

**IPL INC.**  
**incorporated under the *Business Corporations Act* (Quebec)**

\$15,000,000

Nº: 8

**SECOND AMENDED AND RESTATED  
UNSECURED SUBORDINATED DEBENTURE-  
INTEREST OF 10% PER ANNUM**

**WHEREAS** IPL Holdings Inc., a predecessor of the Corporation, a wholly-owned subsidiary of One51 IPL Holdings Limited ("**One51 IPL Holdings**"), CDP Investissements Inc. ("**Other Investor**") and Fonds de Solidarité des Travailleurs du Québec (F.T.Q.) (the "**Holder**") acquired all of the issued and outstanding shares of IPL Inc. on the Original Issuance Date (the "**Acquisition**");

**WHEREAS** in connection with the Acquisition, the Holder provided the Corporation with a loan in the principal amount of \$15,000,000 on and subject to the terms set out in unsecured subordinated debenture No. 2 dated July 23, 2015 issued by IPL Holdings Inc. in favour of the Holder (the "**Original Debenture**");

**WHEREAS** IPL Holdings Inc. and IPL Inc. amalgamated on the Original Issuance Date;

**WHEREAS** One51 IPL Holdings is a wholly-owned subsidiary of IPL Plastics Public Limited Company ("**IPL PLC**");

**WHEREAS** on June 9, 2017, the Corporation issued amended and restated unsecured subordinated debenture No. 5 in favour of Holder (the "**AR Debenture**"), which debenture amended and restated (without novation) the Original Debenture;

**AND WHEREAS** the Corporation and the Holder wish to amend certain terms of the AR Debenture given the refinancing of the credit facilities made available pursuant to the Credit Agreement (as defined in the AR Debenture).

**NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:**

**ARTICLE 1  
DEFINITION**

1.1 In this Debenture, unless there is something in the subject matter or context inconsistent therewith, the following expressions shall have the meanings set out below, respectively. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Facilities Agreement as in effect on the SAR Issuance Date, a copy of which has been delivered to the Holder on the date hereof, as well as amendments thereto approved in writing by the Holder:

1.1.1 "**Acquisition**" has the meaning set forth in the Preamble;

- 1.1.2 “**Affiliate**” means, with respect to a Person, any other Person that directly or indirectly Controls, or is Controlled by, or is under common Control with, that Person;
- 1.1.3 “**Agent**” has the meaning set forth in the definition of Facilities Agreement;
- 1.1.4 “**AR Debenture**” has the meaning set forth in the Preamble;
- 1.1.5 “**Assignee**” has the meaning set forth in the Assignment;
- 1.1.6 “**Business Day**” means any day other than a Saturday, Sunday or any other day on which chartered banks located in the City of Montreal, Quebec, Canada are not open for business during normal banking hours;
- 1.1.7 “**Change of Control**” means any transaction resulting in IPL PLC ceasing to hold, directly or indirectly, shares representing more than fifty percent (50%) of the votes cast for the election of directors of the Corporation;
- 1.1.8 “**Control**” (including any correlative term) means the possession, directly or indirectly, of the power to direct or cause the direction of management or policies of a Person (whether through ownership of securities or partnership or trust interests, by contract or otherwise); without limiting the generality of the foregoing (i) a Person is deemed to Control a corporation if such Person (or such Person and its Affiliates) holds outstanding shares or other rights carrying more than 50% of the voting power in the election of the board of directors of the corporation, (ii) a Person is deemed to Control a partnership if such Person (or such Person and its Affiliates) holds more than 50% in value of the equity of the partnership, (iii) a Person is deemed to Control a trust if such Person (or such Person and its Affiliates) holds more than 50% in value of the beneficial interests in the trust, and (iv) a Person that controls another Person is deemed to Control any Person controlled by that other Person;
- 1.1.9 “**Corporation**” means IPL Inc. and any successor thereof, including the corporation resulting from the Permitted Amalgamation;
- 1.1.10 “**Credit Parties**” the Corporation and its Subsidiaries;
- 1.1.11 “**Debenture**”, “**this Debenture**”, “**hereto**”, “**herein**”, “**hereby**”, “**hereunder**”, “**hereof**” and similar expressions refer to this second amended and restated debenture as a whole and not to any particular article, section, clause, subdivision, schedule or other portion of this Debenture, and include any and every instrument supplemental or ancillary hereto;
- 1.1.12 “**Default**” has the meaning set forth in Section 7.1;
- 1.1.13 “**Distributions**” means any payment in cash or in kind that provides an income (including interest or dividend) or a return on, or constitutes a distribution or redemption or other retirement of, the equity or capital of a Credit Party (other than a dividend paid by way of the issuance of new equity interests);

