

## Offering Memorandum

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. The information disclosed on this page is a summary only. Purchasers should read the entire Offering Memorandum for full details about the Offering. This is a risky investment. See Item 8 Risk Factors.

**Date:** July 29, 2019

**The Issuer:** Yesterpay Holdings Inc. (the “Corporation”)  
**Address:** 121 - 234 5149 Country Hills Boulevard NW  
 Calgary, Alberta, T3A 5K8

**Phone:** (587) 779-7929  
**Email:** info@yesterpay.com

Currently listed or quoted? **No. These securities do not trade on any exchange or market.**  
 Reporting Issuer? No.  
 SEDAR filer? Yes.

### The Offering

| <b>Securities Offered</b>                         | <p>There will be four series of unsecured bonds of the Corporation offered pursuant to the Current Offering (as defined herein), each with separate interest payment terms (referred to herein as the “<b>Series C Bonds</b>”, the “<b>Series D Bonds</b>”, the “<b>Series E Bonds</b>” and the “<b>Series F Bonds</b>” and collectively as the “<b>Offered Bonds</b>” and individually, as an “<b>Offered Bond</b>”). Below is a summary of the basic terms of the Bonds, and this summary is qualified entirely by the description in Item 5.1:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Type of Bond</th> <th style="text-align: left;">Term</th> <th style="text-align: left;">Interest Rate</th> <th style="text-align: left;">Interest Payment Provisions</th> </tr> </thead> <tbody> <tr> <td>Series C Bonds</td> <td>1 Year</td> <td>6.5%</td> <td>Payable on the last day of each month</td> </tr> <tr> <td>Series D Bonds</td> <td>2 Years</td> <td>7.5%</td> <td>Payable on the last day of each month</td> </tr> <tr> <td>Series E Bonds</td> <td>3 Years</td> <td>8.5%</td> <td>Payable on the last day of each month</td> </tr> <tr> <td>Series F Bonds</td> <td>3 Years</td> <td>8.5%</td> <td>Compounded monthly and payable on maturity</td> </tr> </tbody> </table> <p><b>See Item 5.1 for details regarding the Offered Bonds and Item 5.2 for the limitations placed on subscription for the Offered Bonds.</b></p> |                    | Type of Bond                               | Term | Interest Rate | Interest Payment Provisions | Series C Bonds | 1 Year | 6.5% | Payable on the last day of each month | Series D Bonds | 2 Years | 7.5% | Payable on the last day of each month | Series E Bonds | 3 Years | 8.5% | Payable on the last day of each month | Series F Bonds | 3 Years | 8.5% | Compounded monthly and payable on maturity |
|---|---|--------------------|--|------|---------------|-----------------------------|----------------|--------|------|---------------------------------------|----------------|---------|------|---------------------------------------|----------------|---------|------|---------------------------------------|----------------|---------|------|--|
| Type of Bond                                      | Term  | Interest Rate      | Interest Payment Provisions                |      |               |                             |                |        |      |                                       |                |         |      |                                       |                |         |      |                                       |                |         |      |  |
| Series C Bonds                                    | 1 Year  | 6.5%               | Payable on the last day of each month      |      |               |                             |                |        |      |                                       |                |         |      |                                       |                |         |      |                                       |                |         |      |  |
| Series D Bonds                                    | 2 Years   | 7.5%               | Payable on the last day of each month      |      |               |                             |                |        |      |                                       |                |         |      |                                       |                |         |      |                                       |                |         |      |  |
| Series E Bonds                                    | 3 Years   | 8.5%               | Payable on the last day of each month      |      |               |                             |                |        |      |                                       |                |         |      |                                       |                |         |      |                                       |                |         |      |  |
| Series F Bonds                                    | 3 Years   | 8.5%               | Compounded monthly and payable on maturity |      |               |                             |                |        |      |                                       |                |         |      |                                       |                |         |      |                                       |                |         |      |  |
| <b>Price Per Security</b>                         | \$100 per Offered Bond  |                    |  |      |               |                             |                |        |      |                                       |                |         |      |                                       |                |         |      |                                       |                |         |      |  |
| <b>Minimum Offering</b>                           | <p><b>To date the Corporation has issued an aggregate of 700 Historical Issued Bonds (as defined herein) and 50,662 Total Current Offering Issued Bonds (as defined herein) pursuant to the Initial Offerings (as defined herein), raising in the aggregate \$5,766,200 as of the date hereof. This Offering is not subject to any minimum offering amount. You may be the only purchaser.</b></p>  |                    |  |      |               |                             |                |        |      |                                       |                |         |      |                                       |                |         |      |                                       |                |         |      |  |
| <b>Maximum Offering</b>                           | \$9,233,800   | (92,338 Bonds)     |  |      |               |                             |                |        |      |                                       |                |         |      |                                       |                |         |      |                                       |                |         |      |  |
| <b>Minimum Subscription Amount Per Subscriber</b> | \$1,000   | (10 Offered Bonds) |  |      |               |                             |                |        |      |                                       |                |         |      |                                       |                |         |      |                                       |                |         |      |  |
| <b>Available Funds</b>                            | <p><b>Funds available under this Offering may not be sufficient to accomplish our proposed objectives.</b> In the event that the Corporation does not raise the full amount under the Offering, then the Corporation will reduce the amount of available funds lent to CNI (as defined herein) and as a result, CNI will reduce the number of invoices purchased.</p>   |                    |  |      |               |                             |                |        |      |                                       |                |         |      |                                       |                |         |      |                                       |                |         |      |  |
| <b>Payment Terms</b>                              | <p>Payment in full by certified cheque, bank draft, cheque, wire transfer or other form of payment acceptable to the Corporation, in its full discretion, of the subscription price is to be made with the delivery of a duly executed and completed Subscription Agreement. <b>See Item 5.2 Subscription Procedure.</b></p>  |                    |  |      |               |                             |                |        |      |                                       |                |         |      |                                       |                |         |      |                                       |                |         |      |  |
| <b>Proposed Closing Date(s)</b>                   | <p>Closings will take place periodically at the Corporation’s discretion.</p>   |                    |  |      |               |                             |                |        |      |                                       |                |         |      |                                       |                |         |      |                                       |                |         |      |  |
| <b>Income Tax Consequences</b>                    | <p>There are important tax consequences to these securities. <b>See Item 6 Income Tax Consequences and Deferred Plan Eligibility.</b></p>   |                    |  |      |               |                             |                |        |      |                                       |                |         |      |                                       |                |         |      |                                       |                |         |      |  |
| <b>Purchasers’ Rights</b>                         | <p>You have two business days to cancel your Subscription Agreement (as defined herein) to purchase these securities. If there is a misrepresentation in this Offering Memorandum (as defined herein), you have the right to sue either for damages or to cancel the Subscription Agreement. <b>See Item 11 Purchasers’ Rights.</b></p>   |                    |  |      |               |                             |                |        |      |                                       |                |         |      |                                       |                |         |      |                                       |                |         |      |  |

|   |   |
|---|---|
| <b>Resale Restrictions</b>  | You will not be able to sell these securities except in very limited circumstances. You may never be able to resell these securities. <b>See Item 10 Resale Restrictions.</b>   |
| <b>Selling Agents</b>   | Where allowed by applicable securities legislation, the Corporation intends to offer compensation of up to six percent (6%) of the gross proceeds realized on the sale of Offered Bonds under this Current Offering to any one of, or a combination of, the following parties: registered dealers and exempt market dealing representatives, each of whom are registered in accordance with applicable securities laws. The Corporation may pay up to two percent (2%) of the gross proceeds realized on the sale of Offered Bonds to exempt market dealers that it retains as a dealer listing fee. Capital Now Inc. (“CNI”) may pay all such compensation to the above parties on the Corporation’s behalf pursuant to the Loan Commitment Fee. <b>See Item 7 Compensation Paid to Sellers and Finders.</b> |
| <b>YESTERPAY COPY – Please initial below and submit this page with your Subscription Agreement.</b><br><br><hr/> <b>Investor Initials</b> |   |

