

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (date of earliest event reported): June 10, 2021

**Assure Holdings Corp.**

(Exact name of registrant as specified in its charter)

<b>Nevada</b>	<b>333-251829</b>	<b>82-2726719</b>
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
<b>4600 South Ulster Street, Suite 1225 Denver, CO</b>		<b>80237</b>
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number, including area code: **720-287-3093**

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(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act: **None**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 1.01 Entry into a Definitive Material Agreement.**

On June 10, 2021, Assure Holdings Corp. (“Assure”) entered into definitive agreements to secure a credit facility under the terms of a commitment letter dated March 8, 2021 (the “Commitment Letter”) with Centurion Financial Trust, an investment trust formed by Centurion Asset Management Inc. (“Centurion”). Under the terms of the Commitment Letter, Assure issued a Debenture to Centurion, dated June 9, 2021 (the “Debenture”), with a maturity date of June 9, 2025 (the “Maturity Date”), in the principal amount of US\$11,000,000 related to a credit facility comprised of a US\$6,000,000 senior term loan (the “Senior Term Loan”), a US\$2,000,000 senior revolving loan (the “Senior Revolving Loan”) and a US\$3,000,000 senior term acquisition line (the “Senior Term Acquisition Line” and together with the Senior Term Loan and the Senior Revolving Loan, the “Credit Facility”). The Senior Term Acquisition Line will be made available to the Company to fund future acquisitions, subject to certain conditions and approvals of Centurion. The Credit Facility will mature in 48 months.

The Credit Facility is guaranteed by certain Assure subsidiaries, which include Assure Holding Inc., Assure Neuromonitoring, LLC, Assure Networks, LLC, Assure Neuromonitoring Colorado, LLC, Assure Neuromonitoring Louisiana, LLC, Assure Neuromonitoring Michigan, LLC, Assure Neuromonitoring Pennsylvania, LLC, Assure Neuromonitoring Texas, LLC, Assure Neuromonitoring Texas Holdings, LLC, DNS Louisiana, LLC, Assure Neuromonitoring Arizona, LLC, Assure Neuromonitoring Minnesota, LLC, Assure Neuromonitoring Nevada, LLC, Assure Neuromonitoring South Carolina, LLC, and DNS Professional Reading, LLC (collectively, “Subsidiaries”), under the terms of a Guarantee and Indemnity dated June 9, 2021 (the “Guarantee”), and secured by a first ranking security interest in all of the present and future assets of Assure and the Subsidiaries under the terms of a General Security Agreement dated June 9, 2021 (the “Security Agreement”), and assignment of material contracts dated June 9, 2021 (the “Contract Assignment” and together with the Commitment Letter, Debenture, Guarantee and Security Agreement, the “Loan Documents”).

A copies of the Loan Documents are attached hereto as Exhibit 10.1 (Commitment Letter), 10.2 (Debenture), 10.3 (Guarantee), 10.4 (Security Agreement) and 10.5 (Contract Assignment) and incorporated herein by reference. The description of the Loan Documents are qualified by reference to the exhibits filed herein.

**Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.****Credit Facility**

Under the terms of the Commitment Letter, Assure issued the Debenture to Centurion, dated June 9, 2021, in connection with the Credit Facility in the principal amount of US\$11,000,000, comprised of a US\$6,000,000 Senior Term Loan, a US\$2,000,000 Senior Revolving Loan, and a US\$3,000,000 Senior Term Acquisition Line. The principal amount of the Debenture drawn and outstanding from time to time shall bear interest both before and after maturity, default and judgment from the date hereof to the date of repayment in full at the rate of the greater of 9.50% or the Royal Bank of Canada Prime Rate plus 7.05% per annum calculated and compounded monthly in arrears and payable on the first Business Day of each month during which any Obligations are outstanding, the first of such payments being due July 2, 2021 for the period from the Advance to the date of payment, and thereafter monthly. The difference between the Commitment and the amount of the Loan outstanding from time to time shall bear a standby charge, for the period between June , 2021 and the end of the availability period, in the amount of 1.50% per annum calculated and compounded monthly in arrears and payable on the first Business Day of each month during which any amount of the Commitment remains available and undrawn, the first of such payments being due July 2, 2021. Interest on overdue interest shall be calculated and payable at the same rate plus 3% per annum.

With respect to the Senior Revolving Loan, Assure may prepay advances outstanding thereunder from time to time, with not less than 10 Business Days prior written notice of the prepayment date and the amount, in the minimum amount of \$250,000. Any amount of the Senior Revolving Loan prepaid may be re-advanced. With respect to the Term Loans, Assure may prepay the Advances outstanding thereunder, without penalty or bonus, in an amount not to exceed 25% of the aggregate of all Advances then outstanding under the Term Loans, on each anniversary date of the first Advance made hereunder, provided in each case with not less than 30 days written notice of the Corporation's intention to prepay on such anniversary date and the proposed prepayment amount. Any prepayments to the Term Loans other than those permitted in the immediately preceding sentence may only be made on 30 days prior written

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**Private & Confidential** March 8<sup>th</sup>, 2021

Assure Holdings Corporation  
4600 South Ulster Street, Suite 1225  
Denver, Colorado  
80237

Attn: Mr. John Farlinger, Chief Executive Officer Mr. Trent Carman, Chief Financial Officer

Gentlemen:

Re: Borrower: **Assure Holdings Corporation**  
Loan Amount: **\$11,000,000 USD**

**Note: all amounts expressed herein are denominated in US dollars unless otherwise specified**

By this Letter of Commitment ("Commitment"), we are pleased to advise that Centurion Financial Trust, for and on behalf of various funds, as agent and nominee ("the Lender") has approved Senior Credit Facilities totaling \$11,000,000 ("the Loan") to Assure Holdings Corporation ("the Borrower") to be guaranteed by Assure Holdings Inc., Assure Neuromonitoring, LLC and Assure Networks, LLC, and all present and future affiliates of the Borrower such that guarantees are held by the lender from entities that generate not less than 95% of the consolidated revenue and EBITDA and hold not less than 95% of the tangible assets of the Borrower.

The financing program is for the purpose of refinancing the existing senior lender, providing a revolving credit facility, working capital and financing for future acquisitions. The Loan shall be advanced subject to the Preconditions to Closing and Disbursement outlined below and on the terms and conditions described herein. The financing will primarily be evidenced and secured by Centurion's standard form of Debenture and any other documents required thereby to be in such form as agreed by the parties acting reasonably. The Loan will be available for advance in two or more tranches (as TBD), with the initial advance expected to be drawn by March 31st, 2021.