1.1.14 “**Due Date**” has the meaning set forth in Section 3.1;

1.1.15 “**EBITDA**” means, in respect of any Relevant Period, the consolidated operating profit of the Group before taxation (excluding the results from discontinued operations):

- (a) before deducting any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any member of the Group (calculated on a consolidated basis) in respect of that Relevant Period;
- (b) not including any accrued interest owing to any member of the Group;
- (c) after adding back any amount attributable to the amortisation, depreciation or impairment of assets of members of the Group (and taking no account of the reversal of any previous impairment charge made in that Relevant Period);
- (d) before taking into account any Exceptional Items;
- (e) after deducting the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests;
- (f) plus or minus the Group’s share of the profits or losses (after finance costs and tax) of Non-Group Entities;
- (g) before taking into account any unrealised gains or losses on any derivative instrument or financial instrument (other than any derivative instrument which is accounted for on a hedge accounting basis);
- (h) before taking into account any non-cash Pension Items;
- (i) excluding the charge to profit represented by the expensing of stock options,

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Group before taxation,

provided that, in calculating EBITDA, for the purposes of Total Net Leverage in respect of any Relevant Period (including any portion thereof occurring prior to the relevant Acquisition or disposal), the historical consolidated earnings before interest, tax, depreciation and amortisation of an Acquired Entity or the business disposed (calculated on the same basis as EBITDA of the Group) shall be included or excluded (as

applicable) in the relevant calculations for that part of the Relevant Period prior to the relevant Acquisition or disposal,

and so that no amount shall be added or deducted more than once;

- 1.1.16 “**Excluded Subsidiaries**” means any Subsidiary of the Corporation which is not a Material Subsidiary or Material Asset Holding Subsidiary, which, on the SAR Issuance Date, consist of (i) Macro Plastics de Chile SPA, to the extent that such Subsidiary continues to be inactive, does not carry on business and does not own assets; and (ii) Macro Plastics Manufacturing de Mexico, S.de R.L. de C.V. and Macro Plastics de Mexico Services;
- 1.1.17 “**FA Cross Default**” has the meaning set forth in Section 7.1.8;
- 1.1.18 “**Facilities Agreement**” means the facilities agreement dated April 17, 2018 among IPL PLC, as Parent, the Original Borrowers, including the Corporation, as Borrowers, the Original Guarantors, as Guarantors, The Governor and Company of the Bank of Ireland and National Bank Financial Inc., as Co-Lead Arranger, Joint-Bookrunner and Syndication Agent, The Governor and Company of the Bank of Ireland, as administrative agent and security trustee (the “**Agent**”), and the Original Lenders, as Lenders, the whole as amended, supplemented, restated, renewed or replaced from time to time;
- 1.1.19 “**Facilities Agreement Event of Default**” has the meaning set forth in Section 7.1.8;
- 1.1.20 “**GAAP**” means, with respect to the Corporation, International Financial Reporting Standards which are in effect from time to time and with respect to any other Person, generally accepted accounting principles which are in effect in Canada from time to time;
- 1.1.21 “**Guarantee**” means any obligation, contingent or not, directly or indirectly guaranteeing any liability or indebtedness of any Person or protecting a creditor of such Person from a loss in respect of any such liability or indebtedness or having the same economic effect;
- 1.1.22 “**Holder**” has the meaning set forth in the Preamble;
- 1.1.23 “**Initial Financial Quarters**” has the meaning set forth in Section 6.2;
- 1.1.24 “**Insolvent Person**” means a Person: (i) who is unable to meet its obligations as they generally become due; (ii) who has ceased paying its current obligations in the ordinary course of business as they generally become due; (iii) the aggregate of whose property is not, at a fair valuation, sufficient, or, if disposed of at a fairly conducted sale under legal process, would not be sufficient to enable payment of all its obligations, due and accruing due; or (iv) who has unreasonably small capital with which to conduct the business in which it is engaged as such business is now conducted and is proposed to be conducted;
- 1.1.25 “**Interest**” has the meaning set forth in Section 2.1;