**SUBSCRIPTION FOR BONDS**

**TO: Yesterpay Holdings Inc.**

The undersigned (hereinafter referred to as the “**Subscriber**”) hereby irrevocably subscribes for and agrees to purchase the number of: six and a half percent (6.5%) unsecured Series C Bonds; seven and a half percent (7.5%) unsecured Series D Bonds; eight and a half percent (8.5%) unsecured Series E Bonds; or eight and a half percent (8.5%) unsecured Series F Bonds (each as defined in the offering memorandum of the Corporation (as defined herein) dated July 29, 2019) (together, the “**Bonds**”) of the Corporation set forth below for the aggregate subscription amount set forth below, representing a subscription price of CDN \$100 per Bond, upon and subject to the terms and conditions set forth in “Terms and Conditions of Subscription for Bonds of Yesterpay Holdings Inc.” attached hereto (the “**Subscription Agreement**”). **In addition to this face page, the Subscriber must also complete all applicable schedules attached hereto.**

\_\_\_\_\_

Full Legal Name of Subscriber - (Include middle name, please print)

By: \_\_\_\_\_

Signature of Subscriber or its Authorized Representative

\_\_\_\_\_

Official Title or Capacity (please print)

\_\_\_\_\_

Name of Signatory (please print name of individual whose signature appears above if different than name of Subscriber)

\_\_\_\_\_

Subscriber's Address (LINE ONE)

\_\_\_\_\_

Subscriber's Address (LINE TWO)

\_\_\_\_\_

Social Insurance Number / Business Number

\_\_\_\_\_

Date of Execution

\_\_\_\_\_

Telephone Number (including area code)

\_\_\_\_\_

Email Address

**Register the Bonds (if different from address above) as follows:**

\_\_\_\_\_

Name

\_\_\_\_\_

Account reference, if applicable

\_\_\_\_\_

Address (LINE ONE)

\_\_\_\_\_

Address (LINE TWO)

\_\_\_\_\_

Telephone Number (including area code)

**Aggregate Subscription Amount: \$** \_\_\_\_\_

(Minimum Subscription of \$1,000)

**Series of Bonds:** \_\_\_\_\_

**Number of Bonds:** \_\_\_\_\_

If the Subscriber is signing as agent for a principal and is not a trust corporation or, in Alberta or British Columbia, a portfolio manager in any case, purchasing as a trustee or an agent for accounts fully managed by it, complete the following and ensure that the applicable schedules attached hereto are completed in respect of such principal:

\_\_\_\_\_

Name of Principal

\_\_\_\_\_

Principal's address

\_\_\_\_\_

Telephone Number

\_\_\_\_\_

Email Address

**Deliver the Bonds (if different from address given) as follows:**

\_\_\_\_\_

Name

\_\_\_\_\_

Account reference, if applicable

\_\_\_\_\_

Contact Name

\_\_\_\_\_

Address (including postal code)

\_\_\_\_\_

Telephone Number (including area code)

**Insider Status**

The Subscriber either [**check appropriate box**]:

- is an "Insider" of the Corporation as defined by applicable securities law; or
- is not an Insider of the Corporation

**Registrant Status**

The Subscriber either [**check appropriate box**]:

- is a "Registrant" as defined by applicable securities law; or
- is not a Registrant

**FOR OFFICE USE ONLY**

**ACCEPTANCE:** The Corporation hereby accepts the subscription as set forth above on the terms and conditions contained in this Subscription Agreement.

|                                |             |                  |
|--------------------------------|-------------|------------------|
| <b>YESTERPAY HOLDINGS INC.</b> |             | Certificate No.: |
| Per: _____                     | Date: _____ |                  |

**TERMS AND CONDITIONS OF SUBSCRIPTION FOR  
BONDS OF YESTERPAY HOLDINGS INC.**

1. **Definitions** in this Subscription Agreement:
  - (a) **“Aggregate Subscription Amount”** means the aggregate dollar amount of the subscription under this Subscription Agreement;
  - (b) **“Bondholder(s)”** means a holder of Bonds purchased by a Subscriber pursuant to the Offering Memorandum;
  - (c) **“Bonds”** means the Bonds of the Corporation offered pursuant to the Offering Memorandum, as described on the face page of this Subscription Agreement;
  - (d) **“Closing Date”** means the date(s) on which Bonds are issued by the Corporation pursuant to the Offering Memorandum;
  - (e) **“Corporation”** means Yesterpay Holdings Inc., a corporation incorporated under the *Business Corporations Act* (Alberta);
  - (f) **“NI 45-106”** means National Instrument 45-106 – *Prospectus Exemptions* of the Canadian Securities Administrators;
  - (g) **“Offering”** means the offering of the Corporation’s Bonds pursuant to the Offering Memorandum; and
  - (h) **“Offering Memorandum”** means the Offering Memorandum of the Corporation dated July 29, 2019.
  
2. **Acknowledgements of the Subscriber** The Subscriber acknowledges, or, if the Subscriber is deemed to be purchasing as principal pursuant to applicable securities laws, each beneficial purchaser for whom the Subscriber is acting acknowledges, that:
  - (a) this subscription represented by this Subscription Agreement, is subject to rejection or acceptance by the Corporation in whole or in part, and is effective only upon acceptance by the Corporation;
  - (b) where allowed by applicable securities legislation, the Corporation intends to offer compensation of up to six percent (6%) of the gross proceeds realized on the sale of Bonds under the Offering to any one of, or a combination of the following parties: registered dealers and exempt market dealing representatives, who are registered in accordance with applicable securities laws. The Corporation will also pay up to two percent (2%) of the gross proceeds realized on the sale of Bonds to exempt market dealers that it retains as a dealer listing fee. Capital Now Inc. (“CNI”) will pay all such compensation to the above parties on the Corporation’s behalf;
  - (c) the Bonds subscribed for by the Subscriber hereunder form part of a larger issue and sale by the Corporation of up to an aggregate principal amount of \$15,000,000 in Bonds;
  - (d) the Subscriber consents to the loan by the Corporation to CNI and agrees that the loan will not constitute a breach of any fiduciary or other duty of the directors and officers of the Corporation and will not give rise to any obligation by CNI or its respective officers, directors or shareholders to account to the Corporation or its Bondholders for any profit made by CNI from the use of the loan proceeds by CNI;
  - (e) the Subscriber acknowledges that Target Capital Inc. (“Target”), as controlling shareholder of the Corporation, owes no duty of care, fiduciary or otherwise, to the Subscriber and that the Subscriber agrees that Target shall not be liable to the Subscriber for any liabilities, losses or damages incurred or suffered by the Subscriber in connection with this investment, including any default by the Corporation in the payment of interest and/or the payment of the principal of the Bonds issued pursuant to this Offering. For greater certainty, either the Corporation or Target shall be entitled to enforce this limitation of liability section without any claim by the Subscriber that Target has not given adequate consideration;
  - (f) the Subscriber is responsible for obtaining such legal advice as it considers appropriate in connection with the execution, delivery and performance by it of this Subscription Agreement; and
  - (g) the Subscriber hereby irrevocably authorizes the Corporation or any agent acting on behalf of the Subscriber to complete or correct any errors or omissions in any form or document provided by the Subscriber.
  
