15, 2023, at 2:15 p.m. (Montréal time), or as soon after such time as counsel may be heard. Any Shareholders wishing to appear in person or to be represented by counsel at the hearing of the application for the Final Order may do so but must comply with certain procedural requirements described in the Notice of Presentation of the Final Order, including filing an appearance (and if such appearance is with a view to contesting the application for a Final Order, a written contestation supported by affidavit(s), and exhibit(s), if any) with the Court and serving same upon the Company and the Purchaser via their respective counsel as soon as reasonably practicable and, in any event, no later than 4:30 p.m. (Montréal time) on September 7, 2023.

The Court has broad discretion under the QBCA when making orders with respect to arrangements. The Court, when hearing the application for the Final Order, will consider, among other things, the fairness and reasonableness of the Arrangement to the Shareholders (other than the Rolling Shareholders) and the holders of Options. The Court may approve the Arrangement in any manner it may direct and determine appropriate.

Once the Final Order is granted and the other conditions contained in the Arrangement Agreement are satisfied or, if applicable, waived to the extent legally permissible, the Articles of Arrangement will be filed with the Enterprise Registrar under the QBCA for issuance of the Certificate of Arrangement giving effect to the Arrangement.

Canadian Securities Law Matters

The Company is a reporting issuer in Alberta, British Columbia, Ontario and Québec, and accordingly, is subject to applicable Securities Laws of such provinces, including MI 61-101.

MI 61-101 is intended to regulate certain transactions to ensure equality of treatment among securityholders, generally requiring (i) enhanced disclosure, (ii) approval by a majority of securityholders excluding certain interested or related parties and their joint actors – so-called "majority of the minority" approval, and (iii) in certain instances, independent valuations and approval and oversight of the transaction by a special committee of independent directors. The protections of MI 61-101 apply to, among other transactions, "business combinations" (as defined in MI 61-101) that terminate the interests of equity securityholders without their consent (regardless of whether the equity security is replaced with another security).

MI 61-101 provides that, in certain circumstances, where a "related party" of an issuer (as defined in MI 61-101) is entitled to receive a "collateral benefit" (as defined in MI 61-101) or consideration per security that is not identical in amount and form to the entitlement of the general body of holders in Canada of securities of the same class ("**Different Consideration**"), in connection with an arrangement, such transaction may be considered a "business combination" for the purposes of MI 61-101 and as a result such related party will be an "interested party" (as defined in MI 61-101). A "related party" includes a director, senior officer and a securityholder holding over 10% of the voting rights attached to all of the issuer's outstanding Voting Securities, or affiliates of the foregoing.

A "collateral benefit" (as defined in MI 61-101) includes any benefit that a related party of the Company is entitled to receive as a consequence of the Arrangement, including without limitation, an increase in salary, a lump sum payment (e.g., a change of control payment), a payment for surrendering securities or other enhancements in benefits related to services as an employee, director or consultant of the Company. MI 61-101 excludes from the meaning of collateral benefit a payment per security that is identical in amount and form to the entitlement of the general body of holders in Canada of securities of the same class, as well as certain benefits to a related party received solely in connection with the related party's services as an employee or director of an issuer, of an affiliated entity of such issuer or of a successor to the business of such issuer where (a) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the transaction; (b) the conferring of the benefit is not, by its terms, conditional on the related party

supporting the transaction in any manner; (c) full particulars of the benefit are disclosed in the disclosure document for the transaction; and (d) either (i) at the time the transaction is agreed to, the related party and his or her associated entities beneficially own, or exercise control or direction over, less than 1% of the outstanding securities of each class of equity securities of the issuer (the "**1% Exemption**"), or (ii) the related party discloses to an independent committee of the issuer the amount of consideration that the related party expects to be beneficially entitled to receive, under the terms of the transaction, in exchange for the equity securities the related party beneficially owns and the independent committee acting in good faith determines that the value of the benefit, net of any offsetting costs to the related party, is less than 5% of the value of the consideration the related party will receive pursuant to the terms of the transaction for the equity securities beneficially owned by the related party, and the independent committee's determination is disclosed in the disclosure document for the transaction (the "**5% Exemption**").

If the Arrangement is completed, each Option outstanding immediately prior to the Effective Time, in each case whether vested or unvested, will be transferred to the Company in exchange for a cash payment from the Company equal to the amount by which the Consideration exceeds the exercise price per Share of such Option, subject to applicable withholdings. By virtue of such acceleration of Options, certain directors and executive officers of the Company may be considered to be receiving a "collateral benefit" in connection with the Arrangement. However, except with respect to Philippe Marleau and Lucas Timberlake, as discussed below, such benefits fall either within the 1% Exemption or the 5% Exemption. In addition, Robert Gloer may be entitled to the receipt of a change of control payment, which may also be considered a "collateral benefit" under MI 61-101. See "*The Arrangement – Interests of Certain Persons in the Arrangement*". Accordingly, none of the Shares beneficially owned or over which control or direction is exercised, directly or indirectly, by the directors and executive officers of the Company and their respective related parties and joint actors will be excluded in determining whether "majority of the minority" approval for the Arrangement is obtained, except for Philippe Marleau, Lucas Timberlake and Robert Gloer as discussed below. None of Philippe Marleau, Lucas Timberlake or Robert Gloer holds any Shares directly as of the date hereof.

In addition, by virtue of Neuberger Berman, Palos and FinTech being Rolling Shareholders that have entered into their respective Rollover Agreements, they are each considered to be receiving Different Consideration and, as a result, the Shares which are beneficially owned or over which control or direction is exercised, directly or indirectly, by such Rolling Shareholders and their respective related parties and joint actors (including Asheef Lalani and Charles Frisher), will be excluded for the purpose of determining if "majority of the minority" approval for the Arrangement is obtained, irrespective of whether Philippe Marleau, Lucas Timberlake or Robert Gloer is otherwise also receiving, or falls within an exception to the definition of, a "collateral benefit" for purposes of MI 61-101.

In summary, for purposes of the "majority of the minority" approval requirements of MI 61-101, all of the 51,245,948 Shares (representing 48.6% of the issued and outstanding Shares (on a non-diluted basis)) beneficially owned or over which control or direction is exercised, directly or indirectly, by Neuberger Berman, Palos. FinTech and certain Palos IOU Rolling Shareholders will be excluded in determining whether "majority of the minority" approval for the Arrangement is obtained. The Shares to be excluded for purposes of the "majority of the minority" approval requirement include:

Shareholder[1]	**Shares**[2]	
	#	**%**
NB Specialty Finance Fund LP	15,665,839	14.84
Fintech Ventures Fund, LLLP[3]	13,592,671	12.88
Palos IOU Inc.[4]	14,321,575	13.57
Palos Merchant Fund LP	3,743,526[5]	3.55
Palos Management Inc.	298,561[5]	0.28
Marleau Capital Corporation	999,141[5]	0.95

Asheef Lalani	1,800,000[5]	1.71
Charles Frisher	824,635[5]	0.78

Notes:

(1) References to each Shareholder in this column refer to the Shareholder and the Shareholder's related parties and joint actors and certain affiliates.

(2) Based on 105,535,596 Shares issued and outstanding as of the Record Date.

(3) Lucas Timberlake exercises control over FinTech, which holds 13,592,671 Shares.

(4) On July 13, 2023, Palos IOU Inc. entered into a share exchange agreement (the "**Share Exchange Agreement**") with certain Shareholders (collectively, the "**Palos IOU Rolling Shareholders**"), including Asheef Lalani and Charles Frisher, whereby Palos IOU Inc. acquired from the Palos IOU Rolling Shareholders 14,321,575 Shares (including 240,433 Shares from Robert Gloer) at a price of $0.22 per Share in exchange for common shares in the capital of Palos IOU Inc. ("**Palos IOU Shares**") at a deemed price of $0.22 per Palos IOU Share on a one-for-one basis (the "**Palos Acquisition**"). Prior to the Palos Acquisition, Palos owned, controlled or directed, directly or indirectly, 10,041,228 Shares, representing approximately 9.5% of the issued and outstanding Shares (on a non-diluted basis). After giving effect to the Palos Acquisition, Palos owned, controlled or directed, directly or indirectly, 19,362,803 Shares, representing approximately 18.3% of the issued and outstanding Shares (on a non-diluted basis).

(5) Such Shares represent Shares which are not exchanged for IOU Palos Shares pursuant to the Palos Acquisition.

Pursuant to section 4.4(1)(a) of MI 61-101, the Company is not required to obtain a formal valuation under MI 61-101 in connection with the Arrangement.

To the knowledge of the Company and its directors and executive officers, after reasonable inquiry, there have been no prior valuations in respect of the Company (as contemplated in MI 61-101) in the 24 months prior to the date of the Arrangement Agreement and, except as disclosed in this Circular under the heading "*The Arrangement – Background to the Arrangement*", no bona fide prior offer (as contemplated in MI 61-101) that relates to the transactions contemplated by the Arrangement has been received by the Company during the 24 months before the execution of the Arrangement Agreement.

Stock Exchange De-Listing and Reporting Issuer Status

The Shares of the Company are currently listed for trading on the TSX-V under the symbol "IOU". The Company expects that the Shares will be de-listed on or following the Effective Date.

Following the Effective Date, it is expected that the Purchaser will cause the Company to apply to cease to be a reporting issuer under the securities legislation of Alberta, British Columbia, Ontario and Québec, or take or cause to be taken such other measures as may be appropriate to ensure that the Company is not required to prepare and file continuous disclosure documents.

Effects on the Company if the Arrangement is Not Completed

If the Arrangement Resolution is not approved by the Shareholders or if the Arrangement is not completed for any other reason, the Shareholders will not receive any payment for any of their Shares in connection with the Arrangement, and the Arrangement Agreement may be terminated. If this occurs, (i) the Company will continue to carry on as a reporting issuer in the ordinary course, and will continue to face the risks and limitations that it currently faces with respect to its affairs, business and operations and future prospects, and (ii) the Shares will continue to be listed and posted for trading on the TSX-V. Note that the failure to complete the Arrangement could negatively impact the Share price and the Company, and that the Company may be required, in certain circumstances, to pay the Termination Fee of $885,000. See "*Risk Factors*". If the Arrangement Resolution is not approved by the Shareholders, the Company will reimburse the Purchaser for reasonable, documented expenses, costs and fees incurred by the Purchaser and its affiliates in connection with the Arrangement Agreement, in an amount not to exceed $250,000.

Expense Reimbursement

The estimated fees, costs and expenses of the Company in connection with the Arrangement contemplated herein, including, without limitation, financial advisors' fees, filing fees, legal and accounting

fees, proxy solicitation fees and printing and mailing costs, but excluding payments made by the Company pursuant to holders of Options are anticipated to be approximately $1.5 million.

RISK FACTORS

Shareholders should carefully consider the following risks related to the Arrangement. These risk factors should be considered in conjunction with the other information included in this Circular, including certain sections of documents publicly filed, which sections are incorporated by reference herein. Additional risks and uncertainties, including those currently unknown to or considered immaterial by the Company, may also adversely affect the Arrangement. The following risk factors are not a definitive or exhaustive list of all risk factors associated with the Arrangement.

Risk Factors Relating to the Arrangement

There can be no certainty that all conditions to the Arrangement will be satisfied or, if applicable, waived prior to the Outside Date, if at all. Failure to complete the Arrangement could negatively impact the price of the Shares or otherwise adversely affect the business of the Company.

The completion of the Arrangement is subject to a number of conditions, certain of which are outside the control of the Company, including Shareholder approval in the manner described herein, certain consents and approvals as provided for in the Arrangement Agreement, receipt of the Final Order, filing of the Articles of Arrangement with the Enterprise Registrar and no Governmental Entity issuing any laws that make illegal or otherwise prohibit the consummation of the Arrangement. The Arrangement Agreement also contains a number of additional conditions for the benefit of the Purchaser including compliance with covenants by the Company, the truth and correctness of certain representations and warranties made by the Company as of the Effective Date, and the absence of a Material Adverse Effect since the date of the Arrangement Agreement and that is continuing as of the Effective Time. There can be no certainty, nor can the Company provide any assurance, that these conditions will be satisfied or, if applicable, waived or, if satisfied or waived, when they will be satisfied or waived.

If the Arrangement is not completed, the market price of the Shares (to the extent that the market price reflects a market assumption that the Arrangement will be completed) may be adversely affected by many factors, including but not limited to (i) the reason the Arrangement is not completed and whether such incompletion results from factors adversely affecting the Company; (ii) the possibility that the market would consider the Company to be an unattractive acquisition candidate; and (iii) the possible sale of Shares by investors following the announcement that the Arrangement is not completed. If the Arrangement is not completed and the Board of Directors decides to seek another arrangement, merger or business combination, there can be no assurance that it will be able to find a party willing to pay an equivalent or more attractive price than the Consideration to be paid pursuant to the Arrangement.

Certain costs related to the Arrangement, such as legal, and certain financial advisor fees, must be paid by the Company even if the Arrangement is not completed. The Arrangement could cause the attention of management to be diverted from the day-to-day operations of the Company. These disruptions could be exacerbated by a delay in the completion of the Arrangement and could have an adverse effect on the business, operating results or prospects of the Company.

In addition, since the completion of the Arrangement is subject to uncertainty, officers and employees of the Company may experience uncertainty about their future roles with the Company. This may adversely affect the Company's ability to attract or to retain key management and personnel in the period until the Arrangement is completed or terminated.

Lastly, the Company sells loans to Neuberger Berman as a principal source of financing. If the Arrangement is not completed, the business relationship between the Company and Neuberger Berman, and therefore the Company's operations, could be negatively impacted.

The Arrangement Agreement may be terminated by the parties in certain circumstances, including in the event of a Material Adverse Effect.

Each of the Purchaser and the Company has the right, in certain circumstances, to terminate the Arrangement Agreement, in which case the Arrangement would not be completed. Accordingly, there can be no certainty, nor can the Company provide any assurance, that the Arrangement Agreement will not be terminated by either of the Company or the Purchaser prior to the completion of the Arrangement. For example, the Purchaser has the right, in certain circumstances, to terminate the Arrangement Agreement if changes occur that have a Material Adverse Effect on the Company. Although a Material Adverse Effect excludes certain events that are beyond the control of the Company (including but not limited to changes generally affecting the industries in which the Company conducts business, including any change affecting banks and private lenders, whether local or global and credit, or changes in general economic, business, banking or regulatory conditions or in global or national financial or capital markets), there is no assurance that a Material Adverse Effect on the Company will not occur before the Effective Date, in which case the Purchaser could elect to terminate the Arrangement Agreement and the Arrangement would not proceed. Failure to complete the Arrangement could negatively impact the trading price of the Shares or otherwise adversely affect the business of the Company. See "*The Arrangement Agreement – Termination of the Arrangement Agreement*".

The Company may have to pay a Termination Fee. The Termination Fee provided under the Arrangement Agreement if the Arrangement Agreement is terminated in certain circumstances may discourage other parties from attempting to acquire the Company.

Under the Arrangement Agreement, in the event the Arrangement Agreement is terminated in certain circumstances, the Company may be required to pay a Termination Fee of $885,000 to the Purchaser. The Termination Fee may discourage other parties from attempting to acquire the Company, even if those parties would otherwise be willing to offer greater value than that offered under the Arrangement. See "*The Arrangement Agreement — Termination Fee: Expenses of the Purchaser and the Company*".

If the Company is unable to complete the Arrangement or if completion of the Arrangement is delayed, there could be a Material Adverse Effect on the Company's business, financial condition, operating results or the price of its Shares.

The completion of the Arrangement is subject to the satisfaction of numerous closing conditions, including the approval by Shareholders, certain consents and approvals as provided for in the Arrangement Agreement, receipt of the Final Order, filing of the Articles of Arrangement with the Enterprise Registrar and no Governmental Entity issuing any laws that prohibit or make illegal the Arrangement. A substantial delay in obtaining satisfactory approvals and/or the imposition of unfavourable terms or conditions in the approvals to be obtained could have an adverse effect on the business, financial condition or results of operations of the Company or could result in the termination of the Arrangement Agreement.

Even if the Arrangement Agreement is terminated without payment of the Termination Fee, the Company may, in the future, be required to pay the Termination Fee in certain circumstances.

Under the Arrangement Agreement, the Company may be required to pay the Termination Fee to the Purchaser at a date subsequent to the termination of the Arrangement Agreement if the Arrangement Agreement is terminated in certain circumstances and (i) prior to the Meeting, an Acquisition Proposal (for these purposes, the term "**Acquisition Proposal**" has the meaning assigned to it in the Glossary attached to this Circular as Exhibit A, except that references to "20%" shall be deemed to be references to "50% or more") is proposed, offered or made or publicly announced or otherwise publicly disclosed by any person (other than the Purchaser or any of its affiliates or any Person acting jointly or in concert with any of the foregoing) to the Company, (ii) such Acquisition Proposal has not expired or been publicly withdrawn at least 5 business days prior to the Meeting, and (iii) within 12 months following the date of such termination, (a) an Acquisition Proposal (whether or not it is the same Acquisition Proposal referred to in clause (i)

above) is consummated or effected, or (b) the Company or one or more of its Subsidiaries, directly or indirectly, in one or more transactions, enters into a contract in respect of the Acquisition Proposal (whether or not it is the same Acquisition Proposal referred to in clause (i) above) and such Acquisition Proposal is later consummated or effected (whether or not within 12 months after such termination). See *"The Arrangement Agreement – Termination Fee; Expenses of the Purchaser and the Company "*.

The Company has dedicated significant resources to pursuing the Arrangement and while the Arrangement is pending, the Company is restricted from taking certain actions.

Under the Arrangement Agreement, the Company is subject to customary non-solicitation provisions and must generally conduct its business in the ordinary course. Before the completion of the Arrangement or termination of the Arrangement Agreement, the Company is restricted from taking certain specified actions without the consent of the Purchaser (such consent not to be unreasonably withheld, conditioned or delayed). These restrictions may prevent the Company from pursuing attractive business opportunities that may arise prior to the completion of the Arrangement. See "*The Arrangement Agreement – Covenants*". If the Arrangement is not completed for any reason, the announcement of the Arrangement, the dedication of the Company's resources to the completion thereof and the restrictions that were imposed on the Company under the Arrangement Agreement may have an adverse effect on the current and future operations, financial condition and prospects of the Company.

The Company's directors and officers may have interests in the Arrangement that are different from those of Shareholders.

In considering the unanimous recommendation of the Special Committee and the Board of Directors to vote in favour of the Arrangement Resolution, Shareholders should be aware that certain members of the Board of Directors and officers of the Company may have agreements or arrangements that provide them with interests in the Arrangement that differ from, or are in addition to, those of Shareholders, generally. See "*The Arrangement – Interests of Certain Persons in the Arrangement*".

The Shareholders (other than the Rolling Shareholders) will no longer hold an interest in the Company following the Arrangement.

Following the Arrangement, Shareholders will no longer hold any of the Shares and Shareholders will forego any future increase in value that might result from future growth and the potential achievement of the Company's long-term plans, except for Rolling Shareholders who will be issued Rollover Shares of the Purchaser and will therefore own an indirect interest in the Company. In the event that the value of the Company's assets or business, prior, at or after the Effective Date, exceeds the implied value of the Company under the Arrangement, Shareholders will not be entitled to additional consideration for their Shares.

The Arrangement is generally a taxable transaction.

The Arrangement will generally be a taxable transaction for Canadian federal income tax purposes (and may also be a taxable transaction under other applicable tax laws) and, as a result, Shareholders will generally be required to pay taxes on any gains that result from the disposition of their Shares pursuant to the Arrangement. See "*Certain Canadian Federal Income Tax Considerations*" below for a description of the principal Canadian federal income tax considerations with respect to the Arrangement.

The Company and the Purchaser may be the targets of legal claims, securities class actions, derivative lawsuits and other claims. Any such claims may delay or prevent the Arrangement from being completed.

The Company and the Purchaser may be the target of securities class actions and derivative lawsuits which could result in substantial costs and may delay or prevent the Arrangement from being completed. Securities class action lawsuits and derivative lawsuits may be brought against companies that

have entered into an agreement to acquire a public company or to be acquired. Third parties may also attempt to bring claims against the Company or the Purchaser seeking to restrain the Arrangement or seeking monetary compensation or other remedies. Even if the lawsuits are without merit, defending against these claims can result in substantial costs and divert management time and resources. Additionally, if a plaintiff is successful in obtaining an injunction prohibiting consummation of the Arrangement, then that injunction may delay or prevent the Arrangement from being completed.

In addition, political and public attitudes towards the Arrangement could result in negative press coverage and other adverse public statements affecting the Company. Adverse press coverage and other adverse statements could lead to investigations by regulators, legislators and law enforcement officials or in legal claims or otherwise negatively impact the ability of the Company to conduct its business.

The pending Arrangement may divert the attention of the Company's management.

The pendency of the Arrangement could cause the attention of the Company's management to be diverted from the day-to-day operations and suppliers may seek to modify or terminate their business relationships with the Company. These disruptions could be exacerbated by a delay in the completion of the Arrangement and could have an adverse effect on the business, operating results or prospects of the Company.

Risk Factors Related to the Business of the Company

Whether or not the Arrangement is completed, the Company will continue to face many of the risks that it currently faces with respect to its business and affairs. A description of the risk factors applicable to the Company is contained in the Company's other filings with Securities Regulators and are incorporated by reference into this Circular.

ARRANGEMENT MECHANICS

Depositary Agreement

On August 8, 2023, the Company, the Purchaser and the Depositary, in its capacity as depositary under the Arrangement Agreement, entered into a depositary agreement.

Pursuant to the Arrangement Agreement, the Purchaser will, following receipt of the Final Order and immediately prior to the sending by the Company of the Articles of Arrangement to the Enterprise Registrar on the day of Closing, deposit, for the benefit of the Shareholders (other than the Rolling Shareholders in respect of the Rolling Shares and the Dissenting Shareholders), in escrow with the Depositary sufficient funds to satisfy the aggregate Consideration payable to the Shareholders (other than the Rolling Shareholders in respect of the Rolling Shares) and the Option Cash-Out Consideration payable to the holders of Options, in each case as provided in the Plan of Arrangement.

Certificates and Payment

Upon surrender to the Depositary for cancellation of a certificate that immediately prior to the Effective Time represented one or more Shares, other than Rolling Shares or Shares held by a Dissenting Shareholder, if applicable, a duly completed and executed Letter of Transmittal and such additional documents, certificates and instruments as the Depositary or the Purchaser may reasonably require, the holder of such surrendered certificate or the deliverer of such Letter of Transmittal, as applicable, will be entitled to receive in exchange therefor, pursuant to the Plan of Arrangement, and the Depositary will deliver to such holder, the Consideration which such Former Shareholder is entitled to receive under the Plan of Arrangement for such Shares, without interest, less any amounts withheld in respect of taxes pursuant to the Plan of Arrangement, and any certificate so surrendered shall forthwith be cancelled.

On or as soon as practicable after the Effective Time, the Company shall process a cash payment to each holder of Options immediately prior to the Effective Time, as reflected on the books and records of the Company, through the Company's payroll systems or payroll providers (or issue a cheque for any such payment if such payment cannot be made through such payroll system or payroll provider), for the amount of Option Cash-Out Consideration such holder is entitled to receive under the Plan of Arrangement in respect of his, her or its Options, less any amounts withheld in respect of taxes pursuant to the Plan of Arrangement.

Until surrendered as contemplated above, each certificate that immediately prior to the Effective Time represented Shares (other than the Rolling Shares), and in respect of which Dissent Rights have not been validly exercised, shall be deemed after the Effective Time to represent only the right to receive upon such surrender (i) the Consideration which the holder is entitled to receive in lieu of such certificate contemplated above, or (ii) in respect of Shares formerly held by a Dissenting Shareholder, the amount such Dissenting Shareholder is entitled to receive as contemplated above, less, in each case, any amounts withheld in respect of taxes pursuant to the Plan of Arrangement. Any such certificate formerly representing Shares not duly surrendered on or prior the day immediately before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former holder of Shares of any kind or nature against or in the Company or the Purchaser. On such date, all Consideration to which such former holder was entitled shall be deemed to have been surrendered to the Purchaser for no consideration, together with all entitlements to dividends, distributions and interest thereon held for such former registered holder.

Any payment made by way of cheque by the Depositary pursuant to the Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on or before the day immediately prior to the second anniversary of the Effective Time, and any right or claim to payment under the Arrangement Agreement that remains outstanding, on the day before the second anniversary of the Effective Time, shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the Consideration for the Affected Securities pursuant to the Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser for no consideration.

No Affected Securityholders shall be entitled to receive any consideration with respect to such Affected Securities other than any cash payment to which such holder is entitled to receive in accordance with Section 4.1 of the Plan of Arrangement and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith other than, in respect of Shares, any declared but unpaid dividends with a record date prior to the Effective Date.

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Shares that were transferred pursuant to the Plan of Arrangement shall have been lost, stolen or destroyed, the Depositary will direct any Shareholder whose Share Certificate has been lost, stolen or destroyed to submit a Letter of Transmittal completed to the best of his, her or its ability and to complete and submit a letter describing the loss, theft or destruction, as applicable. The Depositary will supply a declaration of loss and indemnity bond in the forms supplied by the Company, or the Company will otherwise inform the Depository of the requirements to be communicated to any Shareholder inquiring as to the procedures to be followed to obtain a replacement Share Certificate for a Share Certificate that has been lost, stolen or destroyed and instruct such Shareholder to properly complete such documents.

The Purchaser, the Company and the Depositary, as applicable, shall be entitled to deduct and withhold from any amount otherwise payable or deliverable to any Person under the Plan of Arrangement, such amounts as the Purchaser, the Company or the Depositary, as applicable, are required or entitled to deduct and withhold, or reasonably believe to be required or entitled to deduct and withhold, from such amount otherwise payable or deliverable under any provision of any Laws in respect of Taxes. Any such amounts will be deducted and withheld from the amount otherwise payable or deliverable pursuant to the Plan of Arrangement and shall be treated for all purposes under the Plan of Arrangement as having been paid to the Person in respect of which such deduction and withholding was made, provided that such deducted and withheld amounts are actually remitted to the appropriate Governmental Entity.

Letter of Transmittal

In order to receive the Consideration, the registered Shareholders must complete and sign the Letter of Transmittal that can be found on the Company's SEDAR+ profile at www.sedarplus.ca, and deliver such letter and the other documents required by it, including the certificate(s) representing the Shares, to the Depositary in accordance with the instructions contained in the Letter of Transmittal.

The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully.

Non-registered Shareholders holding Shares that are registered in the name of an Intermediary on their behalf must contact their Intermediary for instructions and assistance in receiving the Consideration.

The Consideration will be denominated in Canadian dollars, provided that a Shareholder is to be paid a converted amount in U.S. dollars if either (a) the Shareholder has elected to receive U.S. dollars in its Letter of Transmittal prior to the Effective Date, or (b) the Shareholder's address of record is outside of Canada and the Shareholder has not made an election to receive Canadian dollars prior to the Effective Date in its Letter of Transmittal.

The exchange rate that will be used to convert payments from Canadian dollars into U.S. dollars will be the rate established by the Depositary, in its capacity as foreign exchange service provider to the Company, on the date the funds are converted, which rate will be based on the prevailing market rate for such date. The risk of any fluctuations in exchange rates, including risks relating to the particular date and time at which funds are converted, will be borne solely by the registered Shareholder. The Depositary, in its capacity as the foreign exchange service provider, will act as principal in such currency conversion transactions.

The Purchaser reserves the right, if it so elects, in its absolute discretion, to instruct the Depositary to waive any defect or irregularity contained in any Letter of Transmittal received by them and any such waiver will be binding upon the affected Shareholders. The granting of a waiver to one or more Shareholders does not constitute a waiver for any other Shareholders. The Company and the Purchaser reserve the right to demand strict compliance with the terms of the Letters of Transmittal and the Arrangement. The method used to deliver the Letter of Transmittal and any accompanying certificate(s) representing the Shares, and all other required documents, is at the option and risk of the holder surrendering them, and delivery will be deemed effective only when such documents are actually received by the Depositary. The Company and the Purchaser recommend that the necessary documentation be hand delivered or delivered by courier to the Depositary at its office(s) specified on the last page of this Letter of Transmittal, and a receipt obtained; otherwise the use of registered mail with return receipt requested, properly insured, is recommended.

Holders of Options need not complete any documentation to receive the consideration payable to them under the Arrangement in respect of their Options.

THE ARRANGEMENT AGREEMENT

The Arrangement will be carried out pursuant to the Arrangement Agreement and the Plan of Arrangement. The following is a summary only of the principal terms of the Arrangement Agreement. This summary does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement (which has been filed by the Company under its profile on SEDAR+ at www.sedarplus.ca) and to the Plan of Arrangement (attached to this Circular as Appendix C). Shareholders are encouraged to read the Arrangement Agreement and the Plan of Arrangement in their entirety. The Arrangement Agreement establishes and governs the legal relationship between the Company and the Purchaser with respect to the transactions described in this Circular. It is not intended to be a source of factual, business, or operational information about the Company or the Purchaser.

Conditions to the Arrangement Becoming Effective

Mutual Conditions Precedent

The respective obligations of the Company and the Purchaser to consummate the transactions contemplated in the Arrangement Agreement are subject to the satisfaction, on or before the Effective Date or such other time specified, of the following conditions, any of which may be waived by the mutual consent of such Parties without prejudice to their right to rely on any other of such conditions:

(a) the Interim Order having been granted on terms consistent with the Arrangement Agreement and the Interim Order not having been set aside or modified in a manner unacceptable to either the Company or the Purchaser, acting reasonably, on appeal or otherwise;

(b) the Arrangement Resolution having been passed by the Shareholders in accordance with the Interim Order;

(c) the Final Order having been granted on terms consistent with the Arrangement Agreement and the Final Order not having been set aside or modified in a manner unacceptable to either the Company or the Purchaser, acting reasonably, on appeal or otherwise;

(d) the Articles of Arrangement to be filed with the Enterprise Registrar in accordance with the Arrangement Agreement being in form and substance acceptable to each of the Company and the Purchaser, acting reasonably; and

(e) no (i) injunction or similar order by any Governmental Entity having competent jurisdiction over the Purchaser, the Company or any of their respective Subsidiaries that prohibits the consummation of the Arrangement and the other transactions contemplated by the Arrangement Agreement shall have been entered and shall continue to be in effect, or (ii) Law shall have been enacted, entered, promulgated, enforced, or deemed applicable by any Governmental Entity having competent jurisdiction over the Purchaser, the Company, or any of their respective Subsidiaries, that, in any case, restricts, enjoins, makes illegal or otherwise prohibits or would reasonably be expected to restrict, enjoin, make illegal or otherwise prohibit the Arrangement and the other transactions contemplated by the Arrangement Agreement.

Additional Conditions Precedent to the Obligations of the Company

(a) The obligation of the Company to consummate the transactions contemplated in the Arrangement Agreement, and in particular the Arrangement, is subject to the satisfaction of the following conditions, which may only be waived by the Company in its sole discretion:

(i) the representations and warranties made by the Purchaser:

(A) in subsections (a) *[Organization and Qualification]*, (b) *[Corporate Authorization]*, (c) *[Execution and Binding Obligation]*, (d) *[No Violations; Absence of Defaults and Conflicts]*, (h) *[Regulatory Matters]*, (i) *[Investment Canada Act]* and (j) *[Financing Arrangements]* of Schedule C of the Arrangement Agreement being true and correct in all material respects as of the date of the Arrangement Agreement and as of the Effective Date as if made on and as of such date; and

(B) in the remainder of the Arrangement Agreement being true and correct (disregarding any materiality or Material Adverse Effect qualification contained in any such representation or warranty) as of the Effective Date as if made at and as of such date (except that any such representation and warranty that by its terms speaks specifically as of the date of the Arrangement Agreement or another date shall be true and correct in all

respects as of such date), except where the failure to be so true and correct, individually and in the aggregate, would not materially and adversely impede the ability of the Purchaser and its affiliates to consummate the Arrangement and the Purchaser to perform its obligations under the Arrangement Agreement,

and the Purchaser having provided to the Company a certificate of a senior officer of the Purchaser certifying the foregoing on the Effective Date;

(ii) the Purchaser having complied in all respects with its covenants in Section 2.8 of the Arrangement Agreement and the Purchaser having fulfilled or complied in all material respects with its covenants under the Arrangement Agreement, except where the failure of the Purchaser to fulfill or comply with such covenants, individually or in the aggregate, would not materially and adversely impede the ability of the Purchaser and its affiliates to consummate the Arrangement and the Purchaser having provided to the Company a certificate of a senior officer of the Purchaser certifying compliance with such covenants on the Effective Date; and

(iii) the Purchaser having deposited or caused to be deposited with the Depositary in escrow the amounts contemplated by Section 2.8 of the Arrangement Agreement and the Depositary having confirmed to the Company receipt of these funds.

(b) The conditions set forth above are for the exclusive benefit of the Company and may be asserted by the Company regardless of the circumstances or may be waived by the Company in its sole discretion, in whole or in part, at any time and from time to time, without prejudice to any other rights that the Company may have.

Additional Conditions Precedent to the Obligations of the Purchaser

(a) The obligation of the Purchaser to consummate the transactions contemplated in the Arrangement Agreement, and in particular the Arrangement, is subject to the satisfaction of the following conditions, which may only be waived by the Purchaser in its sole discretion:

(i) the representations and warranties made by the Company:

(A) in Subsection (g) *[Capitalization]* of Schedule D of the Arrangement Agreement being true and correct in all respects as of the date of the Arrangement Agreement and as of the Effective Date as if made on and as of such date (except to the extent such representations and warranties speak as of an earlier date, the accuracy of which shall be determined as of such earlier date), except for such failures to be true and correct that are, in the aggregate, *de minimis*;

(B) in subsections (a) *[Organization and Qualification]*, (b) *[Corporate Authorization]*, (c) *[Execution and Binding Obligation]* and (d) *[No Violations; Absence of Defaults and Conflicts]* of Schedule D of the Arrangement Agreement being true and correct in all material respects as of the date of the Arrangement Agreement and as of the Effective Date as if made on and as of such date; and

(C) in the remainder of the Arrangement Agreement being true and correct (disregarding any materiality or Material Adverse Effect qualification contained in any such representation or warranty) as of the Effective Date as if made at and as of such date (except that any such representation and warranty that by its terms speaks specifically as of the date of the Arrangement Agreement or another date shall be true and correct in all respects as of such date), except where the failure to be so true and

correct, individually and in the aggregate, has not had or would not reasonably be expected to have a Material Adverse Effect,

and the Company having provided to the Purchaser a certificate of a senior officer of the Company certifying the foregoing on the Effective Date;

(ii) the Company having fulfilled or complied in all material respects with its covenants under the Arrangement Agreement, and the Company having provided to the Purchaser a certificate of a senior officer of the Company certifying compliance with such covenants on the Effective Date;

(iii) no Material Adverse Change in respect of the Company having occurred after the date of the Arrangement Agreement and prior to the Effective Date;

(iv) there being no action or proceeding pending or threatened by any Person (other than the Purchaser) in any jurisdiction that is reasonably likely to:

(A) cease trade, enjoin, prohibit, or impose any limitations, damages or conditions on, the Purchaser's ability to acquire, hold, or exercise full right of ownership over, any Shares, including the right to vote the Shares; or

(B) prohibit the ownership or operation by the Purchaser of the business of the Purchaser or its affiliates, the Company or any of the Company's Subsidiaries or compel the Purchaser or its affiliates to dispose of or hold separate any material portion of the business or assets of the Purchaser or its affiliates, the Company or any of the Company's Subsidiaries as a result of the Arrangement;

(v) the Company shall have received the Regulatory Approval as previously disclosed; and

(vi) holders of no more than 5% of all of the issued and outstanding Shares having validly exercised Dissent Rights (and not having withdrawn such rights) in respect of the Arrangement.

(b) The conditions set forth above are for the exclusive benefit of the Purchaser and may be asserted by the Purchaser regardless of the circumstances or may be waived in writing by the Purchaser in its sole discretion, in whole or in part, at any time and from time to time, without prejudice to any other rights that the Purchaser may have.

Deemed Satisfaction of Conditions

Subject to applicable Law, the conditions precedent, mutual or otherwise, as set forth in the Arrangement Agreement are conclusively deemed to have been satisfied, waived or released upon the issuance of the Certificate of Arrangement by the Enterprise Registrar. For greater certainty, and notwithstanding the terms of any escrow arrangement entered into between the Purchaser and the Depositary, all funds held in escrow by the Depositary pursuant to Section 2.8 of the Arrangement Agreement shall be released from escrow when the Certificate of Arrangement is issued without any further act or formality required on the part of any Person.

Representations and Warranties

The Arrangement Agreement contains representations and warranties of Company and the Purchaser.