Please sign in the space provided below and return one of the duplicate originals of this letter to indicate the Borrower's and Guarantors' acceptance of these terms and conditions, whereupon we can finalize due diligence, complete legal documentation and advance.

**CLOSING DATE:**

Subject to the required security, as outlined in the attached checklist, being duly and validly issued and registered, and all other terms and conditions herein having been met, the facility will be advanced as soon as practicable after acceptance, expected to be March 31st, 2021 ("the Closing Date").

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**EXPENSES:**

Whether or not the Loan is disbursed, and notwithstanding retention of the specified fees by the Lender, the Borrower shall pay, immediately upon presentation of appropriate invoices, all of the Lender's reasonable third party costs and expenses relating to the Loan, whether incurred before or after the initial advance, including due diligence costs, legal costs and expenses. To the extent that any such costs and expenses remain unpaid, the subject amount may, at the Lender's option, be deducted from the Loan disbursement or may be added to the then outstanding principal balance of the Loan and shall bear interest at the same rate as, and be secured in the same manner as the Loan.

**PRECONDITIONS TO CLOSING AND DISBURSEMENT:**

In addition to proper completion of the Security, the following conditions must be satisfied prior to disbursement:

**Due Diligence:** Satisfactory completion of due diligence (as outlined in further detail herein) including, but not limited to financial due diligence, review of material contracts, satisfactory background checks and regulatory and industry due diligence.

**Insurance:** Insurance binders confirming that insurance policies on an all risks basis pertaining to the Business and its property and operations in compliance with the requirements of the Lender as set out in this Commitment and its standard documentation are delivered to the Lender prior to closing with full certified copies of policies to and delivered within 30 days of closing. The policy endorsement is required to provide that the insurer or broker will notify the Lender directly of any changes in coverage from the actual binder or certificates issued at the time of closing and release of funds.

**Legal Opinion:** The Lender shall be provided with an opinion letter from a solicitor acting for the Borrower and Guarantor stating that all Security documentation has been duly authorized, executed and delivered by the respective Borrower and Guarantor, that all of the Security is validly binding on the respective Borrower and Guarantors and that all of the Security is enforceable in accordance with its terms, except as enforceability may be limited by any applicable bankruptcy, insolvency or other laws affecting creditors' rights generally and by the rules governing the enforceability of provisions of the Security by means of equitable remedies such as specific performance. The opinion letter shall be in such form and contain such other terms as may be required by the Lender.

**Security and Registration:** The Security, as defined in and required by this Commitment and the Debenture, shall be executed, delivered and registered, the charged real property/ properties shall be free and clear of all liens (excluding Permitted Encumbrances as defined in the Debenture) including as to tax arrears, and all other terms and conditions of this Commitment shall have been satisfied.

**Appraisal and Environmental:** Appraisals, environmental review and other required due diligence will be determined and required based on the specifics of the financing.

**Material Adverse Change:** It is a condition for disbursement of funds that in the Lender's opinion the financial position of the Borrower and the Guarantors (taken as a whole), and the assets given as security (taken as a whole), and the Borrower's representations and warranties, shall not have suffered any material adverse change; nor shall there be any material action, suits, or pending proceedings against the Borrower and/or the Guarantor (taken as a whole) of which the Borrower has knowledge; and that no event shall have occurred, which materially and adversely affects the value of the secured assets (taken as a whole).

**Inter-Creditor Agreement(s):** Execution and delivery of an inter-creditor agreement (if required) in a form satisfactory to the Lender with the holders of any security on all or substantially all of the Borrower's/ Guarantors' assets, providing for the priority of security interest as first charge and agreement as to rights on default as to payment and exercise of rights as agreed by the Lender. Execution and delivery of subordination agreements for any prior registered charges held on the secured real property or other assets pledged as security.

**Execution of Debenture and General Security Agreement(s)** Execution and delivery of a Debenture and General Security Agreement(s) in the standard form of the Lender with the supporting documentation as required by the Lender's standard closing requirements.

**PROCEEDS OF CRIME (MONEY LAUNDERING) AND TERRORIST FINANCING ACT (CANADA) REGULATIONS.**

This will confirm that the Borrower and Guarantor(s) have consented and agree to provide the Lender with such documentation and information, including identification, as the Lender may require to ensure compliance with the above Legislation, and that the provision of such documentation and information shall be a Pre-Funding Condition to this Loan.

The Borrower and each Guarantor will be required to produce identification acceptable to Lender and Lender's solicitor at the time the mortgage documentation is signed, and prior to any funds being advanced, for the purpose of compliance with the provisions of the Proceeds Of Crime (Money Laundering) and Terrorist Financing Act (Canada) and Regulations there under. Such identification shall include at least two documents, with at least one document including photo ID, together with a solicitor's confirmation that the Identity of all persons signing as or on behalf of the Borrower or as a Guarantor have been identified as the proper persons to sign. Lender to be provided with copies (front and back) of any identification documents together with a solicitor's certification that the copies are true copies of the original documents.

**GENERAL PROVISIONS:**

**Governing Law:** This Commitment, the Debenture and the Security, shall be governed by and constituted in accordance with the laws of the Province of Ontario, unless otherwise agreed to herein.

**Time of the Essence:** Time in all respects shall be of the essence herein.

**Further Assurances:** The Borrower shall, at the Lender's request, execute or deliver such further documentation and enter into such other reasonable agreements as are necessary for the securing of the Loan and the fulfilling of the terms contained herein.



Yours very truly,

CENTURION ASSET MANAGEMENT INC. / CENTURION FINANCIALTRUST

A handwritten signature in blue ink, appearing to read "Chris D. Lewthwaite".

A handwritten signature in blue ink, appearing to read "Daryl W. Boyce".

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

Chris D. Lewthwaite  
Senior Director, Corporate Finance

\_\_\_\_\_

Daryl W. Boyce  
Executive Vice-President, Corporate Finance

I have authority to bind the Company .



