

## LOCAL FREQUENCY PROGRAM AGREEMENT

This agreement (“**Agreement**”) is entered into by and between Protegra Inc. (“**Protegra**”), operating a locally-focused loyalty and rewards program (the “**Local Frequency Program**”) and you (the “**Participant**”). The Participant desires to participate in the Local Frequency Program, on the terms and conditions set out in this Agreement, which provides for, among other things, the process by which customers of the Participant may earn and redeem Earned Local Points (as hereinafter defined). The Parties (as hereinafter defined) agree that the overall intent of this Agreement is to implement mutually beneficial marketing programs and to stimulate the use of their respective products and attract and retain customers. In consideration of the mutual covenants and undertakings contained herein and other good and valuable consideration, the sufficiency of which is acknowledged by both Parties, the Parties agree as follows:

### ARTICLE 1 INTERPRETATION

#### 1.1 Definitions.

The following terms are defined for the purposes of this Agreement:

(a) “**Affiliate**” shall be as defined in the *Canada Business Corporations Act*, as amended from time to time;

(b) “**Agreement**” means this agreement and the terms and conditions set forth herein, together with the Schedules hereto, the whole as amended or supplemented from time to time;

(c) “**Alternative Program Method**” means any software (other than the Application), device, card, document, website or other manner or thing utilized to facilitate access to or collection and/or redemption of Earned Local Points or the Prepaid Cash Account by Users that may be established, approved or used by Protegra from time to time;

(d) “**Applicable Laws**” means all federal, provincial and municipal laws and regulations in Canada including orders, rules, notices, bulletins, demands or requirements of any board, tribunal or regulatory body applicable to the arrangement contemplated;

(e) “**Applicable Taxes**” shall have the meaning ascribed thereto in Section 2.15 hereof;

(f) “**Application**” means the electronic application software established by Protegra that, among other things provides electronic access via mobile devices to Users to their Earned Local Point Accounts and Prepaid Cash Accounts for use at Participating Locations in the Local Frequency Program and through which Users receive certain notices in respect of the Local Frequency Program and Local Point Promotions from Protegra;

(g) “**Arrears**” shall have the meaning ascribed thereto in Section 2.14 hereof;

(h) “**Business Day**” means each of Monday, Tuesday, Wednesday, Thursday and Friday, except where any such day occurs on any federal or provincial statutory holiday observed in the Province of Manitoba, Canada;

(i) “**Business Training Guide**” means the training material provided to the Participant by Protegra upon entering into this Agreement setting out the guidelines, processes and expectations for the operation of the Local Frequency Program;

(j) “**Commencement Date**” shall have the meaning ascribed thereto in Section 8.1 hereof;

(k) “**Confidential Information**” means information contained, inputted or transferred via any Terminal and/or the Application

(and includes, for certainty, any software and/or underlying source code materials with respect thereto and compilations in respect thereof), this Agreement, Personal Information, User information, including but not limited to any User Accounts, Unique User Account Identifiers and the Earned Local Points or transactions with respect to the foregoing, any commercial or technical information disclosed or made available by either Party to the other pursuant to or in connection with this Agreement, and any other items or documentation that are marked or identified as “**confidential**” or “**proprietary**” or with other similar words, and shall also include any trade secret, process, formula and any information relating to the business or financial affairs, marketing plans, sales plans, prospects, research, strategies, management, financing, products, inventions, designs, computer programs, objects, applications and any databases, data surveys, requirement documents, specifications, records, reports or other documents, materials or other data or information whether in writing or otherwise, concerning the Parties;

(l) “**Debit/Credit Threshold Amount**” means two (\$2.00) dollars, or such other threshold amount of funds, as may be established or amended by Protegra from time to time, in respect of a Push Payment or Pull Payment otherwise payable under this Agreement, below which Protegra shall not transfer the applicable funds to or from a Local Frequency Program Participant;

(m) “**Dispute**” shall have the meaning ascribed thereto in Section 16.1 hereof;

(n) “**Earned Local Points**” means the points which a User may collect and redeem in accordance with this Agreement, the Local Frequency Program, Reward Program Rules and Regulations and the User Agreement as may be updated or amended by Protegra from time to time, each whole Earned Local Point equating to at least one (\$1.00) Canadian dollar and each 1/100th of an Earned Local Point equating to one (\$0.01) cent provided that some other value may be determined and agreed to mutually by and between Protegra and a Local Frequency Program Participants from time to time in connection with a Local Point Promotion;

(o) “**Earned Local Point Account**” means the figurative account established by Protegra on behalf of a User upon execution and approval of the applicable User Agreement for the debiting and crediting of Earned Local Points by Local Frequency Program Participants;

(p) “**Eligible Goods and Services**” means, subject to any agreement between the Participant and Protegra as evidenced in any Supplement, any good or service offered by a Participant other than those items which Applicable Laws do not permit the accumulation of Earned Local Points or other incentives in connection with their purchase in the manner set forth in this Agreement;

(q) “**Expired Local Points**” shall have the meaning ascribed thereto in Section 2.19 hereof;

(r) “**Expired Local Point Credits**” shall have the meaning ascribed thereto in Section 2.19 hereof;

(s) “**Indemnified Party**” shall have the meaning ascribed thereto in Section 14.1 hereof;

(t) “**Indemnifying Party**” shall have the meaning ascribed thereto in Section 14.1 hereof;

(u) “**Initial Fee Amount**” shall have the meaning ascribed thereto in Section 2.10(b) hereof;

(v) “**Intellectual Property**” means all intellectual property rights of any kind of Protegra, whether registered or not,

including all rights arising out of or based on patents, inventions, designs and industrial designs, trade-marks, trade-names, trade secrets, domain names, copyrights, technical information, know-how, processes, computer software, database rights, design rights, rights affording equivalent protection to copyright database rights and design rights, and all registrations or applications to register any of the aforesaid items, and rights to sue for or otherwise prevent passing off, and all moral rights or rights of equivalent nature, all as related to and used in or in connection with the Local Frequency Program, the Application and/or any Terminal;

(w) **"Local Frequency Program"** means the locally-focused loyalty and reward program established and operated by Protegra, whereby Users may receive reward credits, called "Earned Local Points" for use and redemption towards future purchases made with Qualifying Tender at Participating Locations in accordance with this Agreement, the User Agreement, and the Reward Program Rules and Regulations;

(x) **"Local Frequency Program Participants"** means, as applicable, any of or collectively all of the group of businesses and entities that participate in the Local Frequency Program, including the Participant, and that have entered into agreements with Protegra to participate in the Local Frequency Program;

(y) **"Local Point Card"** means the physical point card or electronic point card generated through the Application that a User may use to: (i) prepay a Prepaid Cash Account to be used and redeemed at Participating Locations; and (ii) accrue and redeem Earned Local Points as part of Qualifying Transactions and Redeeming Transactions at Participating Locations;

(z) **"Local Point Percentage"** means a minimum standard base of: (i) one (1%) percent in respect of a Qualifying Transaction completed by credit card; and (ii) three (3%) percent in respect of a Qualifying Transaction completed by other Qualifying Tender, or such other percentage or variable as may be determined mutually by Protegra and the Participant from time to time in accordance with the terms hereof or any Local Point Promotion or other Supplement;

(aa) **"Local Point Promotion"** means a promotion which may be arranged from time to time between the Local Frequency Program Participant and Protegra, the terms of which shall be set forth in a Supplement;

(bb) **"Notice of Arbitration"** shall have the meaning ascribed thereto in Section 16.2 hereof;

(cc) **"Participant"** shall have the meaning ascribed thereto on the face page hereof;

(dd) **"Participant Account"** means the bank account held by the Participant which is utilized for the purposes of its participation in the Local Frequency Program, including the authorization, processing, debiting and crediting of any fees and payments due hereunder, including Push Payments and Pull Payments;

(ee) **"Participant Records"** shall have the meaning ascribed thereto at Section 6.2(b) hereof;

(ff) **"Participating Locations"** means a Local Frequency Program Participants' location of business that is equipped to facilitate Qualifying Transactions and Redeeming Transactions by Users, in accordance with the terms and conditions of this Agreement, the User Agreement and the Reward Program Rules and Regulations;

(gg) **"Parties"** shall include both Protegra and the Participant and **"Party"** shall refer to either Protegra or the Participant in this Agreement;

(hh) **"Pending Local Point Accrual"** shall have the meaning ascribed thereto in Section 2.8(b) hereof;

(ii) **"Person"** means any individual, entity or governmental body, including but not limited to any corporation, including non-profit corporation, general partnership, limited partnership, limited liability partnership, joint venture, estate, trust, cooperative, foundation, society, political party, union, company, including any limited liability company or joint stock company, firm or other enterprise, association, organization or entity;

(jj) **"Personal Information"** is information about a User including, but not limited to, a User's name, telephone numbers, e-mail addresses, User Account, Unique User Account Identifier and the history of Qualifying Transactions and Redeeming Transactions made by the User under the Local Frequency Program, and may also include postal addresses of the User;

(kk) **"Pre-Authorized Debit Agreement"** means the pre-authorized debit (PAD) agreement in the form attached hereto as Schedule **"C"** completed, executed and as may be updated from time to time by the Participant and as may reasonably be required by Protegra;

(ll) **"Prepaid Cash Account"** means the account established by Protegra on behalf of a User for any prepaid cash balance paid by the User to Protegra in accordance with the terms of the User Agreement and for use and redemption by such User at Participating Locations;

(mm) **"Protegra's Trade-marks"** shall have the meaning ascribed thereto in Section 2.18 hereof;

(nn) **"Pull Payments"** means all payments made or required to be made by the Participant to Protegra hereunder, including but not limited to any Qualifying Local Point Accrual Payment and any fees;

(oo) **"Push Payments"** means all payments made or required to be made by Protegra to the Participant hereunder on account of any Redeeming Transactions made by a User;

(pp) **"Qualifying Local Point Accrual Payments"** shall have the meaning ascribed thereto in Section 2.8(a) hereof;

(qq) **"Qualifying Tender"** means a payment made by way of cash, credit card or debit (excluding a gift card) or such other currency or method of payment as determined by Protegra from time to time;

(rr) **"Qualifying Transactions"** means any purchase by a User of a Participant's Eligible Goods and Services that is made (in whole or in part) with Qualifying Tender and in connection with which the User utilizes the Application or Alternative Program Method to collect and redeem Earned Local Points;

(ss) **"Qualifying Transaction Amount"** means the dollar amount of the Qualifying Transaction that is paid for with Qualifying Tender, including all Applicable Taxes and gratuities paid in respect of the entire amount of the Qualifying Transaction (for certainty, the Qualifying Transaction Amount does not include any amount of the Qualifying Transaction not paid with Qualifying Tender);

(tt) **"Redeeming Payments"** has the meaning ascribed thereto at Section 2.9 hereof;

(uu) **"Redeeming Transactions"** means any purchase by a User of Eligible Goods and Services, in connection with which all or a portion of the purchase price is paid for with Earned Local Points being redeemed by a User from their User

Account using the Application or Alternative Program Method in accordance with the terms and conditions of this Agreement, the User Agreement and any Reward Program Rules and Regulations;

(vv) "**Retro-Credit**", or any variation thereof, shall mean the retroactive crediting of Earned Local Points to a User Account in accordance with the process set out in Section 2.11 hereof (or as otherwise may be determined by Protegra) where the applicable User Account was not credited with the Earned Local Points to which the User would otherwise have collected by reason of input error, fraud or other error;

(ww) "**Retro-Debit**", or any variation thereof, shall mean the retroactive debiting of Earned Local Points from a User Account in accordance with the process set out in Section 2.12 hereof (or as otherwise may be determined by Protegra) as a result of which the applicable User was credited with Earned Local Points in error, fraud or was otherwise ineligible or deemed by Protegra to be ineligible to receive such Earned Local Points;

(xx) "**Reward Program Rules and Regulations**" means the rules and regulations that may be established and amended by Protegra from time to time including but not limited to by way of a website if and when same may be established by or on behalf of Protegra, and governing (i) aspects of the Users' participation in the Local Frequency Program, including but not limited to membership eligibility and the collection and redemption of Earned Local Points by Users; and (ii) any other matter referencing any Reward Program Rules and Regulations as referred to in this agreement;

(yy) "**Subscription Fee**" shall have the meaning ascribed thereto in Section 2.10(a) hereof;

(zz) "**Supplement**" means an agreement in writing between the Parties or between Protegra and one or more Local Frequency Program Participants, as applicable, that supplements or amends the terms hereof in such form as may be agreed to by the applicable Local Frequency Program Participant;

(aaa) "**Term**" means the term of this Agreement, as set forth in Section 8.1 hereof and the expression "**Term**" shall also include any renewal of this Agreement.