3. **Representations, Warranties, Certifications and Covenants of the Subscriber** By executing this Subscription Agreement, the Subscriber or, if the Subscriber is deemed to be purchasing as principal pursuant to applicable securities laws, each beneficial purchaser for whom the Subscriber is acting, represents, warrants, certifies and covenants to the Corporation (and acknowledges that the Corporation and its counsel are relying thereon) that:
  - (a) if the Subscriber is an individual, the Subscriber is of the full age of majority in the jurisdiction in which this Subscription Agreement is executed and is legally competent to execute and deliver this Subscription Agreement, to perform all of its obligations hereunder, and to undertake all actions required of the Subscriber hereunder;
  - (b) if the Subscriber is not an individual, the Subscriber has the requisite power, authority, legal capacity and competence to execute and deliver this Subscription Agreement, to perform all of its obligations hereunder, and to undertake all

actions required of the Subscriber hereunder, and all necessary approvals of its directors, partners, shareholders, trustees or otherwise with respect to such matters have been given or obtained;

- (c) if the Subscriber is a body corporate, the Subscriber is duly incorporated and validly subsisting under the laws of its jurisdiction of incorporation;
- (d) the Subscriber is purchasing as principal for its own account and not for the benefit of any other person, or alternatively, the Subscriber is deemed to be purchasing as principal, pursuant to applicable securities laws;
- (e) if the Subscriber is not an individual, the Subscriber was not created, or is not used solely to purchase or hold securities in reliance on the exemption from the prospectus requirements provided for in subsections (1), (2) or (2.1) of section 2.9 in NI 45-106, which is the applicable Offering Memorandum Exemption (as defined in the Offering Memorandum);
- (f) this Subscription Agreement has been duly and validly authorized, executed and delivered by, and constitutes a legal, valid, binding and enforceable obligation of, the Subscriber;
- (g) if the Subscriber is acting as agent or trustee for a principal, as permitted by applicable securities laws, the Subscriber is duly authorized to execute and deliver this Subscription Agreement and all other necessary documents in connection with such subscription on behalf of such principal, and this Subscription Agreement has been duly authorized, executed and delivered by or on behalf of, and constitutes a legal, valid, binding and enforceable obligation of, such principal;
- (h) the execution, delivery and performance by the Subscriber of this Subscription Agreement and the completion of the transactions contemplated hereby do not and will not result in a violation of any law, regulation, order or ruling applicable to the Subscriber, and do not and will not constitute a breach of or default under any of the Subscriber's constating documents (if the Subscriber is not an individual) or any agreement to which the Subscriber is a party or by which it is bound;
- (i) that it is a resident of the jurisdiction forth under "Subscriber's Address" on the face page of this Subscription Agreement and that it is either:
  - (i) **resident in British Columbia or Newfoundland and Labrador and subscribing pursuant to the Offering Memorandum Exemption (as defined in the attached Offering Memorandum) that is applicable in that Province in which the Subscriber is resident:**
    - a. it has executed and delivered to the Corporation one (1) completed and signed copy of the Risk Acknowledgment Form attached to the Subscription Agreement as Schedule A (one copy shall be submitted to the Corporation and one copy shall be retained for your records, or if utilizing an electronic platform recognized by the Corporation, an electronic copy will be available to both parties);
  - (ii) **resident in Manitoba, Northwest Territories, Nunavut, Prince Edward Island or Yukon and subscribing pursuant to the Offering Memorandum Exemption (as defined in the attached Offering Memorandum) that is applicable in that Province or Territory in which the Subscriber is resident:**
    - a. it has executed and delivered to the Corporation one (1) completed and signed copy of the Risk Acknowledgment Form attached to the Subscription Agreement as Schedule A (one copy shall be submitted to the Corporation and one copy shall be retained for your records, or if utilizing an electronic platform recognized by the Corporation, an electronic copy will be available to both parties); and
    - b. **AND, IF APPLICABLE, if the Subscriber is subscribing for more than \$10,000 in Bonds**, it has executed and delivered to the Corporation one (1) copy of the Eligible Investor Certificate in the form attached to this Subscription Agreement as Schedule B;
  - (iii) **resident in a Alberta, New Brunswick, Nova Scotia, Ontario and Saskatchewan, and subscribing pursuant to the Offering Memorandum Exemption (as defined in the Offering Memorandum) that is applicable in that Province in which the Subscriber is resident:**
    - a. it has executed and delivered to the Corporation one (1) completed and signed copy of the Risk Acknowledgment Form attached to the Subscription Agreement as Schedule A, including Exhibit 1 and Exhibit 2, if applicable and attached thereto (one copy shall be submitted to the Corporation and one copy shall be retained for your records, or if utilizing an electronic platform recognized by the Corporation, an electronic copy will be available to both parties);

- b. **AND, IF APPLICABLE, if the Subscriber is subscribing for more than \$10,000 in Bonds but no more than \$30,000 in Bonds and including this purchase, has not purchased more than \$30,000 in securities utilizing the Offering Memorandum Exemption in the last 12 months**, it has executed and delivered to the Corporation one (1) copy of the Eligible Investor Certificate in the form attached to this Subscription Agreement as Schedule B;
- c. **AND, IF APPLICABLE, if the Subscriber is subscribing for more than \$30,000 in Bonds but no more than \$100,000 in Bonds and including this purchase, has not purchased more than \$100,000 in securities utilizing the Offering Memorandum Exemption in the last 12 months:**
  - 1. it has executed and delivered to the Corporation one (1) copy of the Eligible Investor Certificate in the form attached to this Subscription Agreement as Schedule B;
  - 2. it has executed and delivered to the Corporation one (1) copy of the Portfolio Manager, Investment Dealer or Exempt Market Dealer Advice Certificate in the form attached to this Subscription Agreement as Schedule C; and
  - 3. the Subscriber represents and warrants that the Subscriber has received advice from a portfolio manager, investment dealer or exempt market dealer that the Subscriber's subscription for the Bonds is suitable for the Subscriber; or
- (iv) **is resident in a Province or Territory of Canada other than Quebec, as set forth on the face page of this Subscription Agreement, and is an Individual Accredited Investor it has executed and delivered to the Corporation:**
  - a. one (1) completed and signed copy of the Risk Acknowledgment Form attached to the Subscription Agreement as Schedule A, including Exhibit 1 and Exhibit 2, if applicable and attached thereto (one copy shall be submitted to the Corporation and one copy shall be retained for your records, or if utilizing an electronic platform recognized by the Corporation, an electronic copy will be available to both parties);
  - b. one (1) copy of the Accredited Investor Risk Acknowledgement attached to this Subscription Agreement as Schedule D (please initial as indicated, provide a copy to the Corporation and retain the original); and
  - c. the Representation Letter in the form attached to this Subscription Agreement as Schedule D-1 (please initial Appendix A as indicated); or
- (v) **is resident in a Province or Territory of Canada other than Quebec, as set forth on the face page of this Subscription Agreement, and is a Non-Individual Accredited Investor it has executed and delivered to the Corporation:**
  - a. one (1) completed and signed copy of the Risk Acknowledgment Form attached to the Subscription Agreement as Schedule A, including Exhibit 1 and Exhibit 2, if applicable and attached thereto (one copy shall be submitted to the Corporation and one copy shall be retained for your records, or if utilizing an electronic platform recognized by the Corporation, an electronic copy will be available to both parties); and
  - b. the Representation Letter in the form attached to this Subscription Agreement as Schedule D-1 (please initial Appendix A as indicated);
- (j) the Subscriber has correctly filled out this Subscription Agreement and has executed the applicable investor qualification forms attached hereto at the same time or before the Subscriber executed this Subscription Agreement and further covenants that it shall retain an executed copy of such forms in compliance with applicable securities laws;
- (k) has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Bonds;
  - (i) is capable of assessing the proposed investment in the Bonds as a result of the Subscriber's own experience or as a result of advice received from a person registered under applicable securities legislation; and
  - (ii) is able to bear the economic risk of loss of its investment in the Bonds;
- (l) the Subscriber acknowledges that no securities commission, stock exchange, governmental agency, regulatory body or similar authority has made any finding or determination or expressed any opinion with respect to the merits of the Bonds;