Some of the representations and warranties in the Arrangement Agreement made by the Company are qualified as to "materiality" or "Material Adverse Effect" or "Material Adverse Change." For purposes of the Arrangement Agreement, a "Material Adverse Effect" or "Material Adverse Change" means any fact or state of facts, circumstance, change, effect, occurrence or event that either individually is or in the aggregate

are, or individually or in the aggregate could reasonably be expected to be material and adverse to the business, operations, results of operations, properties, assets, liabilities (contingent or otherwise), cash flows, capitalization, obligations (whether absolute, accrued, conditional or otherwise) or condition (financial or otherwise) of the Company and its Subsidiaries or the business of the Company and its Subsidiaries, taken as a whole, or that would be materially adverse to the ability of the Purchaser and its affiliates to consummate the transactions contemplated by the Arrangement Agreement, except any fact or state of facts, circumstance, change, effect, occurrence or event resulting from or arising in connection with:

(i) the announcement of the execution of the Arrangement Agreement or the transactions contemplated herein;

(ii) a change in the market trading price of the Shares either:

(A) related to the Arrangement Agreement or the announcement of the execution of the Arrangement Agreement or the transactions contemplated in the Arrangement Agreement; or

(B) primarily resulting from a change, effect, event or occurrence excluded from this definition of Material Adverse Change or Material Adverse Effect referred to in clauses (iii), (iv), (v), (vi), (vii) or (xi) below;

(iii) any generally applicable change in applicable Laws (other than orders, judgments, injunctions or decrees against the Company or any of its Subsidiaries) or any change in IFRS;

(iv) any change or development in global, national or provincial political conditions (including the outbreak of war or acts of terrorism) or in general economic, business, banking or regulatory conditions or in global or national financial or capital markets, including the worsening thereof;

(v) any change generally affecting the industries in which the Company conducts business, including any change affecting banks and private lenders, whether local or global and credit;

(vi) any hurricane, flood, tornado, earthquake or other natural disaster, or man-made disaster;

(vii) any epidemic, pandemic, disease outbreak (including COVID-19) or general outbreak of illness, including the worsening thereof;

(viii) any actions taken (or omitted to be taken) at the request of the Purchaser or any of the Guarantors;

(ix) the failure, in and of itself, of the Company to meet any internal, published or public projections, forecasts, guidance or estimates, including of revenues, earnings, cash flows or other financial operating metrics before, on or after the date of the Arrangement Agreement (it being understood that the causes underlying such failure may be taken into account, to the extent not referred to in paragraphs (i) to (x) above, in determining whether a Material Adverse Change has occurred);

(x) any action, claim, proceeding or similar liability brought following the date of the Arrangement Agreement by and on behalf of any securityholders relating to the Arrangement Agreement or the transactions contemplated thereby; or

(xi) any action taken by the Company or any of its Subsidiaries that is required pursuant to the Arrangement Agreement,

but, with respect to clauses (iii), (iv), (v), (vi) and (vii), and the corresponding provisions of (ii)(B) above, only if such matter does not have a materially disproportionate effect on the

Company and its Subsidiaries, or their business, taken as a whole, relative to comparable entities operating in the industries in which the Company and its Subsidiaries conducts business, and references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and are deemed not to be, illustrative or interpretative for purposes of determining whether a "Material Adverse Change" or a "Material Adverse Effect" has occurred; or

materially adverse to the ability of the Purchaser and its affiliates to consummate the transaction contemplated by the Arrangement Agreement.

In the Arrangement Agreement, the Company has made customary representations and warranties to the Purchaser that are subject, in some cases, to specified exceptions and qualifications contained in the Arrangement Agreement and other disclosure made to the Purchaser. These representations and warranties relate to, among other things, (a) the Company and its Subsidiaries' due organization, valid existence, good standing, and authority and qualification to conduct business, (b) the corporate power and authority of the Company to enter into the Arrangement Agreement, (c) the execution and binding obligation of the Arrangement Agreement, (d) the absence of defaults and conflicts, (e) the absence of legal proceedings against the Company that would reasonably be expected to prevent or materially delay consummation of the transactions contemplated by the Arrangement Agreement, (f) tax matters, (g) capitalization of the Company, (h) shareholders' and similar agreements of the Company, (i) ownership of Subsidiaries, (j) Canadian securities law matters, (k) U.S. securities law matters, (l) regulatory matters, (m) the Company's Financial Statements, (n) books and records of the Company and its Subsidiaries, (o) financial reporting, (p) the auditors of the Company, (q) the absence of undisclosed liabilities of the Company and its Subsidiaries, (r) the absence of any Material Adverse Change since January 1, 2022, (s) the absence of long-term and derivative transactions, (t) disclosure of related party transactions, (u) the absence of "collateral benefit" (within the meaning of MI 61-101), (v) compliance with applicable Laws by the Company and its Subsidiaries, (w) due authorization, execution and delivery of Receivables, (x) Material Contracts, (y) leases entered into by the Company, (z) title to material moveable property of the Company and its Subsidiaries, (aa) intellectual property matters, (bb) compliance with privacy and anti-spam legislation, (cc) restrictions on conduct of business, (dd) environmental matters, (ee) employment matters, (ff) employee plans, (gg) insurance, (hh) funds available on termination, (ii) Anti-Money Laundering Laws, (jj) anti-corruption Laws, sanctions, and similar rules and regulations, (kk) the Company's Significant Brokers, (ll) the absence of "prior valuations" (within the meaning of MI 61-101), (mm) the absence of broker fees, except for the Financial Advisor's, (nn) receipt of the Independent Valuation and Fairness Opinion by the Financial Advisor, and (oo) the Board of Directors and the Special Committee's approval of the Arrangement and recommendation that Shareholders, other than Rolling Shareholders and their respective affiliates, vote in favour of the Arrangement Resolution.

In the Arrangement Agreement, the Purchaser has made customary representations and warranties to the Company that are subject, in some cases, to specified exceptions and qualifications contained in the Arrangement Agreement. These representations and warranties relate to, among other things, (a) the Purchaser's due organization, valid existence, and good standing with respect to its jurisdiction of organization, (b) the Purchaser's corporate power and authority to execute and deliver the Arrangement Agreement, (c) the execution and binding obligation of the Arrangement Agreement, (d) the absence of defaults and conflicts, (e) the ownership structure of the Purchaser, (f) the absence of legal proceedings against the Purchaser that would reasonably be expected to prevent or materially delay consummation of the transactions contemplated by the Arrangement Agreement, (g) security ownership, (h) regulatory matters, (i) the Purchaser being a Canadian or a "WTO Investor" that is not a state-owned enterprise within the meaning of the *Investment Canada Act* (Canada), (j) financing arrangements entered into by the Purchaser in connection with the Arrangement, (k) the delivery and execution of the Limited Guarantee, (l) the Purchaser not being a non-resident of Canada for the purposes of the Tax Act.

Covenants

The Arrangement Agreement also contains customary negative and affirmative covenants of each of the Company and the Purchaser.

Conduct of Business by the Company

The Company covenants and agrees that during the period from the date of the Arrangement Agreement until the earlier of the Effective Date and the time that the Arrangement Agreement is terminated in accordance with its terms, unless otherwise: (i) with the prior written consent of the Purchaser (such consent not to be unreasonably withheld, conditioned or delayed); (ii) required or specifically contemplated by the Arrangement Agreement and the Plan of Arrangement (including for greater certainty pursuant to Section 5.3 of the Arrangement Agreement to obtain any required Regulatory Approvals); or (iii) required by Law or by a Governmental Entity; or (iv) to comply with any quarantine, "shelter in place", "stay at home", workforce reduction, social or physical distancing, shut down, closure, sequester or any other Law or guidelines or recommendations issued by a Governmental Entity or as reasonably considered prudent by the Company to adequately protect the health and safety of its and any of its Subsidiaries' employees, customers or suppliers in connection with or in response to COVID-19 or any variants/mutations thereof; that:

(a) the business of the Company and its Subsidiaries shall be conducted only in, and the Company and its Subsidiaries will not take any action except in, the ordinary course of business and consistent with past practice, and the Company will use all commercially reasonable efforts to maintain and preserve in all material respects its and their business organization, assets, employees and advantageous business relationships with suppliers, customers, landlords, creditors, debtors (including Borrowers) and all other Persons having business relationships with the Company and its Subsidiaries;

(b) it will not, and will not permit any of its Subsidiaries to, directly or indirectly:

(i) amend the Company's constating documents or amend the constating documents of any of its Subsidiaries;

(ii) declare, set aside or pay any dividend or other distribution or payment in cash, shares or property in respect of its shares or other securities owned by any Person other than distributions by a Subsidiary of the Company to the Company or to a Subsidiary of the Company;

(iii) issue, grant, sell, deliver, pledge or otherwise encumber, or agree to issue, grant, deliver, sell, pledge or otherwise encumber, any shares of the Company or any of its Subsidiaries, or securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire, shares of the Company or any of its Subsidiaries, other than the Shares issuable pursuant to the terms of outstanding Options as previously disclosed;

(iv) split, consolidate, redeem, purchase or otherwise acquire any of its outstanding shares or other securities;

(v) reduce its share capital or reorganize, arrange, restructure, amalgamate or merge with any Person;

(vi) amend the terms of any of its securities;

(vii) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization;

(viii) except as previously disclosed, sell, pledge, lease, dispose of, license (other than in the ordinary course of business consistent with past practice) or encumber any assets of the Company or any of its Subsidiaries with a value individually or in the aggregate exceeding US$100,000 other than sales or securitizations of Receivables in the ordinary course of business;

(ix) acquire (by merger, amalgamation, consolidation or acquisition of securities or assets or otherwise) directly or indirectly, in one transaction or in a series of

transactions (including a contribution of capital), assets, securities, properties, or interests in businesses with a value or cost individually or in the aggregate exceeding US$100,000 other than repurchases of Receivables as required by the terms of any agreement relating to the sale or securitization of Receivables;

(x) make any changes in financial accounting methods, principles, policies or practices, except as required, in each case, by IFRS or by applicable Law;

(xi) make any capital expenditure or commitment to do so which, individually or in the aggregate, exceeds US$100,000;

(xii) waive, release, surrender, abandon, let lapse, grant or transfer any material right;

(xiii) enter into any agreements or other transactions with any officer or director of the Company or any of its Subsidiaries, except as otherwise contemplated under Section 5.1(d) of the Arrangement Agreement;

(xiv) incur any indebtedness for borrowed money (other than debt on corporate credit cards incurred in the ordinary course of business) or issue any debt securities or assume, guarantee, endorse or otherwise as an accommodation become responsible for, the obligations of any other individual or entity, or make any loans or advances, except, in relation to (i) internal transactions solely involving the Company and its wholly-owned Subsidiaries or solely among such Subsidiaries, or (ii) any loans or advances to borrowers in the ordinary course of business;

(xv) enter into or establish any new credit or securitization facilities, or amend or extend any existing credit or securitization facility;

(xvi) except potentially regarding the litigations previously disclosed, pay, discharge, settle, satisfy, compromise, waive, assign or release any material action, claim, proceeding or similar material liability or obligation (including any regulatory investigation);

(xvii) except as previously disclosed, other than in the ordinary course of business consistent with past practice, amend, modify, release, terminate, waive or relinquish, or authorize or propose to do so, any contractual right that is material to the business of the Company;

(xviii) make any material change in the Policies;

(xix) enter into or amend any contract with any broker (except for any contract entered into with brokers in the ordinary course of business), finder or investment banker, including any amendment of any contract with the Financial Advisor as previously disclosed (except for any amendment required in connection with an Acquisition Proposal which the Company reasonably expects will result in a Superior Proposal);

(xx) other than in the ordinary course of business consistent with past practice, enter into any license, lease, contract or other document that is material to the business of the Company, including any contract that would be a Material Contract if in effect on the date hereof, or waive, release, surrender, abandon, let lapse, grant or transfer any rights of value or modify or change any existing license, lease, contract or other document that is material to the business of the Company;

(xxi) enter into or terminate any hedges, derivatives, swaps or other financial instruments or like transaction;

(xxii) materially change the business of the Company or its Subsidiaries; or

(xxiii) authorize or propose any of the foregoing, or enter into or modify any contract, agreement, commitment or arrangement to do any of the foregoing;

(c) except pursuant to existing employment, pension, supplemental pension, severance notice, termination or compensation arrangements, policies or agreements which have been previously disclosed, the Company will not, and will not permit any of its Subsidiaries, to:

(i) grant to any director or officer an increase in compensation in any form;

(ii) other than in the ordinary course of business consistent with past practice, grant to any other employee any increase in compensation in any form;

(iii) other than in the ordinary course of business consistent with past practice, make any bonus or profit sharing distribution of any kind;

(iv) terminate any auditor, director, officer or other senior employee for reasons other than cause or serious reason (as such terms are defined in accordance with applicable Laws);

(v) make any loan to any officer, director or employee; or

(vi) take any action with respect to the grant of any change of control, retention or contractual severance, or termination pay to, or the entering into any employment agreement providing for any of the foregoing with, any officer, director or employee of the Company or any of its Subsidiaries, or with respect to any increase of benefits payable under its current change of control, severance or termination pay policies or agreements;

(d) neither the Company nor any of its Subsidiaries will adopt or amend or make any contribution to any bonus, profit sharing, option, pension, retirement, deferred compensation, retention, incentive compensation, other compensation or other similar plan, agreement, trust, fund or arrangement for the benefit of employees, except as is necessary to comply with applicable Law or non-discretionary requirements of pre-existing plans;

(e) the Company will use commercially reasonable efforts (taking into account insurance market conditions and offerings and industry practices) to cause its current insurance (or re-insurance) policies, including director and officer insurance, not to be cancelled or terminated or the coverage thereunder to lapse, except where such cancellation, termination or lapse would not individually or in the aggregate be material to the Company, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing having comparable deductibles and providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect;

(f) the Company will not:

(i) change in any material respect any of its methods of reporting income or deductions for accounting or income tax purposes from those employed in the preparation of its (A) Canadian income tax return for the taxation year ended December 31, 2022, and (B) U.S. income tax return for the taxation year ended December 31, 2021, in each case except as may be required by applicable Law;

(ii) make, change, or revoke any material election relating to Taxes, other than any election that has yet to be made in respect of any event or circumstance occurring prior to the date of the Arrangement Agreement and which will be made in a

manner consistent with the past practice of the Company or, as applicable, its Subsidiary;

(iii) settle, compromise or agree to the entry of judgment with respect to any proceeding, assessment, reassessment, or liability relating to Taxes except for any settlement, compromise or agreement that is not materially detrimental to the Company taking into account any reserves made in relation to such Taxes as reflected on the Company Financial Statements;

(iv) enter into any agreement with a Governmental Entity with respect to Taxes or any Tax sharing, Tax allocation or Tax indemnification agreement;

(v) surrender any right to claim a Tax abatement, reduction, deduction, exemption, credit or refund;

(vi) consent to the extension or waiver of the limitation period applicable to any Tax matter;

(vii) make a request for a Tax ruling to any Governmental Entity; or

(viii) make any "investment" (within the meaning of subsection 212.3(10) of the Tax Act) in any corporation which is not resident in Canada for purposes of the Tax Act if subsection 212.3(2) of the Tax Act would apply as a result of such investment; and

(g) the Company will not agree, resolve or commit to do any of the foregoing.

Nothing contained in the Arrangement Agreement will give the Purchaser, directly or indirectly, the right to direct or control the Company's business and operations prior to the Effective Time. Prior to the Effective Time, the Company will exercise, consistent with and subject to the terms of the Arrangement Agreement, control and supervision over its business and operations. Nothing in the Arrangement Agreement, including any of the restrictions set forth herein, will be interpreted in such a way as to place any Party in violation of applicable Law.

Covenants of the Company Relating to the Arrangement

Access to Information

From the date of the Arrangement Agreement until the earlier of the Effective Date and the termination of the Arrangement Agreement, the Company will, and will cause its Subsidiaries and Representatives to, subject to all applicable Laws and in accordance with the Confidentiality Agreements, afford to the Purchaser and the Representatives of the Purchaser reasonable access at all reasonable times to their officers, employees, agents, properties, books, records and contracts, and will furnish the Purchaser with all data and information as the Purchaser may reasonably request, subject to the conditions contained in the Confidentiality Agreements, in order to allow the Purchaser and its Representatives to conduct such investigating as they may reasonably consider necessary or advisable for strategic planning and other business reasons.

Covenants of the Purchaser Relating to the Arrangement

Equity Financing Arrangements

(a) The Purchaser will use commercially reasonable efforts to arrange the Equity Financing on the terms and conditions described in the Equity Commitment Letter (provided that the Purchaser may, in its sole discretion, replace or amend the Equity Commitment Letter to add additional Equity Financing Sources or otherwise so long as the terms thereof are not, in the aggregate, less beneficial to the Purchaser than those in the Equity Commitment Letter as in effect on the date hereof), including using commercially reasonable efforts to:

(i) maintain in effect the Equity Commitment Letter;

(ii) satisfy on a timely basis all conditions precedent applicable to the Purchaser obtaining the Equity Financing set forth in the Equity Commitment Letter that are within its control;

(iii) enter into definitive agreements with respect to the Equity Financing on the terms and conditions contemplated by the Equity Commitment Letter or on other terms acceptable to the Purchaser, it is sole discretion, that would not (i) prevent, or, in any material respect, impair, delay or make less likely, the availability of the financing required for the payment of the Consideration payable under the Arrangement, or (ii) adversely impact the ability or likelihood of the Purchaser of consummating the transactions contemplated by the Arrangement Agreement;

(iv) enforce the obligations of the Equity Financing Sources in the event of a breach of obligations thereunder that would adversely impact the ability or likelihood of the Purchaser of consummating the transactions contemplated by the Arrangement Agreement; and

(v) subject to the satisfaction or waiver of the conditions set out in the Arrangement Agreement, consummate the Equity Financing and fund the Purchaser for the purposes of allowing the Purchaser to deposit or cause to be deposited with the Depositary in escrow the amounts contemplated by Section 2.8 of the Arrangement Agreement on or prior to the Effective Date.

(b) The Purchaser will notify the Company promptly in writing, and in any event within five (5) business days, if at any time prior to the Effective Time:

(i) the Equity Commitment Letter will expire or be terminated for any reason, or a material breach has occurred in relation with the Equity Commitment Letter (or if such termination is anticipated or threatened);

(ii) the Purchaser has any reason to believe that it or its affiliates will be unable to satisfy, on a timely basis, any term or condition of any funding referred to in Section 5.3 of the Arrangement Agreement to be satisfied by it, that in each case would reasonably be expected to impair the ability of the Purchaser to consummate the Equity Financing on or prior to the Effective Date;

(iii) the Purchaser receives a notice of the refusal of any Equity Financing Sources to provide the full Equity Financing contemplated by the Equity Commitment Letters;

(iv) for any reason, all or any portion of the Equity Financing becomes unavailable, or is expected, or would reasonably be expected to, become unavailable, on the terms and conditions contemplated in the Equity Commitment Letters;

(v) the Purchaser receives any written notice or communication relating to any material dispute or disagreement between and among any parties to any such financing; or

(vi) if at any time for any reason the Purchaser believes in good faith that it will not be able to obtain all or any portion of the Equity Financing on the terms and conditions and in the manner or from the Equity Financing Sources.

(c) The Purchaser and its affiliates will not, without the prior written consent of the Company, amend or alter, or agree to amend or alter, the Equity Commitment Letter in any manner that would reasonably be expected to:

(i) materially impair or prevent the consummation of the transactions contemplated by the Arrangement Agreement;

(ii) materially delay the availability of the financing required for the consummation of the transactions contemplated by the Arrangement Agreement; or

(iii) make the funding of the financing required for the consummation of the transactions contemplated by the Arrangement Agreement less likely to occur.

(d) If the Equity Commitment Letter is terminated or modified in a manner materially adverse to the ability of the Purchaser and its affiliates to complete the transactions contemplated by the Arrangement Agreement for any reason, the Purchaser will use commercially reasonable efforts to:

(i) obtain, as promptly as practicable, and, once obtained, provide the Company with a copy of, a new financing commitment that provides for at least the same amount of financing as contemplated by the Equity Commitment Letter, on a basis that is not subject to any condition precedent materially less favourable from the perspective of the Company than the conditions precedent contained in the Equity Commitment Letter and otherwise on terms and conditions not materially less favourable from the perspective of the Company;

(ii) satisfy, on a timely basis, all conditions precedent applicable to the Purchaser and its affiliates in respect of such new financing commitments that are within its control and enforce its rights under such new financing commitments (it being understood and agreed that neither the Purchaser or any of its affiliates shall be required to pursue any claim or initiate a proceeding against any Equity Financing Source); and

(iii) obtain funds under such commitments to the extent necessary to consummate the transactions contemplated by the Arrangement Agreement.

Notwithstanding anything to the contrary in Section 5.3(d) of the Arrangement Agreement, neither the Purchaser nor any of its affiliates shall be required to pay any fees (in whatever form) or pay interest on any new financing commitment.

(e) The Purchaser acknowledges and agrees that, prior to the Effective Time, none of the Company or any of its affiliates or Representatives shall have any obligations in respect of any financing that the Purchaser may raise in connection with the transactions contemplated hereby. The Purchaser acknowledges and agrees that the Purchaser obtaining financing is not a condition to any of its obligations hereunder or to complete the Arrangement, regardless of the reasons why financing is not obtained or whether such reasons are within or beyond the control of the Purchaser. For the avoidance of doubt, if any financing referred to in Section 5.3 of the Arrangement Agreement is not obtained (other than as a result of the Company's breach of any representation, covenant or other provision set forth in the Arrangement Agreement) the Purchaser will continue to be obligated to consummate the Arrangement, subject to and on the terms contemplated by the Arrangement Agreement.

(f) The Purchaser shall consult with and keep the Company informed in reasonable detail regarding the status of its efforts to arrange the Equity Financing.

Mutual Covenants of the Parties to the Arrangement

The Purchaser and the Company each agrees that, except as contemplated in the Arrangement Agreement, and subject to Section 5.3 of the Arrangement Agreement in respect of Regulatory Approvals, during the period from the date of the Arrangement Agreement until the earlier of the Effective Date and the time that the Arrangement Agreement is terminated in accordance with its terms:

(a) it will use reasonable commercial efforts to, and will cause its Subsidiaries to use reasonable commercial efforts to, satisfy (or cause the satisfaction of) the conditions

precedent to its obligations under the Arrangement Agreement as set forth in Article 6 of the Arrangement Agreement to the extent they are within its control and to take, or cause to be taken, all other actions and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the Arrangement, including using reasonable commercial efforts to promptly:

(i) obtain and maintain all:

(A) waivers, consents and approvals required to be obtained by it from parties to loan agreements, leases and other contracts; and

(B) exemptions, consents, approvals and authorizations,

that are necessary or advisable in connection with the Arrangement or required in order to maintain the Material Contracts in full force and effect following completion of the Arrangement that are previously disclosed, in each case on terms reasonably satisfactory to the Purchaser, without committing the Company, the Subsidiaries of the Company or the Purchaser to pay any consideration or incur any liability or obligation without the prior written consent of the Purchaser, which consent may not be unreasonably withheld, unreasonably conditioned or unreasonably delayed;

(ii) effect all necessary registrations and filings and submissions of information requested by Governmental Entities required to be effected by it in connection with the Arrangement;

(iii) defend all lawsuits or other legal, regulatory or other proceedings challenging or affecting the Arrangement or the Arrangement Agreement, and oppose, lift or rescind any injunction or restraining order or other order or action seeking to stop, or otherwise adversely affecting the ability of the Company and the Purchaser to consummate the Arrangement;

(iv) fulfill all conditions and satisfy all provisions of the Arrangement Agreement and the Arrangement, including delivery of the certificates of their respective officers contemplated by Section 6.2 and 6.3 of the Arrangement Agreement; and

(v) co-operate with the other Party in connection with the performance by it and its Subsidiaries of their obligations under the Arrangement Agreement;

(b) it will not take any action, refrain from taking any action, or permit any action to be taken or not taken that is inconsistent with the Arrangement Agreement or which would reasonably be expected to impede the consummation of the Arrangement or the transactions contemplated in the Arrangement Agreement;

(c) except for non-substantive communications with securityholders and communications that the Company or the Purchaser is required to keep confidential pursuant to applicable Law, and subject to its obligations under Section 2.10 of the Arrangement Agreement, it will furnish promptly to the other Party or its counsel a copy of each notice, report, schedule or other document delivered, filed or received by it in connection with:

(i) the Arrangement;

(ii) any filings under applicable Laws in connection with the transactions contemplated in the Arrangement Agreement;

(iii) any dealings with Governmental Entities in connection with the transactions contemplated in the Arrangement Agreement; or

(iv) in the case of the Company, any penalties, actions, suits, claims, investigations, audit inquiries, assessments or proceedings commenced or to its knowledge, threatened against, relating to or involving or otherwise affect the Company;

(d) it will use commercially reasonable efforts to conduct its affairs so that all of its representations and warranties contained in the Arrangement Agreement are true and correct on and as of the Effective Date as if made thereon, except that that any representation and warranty not qualified by materiality is to be true and correct in all material respects; and

(e) it will carry out the terms of the Interim Order and Final Order applicable to it and use commercially reasonable efforts to comply promptly with all requirements that applicable Laws may impose on it or its Subsidiaries or affiliates with respect to the transactions contemplated by the Arrangement Agreement.

Regulatory Approvals

(a) The Company and the Purchaser agree to make promptly (and in any event within the required time periods for filing under applicable Law), unless they seek and obtain a waiver from the requirement to make, any filing required by Law with respect to the Arrangement in connection with the Regulatory Approvals and respond as promptly as practicable to any inquiries or requests for information and documentary material received from any Governmental Entity in connection with Regulatory Approvals.

(b) The Purchaser and the Company will consult and cooperate with each other in connection with the effort to obtain the Regulatory Approvals. Without limiting the generality of the foregoing:

(i) the Company and its legal counsel will be given a reasonable opportunity to review and comment on any proposed submissions to any Governmental Entity, and reasonable consideration will be given to any comments made by the Company and its legal counsel;

(ii) each Party will promptly notify the other Party of any communication from any Governmental Entity in connection with the Regulatory Approvals and will permit the other Party or its legal counsel, as appropriate, to review in advance any proposed communication with a Governmental Entity;

(iii) neither Party will participate in any meeting with a Governmental Entity in connection with its review of the Arrangement unless it consults with the other Party in advance and, to the extent permitted by the Governmental Entity, provides the other Party the opportunity to attend and participate thereat; and

(iv) neither the Purchaser nor the Company will take any action that would have the effect of delaying, impairing or impeding the receipt of any Regulatory Approval.

(c) Each of the Purchaser and the Company will use commercially reasonable efforts to obtain the Regulatory Approvals as soon as reasonably practicable but, in any event, no later than the Outside Date, and the Purchaser will further use commercially reasonable efforts to avoid, oppose, or seek to have lifted or rescinded, any application for, or any resulting injunction or restraining or other order seeking to: (i) cease trade, enjoin, prohibit, or impose any limitations, damages or conditions on, the Purchaser's ability to acquire, hold, or exercise full right of ownership over, any Shares, including the right to vote the Shares; or (ii) prohibit the ownership or operation by the Purchaser of the business of the Purchaser or its affiliates, the Company or any of the Company's Subsidiaries or compel the Purchaser or its affiliates to dispose of or hold separate any material portion of the business or assets of the Purchaser or its affiliates, the Company or any of the Company's Subsidiaries' as a result of the Arrangement.

(d) The Purchaser will keep the Company and its legal counsel informed as to the status of the proceedings related to obtaining the Regulatory Approvals.

Proxies, Dissent Notices and Securityholder Lists

(a) The Company will advise the Purchaser as reasonably requested, and on a daily basis on each of the last seven (7) business days prior to the Meeting, as to the aggregate tally of the proxies and votes received in respect of such meeting and all matters to be considered at such meeting.

(b) The Company will promptly advise the Purchaser of:

(i) the receipt of any communication (written or oral) from any Shareholder or other securityholder in opposition to the Arrangement, written notice of dissent, purported exercise or withdrawal of Dissent Rights, and any other notice received pursuant to the exercise of Dissent Rights; and

(ii) any written communications sent by, or on behalf of, the Company to any Shareholder exercising or purporting to exercise Dissent Rights.

(c) At the request of the Purchaser from time to time and subject to compliance with applicable Law, the Company will provide the Purchaser with a list (in written and electronic form) of:

(i) the registered Shareholders, together with their addresses and respective holdings of the Shares;

(ii) the holders of Options, together with their addresses and respective holdings of Options;

(iii) the holders of Debentures, together with their addresses and respective holdings of Debentures; and

(iv) participants and book-based nominee registrants such as CDS & Co., CEDE & Co. and The Depository Trust Company, and non-objecting beneficial owners of the Shares, together with their addresses and respective holdings of the Shares.

(d) The Company will from time to time and subject to applicable Law require that its registrar and transfer agent furnish the Purchaser with the additional information referred to in Section 5.5(c) of the Arrangement Agreement, including updated or additional lists of the Shareholders, and lists of securities positions and other assistance as the Purchaser may reasonably request in order to be able to communicate with the Shareholders with respect to the Arrangement.

Equity-Based Compensation Plans

(a) In accordance with the Plan of Arrangement, at the time specified in the Plan of Arrangement, any Options that have not yet vested in accordance with their terms shall be accelerated so that such Options become exercisable, notwithstanding and without regard to the limitations contained in the Stock Option Plan or any stock option agreement, immediately following which each Option, whether vested or unvested prior to such acceleration, that is outstanding and has not been duly exercised, without any further action by or on behalf of any holder of such Option and without any payment except as provided in the Plan of Arrangement, and subject to applicable Tax withholdings and other source deductions in accordance with Section 5.6(b) of the Arrangement Agreement, shall be disposed of to the Company in consideration for a cash payment (the "**Option Cash-Out Consideration**") equal to the product obtained by multiplying (x) the amount by which the Consideration exceeds the exercise price per Share of such Option by (y) the number of Shares into which such Option is exercisable, provided that in the event the foregoing calculation would result in a product less than $0.01, the consideration to be received in

respect of such Option shall be $0.01 (and, for greater certainty, where the Consideration does not exceed the exercise price per Share neither the Company nor the Purchaser shall be obligated to pay the holder of such Option any amount in respect of such Option). Each Option outstanding immediately prior to the Effective Time and any agreements related thereto shall thereafter be immediately cancelled and terminated. The Company shall be permitted to, and shall take, all reasonable steps as may be necessary or desirable to give effect to the foregoing.

(b) Following the Effective Time, the Company will file an election in prescribed form with the Minister of National Revenue under subsection 110(1.1) of the Tax Act and the corresponding provision in any other applicable Law in respect of each holder of Options who would be entitled to a deduction pursuant to paragraph 110(1)(d) of the Tax Act and provide the holder of Options with evidence in writing of the election on a timely basis. Section 5.6(b) of the Arrangement Agreement will survive the consummation of the Arrangement and is intended to be for the benefit of, and will be enforceable by, the holders of Options and their respective heirs, executors, administrators and personal representatives and will be binding on the Company and its successors and assigns, and such rights will be held by the Company, and any successor to the Company, in trust for such holders of Options, except that no approval of any beneficiary of such trust will be required in connection with any amendment or variation of Section 5.6(b) of the Arrangement Agreement prior to the Effective Date.

Pre-Acquisition Reorganization

(a) Subject to Section 5.7(b) of the Arrangement Agreement, the Company agrees that, upon written request of the Purchaser, the Company shall use commercially reasonable efforts to: (i) perform such reorganizations of its corporate structure, capital structure, business, operations and assets or such other transactions as the Purchaser may request, acting reasonably (each a "Pre-Acquisition Reorganization"), and (ii) cooperate with the Purchaser and its advisors to assist in determining the manner in which any Pre-Acquisition Reorganization proposed in writing by the Purchaser and its advisors might be undertaken.

(b) The Company will not be obligated to participate in any Pre-Acquisition Reorganization under Section 5.7(a) of the Arrangement Agreement unless such Pre-Acquisition Reorganization:

(i) can be completed immediately prior to the Effective Date, and can be reversed or unwound in the event the Arrangement is not consummated without adversely affecting the Company or any of its Subsidiaries, taken as a whole, or the Shareholders, in any material manner;

(ii) is not prejudicial to the Company, any Subsidiary of the Company or the Shareholders, in any material respect;

(iii) does not reduce or change the form of the Consideration provided for under the Arrangement;

(iv) does not impair the ability of the Parties to consummate, and will not materially delay the consummation of, the Arrangement;

(v) does not require the approval of the Shareholders;

(vi) does not require the Company or any of its Subsidiaries to take any action that could reasonably be expected to result in Taxes being imposed on, or any adverse Tax or other consequences to Shareholders, incrementally greater than the Taxes or other consequences to Shareholders in connection with the completion of the Arrangement in the absence of action being undertaken pursuant to Section 5.7(a) of the Arrangement Agreement;

(vii) does not result in any breach by the Company or any of its Subsidiaries of any Contract or any breach by the Company or any of its Subsidiaries of their respective constating documents, organizational documents or Law;

(viii) does not, in the opinion of the Company, acting reasonably, interfere with the ongoing operations of the Company or any of its Subsidiaries in any material respect; or

(ix) does not require the trustees, directors, officers, employees or agents of the Company or its Subsidiaries to take any action in any capacity other than as a trustee, director, officer, employee or agent.

(c) The Purchaser must provide written notice to the Company of any proposed Pre-Acquisition Reorganization at least fifteen (15) business days prior to the Effective Date. Upon receipt of such notice, the Company and the Purchaser shall work cooperatively and use their commercially reasonable efforts to prepare prior to the Effective Time all documentation necessary and do such other acts and things as are reasonably necessary to give effect to such Pre-Acquisition Reorganization, including any amendment to the Arrangement Agreement or the Plan of Arrangement (provided that such amendments do not require the Company to obtain approval of the Shareholders).

(d) The Purchaser agrees that (i) any Pre-Acquisition Reorganization shall not be deemed to be a transaction contemplated by the Arrangement Agreement for purposes of any covenant, representation or warranty hereunder, and (ii) any Pre-Acquisition Reorganization will not be considered in determining whether a representation, warranty or covenant of the Company under the Arrangement Agreement has been breached (including where any such Pre-Acquisition Reorganization requires the consent of any third party under a Contract).

(e) If the Arrangement is not completed other than due to a breach by the Company, the Purchaser shall (i) forthwith reimburse the Company for all out-of-pocket costs and expenses incurred in connection with any proposed Pre-Acquisition Reorganization, including any costs incurred by the Company in order to restore the organizational structure of the Company to a substantially identical structure of the Company as prior to completion of such Pre-Acquisition Reorganization; and (ii) indemnify the Company, any of its Subsidiaries and their Representatives and the Shareholders for all direct and indirect liabilities, losses, Taxes, damages, claims, costs, expenses, fees, interest awards, judgements and penalties suffered or incurred by any of them in connection with or as a result of any Pre-Acquisition Reorganization (other than those costs and expenses reimbursed in accordance with the foregoing clause (i) of the Section 5.7(e) of the Arrangement Agreement. The indemnification obligations contained in the Section 5.7(e) of the Arrangement Agreement shall survive the termination of the Arrangement Agreement.

Alternative Transaction

At the written request of the Purchaser, the Company shall assist the Purchaser to implement and complete any alternative transaction structure (including, for greater certainty, a take-over bid) whereby the Purchaser and/or its affiliates would effectively acquire the Shares for consideration on economic terms and other terms and conditions having consequences to the Shareholders that are equivalent to or financially superior to those contemplated by the Arrangement and that does not have negative financial or tax consequences for the Company and can be completed prior to the Outside Date. In the event that the transaction structure is modified, the relevant provisions of the Arrangement Agreement shall be modified as necessary in order that they shall apply with full force and effect, *mutatis mutandis*, but with the adjustments necessary to reflect the revised transaction structure, and the Parties hereto shall execute and deliver an agreement in writing giving effect to and evidencing such amendments as may be reasonably required as a result of such modifications.

Purchaser Matters

On or before the Effective Date, the Purchaser will do, or cause to be done, all actions and things as are contemplated to be done by the Purchaser under the Arrangement.

Shareholder Communications

(a) The Company and the Purchaser have jointly issued a press release with respect to the Arrangement Agreement and the Arrangement after the execution of the Arrangement Agreement.

(b) The Purchaser and the Company have agreed to co-operate and participate in presentations to investors regarding the Arrangement (and to coordinate the preparation of such presentations prior to the making of such presentations) and promptly advise, consult and co-operate with each other in issuing any press releases or otherwise making public statements with respect to the Arrangement Agreement or the Arrangement and in making any filing with any Governmental Entity or with any stock exchange, including the TSX-V, with respect thereto.

(c) Each Party has further agreed:

(i) not issue any press release or otherwise make public statements with respect to the Arrangement Agreement or the Arrangement without the consent of the other Party, which consent may not be unreasonably withheld, conditioned or delayed; and

(ii) enable the other Party to review and comment on all such press releases prior to the release thereof and enable the other Party to review and comment on such filings prior to the filing thereof,

except that the foregoing is subject to each Party's overriding obligation to make disclosure in accordance with applicable Laws. If such disclosure is required and the other Party has not reviewed or commented on the disclosure, the Party making such disclosure will use commercially reasonable efforts to give prior oral or written notice to the other Party, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure or filing. The foregoing does not prevent either Party from making internal announcements to employees and having discussions with its shareholders and other stakeholders so long as such statements and announcements are consistent with the most recent press releases, public disclosures or public statements made by the Parties.