(bbb) "**Terminals**" means the physical stand, screen, any program interfaces, software and all Intellectual Property associated therewith for use in the participation in, administration and management of the Local Frequency Program in accordance with the terms of this Agreement;

(ccc) "**User**" means a customer that is a member of the Local Frequency Program and has entered into a valid and existing User Agreement as the same may be amended from time to time;

(ddd) "**User Account**" means, collectively, the account established by Protegra on behalf of a User for the debiting and crediting of the applicable User's: (i) Prepaid Cash Account, and (ii) the Earned Local Point Account which shall be established upon execution and approval of the applicable User Agreement;

(eee) "**User Agreement**" means the agreement entered into between Protegra and a User, the current form of which is appended hereto as Schedule "**B**" in respect of the participation by the User in the Local Frequency Program, the credit and debit of a User's Prepaid Cash Account and the collection and redemption of Earned Local Points; and

(fff) "**Unique User Account Identifier**" means the User Account identifier for a particular User, which may be identified

through the use of electronic quick response code (QR) identifier assigned by Protegra to each User in conjunction with the Application (as may be refreshed and reassigned from time to time), or an Alternative Program Method, for the crediting of the applicable User Account with Earned Local Points.

## **1.2 Additional Definitions/Terms.**

Any Participant-specific definitions or terms, including but not limited to a list of Eligible Goods and Services or any special promotions or offers included in a Supplement and any such Supplement shall conclusively be deemed to be incorporated into this Agreement by reference.

## **1.3 Currency.**

Any reference to cash or dollar amounts in this Agreement shall mean the lawful currency of Canada.

## **1.4 Headings.**

The division of any part of this Agreement, including for certainty the Schedules attached thereto, into articles and clauses and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this or any part of the Agreement.

## **ARTICLE 2 LOCAL FREQUENCY PROGRAM PARTICIPATION**

### **2.1 User Participation in the Local Frequency Program.**

Users (including, for certainty, individual customers as well as businesses) may choose to participate in the Local Frequency Program by downloading the Application on to an enabled mobile device and agreeing to the terms and conditions of the User Agreement between the new User and Protegra. Users may also participate through an Alternative Program Method, including by way of a Local Point Card.

### **2.2 Overview of the Local Frequency Program.**

A User Account will be credited with Earned Local Points acquired by the Participant in accordance with Section 2.8 hereof equal to the Local Point Percentage of the Qualifying Transaction Amount of each Qualifying Transaction of the applicable User. For certainty, no Earned Local Points are earned by a User for payments (or portion thereof) made by any form of payment that does not constitute Qualifying Tender hereunder.

As a Local Frequency Program Participant, the Participant hereby expressly agrees to accept Earned Local Points as a credit toward the purchase price of Eligible Goods and Services in whole or in part as a Redeeming Transaction. For the purposes of Redeeming Transactions, subject to any Local Point Promotion, at any Local Frequency Program Participant, each whole Earned Local Point equates to one (\$1.00) dollar which may be applied against the purchase price of such Redeeming Transaction in accordance with the terms hereof, the User Agreement and any Reward Program Rules and Regulations (but, for certainty, Earned Local Points are not cash, money or legal tender and may not be transferred from the account of the User who earned it other than as may be expressly provided for in the Reward Program Rules and Regulations). Fractional Earned Local Points may be used for purchases in one (1%) percent increments, with each 1/100th of an Earned Local Point equating to one (\$0.01) cent or such other value as may be determined mutually by and between Protegra and a Local Frequency Program Participants from

time to time in connection with a Local Point Promotion. Subject to all Applicable Laws and in accordance with any pre-determined rules established by the Participant with the express advance written consent and approval of Protegra as evidenced by a Supplement, the Participant hereby agrees to offer the Earned Local Points strictly in accordance with the Reward Program Rules and Regulations and the terms of this Agreement.

### **2.3 Training of Staff.**

The Participant agrees to use its best efforts to ensure that each and every one of its employees, contractors, agents and/or anyone for whom it is at law responsible are at all times familiar and compliant with the terms of the Business Training Guide and any Reward Program Rules and Regulations.

### **2.4 Credit and Debit of User Accounts.**

The Participant shall, including through use of a Terminal, facilitate and administer the scanning of the Unique User Account Identifier and input of the Unique User Account Identifier in respect of any Qualifying Transactions or Redeeming Transactions during the Term. Protegra shall credit and debit Earned Local Points only in respect of the User Account corresponding to the Unique User Account Identifier provided by the User as the "purchaser" thereunder, or as submitted by electronic transmission by the Participant, as the User eligible to earn or redeem the Earned Local Points pursuant to the terms hereof.

### **2.5 Limited Restrictions.**

The Parties acknowledge that the Local Frequency Program is a program without restriction or limitation on the right of Users to accumulate Earned Local Points, subject to the terms of this Agreement, the User Agreements, any Reward Program Rules and Regulations and Applicable Laws. The Participant shall not impose any restrictions on a User's Earned Local Point accumulation without the express written consent of Protegra obtained in advance under a Supplement, and shall honour all valid requests for collection of Earned Local Points in accordance with the terms hereof. For certainty and notwithstanding the foregoing, the Participant shall not facilitate the collection or redemption of Earned Local Points in respect of goods or services that are not Eligible Goods and Services. The Participant is obligated to restrict accumulation and redemption on goods and services that are not Eligible Goods and Services. It is the Participant's responsibility to determine if a good or service constitutes Eligible Goods and Services under Applicable Laws and shall be responsible for (and shall indemnify and save Protegra harmless from) any damages or penalties in respect of same.

### **2.6 Participation in the Local Frequency Program.**

During and throughout the Term, the participation of the Participant in the Local Frequency Program shall be conditional upon the Participant's compliance with the terms and conditions of this Agreement and the Reward Program Rules and Regulations.

### **2.7 Redeeming Transactions at Participating Locations.**

(a) Users may, in accordance with the terms of the User Agreement attached hereto as Schedule "B", collect Earned Local Points and redeem accumulated Earned Local Points at any Local Frequency Program Participant as a Redeeming Transaction.

(b) Users will not receive Earned Local Points on any portion of a Redeeming Transaction that is paid for with Earned Local Points or non-Qualifying Tender for greater certainty, if payment for a Redeeming Transaction is made in part by Earned Local Points and/or non-Qualifying Tender, the User may collect Earned Local Points only on that portion of payment made with Qualifying Tender.

(c) Earned Local Points earned in respect of Qualifying Transactions at one Local Frequency Program Participant may be redeemed at any other Local Frequency Program Participant and any Earned Local Points so redeemed will be correspondingly debited (on the dollar-to-Earned Local Point basis as more particularly described in Section 2.8(a) hereof) from the User Account by Protegra through the scanning of the Unique User Account Identifier at that Participating Location on account of the Redeeming Transaction (or otherwise debiting the Unique User Account Identifier in accordance with any Reward Program Rules and Regulations).

As a Local Frequency Program Participant, the Participant shall be required to process Redeeming Transactions in accordance with the foregoing. Redeeming Transactions are offered and accepted by and between the Participant and the User. With the exception of the Prepaid Cash Account of the User, Protegra does not provide any Redeeming Transactions, monetary value or reward directly to the User, nor does it have any obligation to provide any Redeeming Transactions and/or any rewards advertised or promised by Local Frequency Program Participants to the User unless it is part of a Local Point Promotion or agreed to by Protegra in any Supplement. Any Redeeming Transactions claimed through the use of a Earned Local Point Account remains an obligation between the applicable Local Frequency Program Participant and the applicable User.

### **2.8 Payment for Earned Local Points, Earned Local Point Accrual by User and Pull Payments on Account of Earned Local Points.**

(a) Upon completion of a Qualifying Transaction between a User and the Participant, the Participant is obligated to and shall remit and pay an amount equal to the Local Point Percentage of the applicable Qualifying Transaction Amount, plus any Applicable Taxes to Protegra on account of the collection by the Participant (on behalf of the applicable User) of Earned Local Points at the rate of one (\$1.00) dollar for each whole Earned Local Point and one (\$0.01) cent for each 1/100 of an Earned Local Point credited (the "**Qualifying Local Point Accrual Payment**"). Such Qualifying Local Point Accrual Payment shall be remitted to Protegra by way of a Pull Payment in accordance with Section 2.8(b)(ii) hereof.

(b) The credit of the Earned Local Points earned in connection with a Qualifying Transaction to the applicable User's Earned Local Point Account (the "**Pending Local Point Accrual**") shall be processed upon:

- i. Protegra's receipt of the Participant Account number, the purchasing User's Unique User Account Identifier identifying the particular User's User Account and the Qualifying Transaction Amount electronic file transfers at the point of sale via a Terminal or otherwise; and
- ii. successful processing of the Pull Payment in respect of the applicable Qualifying Local Point Accrual Payment in connection with the Pending Local Point Accrual. Unless and until otherwise determined by Protegra, the debit to the Participant's Account via Pull Payment in respect of any Qualifying Local Point Accrual Payment shall be processed by Protegra at least on a bi-weekly basis, at Protegra's discretion.

(c) A Local Frequency Program Participant (including the Participant) and Protegra may, at any time and from time to time, make arrangements for certain marketing events and/or other promotions, including a Local Point Promotion, in connection with the Local Frequency Program on such terms as may be mutually satisfactory to the Parties and the Local Frequency Point Participants, as applicable, and as set out in a Supplement.

#### **2.9 Earned Local Point Debit and Push Payment.**

(a) Upon completion of a Redeeming Transaction between a User and the Participant, the amount of Earned Local Points and/or balance of the Prepaid Cash Account being redeemed shall be immediately debited from the applicable User Account (each, a "**Redeeming Payment**"), on a first-in first-out basis and the dollar equivalent amount of the Redeeming Payment shall be credited to the Participant Account upon processing by Protegra in accordance with Section 2.9(b) hereof.

(b) The Redeeming Payment shall be processed upon:

- i. Protegra's receipt of the Participant Account number, the purchasing User's Unique User Account Identifier via an electronic file transfer at the time of the Redeeming Transaction;
- ii. Protegra having successfully electronically debited the User's Earned Local Point Account the amount of Earned Local Points being redeemed and, if applicable, Protegra having successfully electronically debited the User's Prepaid Cash Account the amount of prepaid funds being redeemed; and
- iii. the crediting to the Participant Account via Push Payment of any Redeeming Payments, shall be processed by Protegra at least bi-weekly (at Protegra's discretion) on an alternating week basis with the crediting or debiting of all such Participant Accounts by Protegra per Section 2.8 hereof or as otherwise may be determined by Protegra from time to time.