**Borrower:** Assure Holdings Corporation ("Assure")  
**Guarantors:** Assure Holdings Inc.  
 Assure Neuromonitoring, LLC Assure Networks, LLC  
 plus all other subsidiaries and related companies  
 (the Borrower and Guarantors, collectively the "Assure Group")

**Lender / Agent:** Centurion Financial Trust ("Centurion")

**Target Closing Date:** March 31<sup>st</sup> 2021

**Financing Purpose & Program:**

	<b>Use of Funds</b>	<b>(USD 000's)</b>	<b>Sources of Funds</b>	<b>(USD 000's)</b>
<b>Step 1:</b>				
Revolving Credit Facility		2,000.0	Centurion Senior Revolving loan	2,000.0
Working Capital		1,200		
Refinance of Existing Debt		4,500.0	Centurion Senior Term loan	6,000.0
Estimated Transaction Fees		300		
<b>Step 2:</b>				
Future Growth Capex / Acquisition	Line	3,000.0	Centurion Senior Term - Acquisition	Line
				3,000.0
<b>Total Uses of Funds:</b>		<b>\$ 11,000.0</b>	<b>Total Sources of Funds: \$ 11,000.0</b>	

**Credit Facilities:**

Tranche 1: \$2,000,000 Senior Revolving Loan  
 \$6,000,000 Senior Term Loan

Tranche 2: \$3,000,000 Senior Term -Acquisition Line  
 (collectively, the "Credit Facilities")

**Disbursement:** Tranche 1 to be disbursed in a single advance once the Financing Program has been approved by Centurion's investment committee, the completion of due diligence and execution of key legal agreements each to the satisfaction of Centurion.

The initial advance under the Revolving Loan will be determined prior to Closing and over the Term of the financing as TBD. The Borrower will have the right to draw or repay a minimum of \$250,000 of the Senior Revolving Loan on a notice period of 10 business days.

Tranche 2 of the Senior Term - Acquisition Line to be made available to fund future acquisitions, subject to the achievement and maintenance of all Financial Covenants and terms and conditions as outlined herein,

and also subject to the following:

- Centurion to review and approve each acquisition prior to funding for the particular advance, with Centurion's main criteria being its satisfactory review of due diligence materials supporting all acquisitions to be financed by the Program, which are understood to be accretive in nature and on commercially reasonable terms;
- Funds to be advanced on a deal-by-deal basis subject to the Credit Facilities remaining fully in good standing and upon satisfactory review of the acquisition(s) to be financed by the Program;
- Assure Group to provide Centurion with a first ranking security interest over the companies assets/ shares to be acquired (as TBD in each case)

<b>Syndication:</b>	Centurion may look to syndicate up to 25% of of the Credit Facilities as as described herein. Our firm has deep relationships with a number of Canadian family off ices that have participated in investments led by Centurion on a passive basis.
<b>Term:</b>	4 years
<b>Interest Rate:</b>	The greater of 9.50% per annum or Royal Bank of Canada Prime R ate plus 7.05%, payable monthly in arrears.
<b>Standby Fee:</b>	The Borrower shall pay a Standby Fee of 1.50% per annum on the undrawn balance of the Credit Facilities on a monthly basis, commencing with the initial advance of Tranche 1.
<b>Warrants:</b>	In conjunction with the Credit Facilities detailed herein, Centurion will be issued and assigned 12.5 % warrant coverage at a strike price equal to the market closing price ofTSXV:IOM on the date of initial funding. The warrants will not be subject to any lock-up period and will have an expiry of not less than 4 years.
<b>Repayment:</b>	Principal balance of the Credit Facilities shall be repayable in full on the 4th anniversary of the initial advance of Tranche 1.
<b>Prepayment Allowance :</b>	Prepayment of the Senior Term Loan is to be permitted as follo ws : <ul style="list-style-type: none"><li>• Allowance to prepay 25% of the outstanding principal balance of the Senior Term Loan on the 1st anniver sary date;</li></ul>

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- Allowance to prepay an additional 25% of the outstanding principal balance of the Senior Term Loan (for a cumulative total prepayment allowance of up to 50%) on the 2nd anniversary date;
- Allowance to prepay an additional 25% of the outstanding principal balance of the Senior Term Loan (for a cumulative total prepayment allowance of up to 75%) on the 3rd anniversary date;
- Suitable notice period of 30 business days to be provided in advance of each applicable Prepayment

Any other prepayment of the Senior Term Loan or Senior Term - Acquisition Loan other than as detailed above shall be subject to a 12 months interest penalty

**Mandatory Prepayments :**

Mandatory prepayment of the Credit Facilities to include the net cash proceeds of the following:

- Sale of any assets of the Assure Group other than inventory sold in the normal course of operations;
- Proceeds of the issuance or sale of any debt interests, other than for Permitted Indebtedness;
- Proceeds of any insurance claims unless reinvested into the the Assure Group

**Commitment Fee:**

The Borrower will pay to the Lender a non-refundable Commitment Fee of \$247,500 (representing 2.25% of the loan amount) plus applicable taxes.

**Deposit:**

The Lender acknowledges that the Borrower has paid an initial Deposit of \$75,000 based on its previous acceptance of the Discussion Paper dated March 2<sup>nd</sup>, 2021.

The Deposit shall be dealt with as follows:

- if the Financing Program closes, the Deposit will be credited against the Commitment Fee;
- Since the Financing Program has now been approved by Centurion's Investment Committee on substantially the same terms and condition as outlined in the Discussion Paper, if the Borrower chooses not to proceed with the Facility for any reason and not accept the Commitment, the full amount of the Commitment Fee will be deemed to be fully earned and payable to the Lender and with the Deposit as non-refundable. The Borrower will also be responsible for any and all expenses including legal and due diligence expenses incurred by the Lender with such expenses being to the account of the Borrower.

**Security:**

Security for the Credit Facilities to include the following:

- General Security Agreement of the Borrower providing for a first ranking security interest in all of the present and future assets of Assure Holdings for the markets in which the Borrower operates;
- Guarantee of the various corporate Guarantor entities outlined above, each supported by a first ranking General Security Agreement securing all present and future assets of the Assure Group as a whole with the exception of an allowance for the existing first charge on equipment currently being leased (NTD: leases to be confirmed);
- For additional advances under the Program to fund future acquisitions, Centurion will review the specific deal parameters to ensure that each acquisition: (i) is accretive to forecast EBITDA; (ii) the assets being acquired support forecast advances and security coverage; and, (iii) debt service coverage covenant is maintained;
- Assignment of key contracts as TBD;
- Satisfactory intercreditor agreement, if required;
- Landlord Waivers for the operating premises of the Assure Group, as TBD;
- Negative pledge on future borrowings or granting of security interests;
- Postponement and subordination of all Shareholder and Related Party Loans (excluding intercompany advances as related to the normal course of operations) as TBD;
- Insurance appropriate to the risks involved will be maintained, with loss payable to Centurion;
- Such other security as may be required by Centurion

**Financial Covenants:**

The following Financial Covenants are to apply to the terms of the Credit Facilities as to be tested quarterly on a consolidated basis. The Borrower will provide a Compliance Certificate signed by an Officer of the Borrower detailing its calculations of the Financial Covenants along with its regularly scheduled financial reporting package.