- (m) the Subscriber acknowledges that no prospectus has been filed by the Corporation with any securities commission or similar regulatory authority in any jurisdiction in connection with the issuance of the Bonds and the issuance is exempted from the prospectus requirements available under the provisions of applicable securities laws and as a result:
  - (i) the Subscriber may be restricted from using some of the civil remedies otherwise available under applicable securities laws;
  - (ii) the Subscriber may not receive information that would otherwise be required to be provided to it under applicable securities laws; and
  - (iii) the Corporation is relieved from certain obligations that would otherwise apply under applicable securities laws;
- (n) the Subscriber confirms that neither the Corporation or any of its representative directors, employees, officers or affiliates, have made any representations (written or oral) to the Subscriber:
  - (i) regarding the future value of the Bonds;
  - (ii) that any person will resell or repurchase the Bonds;
  - (iii) that the Bonds will be listed on any stock exchange or traded on any market; or
  - (iv) that any person will refund the purchase price of the Bonds, except as provided for specifically in accordance with the terms and conditions of such Bonds;
- (o) the Subscriber confirms that it has been advised to consult its own legal and financial advisors with respect to the suitability of the Bonds as an investment for the Subscriber, the tax consequences of purchasing and dealing with the Bonds, and the resale restrictions and "hold periods" to which the Bonds are or may be subject under applicable securities legislation or stock exchange rules, and has not relied upon any statements made by or purporting to have been made on behalf of the Corporation with respect to such suitability, tax consequences, and resale restrictions;
- (p) except for the Subscriber's knowledge regarding its subscription for Bonds hereunder, the Subscriber has no knowledge of a "material fact" or a "material change" (as those terms are defined in the *Securities Act* (Alberta)) in the affairs of the Corporation that has not been generally disclosed;
- (q) the Subscriber is resident in the jurisdiction indicated on the face page of this Subscription Agreement as the "Subscriber's Address" and the purchase by and sale to the Subscriber of the Bonds, and any act, solicitation, conduct or negotiation directly or indirectly in furtherance of such purchase and sale (whether with or with respect to the Subscriber or any beneficial purchaser) has occurred only in such jurisdiction;
- (r) the Subscriber acknowledges that it and/or the Corporation may be required to provide applicable securities regulatory authorities or stock exchanges with information concerning the identities of the beneficial purchasers of the Bonds and the Subscriber agrees that, notwithstanding that the Subscriber may be purchasing the Bonds as agent for an undisclosed principal, the Subscriber will provide to the Corporation, on request, particulars as to the identity of such undisclosed principal as may be required by the Corporation in order to comply with the foregoing;
- (s) other than the Offering Memorandum, the Subscriber has not received and has not been provided with documents that may be construed as an "offering memorandum" under applicable securities laws and the Subscriber is basing its investment decision solely on the Offering Memorandum and not on any other information concerning the Corporation or the Offering, and recognizes that the final form of the Offering Memorandum supersedes in its entirety the provisions of any preliminary form of Offering Memorandum or previous versions of the Offering Memorandum, if applicable. The Subscriber further acknowledges and agrees that the Subscriber has read and understood the Offering Memorandum and has had an opportunity to ask and have answered questions with respect to the Corporation and the Offering and the proposed use of proceeds and the subscription is hereby made;
- (t) other than that Offering Memorandum, the Subscriber has relied only upon publicly available information relating to the Corporation and not upon any verbal or written representation as to fact, and the Subscriber acknowledges that the Corporation has not made any written representations, warranties or covenants in respect of such publicly available information except as set forth in this Subscription Agreement. Without limiting any generality of the foregoing, except as may be provided herein, no person has made any written or oral representation to the Subscriber that any person will re-sell or re-purchase the Bonds, or refund any of the purchase price of the Bonds, or as to the future value or price of the Bonds except as provided for specifically in accordance with the terms and conditions of such Bonds;

- (u) the Subscriber has not become aware of any advertisement in printed media of general and regular paid circulation (or other printed public media), radio, television or telecommunications or other form of advertisement (including electronic display and the internet) with respect to the issuance of the Bonds, except where permitted by applicable securities laws;
- (v) the Subscriber understands that it will not be able to resell the Bonds except in accordance with limited exemptions available under applicable securities legislation, regulatory policy and stock exchange rules, and that the Subscriber is solely responsible for (and the Corporation is not in any way responsible for) the Subscriber's compliance with applicable resale restrictions;
- (w) the Subscriber acknowledges that it is aware that there is no market upon which the Bonds trade and there is no assurance that any of the Bonds will be listed and posted for trading on a stock exchange or dealer network in the future;
- (x) the Subscriber acknowledges that: there is no government or other insurance covering the Bonds; there are risks associated with the purchase of the Bonds; and there are restrictions on the Subscriber's ability to resell the securities and it is the responsibility of the purchaser to find out what those restrictions are and to comply with them before selling the Bonds;
- (y) the Subscriber acknowledges that the sale of the Bonds is conditional upon such sale being exempt from the requirements to file and obtain a receipt for a prospectus, and if appropriate, not applicable to the requirement to sell securities through a registered dealer, and that as a consequence of acquiring the Bonds pursuant to such exemptions, certain protections, rights and remedies provided by applicable securities legislation, including statutory rights of rescission or damages in the event of a misrepresentation may not be available to the Subscriber in connection with the purchase and sale of the Bonds;
- (z) the Subscriber understands that any certificates representing the Bonds will bear a legend indicating that the resale of such securities is restricted, as required by applicable securities law;
- (aa) the Subscriber, is neither (i) a "**U.S. Person**" (as defined in Rule 902(k) of Regulation S promulgated under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**")), which definition includes, but is not limited to, an individual resident in the United States, an estate or trust of which any executor or administrator or trustee is a U.S. Person, and any partnership or corporation organized or incorporated under the laws of the United States, nor (ii) purchasing the Bonds for the account of a U.S. Person or a person in the United States or for resale in the United States, and the Bonds have not been offered to the Subscriber in the United States and the Subscriber was not in the United States when the order was placed or when this Subscription Agreement was executed and delivered;
- (bb) the Subscriber undertakes and agrees that it will not offer or sell any of the Bonds in the United States unless such securities are registered under the U.S. Securities Act and the securities laws of all applicable states of the United States, or an exemption from such registration requirements is available;
- (cc) the Subscriber acknowledges that, in addition to any other requirements under applicable securities legislation to which a disposition of any of the Bonds by the Subscriber may be subject, the Subscriber may, depending on the nature of the disposition, be required to file a report of exempt trade within ten (10) days of a disposition by the Subscriber of the Bonds;
- (dd) if required by applicable securities legislation, regulations, rules, policies or orders or by any securities commission, stock exchange or other regulatory authority, the Subscriber will execute, deliver, file and otherwise assist the Corporation in filing such reports, undertakings and other documents with respect to the issue of the Bonds;
- (ee) except as disclosed in the Offering Memorandum, there is no person acting or purporting to act on behalf of the Subscriber in connection with the transactions contemplated herein who is entitled to any brokerage or finder's fee;
- (ff) except as disclosed in writing to the Corporation, the Subscriber does not act jointly or in concert with any other person or company for the purposes of acquiring securities of the Corporation;
- (gg) the Subscriber is not a "non-resident" for the purposes of the *Income Tax Act* (Canada);
- (hh) the Subscriber deals at "arm's length" with the Corporation and is not a "specified shareholder" of the Corporation as defined in the *Income Tax Act* (Canada);
- (ii) the Subscriber is not a "control person" of the Corporation, as that term is defined in the *Securities Act* (Alberta), will not become a "control person" of the Corporation by purchasing the number of Bonds subscribed for under this

Subscription Agreement and does not intend to act jointly or in concert with any other person to form a control group in respect of the Corporation;