(d) Notwithstanding Sections 2.10(a) to 2.10(c) of the Arrangement Agreement:

(i) the provisions of Section 2.10 of the Arrangement Agreement related to the approval or contents of filings with Governmental Entities will not apply with respect to filings in connection with the Circular, the Interim Order or the Final Order which are governed by other Sections of the Arrangement Agreement; and

(ii) upon a Change in Recommendation, Section 2.10 of the Arrangement Agreement will cease to apply.

Notice and Cure Provisions

(a) Each Party will give prompt notice to the other of the occurrence, or failure to occur, at any time from the date of the Arrangement Agreement until the Effective Date, of any event or state of facts that occurrence or failure would, or would be reasonably likely to:

(i) cause any of the representations or warranties of such Party contained in the Arrangement Agreement to be untrue or inaccurate in any material respect on the date of the Arrangement Agreement to, and including, the Effective Date; or

(ii) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by such Party prior to or on the Effective Date.

(b) Notification provided under Section 6.4 of the Arrangement Agreement will not affect the representations, warranties, covenants, agreement or obligations of the Parties (or remedies with respect thereto) or the conditions to the obligations of the Parties under the Arrangement Agreement.

(c) Neither the Purchaser nor the Company may elect not to complete the transactions contemplated by the Arrangement Agreement pursuant to the conditions contained in Sections 6.1, 6.2 and 6.3 of the Arrangement Agreement, as applicable, or exercise any termination right arising therefrom under Section 9.1(c)(i) or 9.1(d), as applicable, unless the Party intending to rely thereon has delivered a written notice to the other Party specifying in reasonable detail all breaches of covenants, inaccuracies of representations and warranties or other matters that the Party delivering such notice is asserting as the basis for the non-fulfillment of the applicable condition or the availability of a termination right, as the case may be. If any such notice is delivered with respect to a matter that is capable of being cured, so long as a Party is proceeding diligently to cure such matter, no Party may terminate the Arrangement Agreement until, in the case of a matter relating to Section 6.2(a)(iii) of the Arrangement Agreement, the Outside Date, and in any other case, the earlier of (i) 10 business days following the date of receipt of such notice; and (ii) the Outside Date. Unless the Company and the Purchaser agree otherwise, if such a notice has been delivered prior to the date of the Meeting, the Company shall postpone or adjourn the Meeting until the earlier of (A) the expiry of such period (without causing a breach of any other provisions contained in the Arrangement Agreement), and (B) five business days prior to the Outside Date.

Other Actions

Non-Solicitation

(a) The Company will, and will cause its Subsidiaries and its Representatives to, immediately cease and terminate, and cause to be terminated, all existing discussions and negotiations and other activities, if any, with any Person conducted before the date of the Arrangement Agreement with respect to any inquiry, proposal or offer, that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal in respect of the Company and will immediately:

(i) discontinue access to and disclosure of all confidential information, including any data room and access to the properties, facilities, books and records of the Company or any Subsidiary to any Person (other than the Purchaser, its affiliates or any of their Representatives); and

(ii) request, and exercise all rights it has to require: (A) the return or destruction of all copies of any confidential information regarding the Company or any Subsidiary provided to any Person (other than the Purchaser, its affiliates or any of their Representatives) since January 1, 2022, and (B) the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding the Company or any Subsidiary, to the extent that such information has not previously been returned or destroyed, using its commercially reasonable efforts to ensure that such requests are fully complied with to the extent the Company is entitled.

(b) The Company will not, except as otherwise expressly permitted in Article 7 of the Arrangement Agreement, directly or indirectly, do or authorize or permit any of its Subsidiaries or Representatives to do, any of the following:

(i) solicit, initiate, knowingly encourage or otherwise knowingly facilitate any inquiry, proposal or offer, that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal;

(ii) enter into or otherwise engage or participate in any discussions or negotiations with any Person (other than the Purchaser, its affiliates or any of their Representatives) regarding any inquiry, proposal or offer, that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal, or furnish to any other Person (other than the Purchaser, its affiliates or any of their Representatives), provide copies of, access to, or disclosure of, any information with respect to the business, properties, assets, operations, books and records, prospects or conditions (financial or otherwise) of the Company or any Subsidiary, or otherwise cooperate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt of any other Person (other than the Purchaser, its affiliates or any of their Representatives) to do or seek to do any of the foregoing; provided that the Company may (A) communicate with any Person for the sole purpose of clarifying the terms and conditions of such proposal or offer made by such Person, (B) advise any Person of the restrictions of the Arrangement Agreement and (C) advise any Person making an Acquisition Proposal in writing that the Board of Directors has determined that such Acquisition Proposal does not constitute, or is not reasonably expected to constitute or lead to, a Superior Proposal;

(iii) make a Change in Recommendation other than as permitted in Section 7.4 of the Arrangement Agreement; or

(iv) enter into or publicly propose to enter into any contract in respect of an Acquisition Proposal other than as permitted in Article 7 of the Arrangement Agreement.

(c) The Company represents and warrants that none of the Company or its Subsidiaries have waived any confidentiality, standstill or similar agreement or restriction to which the Company or any Subsidiary is a party (other than in respect of the Purchaser or its affiliates), and the Company covenants and agrees that:

(i) the Company shall take all necessary action to enforce each confidentiality, standstill or similar agreement or restriction to which the Company or any Subsidiary is a party, and

(ii) neither the Company, nor any Subsidiary nor any of their respective Representatives have released or will, without the prior written consent of the Purchaser (which may be withheld or delayed in the Purchaser's sole and absolute discretion), release any Person from, or waive, amend, suspend or otherwise modify such Person's obligations respecting the Company, or any of its Subsidiaries, under any confidentiality, standstill or similar agreement or restriction to which the Company or any Subsidiary is a party (it being acknowledged by the Purchaser that the automatic termination or release of any standstill restrictions of any such agreements as a result of entering into and announcing the Arrangement Agreement shall not be a violation of Section 7.1(c)(ii) of the Arrangement Agreement).

Acquisition Proposals

Notification of Acquisition Proposals

(a) The Company will forthwith provide notice to the Purchaser of any Acquisition Proposal or any proposal, inquiry or offer that may reasonably be expected to constitute or lead to an Acquisition Proposal or any amendments to the foregoing or any request for non-public information relating to it or any of its Subsidiaries in connection with such an Acquisition Proposal or for access to the properties, books or records of the Company or any of its Subsidiaries.

(b) Such notice to the Purchaser will be made at first forthwith orally and then promptly (and in any event within 24 hours) in writing and will indicate the identity of the Person or Persons making the proposal, inquiry, offer or request (which written notice must include a copy of any such proposal or, if the Acquisition Proposal has been made orally, a comprehensive summary thereof (and any amendments or supplements thereto)).

(c) The Company will keep the Purchaser promptly and fully informed of the status and details of any such Acquisition Proposal, inquiry, offer, proposal or request (including any changes, modifications or other amendments thereto), and will promptly and fully answer the Purchaser's reasonable questions with respect thereto.

Actions Relating to Superior Proposals

Notwithstanding Section 7.1 of the Arrangement Agreement, if, at any time prior to the approval of the Arrangement Resolution at the Meeting, the Company receives an unsolicited bona fide written Acquisition Proposal, the Person making such Acquisition Proposal was not restricted from making such Acquisition Proposal pursuant to an existing standstill or similar restriction and the Company has been, and continues to be, in compliance with its obligations under Article 7 of the Arrangement Agreement, the Company may, if the Board of Directors (with the Non-Participating Directors abstaining from voting) first determines, in good faith, upon the recommendation of the Special Committee, the Company's financial advisors and outside legal counsel, that such Acquisition Proposal constitutes, or is reasonably expected to result in, a Superior Proposal and that the failure to engage in such discussions or negotiations would be inconsistent with its fiduciary duties, the Company may enter into or participate in discussions or negotiations with such Person regarding such Acquisition Proposal, and may furnish or provide access to such Person information concerning the Company and its business, properties and assets provided that:

(a) prior to providing such Person information concerning the Company and its business, properties and assets, the Company enters into a confidentiality agreement with such Person having terms that are not less favourable to the Company and that are not, individually or in the aggregate, more favourable to the Person than those set out in the Confidentiality Agreements;

(b) any such information provided to such Person shall have already been (or simultaneously be) provided to the Purchaser; and

(c) the Company promptly provides the Purchaser with, prior to providing any such access or information, a true, complete and final executed copy of the confidentiality agreement referred to in Section 7.3(a) of the Arrangement Agreement.

Right to Match

(a) If the Company receives an Acquisition Proposal that constitutes a Superior Proposal prior to the approval of the Arrangement Resolution at the Meeting, the Board of Directors may make a Change in Recommendation and the Company may enter into a definitive

agreement (other than a confidentiality agreement contemplated in Section 7.3(a)) of the Arrangement Agreement with respect to such Acquisition Proposal, if and only if:

(i) the Person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing standstill or similar restriction;

(ii) the Company has been, and continues to be, in compliance with its obligations under Article 7 of the Arrangement Agreement;

(iii) the Company has delivered to the Purchaser a written notice of the determination of the Board of Directors that such Acquisition Proposal constitutes a Superior Proposal and of the intention of the Board of Directors to make a Change in Recommendation and/or the Company to enter into such definitive agreement, as applicable, together with (A) the identity of the Person(s) making the Superior Proposal, (B) a true and complete copy of any proposed agreement(s) in respect of the Superior Proposal, and (C) a written notice from the Board of Directors regarding the value and financial terms that the Board of Directors, in consultation with its financial advisors, has determined should be ascribed to any non-cash consideration offered under such Acquisition Proposal (the "**Superior Proposal Notice**");

(iv) the Meeting has not been cancelled, postponed or adjourned and the Company undertakes to not do any of the foregoing, except, in each case, as requested by the Purchaser or a Guarantor or as otherwise permitted hereunder, and to not call any other meeting in respect of any Acquisition Proposal until the Meeting has taken place, and if the Meeting has not been called, the Company calls the Meeting as contemplated in the Arrangement Agreement and undertakes to hold the Meeting;

(v) at least five business days (the "**Matching Period**") have elapsed from the later of the date on which the Purchaser received the Superior Proposal Notice and the date on which the Purchaser received a copy of the proposed definitive agreement in respect of the Superior Proposal;

(vi) if the Purchaser has offered to amend the Arrangement Agreement and the Arrangement under Section 7.4(b)(i) of the Arrangement Agreement, the Board of Directors has determined in good faith, after consultation with its outside legal counsel and financial advisers, that such Acquisition Proposal continues to constitute a Superior Proposal compared to the terms of the Arrangement as proposed to be amended by the Purchaser under Section 7.4(b)(i) of the Arrangement Agreement; and

(vii) the Board of Directors has determined, in good faith, after consultation with the Company's outside legal counsel (and, if applicable, the Special Committee) that it is necessary for the Board of Directors to make a Change in Recommendation and (if applicable) enter into a definitive agreement with respect to such Superior Proposal in order to properly discharge its fiduciary duties.

(b) During the Matching Period, or such longer period as the Company may approve in writing for such purpose:

(i) the Purchaser shall have the opportunity (but not the obligation) to offer to amend the Arrangement Agreement and the Arrangement;

(ii) the Board of Directors shall review any offer made by the Purchaser under Section 7.4(b)(i) of the Arrangement Agreement to amend the terms of the Arrangement Agreement and the Arrangement in good faith in order to determine whether such proposal would, upon acceptance, result in the Acquisition Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal; and

(iii) the Company shall, if requested by the Purchaser, negotiate in good faith with the Purchaser to make such amendments to the terms of the Arrangement Agreement and the Arrangement as would enable the Purchaser to proceed with the transactions contemplated by the Arrangement Agreement on such amended terms. If the Board of Directors determines that such Acquisition Proposal would cease to be a Superior Proposal, the Company shall promptly so advise the Purchaser and the Company and the Purchaser shall amend the Arrangement Agreement to reflect such offer made by the Purchaser and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing.

(c) Each successive amendment to any Acquisition Proposal shall constitute a new Acquisition Proposal for the purposes of Section 7.4 of the Arrangement Agreement, and the Purchaser shall be afforded a new five business day Matching Period from the later of the date on which the Purchaser received the new Superior Proposal Notice and the date on which the Purchaser received a copy of the proposed definitive agreement for the new Superior Proposal from the Company.

(d) The Board of Directors shall promptly reaffirm the Board Recommendation by press release after any Acquisition Proposal which is not determined to be a Superior Proposal is publicly announced or the Special Committee and the Board of Directors determine that a proposed amendment to the terms of the Arrangement Agreement as contemplated under Section 7.4(b)(i) of the Arrangement Agreement would result in an Acquisition Proposal no longer being a Superior Proposal and the Parties have so amended the terms of the Arrangement. The Company shall provide the Purchaser with a reasonable opportunity to review the form and content of any such press release and shall make all reasonable amendments to such press release as requested by the Purchaser.

(e) If the Company provides a Superior Proposal Notice to the Purchaser on a date that is less than 10 business days before the Meeting, the Company shall either proceed with or shall postpone the Meeting, as directed by the Purchaser in its sole discretion, to a date that is not more than 15 business days after the scheduled date of the Meeting but before the Outside Date.

(f) Nothing contained in the Arrangement Agreement shall:

(i) prohibit the Board of Directors from responding through a directors' circular or otherwise as required by Law to an Acquisition Proposal that it determines is not a Superior Proposal, provided that the Company shall provide the Purchaser with a reasonable opportunity to review the form and content of such circular or other disclosure and shall make all reasonable amendments as requested by them; or

(ii) limit in any way the obligation of the Company to convene and hold the Meeting in accordance with Section 2.2(a) or Section 2.6 of the Arrangement Agreement while the Arrangement Agreement remains in force.

Indemnification of Officers and Directors

Prior to the Effective Date, the Company and the Purchaser agree that the Company shall purchase prepaid non-cancellable, customary policies of directors' and officers' liability insurance providing protection comparable to the most favourable protection provided by the policies maintained by the Company and its Subsidiaries as were in effect on the date of the Arrangement Agreement providing coverage on a "trailing" or "run-off" basis for all present and former directors and officers of the Company with respect to claims arising within six years after the Effective Date relating to facts or events that occurred prior to the Effective Date, including claims by the Purchaser and its affiliates and by other insured parties thereunder, provided that the cost of such directors' and officers' liability insurance shall not exceed 250% of the current annual aggregate premium for directors' and officers' liability insurance currently maintained by the Company and its Subsidiaries.

The Purchaser shall cause the Company to honour all rights to indemnification or exculpation now existing in favour of present and former officers and directors of the Company to the extent they are previously disclosed, and acknowledges that such rights, to the extent they are previously disclosed, shall survive the Arrangement and continue in full force and effect for a period of at least six years from the Effective Date.

The provisions of Section 8.6 of the Arrangement Agreement:

(i) are intended for the benefit of all present and former directors and officers of the Company and its Subsidiaries, as and to the extent applicable in accordance with their terms, and are enforceable by each of such Persons and his or her heirs, executors, administrators and other legal representatives (collectively, the "**Indemnified Parties**"); the Company holds the rights and benefits of Section 8.6 of the Arrangement Agreement in trust for and on behalf of the Indemnified Parties, and the Company hereby accepts such trust and agrees to hold the benefit of and enforce performance of such covenants on behalf of the Indemnified Parties; and

(ii) are in addition to, and not in substitution for, any other rights that the Indemnified Parties may have by contract or otherwise.

If the Company or the Purchaser or any of their successors and assigns (i) amalgamate, consolidate with or merge or wind-up into any other Person and shall not be the continuing or surviving corporation or entity, or (ii) transfer all or substantially all of its properties and assets to any Person, then, and in each such case, proper provisions shall be made so that the successors and assigns and transferees of the Company or the Purchaser, as the case may be, shall assume all of the obligations of the Company or the Purchaser, as applicable, set forth in Section 8.6 of the Arrangement Agreement.

Termination of the Arrangement Agreement

The Arrangement Agreement may be terminated at any time prior to the Effective Date:

(a) by the mutual written consent of the Company and the Purchaser;

(b) by either the Purchaser or the Company

(i) if the Meeting is duly convened and held and the Arrangement Resolution is voted on by Shareholders and fails to receive the Required Shareholder Approval in accordance with the Interim Order;

(ii) if, after the date of the Arrangement Agreement, any applicable Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins the Company or

the Purchaser from consummating the Arrangement and such applicable Law has, if applicable, become final and non-appealable, provided the Party seeking to terminate the Arrangement Agreement pursuant to Section 9.1(b)(ii) of the Arrangement Agreement has used its best efforts to, as applicable, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement; or

(iii) if the Effective Time does not occur on or prior to the Outside Date, except that the right to terminate the Arrangement Agreement under Section 9.1(b)(iii) of the Arrangement Agreement is not available to any Party whose failure to fulfill any of its obligations or breach of any of its representations, warranties or covenants under the Arrangement Agreement has been the cause of, or resulted in, the failure of the Effective Time to occur by the Outside Date;

(c) by the Purchaser,

(i) if a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company set forth in the Arrangement Agreement occurs that would cause the conditions set forth in Section 6.2(a)(i) or Section 6.2(a)(ii) of the Arrangement not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date, and the Purchaser is not then in breach of the Arrangement Agreement so as to cause any condition in Section 6.3(a)(i) or Section 6.3(a)(ii) of the Arrangement Agreement not to be satisfied;

(ii) prior to the approval by the Shareholders of the Arrangement Resolution: (A) the Board of Directors fails to unanimously (subject to recusals, as applicable) recommend or withdraws, amends, modifies or qualifies, or publicly proposes or states an intention to withdraw, amend, modify or qualify, in a manner adverse to the Purchaser, the Board Recommendation, (B) the Board of Directors accepts, approves, endorses or recommends, or publicly proposes or states an intention to accept, approve, endorse or recommend, an Acquisition Proposal or takes no position or remains neutral with respect to a publicly announced, otherwise publicly disclosed, Acquisition Proposal for more than five business days; (C) the Board of Directors fails to publicly reaffirm the Board Recommendation within five business days after having been reasonably requested in writing by the Purchaser (it being understood that, other than following the public announcement of an Acquisition Proposal, the Board of Directors will have no obligation to make such reaffirmation on more than two separate occasions) (together with any of the matters set forth in (A) and (B), a "**Change in Recommendation**"), (D) the Board of Directors enters into any agreement (other than a confidentiality agreement permitted pursuant to Section 7.3(a) of the Arrangement Agreement) in respect of an Acquisition Proposal or publicly proposes to accept or enter into any written agreement, commitment or arrangement in respect of an Acquisition Proposal, or (E) the Company has wilfully breached Article 7 of the Arrangement Agreement; or

(iii) there has occurred a Material Adverse Effect after the date hereof which is incapable of being cured on or prior to the Outside Date;

(d) by the Company,

(i) if a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser set forth in the Arrangement Agreement occurs that would cause the conditions set forth in Section 6.3(a)(i) or 6.3(a)(ii) of the Arrangement Agreement not to be satisfied, and such conditions are incapable of being cured or satisfied by the Outside Date, and the Company is not then in

breach of the Arrangement Agreement so as to cause any condition in Section 6.2(a)(i) or Section 6.2(a)(ii) of the Arrangement Agreement not to be satisfied; provided that any wilful breach shall be deemed to be incapable of being cured; or

(ii) the Required Shareholder Approval is not obtained at the Meeting in accordance with the Interim Order and the Board of Directors had, prior to such Meeting, authorized the Company to enter into a definitive written agreement with respect to a Superior Proposal (other than a confidentiality agreement permitted pursuant to Section 7.3(a) of the Arrangement Agreement), provided the Company has been in compliance with Article 7 and that concurrent with such termination the Company pays the Termination Fee in accordance with Section 8.1(a) of the Arrangement Agreement, it being understood that in such circumstances, the Company may only terminate the Arrangement Agreement pursuant to Section 9.1(d)(ii) of the Arrangement Agreement and may not terminate the Arrangement Agreement pursuant to Section 9.1(b)(i) of the Arrangement Agreement.

Termination Fee; Expenses of the Purchaser and the Company

The Arrangement Agreement contains certain remedies in the event of a termination, including the payment of the Termination Fee in certain circumstances.

(a) Despite any other provision in the Arrangement Agreement relating to the payment of fees and expenses, including the payment of brokerage fees, if a Termination Fee Event, as applicable, occurs, the Company shall pay to the Purchaser the Termination Fee in accordance with Section 8.1(b) of the Arrangement Agreement. For the purposes of the Arrangement Agreement, "**Termination Fee**" means $885,000 and "**Termination Fee Event**" means the termination of the Arrangement Agreement:

(i) by the Purchaser, pursuant to 9.1(c)(ii) of the Arrangement Agreement;

(ii) by the Company, pursuant to Section 9.1(d)(ii) of the Arrangement Agreement;

(iii) by the Company or the Purchaser pursuant to Section 9.1(b)(i) or Section 9.1(b)(iii) or by the Purchaser pursuant to Section 9.1(c)(i) of the Arrangement Agreement if:

(A) following the date hereof and prior to the Meeting, an Acquisition Proposal is proposed, offered or made or publicly announced or otherwise publicly disclosed by any Person (other than the Purchaser or any of its affiliates or any Person acting jointly or in concert with any of the foregoing);

(B) such Acquisition Proposal has not expired or been publicly withdrawn at least five business days prior to the Meeting; and

(C) within 12 months following the date of such termination (A) an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (i) above) is consummated or effected, or (B) the Company or one or more of its Subsidiaries, directly or indirectly, in one or more transactions, enters into a contract in respect of an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (i) above) and such Acquisition Proposal is later consummated or effected (whether or not within 12 months after such termination).

For purposes of the foregoing, the term "Acquisition Proposal" shall have the meaning assigned to such term in Section 1.1 of the Arrangement Agreement, except that references to "20% or more" shall be deemed to be references to "50% or more".

(b) If a Termination Fee Event occurs due to a termination of the Arrangement Agreement by the Company pursuant to Section 9.1(d)(ii) of the Arrangement Agreement, the Termination Fee shall be paid prior to or concurrently with the occurrence of such Termination Fee Event. If a Termination Fee Event occurs due to a termination of the Arrangement Agreement by the Purchaser pursuant to Section 9.1(c)(ii) of the Arrangement Agreement, the Termination Fee shall be paid within two business days following such Termination Fee Event. If a Termination Fee Event occurs in the circumstances set out in Section 8.1(a)(iii) of the Arrangement Agreement, the Termination Fee shall be paid upon the consummation of the Acquisition Proposal referred to therein. Any Termination Fee shall be paid (less any applicable withholding Tax) by the Company to the Purchaser (or as the Purchaser may direct by notice in writing), by wire transfer in immediately available funds to an account designated by the Purchaser. If a Termination Fee is payable by the Company, under no circumstance will a second or further Termination Fee be payable by the Company.

(c) In addition to the rights of the Purchaser under Section 8.1(a) of the Arrangement Agreement, if the Arrangement Agreement is terminated by the Purchaser pursuant to Section 9.1(c)(i) of the Arrangement Agreement, then the Company will pay, within two business days of the termination, to the Purchaser, or as the Purchaser may direct, all reasonable documented expenses, costs and fees of the Purchaser and its affiliates incurred in connection with the transactions contemplated by the Arrangement Agreement and related financings not to exceed $250,000 against receipts therefore to an account designated by the Purchaser. Any payment by the Company under Section 8.1(c) of the Arrangement Agreement will be credited against a payment under Section 8.1(a) of the Arrangement Agreement.

(d) For greater certainty, only one Termination Fee is payable by the Company;

(e) If the Arrangement Agreement is terminated by the Company or the Purchaser pursuant to Section 9.1(b)(iii) of the Arrangement Agreement as a result of the Effective Time not occurring by the Outside Date due to the failure by the Company to fulfill the condition previously disclosed (but solely in connection with the circumstances described in the last paragraph of such disclosed condition), then the Purchaser will pay, within two business days of the termination, to the Company, or as the Company may direct, all reasonable documented expenses, costs and fees of the Company incurred in connection with the transactions contemplated by the Arrangement Agreement not to exceed $250,000 against receipts therefore to an account designated by the Company.

Expenses

(a) Except as otherwise expressly set out in the Arrangement Agreement, and subject to Section 5.7(e) of the Arrangement Agreement:

(i) each Party will pay all fees, costs and expenses incurred by such Party in connection with the Arrangement Agreement and the Arrangement; and

(ii) the Purchaser is responsible for any filing fees and applicable Taxes payable for or in respect of any application, notification or other filing made in respect of any regulatory process in respect of the transactions contemplated by the Arrangement, except that the Company is responsible for any fees and expenses incurred in respect of the Interim Order and the Final Order.

Closing Date

The completion of the Arrangement (the "**Closing**") will take place on the date which is within 10 business days after the date on which all conditions set forth in Article 6 of the Arrangement Agreement have been satisfied or, if applicable, waived (excluding conditions that, by their terms, cannot be satisfied until the Effective Time, but subject to the satisfaction or, where not prohibited, the waiver by

the applicable Party or parties in whose favour the condition is, of those conditions as of the Effective Date), unless another time or date is agreed to in writing by the parties.

Specific Performance

The Parties agree that irreparable harm would occur for which monetary damages would not be an adequate remedy at Law if any of the provisions of the Arrangement Agreement were not performed by the other Parties in accordance with their specific terms or were otherwise breached. It is accordingly agreed that, subject to the provisions of Section 10.5 of the Arrangement Agreement, each Party is entitled to seek an injunction or injunctions, specific performance and other equitable relief to prevent breaches or threatened breaches of the provisions of the Arrangement Agreement or to otherwise obtain specific performance of any such provisions (including, for the avoidance of doubt, the covenants of the Purchaser and the Equity Financing Sources in respect of the Equity Financing), any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief hereby being waived, this being in addition to any other remedy to which such Party may be entitled at Law or in equity. Notwithstanding the foregoing:

(a) while each Party may pursue both a grant of specific performance in accordance with Section 10.5 of the Arrangement Agreement and the payment of monetary damages (which for the Purchaser shall not exceed the Termination Fee under Section 8.1 of the Arrangement Agreement), under no circumstances shall a Party be permitted or entitled to receive both a grant of specific performance of the other Party's obligations to complete the transactions contemplated hereby and any monetary damages (including all or any portion of the Termination Fee); and

(b) each Party hereby agrees not to raise any objections to the availability of the equitable remedies provided for herein and the Parties further agree that nothing set forth in Section 10.5 of the Arrangement Agreement shall require any Party hereto to institute any suit, claim, action or other proceeding for (or limit any Party's right to institute any such suite, claim, action or other proceeding for) specific performance under Section 10.5 of the Arrangement Agreement prior or as a condition to exercising any termination right under the Arrangement Agreement (and/or receipt of any amounts due in connection with such termination), nor shall the commencement of any suit, claim, action or other proceeding pursuant to Section 10.5 of the Arrangement Agreement or anything set forth in Section 10.5 of the Arrangement Agreement shall restrict or limit any Party's right to terminate the Arrangement Agreement in accordance with the terms hereof.

Amendments

The Arrangement Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting but not later than the Effective Time, be amended by mutual written agreement of the Parties, without further notice to or authorization on the part of the Shareholders, subject to the Interim Order and the Final Order and applicable Laws.

(a) The Purchaser and the Company may amend, modify and/or supplement the Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must:

(i) be set out in writing;

(ii) be approved by the Purchaser and the Company, each acting reasonably;

(iii) subject to Sections 5.1(c) and 5.1(e) of the Plan of Arrangement, be filed with the Court and, if made following the Meeting, approved by the Court; and

(iv) be communicated to the Affected Securityholders if and as required by the Court.

(b) Subject to the provisions of the Interim Order, any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company or the Purchaser at any time prior to the Meeting (provided that the Company or the Purchaser, as applicable, shall have consented thereto in writing) with or without any other prior notice or communication (except to the extent required by the Court), and if so proposed and accepted by the Shareholders voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Meeting shall be effective only if:

(i) it is consented to in writing by each of the Purchaser and the Company (in each case, acting reasonably); and

(ii) if required by the Court, it is consented to by some or all of the Shareholders voting in the manner directed by the Court.

(d) Notwithstanding anything to the contrary contained herein, any amendment, modification or supplement to this Plan of Arrangement may be made by the written consent of each of the Company and the Purchaser following the granting of the Final Order without filing such amendment, modification or supplement with the Court or seeking Court approval, provided that (i) it concerns a matter which, in the reasonable opinion of the Parties, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the interest of any Shareholders or (ii) is an amendment contemplated in Section 5.1(e) of the Arrangement Agreement.

(e) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser, without communication to former holders of Affected Securities, provided that it concerns a matter that, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any former holder of Affected Securities.

Governing Law and Jurisdiction

The Arrangement Agreement is governed by and is to be construed in accordance with the Laws of the Province of Québec and the laws of Canada applicable in the Province of Québec. Each Party irrevocably attorned and submitted to the exclusive jurisdiction of the Province of Québec courts situated in the City of Montréal and waived objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

INFORMATION CONCERNING THE COMPANY

General

The Company is a wholesale lender that provides quick and easy access to growth capital to small businesses through a network of preferred brokers across the US and Canada.

Built on its proprietary IOU360 technology platform that connects underwriters, merchants and brokers in real time, the Company has become a trusted alternative to banks by originating over US$1 billion in loans to fund small business growth since 2009. The Company was named one of the 50 Best Places to Work in Fintech for 2022 by American Banker.

Description of Share Capital

The Company's authorized share capital consists of an unlimited number of Shares.

As of the Record Date, there were 105,535,596 Shares issued and outstanding, all of which are fully paid and non-assessable. The Shares carry one vote per Share for all matters coming before Shareholders at the Meeting. Only Shareholders of record as at the Record Date will be entitled to vote at the Meeting.

Trading in Shares

The Shares are listed and posted for trading on the TSX-V under the symbol "IOU", and on the US OTC markets as "IOUFF". The Company expects that the Shares will be de-listed from the TSX-V shortly following the Effective Date. See "*The Arrangement – Stock Exchange De-Listing and Reporting Issuer Status*".

The following table summarizes the monthly ranges of high and low prices per Share, as well as the total monthly trading volumes of the Shares on the TSX-V during the twelve-month period preceding the date of this Circular:

	HIGH	LOW	VOLUME
	($)	($)	(#)
August 2022	0.19	0.155	353,648
September 2022	0.195	0.19	13,176
October 2022	0.19	0.14	272,448
November 2022	0.20	0.16	180,588
December 2022	0.17	0.155	82,538
January 2023	0.19	0.155	184,166
February 2023	0.18	0.165	29,603
March 2023	0.165	0.12	306,522
April 2023	0.145	0.11	293,173
May 2023	0.14	0.11	198,800
June 2023	0.14	0.115	37,600
July 2023	0.285	0.11	6,000,968
August 2023 (to August 11)	0.27	0.21	1,784,505

On July 13, 2023, the last trading day on which the Shares traded prior to the Company's announcement that it had entered into the Arrangement Agreement, the closing price of the Shares on the TSX-V was $0.12.

Material Changes in the Affairs of the Company

To the knowledge of the directors and executive officers of the Company and except as publicly disclosed or otherwise described in this Circular, there are no plans or proposals for material changes in the affairs of the Company.

Previous Purchases and Sales of Securities

Other than as described below, during the 12 months preceding the date of the Arrangement Agreement, the Company has not purchased or sold any securities of its own issue (excluding securities purchased or sold pursuant to the exercise of outstanding employee stock options and warrants).

The Company has not issued Shares pursuant sales of Shares (other than pursuant to the exercise of Options).

The Company granted Options under the Stock Option Plan as follows:

DATE OF GRANT	NUMBER OF OPTIONS ISSUED	PRICE (PER OPTION)
August 8, 2022	2,650,000	$0.16

The Company issued Shares pursuant to the exercise of Options under the Stock Option Plan and pursuant to sales by the Company of Shares as follows:

DATE OF EXERCISE	NUMBER OF SHARES ISSUED	EXERCISE PRICE (PER SHARE)
January 11, 2023	200,000	$0.08

Previous Distributions of Shares

During the five years preceding the date of the Arrangement Agreement, the Company has not distributed any Shares to the public.

Dividend Policy

The Company has not declared any dividends on Shares since it became a publicly traded company. Any determination to pay dividends on Shares remains at the discretion of the Board of Directors and depends on the Company's financial condition, results of operations, capital requirements and such other factors as the Board of Directors deems relevant.

INFORMATION CONCERNING THE PURCHASER AND THE GUARANTORS

The Purchaser

The Purchaser, a corporation existing under the laws of Québec, is an entity created by the Purchaser Group, and was formed on June 30, 2023, solely for the purpose of engaging in the transactions contemplated by the Arrangement Agreement and has not engaged in any business activities other than in connection with the transactions contemplated by the Arrangement Agreement and obtaining the financing contemplated by the Arrangement Agreement.

The Guarantors: Neuberger Berman, Palos and FinTech

The Guarantors have entered into the Limited Guarantee pursuant to which each of the Guarantors has jointly (and not solidarily nor jointly and solidarily) guaranteed to the Company to pay a proportionate amount (based on the amount of such Guarantor's pro forma ownership of the Purchaser upon completion of the Arrangement) of all payment obligations of the Purchaser under the Arrangement Agreement, including any obligation to pay damages as a result of the non-fulfillment of any obligations of the Purchaser under the Arrangement Agreement, but in all events subject to (i) the limitations of the Arrangement Agreement, and (ii) an aggregate cap of $14,678,191.29.

Neuberger Berman

Neuberger Berman, founded in 1939, is a private, independent, employee-owned investment manager. The firm manages a range of strategies – including equity, fixed income, quantitative and multi-asset class, private equity, real estate and hedge funds – on behalf of institutions, advisors and individual investors globally. Neuberger Berman's investment philosophy is founded on active management, engaged

ownership and fundamental research, including industry-leading research into material environmental, social and governance factors. Neuberger Berman is a PRI Leader, a designation awarded to fewer than 1% of investment firms. With offices in 26 countries, the firm's diverse team has over 2,750 professionals. For nine consecutive years, Neuberger Berman has been named first or second in Pensions & Investments Best Places to Work in Money Management survey (among those with 1,000 employees or more). The firm manages $443 billion in client assets as of June 30, 2023.

Palos

Palos Capital, based in Montréal, Québec, is a boutique financial services firm that primarily operates through two subsidiaries: Palos Wealth Management Inc. (PWM) and Palos Management Inc. (PMI). PWM offers wealth management services, including discretionary portfolio management and separately managed account services to individual, corporate and institutional clients. PMI is an independent, investment fund manager and portfolio manager.

Palos IOU Inc. is a newly formed corporation consisting of certain (i) affiliates of Palos Capital, and (ii) directors and officers of the Company.

FinTech

FinTech is an early-stage venture capital firm founded in 2015 and headquartered in Atlanta, GA, with offices in New York, NY. The firm focuses exclusively on investing in and partnering with entrepreneurs building promising technology-enabled companies in the banking, capital markets, and lending sectors. The Fintech Ventures team has multiple decades of collective operational and investment experience, with numerous successful exits.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary describes the principal Canadian federal income tax considerations in respect of the Arrangement generally applicable to a Shareholder who, for the purposes of the Tax Act and at all relevant times, (i) deals at arm's length with the Company and the Purchaser, (ii) is not affiliated with the Company or the Purchaser, (iii) disposes of Shares (other than Rolling Shares) (under the Arrangement, and (iv) holds Shares as capital property (a "**Holder**"). Generally, the Shares will be capital property to a Holder unless the Shares are held or were acquired in the course of carrying on a business or as part of an adventure or concern in the nature of trade. Certain Resident Holders (as defined below) who might not otherwise be considered to hold their Shares as capital property may, in some circumstances, be entitled to make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have such Shares and every other "Canadian Security" (as defined in the Tax Act) owned by them deemed to be capital property in the taxation year of the election and in all subsequent taxation years. Resident Holders should consult their own tax advisors for advice with respect to whether they hold their Shares as capital property and, if not, whether an election under subsection 39(4) of the Tax Act is available or advisable in their particular circumstances. Holders of Shares held other than as capital property should consult their own tax advisors with respect to the tax consequences of the Arrangement.

This summary does not address the tax consequences to holders of Options, nor any holders who have acquired Shares on the exercise of an employee stock option (including Options), through another equity-based employment compensation arrangement, or otherwise in the course of their employment. Such holders should consult their own tax advisors.

This summary is based upon the current provisions of the Tax Act and counsel's understanding of the current administrative policies and assessing practices published in writing by the Canada Revenue Agency prior to the date hereof. This summary also takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as

proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policies or assessing practices, whether by legislative, regulatory, administrative or judicial action or decision, nor does it take into account provincial, territorial or foreign tax legislation or considerations, which may be different from those discussed in this summary.

This summary is not, and is not intended to be, nor should it be construed as, legal or tax advice to any particular Holder and no representation with respect to the tax consequences to any particular Holder is made. This summary is not exhaustive of all Canadian federal income tax considerations. Accordingly, Holders should consult their own tax advisors with respect to the tax consequences of the Arrangement having regard to their own particular circumstances.