The following Financial Covenants shall be applicable:

- Minimum Working Capital Ratio of 1.20:1, defined as:  
*the ratio of Current Assets to Current Liabilities*
- Minimum Fixed Charge Coverage Ratio of 1.25:1, defined as:  
*the ratio of EB/TOA less Cash Taxes and Unfunded Capital Expenditures divided by all scheduled Lease payments and scheduled Principal and Interest payments of all debt facilities*
- Maximum Funded Debt to EBITDA Ratio of 4.50:1, defined as:

*The ratio of the total outstanding balances of all indebtedness including the outstanding balances all credit facilities including capital leases, term loans, bank indebtedness etc. plus the balances of any non-postponed related party credit facilities, if applicable, divided by EB/TOA*

In finalizing its due diligence, Centurion will give consideration to appropriate normalizing adjustments on a historical basis for the calculation of financial covenants.

- Negative Pledge on Additional Debt or the Encumbrance of Assets

**Reporting Requirements:**

The Borrower and Guarantors will provide the its financial statements on the following basis:

- Annual consolidated Audited financial statements of Assure Holdings Corporation;
- Quarterly financial statements and signed compliance certificate detailing financial covenant calculations;
- Monthly reporting of Borrowing Base as TBD based on our due diligence review, in support of the Senior Revolving Loan (e.g. detailing aged accounts receivable balances, revenue billings & collections activity and any potential adjustments to receivables balances along with supporting detail thereof);
- Annual budget/ forecast to be provided
- Other reporting as may be required by Centurion

**Preconditions to Closing:**

The following are Conditions Precedent to be completed to Centurion's satisfaction prior to Closing:

- Execution of key legal agreements;
- Completion and satisfactory review of Field Audit and third party due diligence as it relates to Assure Group's receivables, billings & collections practices (e.g. monthly review of collection trends/ waterfall for individual receivables for the timing of collection, amounts collected vs. invoiced, evaluation of how receivables have been valued post Q2 2020, recovery trends for past receivables that had previously been written off etc.);
- Financial due diligence as it relates to the historical financials of the Assure Group as it relates to gross and net revenue composition, adjustments to revenues attributed to prior year receivables re evaluation and determination/confirmation of 'cash-basis' reporting for current and historical financing reporting of the Assure Group;

- Satisfactory review of interim year-to-date results of Assure Group and its updated financial projections/ model (including review of sales pipeline) and key assumptions thereof;
- Further discussion/ analysis of the structure of acquisitions to be financed (potentially using the Sentry Neuromonitoring example as a proxy for future acquisitions);
- Regulatory and industry due diligence, as TBD (including confirmation of compliance with appropriate regulatory agencies etc);
- Satisfactory receipt of a payout letter from Central Bank and Trust;
- Satisfactory background checks of the shareholders , KYC, AML requirements etc.;
- Centurion being satisfied that there has been no material deterioration or material adverse change of the Assure Group business prior to Closing

**Exclusivity/ Confidentiality:** The Assure Group agrees that it will not communicate the existence or Contents of this Commitment to any third parties other than its financial advisors / accountant or legal counsel without the prior written consent of Centurion .

**Positive Covenants:** If the Assure Group sources financing from another lender or agent other than Centurion, the Commitment Fee shall be immediately payable in full to Centurion .

Usual and customary for transaction of this type, including, but not limited to the following:

- Punctual payment and performance of all obligations owing under Commitment;
- Conduct of business and maintenance of corporate existence;
- Ongoing compliance and maintenance of good standing with regulatory authorities;
- Debt Servicing;
- Operation and maintenance of business, properties and equipment required the Assure Group in good repair and working condition, reasonable wear and tear excepted;
- Payments of statutory obligations, taxes, remittances and assessments;
- Maintain adequate insurance on all assets, under takings, product liabilities and business risks;
- Financial records/books and inspection rights;
- Arm's length arrangements with affiliates and non-Guarantors;
- Further assurances;
- Use of Proceeds ;

- Compliance with all regulations, laws, permits, and material agreements;
- Maintain security priority, registrations and delivery of security as required hereby;
- In the event that any subsidiary becomes a Material Subsidiary, within 30 days thereof: (i) notify the Lender, and (ii) deliver applicable guarantee and security to the Lender;
- Promptly advise the Lender after the occurrence of any event which would result in a Material Adverse Effect, or the occurrence of any default or Event of Default;
- Compliance with all ERISA requirements (if applicable);
- Comply with anti-terrorism, export sanctions and anti-money laundering laws;
- Maintain ownership right or rights to use all intellectual property material to the business of the Borrower and Guarantors;
- Notify the Lender of any award or commencement or written threat of any litigation or dispute affecting any Borrower or subsidiary (a) in excess of \$100,000, or (b) relating to material intellectual property; and
- Promptly provide the Lender with all information reasonably requested.

**Negative Covenants:**

Usual and customary for transactions of this type, to include but not limited to the following:

- a) Negative pledge other than Permitted Liens. "Permitted Liens" shall include, without limitation:
    - Liens created or arising under or in connection with the Security;
    - Statutory liens; and
    - Other permitted liens as may be approved by the Lender
  - b) Limitations on indebtedness other than Permitted Indebtedness. Permitted Indebtedness to include, without limitation:
    - Any debt obligation under Cash Management Facilities, and Cross Currency Hedge Obligations;
    - Other permitted indebtedness as may be approved by the Lender;
  - c) Limitation on investments and financial assistance;
  - d) Limitation on asset sales other than: sale of inventory in the ordinary course of business, sale of other assets up to \$200,000 per annum;
  - e) Restriction on distributions without the Lender's consent;
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- f) Limitations Capital Expenditures other than Permitted Capital Expenditures. Permitted Capital Expenditures defined as: 110% of budgeted capital expenditures, to be agreed annually by the Lender;
- g) Limitations on acquisitions;
- h) No material change in the nature of the business, including no material change with the Assure Group's compliance with applicable regulatory authorities;
- i) Restriction on inter-company transfers of assets to non-Guarantors;
- j) No mergers, amalgamations or consolidations, other than among the Assure Group or, if with any other member of the group, Borrower or a Guarantor is the surviving entity and the Lender shall have received such documentation, as it may reasonably request, from the surviving entity to ensure all of its property and assets are subject to the Security and it is otherwise fully bound by the Loan Documents; and
- k) No defined benefit pension plans; no termination of other pension plans; no failure to make required payments in respect of pension plans; no failure to deliver filings with respect to pension plans.