- (jj) the Subscriber has not relied upon any verbal or written representation as to fact or otherwise made by or on behalf of the Corporation except as expressly set forth herein or in the Offering Memorandum;
  - (kk) the funds representing the Aggregate Subscription Amount which will be advanced by the Subscriber to the Corporation hereunder will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (the "PCMLTFA") and the Subscriber acknowledges that the Corporation may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's subscription hereunder, on a confidential basis, pursuant to the PCMLTFA. To the best of its knowledge: (i) none of the subscription funds to be provided by the Subscriber: (A) have been or will be derived from or related to any activity that is deemed criminal under any law of Canada, the United States of America, or any other jurisdiction; or (B) are being tendered on behalf of a person or entity who has not been identified to the Subscriber; and (ii) it shall promptly notify the Corporation if the Subscriber discovers that any of such representations ceases to be true, and to provide the Corporation with appropriate information in connection therewith;
  - (ll) the Subscriber acknowledges that the Corporation may complete additional financings in the future in order to develop the proposed business of the Corporation and to fund its ongoing development. There is no assurance that such financing will be available and if available, on reasonable terms. Any such future financings may have a dilutive effect on current shareholders or security holders, including the Subscriber; and
  - (mm) the Subscriber acknowledges that an investment in the Bonds is subject to a number of risk factors, that are discussed further in the Offering Memorandum which the Subscriber has read and understood. In particular, the Subscriber acknowledges that the Corporation is not a reporting issuer in any province of Canada and, as such, the applicable hold period may never expire. Accordingly, there is currently no market for any of the Bonds and one may never develop. It may be difficult or even impossible for a Subscriber to sell any of the Bonds. Resale of such Bonds will require the availability of exemptions from the prospectus requirements of applicable securities legislation, or the application for a discretionary order of the securities commission or similar regulatory authority in the subscriber's province of residence permitting the trade. The Subscriber covenants and agrees to comply with relevant securities legislation, orders or policies concerning the purchase, holding of, and resale of the Bonds.
4. **Beneficial Purchasers.** Whether or not explicitly stated in this Subscription Agreement, any acknowledgement, representation, warranty, covenant or agreement made by the Subscriber in this Subscription Agreement, including the Schedules, Exhibits and Appendices attached hereto, will be treated as if made by the beneficial purchaser for whom the Subscriber is acting as trustee or agent, if any.
5. **Timeliness of Representations, etc.** The Subscriber agrees that the representations, warranties and covenants of the Subscriber herein will be true and correct both as of the execution of this Subscription Agreement and as of the Closing Time (as defined herein), and will survive the completion of the distribution of the Bonds and any subsequent disposition by the Subscriber of any of the securities. The Subscriber undertakes to immediately notify the Corporation of any change in any statement or other information relating to the Subscriber set forth herein or in any of the attached schedules that takes place prior to the Closing Date.
6. **Indemnity** The Subscriber acknowledges that the Corporation and its counsel are relying upon the representations, warranties and covenants of the Subscriber set forth herein in determining the eligibility (from a securities law perspective) of the Subscriber (or, if applicable, the eligibility of another on whose behalf the Subscriber is contracting hereunder to subscribe for Bonds) to purchase Bonds under the Offering, and hereby agrees to indemnify the Corporation and its directors, officers, employees, advisers, affiliates, Shareholders and agents (including their respective legal counsel) against all losses, claims, costs, expenses, damages or liabilities that they may suffer or incur as a result of or in connection with their reliance on such representations, warranties and covenants. The Subscriber undertakes to immediately notify the Corporation at Attn: Yesterpay Holdings Inc., 121 - 234 5149 Country Hills Boulevard NW, Calgary, Alberta T3A 5K8 or by email at: subscriptions@yesterpay.com of any change in any statement or other information relating to the Subscriber set forth herein that occurs prior to the Closing Time.
7. **Deliveries by Subscriber prior to Closing** The Subscriber agrees to deliver, either directly to the Corporation or indirectly to the Corporation, through such other electronic platform that may be recognized by the Corporation from time to time, not later than 5:00 p.m. (Mountain Standard Time) on the day that is two business days before any Closing Date of which the Subscriber receives notice:

- (a) an initialed copy of the initial page of the Offering Memorandum;
  - (b) this duly completed and executed Subscription Agreement;
  - (c) either:
    - a. a certified cheque or bank draft in an amount equal to the Aggregate Subscription Amount (as set forth in the Subscription Agreement), payable to "Yesterpay Holdings Inc.";
    - b. a cheque in an amount equal to the Aggregate Subscription Amount (as set forth in the Subscription Agreement), payable to "Yesterpay Holdings Inc."; or
    - c. such other form of payment acceptable to the Corporation, in its full discretion;
  - (d) properly completed and duly executed copy of the appropriate investor qualification form(s) as described on the face page of this Subscription Agreement; and
  - (e) such other documents as may be requested by the Corporation as contemplated by this Subscription Agreement.
8. **Consent to Collection of Personal Information.** If the Subscriber is an individual, the Subscriber acknowledges that the Subscriber (or any disclosed beneficial purchaser) has provided, in this Subscription Agreement, to the Corporation, information (the "**Personal Information**") of a personal nature that may or may not be protected under applicable privacy legislation. The Personal Information is being collected, used and may be disclosed by the Corporation for the following purposes (the "**Purposes**"):
- (a) in order to complete the Offering including, without limitation, determining the Subscriber's eligibility (or that of any disclosed beneficial purchaser) to purchase the Bonds under applicable securities laws;
  - (b) preparing and registering the Bonds to be issued to the Subscriber and completing filings required by any stock exchange or securities regulatory authority;
  - (c) to be kept in the corporate records of the Corporation, on its securities registers maintained by the Corporation and/or the Corporation's transfer agent or legal counsel;
  - (d) to be disclosed to securities/tax regulatory authorities or other government bodies as required and in accordance with applicable securities laws and tax laws;
  - (e) with respect to the Subscriber's social insurance number, to be disclosed for income reporting purposes in accordance with applicable law;
  - (f) as long as the Subscriber is a securityholder of the Corporation, to be disclosed to other third parties held to an obligation of confidentiality to the Corporation such as its legal counsel, its accountants, transfer agent, securities depository, or any other entity for: (i) the purpose of sending financial statements and other disclosure documentation required to be sent by law to the securityholders of the Corporation, and/or (ii) in the context of a proposed merger, business combination, acquisition, takeover bid or such other major transaction involving the Corporation and such other third party; and
  - (g) to enforce the obligations contemplated by this Subscription Agreement.

The Subscriber (on its own behalf and on behalf of any disclosed beneficial purchaser for whom it is contracting hereunder) hereby consents to the collection, use and disclosure by the Corporation of the Personal Information for the Purposes. Certain securities commissions have been granted the authority to indirectly collect the Personal Information pursuant to securities legislation and the Personal Information is also being collected for the purpose of administration and enforcement of securities legislation. The Personal Information may be disclosed by the Corporation or its counsel to: (a) stock exchanges, securities commissions, or securities regulatory authorities or regulators; (b) the Corporation's registrar and transfer agent or legal counsel, if applicable; (c) taxation authorities; and (d) any of the other parties involved in the Offering, including legal counsel. By executing this Subscription Agreement, the Subscriber is deemed to be authorizing and consenting to the foregoing collection (including the indirect collection), use and disclosure of the Personal Information as set forth above. The Subscriber also consents to the filing of copies or originals of any of the Subscriber's documents described in this Subscription Agreement as may be required to be filed with any stock exchange, securities commission or securities regulatory authority in connection with the transactions contemplated hereby including, inclusion in closing books provided to other parties involved in the Offering.

