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Oct 24, 2023
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COURT FILE NUMBER

2301 - 13913

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

APPLICANT

SEQUENT AI LTD.

RESPONDENTS

GENESIS INTEGRATION INC. and
FUSION CINE SALES & RENTALS INC.

DOCUMENT

SECRETARIAL AFFIDAVIT

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF PARTY
FILING THIS DOCUMENT

BLAKE, CASSELS & GRAYDON LLP
3500 Bankers Hall East
855 – 2nd Street SW
Calgary, AB T2P 4J8

Attention: Linc Rogers / Christopher Keliher /
Jessica MacKinnon
Telephone: 416-863-4168 / 403-260-9760 /
403-260-9657
Facsimile: 403-260-9700
Email: linc.rogers@blakes.com /
christopher.keliher@blakes.com /
jessica.mackinnon@blakes.com

File Ref.: 27784/2

1413-6687-5144.1

This is **Exhibit "A"** referred to in the Affidavit of Olivia Valks sworn before me this 24th day of October, 2023.


A Commissioner for Oaths in and for
Alberta

KATHY LYNN DEINES
A Commissioner for Oaths in and for
the Province of Alberta
My Commission expires July 16th, 2025

GUARANTEE

TO: CORTLAND CREDIT LENDING CORPORATION, as Agent
FROM: FUSION CINE SALES & RENTALS INC., as Guarantor
RE: 965591 ALBERTA LTD., as Borrower
DATE: December 15, 2020

IN CONSIDERATION OF Cortland Credit Lending Corporation, in its capacity as agent ("**Agent**") agreeing to arrange certain credit accommodations to 965591 Alberta Ltd., an Alberta corporation ("**Borrower**") pursuant to a Credit Agreement dated as of December 15, 2020 (as amended, restated, replaced, supplemented or otherwise modified from time to time, the "**Credit Agreement**"), Fusion Cine Sales & Rentals Inc., a British Columbia corporation ("**Guarantor**") hereby guarantees the payment by Borrower of all claims, debts, liabilities and other obligations, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by Borrower to Agent and the Lenders (as defined in the Credit Agreement) or remaining unpaid by Borrower to Agent or the Lenders pursuant to the Credit Documents (as defined in the Credit Agreement) (collectively the "**Liabilities**"). The Liabilities shall be repayable on a demand basis and shall bear interest at a variable rate per annum which is equal to the greater of (a) 7.55% above the Prime Rate (as defined in the Credit Agreement), and (b) 10%, calculated monthly not in advance, both before and after default, demand and judgment on the principal amount and overdue interest, if any, from time to time remaining unpaid, such interest to accrue from the date of demand to the date of final payment.

AND GUARANTOR does hereby agrees with Agent as follows:

1. **Continuing Guarantee.** This Guarantee shall be a continuing Guarantee and shall cover all of the Liabilities outstanding from time to time. This Guarantee shall further apply to and secure any ultimate balance due or remaining unpaid to Agent by Borrower and it shall remain in full force and effect notwithstanding the release or discharge of Borrower for any reason whatsoever other than payment in full of the ultimate balance of the Liabilities.
2. **Partial Payments.** This Guarantee shall not be considered or deemed wholly or partially satisfied by the payment at any time or times of any sum or sums of money for the time being due or remaining unpaid to Agent and any monies received or realized by Agent from Borrower or others shall be for all purposes payments in gross without any right on the part of Guarantor to claim in reduction of the liability under this Guarantee the benefit of any such payments and Guarantor shall have no rights to be subrogated in any of the rights of until shall have received payment in full of the Liabilities.
3. **Recourse.** Agent shall not be bound to exhaust its recourse against Borrower or others or any security it may at any time hold before being entitled to payment from Guarantor of the Liabilities. Guarantor renounces all benefits of discussion and division.
4. **Failure of Agent to Exercise Rights.** Agent may grant time, renewals, extensions, indulgences, releases and discharges to, take security from and give the same and any or all existing security up to, abstain from taking security from or from perfecting security of, cease or refrain from giving credit or making loans or advances to, accept compositions from and otherwise deal with Borrower and others and with all security as Agent may see fit, and may apply all monies at any time received from Borrower or others or from security upon such part of the Liabilities as Agent deems best and change any such application in whole or in part from time to time as Agent may see fit, the whole without in any way limiting

or lessening the liability of Guarantor under this Guarantee, and no loss of or in respect of any security realized by Agent from Borrower or others, whether occasioned by the fault of Agent or otherwise, shall in any way limit or lessen the liability of Guarantor under this Guarantee.