#### **2.10 Subscription Fee**

(a) The Local Frequency Program, the Participant shall pay to Protegra a monthly subscription fee of twenty (\$20.00) dollars (the "**Subscription Fee**") per Terminal provided to a Participating Location of the Participant; and

(b) Protegra is authorized and directed by the Participant to automatically debit the Participant Account in respect of any Subscription Fees contemporaneously with the Pull Payments in respect of the payment for Earned Local Points per Section 2.8 hereof.

#### **2.11 Retro-Crediting of Earned Local Points.**

Users may be retroactively credited with Earned Local Points by Protegra provided that the following process has been followed:

(a) the User contacts the Participant and within thirty (30) days of the Qualifying Transaction in question demonstrates proof of purchase at a Participating Location for which they did not earn and/or were not credited for the Earned Local Points earned which would otherwise be a Qualifying Transaction;

(b) the Participant communicates to Protegra the Earned Local Points earned using the applicable Unique User Account Identifier via a Terminal or otherwise; and

(c) Protegra confirms the Earned Local Points and Retro-Credits the applicable User Account and charges the

Participant for the Earned Local Points, all in accordance with Section 2.8 hereof.

Such Earned Local Points shall be Retro-Credited or recognized as of the date that the User demonstrates proof of purchase per Section 2.11 hereof and complies with the User Agreement and any applicable Reward Program Rules and Regulations.

#### **2.12 Retro-Debiting of Earned Local Points.**

The Participant may request and Protegra may Retro-Debit Earned Local Points that have been credited to a Earned Local Point Account in error or otherwise, provided that the following process has been followed:

(a) the Participant contacts and makes a request to Protegra within thirty (30) days of the Qualifying Transaction in question;

(b) the Participant demonstrates proof of the crediting error by the Participant to the User at the Participating Location, of the full Qualifying Transaction Amount in respect thereof;

(c) the Participant communicates to Protegra the amount of Earned Local Points earned, the date, time and amount paid by the applicable User in respect of the Qualifying Transaction in question via a Terminal or otherwise; and

(d) Protegra confirms the Retro-Debited Local Points and debits the User Account accordingly.

Such Earned Local Points shall be retroactively debited or recognized as of the date that the Participant demonstrates proof of the error per this Section 2.12 hereof and complies with any applicable Reward Program Rules and Regulations. For certainty, no credit shall be given in respect of any Earned Local Points that have been used or redeemed by a User prior to Protegra making its determination under Section 2.12(d) hereof.

#### **2.13 Validation by Protegra.**

Protegra shall perform such validations as it deems necessary prior to the Retro-Credit or Retro-Debit of any Earned Local Points to or from the appropriate Earned Local Point Account. The Participant shall ensure that its data input through any Terminal or otherwise and point of sale records are capable of providing such validation criteria in respect of any Qualifying Transactions and Redeeming Transactions. If a Retro-Credit or Retro-Debit request made by the Participant is rejected, Protegra shall provide the Participant with reasons for such rejection. The validations which may be performed by Protegra include, but are not limited to the following:

(a) the User is party to a valid User Agreement in effect with Protegra and holds a valid User Account in accordance with the Agreement;

(b) the transaction date that is the subject of the Retro-Credit or Retro-Debit request is within the start and end date of the Participant's participation in the Local Frequency Program, which is being credited to or debited from the User Account within the allowed period for any such Retro-Credit or Retro-Debit after the end date of the Local Frequency Program; and

(c) the amount to be credited is within any minimum and maximum amount specified per any Reward Program Rules and Regulations.

#### **2.14 Late or Missed Payments and Arrears.**

In the event that the Participant fails to make or have funds available for any Pull Payments (or if such payment fails to be

completed for any reason whatsoever) as required hereunder, the Participant shall pay to Protegra as interest in an amount equal to one and one-half (1.5%) percent of the outstanding amount in arrears with respect to said Pull Payments on a monthly basis ("**Arrears**"). Arrears payable to Protegra in accordance with the foregoing are on account of interest and any payment by the Participant of Arrears shall be in addition to (and not in full or partial satisfaction of) any such outstanding Pull Payments. For certainty, any Arrears outstanding after a period of thirty (30) days shall be subject to accruing interest in accordance with the same terms in respect of outstanding Pull Payments hereunder.

#### **2.15 Applicable Taxes.**

All amounts payable pursuant to this Agreement are exclusive of any use, goods and services, value added or excise taxes and/or similar provincial sales taxes or any other taxes, charges or duties (collectively, "**Applicable Taxes**") that may be imposed by any governmental authority in connection with any supplies made or things delivered hereunder, including the issuance and award of Earned Local Points to Users in accordance with this Agreement. The Participant shall assume full responsibility for and shall indemnify and hold Protegra harmless from and against all Applicable Taxes levied or imposed against or upon Protegra or the Participant arising by reason of or in connection with this Agreement, other than taxes imposed on the net income of Protegra by any Canadian federal or provincial government authority.

#### **2.16 No Right to Pre-Notification.**

It is the intention of Protegra to use reasonable commercial efforts to provide electronic notification to Local Frequency Program Participants through email, messaging via a Terminal, or otherwise, approximately three (3) days prior to the crediting or debiting of the Push Payments or Pull Payments in accordance with the terms hereof, as applicable.

#### **2.17 Protegra Promotion.**

The Participant hereby grants to Protegra, as a condition of its participation in the Local Frequency Program, permission and license to use its logos, designs, names and the trade-marks or intellectual property associated therewith, for the exclusive purpose of inclusion in Local Frequency Program promotional material( including but not limited to the Application) and solely for the duration of the Participant's participation therein. For certainty: (i) the Participant's logos and trade-marks are and shall at all times remain the exclusive property of the Participant, and (ii) following the termination of the Participant's participation in the Local Frequency Program for any reason whatsoever, Protegra shall have no further right or license to use the logos, designs, names and the trade-marks or intellectual property associated therewith of the Participant. Protegra shall, at its own expense, promote the Participant's participation in the Local Frequency Program in accordance with the terms set forth herein and the Reward Program Rules and Regulations. Should the Participant wish to further limit Protegra's right under this Section 2.17, the Parties agree that such limits shall be set forth in a Supplement.

#### **2.18 Participant Promotion.**

The Participant shall, at its own expense, promote its participation in the Local Frequency Program in accordance with the terms set forth herein and any Reward Program Rules and Regulations. Protegra's trade-marks, including but not limited to the trade name Protegra, "**Earned Local Points**", "**Local Frequency Program**" and the Local Frequency

Program logos (collectively, "**Protegra's Trade-marks**"), are and shall at all times remain the property of Protegra. The Participant is authorized to display Protegra's Trade-marks in advertising and promotional activities only in connection with promoting the Local Frequency Program and only during the Term of this Agreement, subject to Protegra's express prior written approval. The right to display Protegra's Trade-marks is non-exclusive, non-assignable and non-transferable.

#### **2.19 Expiry of Earned Local Points.**

All Earned Local Points accumulated by a User shall in any and all events expire ("**Expired Local Points**") on the date following twelve (12) months of complete inactivity in the Local Frequency Program by the User (for certainty, where no Qualifying Transaction or Redeeming Transaction has been made by the User within a twelve (12) month period). While the Participant hereby expressly acknowledges that it may not be possible to do so in all circumstances, Protegra shall use reasonable commercial efforts to credit the dollar value of all such Expired Local Points ("**Expired Local Point Credits**") to the applicable Local Frequency Program Participant that originally acquired such Earned Local Points in accordance with the terms of Section 2.8 hereof (on a first-in, first-out basis) to the extent reasonably possible, as determined by Protegra and in the manner and upon such terms and conditions as it deems reasonable. The Participant acknowledges that the return of amounts in respect of Expired Local Points referred to herein does not constitute a guarantee or representation by Protegra that any such refund in respect of Expired Local Points shall be complete or accurate. Further, in the event that Protegra determines that it is impractical or undesirable to return or refund Expired Local Points it is agreed by the Parties that Protegra may discontinue such practice without notice, penalty or liability.

For certainty, the Prepaid Cash Account has no expiration date nor does the value of a Prepaid Cash Account ever expire.

#### **2.20 Prepaid Cash Account.**

The Prepaid Cash Account constitutes a fully pre-paid cash balance between Protegra and a User directly with no expiry date that may be used in connection with the Local Frequency Program. The Participant must accept payment from a User by way of the Prepaid Cash Account (through the use of Local Point Cards, the Application or as otherwise may be determined by Protegra from time to time) at its Participating Locations in accordance with the terms of this Agreement. The balance of the User Account accessed through the Application will reflect the aggregate and unseparated balance of the applicable User's Earned Local Point Account and Prepaid Cash Account available for use towards making purchases at Participating Locations. Redeeming Transactions involving payment by Prepaid Cash Account and Earned Local Point Account shall be debited automatically by Protegra on a first-in, first-out basis with the Earned Local Points of that User being first out and exhausted prior to the debiting of the Prepaid Cash Account. The Participant will not be expected to refund the balance of any Prepaid Cash Account to the User.

### **ARTICLE 3 CUSTOMER SERVICES**

#### **3.1 User Inquiries.**

The Participant shall be responsible for all inquiries from Users, including any prospective Users, regarding participation in the Local Frequency Program and the aggregate balance of a User's Earned Local Point Account and Prepaid Cash Account

available to the User to be redeemed at Participating Locations. The Participant shall direct all other inquiries (including, but not limited to, the separated balances of a User's Earned Local Point Account and Prepaid Cash Account) to Protegra by sending an email inquiry to: support@thelocalfrequency.com. .

#### **ARTICLE 4 FRAUD PREVENTION**

##### **4.1 Fraudulent Acts.**

While Protegra has certain measures in place to detect fraudulent activity, the Parties shall nevertheless and in all events be responsible for, as applicable, any fraudulent acts of their respective employees, contractors, agents and/or anyone for whom they are at law responsible in connection with the award of Earned Local Points earned by Users or payments of a User made with a Prepaid Cash Account including, without limitation, the theft, misappropriation or redirection of any Earned Local Points or balance of a Prepaid Cash Account to any person other than the User completing Qualifying Transactions or Redeeming Transactions. In the event that the Participant suspects a fraudulent act, theft, misappropriation or redirection of any Prepaid Cash Account, the Participant shall notify Protegra and Protegra will suspend or terminate the applicable Local Point Card and/or the User Account, in its discretion.

#### **ARTICLE 5 TERMINALS AND TRANSFER OF USER INFORMATION**

##### **5.1 Ownership of Terminals.**

The Terminals, together with any Intellectual Property and/or arrangement and compilation of any content with respect to the Local Frequency Program therein contained, is the exclusive property of Protegra. For certainty, nothing contained in this Agreement shall be construed as granting, by implication, estoppel or otherwise, any ownership, license or right to use any Terminal and/or any of the foregoing other than as expressly provided for herein in accordance with the terms hereof, or without the express written permission of Protegra obtained in advance. The Participant shall pay for any reasonable costs and expenses incurred by Protegra arising from the Participant initiating any unauthorized changes to any Terminal (including but not limited to the electronic interfaces and hardware thereof) and any internal and external support by Protegra that Protegra may reasonably determine is required and/or the Participant may request from time to time.