If you have any questions regarding the indirect collection of information by the securities regulatory authority or regulator, you can contact the securities regulatory authority or regulator for your local jurisdiction as follows:

**Alberta Securities Commission**

Suite 600, 250 – 5<sup>th</sup> Street SW  
Calgary, AB T2P 0R4  
Tel: (403) 297-6454  
Toll free in Canada: 1-877-355-0585  
Fax: (403) 297-6156

**Financial and Consumer Affairs Authority of Saskatchewan**

Suite 601 - 1919 Saskatchewan Drive  
Regina, SK S4P 4H2  
Telephone: (306) 787-5879  
Facsimile: (306) 787-5899

**Government of Newfoundland and Labrador  
Financial Services Regulation Division**

P. O. Box 8700  
Confederation Building  
2<sup>nd</sup> Floor, West Block, Prince Philip Drive  
St. John's, NL A1B 4J6  
Attention: Director of Securities  
Tel: (709) 729-4189  
Fax: (709) 729-6187

**Nova Scotia Securities Commission**

Suite 400, 5251 Duke Street  
Halifax, NS B3J 1P3  
Telephone: (902) 424-7768  
Facsimile: (902) 424-4625

**Government of Nunavut**

Department of Justice  
Legal Registries Division  
P.O. Box 1000 – Station 570  
1<sup>st</sup> Floor, Brown Building  
Iqaluit, NU X0A 0H0  
Tel: (867) 975-6590  
Fax: (867) 975-6594

**Financial and Consumer Services Commission (New Brunswick)**

85 Charlotte Street, Suite 300  
Saint John, NB E2L 2J2  
Tel: (506) 658-3060  
Toll free in New Brunswick 1-866-933-2222  
Fax: (506) 658-3059

**British Columbia Securities Commission**

P. O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC V7Y 1L2  
Tel: (604) 899-6500  
Toll free in British Columbia and Alberta 1-800-373-6393  
Fax: (604) 899-6506

**The Manitoba Securities Commission**

500 – 400 St Mary Avenue  
Winnipeg, MB R3C 4K5  
Tel: (204) 945-2548  
Toll free in Manitoba 1-800-655-5244  
Fax: (204) 945-0330

**Ontario Securities Commission**

20 Queen Street West, 22nd Floor  
Toronto, ON M5H 3S8  
Tel: (416) 593-8314  
Toll free in Canada: 1-877-785-1555  
Fax: (416) 593-8122  
Email: [exemptmarketfilings@osc.gov.on.ca](mailto:exemptmarketfilings@osc.gov.on.ca)  
Public official contact regarding indirect collection of information: Inquiries Officer

**Prince Edward Island Securities Office**

95 Rochford Street, 4<sup>th</sup> Floor Shaw Building  
P. O. Box 2000  
Charlottetown, PEI C1A 7N8  
Tel: (902) 368-4569  
Fax: (902) 368-5283

**Government of the Northwest Territories**

Department of Justice  
Securities Registry  
1<sup>st</sup> Floor, Stuart M. Hodgson Building  
5009 – 49<sup>th</sup> Street  
Yellowknife, NT X1A 2L9  
Tel: (867) 920-3318  
Fax: (867) 873-0243

**Government of Yukon**

Office of the Yukon Superintendent of Securities  
Government of Yukon Department of Community Services  
307 Black Street, 1st Floor  
PO Box 2703 (C-6)  
Whitehorse, YT Y1A 2C6  
Telephone: (867) 667-5466  
Facsimile: (867) 393-6251

9. **Partial Acceptance or Rejection of Subscription** The Corporation may, in its absolute discretion, accept or reject the Subscriber's subscription for Bonds as set forth in this Subscription Agreement, in whole or in part, and the Corporation reserves the right to allot to the Subscriber less than the amount of Bonds subscribed for under this Subscription Agreement.

(a) Notwithstanding the foregoing, the Subscriber acknowledges and agrees that the acceptance of this Subscription Agreement will be conditional upon among other things, the sale of the Bonds to the Subscriber being completed in

accordance with the requirements of applicable securities laws. The Corporation will be deemed to have accepted this Subscription Agreement upon the delivery at Closing of the certificates representing the Bonds to the Subscriber or upon the direction of the Subscriber in accordance with the provisions hereof.

- (b) If this Subscription Agreement is rejected in whole, any funds, certified cheque(s), bank draft(s) or cheques delivered by the Subscriber to the Corporation on account of the Aggregate Subscription Amount for the Bonds subscribed for will be promptly returned to the Subscriber without interest. If this Subscription Agreement is accepted only in part, a cheque representing the amount by which the payment delivered by the Subscriber to the Corporation exceeds the subscription price of the number of Bonds sold to the Subscriber pursuant to a partial acceptance of this Subscription Agreement, will be promptly delivered to the Subscriber without interest.
10. **Time and Place of Closing** The sale of the Bonds will be completed at the office of the Corporation at 10:00 a.m. (Mountain Time) or such other time as the Corporation may determine (the “**Closing Time**”) on the Closing Date (the “**Closing**”). The Corporation reserves the right to close the Offering in multiple tranches, so that one or more Closings may occur after the initial Closing.
11. **Subject to Regulatory Approval** The obligations of the parties hereunder are subject to all required regulatory approvals being obtained, if any.
12. **Representations and Warranties of the Corporation** The Corporation hereby represents and warrants to the Subscriber (and acknowledges that the Subscriber is relying thereon) that:
- (a) the Corporation has the full corporate right, power and authority to execute and deliver this Subscription Agreement and to issue the Bonds to the Subscriber;
  - (b) the Corporation is a corporation and existing under the *Business Corporations Act* (Alberta);
  - (c) upon acceptance by the Corporation, this Subscription Agreement shall constitute a binding obligation of the Corporation enforceable in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization and other laws of general application limiting the enforcement of creditors' rights generally and to the general principles of equity including the fact that specific performance is available only in the discretion of the court; and
  - (d) the execution and delivery of this Subscription Agreement by the Corporation has been authorized by all necessary corporate action on the part of the Corporation.
13. **No Partnership** Nothing herein shall constitute or be construed to constitute a partnership of any kind whatsoever between the Subscriber and the Corporation.
14. **Governing Law** The contract arising out of acceptance of this Subscription Agreement by the Corporation shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. The parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Alberta.
15. **Time of Essence** Time shall be of the essence of this Subscription Agreement.
16. **Entire Agreement** This Subscription Agreement represents the entire agreement of the parties hereto relating to the subject matter hereof, and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein.
17. **Counterpart** The Corporation, at its option, shall be entitled to rely on delivery of a facsimile or portable document format copy of executed subscriptions, and acceptance by the Corporation of such facsimile or portable document format subscriptions shall be legally effective to create a valid and binding agreement between the undersigned and the Corporation in accordance with the terms thereof. This Subscription Agreement may be executed in one or more counterparts each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement.
18. **Severability** The invalidity, illegality or unenforceability of any provision of this Subscription Agreement shall not affect the validity, legality or enforceability of any other provision hereof.
19. **Survival** The covenants, representations and warranties contained in this Subscription Agreement shall survive the closing of the transactions contemplated hereby, and shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.
20. **Interpretation** The headings used in this Subscription Agreement have been inserted for convenience of reference only and shall not affect the meaning or interpretation of this Subscription Agreement or any provision hereof. In this Subscription Agreement, all references to money amounts are to Canadian dollars.

21. **Amendment** Except as otherwise provided herein, this Subscription Agreement may only be amended by the parties hereto in writing.
22. **Costs** The Subscriber acknowledges and agrees that all costs incurred by the Subscriber (including any fees and disbursements of any special counsel retained by the Subscriber) relating to the sale of the Bonds to the Subscriber shall be borne by the Subscriber.
23. **Withdrawal** Except as required by applicable law, the Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder, agrees that this subscription is made for valuable consideration and may not be withdrawn, cancelled, terminated or revoked by the Subscriber, on its own behalf and, if applicable, on behalf of others for whom it is contracting hereunder.
24. **Independent Legal Advice** The Subscriber acknowledges that the Corporation's legal counsel is acting as counsel to the Corporation and not the Subscriber and further, the Subscriber acknowledges that the Subscriber has been provided with an opportunity to consider this Subscription Agreement and to seek independent legal advice with respect to it.
25. **Assignment** Neither party may assign all or part of its interest in or to this Subscription Agreement without the consent of the other party in writing.
26. **Language** The Subscriber acknowledges that it has consented to and requested that all documents evidencing or relating in any way to the sale of the Bonds be drawn up in the English language only. **Le souscripteur reconnaît par les présentes avoir consenti et exigé que tous les documents faisant foi ou se rapportant de quelque manière à la vente des bonds soient rédigés en anglais seulement.**

SCHEDULE A

FORM 45-106F4

TO BE COMPLETED BY ALL SUBSCRIBERS, IF APPLICABLE

RISK ACKNOWLEDGEMENT

- I acknowledge that this is a risky investment.
- I am investing entirely at my own risk.
- No securities regulatory authority or regulator has evaluated or endorsed the merits of these securities or the disclosure in the Offering Memorandum.
- The Bonds offered pursuant to this Offering Memorandum are unsecured and are not insured against loss through the Canada Deposit Insurance Corporation or any other insurance company or program.
- I will not be able to sell these securities except in very limited circumstances.
- I may never be able to sell these securities.
- I could lose all the money I invest.