5. **Guarantee to Remain Enforceable.** This Guarantee shall not be discharged or otherwise affected by any change in the name of Borrower, or in the objects, capital structure or constitution of Borrower, or by the sale of the business of Borrower or any part thereof or by Borrower being amalgamated with another corporation, but shall, notwithstanding any such event, continue to apply to all Liabilities whether incurred before or after such change, and in the case of Borrower being amalgamated with another corporation, this Guarantee shall apply to the Liabilities of the resulting partnership or corporation, and the term "**Borrower**" shall include each such resulting partnership and corporation.

6. **Assignment and Postponement.** All indebtedness and liability, present and future, of Borrower to Guarantor is hereby assigned to Agent and postponed to the Liabilities, and, after the occurrence of an Acceleration Event that is continuing, all monies received by Guarantor in respect thereof shall be received in trust for Agent and forthwith upon receipt shall be paid over to Agent, the whole without in any way limiting or lessening the liabilities of Guarantor under the foregoing Guarantee. This assignment and postponement is independent of the said Guarantee and shall remain in full force and effect notwithstanding that the liability of Guarantor under the said Guarantee may be extinct.

7. **Additional Liabilities.** All advances, renewals and credits made or granted by Agent purportedly to or for Borrower after the bankruptcy or insolvency of Borrower but before Borrower has received written notice thereof, shall be deemed to form part of the Liabilities; and all advances, renewals and credits obtained from purportedly by or on behalf of Borrower shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of power, incapacity or disability of Borrower or of the directors, officers or agents thereof, or that Borrower may not be a legal entity, or any irregularity, defect or informality in the obtaining of such advance, renewals or credits, whether or not had knowledge thereof; and any such advance, renewal or credit which may not be recoverable from Guarantor as guarantor shall be recoverable from Guarantor as principal debtor in respect thereof and shall be paid to Agent on demand with interest and accessories.

8. **Not a Substitution for any other Guarantee.** This Guarantee is in addition to and not in substitution for any other Guarantee, by whomsoever given, at any time held by Agent, and any present or future obligation to Agent incurred or arising otherwise than under a Guarantee of Guarantor or of any other obligant, whether bound with or apart from, excepting any Guarantee surrendered for cancellation on delivery of this instrument.

9. **Acceptance of Account by Guarantor.** Guarantor shall be bound by any account settled between Agent and Borrower, and if no such account has been so settled immediately before demand of payment under this Guarantee, any account stated by Agent shall be accepted by Guarantor as conclusive evidence of the amount which at the date of the account so stated is due by Borrower to Agent or remains unpaid by Borrower to Agent.

10. **Determination of Guarantors' Liability.** Guarantor may, by notice in writing delivered to Agent, determine its liability under this Guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities incurred or arising even though not then mature, provided, however, that notwithstanding receipt of any such notice Agent may fulfil any requirements of Agent based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this Guarantee.

11. **No Right of Set-Off or Counterclaim.** Until repayment in full of all the Liabilities, all dividends, compositions, proceeds of security, security valued or payments received by Agent from Borrower or others, or from estates in respect of the Liabilities shall be regarded for all purposes as payments in gross without any right on the part of Guarantor to claim the benefit thereof in reduction of the liability under this Guarantee, and Guarantor shall not claim any set-off or counterclaim against Agent in respect of any liability of Borrower to Guarantor, claim or prove in the bankruptcy or insolvency of Borrower in competition with Agent or have any right to be subrogated to Agent.