Holders Resident in Canada

The following portion of the summary is generally applicable to a Holder who, at all relevant times, is, or is deemed to be, resident in Canada for purposes of the Tax Act and any applicable income tax treaty (a "**Resident Holder**"). Holders should confirm with their own tax advisors whether they are a Resident Holder. This summary is not applicable to a Holder (i) that is a "financial institution" (as defined in the Tax Act for the purposes of the "mark-to-market property" rules contained in the Tax Act); (ii) that is a "specified financial institution" (as defined in the Tax Act); (iii) any interest in which is a "tax shelter investment" (as defined in the Tax Act); (iv) that reports its "Canadian tax results" (within the meaning of section 261 of the Tax Act) in a currency other than Canadian currency; (v) that is exempt from tax under Part I of the Tax Act; or (vi) that has entered into a "derivative forward agreement" (as defined in the Tax Act) or a "synthetic disposition agreement" (as defined in the Tax Act) in respect of the Shares. Such holders should consult their own tax advisors with respect to the tax consequences of the Arrangement having regard to their own particular circumstances.

For the purposes of the Tax Act, all amounts relating to Shares disposed of under the Arrangement must generally be computed in Canadian dollars based on exchange rates determined in accordance with the Tax Act.

Disposition of Shares under the Arrangement

Generally, a Resident Holder (other than a Resident Dissenting Holder, as defined below) who disposes of Shares under the Arrangement will realize a capital gain (or capital loss) equal to the amount (if any) by which the Consideration received by the Resident Holder under the Arrangement exceeds (or is less than) the aggregate of the adjusted cost base of the Shares to the Resident Holder and any reasonable costs of disposition.

Generally, a Resident Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized by the Resident Holder in the year. A Resident Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from any taxable capital gains realized in the year. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back and applied to reduce taxable capital gains in any of the three preceding taxation years or carried forward and applied to reduce taxable capital gains in any subsequent year, subject to and in accordance with the detailed rules contained in the Tax Act. A Resident Holder should confirm with its own tax advisor in computing the amount of any taxable capital gain or allowable capital loss arising in connection with the Arrangement.

The amount of any capital loss realized by a Resident Holder that is a corporation on the disposition of a Share may be reduced by the amount of any dividends received (or deemed to be received) by it on such Share to the extent and under the circumstances described in the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns Shares directly or indirectly through a partnership or trust. Such Resident Holders should consult their own tax advisors in this regard.

A Resident Holder that is throughout the taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional tax at a rate of 10⅔% on its "aggregate investment income" (as defined in the Tax Act) for the year, including taxable capital gains, but excluding dividends or deemed dividends deductible in computing taxable income. Such additional tax may be refundable in certain circumstances. Proposed Amendments released on August 9, 2022 extend this additional refundable tax to a corporation that is at any time in the taxation year a "substantive CCPC" (as defined in the Proposed Amendments released on such date). Such Resident Holders should consult their own tax advisors in this regard.

Capital gains realized by an individual (including certain trusts) may give rise to alternative minimum tax under the Tax Act. Resident Holders should consult their own tax advisors with respect to the potential application of alternative minimum tax.

Resident Dissenting Holders

A Resident Holder who has validly exercised that Resident Holder's Dissent Right (a "**Resident Dissenting Holder**") will be entitled to receive from the Purchaser a payment of an amount equal to the fair value of such Resident Dissenting Holder's Shares.

In general, a Resident Dissenting Holder will realize a capital gain (or capital loss) equal to the amount (if any) by which the fair value of the Resident Dissenting Holder's Shares (other than in respect of interest awarded by a court) exceeds (or is less than) the aggregate of the adjusted cost base of such Shares to the Resident Dissenting Holder and any reasonable costs of disposition. See *"Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Disposition of Shares under the Arrangement"* above for a description of the tax treatment of capital gains and losses.

Any interest awarded by a court to a Resident Dissenting Holder is required to be included in the Holder's income for the purposes of the Tax Act. A Resident Dissenting Holder that, throughout the relevant taxation year, is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay a refundable tax at a rate of 10⅔% on its "aggregate investment income" (as defined in the Tax Act), which includes interest income. Proposed Amendments released on August 9, 2022 extend this additional refundable tax to a corporation that is at any time in the taxation year a "substantive CCPC" (as defined in the Proposed Amendments). Resident Dissenting Holders should consult their own tax advisors in this regard.

Holders Not Resident in Canada

The following portion of this summary is applicable to a Holder who, at all relevant times, is not, and is not deemed to be, resident in Canada for the purposes of the Tax Act and any applicable income tax treaty and does not use or hold Shares in connection with carrying on a business in Canada (a "**Non-Resident Holder**"). A Non-Resident Holder should consult its own tax advisors. Under the Tax Act, special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere or an "authorized foreign bank" (as defined in the Tax Act). Such Non-Resident Holders should consult their own tax advisors in this regard.

Disposition of Shares under the Arrangement

A Non-Resident Holder should not be subject to tax under the Tax Act on any capital gain realized on the disposition of Shares under the Arrangement unless the Shares are "taxable Canadian property" (as defined in the Tax Act) to the Non-Resident Holder at the disposition time and such gain is not otherwise exempt from tax under the Tax Act pursuant to the provisions of an applicable income tax treaty.

In general, provided that the Shares are listed on a "designated stock exchange" (as defined in the Tax Act and which currently includes the TSX-V) at the disposition time, such Shares will not be taxable Canadian property to a Non-Resident Holder unless, at any time during the 60-month period immediately

preceding the disposition time, (i) at least 25% of the issued shares of any class or series of the capital stock of the Company were owned by or belonged to any combination of (a) the Non-Resident Holder, (b) persons with whom the Non-Resident Holder did not deal at arm's length for the purposes of the Tax Act, and (c) partnerships in which the Non-Resident Holder or a person described in (b) holds a membership interest, directly or indirectly, through one or more partnerships; and (ii) at such time, more than 50% of the fair market value of such shares was derived, directly or indirectly, from any combination of real or immovable property situated in Canada, "Canadian resource property" (as defined in the Tax Act), "timber resource property" (as defined in the Tax Act), or an option in respect of, an interest in, or for civil law a right in any such properties, whether or not such property exists. Notwithstanding the foregoing, Shares may be deemed to be taxable Canadian property in certain circumstances specified in the Tax Act.

Even if the Shares are considered to be taxable Canadian property of a Non-Resident Holder, the Non-Resident Holder may be exempt from tax under the Tax Act on any gain realized on the disposition of Shares if the Shares constitute "treaty-protected property" (as defined in the Tax Act). Shares owned by a Non-Resident Holder will generally be treaty-protected property if the gain from the disposition of such Shares would, because of an applicable income tax treaty, be exempt from tax under the Tax Act.

In the event that the Shares constitute taxable Canadian property but not treaty-protected property to a Non-Resident Holder, then the tax consequences described above under *"Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Disposition of Shares under the Arrangement"* will generally apply and the Non-Resident Holder may have to file a Canadian income tax return for the taxation year in which the Non-Resident Holder's Shares are disposed of under the Arrangement, regardless of whether the Non-Resident Holder is liable for any tax under the Tax Act on any gain realized as a result of the disposition.

A Non-Resident Holder should consult its own tax advisors with regard to its tax obligations arising in connection with the Arrangement, including consideration of whether the Shares may be taxable Canadian property or treaty-protected property and with regard to any Canadian reporting requirements arising from the Arrangement.

Non-Resident Dissenting Holders

A Non-Resident Holder who has validly exercised that Non-Resident Holder's Dissent Right (a "**Non-Resident Dissenting Holder**") will be entitled to receive from the Purchaser a payment of an amount equal to the fair value of such Non-Resident Dissenting Holder's Shares and may realize a capital gain or capital loss in a manner similar to that discussed above under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Resident Dissenting Holders*". As discussed above under "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada - Disposition of Shares under the Arrangement*", any resulting capital gain will only be subject to tax under the Tax Act if the Shares are taxable Canadian property to the Non-Resident Dissenting Holder and are not treaty-protected property of the Non-Resident Dissenting Holder at the disposition time. A Non-Resident Dissenting Holder should consult its own tax advisors regarding its tax obligations arising in connection with the Arrangement as set out under "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Disposition of Shares under the Arrangement*".

The amount of any interest awarded by a court to a Non-Resident Dissenting Holder should not be subject to Canadian withholding tax provided that such interest is not "participating debt interest" (as defined in the Tax Act).

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in this Circular, to the knowledge of the directors or executive officers of the Company, as at the date of this Circular, there is no person or company who beneficially owns, or controls or directs, directly or indirectly, Shares carrying 10% or more of the voting rights attached to all Shares of the Company, or any associate or affiliate of any of the foregoing, having any material interest,

direct or indirect, in any transaction or proposed transaction as of August 14, 2023, which has materially affected or would materially affect the Company or any of its Subsidiaries.

AUDITOR

The Company's auditor is and has been since 2022 KPMG LLP, Chartered Professional Accountants, Montréal, Québec.

OTHER INFORMATION AND MATTERS

There is no information or matter not disclosed in this Circular but known to the Company that would be reasonably expected to affect the decision of Shareholders to vote for or against the Arrangement Resolution.

LEGAL MATTERS

Certain legal matters in connection with the Arrangement will be passed upon for the Company by Davies and for the Special Committee by Blakes, insofar as Canadian legal matters are concerned.

Certain legal matters in connection with the Arrangement will be passed upon for the Purchaser by Stikeman Elliott LLP, insofar as Canadian legal matters are concerned.

ADDITIONAL INFORMATION

Additional information relating to the Company is available under the Company's profile on SEDAR+ at www.sedarplus.ca and on the Company's website at www.ioufinancial.com. Information on the Company's website is not incorporated by reference in this Circular. Financial information is contained in the Company's consolidated financial statements and Management's Discussion and Analysis for the Company's most recently completed financial year.

In addition, copies of the financial statements, including the most recently available interim financial statements, as applicable, and Management's Discussion and Analysis as well as this Circular, all as filed on SEDAR+, may be obtained by any person (without charge in the case of a Shareholder) upon request to Daniel O'Keefe, Chief Financial Officer of the Company, by e-mail at dokeefe@ioufinancial.com. The Company may require the payment of a reasonable charge if the request is made by a person who is not a Shareholder.

DIRECTORS' APPROVAL

The contents of this Circular and its sending to Shareholders have been approved by the Board of Directors.

DATED as of this 14th day of August, 2023.

BY ORDER OF THE BOARD OF DIRECTORS OF IOU FINANCIAL INC.

(signed) *"Evan Price"*

Evan Price
Chairman of the Board of Directors

CONSENT OF EVANS & EVANS, INC.

August 14, 2023

To: The Special Committee of the Board of Directors of IOU Financial Inc. (the "Company")

We refer to the management information circular (the "**Circular**") of the Company dated August 14, 2023 relating to the special meeting of shareholders of the Company to approve an arrangement under the *Business Corporations Act* (Québec) involving the Company and 9494-3677 Québec Inc. We consent to the inclusion in the Circular of our fairness opinion and our independent valuation dated July 13, 2023 and references to our firm name, our fairness opinion and our independent valuation in the Circular. Our fairness opinion given as of July 13, 2023 and our independent valuation given as of April 30, 2023 remain subject to the assumptions, qualifications and limitations contained therein. In providing our consent, we do not intend that any person other than the Special Committee of the Board of Directors of the Company shall be entitled to rely upon our opinion.

(signed) "*Evans & Evans, Inc.*"

APPENDIX A
GLOSSARY

Unless the context otherwise requires or where otherwise provided, the following words and terms shall have the meanings set forth below when used in this Circular.

"**1% Exemption**" has the meaning set forth in this Circular under "*The Arrangement – Regulatory Matters – Canadian Securities Law Matters*".

"**5% Exemption**" has the meaning set forth in this Circular under "*The Arrangement – Regulatory Matters – Canadian Securities Law Matters*".

"**Acquisition Proposal**" means, other than the transactions contemplated by the Arrangement Agreement and other than any transaction involving only the Company and/or one or more of its wholly-owned Subsidiaries, any offer, proposal or inquiry (written or oral) from any Person or group of Persons, whether or not in writing and whether or not delivered to the Shareholders, relating to:

(f) any acquisition or purchase (or any license, lease, long term supply agreement or other arrangement having the same economic effect as a sale), direct or indirect, through one or more transactions, of:

(i) assets of the Company and/or one or more of its Subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets or contribute 20% or more of the consolidated revenue, as applicable, of the Company and its Subsidiaries, taken as a whole; or

(ii) 20% or more of any voting or equity securities of the Company or any one or more of its Subsidiaries (or rights or interests in such voting or equity securities), including any take-over bid or exchange offer;

(g) any take-over bid, exchange offer, issuance of securities or other transaction that would result in such Person or group of Persons beneficially owning 20% or more of any voting or equity securities of the Company or any one or more of its Subsidiaries;

(h) a plan of arrangement, merger, amalgamation, consolidation, share exchange, share reclassification, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving the Company and/or any of its Subsidiaries; or

(i) any other similar transaction or series of transactions involving the Company or any of its Subsidiaries,

except that for the purpose of the definition of "**Superior Proposal**", the references in this definition of "**Acquisition Proposal**" to "20% or more of any voting or equity securities" are deemed to be references to "100% of the voting or equity securities", and the references to "20% or more of the consolidated assets or contribute 20% or more of the consolidated revenue" are deemed to be references to "all or substantially all of the assets".

"**Action**" means any judicial, administrative or arbitral actions, suits or proceedings by or before any Governmental Entity, or any audit, review, inquiry, examination or investigation.

"**Affected Securities**" means, collectively, the Shares and the Options.

"**Affected Securityholders**" means the Shareholders, including the Rolling Shareholders, and the holders of Options.

"**affiliate**" means, as to any person, any other person that, directly or indirectly, controls, or is controlled by, or is under common control with, such person. For this purpose, "control" (including, with its correlative meanings, "controlled by" and "under common control with") means the possession, directly or indirectly, of

the power to direct or cause the direction of management or policies of a person, whether through the ownership of securities or partnership or other ownership interests, by Contract or otherwise.

"**allowable capital loss**" has the meaning set forth in this Circular under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Disposition of Shares under the Arrangement*".

"**Alternative Transaction**" has the meaning set forth in this Circular under "*The Arrangement – Background to the Arrangement*".

"**AMF**" means the *Autorité des marchés financiers* (Québec).

"**Anti-Money Laundering Laws**" means the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and any other domestic or foreign anti-money laundering and terrorist financing Laws to which the Company or any of its Subsidiaries are subject.

"**anti-spam legislation**" means (i) *An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications Commission Act* (Canada), the Competition Act, the *Personal Information Protection and Electronic Documents Act* (Canada) and the *Telecommunications Act* (Canada), and (ii) any other applicable analogous Laws.

"**Arrangement**" means the arrangement of the Company under *Chapter XVI – Division II* of the QBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order (with the prior written consent of the Company and the Purchaser, each acting reasonably).

"**Arrangement Agreement**" means the arrangement agreement made as of July 13, 2023 between the Company and the Purchaser, including all schedules annexed thereto, as it may be amended, modified or supplemented from time to time in accordance with its terms.

"**Arrangement Resolution**" means the special resolution approving the Arrangement and the Plan of Arrangement to be considered at the Meeting, substantially in the form of Appendix B of this Circular.

"**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement that are required by the QBCA to be sent to the Enterprise Registrar after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form satisfactory to the Company and the Purchaser, each acting reasonably.

"**Blakes**" means Blake, Cassels & Graydon LLP.

"**Board of Directors**" means the board of directors of the Company as constituted from time to time.

"**Board Recommendation**" has the meaning set forth in this Circular under "*The Arrangement – Recommendation of the Board of Directors*".

"**Borrower**" means a Person obligated to make payments pursuant to a Receivable and, where the context permits or requires, any Person obligated to make such payments or any part thereof pursuant to any guarantee or indemnity thereof.

"**business day**" means any day, other than a Saturday, a Sunday or a statutory holiday in the Province of Québec or the Province of Ontario.

"**Business Combination**" has the meaning set forth in this Circular under "*The Arrangement – Interests of Certain Persons in the Arrangement*".

"**Broadridge**" means Broadridge Financial Solutions Inc.

"**Securities Laws**" means the securities legislation and regulations thereunder of each of the provinces of Alberta, British Columbia, Ontario and Québec and the rules, instruments, policies and orders of each Securities Regulator made thereunder.

"**Certificate of Arrangement**" means the certificate of arrangement giving effect to the Arrangement, issued by the Enterprise Registrar in accordance with the QBCA in respect of the Articles of Arrangement.

"**Change in Recommendation**" has the meaning set forth in this Circular under "*The Arrangement Agreement – Termination of the Arrangement Agreement*".

"**Change of Control**" has the meaning set forth in this Circular under "*The Arrangement – Interests of Certain Persons in the Arrangement*".

"**Closing**" has the meaning set forth in this Circular under "*The Arrangement Agreement – Closing Date*".

"**Company**" means IOU Financial Inc.

"**Circular**" means the Notice of Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to the Shareholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement.

"**Company Disclosure Record**" means all reports, schedules, forms, statements and other documents (including exhibits and other information incorporated therein) filed by the Company with any Securities Regulators after December 31, 2021 and before the date of the Arrangement Agreement that are available to the public on SEDAR+ (excluding all disclosures in any "Risk Factors" or similar section and all disclosures included in any such Company Disclosure Record that are cautionary, predictive or forward looking in nature).

"**Company Employees**" means the officers and employees of the Company and its Subsidiaries.

"**Company Financial Statements**" means, collectively, the Company's audited financial statements as at and for the fiscal year ended December 31, 2022 and the Company's interim unaudited financial statements for the three-month period ended March 31, 2023.

"**Company Intellectual Property**" means all Intellectual Property which the Company or any one of its Subsidiaries owns or purports to own, or which is used or held for use by the Company or any one of its Subsidiaries.

"**Competition Act**" means the *Competition Act* (Canada).

"**Confidentiality Agreements**" means, collectively, the confidentiality agreements dated March 27, 2023 between the Company and each of the members of the Purchaser Group (or an affiliate thereof).

"**Consideration**" means the consideration to be received by the Shareholders (other than the Rolling Shareholders in respect of the Rolling Shares) pursuant to the Plan of Arrangement, consisting of $0.22 in cash, without interest, for each Share held.

"**Continuing Corporation**" has the meaning set forth in this Circular under "*The Arrangement – Interests of Certain Persons in the Arrangement*".

"**Contract**" means any legally binding agreement, commitment, engagement, contract, franchise, license, obligation or undertaking (written or oral) to which any Party or any of its Subsidiaries is a party or by which it or any of its Subsidiaries is bound or to which any of their respective properties or assets is subject.

"**Copyleft Licenses**" means any license that requires, as a condition of use, modification and/or distribution of Software governed by such license (the "Subject Software"), that such Subject Software, or other Software or content incorporated into, derived from, used, or distributed with such Subject Software: (i) in

the case of Software, be made available or distributed in a form other than binary (e.g., source code form), (ii) be licensed for the purpose of preparing derivative works, (iii) be licensed under terms that allow the products or portions thereof or interfaces therefor to be reverse engineered, reverse assembled or disassembled (other than by operation of law), or (iv) be redistributable at no license fee. Copyleft licenses include the GNU General Public License, the GNU Lesser General Public License, the Mozilla Public License, the Common Development and Distribution License, the Eclipse Public License, the Affero General Public License and all Creative Commons "sharealike" licenses.

"**Court**" means the Superior Court of Québec.

"**COVID-19**" means SARS-CoV-2 or COVID-19, and any evolutions, mutations or variances thereof or related or associated epidemics, pandemics or disease outbreaks.

"**Davies**" means Davies Ward Phillips & Vineberg LLP.

"**Debentures**" means the unsecured subordinated debentures of the Company created and issued pursuant to the Trust Indenture.

"**Depositary**" means Computershare Investor Services Inc. or such other Person as the Company and the Purchaser may agree to appoint to act as depositary for the Shares in relation to the Arrangement, each acting reasonably.

"**Different Consideration**" has the meaning set forth in this Circular under "*The Arrangement – Regulatory Matters – Canadian Securities Law Matters*".

"**Dissent Notice**" has the meaning set forth in this Circular under "*Information Concerning the Meeting – Dissent Rights of Shareholders*".

"**Dissent Rights**" means the rights to demand the repurchase of Shares or any other rights of dissent in respect of the Arrangement described in the Plan of Arrangement.

"**Dissenting Shareholder**" means a registered holder of the Shares who (i) is not a holder of Rolling Shares, (ii) has duly exercised Dissent Rights in respect of the Arrangement Resolution, and (iii) has not renounced or been deemed to have renounced such exercise of Dissent Rights; but only in respect of the Shares in respect of which Dissent Rights are validly exercised by such holder.

"**Draft Arrangement Agreement**" has the meaning set forth in this Circular under "*The Arrangement – Background to the Arrangement*".

"**DRS Advice**" means a direct registration system advice or similar document evidencing the electronic registration of ownership of Shares.

"**D&O VSAs**" has the meaning set forth in this Circular under "*The Arrangement – Voting Support Agreements*".

"**Effective Date**" means the date of the Certificate of Arrangement.

"**Effective Time**" means 12:01 a.m. (Montréal time) on the Effective Date, or such other time as agreed to by the Company and the Purchaser before the Effective Date.

"**Employee Plans**" means all employee benefit, health, welfare, supplemental unemployment benefit, profit sharing, option, stock appreciation, savings, insurance, share purchase, share compensation, disability, pension, supplemental retirement plans and other employee or director benefit plans, policies, trusts, funds, agreements or arrangements for the benefit of directors or former directors of the Company or any of its Subsidiaries, Company Employees or former Company Employees, maintained, sponsored or funded by or binding upon the Company or any of its Subsidiaries in respect of which the Company or any of its Subsidiaries has any actual or potential liability, except that Employee Plans shall not include statutory benefit plans that any of the Company and/or its Subsidiaries are by Law required to participate in or comply

with, including the Canada Pension Plan, the Québec Pension Plan and plans administered pursuant to applicable provincial heath tax, workplace health & safety insurance and employment insurance legislation.

"**Encumbrance**" includes any hypothec, mortgage, pledge, assignment, charge, lien, security interest, adverse interest in property, other third party interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege, in each case through the operation of Law, contract or otherwise, capable of becoming any of the foregoing.

"**Enterprise Registrar**" means the enterprise registrar (*Registraire des entreprises*) appointed by the Minister of Labour, Employment and Social Solidarity (Québec).

"**Environmental Laws**" means, with respect to any Person or its business, activities, property, assets or undertaking, all Laws, including the common law, relating to environmental or occupational health and safety matters in the jurisdictions applicable to such Person or its business, activities, property, assets or undertaking, including requirements governing the reduction of greenhouse gas emissions and the use and storage of Hazardous Substances.

"**Equity Commitment Letter**" has the meaning set forth in this Circular under "*The Arrangement – Sources of Funds for the Arrangement*".

"**Equity Financing**" has the meaning set forth in this Circular under "*The Arrangement – Sources of Funds for the Arrangement*".

"**Equity Financing Sources**" means the equity financing sources identified in, and any other Person who becomes a financing source in respect of, the Equity Financing pursuant to the Equity Commitment Letter.

"**ERP**" has the meaning set forth in this Circular under "*The Arrangement – Fairness Opinion and Independent Valuation*".

"**Evans & Evans Engagement Letter**" has the meaning set forth in this Circular under "*The Arrangement – Fairness Opinion and Independent Valuation*".

"**Expression of Interest**" has the meaning set forth in this Circular under "*The Arrangement – Background to the Arrangement*".

"**Fairness Date**" has the meaning set forth in this Circular under "*The Arrangement – Fairness Opinion and Independent Valuation*".

"**Fairness Opinion**" means the opinion of the Financial Advisor to the effect that, as of July 13, 2023, and subject to the assumptions, limitations and qualifications set forth in the Comprehensive Valuation Report and Fairness Opinion and such other matters that the Financial Advisor considered relevant, the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Rolling Shareholders), a copy of which is attached as Appendix D of this Circular.

"**Final Order**" means the order of the Court, in form and substance satisfactory to each of the Company and the Purchaser, acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of each of the Company and the Purchaser, acting reasonably) at any time prior to the Effective Date or, if appealed, then unless such appeal is withdrawn or denied, as affirmed or as amended (subject to any such amendment being satisfactory to each of the Company and the Purchaser, acting reasonably) on appeal.

"**Financial Advisor**" means Evans & Evans, Inc., financial advisor to the Special Committee and valuation and fairness opinion provider to the Special Committee and the Board of Directors.

"**FinTech**" means Fintech Ventures Fund, LLLP.

"**Former Shareholders**" means, at and following the Effective Time, the holders of the Shares immediately prior to the Effective Time.

"**forward-looking statements**" has the meaning set forth in this Circular under "*Management Information Circular – Forward-Looking Statements*".

"**Good Reason**" has the meaning set forth in this Circular under "*The Arrangement – Interests of Certain Persons in the Arrangement*".

"**Governmental Entity**" means any:

(a) multinational, federal, provincial, territorial, state, regional, municipal, local or other government or any governmental or public department, court, tribunal, arbitral body, commission, board, bureau or agency;

(b) any subdivision, agent, commission, board or authority of any of the foregoing;

(c) any stock exchange, including the TSX-V; or

(d) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing.

"**Guarantors**" means Neuberger, Palos and FinTech and "**Guarantor**" means each of them.

"**Hazardous Substances**" means any pollutant, contaminant, waste of any nature, hazardous substance, hazardous material, hazardous recyclable, toxic substance, dangerous substance or dangerous good as defined, judicially interpreted, or regulated under any Environmental Laws.

"**Holder**" has the meaning set forth in this Circular under "*Certain Canadian Federal Income Tax Considerations*".

"**IFRS**" means International Financial Reporting Standards, which are issued by the International Accounting Standards Board, as adopted in Canada.

"**Incumbent Board**" has the meaning set forth in this Circular under "*The Arrangement – Interests of Certain Persons in the Arrangement*".

"**Indemnified Parties"** has the meaning set forth in this Circular under "*The Arrangement – Interests of Certain Persons in the Arrangement – Continuing Insurance Coverage for Directors and Executive Officers of the Company*".

"**Independent Valuation**" means the independent valuation of the Shares provided by the Financial Advisor, which concluded that, as at April 30, 2023, and based upon the Financial Advisor's analysis and subject to the assumptions, limitations and qualifications set forth therein, the fair market value of the Shares is in the range of $0.168 to $0.185 per Share, as further described under "*The Arrangement – Fairness Opinion and Independent Valuation*", and in the Comprehensive Valuation Report and Fairness Opinion, a copy of which is attached as Appendix D of this Circular.

"**Intellectual Property**" means any intellectual property and intellectual property rights which may exist under the Laws of any jurisdiction in the world, including:

(a) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications, patent disclosures and invention disclosures, together with all reissue, divisional, continuation or continuation-in-part applications, revisions, extensions and reexaminations thereof;

(b) all trade-marks, trade dress, logos, trade-names, business names, corporate names and domain names, together with all translations, adaptations, derivations and combinations thereof and including all goodwill associated therewith and all applications, registrations and renewals in connection therewith;

(c) all copyrightable works, all copyrights, and all applications, registrations and renewals in

connection therewith;

(d) all industrial designs, applications and registrations and renewals associated therewith;

(e) all proprietary or confidential information, trade secrets and know-how;

(f) all rights in Software (including data, databases and related documentation);

(g) all rights in Technology;

(h) all copies and tangible embodiments of the foregoing (in any form or medium); and

(i) all common law statutory and contractual rights to the intellectual property and Technology referred to above.

"**Interim Order**" means an order of the Court, in form and substance acceptable to each of the Company and the Purchaser, acting reasonably, containing declarations and directions in respect of the notice to be given and the conduct of the Meeting with respect to the Arrangement, as such order may be amended by the Court with the consent of each of the Company and the Purchaser, acting reasonably.

"**Intermediary**" means a broker, investment dealer, bank, trust company or other intermediary.

"**IOU USA**" has the meaning set forth in this Circular under "*The Arrangement – Interests of Certain Persons in the Arrangement*".

"**Irrevocable VSAs**" has the meaning set forth in this Circular under "*The Arrangement – Voting Support Agreements*".

"**Laws**" means all laws (statutory, common or otherwise), by-laws, statutes, rules, regulations, principles of law or equity, orders, ordinances, protocols, codes, guidelines, conventions, treaties, policies, notices, directions, injunctions, judgments, rulings, decrees and the terms and conditions of any grant of approval, permission, authority or license, in each case of any Governmental Entity or self-regulatory authority. The term "applicable" with respect to such Laws and in a context that refers to one or more Parties, means such Laws as are applicable to, or binding upon, such Party or its business, undertaking, property or securities and emanate from a Person having non-contested jurisdiction over the Party or Parties or its or their business, undertaking, property or securities.

"**Limited Guarantee**" has the meaning set forth in this Circular under "*The Arrangement – Limited Guarantee*".

"**LUA**" has the meaning set forth in this Circular under "*The Arrangement – Fairness Opinion and Independent Valuation*".

"**Matching Period**" has the meaning set forth in this Circular under "*The Arrangement Agreement – Covenants – Right to Match*".

"**Material Adverse Change**" or "**Material Adverse Effect**" means any fact or state of facts, circumstance, change, effect, occurrence or event that either individually is or in the aggregate are, or individually or in the aggregate could reasonably be expected to be material and adverse to the business, operations, results of operations, properties, assets, liabilities (contingent or otherwise), cash flows, capitalization, obligations (whether absolute, accrued, conditional or otherwise) or condition (financial or otherwise) of the Company and its Subsidiaries or the business of the Company and its Subsidiaries, taken as a whole, or that would be materially adverse to the ability of the Purchaser and its affiliates to consummate the transactions contemplated by the Arrangement Agreement, except any fact or state of facts, circumstance, change, effect, occurrence or event resulting from or arising in connection with:

(i) the announcement of the execution of the Arrangement Agreement or the transactions contemplated therein;

(ii) a change in the market trading price of the Shares either:

(A) related to the Arrangement Agreement or the announcement of the execution of the Arrangement Agreement or the transactions contemplated in the Arrangement Agreement; or

(B) primarily resulting from a change, effect, event or occurrence excluded from this definition of Material Adverse Change or Material Adverse Effect referred to in clauses (iii), (iv), (v), (vi), (vii) or (xi);

(iii) any generally applicable change in applicable Laws (other than orders, judgments, injunctions or decrees against the Company or any of its Subsidiaries) or any change in IFRS;

(iv) any change or development in global, national or provincial political conditions (including the outbreak of war or acts of terrorism) or in general economic, business, banking or regulatory conditions or in global or national financial or capital markets, including the worsening thereof;

(v) any change generally affecting the industries in which the Company conducts business, including any change affecting banks and private lenders, whether local or global and credit;

(vi) any hurricane, flood, tornado, earthquake or other natural disaster, or man-made disaster;

(vii) any epidemic, pandemic, disease outbreak (including COVID-19) or general outbreak of illness, including the worsening thereof;

(viii) any actions taken (or omitted to be taken) at the request of the Purchaser or any of the Guarantors;

(ix) the failure, in and of itself, of the Company to meet any internal, published or public projections, forecasts, guidance or estimates, including of revenues, earnings, cash flows or other financial operating metrics before, on or after the date of the Arrangement Agreement (it being understood that the causes underlying such failure may be taken into account, to the extent not referred to in paragraphs (i) to (x) above, in determining whether a Material Adverse Change has occurred);

(x) any action, claim, proceeding or similar liability brought following the date of the Arrangement Agreement by and on behalf of any securityholders relating to the Arrangement Agreement or the transactions contemplated by the Arrangement Agreement; or

(xi) any action taken by the Company or any of its Subsidiaries that is required pursuant to the Arrangement Agreement,

but, with respect to clauses (iii), (iv), (v), (vi) and (vii), and the corresponding provisions of (ii)(B), only if such matter does not have a materially disproportionate effect on the Company and its Subsidiaries, or their business, taken as a whole, relative to comparable entities operating in the industries in which the Company and its Subsidiaries conducts business, and references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and are deemed not to be, illustrative or interpretative for purposes of determining whether a "Material Adverse Change" or a "Material Adverse Effect" has occurred; or

materially adverse to the ability of the Purchaser and its affiliates to consummate the transaction contemplated by the Arrangement Agreement.

"**Material Contract**" means any contract:

(a) that, if terminated or modified or if ceased to be in effect, would reasonably be expected to have a Material Adverse Effect;

(b) relating to indebtedness for borrowed money, or the guarantee of any liabilities or obligations, in excess of US$100,000, with the exception of any Contract entered into with a Borrower in the ordinary course of business;

(c) restricting the incurrence of indebtedness by the Company or any of its Subsidiaries (including by requiring the granting of an equal and rateable lien) or the incurrence of any Encumbrances on any

properties or assets of the Company or any of its Subsidiaries, or restricting the payment of dividends by the Company;

(d) under which the Company or any of its Subsidiaries is obligated to make or expects to receive payments in excess of US$100,000 over the remaining term, with the exception of any Contract entered into with a Borrower in the ordinary course of business;

(e) providing for the establishment, investment in, organization or formation of any joint venture, limited liability company or partnership;

(f) that creates an exclusive dealing arrangement or right of first offer or refusal;

(g) providing for change in control payments;

(h) providing for the purchase, sale or exchange of, or option to purchase, sell or exchange, any property or asset having a value in excess of US$100,000; or

(i) that limits or restricts:

(i) the ability of the Company or any Subsidiary to engage in any line of business or carry on business in any geographic area, or

(ii) the scope of Persons to whom the Company or any of its Subsidiaries may sell products or deliver services.

"**Meeting**" means the special meeting of the Shareholders to be held on September 12, 2023, at 11:00 a.m. (Montréal time), including any adjournment or postponement thereof in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution.

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (in Québec, *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions*).

"**misrepresentation**" has the meaning set forth in the *Securities Act* (Québec) and the *Securities Act* (Ontario).

"**Morrow Sodali**" means Morrow Sodali (Canada) Ltd., the Company's proxy solicitation agent and shareholder communications advisor.

"**Neuberger Berman**" has the meaning set forth in this Circular under "*The Arrangement – Sources of Funds for the Arrangement*".

"**NMEF**" has the meaning set forth in this Circular under "*The Arrangement – Background to the Arrangement*".

"**Non-Objecting Beneficial Owner**" has the meaning set forth in this Circular under "*Questions and Answers about the Meeting and the Arrangement*".

"**Non-Participating Directors**" means Philippe Marleau, Lucas Timberlake and Robert Gloer, who were not present during the deliberations concerning the approval of the Board Recommendation as required by, and in accordance with, the QBCA, due to their respective interests in the transaction contemplated in the Arrangement Agreement.

"**Non-Resident Dissenting Holder**" has the meaning set forth in this Circular under "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Non-Resident Dissenting Holders*".

"**Non-Resident Holder**" has the meaning set forth in this Circular under "*Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*".

"**Notice of Application**" has the meaning set forth in this Circular under "*Information Concerning the Meeting – Dissent Rights of Shareholders*".

"**Notice of Confirmation**" has the meaning set forth in this Circular under "*Information Concerning the Meeting – Dissent Rights of Shareholders*".

"**Notice of Contestation**" has the meaning set forth in this Circular under "*Information Concerning the Meeting – Dissent Rights of Shareholders*".

"**Notice of Meeting**" means the notice of special meeting of Shareholders.

"**Objecting Beneficial Owner**" has the meaning set forth in this Circular under "*Questions and Answers about the Meeting and the Arrangement*".

"**Open Source License**" means any license meeting the Open Source Definition (as promulgated by the Open Source Initiative) or the Free Software Definition (as promulgated by the Free Software Foundation), or any substantially similar license, including any license approved by the Open Source Initiative, or any Creative Commons License. For the avoidance of doubt, Open Source Licenses include Copyleft Licenses.

"**Option Cash-Out Consideration**" has the meaning set forth in Section 5.6(a) of the Arrangement Agreement.

"**Options**" means the options to purchase the Shares granted by the Company pursuant to the Stock Option Plan.

"**Outside Date**" means October 31, 2023, or such later date as may be agreed to by the Company and the Purchaser.

"**Palos**" means Palos IOU Inc.

"**Parties**" means the Purchaser and the Company, and "**Party**" means any one of them.

"**Person**" includes any individual, firm, trust, partnership, limited partnership, limited liability partnership, association, corporation, limited liability company, joint venture, trustee, executor, administrator, legal representative or government (including any Governmental Entity).

"**Personal Information**" means any information that relates to a natural person and directly or indirectly allows that person to be identified insofar as it is collected, stored, transferred or used by or on behalf of the Company or its Subsidiaries.

"**Plan of Arrangement**" means the plan of arrangement of the Company, substantially in the form of Appendix C of this Circular, subject to any amendments or variations to such plan made in accordance with the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and Purchaser, each acting reasonably.

"**Policies**" means the customary policies, procedures and guidelines of the Company and/or its Subsidiaries, as applicable, relating to underwriting, origination, administration, funding, servicing, collection, transfer or sale of Receivables.

"**Pre-Acquisition Reorganization**" has the meaning set forth in Section 5.7(a) of the Arrangement Agreement.