- 1.1.26 “**Interest Due Date**” has the meaning set forth in Section 2.1;
- 1.1.27 “**Interest Expense**” means, for any period, the aggregate amount of cash interest and other financing charges during such period, in each case determined in accordance with GAAP;
- 1.1.28 “**IPL PLC**” has the meaning set forth in the Preamble;
- 1.1.29 “**Material Adverse Change**” means any change, condition, event or occurrence which, when considered individually or together with other changes, conditions, events or occurrences, could reasonably be expected to have a Material Adverse Effect;
- 1.1.30 “**Material Adverse Effect**” means (i) a material adverse effect on the financial condition, business, operations, assets or liabilities of the Credit Parties taken as a whole, and (ii) a material adverse effect on the ability of a Credit Party to perform its obligations under the Facilities Agreement or this Debenture;
- 1.1.31 “**Material Credit Party**” means a Credit Party which is not an Excluded Subsidiary;
- 1.1.32 “**One51 IPL Holdings**” has the meaning set forth in the Preamble;
- 1.1.33 “**Original Debenture**” has the meaning set forth in the Preamble;
- 1.1.34 “**Original Issuance Date**” means July 23, 2015;
- 1.1.35 “**Other Debentures**” has the meaning set forth in Section 4.1.4;
- 1.1.36 “**Other Investor**” has the meaning set forth in the Preamble;
- 1.1.37 “**Parties**” means, collectively, the Corporation and the Holder;
- 1.1.38 “**Permitted Amalgamation**” means the amalgamation of the Corporation and the corporation resulting from the amalgamation of 9374-1817 Quebec Inc. and 9374-1361 Quebec Inc.;
- 1.1.39 “**Permitted Transferee**” means, in respect of the Holder;
- (a) its holding body corporate; and
  - (b) any Person, directly or indirectly, Controlled by the Holder;

provided, that the assignee shall be bound by the provisions hereof and the Subordination Agreement and shall be substituted to the Holder in all of its rights and obligations hereunder and thereunder; and, provided, further, that the right of the Holder to assign such rights and obligations includes the right for the assignee to return such rights and obligations to the Holder or to assign them to any other Permitted Transferee in accordance herewith.

- 1.1.40 “**Person**” includes an individual, a legal person, a body corporate, a sole proprietorship, a partnership, a trust, a fund and an association, a syndicate, an organization or other organized group of persons, whether

constituted or not as a legal person, or whether incorporated or not, and an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative, and any governmental authority;

- 1.1.41 "**Principal Amount**" means the amount of money advanced to the Corporation under this Debenture that is outstanding from time to time, being initially on the Original Issuance Date fifteen million dollars (\$15,000,000) as reduced from time to time pursuant to the exercise of repayment rights in accordance with the provisions set forth in Article 3;
- 1.1.42 "**Relationship Agreement**" means the exchange and relationship agreement entered into as of February 28, 2018 by and among, the Corporation, IPL PLC, the Holder and the Other Investor, as the same may be amended, supplemented or replaced from time to time in accordance with the terms thereof;
- 1.1.43 "**SAR Issuance Date**" means April 17, 2018;
- 1.1.44 "**Senior Waiver**" has the meaning set forth in Section 7.1.8;
- 1.1.45 "**Subordination Agreement**" means the subordination agreement dated the date hereof among the Holder, the Other Investor, the Agent and the Corporation, as same may be amended, supplemented or replaced from time to time;
- 1.1.46 "**Subsidiaries**" means a Person that is under the Control of another Person;
- 1.1.47 "**Supplementary Interest**" has the meaning ascribed thereto in Section 2.2; and
- 1.1.48 "**Termination Date**" means October 17, 2023.

## ARTICLE 2 PROMISE TO PAY

2.1 The Corporation acknowledges its obligation and promises to pay to the Holder the Principal Amount plus interest on such amount at a rate of 10% per annum, calculated on a daily basis (the "**Interest**"). The Interest is payable monthly on the first Business Day of each month (the "**Interest Due Date**"). The first interest instalment consisting of accrued interest under the AR Debenture up to the date hereof along with the interest which accrues under this Debenture up to June 30, 2018 shall be due on July 3, 2018.