I am investing \$\_\_\_\_\_ in total; this includes any amount I am obliged to pay in future.

Where allowed by applicable securities legislation, the Corporation intends to offer compensation of up to six percent (6%) of the gross proceeds realized on the sale of Bonds under the Offering to any one of, or a combination of, the following parties: registered dealers and exempt market dealing representatives, who are registered in accordance with applicable securities laws. The Corporation will also pay up to two percent (2%) of the gross proceeds realized on the sale of Bonds to exempt market dealers that it retains. CNI will pay all such compensation to the above parties on the Corporation's behalf.

**I acknowledge that this is a risky investment and that I could lose all the money I invest.**

\_\_\_\_\_ Date

\_\_\_\_\_ Signature of Purchaser

\_\_\_\_\_ Print name of Purchaser

Sign two copies of this document. Keep one copy for your records.

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**You have two business days to cancel your purchase**

To do so, send a notice to Yesterpay Holdings Inc. stating that you want to cancel your purchase. You must send the notice before midnight on the 2<sup>nd</sup> business day after you sign the agreement to purchase the securities. You can send the notice by email or deliver it in person to Yesterpay Holdings Inc. at its business address. Keep a copy of the notice for your records.

**The Issuer:** Yesterpay Holdings Inc.  
Address: 121 - 234 5149 Country Hills Boulevard NW  
Calgary, Alberta, T3A 5K8  
Phone: (587) 779-7929  
Email: info@yesterpay.com

**You are buying Exempt Market Securities**

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some

legal protections), and

- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell *exempt market securities*. *Exempt market securities* are more risky than other securities.

#### **You will receive an Offering Memorandum**

Read the Offering Memorandum carefully because it has important information about the issuer and its securities. Keep the Offering Memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

#### **The securities you are buying are not listed**

The securities you are buying are not listed on any stock exchange, and they may never be listed.

You may never be able to sell these securities.

#### **The issuer of your securities is a non-reporting issuer**

A *non-reporting issuer* does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information on the exempt market, call your local securities regulatory authority or regulator.

If you live in British Columbia, contact the British Columbia Securities Commission at (604) 899-6500, (outside the local area, call toll-free 1-800-373-6393), or visit its website at [www.bcsc.bc.ca](http://www.bcsc.bc.ca)

If you live in Alberta, contact the Alberta Securities Commission, in Calgary at (403) 297-6454 or visit its website at [www.albertasecurities.com](http://www.albertasecurities.com)

If you live in Saskatchewan, contact the Financial and Consumer Affairs Authority at (306) 787-5645, or visit its website at [www.fcaa.gov.sk.ca](http://www.fcaa.gov.sk.ca)

If you live in Ontario, contact the Ontario Securities Commission at Telephone: (416) 593-3682, or visit its website at [www.osc.gov.on.ca](http://www.osc.gov.on.ca)

If you live in Manitoba, contact the Manitoba Securities Commission at (204) 945-2548 (outside the local area, call toll-free 1-800-655-5244), or visit its website at [www.mbsecurities.ca](http://www.mbsecurities.ca)

If you live in the Northwest Territories, contact the Office of the Superintendent of Securities, Department of Justice at (867) 767-9300, or visit its website at [www.justice.gov.nt.ca](http://www.justice.gov.nt.ca)

If you live in Nunavut, contact the Office of the Superintendent of Securities, Department of Justice at (867) 975-6590, or visit its website at <http://www.gov.nu.ca/justice/information/legal-registries>

If you live in the Yukon, contact the Superintendent of Securities, Community Services at (867) 667-5466, or visit its website at [www.community.gov.yk.ca](http://www.community.gov.yk.ca)

**Instruction: The purchaser must sign 2 copies of this form.  
The purchaser and the issuer must each receive a signed copy.**

**Exhibit 1**

**Classification of Investors Under the Offering memorandum Exemption**

**Instructions:** This schedule must be completed together with the Risk Acknowledgement Form and Schedule 2 by individuals purchasing securities under the exemption (the offering memorandum exemption) in subsection 2.9(2.1) of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) in Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan.

**How you qualify to buy securities under the offering memorandum exemption**

Initial the statement under A, B or C containing the criteria that applies to you. (You may initial more than one statement.) If you initial a statement under B, you are not required to complete A.

| <b>A. You are an eligible investor because:</b> |  | <b>Your initials</b> |
|---|--|----------------------|
| <b>Eligible Investor</b>                        | Your net income before taxes was more than \$75,000 in each of the 2 most recent calendar years, and you expect it to be more than \$75,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)   |                      |
|   | Your net income before taxes combined with your spouse's was more than \$125,000 in each of the 2 most recent calendar years, and you expect your combined net income to be more than \$125,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.) |                      |
|   | Either alone or with your spouse, you have net assets worth more than \$400,000. (Your net assets are your total assets, including real estate, minus your total debt including any mortgage on your property.)  |                      |

| <b>B. You are an eligible investor, as a person described in section 2.3 [Accredited investor] of NI 45-106 or, as applicable in Ontario, subsection 73.3 of the Securities Act (Ontario), because:</b> |  | <b>Your initials</b> |
|---|--|----------------------|
| <b>Accredited Investor</b>  | Your net income before taxes was more than \$200,000 in each of the 2 most recent calendar years, and you expect it to be more than \$200,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.) |                      |
|   | Your net income before taxes combined with your spouse's was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year.           |                      |
|   | Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities.   |                      |
|   | Either alone or with your spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.)  |                      |

| <b>C. You are not an eligible investor.</b> |  | <b>Your initials</b> |
|---|--|----------------------|
| <b>Not an Eligible Investor</b>             | You acknowledge that you are not an eligible investor. |                      |

**Exhibit 2  
Investment Limits for Investors Under the Offering Memorandum Exemption**

**Instructions:** This schedule must be completed together with the Risk Acknowledgement Form and Schedule 1 by individuals purchasing securities under the exemption (the offering memorandum exemption) in subsection 2.9(2.1) of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) in Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan.

**SECTION 1 TO BE COMPLETED BY THE PURCHASER**

**1. Investment limits you are subject to when purchasing securities under the offering memorandum exemption**

You may be subject to annual investment limits that apply to all securities acquired under the offering memorandum exemption in a 12 month period, depending on the criteria under which you qualify as identified in Schedule 1. Initial the statement that applies to you.

| <b>A. You are an eligible investor.</b> |   | <b>Your initials</b> |
|---|---|----------------------|
| <b>Eligible Investor</b>                | As an eligible investor that is an individual, you cannot invest more than <b>\$30,000</b> in all offering memorandum exemption investments made in the previous 12 months, unless you have received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule, that your investment is suitable. |                      |
|   | Initial one of the following statements:  |                      |
|   | You confirm that, after taking into account your investment of \$_____ today in this issuer, you have not exceeded your investment limit of \$30,000 in all offering memorandum exemption investments made in the previous 12 months.   |                      |
|   | You confirm that you received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule that the following investment is suitable.  |                      |
|   | You confirm that, after taking into account your investment of \$_____ today in this issuer, you have not exceeded your investment limit in all offering memorandum exemption investments made in the previous 12 months of \$100,000.  |                      |

| <b>B. You are an eligible investor, as a person described in section 2.3 [Accredited investor] of NI 45-106 or, as applicable in Ontario, subsection 73.3 of the Securities Act (Ontario).</b> |   | <b>Your initials</b> |
|--|---|----------------------|
| <b>Accredited investor</b>   | You acknowledge that, by qualifying as an eligible investor as a person described in section 2.3 [Accredited investor], you are not subject to investment limits. |                      |

| <b>C. You are not an eligible investor.</b> |   | <b>Your initials</b> |
|---|---|----------------------|
| <b>Not an Eligible Investor</b>             | You acknowledge that you cannot invest more than <b>\$10,000</b> in all offering memorandum exemption investments made in the previous 12 months.   |                      |
|   | You confirm that, after taking into account your investment of \$_____ today in this issuer, you have not exceeded your investment limit of \$10,000 in all offering memorandum exemption investments made in the previous 12 months. |                      |