##### **5.2 License and Lease of Terminals.**

Protegra grants the Participant a limited, non-transferable license to use any Terminals, together with the Intellectual Property therein contained, in order to effect its participation in, administration and management of the Local Frequency Program in accordance with the terms of this Agreement. The Participant hereby agrees not to use nor authorize the use of any of the foregoing for any other purposes whatsoever without the prior written permission of Protegra. For certainty: (i) the Terminals and the Intellectual Property are and shall at all times remain the exclusive property of Protegra, and (ii) following the termination of the Participant's participation in the Local Frequency Program, the Participant shall have no further right or license to use any Terminal or the Intellectual Property associated therewith.

##### **5.3 Fee for Additional, Lost, Broken or Stolen Terminals.**

Upon entering this Agreement and as part of the initial participation in the Local Frequency Program by the Participant, Protegra shall provide to the Participant one (1) Terminal per Participating Location of that Participant for the purpose of facilitating the Local Frequency Program. The fees payable in respect of the initial Terminal provided to each Participating Location of the Participant shall be included as part of the Subscription Fee for that Participating Location payable by the Participant in accordance with Section 2.10 hereof. In order to obtain any additional Terminals from Protegra, the Participant shall pay a fee of two hundred (\$200.00) dollars, or such other amount as may be determined by Protegra, per Terminal to Protegra in respect thereof. In the event that a Terminal is lost, broken beyond repair, stolen, or the Participant fails to facilitate the return of a Terminal to Protegra following the termination of the Participant's participation in the Local Frequency Program, the Participant shall pay two hundred (\$200.00) dollars, or such other amount as may be determined by Protegra from time to time, per Terminal to Protegra to obtain a replacement Terminal.

##### **5.4 Maintaining Internet Connection and Quality Standards.**

The Participant acknowledges that it is solely responsible for maintaining and paying for a wireless internet network and connection to any Terminal capable of transmitting electronic file transfers for each Qualifying Transaction and Redeeming Transaction effected through the proper use of any Terminal

#### **ARTICLE 6 CORRECTIONS AND DISPUTES**

##### **6.1 Account Report of Protegra.**

Protegra shall, on a weekly basis furnish to the Participant a brief electronic report to the Participant and on a monthly basis shall provide a detailed transaction report listing the Participant, the invoice and a reconciliation in respect of any Push Payments and/or Pull Payments made or payable to or from Protegra to or from the Participant Account, the applicable transaction dates, payment methods, purchasing amounts obtained through any Terminal, a summary of Qualifying Transactions and Redeeming Transactions and the total Earned Local Point accruals credited to each User Account; provided the Participant has successfully supplied the transactions via any Terminals.

##### **6.2 Participant Records.**

At its own expense,

(a) the Participant shall keep complete and accurate records of all purchase and sale or any other transactions relating to the Local Frequency Program, including standard accounting records of all amounts and payments made and/or processed in accordance with acceptable business practices for a business of its type, and shall not destroy or delete any of such records, transmissions or documentation capable of verifying the amounts included in the foregoing, for a period of at least twenty-four (24) months after processing and/or transmission of any of the foregoing; and

(b) the Participant shall produce and/or provide copies to Protegra, of such records of the Participant or of any User, kept or generated by the Participant for the time period set out in Section 6.2(a), capable of confirming, verifying and/or providing corroboration of and/or in respect of any Qualifying Transactions and Redeeming Transactions (collectively, the "Participant Records") as may be reasonably requested by Protegra .

### **6.3 Review by Protegra.**

Protegra may, at its own expense, perform or have a third party review the Participant Records (and any transaction records ancillary thereto) relating to the Local Frequency Program in order to determine whether:

(a) the Participant Records pertaining to the Participant's participation in, administration and management of the Local Frequency Program for a twenty-four (24) month period, are substantially and accurately supported by Protegra and the Participant's documentation, practices and procedures; and

(b) the Participant's practices with respect to the handling of Personal Information are conducted in a manner which complies with this Agreement and Applicable Laws, including applicable personal information protection legislation.

Protegra shall provide not less five (5) days' prior written notice setting forth the specific kinds or relevant practices, procedures and documentation required to be reviewed in order to resolve the credit or debit error and/or Dispute in respect thereof. Such review shall be conducted during normal business hours and Protegra shall use reasonable commercial efforts to cause minimal interference with the Participant's operations in connection with the review.

### **6.4 Settlements.**

Protegra shall have the authority to make monetary or Earned Local Point-based commitments on behalf of Protegra and any one or more Local Frequency Program Participants (including, for certainty, the Participant), or to compromise or settle any Dispute involving the Local Frequency Program Participants without the prior consent of any Local Frequency Program Participant. The Participant shall not have the authority and shall not hold itself out in any way to Users as having the authority to make any monetary or Local Point-based commitments on behalf of Protegra or any other Local Frequency Program Participants without first obtaining the express written consent of Protegra.

## **ARTICLE 7 PARTICIPANT ACCOUNT**

### **7.1 Bank Accounts of the Participant.**

The Participant acknowledges and accepts that the Participant must provide to and update as necessary and from time to time, the Pre-Authorized Debit Agreement in the form attached hereto as Schedule "C" and including, for certainty, the current bank account information in respect of the Participant Account to Protegra as a necessary condition of its participation in the Local Frequency Program. Protegra acknowledges that such information is provided to and authorized by the Participant solely for the use of Protegra in connection with the participation of the Participant in the Local Frequency Program including, for certainty, the processing, debiting and crediting of Qualifying Transactions, Redeeming Transactions, and the facilitation of Push Payments, Pull Payments and the crediting and debiting of User Accounts.

### **7.2 Access to Participant Account.**

The Participant hereby authorizes Protegra (including for the purposes of this Article 7 hereof, its designated financial institution) to deduct and/or directly debit or credit, as the case may be, the amounts hereinafter described to cover all Push Payments, Pull Payments and Subscription Fees provided for herein. The authority provided hereunder is to remain in effect until the procedure under Section 9.1 is complete and to allow for a reasonable period to complete any outstanding Push

Payments or Pull Payments. For certainty, the Participant hereby expressly authorizes Protegra to make any and all debits and credits to the Participant Account as contemplated by this Agreement.

## **ARTICLE 8 TERM AND TERMINATION OF AGREEMENT**

### **8.1 Term.**

The participation of the Participant in the Local Frequency Program shall be on a month-to-month basis, commencing on the effective date of this Agreement (the "**Commencement Date**") (each such month period a "**Term**"). Each term shall automatically renew at the end of the preceding Term and, for certainty, all fees and payments in respect of each Term and renewal thereof under the terms of this Agreement shall be payable to Protegra by the Participant unless the Agreement is cancelled or suspended, modified, amended or terminated by Protegra, or by the Participant by providing written notice to Protegra prior to the expiry of the then-current Term, all of which in accordance with the terms of this Agreement. For certainty, either Party may terminate this Agreement and their participation in the Local Frequency Program at any time.

### **8.2 Additional Rights of Termination.**

Protegra reserves the right to suspend, modify, amend and/or terminate the Agreement and the participation of the Participant in the Local Frequency Program at any time without the requirement of prior notice or providing reasons for the suspension, modification, amendment and/or termination thereof. Subject to the terms of this Agreement (including Section 10.2), the right to terminate this Agreement hereunder shall be in addition to any other rights of the Parties by way of damages, accounting or otherwise, and such termination shall not affect any right of action of the Parties arising from the failure of the Participant to perform any obligation thereunder prior to the exercise of the right of termination.

### **8.3 Fees during Renewal Term.**

The fees payable during any Term shall be as set out in Article 2 hereof, and as may be amended and updated by Protegra from time to time.

## **ARTICLE 9 PROCEDURE ON TERMINATION**

### **9.1 Procedure.**

Upon expiry of the Term or earlier termination of the Agreement under the terms hereof, Protegra shall, as soon as reasonably practicable: (i) debit and/or credit, as applicable, the final Pull Payments and Push Payments in respect of the Participant, (ii) proceed to inactivate the Participant Account (iii) facilitate the removal of the Participant's logos, trade-marks and other intellectual property from any Local Frequency Program promotional material, and (iv) following the payment in full of the amounts payable to Protegra by the Participant in connection with its participation in the Local Frequency Program, facilitate the cancellation of the Pre-Authorized Debit Agreement.

### **9.2 Frequency Accruals.**

Upon expiry or early termination of the Agreement for any reason whatsoever, the Participant shall not process any User's Earned Local Points, Local Point Cards and/or Prepaid Cash Accounts except for retroactive accruals relating to Qualifying Transactions performed prior to such expiry or termination and Users shall not be eligible to collect further



Earned Local Points or redeem a Prepaid Cash Account through the Participant.

### **9.3 Wind Down Obligations.**

Upon the termination of this Agreement for any reason whatsoever, and notwithstanding such termination, the Participant shall immediately cease and wind-down its participation in the Local Frequency Program including but not limited to the crediting and debiting of Earned Local Points or any corrections in respect thereof. And Prepaid Cash Accounts and holding itself out in any way as a Participant thereunder to Users or otherwise, and facilitate the return of any Terminals to Protegra forthwith.

### **9.4 Surviving Obligations.**

For certainty, and without limitation on any other obligations hereunder which by the nature thereof survive any expiry or other termination of this Agreement, the provisions of Article 13 of this Agreement shall remain in full force for a period of one (1) year following the expiry or termination of this Agreement and the provisions of this Article 9, Section 10.2, Article 11, Article 14 and Article 15 of this Agreement shall remain in full force indefinitely notwithstanding the expiry or any termination of this Agreement or the Local Frequency Program.

## **ARTICLE 10 REPRESENTATIONS, WARRANTIES AND LIMITATIONS**

### **10.1 Representations and Warranties of the Participant.**

The Participant hereby represents and warrants that:

- (a) it is either: (i) a corporation validly incorporated or otherwise created and existing in accordance with the terms and conditions of its constituting documents, is operating in Manitoba and the majority of the persons that own (directly or indirectly) the controlling interest in the Participant are resident in Manitoba; (ii) a partnership validly created, existing and operating in Manitoba and the majority of the persons that own (directly or indirectly) the controlling interest in the Participant are resident in Manitoba; or (iii) a sole proprietorship validly created, existing and operating in Manitoba and the sole proprietor is resident in Manitoba;
- (b) the entering into of this Agreement by the Participant is a valid and binding obligation of the Participant;
- (c) it is in compliance with all Applicable Laws and regulations as such relate to the Agreement;
- (d) it holds the required registrations, licenses, permits or other authorizations necessary to perform its obligations under the Agreement;
- (e) the execution, delivery and performance of the obligations in this Agreement and its participation in the Local Frequency Program in accordance with the terms thereunder (i) shall not violate, be in conflict with, infringe upon or result in the breach of any obligations or agreements to which it is a party or require the consent of any other party thereto; or (ii) breach any Applicable Laws; and
- (f) it shall not offer nor purport to offer Earned Local Points to a User in respect of any goods or services that are not Eligible Goods and Services.

### **10.2 Limitations on Liability.**

Notwithstanding any other provision contained herein, in no event shall Protegra be liable for any of the following arising out of or related to this Agreement: (a) special, indirect, incidental,

punitive, consequential damages or loss of profit, loss of data, business interruption, loss of use, even if Protegra has been advised of the possibility of any of the foregoing, including but not limited to any claims made by Users for redemption of Earned Local Points collected or Prepaid Cash Account balances redeemed against any Local Frequency Program Participants through the Local Frequency Program or the eligibility of any Eligible Goods and Services; and (b) except for the breach of privacy obligations herein contained, any damages, losses or injuries under any claim or theory of action whatsoever with respect to the Local Frequency Program.

The Participant hereby acknowledges and agrees that any liability of Protegra to the Participant or any Local Frequency Program Participants hereunder, with respect to the Local Frequency Program or otherwise, shall not in any event whatsoever exceed the amount of Subscription Fees paid by that Participant to Protegra in the twelve (12) month period immediately preceding any determination of liability on the part of Protegra.