"**Proposal Letter**" has the meaning set forth in this Circular under "*The Arrangement – Background to the Arrangement*".

"**Proposed Amendments**" has the meaning set forth in this Circular under "*Certain Canadian Federal Income Tax Considerations*".

"**Proposed Transaction"** has the meaning set forth in this Circular under "*The Arrangement – Background to the Arrangement*".

"**Purchase Notice**" has the meaning set forth in this Circular under "*Information Concerning the Meeting – Dissent Rights of Shareholders*".

"**Purchaser**" means 9494-3677 Québec Inc.

"**Purchaser Group"** has the meaning set forth in this Circular under "*The Arrangement – Background to the Arrangement*".

"**QBCA**" means the *Business Corporations Act* (Québec).

"**Receivable**" means an agreement or combination of agreements or portions thereof evidencing secured indebtedness of a Person owed in favour of the Company or a Subsidiary.

"**Regulatory Approvals**" means all domestic and foreign regulatory (including pursuant to any Laws that regulate competition, antitrust, foreign investment), governmental and third party approvals, consents or compliance with waiting periods required to be obtained, or that the Company and the Purchaser mutually agree to obtain, in respect of the completion of the Arrangement, including, for greater certainty:

"**Record Date**" means August 8, 2023.

"**Representatives**" means the officers, directors, employees, financial advisors, legal counsel, accountants, financing sources and other agents and representatives of a Party.

"**Required Shareholder Approval**" has the meaning set forth in this Circular under "*The Arrangement – Required Shareholder Approval*".

"**Resident Dissenting Holder**" has the meaning set forth in this Circular under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Resident Dissenting Holders*".

"**Resident Holder**" has the meaning set forth in this Circular under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*".

"**Rolling Shareholders**" means, collectively, (i) Neuberger Berman, (ii) Palos, (iii) FinTech, and (iv) each of their respective members, directors, trustees, heirs, administrators, executors, successors and permitted assigns.

"**Rolling Shares**" means, collectively, (i) 15,665,839 Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, by Neuberger Berman, (ii) 14,321,575 Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, by Palos, and (iii) 12,500,000 Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, by FinTech.

"**Securities Regulators**" means the securities commission or other securities regulatory authority of each of the provinces of Alberta, British Columbia, Ontario and Québec, including the AMF.

"**SEDAR+**" means the System for Electronic Document Analysis and Retrieval administered by the Canadian Securities Administrators.

"**SEEA**" has the meaning set forth in this Circular under "*The Arrangement – Interests of Certain Persons in the Arrangement*".

"**Shareholders**" means the registered or beneficial holders of the Shares, as the context requires.

"**Shares**" means the common shares in the capital of the Company.

"**Significant Broker**" has the meaning set forth in paragraph (kk) of Schedule D of the Arrangement Agreement.

"**Software**" means computer software and programs (both source code and object code form), all proprietary rights in the computer software and programs and all documentation and other materials related to the computer software and programs.

"**Special Committee**" means the special committee of independent members of the Board of Directors formed in relation to the proposal to effect the transactions contemplated by the Arrangement Agreement.

"**Stock Option Plan**" means the amended and restated stock option plan of the Company dated November 24, 2010, as amended from time to time.

"**Strategic Alternatives**" has the meaning set forth in this Circular under "*The Arrangement – Background to the Arrangement*".

"**Subject Equity Securities**" has the meaning set forth in this Circular under "*The Arrangement – Sources of Funds for the Arrangement*".

"**Subject Shares**" means the Common Shares listed on Schedule A of the Voting Support Agreements and any Common Shares acquired directly or indirectly by the Shareholder or any of its affiliates subsequent to the date hereof, and includes all securities which such Subject Shares may be converted into, exchanged for or otherwise changed into and any Common Shares in respect of which voting is or may become subsequent to the date hereof, directly or indirectly, controlled or directed by the Shareholder or any of its affiliates.

"**Subsidiary**" means, with respect to a Person, any other Person, whether incorporated or unincorporated, of which (i) at least 50% of the securities or ownership interests having by their terms ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions, (ii) a general partner interest, or (iii) a managing member interest, in each case, is directly or indirectly owned or controlled by such Person or by one (1) or more of its respective Subsidiaries.

"**Superior Proposal**" means an unsolicited written bona fide Acquisition Proposal made after the date of the Arrangement Agreement by a Person or group of Persons who is at arm's length with the Company (within the meaning of the Tax Act) and that:

(a) is not subject to any financing contingency and in respect of which adequate arrangements have been made to ensure that the required funds will be available to effect payment in full for all of the Shares or assets, as the case may be;

(b) is not subject to a due diligence or access condition; and

(c) the Board of Directors determines in good faith:

  (i) after consultation with its financial advisor(s), would or would be reasonably likely to, if consummated in accordance with its terms without assuming away the risk of non-completion, result in a transaction that is more favourable to the Shareholders from a financial point of view than the Arrangement (including any amendment to the Arrangement offered by the Purchaser pursuant to its right to match);

  (ii) after consultation with its financial advisor(s) and outside counsel, is reasonably likely to be consummated at the time and on the terms proposed, without undue delay, taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal and the person or group of Persons making such proposal; and

  (iii) after receiving the advice of outside counsel, that failure to recommend such Acquisition Proposal to the Shareholders would be inconsistent with its fiduciary duties under applicable Laws.

"**Superior Proposal Notice**" has the meaning set forth in this Circular under "*The Arrangement Agreement – Covenants – Acquisition Proposals*".

"**Supporting Shareholders**" means those persons who have entered into Voting Support Agreements, being NB Specialty Finance Fund LP, Palos IOU Inc. (on behalf of itself and its affiliated entities, including Palos Merchant Fund L.P. and Palos Management Inc.), Fintech Ventures Fund, LLLP, Evan Price, Jeffrey Turner, Kathleen Miller, Yves Roy, Charles Frischer and Asheef Lalani.

"**Tax Act**" means: (i) the *Income Tax Act* (Canada) and the regulations promulgated thereunder, as amended, and (ii), as the context requires, the *Taxation Act* (Québec) and the regulations promulgated thereunder, as amended.

"**taxable capital gain**" has the meaning set forth in this Circular under "*Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*".

"**Taxes**" means all taxes, however denominated, including any interest, penalties or other additions that may become payable in respect thereof, imposed by any Governmental Entity, which taxes include all income or profits taxes (including federal, provincial and state income taxes), capital taxes, payroll and employee withholding taxes, employment insurance, social insurance taxes (including Canada Pension Plan payments), sales and use taxes, goods and services tax, harmonized sales tax, ad valorem taxes, excise taxes, franchise taxes, gross receipts taxes, business license taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, workers' compensation premiums or charges, pension assessment and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, that one of the Parties or any of its Subsidiaries is required to pay, withhold or collect, including any liability for any of the foregoing arising as a result of being a member of an affiliated, consolidated, combined or unitary group for any period, or as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any Party.

"**Technology**" means all computer hardware and associated firmware and operating systems, Software, database engines and processed data, technology infrastructure and other computer systems used in connection with the business of the Company and its Subsidiaries.

"**Termination Fee**" has the meaning set forth in this Circular under "*The Arrangement Agreement – Termination Fee; Expenses of the Purchaser and the Company* ".

"**Termination Fee Event**" has the meaning set forth in this Circular under "*The Arrangement Agreement – Termination Fee; Expenses of the Purchaser and the Company* ".

"**third-party proxyholder**" has the meaning set forth in this Circular under "*Information Concerning the Meeting – Appointment of Proxies*".

"**Total Outstanding Closing Equity Amount**" has the meaning set forth in this Circular under "*The Arrangement – Sources of Funds for the Arrangement*".

"**Trust Indenture**" means the trust indenture dated November 2, 2015 between the Company and Computershare Trust Company of Canada, providing for the issue of 10% convertible unsecured subordinated debentures for up to an aggregate principal amount of $11,500,000, as amended and supplemented by the first supplemental indenture dated August 2, 2019, the second supplemental indenture dated June 10, 2020 and the third supplemental indenture dated August 26, 2020.

"**TSX-V**" means the TSX Venture Exchange.

"**Valuation**" means the valuation of the Shares prepared by the Financial Advisor.

"**Valuation Date**" has the meaning set forth in this Circular under "*The Arrangement – Fairness Opinion and Independent Valuation*".

"**Voting Securities**" has the meaning set forth in this Circular under "*The Arrangement – Interests of Certain Persons in the Arrangement*".

"**Voting Support Agreements**" means the Irrevocable VSAs together with the D&O VSAs.

"**VSA Alternative Transaction**" has the meaning set forth in this Circular under "*The Arrangement – Voting Support Agreements – Irrevocable VSAs entered into with Supporting Shareholders*".

"**WACC**" has the meaning set forth in this Circular under "*The Arrangement – Fairness Opinion and Independent Valuation*".

APPENDIX B
ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the "**Arrangement**") under Chapter XVI – Division II of the *Business Corporations Act* (Québec) (the "**QBCA**") of IOU Financial Inc. (the "**Company**"), as more particularly described and set forth in the management proxy circular of the Company dated August 14, 2023 (the "**Circular**") and as it may be amended, modified or supplemented in accordance with the arrangement agreement dated July 13, 2023 between 9494-3677 Québec Inc. and the Company (as it may be amended, modified or supplemented, the "**Arrangement Agreement**"), is hereby authorized, approved and adopted.

2. The plan of arrangement of the Company (the "**Plan of Arrangement**"), as it may be amended, modified or supplemented in accordance with its terms and the Arrangement Agreement, the full text of which is set out in Schedule A to the Circular, is hereby authorized, approved and adopted.

3. The (i) Arrangement Agreement and all the transactions contemplated therein, (ii) actions of the directors of the Company in approving the Arrangement and the Arrangement Agreement, and (iii) actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement, and any amendments, modifications or supplements thereto, are hereby ratified, authorized and approved.

4. The Company is hereby authorized to apply for a final order from the Superior Court of Québec (the "**Court**") to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement.

5. Notwithstanding that this resolution has been passed by the holders of common shares of the Company (the "**Shareholders**") or that the Arrangement has been approved by the Court, the directors of the Company are hereby authorized and empowered to, without further notice to or approval of the Shareholders: (i) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement, to the extent permitted thereby; and (ii) subject to the terms of the Arrangement Agreement, not proceed with the Arrangement and related transactions.

6. Any one director or officer of the Company, acting alone, is hereby authorized and directed for and on behalf of the Company to execute, under the corporate seal of the Company or otherwise, and to deliver or cause to be delivered, for filing with the Enterprise Registrar under the QBCA, articles of arrangement and such other documents as are necessary or desirable to give effect to the Arrangement and the Plan of Arrangement and the transactions contemplated thereby in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and any such other documents.

7. Any one director or officer of the Company, acting alone, is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed, under the corporate seal of the Company or otherwise, and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such person determines may be necessary or desirable to give full force and effect to the foregoing resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of any such other document or instrument or the doing of any such other act or thing.

APPENDIX C
PLAN OF ARRANGEMENT
UNDER CHAPTER XVI – DIVISION II OF THE *BUSINESS CORPORATIONS ACT* (QUÉBEC)

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions.

In this Plan of Arrangement, unless there is something in the subject matter or context inconsistent therewith, the following words and terms have the following meanings:

"**Affected Securities**" means, collectively, the Options and the Shares.

"**Affected Securityholders**" means the Shareholders, including the Rolling Shareholders, and the holders of Options.

"**Arrangement**" means the arrangement of the Company under Chapter XVI – Division II of the QBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the Arrangement Agreement and this Plan of Arrangement or made at the discretion of the Court in the Final Order (with the consent of each of the Company and the Purchaser, acting reasonably).

"**Arrangement Agreement**" means the Arrangement Agreement dated as of July 13, 2023 between the Purchaser and the Company providing for, among other things, the Arrangement, as the same may be amended, supplemented and/or restated from time to time, including all schedules to it.

"**Arrangement Resolution**" means the special resolution of the Shareholders approving the Arrangement and this Plan of Arrangement.

"**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement that are required by the QBCA to be sent to the Enterprise Registrar after the Final Order is made, which are to be in form and substance satisfactory to each of the Company and the Purchaser, acting reasonably.

"**business day**" means any day, other than a Saturday, a Sunday or a statutory holiday in the Province of Québec or the Province of Ontario.

"**Certificate**" means the certificate of arrangement giving effect to the Arrangement, issued by the Enterprise Registrar in accordance with the QBCA in respect of the Articles of Arrangement.

"**Company**" means IOU Financial Inc., a corporation existing under the QBCA.

"**Consideration**" means the consideration to be received by a Shareholder pursuant to this Plan of Arrangement, consisting of $0.22 in cash, without interest, for each Share held.

"**Court**" means the Superior Court of Québec.

"**Depositary**" means Computershare Investor Services Inc. or such other Person as the Company and the Purchaser may agree to appoint to act as depositary for the Shares in relation to the Arrangement, each acting reasonably.

"**Encumbrance**" includes any hypothec, mortgage, pledge, assignment, charge, lien, security interest, adverse interest in property, other third party interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege, in each case through the operation of Law, contract or otherwise, capable of becoming any of the foregoing.

"**Enterprise Registrar**" means the enterprise registrar appointed by the Minister of Employment and Social Solidarity.

"**Dissent Rights**" has the meaning given to it in Section 3.1.

"**Dissenting Shareholder**" means a registered holder of the Shares who (i) is not a holder of Rolling Shares, (ii) has duly exercised Dissent Rights in respect of the Arrangement Resolution, and (iii) has not renounced or been deemed to have renounced such exercise of Dissent Rights; but only in respect of the Shares in respect of which Dissent Rights are validly exercised by such holder.

"**Effective Date**" means the date of the Certificate of Arrangement.

"**Effective Time**" means 12:01 a.m. on the Effective Date, or such other time as the Purchaser and the Company may agree to in writing before the Effective Date.

"**Final Order**" means the order of the Court pursuant to Chapter XVI – Division II of the QBCA, in form and substance satisfactory to the Purchaser and the Company, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of the Purchaser and the Company, each acting reasonably) at any time prior to the Effective Date or, if appealed, then unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is satisfactory to the Purchaser and the Company, each acting reasonably) on appeal.

"**Former Shareholders**" means, at and following the Effective Time, the holders of the Shares immediately prior to the Effective Time.

"**Governmental Entity**" means:

(a) any multinational, federal, provincial, territorial, state, regional, municipal, local or other government or any governmental or public department, court, tribunal, arbitral body, commission, board, bureau or agency;

(b) any subdivision, agent, commission, board or authority of any of the foregoing;

(c) any stock exchange; or

(d) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing.

"**Interim Order**" means an order of the Court, in form and substance acceptable to the Purchaser and the Company, acting reasonably, containing declarations and directions in respect of the notice to be given and the conduct of the Meeting with respect to the Arrangement, as such order may be amended by the Court with the consent of the Purchaser and the Company, each acting reasonably.

"**Letter of Transmittal**" means the letter of transmittal for use by the Shareholders with respect to the Arrangement, which shall be mailed to Shareholders.

"**Option Cash-Out Consideration**" has the meaning given to it in Section 5.6(a) of the Arrangement Agreement.

"**Options**" means the options to purchase the Shares granted by the Company pursuant to the provisions of the Stock Option Plan.

"**Person**" means any person and includes an individual, firm, trust, partnership, association, corporation, joint venture, trustee, executor, administrator, legal representative or government (including any Governmental Entity).

"**Plan of Arrangement**", "hereof", "herein", "hereto" and similar references mean and refer to this plan of arrangement.

"**Purchaser**" means 9494-3677 Québec Inc., a corporation existing under the laws of Québec.

"**QBCA**" means the *Business Corporations Act* (Québec).

"**Rolling Shareholders**" means, collectively, NB Specialty Finance Fund LP, Palos IOU Inc. (on behalf of itself and its affiliated entities, including Palos Merchant Fund L.P. and Palos Management Inc.) and Fintech Ventures Fund, LLLP, and their respective trustees, heirs, administrators, executors, successors and permitted assigns.

"**Rolling Shares**" means the Shares to be transferred and assigned by each of the Rolling Shareholders pursuant to the Rollover Agreement in exchange for the issuance by the Purchaser of the Rollover Shares, being an aggregate of 42,487,414 Shares.

"**Rollover Agreement**" means the letter agreement dated the date of the Arrangement Agreement between the Purchaser and the Rolling Shareholders.

"**Rollover Shares**" means the common shares of the Purchaser to be received by each of the Rolling Shareholders in exchange for the Rolling Shares transferred and assigned to the Purchaser or an affiliate thereof pursuant to the Rollover Agreement.

"**Shareholders**" means the holders of the Shares.

"**Shareholder Meeting**" means such meeting or meetings of the Shareholders, including any adjournment or postponement thereof, that is to be convened to consider, and if deemed advisable approve, the Arrangement Resolution.

"**Shares**" means the common shares in the capital of the Company.

"**Stock Option Plan**" means the amended and restated stock option plan of the Company dated November 24, 2010, as amended from time to time.

1.2 Terms Defined in Arrangement Agreement

Words and phrases used herein that are defined in the Arrangement Agreement and not defined herein have the same meaning herein as in the Arrangement Agreement, unless the context otherwise requires.

1.3 Certain Rules of Interpretation

(e) *Interpretation Not Affected by Headings.* The division of this Plan of Arrangement into Articles, Sections and subsections and the insertion of headings are for convenience of reference only and do not affect the meaning or interpretation of this Plan of Arrangement.

(f) *Including.* Where the word "including" or "includes" is used in this Plan of Arrangement, it means "including (or includes) without limitation".

(g) *Article References.* Unless the contrary intention appears, references in this Plan of Arrangement to an Article, Section, Subsection or Schedule by number or letter or both refer to the Article, Section, Subsection or Schedule, respectively, bearing that designation in this Plan of Arrangement.

(h) *Number and Gender.* In this Plan of Arrangement, unless the contrary intention appears, words importing the singular include the plural and vice versa, and words importing gender include all genders.

(i) *Date for Any Action*. If the date on which any action is required to be taken under this Plan of Arrangement by a Party is not a business day in the place where the action is required to be taken, such action is required to be taken on the next succeeding day that is a business day in such place.

(j) *Currency.* Unless otherwise stated, all references in this Plan of Arrangement to sums of money are expressed in lawful money of Canada.

(k) *Statutory References.* A references to a particular statute or Law is to such statute or Law and the rules, regulations and published policies made thereunder, as now in effect and as they may be promulgated thereunder or amended from time to time.

(l) *Time References*. References to time are to local time, Montréal, Québec, Canada.

ARTICLE 2
ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to, and is subject to the provisions of, the Arrangement Agreement, and constitutes an arrangement under Chapter XVI – Division II of the QBCA.

2.2 Binding Effect

This Plan of Arrangement and the Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement, will become effective and be binding on the Purchaser, the Rolling Shareholders, the Company and all Persons who were immediately prior to the Effective Time registered and beneficial owners of Shares (including Dissenting Shareholders) and/or Options, the registrar and transfer agent of the Company, the Depositary and all other applicable Persons, at and after the Effective Time, without any further act or formality required on the part of any Person. The Certificate of Arrangement shall be conclusive evidence that this Plan of Arrangement has become effective and that each of the provisions of Section 2.3 has become effective in the sequence set out therein.

2.3 Arrangement

Commencing at the Effective Time, the following events or transactions shall occur and shall be deemed to occur in the following sequence at two-minute intervals without any further authorization, act or formality:

(a) each Rolling Share shall be transferred and assigned by the holder thereof to, and acquired by, the Purchaser, in exchange for the applicable Rollover Shares in accordance with the terms of the Rollover Agreement, and

(i) in respect of each Rolling Share so transferred and assigned each Rolling Shareholder shall cease to be the holder of such Rolling Share so exchanged and to have any rights as holders of such Rolling Shares other than the right to be issued the Rollover Shares in accordance with the terms of the Rollover Agreement and such holder's name shall be removed from the Company's register of holders of Shares at such time; and

(ii) the Purchaser shall be deemed to be the transferee of such Rolling Shares free and clear of all Encumbrances, shall be entered in the Company's register of holders of Shares as the registered holder of the Rolling Shares so transferred, and shall be deemed the legal and beneficial owner thereof;

(b) each Option issued and outstanding immediately prior to the Effective Time (whether vested or unvested, notwithstanding the terms of the Stock Option Plan or any stock option agreement, shall be deemed to be unconditionally vested and exercisable, and such Option shall, without any further action on behalf of the holder of Options, be deemed to be assigned, transferred and surrendered by such holder to the Company in exchange for a cash payment equal to the product obtained by multiplying (i) the amount by which the Consideration exceeds the exercise price per Share of such Option by (ii) the number of Shares into which such Option is exercisable (the "**Option Cash-Out Consideration**"), less applicable withholdings (provided that where such amount is zero or negative, the holder of such Option shall not be entitled to receive any amount in respect of such Option, and all obligations in respect thereof shall be deemed to be fully satisfied, and provided further that where such amount is greater than zero but less than $0.01, the consideration

to be received in respect of such Option shall be $0.01) and such Option shall immediately be cancelled;

(c) (i) each holder of Options shall cease to be a holder of such Options, (ii) such holder's name shall be removed from each applicable register, (iii) the Stock Option Plan and all agreements relating to such Options shall be terminated and shall be of no further force and effect, and (iv) such holder shall thereafter have only the right to receive the Option Cash-Out Consideration at the time and in the manner specified herein and contemplated hereby;

(d) each Share held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred by the holder thereof, without any further act or formality on his, her or its part, to the Purchaser in consideration for a debt claim against the Purchaser in an amount determined in accordance with Article 3 and thereupon:

(i) such Dissenting Shareholder shall cease to be the holder of such Shares and to have any rights as holder of such Shares other than the right to be paid fair value by the Purchaser for such Shares as set out in Section 3.1;

(ii) such Dissenting Shareholder's name shall be removed as the holder of such Share from the Company's register of holders of Shares; and

(iii) the Purchaser shall be deemed to be the transferee of such Shares free and clear of all Encumbrances, and shall be entered in the Company's register of holders of Shares as the holder thereof;

(e) each Share outstanding immediately prior to the Effective Time, other than those Shares held by (i) Dissenting Shareholders who have validly exercised Dissent Rights, and (ii) the Purchaser, including the Rolling Shares transferred pursuant to Section 2.3(a) (which Rolling Shares shall not be exchanged under the Arrangement but shall remain outstanding as Shares held by the Purchaser) shall, without any further action by or on behalf of a holder of Shares, be deemed to be transferred and assigned by the holder thereof to the Purchaser in exchange for the Consideration, and

(i) in respect of each such Share transferred and assigned pursuant to this Section 2.3(e), the Former Shareholders (other than Dissenting Shareholders who have validly exercised Dissent Rights and the Purchaser) shall cease to be the holders of such Shares and to have any rights as holders of such Shares other than the right to be paid the Consideration by the Purchaser in accordance with this Plan of Arrangement

(ii) such Former Shareholders' names shall be removed from the Company's register of holders of Shares at such time; and

(iii) the Purchaser shall be deemed to be the transferee of such Shares free and clear of all Encumbrances, and shall be entered in the Company's register of holders of Shares as the registered holder of the Shares so transferred and shall be deemed the legal and beneficial owner thereof.

ARTICLE 3
DISSENT PROCEDURES

3.1 Rights of Dissent

Registered Shareholders (other than Rolling Shareholders) may exercise dissent rights to demand the repurchase their Shares (the "**Dissent Rights**") in connection with the Arrangement pursuant to and in the manner set forth in Chapter XIV – Division I of the QBCA as modified by the Interim Order and this Article 3, provided that, as a condition precedent to the exercise of Dissent Rights and notwithstanding Section

376 of the QBCA, the written notice setting forth such a registered Shareholder's objection to the Arrangement Resolution and exercise of Dissent Rights must be received by the Company not later than 5:00 p.m. two business days immediately preceding the date of the Meeting (as it may be adjourned or postponed from time to time). Dissenting Shareholders who duly exercise their Dissent Rights shall be deemed to have transferred the Shares held by them and in respect of which Dissent Rights have been validly exercised to the Purchaser, free and clear of all Encumbrances, as provided in Section 2.3(d) and if such Dissenting Shareholders:

(a) ultimately are entitled to be paid the fair value for such Shares by the Purchaser: (i) shall be deemed not to have participated in the transactions in Article 2 (other than Section 2.3(d)); (ii) will be entitled to be paid the fair value of such Shares, which fair value, notwithstanding anything to the contrary contained in the QBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted; and (iii) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Shares; or

(b) ultimately are not entitled, for any reason, to be paid the fair value for such Shares by the Purchaser, shall be deemed to have participated in the Arrangement on the same basis as any non-Dissenting Shareholder.

3.2 Recognition of Dissenting Shareholders

(a) In no circumstances shall the Purchaser or the Company or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those Shares in respect of which such rights are sought to be exercised.

(b) For greater certainty, in no case shall the Purchaser, the Company or any other Person be required to recognize Dissenting Shareholders as holders of Shares in respect of which Dissent Rights have been validly exercised after the completion of the transfer under Section 2.3(d), and the names of such Dissenting Shareholders shall be deleted from the Company's register of holders of Shares in respect which Dissent Rights have been validly exercised at the same time as the event described in Section 2.3(d) occurs. In addition to any other restrictions under Chapter XIV – Division I of the QBCA, none of the following shall be entitled to exercise Dissent Rights: (i) the Rolling Shareholders; (ii) holders of Options; and (iii) Shareholders who vote or have instructed a proxyholder to vote such Shares in favour of the Arrangement Resolution (but only in respect of such Shares).

ARTICLE 4
DELIVERY OF CONSIDERATION

4.1 Delivery of Consideration

(a) No later than the business day prior to the Effective Date, the Purchaser shall deposit, or arrange to be deposited, for the benefit of the Shareholders (other than the Rolling Shareholders), with the Depositary in accordance with the Arrangement Agreement, cash in an amount sufficient to pay the aggregate Consideration for all Shares (other than the Rolling Shares).

(b) Following the deposit with the Depositary of the amount specified in Section 4.1(a), the Purchaser shall be fully and completely discharged from its obligation to pay the Consideration to the Former Shareholders, and the rights of such holders will be limited to receiving, from the Depositary, the Consideration to which they are entitled in accordance with this Plan of Arrangement.

(c) As soon as practicable after the Effective Time (and in any event, no later than ten (10) days thereafter), the Company shall process the cash payments described in Section 2.3(b) through the Company's payroll systems or payroll providers (or issue a

cheque for any such payment if such payment cannot be made through such payroll system or payroll provider), to each holder of an Option immediately prior to the Effective Time, as reflected on the books and records of the Company in respect of Options, for the amount of Option Cash-Out Consideration such holder is entitled to receive in respect of his, her or its Options in accordance with Section 2.3(b), less any amounts withheld pursuant to Section 4.3. Following the cash payments through the Company's payroll systems or payroll providers (or issuance of a cheque for any such payment if such payment cannot be made through such payroll system or payroll provider), the Company shall be fully and completely discharged from its payment obligations to former holders of Options. Notwithstanding that amounts under this Plan of Arrangement are payable in Canadian dollars, the Company is entitled to make the payments contemplated in this Section 4.1(c) in the applicable currency in respect of which the Company customarily makes payment to such holder by using the applicable Bank of Canada daily exchange rate in effect on the Effective Date.

(d) Until such time as a Former Shareholder deposits with the Depositary a duly completed Letter of Transmittal, documents, certificates and instruments contemplated by the Letter of Transmittal and such other documents and instruments as the Depositary or the Purchaser reasonably requires, the cash payment to which such Former Shareholder is entitled will, in each case, be delivered or paid to the Depositary to be held in trust for such Former Shareholder for delivery to the Former Shareholder, without interest and net of all applicable withholding and other taxes, if any, upon delivery of the Letter of Transmittal, documents, certificates and instruments contemplated by the Letter of Transmittal and such other documents, certificates and instruments as the Depositary, the Purchaser or the Purchaser reasonably requires.

(e) Upon surrender to the Depositary for cancellation of a certificate that immediately prior to the Effective Time represented one or more Shares, other than Rolling Shares or Shares held by a Dissenting Shareholder in respect of which Dissent Rights have been exercised, if applicable, a duly completed and executed Letter of Transmittal and such additional documents, certificates and instruments as the Depositary or the Purchaser may reasonably require, the holder of such surrendered certificate or the deliverer of such Letter of Transmittal, as applicable, will be entitled to receive in exchange therefor, and the Depositary will deliver to such holder, a cheque (or other form of payment of immediately available funds) for the Consideration which such Former Shareholder is entitled to receive under Section 2.3(e)(ii) for such Shares, less any amounts withheld pursuant to Section 4.3, and, in the case of Rolling Shareholders, the Purchaser shall also deliver to each such Rolling Shareholder the Rollover Shares which such holder has the right to receive under this Plan of Arrangement and the applicable Rollover Agreement, and any certificate so surrendered shall forthwith be cancelled.

(f) Any payment made by way of cheque by the Depositary pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on or before the day immediately prior to the second anniversary of the Effective Time, and any right or claim to payment hereunder that remains outstanding, on the day before the second anniversary of the Effective Time, shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the Consideration pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser for no consideration.

(g) No Affected Securityholder shall be entitled to receive any consideration with respect to such Affected Securities other than any cash payment or Rollover Shares to which such holder is entitled to receive in accordance with this Section 4.1 and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith, other than any declared but unpaid dividends.

(h) Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented one or more Shares held by a Dissenting Shareholder in respect of which Dissent Rights have been exercised, a completed Letter of Transmittal and such additional documents, certificates and instruments as the Depositary or the Purchaser may reasonably require, the holder of such surrendered certificate or the deliverer of such Letter of Transmittal, as applicable, will be entitled to receive in exchange therefor, the amount such Dissenting Shareholder is entitled to receive as determined in accordance with Article 4, less any amounts withheld pursuant to Section 4.3.

(i) After the Effective Time and until surrendered as contemplated by this Section 4.1, each certificate that immediately prior to the Effective Time represented one or more Shares will be deemed at all times to represent only the right to receive (i) a cheque (or other form of payment of immediately available funds) for any cash consideration, or, if applicable, the Rollover Shares, which the holder of such certificate is entitled to receive in accordance with Section 4.1(e), or (ii) in respect of Shares formerly held by a Dissenting Shareholder in respect of which Dissent Rights have been exercised, the amount such Dissenting Shareholder is entitled to receive as determined in accordance with Article 3, less, in each case, any amounts withheld pursuant to Section 4.3.

4.2 Lost Certificates

(a) If any certificate that immediately prior to the Effective Time represented one or more outstanding Shares that were transferred pursuant to Section 2.3 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary shall issue in exchange for such lost, stolen or destroyed certificate the cash amount that such Person is entitled to receive pursuant to Section 2.3, deliverable in accordance with such holder's Letter of Transmittal.

(b) When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such cash is to be delivered shall, as a condition precedent to the delivery of such cash, give a bond satisfactory to the Purchaser, the Company and the Depositary (each acting reasonably) in such sum as the Purchaser, the Company and the Depositary may direct (acting reasonably) or otherwise indemnify the Purchaser, the Company and the Depositary in a manner satisfactory to the Purchaser, the Company and the Depositary (each acting reasonably) against any claim that may be made against the Purchaser, the Company or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed.

4.3 Withholding Rights

The Purchaser, the Company and the Depositary, as applicable, shall be entitled to deduct and withhold from any amount otherwise payable or deliverable to any Person under this Plan of Arrangement (including, without limitation, any amounts payable pursuant to Section 2.3), such amounts as the Purchaser, the Company or the Depositary, as applicable, are required or entitled to deduct and withhold, or reasonably believe to be required or entitled to deduct and withhold, from such amount otherwise payable or deliverable under any provision of any Laws in respect of Taxes. Any such amounts will be deducted and withheld from the amount otherwise payable or deliverable pursuant to this Plan of Arrangement and shall be treated for all purposes under this Plan of Arrangement as having been paid to the Person in respect of which such deduction and withholding was made, provided that such deducted and withheld amounts are actually remitted to the appropriate Governmental Entity.

4.4 Extinction of Rights

Any certificate that immediately prior to the Effective Time represented outstanding Shares that are exchanged pursuant to Section 2.3 and not deposited with all other instruments required by Section 4.1 on or prior to the day immediately before the sixth anniversary of the Effective Date, ceases to represent a claim or interest of any kind or nature as a shareholder of the Company. On such date, the cash to which the former registered holder of the certificate referred to in the preceding sentence was ultimately entitled

is deemed to have been surrendered to the Purchaser, together with all entitlements to dividends, distributions and interest thereon held for such former registered holder.

4.5 No Encumbrances

Any exchange or transfer of securities pursuant to this Plan of Arrangement must be free and clear of Encumbrances or other claims of third parties of any kind.

4.6 Paramountcy

From and after the Effective Time:

(a) this Plan of Arrangement shall take precedence and priority over any and all Affected Securities issued or outstanding prior to the Effective Time;

(b) the rights and obligations of the Affected Securityholders, the Company, the Purchaser, the Depositary and any registrar and transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement; and

(c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Affected Securities shall be deemed to have been settled, compromised, released and determined without liability except as set forth herein.

ARTICLE 5
AMENDMENTS

5.1 Amendments to Plan of Arrangement

(a) The Purchaser and the Company may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must:

(i) be set out in writing;

(ii) be approved by the Purchaser and the Company, each acting reasonably;

(iii) subject to Sections 5.1(c) and 5.1(e) hereof, be filed with the Court and, if made following the Meeting, approved by the Court; and

(iv) be communicated to the Affected Securityholders if and as required by the Court.

(b) Subject to the provisions of the Interim Order, any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company or the Purchaser at any time prior to the Meeting (provided that the Company or the Purchaser, as applicable, shall have consented thereto in writing) with or without any other prior notice or communication (except to the extent required by the Court), and if so proposed and accepted by the Shareholders voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Meeting shall be effective only if:

(i) it is consented to in writing by each of the Purchaser and the Company (in each case, acting reasonably); and

(ii) if required by the Court, it is consented to by some or all of the Shareholders voting in the manner directed by the Court.

(d) Notwithstanding anything to the contrary contained herein, any amendment, modification or supplement to this Plan of Arrangement may be made by the written consent of each of

the Company and the Purchaser following the granting of the Final Order without filing such amendment, modification or supplement with the Court or seeking Court approval, provided that (i) it concerns a matter which, in the reasonable opinion of the Parties, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the interest of any Shareholders or (ii) is an amendment contemplated in Section 5.1(e).

(e) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser, without communication to former holders of Affected Securities, provided that it concerns a matter that, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any former holder of Affected Securities.

ARTICLE 6
FURTHER ASSURANCES

Notwithstanding that the transactions and events set out herein shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Company and the Purchaser shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order to further document or evidence any of the transactions or events set out herein.

APPENDIX D
FAIRNESS OPINION AND INDEPENDENT VALUATION

See attached.

COMPREHENSIVE VALUATION REPORT AND FAIRNESS OPINION

ON

IOU Financial Inc.

Montréal, Québec

July 13, 2023

EVANS & EVANS, INC.

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1.0 ASSIGNMENT

Evans & Evans, Inc. ("Evans & Evans" or the "authors of the Report") was engaged by the Special Committee (the "Committee") of the Board of Directors (the "Board") of IOU Financial Inc. ("IOU Financial", or the "Company") to prepare an independent Comprehensive Valuation Report and Fairness Opinion (the "Report"). IOU Financial is a reporting issuer whose common shares (the "Shares") are listed for trading on the TSX Venture Exchange ("TSXV" or the "Exchange") under the symbol "IOU".

Evans & Evans understands that IOU Financial entered into a non-binding indicative proposal on March 27, 2023, with NB Specialty Finance Fund LP ("Neuberger"), Palos Capital Corp. (on behalf of itself and its affiliated entities, including Palos Merchant Fund L.P. and Palos Management Inc., collectively, "Palos"), and Fintech Ventures Fund LLLP ("Fintech" and together with Neuberger and Palos, collectively, the "Purchasers"), setting out the terms by which under an arrangement agreement (the "Agreement") Purchasers, through 9494-3677 Québec Inc. ("3677 Co"), an entity created by the Purchasers, would buy-out shares of IOU Financial other than Shares (the "Rolling Shares") to be re-invested by the Purchasers and certain representatives of management of IOU (collectively, the "Rolling Shareholders"), for an all-cash consideration of $0.22 per Share (the "Share Consideration" or "Offered Consideration") (the "Potential Transaction"). Evans & Evans further understands that the Rolling Shareholders, taken together, own, control or direct an aggregate of 48,621,313 Shares (representing approximately 46.1% of the outstanding Shares on a non-diluted basis) and will be re-investing in IOU an aggregate of 42,487,414 Rolling Shares (representing approximately 40.3% of the outstanding Shares on a non-diluted basis). In connection with the Agreement, the Rolling Shareholders and certain other shareholders directors and officers of IOU, who hold in aggregate 50,808,054 Shares (or approximately 48.1% of the issued and outstanding Shares (on a non - diluted basis) would enter into voting support agreements with 3677 Co providing for such shareholders to vote all Shares beneficially owned by them in favour of the Potential Transaction. In connection with the Agreement, Rolling Shareholders and 3677 Co would enter into a letter agreement and rollover agreements whereby Rolling Shareholders would contribute 42,487,414 Rolling Shares to 3677 Co in exchange for common shares of the 3677 Co upon the completion of the Potential Transaction.