**SECTION 2 TO BE COMPLETED BY THE REGISTRANT**

**2. Registrant information**

*[Instruction: this section must only be completed if an investor has received advice from a portfolio manager, investment dealer or exempt market dealer concerning his or her investment.]*

First and last name of registrant (please print):

Registered as:

*[Instruction: indicate whether registered as a dealing representative or advising representative]*

Telephone:

Email:

Name of firm:

*[Instruction: indicate whether registered as an exempt market dealer, investment dealer or portfolio manager.]*

Date:

SCHEDULE B

REPRESENTATION LETTER – NATIONAL INSTRUMENT 45-106 ELIGIBLE INVESTOR

TO BE COMPLETED BY ALL SUBSCRIBERS RESIDENT IN AB, SK, MB, ON, NB, NS, PEI, YU, NU and NWT WHO HAVE PURCHASED IN THE PRECEDING 12 MONTHS MORE THAN \$10,000 BUT LESS THAN \$100,000 IN SECURITIES, INCLUDING THIS PURCHASE, UTILIZING THE OFFERING MEMORANDUM EXEMPTION

The undersigned (the "Subscriber") hereby confirms and certifies to Yesterypay Holdings Inc. that the Subscriber is purchasing the Bonds as principal, that the Subscriber is resident in the jurisdiction set out on the execution page hereof, and that the Subscriber is: [check appropriate box(es)]

- checkbox an "Eligible Investor", being a person or company whose [circle one or more] (i) net assets, alone or with a spouse, in the case of an individual, exceed CDN \$400,000, (ii) net income before taxes exceeded CDN \$75,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year, or (iii) net income before taxes, alone or with a spouse, in the case of an individual, exceeded CDN \$125,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year, checkbox a person or company of which a majority of the voting securities are beneficially owned by Eligible Investors or a majority of the directors are Eligible Investors, checkbox a general partnership of which all of the partners are Eligible Investors, checkbox a limited partnership of which the majority of the general partners are Eligible Investors, checkbox a trust or estate in which all of the beneficiaries or a majority of the trustees or executors are Eligible Investors, checkbox an Accredited Investor (as defined in National Instrument 45-106), checkbox a person who is a family member, close personal friend or close business associate as described in Section 2.5 of National Instrument 45-106; or checkbox in Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon, a person or company that has obtained advice regarding the suitability of the investment and if the person or company is resident in a jurisdiction of Canada that advice has been obtained from an eligibility adviser (as defined in National Instrument 45-106).

EXECUTED by the Subscriber \_\_\_\_\_.

If a Corporation, Partnership or other entity:

If an individual:

\_\_\_\_\_  
Signature of Authorized Signatory

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Position of Signatory

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Name of Purchasing Entity

\_\_\_\_\_  
Jurisdiction of Residence

\_\_\_\_\_  
Jurisdiction of Residence

SCHEDULE C

PORTFOLIO MANAGER, INVESTMENT DEALER, OR EXEMPT MARKET DEALER ADVICE  
CERTIFICATE – NATIONAL INSTRUMENT 45-106 ELIGIBLE INVESTOR

TO BE COMPLETED IN RESPECT OF ALL SUBSCRIBERS RESIDENT IN ALBERTA, NEW BRUNSWICK, NOVA SCOTIA, ONTARIO AND SASKATCHEWAN WHO HAVE PURCHASED IN THE PRECEDING 12 MONTHS MORE THAN \$30,000 BUT LESS THAN \$100,000 IN SECURITIES, INCLUDING THIS PURCHASE, UTILIZING THE OFFERING MEMORANDUM EXEMPTION

The Undersigned (as defined below) represents and warrants that it is a:

- Portfolio Manager;
- Exempt Market Dealer; or
- Investment Dealer

(the “Undersigned”), and hereby represents, warrants and certifies to Yesterpay Holdings Inc. (“YHI”) that in respect of the investment in the \_\_\_\_\_ Bonds (the “Purchased Bonds”) purchased by \_\_\_\_\_ (the “Subscriber”) resident at: \_\_\_\_\_,

that it has reviewed this client’s Know Your Client information and has determined that the Subscriber, at the time of purchase, is an “eligible investor” (as defined by National Instrument 45-106 – *Prospectus Exemptions* of the Canadian Securities Administrators (“NI 45-106)).

The Undersigned further represents, warrants and certifies that, based on information solely provided by the Subscriber to the undersigned, the Subscriber meets the criteria to purchase more than \$30,000 but less than \$100,000 of any security in any 12 month period pursuant to Section 2.9 Subsection (2.1)(b)(iii) of NI 45-106. The undersigned understands that YHI is relying on such representation, warranty and certification in determining the eligibility of the Subscriber to subscribe for the Purchased Bonds and that such subscription would not be accepted but for that representation, warranty and certification being made by the Undersigned.

EXECUTED by the Undersigned on \_\_\_\_\_.

**If a Corporation, Partnership or other entity:**

**If an individual:**

\_\_\_\_\_  
Signature of Authorized Signatory

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name and Position of Signatory

\_\_\_\_\_  
Print Name of Portfolio Manager, Investment Dealer, or Exempt Market Dealer

\_\_\_\_\_  
Name of Portfolio Manager, Investment Dealer, or Exempt Market Dealer

\_\_\_\_\_  
Jurisdiction of Residence

\_\_\_\_\_  
Jurisdiction of Residence

SCHEDULE E

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**RELEASE OF ANY CLAIMS BY SUBSCRIBER AGAINST CONTROLLING SHAREHOLDER**

**TO: Target Capital Inc.**

In consideration for Target Capital Inc. ("**Target**") continuing to act as the controlling shareholder of Yesterpay Holdings Inc. (the "**Corporation**") and such other good and valuable consideration, the adequacy and sufficiency of which is hereby acknowledged and confirmed, the undersigned hereby agree as follows:

1. Prior to subscribing for securities of the Corporation (the "**Securities**"), the undersigned subscriber (the "**Subscriber**") acknowledges that it has received an offering memorandum from the Corporation (the "**Offering Memorandum**").
2. The Subscriber confirms that it has read the Offering Memorandum and understands the terms on which the Securities are being offered.
3. The Subscriber acknowledges and confirms that Target's assets and management are not in any way committed to the activities of the Corporation. Further, the Subscriber acknowledges that Target has not performed any due diligence on the Corporation, its assets or its management and does not encourage or discourage an investment in the Corporation.
4. The Subscriber hereby acknowledges that Target owes no fiduciary duty of care or any other duty to the Subscriber in connection with the Securities issued by the Corporation. **Further, the Subscriber agrees that Target shall not be liable to the Subscriber for any costs, expenses, liabilities, losses or damages suffered or incurred by the Subscriber in connection with its investment in the Corporation, including any default by the Corporation in the payment of interest and/or repayment of the principal of the Securities issued by the Corporation.**
5. The Subscriber hereby releases and forever discharges Target, together with its officers, directors, servants, employees, agents and other representatives from any and all actions, causes of action, claims, demands, or other liability of any nature or kind howsoever arising, including, without limitation, any and all claims, past or present, and which may arise in the future, in any way related to the Subscriber's investment in the Corporation or the acquisition of the Securities from the Corporation.
6. The Subscriber acknowledges and confirms that it was encouraged to seek independent legal advice before executing and delivering this release.
7. This release may be executed in several counterparts and by facsimile, each of which when so executed shall be deemed to be an original, and all such counterparts shall be deemed to be executed effective as of the day and year hereinafter written.

Dated: \_\_\_\_\_.

\_\_\_\_\_  
(Signature of Subscriber)

\_\_\_\_\_  
(Name of Subscriber – Please Print)