**Representations and Warranties:**

Usual and customary for transactions of this type, including but not limited to the following:

- Corporate matters, organization and good standing;
- Full corporate right, power, and authority to enter into, and perform its obligations under the loan documents;
- Accuracy of financial statements, disclosure and other information provided;
- The most recent financial statements of the Borrower and Guarantors fairly present the consolidated financial condition of the Borrower and Guarantors as at the date thereof and have been prepared in accordance with accepted accounting standards;
- No Material Adverse Effect since the date of the most recent financial statements provided to the Lender;
- No material litigation or environmental liability;
- Validity of loan documents and enforceability;
- No violation of any law or contract;
- No violation of, or conflicts with, agreements or instruments;
- Compliance with applicable laws and regulations (including environmental, anti-money laundering, ERISA matters, the PATRIOT Act, margin regulations, laws applicable to sanctioned

- persons, the Foreign Corrupt Practices Act, and similar applicable legislation);
- Payment of taxes;
  - Insurance in appropriate amounts and for appropriate risks is in place;
  - No Event of Default or default;
  - Solvency;
  - All payment obligations of the Borrower and Guarantors under the loan documents rank at least pari passu in right of payment with their other most senior secured indebtedness for borrowed money, other

**Legal Fees & Diligence Expenses:**

The Assure Group will be responsible for all of Centurion's legal fees and due diligence expenses incurred in respect of the Financing Program .

**Credit Documents:**

The Credit Facilities will be established upon negotiation and execution of this Commitment based on summary terms and conditions herein and customary yield protection provisions regarding capital adequacy, reserves, taxes, regulatory change, etc. (the "Commitment " ), intercreditor agreement (if applicable), guarantees, security and related documentation, including any other agreements and legal opinions as the Lender's counsel may reasonably require for transactions of this nature (collectively, the "Loan Documents").

**Offer Expiration Date:**

This Commitment must be accepted by no later than 5 pm EST on March 11<sup>th</sup>, 2021, after which it will expire.

**Acceptance**

Accepted on the terms and conditions herein provided this 11 day of March, 2021

Assure Holdings Corp. – Borrower

PER: \_\_\_\_\_  
Authorized Signing Officer

Assure Holdings Inc. – Guarantor

PER: \_\_\_\_\_  
Authorized Signing Officer

Assure Network Monitoring, LLC – Guarantor

PER: \_\_\_\_\_  
Authorized Signing Officer

Assure Networks, LLC - Guarantor

PER: \_\_\_\_\_

**CENTURION FINANCIAL TRUST**

**As lender agent and nominee for Lenders from time to time collectively as**

**the Lender**

**and**

**ASSURE HOLDINGS CORPORATION**

**as the Corporation**

**and**

**ASSURE HOLDINGS INC., ASSURE NEUROMONITORING, LLC, ASSURE NETWORKS, LLC,  
ASSURE NEUROMONITORING COLORADO, LLC, ASSURE NEUROMONITORING  
LOUISIANA, LLC, ASSURE NEUROMONITORING MICHIGAN, LLC, ASSURE  
NEUROMONITORING PENNSYLVANIA, LLC, ASSURE NEUROMONITORING TEXAS, LLC,  
ASSURE NEUROMONITORING TEXAS HOLDINGS, LLC, DNS LOUISIANA, LLC, ASSURE  
NEUROMONITORING ARIZONA, LLC, ASSURE NEUROMONITORING MINNESOTA, LLC,  
ASSURE NEUROMONITORING NEVADA, LLC, ASSURE NEUROMONITORING SOUTH  
CAROLINA, LLC, and DNS PROFESSIONAL READING, LLC**

**as Guarantors**

**DEBENTURE**

**June <sup>9</sup>, 2021**

## DEBENTURE

Principal Amount: \$11,000,000 USD

Issue Date: June 9, 2021

Maturity Date: June 9, 2025

Currency: US Dollars

### ARTICLE 1 PRINCIPAL, INTEREST, PAYMENT, COMMITMENT FEE

#### 1.1 Principal Amount and Advance

(a) For value received, ASSURE HOLDINGS CORPORATION (the “**Corporation**”) having its head office at 4600 South Ulster Street, Suite 1225, Denver, Colorado 80237, shall pay to the order of CENTURION FINANCIAL TRUST, as lender, agent and nominee for the lenders who advance funds drawn pursuant to the Commitment Letter (being the letter of March 8, 2021 issued by the Lender to the Corporation, the “**Commitment Letter**”) and this Debenture (as agreed and allocated among them as they shall agree from time to time) (collectively the “**Lender**”) the amount of ELEVEN MILLION DOLLARS (\$11,000,000) (the “**Commitment**”), or the aggregate principal amount drawn and outstanding from time to time pursuant to this Debenture, plus all accrued interest thereon in accordance with this Debenture on the Maturity Date, or such earlier date as the Obligations shall become due and payable hereunder, at the office of the Lender at 25 Sheppard Avenue West, Suite 1800, Toronto, ON M2N 6S6 or such other place as the Lender may designate.

(b) The Commitment will be available for Advance in multiple tranches to be advanced as follows:

(i) with respect to the Senior Term Loan, to be Advanced by way of a single draw, to be drawn and advanced on or about June 9, 2021;

(ii) with respect to the Revolving Loan, to be Advanced, from time to time, as set out in section 1.4(c) hereof, the first to be drawn and advanced on or about June 9, 2021; and,

(iii) with respect to the Senior Term – Acquisition Line, to be Advanced, from time to time, as set out in Section 1.4(b) hereof, each in the amount to be agreed to fund an approved acquisitions by the Corporation, in each case to be determined on a deal-by- deal basis.

#### 1.2 Interest and Standby Charge

(a) The principal amount of this Debenture drawn and outstanding from time to time shall bear interest both before and after maturity, default and judgment from the date hereof to the date of repayment in full at the rate of the greater of 9.50% or the Royal Bank of Canada Prime Rate plus 7.05% (the “**Rate**”) per annum calculated and compounded monthly in arrears and payable

on the first Business Day of each month during which any Obligations are outstanding, the first of such payments being due July 2, 2021 for the period from the Advance to the date of payment, and thereafter monthly.

(b) The difference between the Commitment and the amount of the Loan outstanding from time to time shall bear a standby charge, for the period between June<sup>9</sup>, 2021 and the end of the availability period, in the amount of 1.50% (the “**Standby Charge**”) per annum calculated and compounded monthly in arrears and payable on the first Business Day of each month during which any amount of the Commitment remains available and undrawn, the first of such payments being due July 2, 2021.

(c) Interest on overdue interest shall be calculated and payable at the same rate plus 3% per annum. Interest is pro rated on a daily basis for any part month.