The Committee has requested the Report in order to have an independent opinion as to the fair market value of the Company on a per share basis as at April 30, 2023 ("Valuation Date"). Evans & Evans understands the Report may be subject to the requirements listed as part of Multilateral Instrument 61-101 (the "Instrument") and agrees to conform to such Instrument. The purpose of the Report is also to provide an opinion as to the fairness of the Potential Transaction from a financial point of view, to the shareholders of IOU Financial other than the Rolling Shareholders (the "Minority Shareholders") as at July 13, 2023 (the "Fairness Date").

The Report is prepared for internal purposes of the Committee. The Report may be submitted to the management of the Company at the discretion of the Committee. The Report may be included in public disclosure documents regarding the Potential Transaction and may be submitted to the TSXV.

As Evans & Evans will be relying extensively on information, materials and representations provided to us by the Company's management and associated representatives, the authors of the Report will require that management of IOU Financial confirm to Evans & Evans in writing that it has reviewed the Report in detail and that the information and management's representations contained in the Report are accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Report.

Evans & Evans, its staff and associates, do not assume any responsibility or liability for losses incurred by the Company, its management and shareholders or any other parties as a result of the circulation, publication, reproduction, or use of the Report, or any excerpts thereto contrary to the provisions of this section of the Report.

Evans & Evans also reserves the right to review all calculations included or referred to in the Report and, if Evans & Evans considers it necessary, to revise the Report in light of any information existing at the Valuation Date which becomes known to Evans & Evans after the date of the Report.

Unless otherwise indicated, all monetary amounts are stated in Canadian dollars.

2.0 BACKGROUND OF IOU FINANCIAL & MARKET OUTLOOK

2.1 Background of the Company

IOU Financial is the continuation of Matco Ravary Inc. (later changed to MCO Capital Inc. "MCO"), a company founded in 1977, which specialized for over 40 years in the retailing of home improvement and building materials and later sold its operating assets to a company involved in the same sector, thereby ceasing all operations in the home improvement, and building materials retailing sector. On February 28, 2011, MCO completed a reverse acquisition and acquired all of the issued and outstanding shares of IOU Central Inc. ("IOU Central"), a Canadian corporation incorporated in August 2006. In connection with the completion of the reverse acquisition, MCO effected a share consolidation and changed its name from "MCO Capital Inc." to "IOU Financial Inc."

IOU Financial is a wholesale lender that provides small businesses such as medical and dental practices, grocery and retail stores, restaurant and hotel franchisees and e-commerce companies with access to growth capital through a network of preferred brokers across the

United States ("US"). Built on a proprietary technology platform that connects underwriters, merchants, and brokers in real time, IOU Financial has become an alternative to banks by underwriting US$1.25 billion in loans to fund small business growth since 2009.

The Company has developed an automated application and approval system that assesses an applicant's financial realities, with an emphasis on day-to-day cash flow. IOU Financial can make loans of up to $1,500,000 to qualified applicants within 24 hours in most cases.

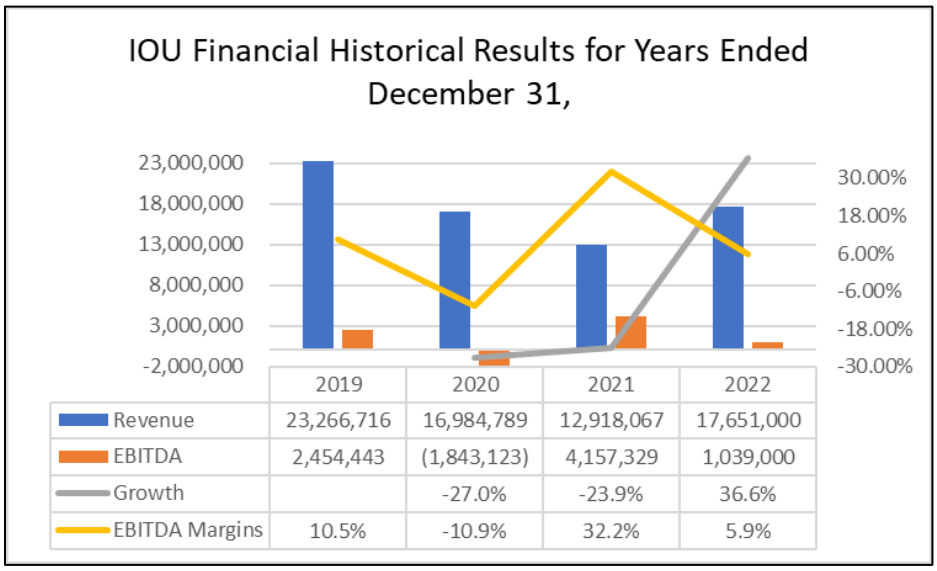
As a marketplace lender, the Company generally does not carry loans on the balance sheet and hence, it generally does not bear the risk of loss from borrowers' failure to repay their loans. However, the Company's servicing fees are directly tied to the collections it makes on behalf of the loan purchasers. As a result, delinquencies and loan performance have a direct impact on the Company's revenues.

2.2 Financial Overview

The Company's primary sources of revenue include gains on the sales of loans to institutional purchasers, servicing fees based on the amounts it collects on behalf of the loan purchasers, administrative and other fees that it charges to borrowers and referral fees earned by ZING Funding, the Company's retail distribution arm. IOU Financial's fiscal year ("FY") ends on December 31. As of the Valuation Date, the Company had 105,535,596 common shares outstanding and 10,190,000 options outstanding. Further, the Company did not raise any new financing in the last 12 months. As can be seen in the following chart, in FY 2022, revenues were up 37% from FY 2021, however, earnings before interest tax depreciation and amortization ("EBITDA") margins declined from 32% in FY2021 to 6% in FY2022. The Company has remained profitable in 2019, 2021, and 2022, with an EBITDA of $1,039,000 in FY2022. The recurring profitability is mainly attributed to the growing loan originations and loans under management.

In the first three months of FY2023, revenues were down approximately 6.6% from the same period in FY2022. Loan originations were also down in the first three months of FY2022, which management attributed to continued economic uncertainty and rising interest rates. In the fourth quarter of 2022, delinquency rates began rising, and the Company made a decision to reduce risk, which contributed to lower loan originations.

The Company attributes its revenue growth to investments in distribution strategies, product innovation and technology.



	2019	2020	2021	2022
Revenue	23,266,716	16,984,789	12,918,067	17,651,000
EBITDA	2,454,443	(1,843,123)	4,157,329	1,039,000
Growth		-27.0%	-23.9%	36.6%
EBITDA Margins	10.5%	-10.9%	32.2%	5.9%

As of December 31, 2022, IOU Financial had net working capital of approximately $19.90 million and approximately $4.82 million in debt[1]. The below table shows the key ratios of the Company as at December 31, 2022.

(Canadian Dollars)	As at March 31,2023	For the financial years ended December 31, 2022	2021	2020	2019
Debt free Net Working Capital	18,890,145	20,261,237	22,812,885	22,278,203	60,872,973
% of Revenue (Annual)	*105.9%*	*105.9%*	*176.6%*	*131.2%*	*261.6%*
Current Ratio	6.7 x	6.6 x	9.6 x	12.0 x	30.8 x
Long Term Debt (excl. lease) to Equity Ratio	0.3 x	0.3 x	0.5 x	0.9 x	3.7 x
Total Debt (excl. debt) to Equity	0.3 x	0.3 x	0.5 x	0.9 x	3.7 x

In 2022 the Company continued to reduce corporate debt. Through September 30, 2022, the Company has repurchased approximately $2.0 million of convertible debentures and made further repurchases of $0.4 million in Q4 2022.

2.3 Market Outlook

In preparing the valuation and assessing the fairness of the Potential Transaction as of the date of the Report, Evans & Evans reviewed the market for IOU Financial.

[1] Debt includes convertible debenture and payables to loan purchasers.

Alternative Lending ("AL") generally refers to lending channels, processes, and instruments that have emerged outside of financial services such as regulated banks and capital markets.[2]

The global alternative lending platform market size was valued at US$ 2.24 billion in 2021 and is expected to expand at a compound annual growth rate ("CAGR") of 23.6% from 2022 to 2030. The alternative lenders can penetrate the market due to their ability to provide effective and efficient loan services to underserved firms and individuals. The faster credit approval processes and ease of accessing the online platforms along with the adoption of technologies such as blockchain and Artificial Intelligence ("AI") is likely to enhance the experience for lenders and borrowers, thus fueling the industry's growth.

The loan origination segment accounted for the largest revenue share of more than 34.0% in 2021. The size of the loan origination segment is attributable to the growing popularity of alternative lending platforms as many individuals, especially students, are applying for personal and education loans.

Based on end-users, the crowdfunding segment dominated the market in 2021 and accounted for a share of over 69.0% of the global revenue. The growing prevalence of social media platforms contributes to the segment's dominance as it acts as a low-cost promotional tool for crowdfunding platforms. On the other hand, the peer-to-peer lending segment is anticipated to grow at a promising CAGR during the forecast period. The proliferation of smartphones and internet penetration is driving the segments' growth as P2P lending platforms are run primarily via the internet using laptops or smartphones. In addition, the advantages associated with it, such as relatively low operational cost compared to legacy platforms, convenience of getting a loan and easy accessibility fuel the segments' growth.

Some of the major companies operating in the alternative lending industry include Funding Circle Holdings plc, On Deck Capital Inc., Kabbage, Inc., Social Finance, Inc., Prosper Funding, LLC, Avant, LLC, Zopa Bank Limited, LendingClub Bank, Upstart Network, Inc., and CommonBond, Inc.3

3.0 SCOPE OF THE REPORT

In arriving at opinion as to the fair market value per share of the Company as at the Valuation Date, Evans & Evans have relied on the following documents and information:

[2] https://informationvp.com/alternative-lending/#:~:text=Alternative%20Lending%20(%E2%80%9CAL%E2%80%9D),regulated%20banks%20and%20capital%20markets.
[3] https://www.grandviewresearch.com/industry-analysis/alternative-lending-platform-market-report

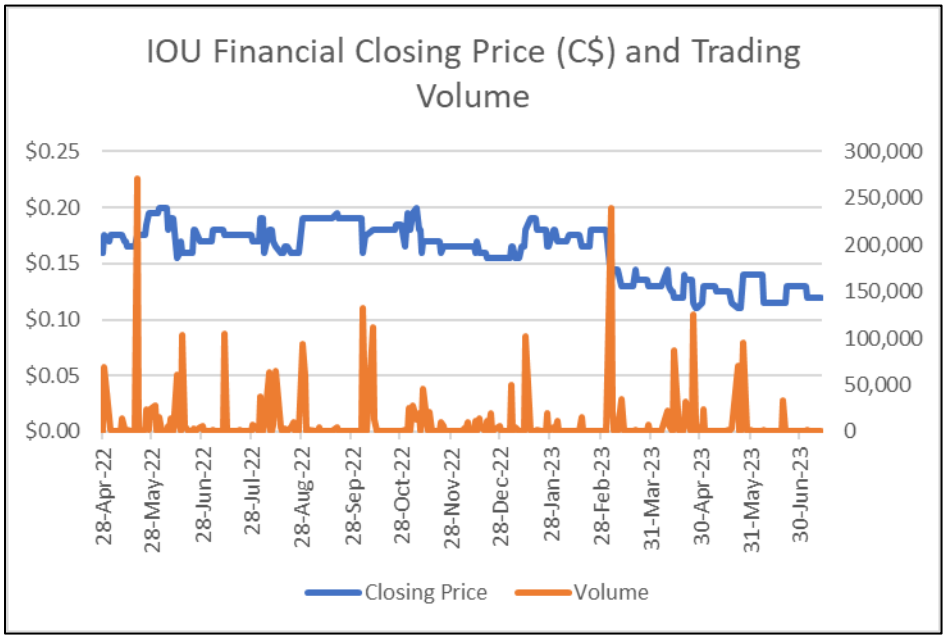
- Interviewed the Company's management team on numerous occasions to gain a better understanding of the operation of the Company and the business plans going forward.
- Interviewed members of the Committee.
- Reviewed the Company's website (https://ioufinancial.com/)
- Reviewed management responses to Evans & Evans valuation questionnaire.
- Reviewed the consolidated interim financial statements of the Company for the three months ended March 31, 2023.
- Reviewed the consolidated audited financial statements of the Company for the years ended December 31, 2019 to 2021 as audited by PricewaterhouseCoopers LLP ("PwC"), Montreal, Quebec, Canada, and audited financial statement for year ended December 31, 2022 audited by KPMG LLP, Montreal, Quebec, Canada.
- Reviewed the Management Discussion and Analysis for the three months ended March 31, 2023, and the years ended December 31, 2021 and 2022.
- Reviewed the Company's 2020, 2021 and 2022 Annual Reports.
- Reviewed the Company's press releases for the 18 months preceding the date of the Opinion.
- Reviewed the Proposal Letter from NB Specialty Finance Fund LP ("Neuberger"), Palos Capital Corp., and Fintech Ventures Fund LLLP to the Company dated March 27, 2023.
- Reviewed the draft press release "Neuberger Berman, Palos Capital and Fintech Ventures to Acquire IOU at C$0.22 per Share in an All-Cash Transaction" dated July 11, 2023 as provided by management.
- Reviewed the Minutes of a Meetings of the Management of IOU Financial held on April 3, 2023.
- Reviewed the 2023 strategic plan of the Company.
- Reviewed the Company's corporate presentation dated June 2022.
- Reviewed the IOU Financial board of directors package dated August 26, 2022.

- Reviewed the IOU Financial capitalization table as of April 6, 2023 and option ledgers dated March 8, 2023 and April 6, 2023.

- Reviewed the FY 2023 budget provided by the Management.

- Reviewed information on the Company's market from a variety of sources.

- Reviewed the trading price and trading volume of the Company's common shares on the Exchange for the period between April 27, 2022 and July 13, 2023. As can be seen from the chart below, the Company's stock price has declined from $0.16 as of April 27, 2022 to $0.12 as of July 13, 2023. The share price achieved a high of $0.20 in November of 2022 before declining to $0.12 in April of 2023 and has remained between $0.12-$0.14 since then. Overall, trading volumes tended to be low, with only 0.6% of total issued Shares being traded in the 90-days preceding the Fairness Date.



- Reviewed information on alternative lending platform market from various sources as referenced in section 2.3 of the Report.

- Reviewed stock market trading data and financial information on the following companies: Accord Financial Corp., goeasy Ltd., Propel Holdings Inc., Prospa Group Limited, Lendified Holdings Inc., Plenti Group Limited, MoneyMe Limited, Zip Co Limited, FSA Group Limited, Montfort Capital Corp., Thorn Group Limited, Regional Management Corp., Sunlight Financial Holdings Inc., PRA Group, Inc., BM

Technologies, Inc., Rocket Companies, Inc., Upstart Holdings, Inc., World Acceptance Corporation, and Katapult Holdings, Inc.

Scope Restrictions

- Evans & Evans did not visit the Company's office.

- Evans & Evans requested forecasts from the Company for the period ended December 31, 2023 and beyond. However, management noted that forecast for only FY 2023 is available and forecasts beyond that are not prepared given the inability to accurately forecast loan originations over a longer term. In the view of Evans & Evans, this is not unreasonable.

4.0 CONDITIONS OF THE REPORT

- The Report is intended for internal purposes only of the Committee. The Report may be submitted to the management of the Company and the Board at the discretion of the Committee.

- The Report may be included in public disclosure documents regarding the Potential Transaction and may be submitted to TSXV. The authors of the Report will require that Evans & Evans review such submissions in order to ensure accuracy and consistency with the Report.

- The Report may be issued to the court approving the Potential Transaction.

- The Report may not be used in any legal proceedings or submitted to any court bodies other than in support of the approval of the Potential Transaction.

- Any use beyond that defined above is done so without the consent of Evans & Evans and readers are advised of such restricted use as set out above.

- Evans & Evans did rely only on the information, materials and representations provided to it by the Company. Evans & Evans did apply generally accepted valuation principles to the financial information it received from the Company.

- Evans & Evans has assumed that the information, which is contained in the Report, is accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Report that the Company are aware of. Evans & Evans did not attempt to verify the accuracy or completeness of the data and information available.

- The Report, and more specifically the assessments and views contained therein, is meant as independent review of IOU Financial as at the Valuation Date and the Fairness Date. The authors of the Report make no representations, conclusions, or assessments, expressed or implied, regarding the Company or events after the date of the management-prepared financial statements. The information/assessments contained in the Report pertain only to the conditions prevailing at the time the Report was primarily completed in April of 2023 and updated in July of 2023.

- Should the assumptions used in the Report be found to be incorrect, then the valuation conclusion may be rendered invalid and would likely have to be reviewed in light of correct and/or additional information.

- Evans & Evans denies any responsibility, financial or legal or other, for any use and/or improper use of the Report however occasioned.

- Evans & Evans's assessments and conclusion are based on the information that has been made available to it. Evans & Evans reserves the right to review all information and calculations included or referred to in the Report and, if it considers it necessary, to revise part and/or its entire Report in light of any information which becomes known to Evans & Evans during or after the date of this Report.

- This analysis and Report do not constitute in any manner a tax opinion and may not now, or in the future, be used for that purpose.

- Evans & Evans was not requested to, and we did not, solicit indications of interest or proposals from third parties regarding a possible acquisition of or merger with IOU Financial. Our opinion also does not address the relative merits of the Potential Transaction as compared to any alternative business strategies or transactions that might exist for IOU Financial, the underlying business decision of IOU Financial to proceed with the Potential Transaction, or the effects of any other transaction in which IOU Financial will or might engage.

- Evans & Evans expresses no opinion or recommendation as to how any shareholder of IOU Financial should vote or act in connection with the Potential Transaction, any related matter or any other transactions. We are not experts in, nor do we express any opinion, counsel or interpretation with respect to, legal, regulatory, accounting or tax matters. We have assumed that such opinions, counsel or interpretation have been or will be obtained by IOU Financial from the appropriate professional sources. Furthermore, we have relied, with IOU Financial's consent, on the assessments by IOU Financial and its advisors, as to all legal, regulatory, accounting and tax matters with respect to IOU Financial and the Potential Transaction, and accordingly we are not

expressing any opinion as to the value of IOU Financial's tax attributes or the effect of the Potential Transaction thereon.

- Evans & Evans is expressing no opinion as to whether any alternative transaction might have been more beneficial to the shareholders of IOU Financial.

- Evans & Evans is expressing no opinion as to the price at which any securities of IOU Financial will trade on any stock exchange at any time.

- Evans & Evans has based its conclusions in the Report upon a variety of factors. Accordingly, Evans & Evans believes that its analyses must be considered as a whole. Selecting portions of its analyses or the factors considered by Evans & Evans, without considering all factors and analyses together, could create a misleading view of the process underlying the Report. The preparation of a Comprehensive Valuation Report and Fairness Opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. Evans & Evans' conclusions as to the fairness, from a financial point of view, to the Minority Shareholders of the Potential Transaction were based on its review of the Potential Transaction taken as a whole, in the context of all of the matters described under "Scope of Review", rather than on any particular element of the Potential Transaction or the Potential Transaction outside the context of the matters described under "Scope of Review". The Report should be read in its entirety.

- Evans & Evans as well as all of its Principal's, Partner's, staff or associates' total liability for any errors, omissions or negligent acts, whether they are in contract or in tort or in breach of fiduciary duty or otherwise, arising from any professional services performed or not performed by Evans & Evans, its Principal, Partner, any of its directors, officers, shareholders or employees, shall be limited to the fees charged and paid for the Report. No claim shall be brought against any of the above parties, in contract or in tort, more than two years after the date of the Report.

5.0 ASSUMPTIONS OF THE REPORT

The authors of the Report have made the following assumptions in completing the Report:

(1) An audit of the Company's financial statements for the three months ended March 31, 2023 would not result in any material changes to the management-prepared financial statements provided to Evans & Evans.

(2) There was no material change in the financial position of the Company between the date of the most recent financial statements and the Valuation Date and the Fairness Date unless noted herein.

(3) As at the Valuation Date all assets and liabilities of the Company have been recorded in their accounts and financial statements and follow International Financial Reporting Standards.

(4) The Company has satisfactory title to all of their assets, intellectual property and there are no liens or encumbrances on such assets nor have any assets been pledged in any way.

(5) We have assumed that the information, which is contained in the Report, is accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Report that the Company is aware of. Evans & Evans did not attempt to verify the accuracy or completeness of the data and information available.

(6) The Company and all of its related parties and their principals had no contingent liabilities, unusual contractual arrangements, or substantial commitments, other than in the ordinary course of business, nor litigation pending or threatened, nor judgments rendered against, other than those disclosed by management and included in the Report that would affect the evaluation or comment.

(7) The book value of the Company's assets at the Valuation Date equaled their fair market value unless otherwise noted.

(8) Evans & Evans made certain assumptions as outlined in the Exhibits of the Report.

(9) The financial forecast / budget for the Company as at the Valuation Date as prepared by management represents management's best estimate of the future economic performance of the assets held by IOU Financial as at the Valuation Date.

(10) At the Valuation Date, no specific special purchaser(s) was/were identified that would pay a premium to purchase the 100% of the shares of the Company.

6.0 DEFINITION OF FAIR MARKET VALUE

For the purposes of our Report, Evans & Evans has been requested by the Committee to refer to Multilateral Instrument 61-101 ("MI 61-101" or the "Instrument"). Fair market value as defined in MI 61-101 is "*the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm's length with the other and under no compulsion to act*".

The MI 61-101 definition of fair market value is in line with the Canadian Institute of Chartered Business Valuators definition of fair market value – "*the highest price, expressed in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arms-length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts*."

With respect to the market for the shares of a company viewed "en bloc" there are, in essence, as many "prices" for any business interest as there are purchasers and each purchaser for a particular "pool of assets", be it represented by overlying shares or the assets themselves, can likely pay a price unique to it because of its ability to utilize the assets in a manner peculiar to it. In any open market transaction, a purchaser will review a potential acquisition in relation to what economies of scale (e.g., reduced or eliminated competition, ensured source of material supply or sales, cost savings arising on business combinations following acquisitions, and so on), or "synergies" that may result from such an acquisition.

Theoretically, each corporate purchaser can be presumed to be able to enjoy such economies of scale in differing degrees and therefore each purchaser could pay a different price for a particular pool of assets than can each other purchaser. Based on the authors of the Report's experience, it is only in negotiations with such a special purchaser that potential synergies can be quantified and even then, the purchaser is generally in a better position to quantify the value of any special benefits than is the vendor.

In this engagement Evans & Evans was not able to expose the Company or any of the Subsidiaries (independently or as a group) for sale in the open market and was therefore unable to determine the existence of any special interest purchasers who might be prepared to pay a price equal or greater than the fair market value (assuming the existence of special interest purchasers) outlined in the Report. As noted above, special interest purchasers might be prepared to pay a price higher than fair market value for the synergies noted above. The shares of the Company have initially been valued *en bloc* and then on a per share basis.

7.0 REVIEW OF FINANCIAL RESULTS

7.1 Historical Financial Results

The authors of the Report reviewed audited financial statements for the years ended December 31, 2019 to December 31, 2022 and the management-prepared financial statements for the three months ended March 31, 2023. The reader is advised to refer to the summary of such financial statements in Exhibits 1.0 and 2.0. Historical results have been common sized to indicate trends.

7.2 Tangible Asset Backing

In determining the underlying book value of a company or business, it is useful to view the tangible asset backing ("TAB") as at the Valuation Date.

The value of a firm's tangible assets affects a purchaser's analysis of the risk inherent in investing in that firm. TAB, at an enterprise level, is defined as the aggregate fair market value of all tangible and identifiable intangible assets of a business, where the latter have values that can be separately determined under a going-concern assumption, minus all operating liabilities.

Tangible assets represent the assets required in operations such as fixed assets and working capital. Identifiable intangible assets are assets such as patents, trademarks, customer relationships and licenses.

TAB provides insight into the risk associated with the particular investment because, in a worst-case scenario, the net tangible assets of the company could be sold. The proceeds realized could then be used to relieve the liabilities of the company and recoup shareholder investment. The TAB also provides an indication of the capital investment required to enter the market. In this case, the TAB provides an indication of the potential financial barrier to entry for new competitors.

The authors of the Report have reviewed the March 31, 2023 balance sheet of the Company and made certain adjustments in order to determine the tangible asset backing of IOU Financial at the enterprise level as at the Valuation Date. The TAB is outlined in Exhibit 4.0 – Tangible Asset Backing – Enterprise Level. As at the Valuation Date, the TAB of the Company, at an enterprise level, is determined to be $18,047,000.

7.3 Redundant Assets

The authors of the Report assessed whether there are any redundancies or redundant assets in the Company. Redundant assets are defined as those assets, which are not required in the day-to-day operation of a business, and accordingly can be liquidated or put to some alternative use without any "financial risk" to the business. The fair market value of a corporation's redundant assets increases the fair market value of its shares otherwise determined under an income-based and/or asset-based approach.

In reviewing the Company's financial position as at the Valuation Date, Evans & Evans noted that IOU Financial had no redundant assets as of March 31, 2023. The Company did have excess working capital in the amount of $1,057,485 which was added back to the enterprise value derived under the Capitalized EBITDA Method.

8.0 VALUATION METHODOLOGIES

8.1 Going Concern versus Liquidation Value

The first stage in determining which approach to utilize in valuing a company or an asset is to determine whether the company / asset is a going concern or whether it should be valued based on a liquidation assumption. A business is deemed to be a going concern if it is both conducting operations at a given date and has every reasonable expectation of doing so for the foreseeable future after that date. If a company/asset is deemed to not be a going concern, it is valued based on a liquidation assumption.

8.2 Overview

In valuing an asset and/or a business, there is no single or specific mathematical formula. The particular approach and the factors to consider will vary in each case. Where there is evidence of open market transactions having occurred involving the shares, or operating assets, of a business interest, those transactions may often form the basis for establishing the value of the company / asset. In the absence of open market transactions, the three basic, generally-accepted approaches for valuing a business interest are:

(a) The Income / Cash Flow Approach;

(b) The Market Approach; and

(c) The Cost or Asset-Based Approach.

A summary of these generally-accepted valuation approaches is provided below.

The Income/Cash Flow Approach is a general way of determining a value indication of a business (or its underlying assets), using one or more methods wherein a value is determined by capitalizing or discounting anticipated future benefits. This approach contemplates the continuation of the operations, as if the business is a "going concern".

The Market Approach to valuation is a general way of determining a value indication of a business or an equity interest therein using one or more methods that compare the subject entity to similar businesses, business ownership interests and securities (investments) that have been sold. Examples of methods applied under this approach include, as appropriate: (a) the "Guideline Company Method", (b) the "Merger and Acquisition Method"; and (c) analyses of prior transactions of ownership interests in the subject entity.

The Cost Approach is based upon the economic principle of substitution. This basic economic principle asserts that an informed, prudent purchaser will pay no more for an asset than the cost to obtain an opportunity of equal utility (that is, either purchase or

construct a similar asset). From an economic perspective, a purchaser will consider the costs that they will avoid and use this as a basis for value. The Cost Approach typically includes a comprehensive and all- inclusive definition of the cost to recreate an asset. Typically, the definition of cost includes the direct material, labor and overhead costs, indirect administrative costs, and all forms of obsolescence applicable to the asset.

The Asset-Based Approach is adopted where either: (a) liquidation is contemplated because the business is not viable as an ongoing operation; (b) the nature of the business is such that asset values constitute the prime determinant of corporate worth (e.g., vacant land, a portfolio of real estate, marketable securities, or investment holding company, etc.); or (c) there are no indicated earnings/cash flows to be capitalized. If consideration of all relevant facts establishes that the Asset-Based Approach is applicable, the method to be employed will be either a going-concern scenario ("Adjusted Net Book Value Method") or a liquidation scenario (on either a forced or an orderly basis), depending on the facts.

Lastly, a combination of the above approaches may be necessary to consider the various elements that are often found within specialized companies and/or are associated with various forms of intellectual property.

9.0 SELECTED VALUATION APPROACHES

9.1 Selected Valuation Approaches

With respect to the fair market value of IOU Financial, Evans & Evans believed it was appropriate to value the Company on a going concern basis. The reason for this is:

(1) IOU Financial does have sufficient working capital to maintain operations going forward;

(2) IOU Financial has historically generated earnings and is generating a fair return on its assets; and

(3) the going concern approach yields a higher value than a liquidation approach.

Given the approaches of valuation outlined above, it is the view of the authors of the Report that that the most appropriate method in determining the range of the fair market value of IOU Financial at the Valuation Date was a weighting of the Capitalized EBITDA Method under the Income Approach and the Guideline Company Method under the Market Approach.

9.2 Methods Considered but Not Utilized

The reader should note that Evans & Evans also attempted to use a variety of other valuation approaches to determine the fair market value of IOU Financial. In this regard, Evans & Evans considered the following approaches, but were unable to use any of them:

(1) Cost Approach. The Cost Approach is generally appropriate under certain circumstances where an asset is still under development, there is no history of generating cash flows, and future cash flows are so uncertain as to be speculative. A weakness of the Cost Approach is that the cost of the opportunity may bear little relationship to the economic benefits that a purchaser might anticipate to derive from such opportunity upon commercial exploitation of the asset. In the case of IOU Financial, the Cost Approach was inappropriate as the Company is generating revenues and cash flows as of the Valuation Date.

(2) Market Approach – Historical Transactions Method. Such an approach would be based on determining the fair market value of the Company based on the value implied by recent financings. No equity financings had been undertaken by the Company in the 12 months preceding the Valuation Date and accordingly, this approach could not be utilized.

(3) Income Discounted Cash Flow ("DCF") Method. Evans & Evans requested the long-term financial projections for the Company, however, these were not provided as the management has not developed the long-term financial projections for the Company. Given the long-term financial projections have not been developed, Evans & Evans could not utilize this method.

(4) Market Approach – Trading Price Method. As IOU Financial is a reporting issuer with its common shares listed for trading on the Exchange, the authors of the Report carefully considered the use of a Trading Price Method in determining the fair market value of the Company as at the Valuation Date. The authors of the Report reviewed the trading data for the Company's shares for the year preceding the Valuation Date (February 28, 2022 to April 30, 2023). The authors of the Report found that for the 180 trading days preceding the Valuation Date the Company's shares closed at an average price of $0.17 with a daily average trading volume of approximately 8,940 shares. In total over the 180 trading days preceding the Valuation Date only 1,609,112 (approximately 1.5%) of the total issued and outstanding shares of the Company were traded.

Trading Price - C$	April 28, 2023		
	Minimum	Average	Maximum
10-Days Preceding	$0.11	$0.12	$0.14
30-Days Preceding	$0.11	$0.13	$0.15
90-Days Preceding	$0.11	$0.15	$0.19
180-Days Preceding	$0.11	$0.17	$0.20

Trading Volume	April 28, 2023				
	Minimum	Average	Maximum	Total	%
10-Days Preceding	0	17,517	125,500	175,173	0.2%
30-Days Preceding	0	10,157	125,500	304,723	0.3%
90-Days Preceding	0	9,451	239,471	850,602	0.8%
180-Days Preceding	0	8,940	239,471	1,609,112	1.5%

Market Capitalization Based on Average Share Price - C$			
Days Preceding the Valuation Date			
10	30	90	180
$13,090,000	**$13,630,000**	**$16,220,000**	**$17,420,000**

The authors of the Report deemed it necessary to examine the trading history of the Company to determine the actual ability of shareholders to realize the implied value of their shares (i.e., sell). In examining the trading volumes of the Company over 180 trading days preceding the Valuation Date it is apparent that daily trading volumes are very low (shares traded on only 37 of the 180 trading days). This indicates that large numbers of shareholders' actual ability to realize their shares at current trading price is highly unlikely. This provides supporting evidence that trading price is not indicative of fair market value of the Company. The thinness of trading over the previous 12 months of operations also suggests that any indication of fair market value from an enterprise value perspective is unlikely. Given the limited liquidity in the Company's shares, the authors deemed the value implied by the Trading Price Method is not representative of the fair market value of IOU Financial.

10.0 VALUATION OF IOU FINANCIAL

10.1 Capitalized EBITDA Method

In undertaking the Capitalized EBITDA Method, it is first necessary to determine the range of indicated EBITDA the Company is capable of generating. Evans & Evans utilized the actual results for FY 2019 to 2022 and budgeted EBITDA for FY 2023. A weighted average range of $2,627,000 to $3,326,000 per annum resulted from multiplying the adjusted cash flows from operations for the FY 2019 to FY 2023 by 3.0, 0, 1.0, 1.0, and 3.0, respectively, for the low end and 2.0, 0, 1.0, 0 and 5.0, respectively, for the high end. In the view of the authors of the Report, this range of EBITDA is representative of the maintainable EBITDA which could be generated by the Company going forward.

Once the level of maintainable EBITDA has been determined, the next step is to select an appropriate EBITDA multiple that can be used to convert the EBITDA into value. EBITDA multiple (inverse of discount rate minus the long-term growth rate) is used to convert a single period's cash flow into value. Comparatively a discount rate is used to convert a future stream of cash flow into value.

In selecting an appropriate EBITDA multiple to the Company's indicated future EBITDA, Evans & Evans considered the influence of both internal and external factors on business risk.

When utilizing levered cash flow, the most appropriate discount rate is the company's cost of equity. However, when utilizing unlevered or debt-free cash flow, the most appropriate discount rate is company's weighted average cost of capital ("WACC"), which provides an expected rate of return based on the company's capital structure, the required yield on the company's equity, and the required yield on interest-bearing debt.

Derivation of a Discount Rate

In assessing the total discount rate to apply to the Company's EBITDA, Evans & Evans selected capitalization rates in the range of 13.0% to 14.0% based on the WACC less a long-term growth rate of 2.0%. The reader is advised to refer to Exhibit 10.0 – Weighted Average Cost of Capital ("WACC") for the calculation of the discount rates used in the analysis.

The basic formula for computing WACC can be expressed as follows:

WACC = (ke x We) + (kd x [1-t] x Wd)

Where:

WACC	=	Weighted average cost of capital
ke	=	Corporation's cost of equity capital
kd	=	Corporation's cost of debt capital
We	=	Percentage of equity capital in the capital structure
Wd	=	Percentage of debt capital in the capital structure
t	=	Corporation's effective income tax rate

Evans & Evans observed in the audited financial statements that the majority of the Company's operations are conducted primarily in the United States, thereby substantially all the revenues generated and assets held are in the US. The income tax rate of 22.0% used in the analysis was based on the US average corporate tax rates.

Evans & Evans selected and utilized a premium of 0.25% over the Moody's seasoned Baa corporate bond yield of 5.53% to estimate the cost of debt for the Company to be 5.78%.

The remaining component of WACC, the cost of equity, was derived using the "build-up" method. The method constructs a discount rate by "building up" the components of such a rate. Starting with the risk-free rate prevalent at the Valuation Date, a generic equity risk premium, as well as a company-specific risk premium is then added.

An equity risk premium ("ERP") of 6.35% was utilized based on the Long Horizon expected ERP (supply side) as document in Kroll Cost of Capital Navigator. The build-up method also incorporates a small stock premium of 4.83% based on the 10th decile (market capitalization between US$2.0 million and US$218.2 million) small stock premium as per Kroll Cost of Capital Navigator.

Combining the current long-term government bond yield and the equity-risk and small stock premia provides an estimate of the potential return that investors, in the April 2023 interest rate environment, require for investing in a diversified portfolio of equities of small companies. With Canadian long-term government bond yields at 2.96% as the Valuation Date, the implied return requirement for investing in a market basket of publicly traded small companies is 14.14%.

The estimated required market return captures only systematic or market risk for small companies and does not address the risk specific to the Company and the industry in which the Company operates. For this reason, a notional purchaser of the Company would require a premium for the Company specific and industry specific factors to induce investment. A number of factors indicate that an investment in the Company is riskier than an investment

in the market. These factors include the risk associated with the revenue generation and achievement of industry margins.

Evans & Evans included an industry risk premium of 3.07% and a company specific risk premium of 100 to 300 basis points to reflect that the Company is riskier than the average return of the market to arrive at a cost of equity in the range of 18.2% to 20.2%.

Having estimated rates of return for both the debt and equity components of the Company's capital structure, the next step is to weight, at market value, each component based on the proportion each represents of total capitalization.

A capital structure of 25% debt and 75% equity, based on the capitalization of the identified guideline public companies and professional judgement, was utilized. Applying these weightings results in WACC range of 15.0% to 16.0%.

Thereafter, the range of capitalization rate of 13.0% to 14.0% was then calculated after subtracting the long-term growth rate of 2.0% from the above calculated WACC range of 15.0% to 16.0%. The EBITDA multiple, i.e., inverse of the capitalization rate, range of 7.14x to 7.69x was then calculated.

Refer to Exhibit 10.0 - Weighted Average Cost of Capital ("WACC") for details.