## **ARTICLE 11 PARTY REPRESENTATIVES**

### **11.1 Representatives.**

Each Party shall, within seven (7) days of execution of this Agreement, designate in writing a person as the Party's representative on all matters related to the administration of the Agreement. Any change in such designation shall be communicated promptly in writing to the other Party.

## **ARTICLE 12 ASSIGNMENTS**

### **12.1 Assignment.**

The Participant shall not be entitled or able to assign nor purport to assign this Agreement or any part thereof. Protegra shall be entitled to transfer and/or assign this Agreement without the requirement for notice to or the consent of the Local Frequency Program Participants.

## **ARTICLE 13 OWNERSHIP OF USER AND LOCAL FREQUENCY PROGRAM INFORMATION**

### **13.1 Local Frequency Program User Information.**

All right, title and interest in any User information or data gathered by Protegra or any Local Frequency Program Participant, including but not limited to Personal Information and any information developed by Protegra and wherever located shall remain at all times with Protegra. The Participant acknowledges and agrees that such data and information constitutes Protegra's proprietary information whether or not any portion thereof is or may be validly copyrighted and constitutes Confidential Information pursuant to the terms of Schedule "A" hereof. Any membership lists, labels, data or other membership information (including but not limited to Personal Information) supplied to the Participant in any form by Protegra, or supplied to any third party for and on behalf of the Participant, and any and all copies thereof are to be used by the Participant exclusively in accordance with this Agreement and shall not be otherwise used, sold, licensed, leased, transferred, stored in a retrieved system, duplicated, or transmitted in any form by any means without the prior written consent of Protegra, which may be arbitrarily withheld.

### **13.2 Ownership of Information.**

Protegra may, subject to all Applicable Laws, permit the Participant to access and use certain Personal Information in the possession of Protegra. The provision of such personal

information and any use of same shall be subject to the prior written consent of Protegra (that may be withheld or granted upon such terms as Protegra and the Participant shall agree) and all Applicable Laws.

The Participant shall only collect, use and disclose Personal Information collected in connection with the Local Frequency Program in connection with its participation in the Local Frequency Program and solely for the purposes contemplated by this Agreement, the User Agreement and in accordance with Applicable Laws, including without limitation and in particular any applicable personal information protection legislation. The Participant shall safeguard Personal Information from inappropriate or unauthorized access, use or disclosure by its employees, contractors, agents and/or anyone for whom the Participant is at law responsible and indemnifies and holds harmless Protegra, and its affiliates from any such inappropriate use or unauthorized access, use or disclosure. Upon the expiry of this Agreement (or at any time at the request of Protegra), the Participant shall return to Protegra or destroy Personal Information disclosed to the Participant by any User or Protegra in connection with the Local Frequency Program. The Participant will notify Protegra immediately of any breach of its obligations respecting Personal Information, or any complaints it receives regarding Personal Information.

#### **ARTICLE 14 INDEMNITY**

##### **14.1 Indemnity by the Parties.**

Subject to Article 8 hereof, each Party to this Agreement (for the purpose of this Article 14, the "**Indemnifying Party**") agrees to defend, indemnify and hold harmless the other Party (for the purpose of this Article 14, the "**Indemnified Party**"), its directors, officers, employees and agents from and against any and all losses, liabilities, costs, expenses, damages, claims, demands, actions, suits, judgments and other obligations including, without limitation, reasonable solicitor's fees and court costs, arising out of or in connection, directly or indirectly, the participation of the Indemnifying Party in, administration and management of the Local Frequency Program and/or any part thereof, including but not limited to:

- (a) the breach by the Indemnifying Party of any provision of this Agreement;
- (b) the breach by the Indemnifying Party of any Applicable Laws including, for certainty, any laws relating to the protection of Personal Information;
- (c) injury to or death of persons, or any loss of or damage to property, arising from the negligence or willful misconduct of the Indemnifying Party or anyone for whom the Indemnifying Party is at law responsible; and/or
- (d) the ownership, use or display of the Indemnifying Party trade-marks pursuant to this Agreement.

##### **14.2 Personal and User Information Indemnity.**

The Participant agrees to reimburse Protegra for the costs of any reasonable compensation paid by Protegra to any User, on account of or in connection with any breach by the Participant relating to Personal Information.

##### **14.3 Notification.**

The Party seeking indemnification pursuant to this Article 14 shall promptly notify the Indemnifying Party of any loss, liability, cost, expense, damage, claim, demand, action, suit, judgment or obligation covered by this Article 14 and shall grant the Indemnifying Party control of the defense and settlement

thereof. Notwithstanding the foregoing, the Indemnifying Party may not settle any claim, demand, action, suit, judgment or obligation unless it unconditionally releases the Indemnified Party and its affiliates, agents, licensees, successors and assigns, of all liability. The Indemnified Party shall provide to the Indemnifying Party, at the Indemnifying Party's expense, all reasonable assistance in defending any loss, liability, cost, expense, damage, claim, demand, action, suit, judgment or obligation covered by this Article 14. The Indemnified Party shall have the right, at its expense, to be represented by its own counsel with respect to any such loss, liability, cost, expense, damage, claim, demand, action, suit, judgment or obligation.

#### **ARTICLE 15 CONFIDENTIALITY**

##### **15.1 Confidentiality.**

The Parties acknowledge that in the performance of their obligations under the Agreement, they will have access to confidential and proprietary information of the other party and both Parties agree that all and any such confidential and proprietary information, including Confidential Information shall be dealt with in accordance with the terms hereof. Notwithstanding any provision hereof, the Parties hereto agree to be bound by and shall be governed by this Article 15 and as more particularly set forth at Schedule "**A**" appended hereto, as of the execution hereof.

#### **ARTICLE 16 DISPUTE RESOLUTION**

##### **16.1 Arbitration.**

All disputes, claims, controversies and disagreements arising out of or relating to this Agreement (a "**Dispute**"), including, without limitation, any questions regarding its existence, formation, validity, enforceability, performance or termination shall be finally settled by arbitration pursuant to *The Arbitration Act* (Manitoba) by a single arbitrator. The place of arbitration shall be in Winnipeg, Manitoba, and the language shall be English.

##### **16.2 Procedure.**

In the event of a Dispute, either Party may deliver a notice to the other Party that it intends to submit such Dispute to arbitration ("**Notice of Arbitration**"). Within fifteen (15) days of the Notice of Arbitration, the Parties shall attempt to name a mutually acceptable arbitrator. Should the Parties be unable to reach an agreement on the appointment of the arbitrator, such arbitrator shall be appointed by a person nominated by the president of the Arbitrator's Institute of Canada.

##### **16.3 Confidentiality of Arbitration.**

The Parties undertake as a general principle to keep confidential all information concerning the existence of the arbitration, all awards in the arbitration, all materials in the proceedings created or used for the purpose of the arbitration and all materials and information produced.

#### **ARTICLE 17 GENERAL**

##### **17.1 Force Majeure Event.**

With the exception of any payment obligations pursuant to Section 2.8 and Section 2.10 hereof, a Party shall not be responsible for its failure to perform or for delay in performance due to causes beyond its reasonable control and not occasioned by its fault or negligence, such as acts of God, war, acts of terrorism, civil disorder, strike, labour disputes, work

stoppage, fire, flood, explosion, act of government, or system failure.

#### **17.2 Schedules.**

For absolute certainty, the terms and conditions contained in the Schedules attached to this Agreement and in any Supplement are incorporated by reference and constitute an integral part hereof, and are collectively referred to throughout each of the foregoing as “the Agreement” or “this Agreement”.

#### **17.3 Notice.**

The Participant shall immediately advise Protegra of any actual or anticipated delay in the performance of services and/or obligations under the Agreement and shall provide particulars on the cause and expected duration of the delay upon reasonable request by Protegra.

#### **17.4 Delivery of Notices.**

Any notice, approval or consent given in connection with the Agreement shall be given in writing and delivered by hand or prepaid courier, transmitted by fax and confirmed in writing, by other verifiable and instantaneous electronic means, or sent by registered mail, cost prepaid, to the address listed on the face page above unless either Party notifies the other Party of a different address.

#### **17.5 Effective Date of the Notices.**

The effective date of any notice, approval or consent given in connection with the Agreement shall be the date on which it is received by the addressee. Any such communication to be sent by fax shall be deemed to be received on the next Business Day following transmission.

#### **17.6 Relationship of the Parties.**

This Agreement is not intended to and does not create a partnership, joint venture, principal-agent, employer-employee relationship, fiduciary or other similar relationship, between the Participant and Protegra. While Protegra acknowledges and accepts its obligations hereunder to pay Local Frequency Program Participants for Earned Local Points and Prepaid Cash Account balances that have been redeemed in accordance with the terms hereof, nothing herein contained shall deem or cause Protegra to be the trustee of the Participant or any other Person or User, nor shall it impose upon Protegra or any accounts maintained by Protegra, any trust obligations. Except as expressly provided for herein, neither Party shall have any right to enter into any contracts or commitments on behalf of the other Party without such other Party's prior written consent. In the event that either Party engages subcontractors to perform any of its obligations hereunder, such Party shall in all instances remain responsible for the proper performance of such obligations.

#### **17.7 Entire Agreement.**

This Agreement constitutes the entire Agreement between the Parties and supersedes all prior agreements, understandings, negotiations and representations, whether oral and written, concerning Participant's participation in the Local Frequency Program.

#### **17.8 Binding Effect.**

This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective heirs, executors, successors and permitted assigns (as applicable).

#### **17.9 Amendments.**

This Agreement may be amended in accordance with the terms hereof by Protegra in its discretion and is supplemented and shall be deemed to include any Reward Program Rules and Regulations. The Agreement may only be amended by the Participant with the express written consent of Protegra obtained in advance.

#### **17.10 Unenforceable Provisions.**

If any provision of the Agreement is declared by a court of competent jurisdiction to be invalid, illegal or unenforceable, that provision shall be severed from the Agreement and the other provisions shall remain in full force.

#### **17.11 Waiver.**

A term or condition of the Agreement can be waived or modified only by written consent of Protegra obtained in advance. Forbearance or indulgence by Protegra in any regard shall not constitute a waiver of the term or condition to be performed, and Protegra may invoke any remedy available thereunder or by law despite such forbearance or indulgence.

#### **17.12 Counterparts.**

The Agreement may be executed in several counterparts at the same or different times and such counterparts as are so executed shall together form one original Agreement and shall be read together and construed as if all the signing parties hereto had executed one copy of the Agreement at the same time.

#### **17.13 Governing Law.**

The Agreement shall be governed by and construed in accordance with the laws of the Province of Manitoba and the laws of Canada applicable therein.

#### **17.14 Language.**

The Parties have required that the Agreement be drawn up in the English language. Les parties aux présentes ont requis que cette entente soit rédigée en langue anglaise.

#### **17.15 Click-through/Electronic Transmission.**

The parties hereto agree that this User Agreement may be transmitted by mobile device and that the acceptance thereof in accordance with the foregoing shall be treated as binding as if duly executed and original.