2.2 The Corporation shall also pay to the Holder interest on all Interest or Principal Amount in arrears, at the rate of 12% per annum, calculated on a daily basis and compounded monthly (the "**Supplementary Interest**").

### ARTICLE 3 REPAYMENT

3.1 This Debenture shall be repaid by the Corporation in equal quarterly installments, starting at the end of the first fiscal quarter following the second (2<sup>nd</sup>) anniversary of the Original Issuance Date, on the forty fifth (45<sup>th</sup>) day following the end of such fiscal quarter (the “**Due Date**”). The total annual repayment shall be as follows:

- 3.1.1 starting at the end of the first fiscal quarter following the second (2<sup>nd</sup>) anniversary of the Original Issuance Date and ending after the fiscal quarter immediately prior to the fourth (4<sup>th</sup>) anniversary of the Original Issuance Date, 7.5% of the initial Principal Amount on the Original Issuance Date annually; and
- 3.1.2 starting at the end of the first fiscal quarter following the fourth (4<sup>th</sup>) anniversary of the Original Issuance Date and ending after the fiscal quarter immediately prior to the Termination Date, 10% of the initial Principal Amount on the Original Issuance Date annually.

Notwithstanding the foregoing, no quarterly repayment contemplated above shall be due and payable by the Corporation to the Holder unless (i) the Total Net Leverage for the fiscal quarter which just ended (calculated on a *pro forma* basis after giving effect to the relevant repayment) is less than 2.50:1 as evidenced by a Compliance Certificate as well as the financial statements delivered to the Agent pursuant to Clauses 23.1 and 23.2 of the Facilities Agreement or (ii) the Agent has consented thereto.

3.2 The unpaid balance of this Debenture shall be repayable in full on the earliest of the following: (i) on the Termination Date, (ii) upon acceleration of this Debenture in the occurrence of an event of default; and (iii) the date on which the Holder ceases to be a shareholder of IPL PLC.

### ARTICLE 4 ADVANCE REPAYMENT

4.1 The Corporation may repay this Debenture in advance, in full or in tranches, on the condition that:

- 4.1.1 the Corporation is not then in default of its financial covenants hereunder;
- 4.1.2 that any partial repayment shall be made in multiples of one million dollars (\$1,000,000) and, in each case, for a total of not less than five million dollars (\$5,000,000);
- 4.1.3 the Corporation pays a premium equal to one percent (1%) of the portion of the Principal Amount being repaid by the Corporation at any time prior to the Termination Date; and
- 4.1.4 the Corporation shall concurrently repay on a *pari passu* basis the second amended and restated unsecured debentures issued in favour of the Other Investor and Investissement Québec (the “**Other Debentures**”).

4.2 Notwithstanding Section 3.2, the Holder shall have the right to demand immediate repayment of this Debenture upon the occurrence of any of the following events:

- 4.2.1 upon the occurrence of a Default;
- 4.2.2 upon a Change of Control; or
- 4.2.3 upon moving of the head office of the Corporation outside the Province of Quebec,

it being understood that the Corporation shall then lose any benefit related to the term. In such event, the Corporation shall repay to the Holder, without delay, upon notice, the outstanding Principal Amount and any other sum payable under this Debenture. The Corporation shall also reimburse all reasonable fees paid by the Holder in asserting its rights.

**ARTICLE 5**  
**[INTENTIONALLY DELETED]**

**ARTICLE 6**  
**GENERAL UNDERTAKINGS**

- 6.1 The Corporation undertakes:
- 6.1.1 to maintain its corporate existence at all times and to carry on its business in compliance with applicable laws and in accordance with sound business practice subject to subsection 6.1.8;
  - 6.1.2 to respect its obligations under the Relationship Agreement;
  - 6.1.3 to respect its obligations under this Debenture and the Other Debentures;
  - 6.1.4 to respect its obligations under any other agreement entered into with the Holder, the Other Investor or Investissement Québec;
  - 6.1.5 to give prompt written notice to the Holder of any amendment, modification or waiver to the Facilities Agreement or any other credit agreement or any loan ranking senior to this Debenture entered into by the Corporation;
  - 6.1.6 to pay and discharge all taxes, assessments and governmental charges or levies imposed on it or on its income or profits or on any of its property or assets prior to the date on which penalties or interest attach thereto, except for any such tax, assessment, charge or levy the payment of which is being contested in good faith and by proper proceedings and against which adequate reserves are being maintained;
  - 6.1.7 to furnish or cause to be furnished to the Holder, prompt notice of the following events after the Corporation has become aware thereof:
    - 6.1.7.1 the commencement of all proceedings (including any notices of infraction) and investigations by or before any governmental

body and all actions and proceedings in any court or before any arbitrator against, that could singly or when aggregated with all other such proceedings, investigations and actions have a Material Adverse Effect;