12. **Notices.** No suit based on this Guarantee shall be instituted until demand of payment has been made upon Guarantor. For the purposes of this Guarantee, demand made hereunder shall be sufficiently given or made for all purposes if be given by personal delivery, or except during any period when postal service is interrupted, by prepaid registered mail, or by facsimile, electronic mail or by other means of instantaneous transmission that produces a permanent copy to the address noted below ("**other communication**") addressed as follows:

(a) to Guarantor:

14721 123 Avenue
Edmonton, Alberta T5L 2Y6
Attention: Kelly McCarthy, Chairman
Email: kelly@genint.com

(b) to Agent:

Cortland Credit Lending Corporation
c/o Cortland Credit Group Inc.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 3230
Toronto, Ontario M5J 2J2
Attention: Sean Rogister
Email: srogister@cortlandcredit.ca

or at such other address as may be given such person to the other parties hereto in writing from time to time. All such demands shall be deemed to have been received when delivered or transmitted, if mailed, 48 hours after 12:01 a.m. on the day following the day of the mailing thereof.

13. **Additional Considerations.** The parties shall sign such further and other documents, cause such meetings to be held, resolutions passed and by-laws enacted, exercise their vote and influence, do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this agreement and every part thereof.

14. **Counterparts.** This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall be but one and the same instrument.

15. **Time of the Essence.** Time shall be of the essence of this Agreement and of every part hereof and no extension or variation of this Agreement shall operate as a waiver of this provision.

16. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to all of the matters herein and its execution has not been induced by, nor do any of the parties rely upon or regard as material, any representations or writings whatever not incorporated herein and made a part hereof and may not be amended or modified in any respect except by written instrument signed by the

parties hereto. Any schedules referred to herein are incorporated herein by reference and form part of the Agreement.

17. **Enurement.** This Agreement shall enure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators, successors, legal representatives and permitted assigns.

18. **Currency.** Unless otherwise provided for herein, all monetary amounts referred to herein shall refer to the lawful money of Canada.

19. **Headings for Convenience Only.** The division of this Agreement into articles and sections is for convenience of reference only and shall not affect the interpretation or construction of this agreement.

20. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein and each of the parties hereto agrees irrevocably to conform to the non-exclusive jurisdiction of the Courts of such Province.

21. **Gender.** In this Agreement, words importing the singular number shall include the plural and vice versa, and words importing the use of any gender shall include the masculine, feminine and neuter genders and the word "person" shall include an individual, a trust, a partnership, a body corporate, an association or other incorporated or unincorporated organization or entity.

22. **Calculation of Time.** When calculating the period of time within which or following which any act is to be done or step taken pursuant to this Agreement, the date which is the reference date in calculating such period shall be excluded. If the last day of such period is not a Business Day, then the time period in question shall end on the first business day following such non-business day.

23. **Legislation References.** Any references in this Agreement to any law, by-law, rule, regulation, order or act of any government, governmental body or other regulatory body shall be construed as a reference thereto as amended or re-enacted from time to time or as a reference to any successor thereto.

24. **Severability.** If any Article, Section or any portion of any Section of this Agreement is determined to be unenforceable or invalid for any reason whatsoever that unenforceability or invalidity shall not affect the enforceability or validity of the remaining portions of this Agreement and such unenforceable or invalid Article, Section or portion thereof shall be severed from the remainder of this Agreement.

25. **Transmission by Facsimile.** The parties hereto agree that this Agreement may be transmitted by facsimile or such similar device and that the reproduction of signatures by facsimile or such similar device will be treated as binding as if originals and each party hereto undertakes to provide each and every other party hereto with a copy of the Agreement bearing original signatures forthwith upon demand.

[signature page follows]

IN WITNESS WHEREOF Guarantor has duly executed this Guarantee.

FUSION CINE SALES & RENTALS INC.

Per: 

Name: Byron Drinkle

Title: President

I have the authority to bind the Guarantor.