### **1.3 Prepayment**

(a) With respect to the Senior Revolving Loan, the Corporation may prepay Advances outstanding thereunder from time to time, with not less than 10 Business Days prior written notice of the prepayment date and the amount, in the minimum amount of \$250,000. Any amount of the Senior Revolving Loan prepaid may be re-advanced.

(b) With respect to the Term Loans, the Corporation may prepay the Advances outstanding thereunder, without penalty or bonus, in an amount not to exceed 25% of the aggregate of all Advances then outstanding under the Term Loans, on each anniversary date of the first Advance made hereunder, provided in each case with not less than 30 days written notice of the Corporation's intention to prepay on such anniversary date and the proposed prepayment amount. Any prepayments to the Term Loans other than those permitted in the immediately preceding sentence may only be made on 30 days prior written notice of the prepayment date and the amount, and are subject to the Corporation paying on such prepayment date a prepayment charge equal to the lesser of (i) twelve (12) months interest and (ii) interest for the months remaining from the prepayment date to the Maturity Date, on the amount prepaid at the interest rate in effect on the applicable Term Loan as of the date of prepayment. Any amount of the Term Loan prepaid may not be re-advanced.

### **1.4 Repayments and Cancellation of Commitment**

(a) The Corporation shall satisfy the obligations on the Maturity Date by the Corporation paying the principal amount (or the drawn and outstanding balance thereof) together with any accrued and unpaid interest and expenses of the Lender of this Debenture to the Lender by certified cheque, bank draft or wire transfer in immediately available funds.

(b) The Senior Term – Acquisition Line will remain available for draw, with notice of draw being given on 30 days prior written notice.

(c) The Senior Revolving Loan shall revolve and no payment under the Senior Revolving Loan shall reduce the Commitment in respect thereof. Advances on the Senior Revolving Loan may be requested by the Corporation with not less than 10 Business Days prior written notice of

such requested Advance and the amount, in the minimum amount of \$250,000. Advances outstanding under the Senior Revolving Loan to the Corporation shall not exceed \$2,000,000.

### **1.5 Fees**

The Corporation will owe and pay to the Lender on first Advance of the Loan, less deposits paid to date which will be credited, a fee for 2.25% of the Commitment being \$247,500, payment will be made by withholding from the Advance.

### **1.6 Guarantors**

The Guarantors signing this Debenture do so for the purpose of agreeing to the representations and covenants set out herein.

### **1.7 Warrants**

In consideration for the Commitment, and subject to the approval of the TSX Venture Exchange (the "TSXV"), the Corporation will issue to the Lender, 1,375,000 common share purchase warrants (the "Warrants"), representing 12.5% of the aggregate value of the Commitment. Each such Warrant will entitle the Lender to purchase one common share in the capital of the Corporation at an exercise price equal to the last closing price of the Corporation's common shares as of the date of the press release announcing the Commitment and issuance of the Warrants. Pursuant to the policies of the TSXV, the Warrants will be non-transferable and subject to applicable hold periods under Canadian and U.S. securities laws. The Warrants shall have a term that expires four years from the date of issuance.

The Lender hereby confirms that it is an "accredited investor" (as such term is defined in National Instrument 45-106 Prospectus Exemptions ("NI 45-106")) by virtue of meeting the criteria set out in paragraph (m) of the definition of "accredited investor" in section 1.1 of NI 45-106.

## **ARTICLE 2 INTERPRETATION**

### **2.1 Defined Terms**

As used herein the following terms shall have the following meanings:

- (a) "**Advance**" means an advance of the Loan by the Lender.
- (b) "**Affiliate**" means, in respect of any corporation, any Person which, directly or indirectly, controls or is controlled by or is under common control with the corporation; and for the purpose of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") means the power to direct, or cause to be directed, the management and

policies of a corporation whether through the ownership of Voting Shares or by contract or otherwise.

- (c) “**Applicable Law**” means, in respect of any Person, property, transaction or event, all applicable laws, statutes, rules, by-laws and regulations, and all applicable official directives, orders, judgments and decrees, of Governmental Bodies, including specifically all relating to anti-money laundering, anti- terrorism, sanction and anti-bribery.
  - (d) “**Assignment of Insurance**” means the collateral assignment of insurance provided by the Corporation and the Guarantors to the Lender as security for the Obligations.
  - (e) “**Business Day**” means any day other than Saturday, Sunday or a day on which chartered banks are closed for business in Toronto, Ontario.
  - (f) “**Capital Lease Obligations**” means, as to any Person, the obligation of such Person to pay rent or other liquidated amounts under a lease of (or other agreement conveying the right to use) real or personal property, which obligations are required to be classified and accounted for as a capital lease on a balance sheet of such Person under generally accepted accounting principles and, for purposes of this Debenture, the amount of such obligations shall in each case be the capitalized amount thereof, determined in accordance with generally accepted accounting principles.
  - (g) “**Change of Control**” means the Guarantors ceasing to be, directly or indirectly, wholly owned by the Corporation (or by the Guarantors that assume the obligations under this Debenture as contemplated by this Debenture) or its successor.
  - (h) “**Commitment**” shall have the meaning in section 1.1.
  - (i) “**Contingent Liabilities**” of any Person at any time means the amount of all indebtedness and liabilities, contingent or otherwise, of any other Person at such time:
    - (i) guaranteed, directly or indirectly, in any manner by the Person including:
      - (A) by procuring the issue of letters of credit or letters of guarantee or other similar instruments for the benefit of that other Person; (B) by endorsement of bills of exchange (otherwise than for collection or deposit in the ordinary course of business); or (C) by the other Person assigning debts of the Person (whether or not represented by an instrument) with recourse to the Person;
    - (ii) in effect guaranteed, directly or indirectly, by the Person through an agreement, contingent or otherwise;
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- (iii) to purchase such indebtedness or liabilities or to advance or supply funds for the payment or purchase of such indebtedness or liabilities;
  - (iv) to purchase, sell or lease (as lessee or lessor) property, products, materials or supplies or to purchase or sell services in circumstances where it can reasonably be assumed that the purpose of such agreement was to provide funds to the other Person to enable the other Person to make payment of such indebtedness or liabilities or to provide goods or services to the other Person to enable it to satisfy other liabilities, regardless of the delivery or non-delivery of the property, products, materials or supplies or the provision or non-provision of the services, including take or pay or through put agreements; or
  - (v) to make any loan, advance, capital contribution to or other investment in the other Person for the purpose of assuring a minimum equity, asset base, working capital or other balance sheet condition at any date or to provide funds for the payment of any liability, dividend or return of capital; or
  - (vi) secured by any Encumbrance upon property owned by the Person, even though the Person has not assumed or become liable for the payment of such indebtedness or liabilities, provided that, if the Person has not agreed to such assumption, such indebtedness shall be deemed to be an amount equal to the lesser of (A) the amount of such indebtedness and liabilities and (B) the book value of such property.
- (j) **“Debenture”** means this Debenture together with the schedules and exhibits hereto, as they may be amended from time to time.
- (k) **“Corporation”** shall have the meaning ascribed to such term in Section 1.1.
- (l) **“Credit Party”** means any of the Corporation or a Guarantor.
- (m) **“Default”** means any event which, but for the lapse of time, giving of notice or both, would constitute an Event of Default.
- (n) **“EBITDA”** means, with respect to the Corporation (on a consolidated basis), for any applicable period, an amount equal to earnings from operations before interest, income taxes, depreciation and amortization, calculated as follows:
- (i) net income of the Corporation for such period;
    - (A) minus the sum of:
      - (1) gain from extraordinary items for such period;
      - (2) any aggregate net gain (but not any aggregate net loss) during such period arising from the sale, exchange or other disposition of capital assets by the Corporation (including