- 6.1.7.2 the occurrence or the failure to occur of any event which would result in the occurrence of a Material Adverse Effect; or
- 6.1.7.3 the occurrence of any Default;
- 6.1.8 to not enter into any transaction of merger, consolidation or amalgamation, or liquidate, wind up or dissolve itself except (x) any Permitted Transaction can be consummated, (y) any Credit Party can liquidate and dissolve if all of its assets are transferred to another Credit Party, and (z) any Material Credit Party may merge or amalgamate with any other Material Credit Party, if the following conditions are fulfilled:
  - 6.1.8.1 no event of default occurs as a result of the merger or amalgamation;
  - 6.1.8.2 the surviving or amalgamated entity executes and delivers to the Holder all such documents as may be necessary (or reasonably requested by Holder) to confirm that such entity is bound as successor of the merging or amalgamating entities by this Debenture;
  - 6.1.8.3 the surviving or amalgamated entity is not an Insolvent Person after the merger or amalgamation;
  - 6.1.8.4 if one of the merging or the amalgamating parties is the Corporation, the merger or the amalgamation must take place with a Credit Party incorporated in Canada; and
  - 6.1.8.5 the Holder has been provided with reasonable advance notice of the merger or amalgamation and, prior to or concurrently with the merger or amalgamation, with satisfactory evidence of compliance with the requirements of the other clauses contained in this Section 6.1.8 including such financial information, certificates, documents and legal or other professional opinions as the Holder may reasonably request.
- 6.1.9 to not create, incur, assume or permit to exist any Financial Indebtedness other than the following for the Material Credit Parties:
  - 6.1.9.1 Permitted Financial Indebtedness; or
  - 6.1.9.2 a Permitted Transaction;
- 6.1.10 to not provide financial assistance (whether by way of Financial Indebtedness or Guarantee) to any Person other than:
  - 6.1.10.1 a Permitted Loan;
  - 6.1.10.2 a Permitted Transaction; or

- 6.1.10.3 a Permitted Guarantee;
- 6.1.11 save only for Permitted Security and a Permitted Transaction, to not create, incur, assume or suffer to exist any Security on any of its assets, whether now owned or possessed or hereafter acquired or possessed by the Credit Parties;
- 6.1.12 to not effect any material change in the nature of its business;
- 6.1.13 to not make any Distribution other than a Distribution to another Credit Party;
- 6.1.14 to not pay any bonus or extraordinary remuneration to the management of the Corporation other than in the ordinary course of business and consistent with past practice, or any consulting and advisory services fees to an Affiliate of the Corporation;
- 6.1.15 to not make any acquisition of a business (either by way of purchase of assets or shares or otherwise) with respect to the Material Credit Parties except for:
  - 6.1.15.1 a Permitted Acquisition; or
  - 6.1.15.2 a Permitted Transaction;
- 6.1.16 to not make any private or public tender offer for the shares or securities of another Person whose governing body has not approved such offer;
- 6.1.17 to not sell, transfer or otherwise dispose of, in one transaction or a series of related transactions to any Person (in each case, a “**disposition**”), any property except for the following dispositions (in each case, provided that no event of default occurs as a result of the disposition):
  - 6.1.17.1 a Permitted Disposal;
  - 6.1.17.2 a Permitted Transaction;
  - 6.1.17.3 any disposition by a Material Credit Party to another Material Credit Party, provided that the conditions of paragraph 6.1.8 above are fulfilled in the case of a disposition of any material part of the assets of the transferor (to the extent applicable and adapted as if the disposition were a merger and the transferee were the surviving entity) and provided further that if the disposition relates to substantially all of the property or assets of the transferor, the latter (if not the Corporation) may wind-up or dissolve itself after completion of such disposition; or
  - 6.1.17.4 any dispositions (A) to Bank of Montreal (or one of its Subsidiaries or Affiliates) of accounts receivable owing from Kellogg Company or its Subsidiaries under the PrimeRevenue, Inc. web based accounts receivable discount program and pursuant to an Online Supplier Agreement to be entered into among PrimeRevenue Inc., Bank of Montreal and IPL USA Inc. (as may be amended or restated from time to time), and (B) to