Conclusion – Capitalized EBITDA Method

Under the Capitalized EBITDA Method, the enterprise value was calculated to be in the range of $20,208,000 to $23,757,000. Thereafter, cash and cash equivalents were added, and debt was subtracted to arrive at a fair market value range of equity of $16,870,000 to $20,420,000.

The reader is advised to refer to Exhibit 6.0 – Capitalized EBITDA Method.

10.2 Guideline Public Company Method

Under the GPC Method, valuation multiples are derived from share trading transactions that represent minority interests in publicly traded companies or recent private transactions. As such, the resulting valuation multiples provide an indication of value on a minority interest, marketable basis.

The GPC Method involves identifying public companies similar to the subject company with stocks that trade freely in the public markets on a daily basis.

The objective of the GPC Method is to derive multiples to apply to the fundamental financial or operational variables of the company. Since the indication of value is based

on minority interest transactions, if one is valuing a controlling interest, it may sometimes be necessary to consider applying a premium for control. A discount for lack of marketability may also be appropriate.

Evans & Evans identified 19 companies as outlined in Exhibit 8.0 – Guideline Public Company Multiples. Companies identified were operating in a similar space as IOU Financial but not direct comparable companies due to limited number of public companies operating in the business-to-business online lending services industry. As such, Evans & Evans included companies operating in the FinTech and alternative finance industries trading in the US and Canadian market.

The reader of the Report should note that although the comparable companies may not be direct competitors to IOU Financial, they do or may offer similar products and/or services to their target markets and embody similar business and financial risk/reward characteristics that a notional investor would consider as being comparable.

Evans & Evans used multiples of Market Capitalization to Loans under Management ("LUA") as a means of deriving the fair market value of the Company at the Valuation Date. Evans & Evans observed that "Loans under Management" (or loan originations) is the key performance indicator and derives majority of the Company's revenue, and hence deemed that the LUA multiple would be an appropriate parameter to conclude the equity value of the Company.

Evans & Evans selected Market Capitalization/LUA multiple of 11.5% between the minimum and first quartile of the multiples of the selected guideline public companies.

A discount ranging from 10.0% to 12.0% was applied to the selected multiple range to reflect the risk due to lack of liquidity and smaller size of the Company as compared to the guideline public companies to arrive at the adjusted Market Capitalization /LUA multiple range of 10.1% to 10.4%.

Thereafter, the Market Capitalization/LUA multiples were applied to the Company's LUA as of the Valuation Date to calculate the fair market value of the equity of the Company in the range of $19,330,000 to $19,770,000.

The reader is advised to refer to Exhibit 7.0 - Market Approach - Guideline Public Company Method for detailed calculations.

10.3 Valuation Conclusions

Upon arriving at the fair market value of the Company under the Capitalized EBITDA Method and GPC Method as outlined above, Evans & Evans calculated the fair market value of the Company in the range of $18,100,000 to $20,100,000 as midpoints of the lows

and highs of the fair market value ranges under the two methods as shown in the below table and outlined in Exhibit 5.0 – Valuation Summary.

Methods	Fair Market Value				
	Low	High	Weighting	Value - Low	Value - High
Capitalized EBITDA Method	16,870,000	20,420,000	50%	8,435,000	10,210,000
Guideline Public Company Method	19,330,000	19,770,000	50%	9,665,000	9,885,000
Fair Market Value of Equity (rounded) - on a controlling, marketable basis				**18,100,000**	**20,100,000**

As at the Valuation Date there were 105,535,596 common shares issued and outstanding. The dilutive impact of in-the-money options of 7,835,000 was also considered to calculate the total number of shares of 113,370,596 on a fully-diluted basis. Thereafter, the fair market value on a per share basis was calculated to be in the range of $0.168 to $0.185 as outlined in the table below.

Fair Market Value of Equity (rounded) - on a controlling, marketable basis	**18,100,000**	**20,100,000**
Add: In-The-Money options	930,181	930,181
Adjusted Equity Value	**19,030,181**	**21,030,181**
Common Shares	105,535,596	105,535,596
In-The-Money options	7,835,000	7,835,000
Total Shares	113,370,596	113,370,596
Fair Market Value of Equity per Share	**0.168**	**0.185**

11.0 FAIRNESS CONCLUSIONS

11.1 Introduction

The fairness, from a financial point of view, of the Potential Transaction to the Minority Shareholders is tested by: i) calculating the fair market value of IOU Financial; ii) assessing whether the fair market value of the Offered Consideration is in a comparable range of the fair market value of IOU Financial; and iii) considering certain qualitative factors.

There are many events that are assumed will occur between the Fairness Date and the closing of the Potential Transaction. These events are either conditions of the Potential Transaction or are necessary aspects of the closing process.

11.2 Valuation of IOU Financial

Based on the work undertaken as outlined in section 10.0 of the report, Evans & Evans is of the view that the fair market value of IOU Financial as at the Valuation Date (April 30,

2023), was in the range of $18.1 million to $20.1 million, or $0.168 to $0.185 on a per Share basis, accounting for the impact of in-the-money options.

Evans & Evans was advised by management that there has been no material change pertaining to the Company's operations between the Valuation Date and the Fairness Date (July 13, 2023).

11.3 Valuation of the Share Consideration

The fair market value of the Share Consideration to be received by the Minority Shareholders in exchange for their shares is $0.22 in cash at closing.

11.4 Qualitative Factors

There are a number of qualitative factors associated with the completion of the Potential Transaction that the Minority Shareholders might consider in determining the overall fairness of the Potential Transaction. In assessing the fairness of the Potential Transaction to the Minority Shareholders, Evans & Evans has considered, inter alia, the following:

a) The Offered Consideration of $0.22 is above the fair market value range of $0.168 to $0.185 per share as determined by Evans & Evans.

b) The ability of the Minority Shareholders to receive higher value in the market than the Share Consideration. Evans & Evans conducted a review of the trading price and trading volume of the Company's common shares on the Exchange for the period between April 27, 2022 to July 13, 2023. The Company's common shares traded on 97 days, however, no shares were traded at or above the Share Consideration over the past 12 months. The lack of trading volume over an extended period indicates minimal liquidity. Accordingly, the ability of the Minority Shareholders to monetize at a price above the Offered Consideration is limited.

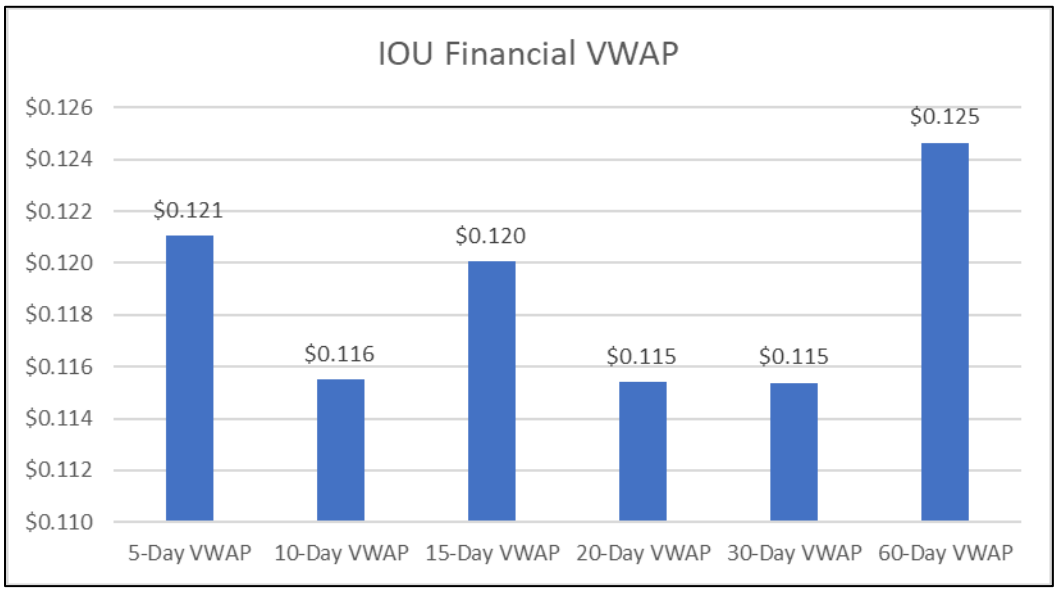
Implied Consideration $0.220	# of Days Closing Price Exceeded Implied Consideration	Shares Traded at Implied Consideration or Higher	% of Shares Outstanding
10-Days Preceding	0	0	0.0%
30-Days Preceding	0	0	0.0%
60-Days Preceding	0	0	0.0%
90-Days Preceding	0	0	0.0%
180-Days Preceding	0	0	0.0%

The Share Consideration represents a premium to the average trading price of the Company over the 180 trading days preceding the date of the Report in the range of 47.6% to 78.9%.

(Canadian Dollars)

Days	Average Closing Price	Share Consideration	Discount / Premium
10-Days Preceding	$0.12	$0.22	78.9%
30-Days Preceding	$0.12	$0.22	76.9%
60-Days Preceding	$0.13	$0.22	75.9%
90-Days Preceding	$0.13	$0.22	72.5%
180-Days Preceding	$0.15	$0.22	47.6%

Given the lack of liquidity in the Company's Shares, Evans & Evans deemed it appropriate to calculate the volume-weighted average price ("VWAP") of the Company. As can be seen from the following chart, the VWAP is in the range of $0.115 to $0.125, which is significantly below the Offered Consideration.



c) The Rolling Shareholders taken together, own, control or direct an aggregate of 48.6 million shares of the Company, representing 46.1% of the total outstanding shares of the Company. The existence of large shareholders also limits the ability of other shareholders to realize value from their shares of the Company from some other liquidity event (i.e., an arms' length purchaser), in the view of Evans & Evans.

d) In assessing the fairness of the Potential Transaction, from a financial point of view to the Minority Shareholders, Evans & Evans also considered other potential benefits that may be realized subsequent to the completion of the Potential Transaction. No further qualitative or quantitative factors were identified.

11.5 Fairness of the Potential Transaction

Based upon Evans & Evans' valuation work and subject to all of the foregoing, Evans & Evans is of the opinion, as at the Fairness Date, that the Potential Transaction is **fair**, from a financial point of view to the Minority Shareholders.

In considering fairness, from a financial point of view, Evans & Evans considered the Share Consideration from the perspective of the Minority Shareholders as a group and did not consider the specific circumstances of any particular shareholder, including with regard to income tax considerations.

Further, as Evans & Evans was not provided with any definitive agreements related to the Potential Transaction, Evans & Evans cannot comment on any aspects of the Potential Transaction aside from the Share Consideration.

12.0 CERTIFICATION AND QUALIFICATIONS

12.1 Qualifications

The Report preparation, and related fieldwork and due diligence investigations, were carried out by Michael A. Evans, Jennifer Lucas and certain qualified employees of Evans & Evans.

Mr. Michael A. Evans, MBA, CFA, CBV, ASA, Principal, founded Evans & Evans, Inc. in 1989. For the past 37 years, he has been extensively involved in the financial services and management consulting fields in Vancouver, where he was a Vice-President of two firms, The Genesis Group (1986-1989) and Western Venture Development Corporation (1989-1990). Over this period, he has been involved in the preparation of over 3,000 technical and assessment reports, business plans, business valuations, and feasibility studies for submission to various Canadian stock exchanges and securities commissions as well as for private purposes.

Mr. Michael A. Evans holds: a Bachelor of Business Administration degree from Simon Fraser University, British Columbia (1981); a Master's degree in Business Administration from the University of Portland, Oregon (1983) where he graduated with honors; the professional designations of Chartered Financial Analyst (CFA), Chartered Business Valuator (CBV) and Accredited Senior Appraiser. Mr. Evans is a member of the CFA Institute, the Canadian Institute of Chartered Business Valuators ("CICBV") and the American Society of Appraisers ("ASA").

Ms. Jennifer Lucas, MBA, CBV, ASA, Managing Partner, joined Evans & Evans in 1997. Ms. Lucas possesses several years of relevant experience as an analyst in the public and private sector in British Columbia and Saskatchewan. Her background includes working

for the Office of the Superintendent of Financial Institutions of British Columbia as a Financial Analyst. Ms. Lucas has also gained experience in the Personal Security and Telecommunications industries. Since joining Evans & Evans Ms. Lucas has been involved in writing and reviewing over 2,500 valuation and due diligence reports for public and private transactions.

Ms. Lucas holds: a Bachelor of Commerce degree from the University of Saskatchewan (1993), a Masters in Business Administration degree from the University of British Columbia (1995). Ms. Lucas holds the professional designations of Chartered Business Valuator and Accredited Senior Appraiser. She is a member of the CICBV and the ASA.

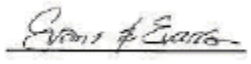
12.2 Certification

The analyses, opinions, calculations and conclusions were developed, and this Report has been prepared in accordance with the standards set forth by the Canadian Institute of Chartered Business Valuators and the disclosure provided in the Instrument.

Evans & Evans was paid a fixed fee for the preparation of the Report. The fee established for the Report has not been contingent upon the value or other opinions presented.

The authors of the Report have no present or prospective interest in the Company, or any entity that is the subject of this Report, and we have no personal interest with respect to the parties involved. We confirm we are independent to the Company and the Rolling Shareholders within the meaning of the Instrument.

Yours very truly,



EVANS & EVANS, INC.

13.0 EXHIBITS

(Canadian Dollars)	As at March 31,2023	For the financial years ended December 31, 2022	2021	2020	2019	Common Size 2023	2022	2021	2020	2019	Notes (1)
ASSETS											
Current Assets											
Cash and cash equivalents	6,988,218	4,154,133	7,358,752	9,958,977	5,332,532	28.9%	16.1%	27.7%	39.6%	8.2%	
Restricted cash	-		1,205,688	1,291,646	1,378,989	0.0%	0.0%	4.5%	5.1%	2.1%	
Sales tax receivable	-	110,104	152,559	49,161	23,286	0.0%	0.4%	0.6%	0.2%	0.0%	
Commercial loans receivable, net	5,467,707	7,222,270	6,789,281	11,059,595	54,449,029	22.6%	28.0%	25.6%	43.9%	84.0%	
Servicing assets	3,752,122	3,294,577	3,092,164	1,237,550	1,405,302	15.5%	12.8%	11.6%	4.9%	2.2%	
Service fees receivable	-	4,635,429	1,368,210	283,216	-	0.0%	18.0%	5.2%	1.1%	0.0%	
Other receivables	1,421,176	3,684,665	4,553,282	322,714	211,940	5.9%	14.3%	17.1%	1.3%	0.3%	
Prepaid expenses and deposits	-	314,725	440,077	92,886	114,772	0.0%	1.2%	1.7%	0.4%	0.2%	
Lease receivable	412,528	432,302	507,570	-		1.7%	1.7%	1.9%	0.0%	0.0%	
Due from loan purchasers	3,749,458	-	-			15.5%	0.0%	0.0%	0.0%	0.0%	
Other Assets	393,553	-	-				0.0%	0.0%			
Total Current Assets	**22,184,762**	**23,848,205**	**25,467,583**	**24,295,745**	**62,915,850**	**91.6%**	**92.4%**	**95.9%**	**96.5%**	**97.1%**	
Non-Current Assets											
Equipment and leasehold improvements	163,841	182,505	118,416	103,721	145,233	0.7%	0.7%	0.4%	0.4%	0.2%	
Right-of-use-assets	44,111	80,221	213,955	672,456	716,787	0.2%	0.3%	0.8%	2.7%	1.1%	
Intangible assets	1,819,278	1,698,209	763,782	-	54,940	7.5%	6.6%	2.9%	0.0%	0.1%	
Unamortized financing transaction costs	-	-	-	99,971	982,136	0.0%	0.0%	0.0%	0.4%	1.5%	
Total Non-Current Assets	**2,027,230**	**1,960,935**	**1,096,153**	**876,148**	**1,899,096**	**8.4%**	**7.6%**	**4.1%**	**3.5%**	**2.9%**	
TOTAL ASSETS	**24,211,992**	**25,809,140**	**26,563,736**	**25,171,893**	**64,814,946**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	
LIABILITIES AND EQUITY											
Current Liabilities											
Accounts payable and accrued liabilities	3,294,617	3,586,968	2,654,698	2,017,542	2,042,877	13.6%	13.9%	10.0%	8.0%	3.2%	
Total Current Liabilities	**3,294,617**	**3,586,968**	**2,654,698**	**2,017,542**	**2,042,877**	**13.6%**	**13.9%**	**10.0%**	**8.0%**	**3.2%**	
Long-term liabilities											
Convertible debentures	4,390,559	4,359,670	7,619,634	10,815,242	9,931,181	18.1%	16.9%	28.7%	43.0%	15.3%	
Payables to loan purchasers	180,422	-	-	-	38,936,865	0.7%	0.0%	0.0%	0.0%	60.1%	
Lease liabilities	484,842	550,122	783,846	731,123	753,645	2.0%	2.1%	3.0%	2.9%	1.2%	
TOTAL LIABILITIES	**8,350,440**	**8,496,760**	**11,058,178**	**13,563,907**	**51,664,568**	**34.5%**	**32.9%**	**41.6%**	**53.9%**	**79.7%**	
Equity											
Share capital	28,973,539	28,957,553	28,929,953	28,887,186	26,988,530	119.7%	112.2%	108.9%	114.8%	41.6%	
Contributed surplus	4,955,370	4,925,093	4,764,941	4,614,728	4,477,383	20.5%	19.1%	17.9%	18.3%	6.9%	
Accumulated other comprehensive income	3,281,605	3,291,686	1,711,442	1,728,918	2,077,163	13.6%	12.8%	6.4%	6.9%	3.2%	
Accumulated Deficit	(21,348,962)	(19,861,952)	(19,900,778)	(23,622,846)	(20,392,698)	-88.2%	-77.0%	-74.9%	-93.8%	-31.5%	
TOTAL EQUITY	**15,861,552**	**17,312,380**	**15,505,558**	**11,607,986**	**13,150,378**	**65.5%**	**67.1%**	**58.4%**	**46.1%**	**20.3%**	
TOTAL LIABILITIES & EQUITY	**24,211,992**	**25,809,140**	**26,563,736**	**25,171,893**	**64,814,946**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	
Debt free Net Working Capital	18,890,145	20,261,237	22,812,885	22,278,203	60,872,973						
% of Revenue (Annual)	*105.9%*	*105.9%*	*176.6%*	*131.2%*	*261.6%*						
Current Ratio	6.7 x	6.6 x	9.6 x	12.0 x	30.8 x						
Long Term Debt (excl. lease) to Equity Ratio	0.3 x	0.3 x	0.5 x	0.9 x	3.7 x						
Total Debt (excl. debt) to Equity	0.3 x	0.3 x	0.5 x	0.9 x	3.7 x						

Notes:
(1) Audited financial statements for the financial years ended December 31, 2019 to 2022 and management provided financial statements for the three montsh ended March 31, 2023.

IOU Financial Inc. **Exhibit 2.0**

Comprehensive Valuation Report and Fairness Opinion

Historical Income Statements

Valuation as of April 30, 2023

(Canadian Dollars)	3 month ended 31-Mar-23	For the financial years ended December 31, 2022	2021	2020	2019	Common Size 31-Mar-23	2022	2021	2020	2019	Notes (1)
Interest income	-	87,054	-	-	-	0%	0%	0%	0%	0%	
Servicing income and other fees	2,456,327	3,923,852	-	-	-	54%	21%	0%	0%	0%	
Gain on sale of loans	2,981,732	15,129,185	-	-	-	66%	79%	0%	0%	0%	
Other fees	645,984	-	-	-	-	14%	0%	0%	0%	0%	
Amortization of servicing assets	(1,564,445)	-	-	-	-	-35%	0%	0%	0%	0%	
Revenue	**4,519,598**	**19,140,091**	**12,918,067**	**16,984,789**	**23,266,716**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	
Growth		48.2%	-23.9%	-27.0%							
Debenture interest expense	-	802,134	-	-	-	0%	4%	0%	0%	0%	
Net recovery of loan losses	-	(185,153)	-	-	-	0%	-1%	0%	0%	0%	
Cost of Goods Sold	-	616,981	353,129	10,784,136	11,702,265	0.0%	3.2%	2.7%	63.5%	50.3%	
Gross Profit	**4,519,598**	**18,523,110**	**12,564,938**	**6,200,653**	**11,564,451**	**100.0%**	**96.8%**	**97.3%**	**36.5%**	**49.7%**	
Expenses											
Adveritising and promotion	352,310	1,435,623	686,398	440,352	394,628	7.8%	7.5%	5.3%	2.6%	1.7%	
Amortization of transaction costs- financing credit facilities	-	-	99,569	662,409	461,373	0.0%	0.0%	0.8%	3.9%	2.0%	
Bank charges	-	-	132,301	206,723	252,651	0.0%	0.0%	1.0%	1.2%	1.1%	
Business fees and licenses	-	-	28,414	125,001	142,884	0.0%	0.0%	0.2%	0.7%	0.6%	
Compensation	3,163,395	9,996,593	-	-	-	70%	52%	0%	0%	0%	
Credit facility termination and exit fees	-	-	-	342,032	-	0.0%	0.0%	0.0%	2.0%	0.0%	
Credit on qualifying wages	-	-	(100,320)	(128,987)	(96,132)	0.0%	0.0%	-0.8%	-0.8%	-0.4%	
Data services and IT costs	840,104	2,436,996	1,234,103	770,323	976,580	18.6%	12.7%	9.6%	4.5%	4.2%	
Depreciation and amortization	144,472	350,836	89,000	118,402	157,042	3.2%	1.8%	0.7%	0.7%	0.7%	
Depreciation of right-of-use assets	-	-	228,780	195,541	191,349	0.0%	0.0%	1.8%	1.2%	0.8%	
General & Administrative	360,169	1,351,926				8%	7%	0%	0%	0%	
Insurance	-	-	173,757	179,924	125,684	0.0%	0.0%	1.3%	1.1%	0.5%	
Legal and accounting fees	-	-	694,179	1,383,682	1,160,791	0.0%	0.0%	5.4%	8.1%	5.0%	
Net loss on redemption of convertible debentures	-	140,808	22,498	-	-	0.0%	0.7%	0.2%	0.0%	0.0%	
Other	-	-	230,655	147,248	172,899	0.0%	0.0%	1.8%	0.9%	0.7%	
PPP loan forgiveness, wage subsidies and employment retention credits	-	-	(2,381,078)	(1,012,331)	-	0.0%	0.0%	-18.4%	-6.0%	0.0%	
Professional fees	964,709	2,653,191	308,071	162,379	177,894	21.3%	13.9%	2.4%	1.0%	0.8%	
Rental expense	-	-	138,152	148,467	136,353	0.0%	0.0%	1.1%	0.9%	0.6%	
Rental liability interest expense	-	-	68,225	54,014	64,221	0.0%	0.0%	0.5%	0.3%	0.3%	
Revaluation of convertible debenture	-	-	-	29,825	(485,579)	0.0%	0.0%	0.0%	0.2%	-2.1%	
Stock-based compensation	-	-	150,213	137,345	287,986	0.0%	0.0%	1.2%	0.8%	1.2%	
Telecommunications	-	-	88,808	82,438	62,478	0.0%	0.0%	0.7%	0.5%	0.3%	
Travel and entertainment	-	-	79,818	58,715	182,583	0.0%	0.0%	0.6%	0.3%	0.8%	
Wages and salaries	-	-	6,853,415	4,916,626	5,554,087	0.0%	0.0%	53.1%	28.9%	23.9%	
Total Expenses	5,825,159	18,365,973	8,824,958	9,020,128	9,919,772	128.9%	96.0%	68.3%	53.1%	42.6%	
Income from Operations	**(1,305,561)**	**157,137**	**3,739,980**	**(2,819,475)**	**1,644,679**	**-28.9%**	**0.8%**	**29.0%**	**-16.6%**	**7.1%**	
Net recovery/ (loss) on loans	(60,409)	-	-	-	-	-1.3%	0.0%	0.0%	0.0%	0.0%	
Debenture Interest Expense	(143,655)	-	-	-	-	-3.2%	0.0%	0.0%	0.0%	0.0%	
Interest Income	22,615	-	-	-	-	0.5%	0.0%	0.0%	0.0%	0.0%	
Currency translation differences	(10,081)	-	-	-	-	-0.2%	0.0%	0.0%	0.0%	0.0%	
Net Income Before Tax	**(1,497,091)**	**157,137**	**3,739,980**	**(2,819,475)**	**1,644,679**	**-33.1%**	**0.8%**	**29.0%**	**-16.6%**	**7.1%**	
Income tax	-	118,311	17,912	-	121,370	0.0%	0.6%	0.1%	0.0%	0.5%	
Net Income	**(1,497,091)**	**38,826**	**3,722,068**	**(2,819,475)**	**1,523,309**	**-33.1%**	**0.2%**	**28.8%**	**-16.6%**	**6.5%**	
EBITDA	**(1,161,089)**	**507,973**	**4,157,329**	**(1,843,123)**	**2,454,443**	-25.7%	2.7%	32.2%	-10.9%	10.5%	

Notes:

(1) Audited financial statements for the financial years ended December 31, 2019 to 2022 and management provided financial statements for the three montsh ended March 31, 2023.

(Canadian Dollars)	For the fiscal year ending December 31, 2023	Common Size 2023	Notes
			(1)
Revenue	**23,570,667**	**100.0%**	
Growth %	*23.1%*		
Cost of Sales	-	0.0%	
Gross Profit	**23,570,667**	**100.0%**	
Expenses:			
Compensation	13,776,605	58.4%	
Data Services	1,682,072	7.1%	
Depreciation & Amortization	725,615	3.1%	
General & Administrative	1,464,012	6.2%	
Marketing	1,259,701	5.3%	
Professional Services	1,253,532	5.3%	
Total Expenses	**20,161,536**	**85.5%**	
Income from Operations	**3,409,131**	**14.5%**	
Income Taxes	-	0.0%	
Net Income	**3,409,131**	**14.5%**	
Depreciation	725,615	3.1%	
EBITDA	**4,134,746**	**17.5%**	

Notes:
(1) Financial projections provided by Management.

(Canadian Dollars)	As at March 31,2023	Adjustments	Adjusted Tangible Asset Backing	Notes
Assets				
Current Assets				
Cash and cash equivalents	6,988,218	(1,057,485)	5,930,733	(1)
Commercial loans receivable, net	5,467,707		5,467,707	(2)
Servicing assets	3,752,122		3,752,122	(2)
Other receivables	1,421,176		1,421,176	(2)
Due from loan purchasers	3,749,458		3,749,458	(2)
Other assets	393,553		393,553	(2)
Lease receivable	412,528		412,528	
Total Current Assets	**22,184,762**		**21,127,277**	
Non-Current Assets				
Equipment and leasehold improvements	163,841		163,841	(3)
Right-of-use-assets	44,111		44,111	
Intangible assets	1,819,278	(1,819,278)	-	
Unamortized financing transaction costs	-	-	-	
Total Assets	**24,211,992**		**21,335,229**	
Liabilities				
Accounts payable and accrued liabilities	3,294,617		3,294,617	
0	-		-	
0	-		-	
Total Current Liabilities	**3,294,617**		**3,294,617**	
Long-term liabilities				
Convertible debentures	4,390,559	(4,390,559)	-	(4)
Payables to loan purchasers	180,422		180,422	(5)
Lease liabilities	484,842	(484,842)	-	(4)
Total Liabilities	**8,350,440**		**3,475,039**	
Total Tangible Assets Less Operating Liabilities			18,040,612	
Stub-period Income (Loss)			6,471	(6)
Tangible Asset Backing (rounded)			**18,047,000**	

Notes:

(1) Debt Free Net Working Capital ("DFNWC")	18,890,145
*Normalised DFNWC @ 100% of LTM Revenue	17,832,660
Excess (Deficiency) of DFNWC	1,057,485

(2) Assumed to be collectible and required for operations.
(3) Book value is assumed to be equal to the fair market value.
(4) Financing liabilities are not considered in the analysis.
(5) Amounts due to loan purchasers are an operating liability not a finance liability.
(6) Adjustment to account for the timing difference between the date of the financial statements and the Valuation Date.

Income (loss) for 12 months ending December 31, 2022	38,826
Income (loss) per month	3,236
Number of months to adjust	2

(Canadian Dollars)

Methods	**Fair Market Value**					Notes
	Low	High	Weighting	Value - Low	Value - High	
Capitalized EBITDA Method	16,870,000	20,420,000	50%	8,435,000	10,210,000	(1)
Guideline Public Company Method	19,330,000	19,770,000	50%	9,665,000	9,885,000	(2)
Fair Market Value of Equity (rounded) - on a controlling, marketable basis				**18,100,000**	**20,100,000**	
Add: In-The-Money options				930,181	930,181	(3)
Adjusted Equity Value				**19,030,181**	**21,030,181**	
Common Shares				105,535,596	105,535,596	
In-The-Money options				7,835,000	7,835,000	(4)
Total Shares				113,370,596	113,370,596	
Fair Market Value of Equity per Share				**0.168**	**0.185**	

Notes:
(1) See Exhibit 6.0
(2) See Exhibit 7.0
(3) Cash from the exercise of options that are in the money based on the calculated fair market value.
(4) Represents in-the-money options based on the calculated fair market value as of the Valuation Date.

(Canadian Dollars)	For the financial years ended December 31, 2019	2020	2021	2022	2023E	Notes
Income from Operations	**1,644,679**	**(2,819,475)**	**3,739,980**	**157,137**	**3,409,131**	(1)
Add: Depreciation and Amortization & Interest	873,985	1,030,366	485,574	350,836	725,615	(2)
Earnings Before Interest, Tax, Depreciation & Amortization (EBITDA)	**2,518,664**	**(1,789,109)**	**4,225,554**	**507,973**	**4,134,746**	
Adjustments:						
Add: Net loss on redemption of convertible debentures	-	-	22,498	140,808	-	(3)
Deduct: PPP loan forgiveness, wage subsidies and employment retention credits	-	(1,012,331)	(2,381,078)	-	-	(3)
Add/ Deduct: Revaluation of convertible debenture	(485,579)	29,825	-	-		(3)
Adjusted EBITDA	**2,033,085**	**(2,771,615)**	**1,866,974**	**648,781**	**4,134,746**	
Low Case:						
Weights	3.0	-	1.0	1.0	3.0	
Annual values	6,099,255	-	1,866,974	648,781	12,404,237	
Weighted Average (rounded)	**2,627,000**					
High Case:						
Weights	2.0	-	1.0	-	5.0	
Annual values	4,066,170	-	1,866,974	-	20,673,729	
Weighted Average (rounded)	**3,326,000**					

	Low Case	High Case	
Annual Average EBITDA Range	**2,627,000**	**3,326,000**	
Multiple	7.69 x	7.14 x	(4)
Enterprise Value	**20,208,000**	**23,757,000**	
Add: Excess Cash / Working Capital	1,057,485	1,057,485	(5)
Less: Debt (excluding lease & financing credit facilities)	4,390,559	4,390,559	(6)
Add: Redundant Assets	-	-	(7)
Fair Market Value of Equity (rounded)	**16,870,000**	**20,420,000**	

Notes:

(1) Refer to Exhibit 2.0 and Exhibit 3.0.

(2) Depreciation and Amortization expense is added back. Interest on rental liabilities also added back.

(3) Evans & Evans normalized certain one-time non-operating expenses and gains.

(4)

	Low	High	
WACC	15.0%	16.0%	Refer to Exhibit 10.0
Long-Term Growth Rate*	2.0%	2.0%	
Total discount	13.0%	14.0%	
Selected Multiple	**7.69 x**	**7.14 x**	

*Long term growth rate is based on the long term growth rate of GDP in the United States.

(5) Refer to Exhibit 4.0, Note 1.0.

(6) Refer to Exhibit 1.0

(7) The Company had no redundant assets.

Comprehensive Valuation Report and Fairness Opinion
Guideline Public Company Method
Valuation as of April 30, 2023

(Canadian Dollars)	Financial Metric (1)	Selected Multiple - Equity / LUA (2)		Discounted Selected Multiple (3)		Indicated Equity Value		
		Low	High	Low	High	Low	High	Weighting
Last Fiscal Year								
Loans Under Administration ("LUA")	190,998,000	11.5%	11.5%	10.1%	10.4%	19,328,998	19,768,293	100%
Estimated weighted Equity range						**19,330,000**	**19,770,000**	100%

Note:

(1) Loans Under Administration as at April 30, 2023 provided by maangement.

(2) Evans & Evans selected the multiples with reference to the multiples of the guideline public companies as outlined in Exhibit 8.0
While selecting the multiples, Evans & Evans considered the risk, growth and profitability margins of the Company as compared to those of the guideline public companies.

(3) Evans & Evans applied a discount to the selected multiples owing to the smaller size of the Company as compared to the guideline public companies.

Loans Under Administration ("LUA")	Low	High
Size	10.0%	12.0%
	10.0%	12.0%

(4) See Exhibit 4.0, Note (1).

(5) Evans & Evans did not consider a control premium as the literature is actually mixed as to whether there actually is a control premium paid in M&A transactions. The 'control premiums' paid in M&A transactions are generally buyer specific and, therefore, may not be reliably estimated as they can vary significantly.

Identified Guideline Public Companies (1)

Company Name	Exchange: Ticker	Market Capitalization	Enterprise Value	TTM Revenue	CFY Revenue	NFY Revenue	TTM EBITDA	CFY EBITDA	NFY EBITDA	Loans & Finance Receivables	EV/TTM Revenue	EV/CFY Revenue	EV/NFY Revenue	Market Cap / Loans
IOU Financial Inc.	**TSXV:IOU**	**12**	**0**	**18**	**n/a**	**n/a**	**NA**	**n/a**	**n/a**	**191.0**	**-0.03 x**	**n/a**	**n/a**	**6.1%**
Accord Financial Corp.	TSX:ACD	55	-1	39	n/a	n/a	NA	n/a	n/a	444	n/a	n/a	n/a	12.4%
goeasy Ltd.	TSX:GSY	1,534	-72	659	1,231	1,388	NA	500	582	2,627	n/a	n/a	n/a	58.4%
Propel Holdings Inc.	TSX:PRL	228	419	327	439	589	53	103	151	235	1.28 x	0.96 x	0.71 x	97.0%
Prospa Group Limited	ASX:PGL	70	-8	99	252	291	NA	13	25	713	n/a	n/a	n/a	9.8%
Lendified Holdings Inc.	TSXV:LHI.H	2	0	0	n/a	n/a	NA	n/a	n/a	2	n/a	n/a	n/a	108.3%
Plenti Group Limited	ASX:PLT	61	-3	52	186	242	NA	3	10	1,556	n/a	n/a	n/a	3.9%
MoneyMe Limited	ASX:MME	30	-2	42	208	208	NA	37	35	1,068	n/a	n/a	n/a	2.8%
Zip Co Limited	ASX:ZIP	350	2,877	621	618	672	-4	-109	-34	2,536	4.63 x	4.66 x	4.28 x	13.8%
FSA Group Limited	ASX:FSA	110	-9	53	n/a	n/a	NA	n/a	n/a	417	n/a	n/a	n/a	26.5%
Montfort Capital Corp.	TSXV:MONT	29	264	39	n/a	n/a	26	n/a	n/a	381	6.72 x	n/a	n/a	7.7%
Thorn Group Limited	ASX:TGA	32	50	14	n/a	n/a	n/a	n/a	n/a	64	3.58 x	n/a	n/a	50.0%
Regional Management Corp.	NYSE:RM	348	2,168	687	741	813	144	n/a	n/a	1,989	3.16 x	2.92 x	2.67 x	17.5%
Sunlight Financial Holdings Inc.	NYSE:SUNL	50	201	123	145	186	-128	23	57		1.63 x	1.39 x	1.08 x	n/a
PRA Group, Inc.	NasdaqGS:PRAA	1,917	5,219	1,193	1,222	1,300	264	367	423	4,468	4.38 x	4.27 x	4.01 x	42.9%
BM Technologies, Inc.	NYSEAM:BMTX	48	20	97	92	112	-23	15	35	11	0.20 x	0.21 x	n/a	428.7%
Rocket Companies, Inc.	NYSE:RKT	1,529	24,549	5,395	5,281	7,706	-441	-263	2,584	12,782	4.55 x	4.65 x	3.19 x	12.0%
Upstart Holdings, Inc.	NasdaqGS:UPST	1,557	2,324	883	739	1,043	-333	-48	151	1,379	2.63 x	3.14 x	2.23 x	112.9%
World Acceptance Corporation	NasdaqGS:WRLD	789	1,744	834	802	885	120	n/a	n/a	1,336	2.09 x	2.18 x	1.97 x	59.1%
Katapult Holdings, Inc.	NasdaqGM:KPLT	61	116	281	317	397	148	-12	3		0.41 x	0.36 x	0.29 x	n/a
									Min		0.20 x	0.21 x	0.29 x	2.8%
									Average		2.94 x	2.47 x	2.27 x	62.6%
									Median		2.90 x	2.55 x	2.23 x	26.5%
									Max		6.72 x	4.66 x	4.28 x	428.7%
									Coefficient of Variance		0.66	0.69	0.62	1.62

Selected Guideline Public Companies (1)

Company Name	Exchange: Ticker	Market Capitalization	Enterprise Value	TTM Revenue	CFY Revenue	NFY Revenue	TTM EBITDA	CFY EBITDA	NFY EBITDA	Loans & Finance Receivables	EV/TTM Revenue	EV/CFY Revenue	EV/NFY Revenue	Market Cap Loans
Accord Financial Corp.	TSX:ACD	55	(1)	39	n/a	n/a	NA	n/a	n/a	444.46	n/a	n/a	n/a	12.4%
goeasy Ltd.	TSX:GSY	1,534	(72)	659	1,231	1,388	NA	500	581.73	2,627.40	n/a	n/a	n/a	58.4%
Propel Holdings Inc.	TSX:PRL	228	419	327	439	589	53	103	150.79	234.91	1.28 x	0.96 x	0.71 x	97.0%
Prospa Group Limited	ASX:PGL	70	(8)	99	252	291	NA	13	25.11	712.84	n/a	n/a	n/a	9.8%
Lendified Holdings Inc.	TSXV:LHI.H	2	(0)	0	n/a	n/a	NA	n/a	n/a	2.06	n/a	n/a	n/a	108.3%
FSA Group Limited	ASX:FSA	110	(9)	53	n/a	n/a	NA	n/a	n/a	417.21	n/a	n/a	n/a	26.5%
Regional Management Corp.	NYSE:RM	348	2,168	687	741	813	144	n/a	n/a	1,989.00	3.16 x	2.92 x	2.67 x	17.5%
Rocket Companies, Inc.	NYSE:RKT	1,529	24,549	5,395	5,281	7,706	(441)	(263)	2,584.07	12,782.01	4.55 x	4.65 x	3.19 x	12.0%
World Acceptance Corporation	NasdaqGS:WRLD	789	1,744	834	802	885	120	n/a	n/a	1,336.45	2.09 x	2.18 x	1.97 x	59.1%
									Min		1.28 x	0.96 x	0.71 x	9.8%
									Average		2.77 x	2.68 x	2.13 x	44.5%
									Median		2.62 x	2.55 x	2.32 x	26.5%
									Max		4.55 x	4.65 x	3.19 x	108.3%
									Coefficient of Variance		0.51	0.58	0.50	0.85
									First Quartile					12.2%

Notes:
(1) Source: Capital IQ

(Canadian Dollars)

Offered Consideration (1) **$0.22**

Trading Price Analysis as of the Fairness Date - July 13, 2023

	Simple Average Closing Share Price	Offered Consideration - Premium (Discount) to Average Closing Price
10-Days Preceding	$0.12	78.9%
30-Days Preceding	$0.12	76.9%
90-Days Preceding	$0.13	72.5%
180-Days Preceding	$0.15	47.6%

	Shares Traded above Offer Price	
	Number of shares	% of total outstanding shares
10-Days Preceding	0	0.0%
30-Days Preceding	0	0.0%
90-Days Preceding	0	0.0%
180-Days Preceding	0	0.0%

5-Day VWAP	**$0.12**	**20-Day VWAP**	**$0.12**
10-Day VWAP	**$0.12**	**30-Day VWAP**	**$0.12**
15-Day VWAP	**$0.12**	**60-Day VWAP**	**$0.12**

Notes

(1) As per the proposal letter signed on March 24, 2023 between IOU Financial Inc and Fintech Ventures Fund LLLP.