**SCHEDULE "A"**  
**NON-DISCLOSURE AND CONFIDENTIALITY**

1. **Confidential Information.** The Parties hereto agree that the following information shall constitute Confidential Information for the purpose of this Article:
- (a) this Agreement or any of the terms or conditions hereof; and,
  - (b) any information of a party hereto that the other Party knows or ought to know is confidential or proprietary to the disclosing Party due to its nature, because it has commercial value or is generally treated by the disclosing Party as confidential and proprietary to any Party whether or not it is marked with the words "Confidential", or otherwise specified as confidential at the time of disclosure.
2. **Restricted Disclosure.** Subject to the exceptions described in Section 5 of this Schedule, during the Term and thereafter each Party agrees that it shall hold all Confidential Information disclosed thereunder in confidence from the date of receipt using at least the same degree of care which such Party would be reasonably expected to employ for its own similar confidential information, and that it shall not disclose any of the Confidential Information to any person except its directors, officers and employees who have a need to know the Confidential Information and are directly involved in the Local Frequency Program, provided the Party obtains from such directors, officers and employees, in advance of any disclosure, their agreement to keep same confidential on the terms and conditions that apply to the Party pursuant to this Agreement. Notwithstanding the foregoing, each Party agrees that the other party may disclose this Agreement for due diligence purposes in connection with significant transactions or dealings which are outside of the normal course of the disclosing party's business, including investments, acquisitions or financings providing that the Parties to whom this Agreement is to be disclosed have entered into confidentiality agreements substantially similar to the terms contained herein.
3. **Use of Information.** Each Party further agrees that it shall not, without the prior written consent of the disclosing Party, subject to the exceptions described in Section 5 of this Schedule, use any of the Confidential Information disclosed thereunder for any purpose other than the purpose described above from the date of receipt.
4. **Return of Information.** Subject to the terms of the Agreement, all Confidential Information disclosed by the disclosing Party to the other party in documentary, electronic or some other tangible form pursuant to this Agreement shall remain the disclosing Party's property and shall be returned by the other party or destroyed by such Party together with any copies thereof promptly upon receipt of a written request from the disclosing party which the disclosing Party may make at any time, or upon expiry or termination of this Agreement.
5. **Exceptions.** The foregoing obligations imposed upon each party to keep all Confidential Information disclosed hereunder in confidence and not to use any of the Confidential Information for any purpose other than the purpose described above or as further agreed to by Parties shall not apply to any such information which:
- (a) is already in the possession of such party without any obligation of confidentiality;
  - (b) may be published or become available within the public domain otherwise than as a consequence of a breach by
- such party of its obligation not to disclose any of the Confidential Information;
- (c) is lawfully received by such party from any third party without restriction on disclosure or use;
  - (d) is independently developed without any breach of this Agreement by such Party's employees who have not had access to any Confidential Information;
  - (e) is approved in writing by the disclosing Party for release or other use by such Party according to terms stipulated in such approval;
  - (f) is required by such party to be disclosed by law; or,
  - (g) is jointly owned by Parties.
6. **Equitable Relief.** Each Party acknowledges that, should this Agreement be breached by such party, money damages would be inadequate to remedy such breach. Accordingly, the disclosing Party shall be entitled to seek and a court of competent jurisdiction may grant specific performance and injunctive or other equitable relief as a remedy for any breach of this Agreement. Such remedy shall be in addition to all other remedies, including money damages, available to the disclosing Party at law or in equity.
7. **No License.** No license under any disclosing Party's trade secret, patent, patent application, industrial design, trademark, copyright, confidential process, formula, plan, computer program, data or other valuable confidential information or know how is granted to the other party or can be implied by disclosure to such party of any Confidential Information thereunder.

**SCHEDULE "B"**  
**User Agreement**

The Local Frequency Program is a locally-focused loyalty and reward program operated by Protegra Inc. ("**Protegra**"). Customers in the Local Frequency Program (each a "**User**") shall receive loyalty reward points (such reward points referred to as "**Earned Local Points**") equal to the Local Point Percentage (as hereinafter defined) of the dollar value Qualifying Transaction Amount (as hereinafter defined) of any purchase of Eligible Goods and Services (as hereinafter defined) inclusive of Applicable Taxes (as hereinafter defined) and gratuities and made with Qualifying Tender (as hereinafter defined) with a Local Frequency Program Participant (as hereinafter defined). Earned Local Points are not cash; Earned Local Points may be redeemed towards future purchases by the User of Eligible Goods and Services at Participating Locations (as hereinafter defined). Users may also purchase a Prepaid Cash Account (as hereinafter defined) on his or her Local Point Card (as hereinafter defined) from Protegra that may be used, along with that User's Earned Local Points, to make purchases at Participating Locations (as hereinafter defined).

For good and valuable consideration (including, without limitation, the mutual covenants and agreements of this User Agreement), the User ("**you**" or "**customer**") accept, without modification, the terms of this User Agreement (or this "**Agreement**") as set forth herein, and to any terms and conditions which may be applicable to Local Frequency Program Participants in the Local Frequency Program.

The User hereby acknowledges having had the opportunity to review the terms and conditions herein contained prior to participation in and the accumulation of any Earned Local Points in the Local Frequency Program. You agree that you have read and understood the terms and conditions herein and are bound by all of them, as may be amended and updated from time to time, and you consent to collection and use by Protegra of your Personal Information in accordance with the terms hereof.

**1. Definitions.**

The following terms shall have the following meanings hereunder:

**"Alternative Program Method"** means any software (other than the Application), device, card, document, website or other manner or thing utilized to facilitate access to or accumulation or disposition of Earned Local Points or the Prepaid Cash Account by Users that may be established, approved or used by Protegra from time to time;

**"Applicable Taxes"** means any use, goods and services, value added or excise taxes and/or similar provincial sales taxes or any other taxes, charges or duties that may be imposed by any governmental authority in connection with the sale, supply or delivery of any Eligible Goods and Services;

**"Application"** means the electronic application software established by Protegra in order to facilitate electronic access to the Local Frequency Program by Users via mobile devices and by the Local Frequency Program Participant via any Terminal or otherwise;

**"Earned Local Points"** means the points which a User may collect and redeem in accordance with this Agreement, the Local Frequency Program and the Reward Program Rules and Regulations as may be updated and amended by Protegra

from time to time, each whole Earned Local Point equating to one (\$1.00) Canadian dollar and each 1/100<sup>th</sup> of an Earned Local Point equating to one (\$0.01) cent provided that some other value may be determined and agreed to mutually by and between Protegra and a Local Frequency Program Participant from time to time in connection with a Local Point Promotion;

**"Earned Local Point Account"** means the figurative account established by Protegra on behalf of a User upon execution and approval of the applicable User Agreement for the debiting and crediting of Earned Local Points by Local Frequency Program Participants;

**"Eligible Goods and Services"** means any good or service offered by a Local Frequency Program Participant other than those items which applicable laws do not permit the accumulation of Earned Local Points or other incentives in connection with their purchase in the manner set forth in this Agreement;

**"Expired Local Points"** has the meaning set forth at Section 17 of this Agreement;

**"Local Frequency Program"** means the locally-focused loyalty and reward program established and operated by Protegra, whereby Users may: (i) prepay a balance of funds directly to Protegra (for certainty, the Prepaid Cash Account), and/or (ii) receive reward credits on purchases made with Qualifying Tender at Participating Locations, called "**Earned Local Points**", for use and redemption towards future purchases at Participating Locations in accordance with this Agreement, the User Agreement, the Reward Program Rules and Regulations;

**"Local Frequency Program Participants"** means the collective group of businesses and entities that participate in the Local Frequency Program;

**"Local Point Card"** means the physical point card or electronic point card generated through the Application that a User may use to: (i) prepay a balance of funds directly to Protegra to be used and redeemed at Participating Locations; and (ii) accrue and redeem Earned Local Points as part of Qualifying Transactions and Redeeming Transactions at Participating Locations;

**"Local Point Percentage"** means a minimum standard base of: (i) one (1%) percent in respect of a Qualifying Transaction completed by credit card; and (ii) three (3%) percent in respect of a Qualifying Transaction completed by other Qualifying Tender, or such other percentage or variable as may be determined mutually by Protegra and a Local Frequency Program Participant from time to time;

**"Local Point Promotion"** means a promotion which may be arranged from time to time between Protegra and a Local Frequency Program Participant;

**"Participating Locations"** means a Local Frequency Program Participants' locations of business that is equipped to facilitate Qualifying Transactions and Redeeming Transactions by Users, in accordance with the terms and conditions of this Agreement, the User Agreement and the Reward Program Rules and Regulations

**"Person"** means any individual, entity or governmental body, including but not limited to any corporation, including non-profit corporation, general partnership, limited partnership, limited

liability partnership, joint venture, estate, trust, cooperative, foundation, society, political party, union, company, including any limited liability company or joint stock company, firm or other enterprise, association, organization or entity;

**"Personal Information"** means information about a User including, but not limited to, a User's name, telephone numbers and/or e-mail addresses, User Account, Unique User Account Identifier and the history of Qualifying Transactions and Redeeming Transactions made by the User under the Local Frequency Program;

**"Prepaid Cash Account"** means the account established by Protegra on behalf of a User for any prepaid cash balance paid by the User to Protegra in accordance with the terms of the User Agreement and for use and redemption by such User at Participating Locations;

**"Protegra"** means Protegra Inc., its subsidiaries, affiliates and authorized designates;

**"Qualifying Tender"** means a payment made by way of cash, credit card or debit (excluding a gift card) or such other currency or method of payment as determined by Protegra from time to time;

**"Qualifying Transactions"** means any purchase (or portion thereof) by a User of a Local Frequency Program Participant's Eligible Goods and Services that is made (in whole or in part) with Qualifying Tender and in connection with which the User utilizes the Application or Alternative Program Method to collect and redeem Earned Local Points;

**"Qualifying Transaction Amount"** means the dollar amount of the Qualifying Transaction that is paid for with Qualifying Tender, including all Applicable Taxes and gratuities paid in respect of the entire amount of the Qualifying Transaction (for certainty, the Qualifying Transaction Amount does not include any amount of the Qualifying Transaction paid with Qualifying Tender);

**"Redeeming Transactions"** means any purchase by a User of Eligible Goods and Services, in connection with which all or a portion of the purchase price is paid for with Earned Local Points being redeemed by a User from their User Account using the Application or Alternative Program Method in accordance with the terms and conditions of this User Agreement, the applicable Local Frequency Program Participant's agreement with Protegra and any Reward Program Rules and Regulations;

**"Retro-Credit"**, or any variation thereof, shall mean the retroactive crediting of Earned Local Points to a User's Earned Local Point Account in accordance with the process set out in Section 10 hereof (or as otherwise may be determined by Protegra) where the applicable Earned Local Point Account was not credited with the Earned Local Points to which the User would otherwise have collected by reason of input error, fraud or other error;

**"Retro-Debit"**, or any variation thereof, shall mean the retroactive debiting of Earned Local Points from a User's Earned Local Point Account in accordance with the terms hereof and at the discretion of Protegra as a result where the applicable User was credited with Earned Local Points in error or was otherwise ineligible or deemed by Protegra to be ineligible to receive such Earned Local Points;

**"Reward Program Rules and Regulations"** means the rules and regulations that may be established and amended by Protegra from time to time including but not limited to by way of a website if and when same may be established by or on behalf of Protegra, and governing: (i) aspects of the Users' participation in the Local Frequency Program, including but not limited to membership eligibility and the collection and redemption of Earned Local Points and the Prepaid Cash Account by Users; and (ii) any other matter referencing any Reward Program Rules and Regulations as referred to in this agreement;

**"Term"** means the term of this User Agreement and participation of the User in the Local Frequency Program as more particularly set forth herein;

**"Terminals"** means the physical stand, screen, any program interfaces, software and all intellectual property associated therewith for use in the participation in, administration and management of the Local Frequency Program at Participating Locations in accordance with the terms of the applicable Local Frequency Program Participant's agreement with Protegra;

**"Unique User Account Identifier"** has the meaning set forth at Section 2 of this Agreement;

**"User"** means a customer that is a member of the Local Frequency Program and has entered into a valid and existing User Agreement as the same may be amended from time to time;

**"User Account"** means, collectively, the account established by Protegra on behalf of a User for the debiting and crediting of the applicable User's: (i) Prepaid Cash Account, and (ii) the Earned Local Point Account which shall be established upon execution and approval of the applicable User Agreement;

**"User Agreement"** means this agreement between you/a User and Protegra in respect of the participation by you/the User in the Local Frequency Program, the credit and debit of your Prepaid Cash Account and the collection and redemption of Earned Local Points.