Citibank N.A. (or one of its Subsidiaries or Affiliates) of accounts receivable owing from Mondelez International or its Subsidiaries under the Citibank accounts receivable discount program and pursuant to a Supplier Agreement to be entered into between IPL USA Inc. and Citibank, N.A. (as may be amended or restated from time to time), provided in each case that the proceeds of such dispositions are deposited in accounts maintained with the Agent or which are subject to a deposit account control agreement in favour of the Agent;

6.1.18 to provide the Holder with the information set forth in Section 10.3 of the Relationship Agreement and

6.1.19 to provide the Holder with internally prepared quarterly financial statements of the Corporation within 60 days of the end of each Quarter.

6.2 The following financial covenants must be maintained by IPL PLC at all times, on a consolidated basis:

(a) *Interest Cover:* Interest Cover in respect of each Relevant Period shall not be less than a ratio of 2.70:1.

(b) *Total Net Leverage:*

(i) Total Net Leverage in respect of each Relevant Period ending on a date prior to June 30, 2019 shall not exceed a ratio of 5.00:1.

(ii) Total Net Leverage in respect of each Relevant Period ending on a date on or after June 30, 2019 shall not exceed a ratio of:

(A) if a Flotation has not occurred by June 30, 2019, 4.00:1; or

(B) if a Flotation has occurred by June 30, 2019 and:

(1) a Material Acquisition has been completed by the Group at any time during that Relevant Period:

(x) 5.00:1 for the two Financial Quarters ending immediately after the date of completion of the Material Acquisition (the "**Initial Financial Quarters**");

(y) 4.50:1 for the two Financial Quarters ending immediately after the Initial Financial Quarters; and

(z) 4.00:1 for each Relevant Period thereafter,

provided that the changes to the Total Net Leverage ratios referred to in paragraph

(B)(1) above will occur on one occasion only and in respect of one Material Acquisition only; or

- (2) if a Material Acquisition has not been completed by the Group at any time during that Relevant Period, 4.00:1.

These financial covenants shall be calculated in accordance with the Accounting Principles and tested by reference to each of the financial statements delivered pursuant to paragraphs (a) and (b) of Clause 23.1 of the Facilities Agreement and/or each Compliance Certificate delivered pursuant to Clause 23.2 of the Facilities Agreement.

## ARTICLE 7 DEFAULT

7.1 The Corporation shall be in default, without any delay or notice, if one of the following events occurs with respect to the Corporation or one of its Subsidiaries (each, a “**Default**”):

- 7.1.1 if it, or one of its Subsidiaries, fails to execute any undertaking or obligation set out herein (other than a default contemplated under any of Sections 7.1.2 to 7.1.10) within the delay set forth herein for execution and the Corporation or its Subsidiary has not remedied such failure within fifteen (15) days from receipt of a notice to that effect, or without delay if such failure cannot be remedied;
- 7.1.2 if at any time a financial covenant is not maintained in accordance with Section 6.2;
- 7.1.3 it fails to remit a payment of the Principal Amount or Interest Payment more than three (3) business days after any Due Date or Interest Due Date;
- 7.1.4 an order is made or a resolution is passed with respect to the liquidation, dissolution or winding-up of a Credit Party other than in accordance with Section 6.1.8 hereof;
- 7.1.5 a decision is executed against all or a significant part of a Credit Party’s assets other than in accordance with Section 6.1.8 hereof;
- 7.1.6 if a Material Credit Party ceases to operate its business (other than further to a transaction permitted pursuant to Section 6.1.8 hereof);
- 7.1.7 a Credit Party becomes insolvent under the *Bankruptcy and Insolvency Act* (Canada);
- 7.1.8 if an Event of Default other than in connection with a breach of Clause 24.2 of the Facilities Agreement (a “**Facilities Agreement Event of Default**”) occurs (which does not constitute a Default pursuant to the other subsections of this Section 7.1), a Default shall exist hereunder, provided that if the Facilities Agreement Event of Default is waived (the