IOU Financial Inc. **Exhibit 10.0**
Comprehensive Valuation Report and Fairness Opinion
Weighted Average Cost of Capital ("WACC")
Valuation as of April 30, 2023

Build-Up Method	**Assumptions as of the Valuation Date**		Notes
Cost of Debt			
Moody's Seasoned Baa Corporate Bond Yield	5.53%		
Premium	0.25%		
Cost of Debt	5.78%		(1)
Cost of Equity			
	Low	**High**	
Long-term government bond yields	2.96%	2.96%	(2)
Adjusted large cap equity risk premia	6.35%	6.35%	(3)
Small cap equity risk premia	4.83%	4.83%	(4)
Industry specific risk premium	3.07%	3.07%	(5)
Company specific risk and growth premium	1.00%	3.00%	(6)
Required equity return to induce investment	18.2%	20.2%	
Capital Structure:			(7)
Debt	25%		
Equity	75%		
Tax Rate (Long Term)	22.0%		(8)
Weighted Average Cost of Capital:			
Cost of Debt (1-tax rate) (Debt /Total Capital) + Cost of Equity (Equity/Total Capital)			
Selected WACC	**15.0%**	**16.0%**	

Notes:

(1) Evans & Evans selected and utilized a premium of 0.25% over the prime rate of 5.53% to estimate the cost of debt for the Company.

(2) Canadian Government long term bond yield as of the Valuation Date.

(3) Long Horizon expected ERP (supply side), Source: Kroll Cost of Capital Navigator.

(4) 10th decile Small Stock Premium. Source: Kroll Cost of Capital Navigator.

(5) Industry specific risk premium is based on the five-year average beta of the identified guideline public companies of 1.48 (Source: Capital IQ) and the equity risk premium of 6.35%, ((1.48-1)*6.35% = 3.07%) .

(6) Company specific risk relates to risks faced by the Company specific to revenue generation and margins.

(7) Based on the capital structure of the guideline public companies as adjusted for differing business models.

(8) Based on the US average corporate tax rates.

APPENDIX E
INTERIM ORDER

See attached.

CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

File: No: 500-11-0626691-239

SUPERIOR COURT
(Commercial Division)

Montréal, August 10, 2023

Present: The Honourable Christian Immer, J.S.C.

IN THE MATTER OF A PROPOSED ARRANGEMENT CONCERNING: IOU FINANCIAL INC.

IOU FINANCIAL INC.

Applicant

-and-

9494-3677 QUÉBEC INC.

-and-

AUTORITÉ DES MARCHÉS FINANCIERS

Impleaded Parties

INTERIM ORDER[1]

GIVEN the *Application for Interim and Final Orders in Connection with a Proposed Arrangement* of the Applicant IOU Financial Inc. (the "**Applicant**") pursuant to the *Business Corporations Act* (Québec), CQLR, c. S-31.1 (the "**QBCA**"), the exhibits P-1 to P-10, and the sworn statement filed in support thereof (the "**Application**");

GIVEN that this Court is satisfied that the Autorité des marchés financiers (the "**AMF**") has received notice of the present Application as appears from their

[1] All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the draft Company Circular (Exhibit P-1).

acknowledgment of receipt dated August 4, 2023 and that the AMF has confirmed in writing on August 8, 2023 that it would not appear or be heard on the Application before the Court and that the matter may therefore proceed *ex parte*[2];

GIVEN the provisions of the QBCA and in particular arts. 414 to 420 thereof;

GIVEN that the Court is being asked to make interim orders and that it indeed has the power, under art. 416 of the *QBCA,* to make such orders for the purpose, amongst others, to require a corporation to call a meeting of interested persons in the manner the Court directs;

GIVEN that the present order merely "sets the wheels in motion"[3] to carry out an arrangement;

GIVEN that this Court is satisfied, at the present time, that the proposed transaction is an "arrangement" within the meaning of Section 415 of the QBCA;

GIVEN that this Court is satisfied, at the present time, that it is impracticable or too onerous in the circumstances for the Applicant to effect the arrangement proposed under any other provision of the QBCA;

GIVEN that this Court is satisfied, at the present time, that the Applicant is not insolvent as it is able to pay its liabilities as they become due and meets the requirements set out in Section 414 of the QBCA;

GIVEN that this Court is satisfied, at the present time, that the arrangement is put forward in good faith and, in all likelihood, for a valid business purpose;

FOR THESE REASONS, THE COURT:

[1] **GRANTS** the Interim Order sought in the Application;

[2] **DISPENSES** the Applicant of the obligation, if any, to notify any person other than the AMF with respect to this Interim Order;

[3] **ORDERS** that all Shareholders as well as the holders of Options, as each is respectively defined in the Circular (Exhibit P-1), as well as 9494-3677 Québec Inc. (the "**Purchaser**"), be deemed parties, as Impleaded Parties, to the present proceedings and be bound by the terms of any Order rendered herein;

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2 *Ecu Silver Mining (Syndic de)*, 2011 QCCS 3583, par. 25.

3 *Re First Marathon Inc.*, [1999] O.J. No. 2805 (Ont. S.C.J.), par. 9, cited in relation to the QBCA in *Ecu Silver Mining (Syndic de), supra*, par. 14 .

The Meeting

[4] **ORDERS** that the Applicant may convene, hold and conduct a special meeting of Shareholders (the "**Meeting**") to be held as a virtual-only meeting conducted by live videoconference on September 12, 2023, commencing at 11:00 am (Montréal time), at which time the Shareholders will be asked, among other things, to consider and, if thought appropriate, to pass, with or without variation, a special resolution approving the arrangement (the "**Arrangement Resolution**") substantially in the form set forth in Appendix B of the Circular to, among other things, authorize, approve and adopt the Arrangement, and to transact such other business as may properly come before the Meeting, or any postponement or adjournment thereof, the whole in accordance with the notice of the Meeting, terms, restrictions and conditions of the articles and by-laws of the Applicant, the QBCA, this Interim Order, and the rulings and directions of the chair of the Meeting, provided that to the extent there is any inconsistency between this Interim Order and the terms, restrictions and conditions of the articles and by-laws of the Applicant or the QBCA, this Interim Order shall prevail;

[5] **ORDERS** that Shareholders who participate in and/or vote at the Meeting virtually be deemed to be present at the Meeting for all purposes, including quorum;

[6] **ORDERS** that in respect of the vote on the Arrangement Resolution or any matter determined by the Chair of the Meeting to be related to the Arrangement, each registered holder of Shares shall be entitled to cast one vote in respect of each such Share held;

[7] **ORDERS** that, on the basis that each registered holder of Shares be entitled to cast one vote in respect of each such Share for the purpose of the vote on the Arrangement Resolution, the quorum for the Meeting is fixed at two (2) persons present virtually and who are themselves Shareholders entitled to vote at such meeting, or proxyholders for an absent shareholder entitled to vote at such meeting and representing personally or by proxy, in aggregate, ten (10%) of all of the outstanding Shares;

[8] **ORDERS** that the only persons entitled to attend, be heard or vote at the Meeting (as it may be adjourned or postponed) shall be the registered Shareholders as at close of business (Montréal time) on August 8, 2023 (the "**Record Date**"), their proxyholders, and the directors and advisors of the Applicant and of the Purchaser, provided however that such other persons having the permission of the Chair of the Meeting shall also be entitled to attend and be heard at the Meeting;

[9] **ORDERS** that for the purpose of the vote on the Arrangement Resolution, or any other vote taken by ballot at the Meeting, any spoiled ballots, illegible ballots and defective ballots shall be deemed not to be votes cast by Shareholders and further **ORDERS** that proxies that are properly signed and dated but which do not contain voting instructions shall be voted for the Arrangement Resolution;

[10] **ORDERS** that the Applicant, subject to compliance with the terms of the Arrangement Agreement, if it deems it advisable, be authorized to adjourn or postpone the Meeting on one or more occasions (whether or not a quorum is present), without the necessity of first convening the Meeting or first obtaining any vote of Shareholders respecting the adjournment or postponement; further **ORDERS** that notice of any such adjournment or postponement shall be given on the Applicant's website (https://iouFinancial.com/), by press release, newspaper advertisement or by mail, as determined to be the most appropriate method of communication by the Applicant's Board of Directors (the "**Board of Directors**"); further **ORDERS** that any adjournment or postponement of the Meeting will not change the Record Date for Shareholders entitled to notice of, and to vote at, the Meeting and further **ORDERS** that any subsequent reconvening of the Meeting, all proxies will be voted in the same manner as the proxies would have been voted at the original convening of the Meeting, except for any proxies that have been effectively revoked or withdrawn prior to the subsequent reconvening of the Meeting;

[11] **ORDERS** that the Applicant and the Purchaser may amend, modify and/or supplement the Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must: (i) be set out in writing; (ii) be approved by the Purchaser and the Applicant, each acting reasonably; (iii) subject to paragraphs [14] and [15] of this Interim Order, be filed with the Court and, if made following the Meeting, approved by the Court; and (iv) be communicated to the Affected Securityholders if and as required by the Court;

[12] **ORDERS** that notwithstanding paragraph [11] of this Interim Order, any amendment, modification or supplement to the Plan of Arrangement may be proposed by the Applicant or the Purchaser at any time prior to the Meeting (provided that the Applicant or the Purchaser, as applicable, shall have consented thereto in writing) with or without any other prior notice or communication (except to the extent required by the Court), and if so proposed and accepted by the Shareholders voting at the Meeting (other than as may be required under this Interim Order), shall become part of the Plan of Arrangement for all purposes;

[13] **ORDERS** that notwithstanding paragraph [11] of this Interim Order, any amendment, modification or supplement to the Plan of Arrangement that is approved or directed by the Court following the Meeting shall be effective only if: (i) it is consented to in writing by each of the Purchaser and the Applicant (in each case, acting reasonably); and (ii) if required by the Court, it is consented to by some or all of the Shareholders voting in the manner directed by the Court;

[14] **ORDERS** that notwithstanding paragraph [11] of this Interim Order, any amendment, modification or supplement to the Plan of Arrangement may be made by the written consent of each of the Applicant and the Purchaser following the granting of the Final Order without filing such amendment, modification or supplement with the Court or seeking Court approval, provided that (i) it concerns a matter which, in the reasonable opinion of the Parties, is of an administrative nature required to better give effect to the implementation of the Plan of Arrangement and is not adverse to the interest of any Shareholders or (ii) is an amendment contemplated in paragraph [15] of this Interim Order;

[15] **ORDERS** that any amendment, modification or supplement to the Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser, without communication to former holders of Affected Securities, provided that it concerns a matter that, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of the Plan of Arrangement and is not adverse to the economic interest of any former holder of Affected Securities;

[16] **ORDERS** that the Applicant is authorized to use proxies at the Meeting; that the Applicant is authorized, at its expense, to solicit proxies on behalf of its management, directly or through its officers, directors and employees, and through such agents or representatives as it may retain for that purpose, and by mail or such other forms of personal or electronic communication as it may determine; and that the Applicant may waive, in its discretion, the time limits for the deposit of proxies by the Shareholders if it considers it advisable to do so;

[17] **ORDERS** that, to be effective, the Arrangement Resolution, with or without variation, must be approved by the affirmative vote of: (i) not less than 66 2/3% of the votes cast on the Arrangement Resolution by the Shareholders present virtually or represented by proxy at the Meeting; and (ii) a simple majority of the votes cast on the Arrangement Resolution by Shareholders present virtually or represented by proxy at the Meeting, excluding for this purpose any person required to be excluded pursuant to MI 61-101; and further **ORDER** that such vote shall be sufficient to authorize and direct the Applicant to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of

Arrangement on a basis consistent with what has been disclosed to the Shareholders in the Notice Materials (as defined below);

The Notice Materials

[18] **ORDERS** that the Applicant shall give notice of the Meeting, and that service of the Application for a Final Order shall be made by mailing or delivering, in the manner hereinafter described and to the persons hereinafter specified, a copy of this Interim Order, together with the following documents, with such non-material amendments thereto as the Applicant may deem to be necessary or desirable, provided that such amendments are not inconsistent with the terms of this Interim Order (collectively, the "**Notice Materials**"):

(a) the Notice of Meeting substantially in the same form as contained in Exhibit P-1;

(b) the Circular substantially in the same form as contained in Exhibit P-1;

(c) to the registered Shareholders, a Form of Proxy substantially in the same form as contained in Exhibit P-5;

(d) to the registered Shareholders, a Letter of Transmittal substantially in the same form as contained in Exhibit P-6;

(e) a notice substantially in the form of the draft filed as Exhibit P-7 providing, among other things, the date and time for the hearing of the Application for a Final Order, and that a copy of the Application can be found on the Applicant's website (https://iouFinancial.com/) (the "**Notice of Presentation of the Final Order**");

[19] **ORDERS** that the Notice Materials shall be distributed:

(a) to the registered Shareholders by mailing the same to such persons in accordance with the QBCA and the Applicant's by-laws at least twenty-one (21) days prior to the date of the Meeting;

(b) to the non-registered Shareholders, in compliance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (in Québec, *Regulation 54-101 respecting Communication with Beneficial Owners of Securities of a Reporting Issuer*);

(c) to the holders of Options, by delivering same at least twenty-one (21) days prior to the date of the Meeting in person, by e-mail or by recognized courier services, provided, however, that if such a holder is also a Shareholder, the distribution of the materials in

accordance with paragraphs (a) or (b), as applicable, above will comply with the notice requirement;

(d) to the Applicant's directors and auditors, by delivering same at least twenty-one (21) days prior to the date of the Meeting by e-mail or by recognized courier service; and

(e) to the AMF, by delivering same at least twenty-one (21) days prior to the date of the Meeting by e-mail to secretariat@lautorite.qc.ca;

[20] **ORDERS** that a copy of the Application be posted on the Applicant's website (https://iouFinancial.com/) at the same time the Notice Materials are mailed to registered Shareholders;

[21] **ORDERS** that the Record Date for the determination of the Shareholders entitled to receive the Notice Materials and to attend and be heard at the Meeting and vote on the Arrangement Resolution shall be close of business (Montréal time) on August 8, 2023;

[22] **ORDERS** that the Applicant, subject to compliance with the terms of the Arrangement Agreement, may make, in accordance with this Interim Order, such additions, amendments or revision to the Notice Materials as it determines to be appropriate (the "**Additional Materials**"), which shall be distributed to the persons entitled to receive the Notice Materials pursuant to this Interim Order by the method and in the time determined by the Applicant to be most practicable in the circumstances;

[23] **DECLARES** that the mailing or delivery of the Notice Materials and any Additional Materials in accordance with this Interim Order as set out above constitutes good and sufficient notice of the Meeting upon all persons, and that no other form of service of the Notice Materials and any Additional Materials or any portion thereof, or of the Application need be made, or notice given or other material served in respect of the Meeting to any persons;

[24] **ORDERS** that the Notice Materials and any Additional Materials shall be deemed, for the purposes of the present proceedings, to have been received and served upon:

(a) in the case of distribution by mail, three (3) business days after delivery thereof to the post office;

(b) in the case of delivery in person or by courier, upon receipt thereof at the intended recipient's address; and

(c) in the case of delivery by e-mail, on the day of transmission;

[25] **DECLARES** that the accidental failure or omission to give notice of the Meeting to, or the non-receipt of such notice by, one or more of the persons specified in this Interim Order shall not invalidate any resolution passed at the Meeting or the proceedings herein, and shall not constitute a breach of this Interim Order or defect in the calling of the Meeting, provided that if any such failure or omission is brought to the attention of the Applicant, it shall use reasonable efforts to rectify such failure or omission by the method and in the time it determines to be most reasonably practicable in the circumstances;

Dissent Rights

[26] **ORDERS**, pursuant to subsection 416, al. 2(5) of the QBCA, that the registered Shareholders shall be entitled to exercise the right to demand the repurchase of their Shares (the "**Dissent Rights**") in accordance with the "Dissent Rights" mechanism set forth in the proposed Plan of Arrangement and that sections 377 to 388 of the QBCA (subject to the terms of this Interim Order) shall apply *mutatis mutandis* to the exercise of such Dissent Rights;

[27] **ORDERS** that any registered Shareholder (whether on its own behalf or on behalf of a non-registered Shareholder) who wishes to exercise a Dissent Right:

(a) shall deliver a written notice of objection to the Arrangement Resolution (a "**Dissent Notice**") to the Applicant so that, notwithstanding section 376 of the QBCA, it is received by the Applicant's Chief Financial Officer and Corporate Secretary, Daniel O'Keefe, by e-mail at dokeefe@ioufinancial.com by no later than 5:00 p.m. (Montréal time) on September 8, 2023, or 5:00 p.m. (Montréal time) on the second business day prior to the date that any adjourned or postponed Meeting is reconvened or held, as the case may be, and must otherwise strictly comply with the dissent procedure described;

(b) shall have been a Shareholder as of the Record Date and as of the deadline for exercising Dissent Rights;

(c) must dissent with respect to all of the Shares held by such person, failing which the Shareholder's Dissent Notice shall be null and void; and

(d) must otherwise comply with the requirements of Chapter XIV of the QBCA, as modified by the Plan of Arrangement, this Interim Order and the Final Order;

[28] **DECLARES** that a Shareholder who has submitted a Dissent Notice and who fails to exercise all the voting rights carried by the Shares held by such holder against the Arrangement Resolution shall no longer be considered as having exercised his, her or its Dissent Rights, and that a vote against the Arrangement Resolution, or an abstention from voting, shall not constitute a Dissent Notice;

[29] **ORDERS** that any registered Shareholder wishing to apply to a Court to fix a fair value for Shares in respect of which Dissent Rights have been duly exercised must apply to the Superior Court of Québec, sitting in the Commercial Division in and for the district of Montréal;

The Final Order Hearing

[30] **ORDERS** that subject to the approval by the Shareholders of the Arrangement Resolution in the manner set forth in this Interim Order, the Applicant may apply for this Court to approve the Arrangement by way of a final judgment (the "**Application for a Final Order**");

[31] **ORDERS** that the Application for a Final Order be presented on September 15, 2023 at 2:15 pm (Montréal time) before the Superior Court of Québec, sitting in the Commercial Division in and for the district of Montréal at the Montréal Courthouse located at 1 Notre-Dame Street East, City of Montréal, Province of Québec, in room 16.04 or at any other time, date and place as this Court may see fit;

[32] **ORDERS** that the mailing or delivery of the Notice Materials constitutes good and sufficient service of the Application and good and sufficient notice of presentation of the Application for a Final Order to all persons, whether those persons reside within Québec or in another jurisdiction;

[33] **ORDERS** that the only persons entitled to appear and be heard at the hearing of the Application for a Final Order shall be the Applicant and the Purchaser and their respective legal counsel and any person that:

(a) by service upon counsel to the Applicant c/o Davies Ward Phillips & Vineberg LLP (Attention Mtre Faiz Lalani), either by fax (514-841-6499) or e-mail (flalani@dwpv.com), with a copy to the Purchaser c/o Stikeman Elliott LLP (Mtre Stéphanie Lapierre and Mtre Nathalie Nouvet, either by fax (514-397-3222) or e-mail (slapierre@stikeman.com and nnouvet@stikeman.com) serves a notice of appearance in the form required by the Code of Civil Procedure and the rules of the Court and any additional affidavits or other materials on which a party intends to rely in connection with any submissions at such hearing, as soon as reasonably practicable, and, in any event, no later than 4:30 p.m. (Montréal time) on September 7, 2023; and

(b) if such appearance is with a view to contesting the Application for a Final Order, serves on counsel for the Applicant (at the above e-mail address or facsimile number), with copy to counsel for the Purchaser (at the above e-mail address or facsimile number), no later than 4:30 p.m. (Montréal time) on September 7, 2023, a written contestation supported as to the facts alleged by affidavit(s), and exhibit(s), if any;

[34] **ALLOWS** the Applicant to file any further evidence it deems appropriate, by way of supplementary affidavits or otherwise, in connection with the Application for a Final Order;

Miscellaneous

[35] **DECLARES** that the Applicant shall be entitled to seek leave to vary this Interim Order upon such terms and such notice as this Court deems just;

[36] **REQUESTS** the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada, the Federal Court and any judicial, regulatory or administrative of body of any other nation or state, to assist the Applicant and its agents in carrying out the terms of this Interim Order;

[37] **ORDERS** provisional execution of this Interim Order notwithstanding any appeal therefrom and without the necessity of furnishing any security;

[38] **DECLARES** that this Court shall remain seized of this matter to resolve any difficulty which may arise in relation to, or in connection with the implementation of this Interim Order and/or the Arrangement;

[39] **THE WHOLE** without costs.

The Honourable Christian Immer, J.S.C.

APPENDIX F
NOTICE OF PRESENTATION OF FINAL ORDER

See attached.

NOTICE OF PRESENTATION OF APPLICATION FOR A FINAL ORDER

TAKE NOTICE that the *Application for Interim and Final Orders in connection with a proposed arrangement* of IOU Financial Inc. (the "**Applicant**") (a copy of which is available at www.ioufinancial.com) will be presented on **September 15, 2023** for adjudication of the Application for a Final Order before the Superior Court of Québec, sitting in the Commercial Division in and for the district of Montréal at the Montréal Courthouse (1 Notre-Dame Street East, City Montréal, Québec) at **2:15 p.m.** (Montréal time), or as soon as counsel may be heard, in **room 16.04**, (virtual room and telephone coordinates available at https://coursuperieureduquebec.ca/en/roles-de-la-cour/audiences-virtuelles), or in any other room or at any other date the Court may see fit. All persons who file a notice of appearance (answer) in accordance with the procedure set forth below shall also be provided with the coordinates to attend the hearing in person or virtually via Microsoft Teams.

Pursuant to the Interim Order issued by the Court on August 10, 2023, if you wish to appear and be heard at the hearing of the Application for a Final Order, you are required to file and serve upon the following persons a notice of appearance in the form required by the *Code of Civil Procedure* and the rules of the Court, and any additional affidavits or materials on which you intend to rely in connection with any submissions at the hearing, as soon as reasonably practicable and by no later than 4:30 p.m. (Montréal time) on September 7, 2023: Counsel for the Applicant, Davies Ward Phillips & Vineberg LLP (Attention Mtre Faiz Lalani), either by fax (514-841-6499) or e-mail (flalani@dwpv.com), with a copy to counsel for 9494-3677 Québec Inc. (the "**Purchaser**"), Stikeman Elliott LLP (Attention Mtre Stéphanie Lapierre and Mtre Nathalie Nouvet), either by fax (514-397-3222) or e-mail slapierre@stikeman.com and nnouvet@stikeman.com.

If you wish to contest the Application for a Final Order, you are required, pursuant to the terms of the Interim Order, to serve upon the aforementioned counsel to the Applicant, with copy to counsel to the Purchaser, a written contestation, supported as to the facts alleged by affidavit(s) and exhibit(s), if any, by no later than 4:30 p.m. (Montréal time) on September 7, 2023.

TAKE FURTHER NOTICE that, if you do not file an answer (notice of appearance) within the above-mentioned time limits, you will not be entitled to appear and be heard with respect to the Application for a Final Order, and the Applicant may be granted a judgment without further notice or extension.

If you wish to make representations or contest the issuance by the Court of the Final Order, it is important that you take action within the time limits indicated, either by retaining the services of an attorney who will represent you and act in your name, or by doing so yourself.

A copy of the Final Order issued by the Superior Court of Québec will be filed under the Applicant's issuer profile on SEDAR+ at www.sedarplus.ca.

DO GOVERN YOURSELVES ACCORDINGLY.

APPENDIX G
DISSENT PROVISIONS OF THE QBCA

CHAPTER XIV – RIGHT TO DEMAND REPURCHASE OF SHARES

DIVISION I – GENERAL PROVISIONS

§ 1. – Conditions giving rise to right.

372. The adoption of any of the resolutions listed below confers on a shareholder the right to demand that the corporation repurchase all of the person's shares if the person exercised all the voting rights carried by those shares against the resolution: (1) an ordinary resolution authorizing the corporation to carry out a squeeze-out transaction; (2) a special resolution authorizing an amendment to the articles to add, change or remove a restriction on the corporation's business activity or on the transfer of the corporation's shares; (3) a special resolution authorizing an alienation of corporation property if, as a result of the alienation, the corporation is unable to retain a significant part of its business activity; (4) a special resolution authorizing the corporation to permit the alienation of property of its subsidiary; (5) a special resolution approving an amalgamation agreement; (6) a special resolution authorizing the continuance of the corporation under the laws of a jurisdiction other than Québec; or (7) a resolution by which consent to the dissolution of the corporation is withdrawn if, as a result of the alienation of property begun during the liquidation of the corporation, the corporation is unable to retain a significant part of its business activity.

The adoption of a resolution referred to in any of subparagraphs 3 to 7 of the first paragraph confers on a shareholder whose shares do not carry voting rights the right to demand that the corporation repurchase all of the person's shares.

373. The adoption of a special resolution described in section 191 confers on a shareholder holding shares of the class or series specified in that section the right to demand that the corporation repurchase all of the person's shares of that class or series. That right is subject to the shareholder having exercised all the person's available voting rights against the adoption and approval of the special resolution. That right also exists if all the shares held by the shareholders are of the same class; in that case, the right is subject to the shareholder having exercised all of the person's available voting rights against the adoption of the special resolution. 373.1. Despite section 93, non fully paid shares also confer the right to demand a repurchase.

374. The right to demand a repurchase conferred by the adoption of a resolution is subject to the corporation carrying out the action approved by the resolution.

375. A notice of a shareholders meeting at which a special resolution that could confer the right to demand a repurchase may be adopted must mention that fact. The action approved by the resolution is not invalidated solely because of the absence of such a mention in the notice of meeting. Moreover, if the meeting is called to adopt a resolution described in section 191 or in any of subparagraphs 3 to 7 of the first paragraph of section 372, the corporation notifies the shareholders whose shares do not carry voting rights of the possible adoption of a resolution that could give rise to the right to demand a repurchase of shares.

§ 2. – Conditions for exercise of right and terms of repurchase

I. – Prior notices

376. Shareholders intending to exercise the right to demand the repurchase of their shares must so inform the corporation; otherwise, they are deemed to renounce their right, subject to Division II. To inform the corporation of the intention to exercise the right to demand the repurchase of shares, a shareholder must send a notice to the corporation before the shareholders meeting or advise the chair of the meeting during the meeting. In the case of a shareholder described in the second paragraph of

section 372 none of whose shares carry voting rights, the notice must be sent to the corporation not later than 48 hours before the shareholders meeting.

377. As soon as a corporation takes the action approved by a resolution giving rise to the right to demand a repurchase of shares, it must give notice to all shareholders who informed the corporation of their intention to exercise that right. The repurchase notice must mention the repurchase price offered by the corporation for the shares held by each shareholder and explain how the price was determined. If the corporation is unable to pay the full redemption price offered because there are reasonable grounds for believing that it is or would be unable to pay its liabilities as they become due, the repurchase notice must mention that fact and indicate the maximum amount of the price offered the corporation will legally be able to pay.

378. The repurchase price is the fair value of the shares as of the close of the offices of the corporation on the day before the resolution conferring the right to demand a repurchase is adopted. When the action approved by the resolution is taken following a take-over bid with respect to all the shares of a class of shares issued by a corporation that is a reporting issuer and the bid is closed within 120 days before the resolution is adopted, the repurchase price may be determined to be the fair value of the shares on the day before the take-over bid closed if the offeror informed the shareholders, on making the take-over bid, that the action would be submitted to shareholder authorization or approval.

379. The repurchase price of all shares of the same class or series must be the same, regardless of the shareholder holding them. However, in the case of a shareholder holding non-fully paid shares, the corporation must subtract the unpaid portion of the shares from the repurchase price offered or, if it cannot pay the full repurchase price offered, the maximum amount that it can legally pay for those shares. The repurchase notice must mention the subtraction and show the amount that can be paid to the shareholder.

380. Within 30 days after receiving a repurchase notice, shareholders must confirm to the corporation that they wish to exercise their right to demand a repurchase. Otherwise, they are deemed to have renounced their right. The confirmation may not be limited to only part of the repurchasable shares. It does not affect a shareholder's right to demand an increase in the repurchase price offered.

II. – Payment of repurchase price

381. A corporation must pay the offered repurchase price to all shareholders who confirmed their decision to exercise their right to demand the repurchase of their shares within 10 days after such confirmation. However, a corporation that is unable to pay the full repurchase price offered because there are reasonable grounds for believing that it is or would be unable to pay its liabilities as they become due is only required to pay the maximum amount it may legally pay the shareholders. In that case, the shareholders remain creditors of the corporation for the unpaid balance of the repurchase price and are entitled to be paid as soon as the corporation is legally able to do so or, in the event of the liquidation of the corporation, are entitled to be collocated after the other creditors but by preference over the other shareholders.

III. – Increase in repurchase price

382. To contest a corporation's appraisal of the fair value of their shares, shareholders must notify the corporation within the time given to confirm their decision to exercise their right to demand a repurchase. Such contestation is a confirmation of a shareholder's decision to exercise the right to demand a repurchase.

383. A corporation may increase the repurchase price offered within 30 days after receiving a notice of contestation.

384. If a corporation does not follow up on a shareholder's contestation within 30 days after receiving a notice of contestation, the shareholder may ask the court to determine the increase in the repurchase price. The same applies when a shareholder contests the increase in the repurchase price offered by

the corporation. The shareholder must, however, make the application within 90 days after receiving the repurchase notice.

385. As soon as an application is filed under section 384, it must be notified by the corporation to all the other shareholders who are still contesting the appraisal of the fair value of their shares or the increase in the repurchase price offered by the corporation.

386. All shareholders to whom the corporation notified the application are bound by the court judgment.

387. The court may entrust the appraisal of the fair value of the shares to an expert.

388. The corporation must, without delay, pay the increase in the repurchase price to all shareholders who did not contest the increase offered. It must pay the increase determined by the court to all shareholders who, under section 386, are bound by the court judgment, within 10 days after the judgment. However, a corporation that is unable to pay the full increase in the repurchase price because there are reasonable grounds for believing that it is or would be unable to pay its liabilities as they become due is only required to pay the maximum amount it may legally pay the shareholders. In such a case, the shareholders remain creditors of the corporation for the unpaid balance of the repurchase price and are entitled to be paid as soon as the corporation is legally able to do so or, in the event of the liquidation of the corporation, are entitled to be collocated after the other creditors but by preference over the other shareholders.

DIVISION II – SPECIAL PROVISIONS FOLLOWING FAILURE TO NOTIFY SHAREHOLDERS

389. If shareholders were unable to inform the corporation of their intention to exercise the right to demand the repurchase of their shares within the period prescribed by section 376 because the corporation failed to notify them of the possible adoption of a resolution giving rise to that demand, they may demand the repurchase of their shares as though they had informed the corporation and had voted against the resolution. Shareholders entitled to vote may not exercise the right to demand the repurchase of their shares if they voted in favour of the resolution or were present at the meeting but abstained from voting on the resolution. A shareholder is presumed to have been notified of the proposed adoption of the resolution if notice of the shareholders meeting was sent to the address entered in the security register for that shareholder.

390. A shareholder must demand the repurchase of shares within 30 days after becoming aware that the action approved by the resolution conferring the right to demand a repurchase has been taken. However, the repurchase demand may not be made later than 90 days after that action is taken.

391. As soon as the corporation receives a repurchase demand, it must notify the shareholder of the repurchase price it is offering for the shareholder's shares. The repurchase price offered for the shares of a class or series must be the same as that offered to shareholders, if any, who exercised their right to demand a repurchase after informing the corporation of their intention to do so in accordance with Division I.

392. The corporation may not pay the repurchase price offered to the shareholder if such payment would make it unable to pay the maximum amount mentioned in the repurchase notice sent to the shareholders who informed the corporation, in accordance with section 376, of their intention to exercise their right to demand the repurchase of their shares. If the corporation cannot pay to the shareholder the full amount offered to the shareholder, the directors are solidarily liable for payment to the shareholder of the sums needed to complete the payment of that amount. The directors are subrogated to the shareholder's rights against the corporation, up to the sums they have paid.

DIVISION III – SPECIAL PROVISIONS WITH RESPECT TO BENEFICIARY

393. A beneficiary who may give instructions to a shareholder as to the exercise of rights attaching to a share has the right to demand the repurchase of that share as though the beneficiary were a shareholder; however, the beneficiary may only exercise that right by giving instructions for that

purpose to the shareholder. The beneficiary's instructions must allow the shareholder to exercise the right in accordance with this chapter.

394. A shareholder is required to notify the beneficiary of the calling of any shareholders meeting at which a resolution that could give rise to the right to demand a repurchase may be adopted, specifying that the beneficiary may exercise that right as though the beneficiary were a shareholder. The shareholder is presumed to have fulfilled that obligation if the beneficiary is notified in accordance with any applicable regulations under the Securities Act (chapter V-1.1).

395. A shareholder must inform the corporation of the identity of a beneficiary who intends to demand the repurchase of shares, and of the number of shares to be repurchased, within the period prescribed by section 376.

396. A shareholder who demands the repurchase of shares in accordance with the instructions of a beneficiary may demand the repurchase of part of the shares to which that right is attached.

397. The beneficiary's claim with respect to shares for which the full repurchase price could not be paid, as well as the other rights granted to a beneficiary under this chapter, may be exercised directly against the corporation. Likewise, after the repurchase price has been fully paid, the rights granted to a beneficiary under this chapter regarding an increase in the repurchase price may be exercised directly against the corporation.

YOUR **VOTE** IS **IMPORTANT**

MORROW SODALI

If you have any questions or require any assistance in executing your proxy or voting instruction form, please call IOU Financial Inc.'s proxy solicitation agent, Morrow Sodali, at:

North American Toll-Free Number: 1.888.444.0617
Outside North America, Banks, Brokers and Collect Calls: 1.289.695.3075
Email: assistance@morrowsodali.com
North American Toll-Free Facsimile: 1.877.218.5372

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Download the latest about IOU Financial Inc. at: www.ioufinancial.com
IOU Financial Inc. is traded on the TSX Venture Exchange under the symbol "IOU"