any fixed assets, whether tangible or intangible, all inventory sold in conjunction with the disposition of fixed assets and all securities); and

- (3) any other non-cash gains which have been added in determining net income,

in each case to the extent included in the calculation of net income of the Corporation for such period in accordance with generally accepted accounting principles but without duplication,

(B) plus the sum of:

- (1) any provision for income taxes;
- (2) interest expense;
- (3) loss from extraordinary items for such period; and
- (4) the amount of non-cash charges (including depreciation, amortization and non-cash expenses relating to stock based compensation or accretion),

in each case to the extent included in the calculation of net income of the Corporation for such period in accordance with generally accepted accounting principles, but without duplication.

- (o) **“Eligible Accounts”** means, collectively, all Technical Revenues, PNE Revenues and Government / Hospital Revenues.
- (p) **“Encumbrance”** means any mortgage, lien, pledge, assignment, charge, security interest, title retention agreement, hypothec, levy, execution, seizure, attachment, garnishment, right of distress or other encumbrance in respect of property of any nature or kind whatsoever howsoever arising (whether consensual, statutory or arising by operation of law or otherwise) and includes arrangements known as sale and lease-back, sale and buy-back and sale with option to buy-back.
- (q) **“Event of Default”** has the meaning ascribed to such term in Section 6.1.
- (r) **“Environmental Laws”** means all applicable federal, provincial, state, municipal or local laws, statutes, regulations or ordinances relating to the environment, occupational safety, health, product liability and transportation.
- (s) **“Environmental Order”** means any prosecution, order, decision, notice, direction, report, recommendation or request issued, rendered or made by any Governmental Body in connection with Environmental Laws.

- (t) **“Funded Indebtedness”** means, with respect to any Person at any particular time, the aggregate (without duplication) of the following amounts determined in accordance with generally accepted accounting principles at such time:
- (i) indebtedness for money borrowed and indebtedness represented by notes payable and drafts accepted representing extensions of credit (including, as regards any note or draft issued at a discount, the face amount of such note or draft) and including the face amount of bankers’ acceptances and letters of credit;
  - (ii) all obligations (whether or not with respect to the borrowing of money) which are evidenced by bonds, debentures, notes or other similar instruments or not so evidenced but which would be considered to be indebtedness for borrowed money in accordance with generally accepted accounting principles;
  - (iii) all indebtedness for borrowed money secured by an Encumbrance on any property of such Person;
  - (iv) all indebtedness upon which interest charges are customarily paid;
  - (v) Capital Lease Obligations and all other indebtedness issued or assumed as full or partial payment for property or services or by way of capital contribution;
  - (vi) any Contingent Liability relating to an obligation of a type referred to in (i) to (v) above; and
  - (vii) any of the foregoing amounts in respect of any Subsidiary of the Person whose accounts are not required under generally accepted accounting principles to be consolidated with the accounts of such Person,

including the aggregate outstanding amount of the Obligations at such time; but for greater certainty, trade payables, expenses, costs and charges accrued in the ordinary course of business, customer advance payments and deposits received in the ordinary course of business shall not constitute Funded Indebtedness.

- (u) **“General Security Agreements”** means the agreement creating security over all personal property of the Corporation and the Guarantors.
- (v) **“Government / Hospital Revenue”** means revenue generated by the Corporation, or its Subsidiary, billed directly to a hospital for a patient that has a government funded insurance plan and the Corporation performs the technical component of interoperative monitoring, in each case, paid on a per-case and per-time basis, in a rate specified in the applicable contract between the Corporation, or its Subsidiary, and the relevant hospital.