## 2. User Account/User Participation in the Local Frequency Program.

To enroll in the Local Frequency Program, you must have a valid Canadian address and be of legal age in the province in which you reside. If Protegra accepts your completed User Agreement, Protegra will establish a User Account in your name as well as a unique account number and associated unique electronic quick response code (QR) identifier assigned to you by Protegra in conjunction with the Application (as may be refreshed and reassigned from time to time) for the electronic scanning and crediting of your Earned Local Point Account with Earned Local Points (your **"Unique User Account Identifier"**) that can be used by you and/or scanned through the use of your mobile device, Local Point Card, or Alternative Program Method at Participating Locations in order to: (i) credit and debit your Earned Local Point Account with Earned Local Points in accordance with the terms hereof; and/or (ii) prepay and use the balance of funds in your Prepaid Cash Account towards future purchases at Participating Locations in accordance with the terms hereof.

## 3. Overview of Local Frequency Program.

Your Earned Local Point Account will be credited with Earned Local Points equal to the Local Point Percentage of the

Qualifying Transaction Amount of each Qualifying Transaction you make. No Earned Local Points will be earned on purchases where payment (or portion thereof) is made with any form of payment that does not constitute Qualifying Tender under this Agreement. For the purposes of Redeeming Transactions at any Participating Location, each whole Earned Local Point equates to one (\$1.00) dollar which you may apply against the purchase price of such Redeeming Transaction in accordance with the terms of this Agreement and any Reward Program Rules and Regulations. Fractional Local Points may be used for purchases in one (1%) percent increments, with each 1/100<sup>th</sup> of an Earned Local Point equating to one (\$0.01) cent or such other value as may be determined mutually by and between Protegra and a Local Frequency Program Participant from time to time in connection with a Local Point Promotion.

#### **4. Personal Information, Protegra Database and Privacy.**

Protegra is committed to protecting your privacy. Protegra and the Local Frequency Program Participants use and collect your Personal Information to: (i) administer the Local Frequency Program, including the management of User Accounts, to accurately record and update Earned Local Point and Prepaid Cash Account balances in the User Account; (ii) process Qualifying Transactions and Redeeming Transactions; (iii) invoice accounts for Local Frequency Program Participants, as appropriate; (iv) communicate information and offers to Users and Local Frequency Program Participants electronically via electronic message or otherwise; (v) understand and analyze User responses, needs and preferences; (vi) develop, enhance, market and/or provide products and/or services to meet those needs; and (vii) enable Users to participate in promotions and contests. Personal Information collected pursuant to the Local Frequency Program is considered an asset of Protegra; if Protegra's business is transferred to a new owner, the Personal Information so collected will be given to and considered an asset of the new owner.

The Terminal is a locked down Android device supplied to Program Participants (businesses) at each Participating Location. The app supplied with the Terminal runs over the lock screen, and requires BIND\_DEVICE\_ADMIN to do remote administration and support of the supplied device (for example, locking and unlocking the device remotely).

#### **5. Qualifying Transactions.**

The Unique User Account Identifier or a Local Point Card may be used to collect Earned Local Points at any Participating Location (through use of the Application or otherwise) and presented at the time of purchase to a Local Frequency Program Participant for processing concurrently with performing of any Qualifying Transactions. For certainty, the Unique User Account Identifier, Application and any Alternative Program Method may only be used at Participating Locations so long as the applicable Local Frequency Program Participant remains a member of the Local Frequency Program.

#### **6. Redeeming Transactions.**

The Unique User Account Identifier or a Local Point Card linked to your Earned Local Point Account may be used to redeem Earned Local Points and/or your Prepaid Cash Account towards future purchases at any Participating Locations. For certainty, Earned Local Points obtained in respect of Qualifying Transactions at one Participating Location may be redeemed toward future purchases of Eligible Goods and Services (including Applicable Taxes and gratuities) at another Participating Location.

The Redeeming Transactions are offered and accepted by and between the applicable Local Frequency Program Participant and the User. With the exception of the Prepaid Cash Account of the User, Protegra does not provide any Redeeming Transaction or reward directly to the User, nor does it have any obligation to provide any Redeeming Transactions, monetary value or reward to the User, nor does it have any obligation to provide any Redeeming Transactions and/or any rewards advertised or promised by Local Frequency Program Participants to the User unless it is part of a Local Point Promotion. Any Redeeming Transaction claimed through the use of the Earned Local Point Account remains an obligation between the applicable Local Frequency Program Participant and the applicable User.

#### **7. Prepaid Cash Account and Local Point Cards.**

(a) The Prepaid Cash Account constitutes a fully pre-paid cash balance between Protegra and a User directly with no expiry date that may be used in connection with the Local Frequency Program. The Local Point Card is a stored-value, physical or electronic (by way of the Application) card that is the property of Protegra and is subject to the terms of this Agreement.

The Local Point Card is not a credit card, charge card or a debit card. No interest dividends or other earnings or return will be paid on the Local Point Card balance. We issue the Local Point Card to you or you may access your Local Point Card through the Application. It allows you to load a dollar value into your Prepaid Cash Account for use at Participating Locations. So long as the balance remaining on your Local Point Card is sufficient, each time you use your Local Point Card, you authorize us to reduce the value available on your Local Point Card (including your Prepaid Cash Account) by the amount of the transaction. We do not charge any activation, service, dormancy or inactivity fees in connection with your Local Point Card. Your Prepaid Cash Account has no expiration date nor does the value of your Prepaid Cash Account ever expire. Unless otherwise required by law or permitted by this Agreement, the dollar value of your Prepaid Cash Account is non-refundable and may not be redeemed for cash.

(b) Your User Account accessed through the Application will reflect the total and unseparated balance of your User Account (the aggregate of both your Earned Local Point Account and Prepaid Cash Account), representing the balance available for your use making purchases at Participating Locations. You can obtain the current and separated balance of your Earned Local Point Account and/or your Prepaid Cash Account by sending an email inquiry to: support@thelocalfrequency.com.

(c) Redeeming Transactions involving payment by Prepaid Cash Account and Earned Local Point Account shall be debited automatically by Protegra on a first-in, first-out basis with the Earned Local Points of that User being first out and exhausted prior to the debiting of the Prepaid Cash Account. The Participant will not be expected to refund the balance of any Prepaid Cash Account to the User.

(d) Neither Local Point Cards nor the Application are targeted towards, nor intended for use by, anyone under the age of 13. If you are between the ages of 13 and 18, you may only use Local Point Cards or the Application under the supervision of a parent or legal guardian who agrees to be bound by this Agreement.

- (e) You can load value to your Prepaid Cash Account by going online to: [www.thelocalfrequency.com](http://www.thelocalfrequency.com). There may be a delay from the time you pay the amount to be loaded onto your Local Point Card and those funds being available for use.
- (f) Your Local Point Card can be used to purchase goods and services at Local Frequency Program Participants and may not be used to make withdrawals, or at ATMS or any other pre-authorized payments, or for payment on a credit account, or for any illegal transaction. The Local Point Card may be deactivated by Protegra at any time if fraud is suspected.
- (g) You agree that a purchase made by you using your Local Point Card may not be authorized or settled by us unless it complies with this Agreement.
- (h) The Local Point Card is and will remain our property. However, you will be solely and completely responsible for the possession, use and control of the Local Point Card. You must surrender the physical Local Point Card to us immediately upon request. If you authorize another person to use the Local Point Card you agree, to the extent permitted by law, that you will be liable for all transactions arising from use of the Local Point Card.
- (i) You agree to protect your Local Point Card against loss, theft or unauthorized use by taking all reasonable precautions. If your Local Point Card has been lost or stolen or if you have reason to believe that someone has made an unauthorized transaction with your Local Point Card or may attempt to use your Local Point Card without your permission, you agree to notify us IMMEDIATELY by calling (204) 272-2210 or sending an email to [support@thelocalfrequency.com](mailto:support@thelocalfrequency.com). All transactions carried out prior to such notification shall be deemed to have been authorized by you. You will be asked to provide us with your name, the Local Point Card number, and the original Local Point Card value and transaction history. We cannot re-issue a Local Point Card if you do not have your Local Point Card number. If our records show that a balance still remains in the Prepaid Cash Account, we will cancel the Local Point Card and make available the balance of your Prepaid Cash Account to you on a re-issued Local Point Card. It may take up to thirty (30) days to process your re-issuance request.
- (j) For certainty, we have the right to terminate the Local Point Card program at any time. If you have not used and you do not want your Local Point Card, or we have terminated the Earned Local Point Account portion of the Local Frequency Program at any time and the Local Point Card may no longer be used, you may surrender the Local Point Card and redeem the remaining amount of your Prepaid Cash Account for a refund by returning the Local Point Card by mail, postage prepaid to 146 Commerce Drive, Winnipeg, Manitoba, R3P 0Z6. No refunds will be honoured unless the Local Point Card is returned, and you provide your name and mailing address with the returned Local Point Card. Requests for refunds may take up to sixty (60) days to process. For inquiries concerning surrenders and redemptions, call (204) 272-2210.
- (k) For information about your Local Point Card including the activation date, to verify the balance of funds in your Prepaid Cash Account or Earned Local Point Account, for inquiries into the terms and conditions of this Agreement or for other information you can send an email to [support@thelocalfrequency.com](mailto:support@thelocalfrequency.com) or call (204) 272-2210.

**8. Term.**

The Term of this User Agreement and your participation in the Local Frequency Program shall be for an initial term of one (1) year, commencing upon the date of this Agreement and which shall automatically renew upon the first anniversary of that date and each anniversary of that date following, until such earlier time as: (a) you cancel or terminate your participation in and/or the User Agreement pursuant to the terms hereof; or (b) Protegra cancels and terminates your participation, User Account and/or User Agreement in accordance with the terms hereof; or (c) Protegra cancels and terminates the Local Frequency Program.

**9. Cancellation.**

You may cancel your participation in the Local Frequency Program at any time at your discretion. However, any and all Earned Local Points collected in your Local Points Account shall be conclusively deemed and treated as void without compensation or any right thereto to you. Any and all rights to such Earned Local Points and any value or payment rights in respect thereof vest and thereafter become the property of Protegra. Protegra and/or any Local Frequency Program Participants reserve the right to cancel your participation in the Local Frequency Program and void your Local Points Account and Unique User Account Identifier, including the right to void any Earned Local Points collected thereunder, based upon any misuse, tampering with or suspicious activity (in the opinion of Protegra) with respect to any of the foregoing by you. In the event the Local Frequency Program or the Earned Local Points Account portion thereof is cancelled, you may surrender the Local Point Card and redeem the remaining amount of your Prepaid Cash Account, if any, for a refund by returning the Local Point Card by mail, postage prepaid to 146 Commerce Drive, Winnipeg, Manitoba, R3P 0Z6. No refunds will be honoured unless the Local Point Card is returned, and you provide your name and mailing address with the returned Local Point Card. Requests for refunds may take up to sixty (60) days to process. For inquiries concerning surrenders and redemptions, call (204) 272-2210.