“Senior Waiver”) in accordance with the Facilities Agreement, such Default (the “FA Cross Default”) will automatically be deemed to be have been waived as long as the Senior Waiver is obtained at any time prior to the expiry of the Standstill Period (as defined in the Subordination Agreement);

7.1.9 a Credit Party is in default under any agreement or agreements relating to Financial Indebtedness (other than the Facilities Agreement) exceeding \$2,500,000 in the aggregate if the effect of such default is to accelerate or to permit the acceleration of such Financial Indebtedness and such default continues after the applicable notice or grace period, if any; or

7.1.10 a Material Adverse Change.

Upon the occurrence of a Default, the Holder may elect to accelerate the obligations of the Corporation under this Debenture and the Corporation shall lose any benefit related to the term and this Debenture.

## **ARTICLE 8 ASSIGNMENT AND RANK**

This Debenture is only assignable by the Holder with the prior written consent of the Corporation, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, the Corporation's consent shall not be required if a Default exists or if the assignment is to a Permitted Transferee. This Debenture ranks *pari passu* with the Other Debentures.

## **ARTICLE 9 AMENDMENT AND RESTATEMENT**

The AR Debenture is hereby amended and restated in its entirety, without novation of the AR Debenture and without derogation of the rights and obligations of the Corporation thereunder (save as amended hereunder). However, from the date hereof, this Debenture will evidence the agreement of the Parties with respect to the matters which are the subject of the AR Debenture and this Debenture and will supersede the AR Debenture

## **ARTICLE 10 GENERAL PROVISIONS**

10.1 In the event of loss, the Corporation shall, upon demand, issue and deliver without cost to the Holder a new debenture identical to this Debenture, as a replacement thereof.

10.2 Any notice required hereunder must be given in writing and shall contain all information required to allow for the exercise of the right, the choice or the relevant decision, in an informed manner. Such notice shall be sufficiently given or made if delivered or telecopied, in the case of:

10.2.1 The Corporation:

570 Route du Président-Kennedy  
Lévis, Quebec  
G6C 1M9

Attention: Chief Financial Officer  
Facsimile: 418-789-3153

with a copy to:

Huguenot House, 35-38 St. Stephen's Green  
Dublin 2, Ireland

Attention: Chief Financial Officer  
Facsimile: 353 (0)1612 1210

10.2.2 The Holder:

545, boul. Crémazie East, Suite 200,  
Montréal, Québec H2M 2W4

Attention: Vice-President Legal Affairs  
Facsimile: 514-383-2500  
Email: [affairesjuridiques@fondsfqt.com](mailto:affairesjuridiques@fondsfqt.com)

or to such other address as the relevant party may from time to time advise by notice in writing given pursuant to this section. The date of receipt of any such notice, request, consent, agreement or approval shall be deemed to be the date of delivery or telecopy (if during normal business hours in the place of receipt or, if not, the next Business Day).

10.3 All recourses of the Holder may be exercised independently or together. In addition, failure to exercise a recourse does not invalidate said recourse and may not be interpreted as a waiver of default.

10.4 This Debenture shall be governed by, and interpreted and enforced in accordance with, the laws in force in the Province of Quebec and the federal laws of Canada applicable therein, without regard to conflicts of laws rules or principles.

*[remainder of this page left blank intentionally]*

**IN WITNESS WHEREOF**, the Corporation has signed this Debenture in the Province of Quebec, as of this 17<sup>th</sup> day of April, 2018.

**IPL INC.**

Per: (signed) John Hannigan  
Name: John Hannigan  
Title: Chief Financial Officer

**ASSIGNMENT**

FOR VALUE RECEIVED, the undersigned, registered holder of the debenture, hereby assigns and transfers to \_\_\_\_\_ (the "Assignee"), (\$\_\_\_\_\_), of the Principal Amount and all Interest and Supplementary Interest outstanding on the Debenture. The undersigned hereby irrevocably designates and names \_\_\_\_\_, as proxy to effect such transfer in the appropriate register.

This \_\_\_\_\_

**FONDS DE SOLIDARITÉ DES  
TRAVAILLEURS DU QUÉBEC  
(F.T.Q.)**

Registered holder

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

Read and accepted this: \_\_\_\_\_

\_\_\_\_\_  
Assignee