**10. Fees.**

There are no associated fees payable to Protegra with respect to the Local Frequency Program or use of the Application or Unique User Account Identifier by the User. The Local Frequency Program Participants have agreed to pay fees to Protegra to license, use and administer the Local Frequency Program.

**11. Corrections, Retro-Crediting and Retro-Debiting of Local Points.**

Protegra may, in its discretion, Retro-Credit or Retro-Debit the Earned Local Points that have been credited to or from your Earned Local Point Account in the event of an input or other error, fraud or otherwise. In the event of an input or other error, fraud, and/or where the applicable Local Points Account has not been properly credited with respect to Earned Local Points which have been attributed to your Local Points Account by a Local Frequency Program Participant, the User may be Retro-Credited with Earned Local Points by Protegra provided that the following process has been followed:

- (a) You provide Protegra with, through the Local Frequency Program Participant or otherwise, your Unique User Account Identifier or Alternative Program Method, as applicable, the date, time and Qualifying Transaction Amount in respect of the applicable Qualifying Transactions within thirty (30) days of each such Qualifying Transaction;



- (b) The Local Frequency Program Participant provides Protegra with, through a Terminal or otherwise, the Local Frequency Program Participant's interpretation of the applicable Qualifying Transactions, including with respect to the purchaser-User, date, time and Qualifying Transaction Amount; and
- (c) Protegra, in its discretion, may confirm the Earned Local Points and Retro-Credit the applicable User's Local Points Account with the applicable Earned Local Points in accordance therewith.

Such Earned Local Points shall be Retro-Credited or recognized as of the date that you and/or the Local Frequency Program Participant, as applicable, demonstrate proof in respect of the applicable Qualifying Transactions and Qualifying Transaction Amounts in accordance with the terms hereof or as otherwise may be determined by Protegra, and complies with any Retro-Crediting rules in the Reward Program Rules and Regulations.

#### **12. User Responsibility.**

By agreeing to the terms of this User Agreement, you hereby acknowledge, understand and agree that it is your responsibility to review and remain current with the terms of the Local Frequency Program and the Reward Program Rules and Regulations by way of website, as same may be established by or on behalf of Protegra or otherwise, from time to time as an ongoing condition of your participation in the Local Frequency Program, the prepayment, use and redemption of the Prepaid Cash Account and the collection and redemption of Earned Local Points through the Local Points Account thereunder.

#### **13. No Assignment.**

The Local Frequency Program, including all Earned Local Points, User Accounts (including Earned Local Point Accounts and Prepaid Cash Accounts), Unique User Account Identifiers, Application, Alternative Program Methods and all rights relating to them are, and will remain at all times, property of Protegra. Except as expressly set forth herein, or in the Reward Program Rules and Regulations or with the express written consent of Protegra obtained in advance, a User Account and/or Earned Local Points cannot be sold, assigned, traded or otherwise transferred or disposed of and any such disposition in violation of the terms herein contained shall be void and may result in the cancellation of the affected User Account and/or Earned Local Points, and any future participation in the Local Frequency Program by the User. Any and all rights to such Earned Local Points and any value or rights in respect thereof vest and thereafter become the property of Protegra. For certainty, the cash balance of your Prepaid Cash Account will not terminate, expire, revert to Protegra or otherwise void and you may surrender your Local Point Card and redeem the remaining balance of your Prepaid Cash Account for a refund by returning the Local Point Card by mail, postage prepaid to 146 Commerce Drive, Winnipeg, Manitoba, R3P 0Z6.

#### **14. Interruption of Service.**

Protegra shall not be responsible for any interruption in service, delays, errors, and/or omissions caused by any means with respect to the Local Frequency Program (including but not limited to Earned Local Points) and does not guarantee or make any representation, express, implied or whatsoever with respect to continual, uninterrupted or error free service or use of the Local Frequency Program, Application, Terminal, Unique User Account Identifier, Alternative Program Method or any of

the foregoing on the part of any Local Frequency Program Participants and/or Participating Locations in the management and administration of the Local Frequency Program and the distribution, accumulation and/or crediting of any Earned Local Points thereunder. By agreeing to the terms of this User Agreement, you acknowledge and understand that your Unique User Account Identifier may be provided to a Local Frequency Program Participant in respect of a Qualifying Transaction made in any such circumstances and the necessary data therefrom may be recorded by the applicable Local Frequency Program Participant and the Earned Local Points in respect thereof credited by Protegra at a later time in accordance with the terms of this User Agreement. Notwithstanding the foregoing, you hereby acknowledge the Local Frequency Program is conducted primarily electronically and relies upon both hardware and software, including but not limited to the internet, the Application, any Terminal and Protegra's servers, any of which may malfunction without warning.

#### **15. Termination of Local Points Account/Participation in the Local Frequency Program.**

By agreeing to the terms of this User Agreement, you acknowledge, understand and agree that your participation in and use of the Local Frequency Program is a privilege that may be revoked by Protegra at any time without compensation to you. Any termination of your participation in accordance with the terms hereof shall result in any Earned Local Points accumulated by you being conclusively deemed and treated as void without compensation or any right thereto by you.

#### **16. Amendment, Modification and Termination of the Local Frequency Program.**

Protegra specifically reserves the right to revise the terms and conditions of the Local Frequency Program and/or amend, alter, withdraw or terminate such Local Frequency Program, including any aspect thereof, in whole or in part, at any time without notice for any reason and without liability. Any such changes may affect the Earned Local Points that a User has already accumulated as well as any future accumulation of Earned Local Points and limit the use of the Prepaid Cash Account to the right to surrender your Local Point Card and redeem the remaining balance of your Prepaid Cash Account (if any) for a refund by returning the Local Point Card by mail, postage prepaid to 146 Commerce Drive, Winnipeg, Manitoba, R3P 0Z6.

For certainty, the most recent version of the terms and conditions of the Local Frequency Program as may be amended from time to time, and any Reward Program Rules and Regulations, shall govern the Local Frequency Program.

In the event that the Local Frequency Program is withdrawn or terminated by Protegra for any reason, no further prepayment, use or redemption of Local Point Cards or Prepaid Cash Accounts shall be completed or accepted and no further Earned Local Points shall be available to be accumulated by any User as of the date (or effective date, such as the case may be) of such withdrawal or termination of the Local Frequency Program and Users shall have forty-five (45) days from the date of such withdrawal or termination of the Local Frequency Program in order to redeem the Earned Local Points at Participating Locations. Any Earned Local Points accumulated but not redeemed within the above-referenced period shall be conclusively deemed and treated as being void without compensation and in no circumstances shall Protegra be liable for any unredeemed Earned Local Points.

#### **17. Expiry of Earned Local Points.**

All Earned Local Points accumulated by a User shall in any and all events expire on the date following twelve (12) months of complete inactivity in the Local Frequency Program by the User (for certainty, where no Qualifying Transaction or Redeeming Transaction has been made by the User within a twelve (12) month period) (“**Expired Local Points**”). Any Expired Earned Local Points shall be conclusively deemed and treated as being void without compensation and in no event shall Protegra be liable for any Expired Earned Local Points.

#### **18. Disclaimer of Warranty and Limitation on Liability.**

Protegra makes no representation or warranties, express, implied or whatsoever, with respect to the Local Frequency Program or any part thereof, including without limitation any implied warranty of merchantability or fitness for a particular purpose arising from course of performance or course of dealing, or that the Local Frequency Program or any part thereof, will provide error-free or uninterrupted functionality. Furthermore, Protegra repeats that it is not responsible for any loss incurred by the User as a result of the unauthorized use of the User Account, Application, Unique User Account Identifier, Alternative Program Method or any use of the associated Earned Local Points.

#### **19. Limitations on Liability.**

Neither Protegra, nor its affiliates, nor any of their respective officers or directors shall have any responsibility or liability for any expense, loss, cost, injury, damage or any other matter or thing whatsoever, however suffered or caused (including compensatory, incidental, indirect, special, punitive, consequential or exemplary damages or damages for loss of income or profits), directly or indirectly arising out of or related to: (i) the Local Frequency Program or your participation in the Local Frequency Program; (ii) any failure, delay or decision by Protegra and/or any Local Frequency Program Participant in the administration of the Local Frequency Program; (iii) unauthorized use of your User Account, Unique User Account Identifier, Alternative Program Method and/or Earned Local Points or Prepaid Cash Account thereunder; (iv) any offer, representation, statement or claim about the Local Frequency Program or any part thereof and/or Protegra made by any Person other than by Protegra directly; or (v) Redeeming Transactions, including the Eligible Goods and Services, and/or the availability of any such Eligible Goods and Services in any respect whatsoever.

Any liability Protegra may have to the User is limited to crediting your User Account with the amount of Earned Local Points collected by you in connection with Qualifying Transactions. For certainty, use and participation in the Local Frequency Program is strictly subject to the terms hereof.

#### **20. Currency.**

Any reference to dollar amounts in this User Agreement shall mean the currency of Canada.

#### **21. Headings.**

The division of this User Agreement into articles and clauses and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this or any part of this User Agreement.

#### **22. Electronic Communications.**

By accessing the Application and this User Agreement, clicking “accept” or inputting electronic messages to Protegra by way of email, the Application or otherwise you are communicating with Protegra electronically. Protegra will communicate with you by electronic message, notification or update through the Application and by electronic mail at the electronic mail address provided by you or by posting notices on [www.thelocalfrequency.com](http://www.thelocalfrequency.com) or any other website that may be generally designated in advance for such purpose from time to time. You consent to receiving electronically all agreements, notices, offers, disclosures and other communications that Protegra provides to you. notices, offers, disclosures and other communications that Protegra provides to you.

#### **23. Click-through/Electronic Transmission.**

The parties hereto agree that this User Agreement may be transmitted by mobile device and that the acceptance thereof in accordance with the foregoing shall be treated as binding as if duly executed and original.

**SCHEDULE "C"**  
**PRE-AUTHORIZED DEBIT AGREEMENT**

Please complete the PAD Plan agreement below

I/we authorize Protegra Inc. and the financial institution designated to withdraw from the account located at the financial institution outlined below all electronic transfers on behalf of the undersigned as per my/our instructions for fees and other payments made payable to Protegra Inc. as required in connection with my/our participation in the Local Frequency Program and for services rendered in connection therewith. The amounts of these withdrawals will vary. One time payments from time to time may also occur.

It is agreed that our Financial Institution's treatment of Protegra Inc.'s withdrawals and transfers and their rights to it shall be the same as if authorized by the undersigned them (self/selves). Protegra Inc. may not assign this authorization, whether directly or indirectly, by operation of law, change of control or otherwise, without providing at least 10 days prior written notice to me/us.

I/we have certain recourse rights if any debit does not comply with this agreement. For example, I/we have the right to receive reimbursement for any PAD that is not authorized or is not consistent with this PAD agreement

PLEASE PRINT

Type of Service: Business - PAD

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

Company Address: \_\_\_\_\_

City/Town: \_\_\_\_\_ Province: \_\_\_\_\_ Postal Code: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Contact Name: \_\_\_\_\_

Financial Institution \_\_\_\_\_

Financial Institution Account Manager: \_\_\_\_\_

FI Manager's Telephone No.: \_\_\_\_\_ e- mail: \_\_\_\_\_

FI Account Number: \_\_\_\_\_ FI Transit Number: \_\_\_\_\_

(branch 5 digits; FI 3 digits)

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

City/Town: \_\_\_\_\_ Province: \_\_\_\_\_ Postal Code: \_\_\_\_\_

I/We waive any and all requirements for pre-notification of debiting.

Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

For investigations or cancellations you must contact Protegra Inc.

(please attach a void cheque)