- (w) “**Governmental Body**” means any government, parliament, legislature, or any regulatory authority, agency, commission or board of any government, parliament or legislature, or any court or any other law, regulation or rule-making entity (including any central bank, fiscal or monetary authority or authority regulating banks), having or purporting to have jurisdiction on behalf of any applicable government, parliament or legislature or any Person exercising or entitled to exercise administrative, regulatory or taxing authority under the authority of any of the foregoing.
- (x) “**Guarantee**” means a guarantee of a Guarantor.
- (y) “**Guarantors**” means, collectively and individually, Assure Holdings Inc., Assure Neuromonitoring, LLC, Assure Networks, LLC, Assure Neuromonitoring Colorado, LLC, Assure Neuromonitoring Louisiana, LLC, Assure Neuromonitoring Michigan, LLC, Assure Neuromonitoring Pennsylvania, LLC, Assure Neuromonitoring Texas, LLC, Assure Neuromonitoring Texas Holdings, LLC, DNS Louisiana, LLC, Assure Neuromonitoring Arizona, LLC, Assure Neuromonitoring Minnesota, LLC, Assure Neuromonitoring Nevada, LLC, Assure Neuromonitoring South Carolina, LLC, DNS Professional Reading and those other wholly-owned Subsidiaries of the Corporation which may, from time to time, be required to provide a Guarantee hereunder.
- (z) “**Hazardous Substance**” means any substance or combination of substances which is or may become hazardous, toxic, injurious or dangerous to persons, property, air, land, water, flora, fauna or wildlife, and includes but is not limited to any contaminants, pollutants, dangerous substances, liquid wastes, industrial wastes, hauled liquid wastes, toxic substances, hazardous wastes, hazardous materials or hazardous substances as defined in or pursuant to any Environmental Laws or Environmental Orders pursuant thereto.
- (aa) “**Initial Term**” means the 48 month period from the initial Advance to the Maturity Date.
- (bb) “**Initial Test EBITDA**” means an amount determined by adding together EBITDA for the calendar months ending November 30, 2021 and December 31, 2021, dividing the sum by 2 and multiplying the quotient by 3.
- (cc) “**Instruments**” means the Commitment Letter, this Debenture, the Security Documents, and any other agreements or instruments (whether now existing, presently arising or created in future) delivered by or on behalf of the Corporation or any Guarantor to the Lender in respect of this Debenture.
- (dd) “**Lender**” shall have the meaning ascribed to such term in Section 1.1.
- (ee) “**Loan**” means the drawn amount of the Commitment which constitutes a draw on the debt obligations described in this Debenture.
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- (ff) “**Material Adverse Effect**” means a material adverse effect upon the business, assets, financial condition or prospects of the Corporation and the Guarantors, taken as a whole, or upon their ability to perform their obligations under any of the Instruments.
- (gg) “**Material Authorization**” means, with respect to any Person, any approval, permit, licence or similar authorization (including any trademark, trade name or patent) from, and any filing or registration with, any Governmental Body or other Person required by such Person to own its property and assets or to carry on its business as presently carried on by it or as contemplated hereunder to be carried on by it in each jurisdiction in which it does so or is contemplated to do so, where the failure to have such approval, permit, licence, authorization, filing or registration would have a Material Adverse Effect.
- (hh) “**Maturity Date**” shall mean June 9, 2025.
- (ii) “**Obligations**” means all obligations and liabilities now or at any time and from time to time hereafter owing or payable by the Corporation or any Guarantor to the Lender under or in connection with the Instruments.
- (jj) “**Order**” means any order, notice, direction, report, recommendation or decision rendered by any Governmental Body.
- (kk) “**Permitted Encumbrances**” means, in respect of any Person:
- (i) encumbrances for taxes, assessments or governmental charges incurred in the ordinary course of business that are not yet due and payable or the validity of which is being actively and diligently contested in good faith by the relevant Person, provided adequate reserves with respect thereto are maintained on the books of the relevant Person in accordance with generally accepted accounting principles;
  - (ii) construction, mechanics’, carriers’, warehousemen’s and materialmen’s liens and liens in respect of vacation pay, workers’ compensation, employment insurance or similar statutory obligations, provided the obligations secured by such liens are not yet due and payable or the validity of which is being actively and diligently contested in good faith by the relevant Person, provided adequate reserves with respect thereto are maintained on the books of the relevant Person, and, in the case of construction liens, which have not yet been filed or for which the relevant Person has not received written notice of an Encumbrance or which singly or in the aggregate do not materially detract from the value of the asset concerned or the Lender’s security;
  - (iii) encumbrances arising from court or arbitral proceedings, provided that the claims secured thereby are being contested in good faith by the relevant Person, provided adequate reserves with respect thereto are maintained on the books of relevant Person in accordance with generally accepted

accounting principles, execution thereon has been stayed and continues to be stayed and such Encumbrances do not result in an Event of Default;

- (iv) good faith deposits made in the ordinary course of business to secure the performance of bids, tenders, contracts (other than for the repayment of borrowed money), leases, surety, customs, performance bonds and other similar obligations;
  - (v) deposits to secure statutory obligations or in connection with any matter giving rise to an Encumbrance described in (ii) above;
  - (vi) deposits of cash or securities in connection with any appeal, review or contestation of any Encumbrance or any matter giving rise to an Encumbrance described in (i) or (iii) above;
  - (vii) zoning restrictions, easements, rights of way, leases or other similar encumbrances or privileges in respect of real property which in the aggregate do not materially affect the value of such property and any related Security Document nor impair the use of such property by the relevant Person in the operation of its business, and which are not violated in any material respect by existing or proposed structures or land use;
  - (viii) encumbrances in favour of the Lender pursuant to this Debenture;
  - (ix) security given by the relevant Person to a public utility or any Governmental Body, when required by such utility or Governmental Body in connection with the operations of the relevant Person, in the ordinary course of its business, which singly or in the aggregate do not materially detract from the value of the asset concerned or materially impair its use in the operation of the business of the relevant Person;
  - (x) security interests charging property acquired, which is granted or assumed or which arises by operation of law in favour of the transferor concurrently with and for the purpose of the acquisition of such property, in each case where (i) the principal amount secured by the security interest is not in excess of the purchase price (after any post-closing adjustment) of the property acquired, and (ii) such security interest extends only to the property acquired and its proceeds, including capital leases; and,
  - (xi) any other Encumbrance which the Lender approves in writing as a Permitted Encumbrance subsequent to the date hereof.
- (11) “**Person**” means a natural person, partnership, corporation, joint stock company, trust, unincorporated association, joint venture or other entity or governmental entity, and pronouns have a similarly extended meaning.
- (mm) “**PNE Revenue**” means revenue generated by the Corporation, or its Subsidiary, related to the interoperative neuromonitoring professional bill where a patient has

either a private funded insurance plan, workers compensation, or other coverage policy and where the Corporation, or its Subsidiary collects directly from the relevant third-party payor, whether directly through the Corporation, or its Subsidiary, owning 100% of the professional case revenue, or indirectly through fees relating to a master service agreement or as a distribution from such Person's ownership interest in the direct service provider.

- (nn) “**Premises**” means any premises owned or occupied by the Corporation at any time.
    - (oo) “**Rate**” means the rate of interest described in Section 1.2.
  - (pp) “**Receiver**” shall include one or more of a receiver, receiver–manager or receiver and manager of all or a portion of the undertaking, property and assets of the Corporation or any Guarantor appointed by the Lender pursuant to this Debenture, any of the Security Documents or by or under any judgment or order of a court.
  - (qq) “**Requirement for Guarantor**” means the requirement to add a Subsidiary as a guarantor (providing a guarantee and general security in the form required by the Lender) where the acquisition of such Subsidiary was financed, directly or indirectly, by proceeds of any Advance or of required to meet the covenant requirement of Revenue consolidation in the Corporation and Guarantors.
  - (rr) “**Revenue**” means all of the revenue of the Corporation and Guarantors including the PNE Revenue, Technical Revenue and Government/ Hospital Revenue and all revenue required to be consolidated from the Subsidiaries which for clarity is the amount of revenue of such Subsidiary that the Corporation or Guarantor as owner is entitled as its percentage interest.
  - (ss) “**Secured Property**” means all property and assets of the Corporation and the Guarantors subjected to the security interests and charges created by the Security Documents.
  - (tt) “**Security Documents**” means, collectively, this Debenture, the Guarantees, General Security Agreements, Shares Pledges, the Assignment of Insurance and all other agreements and other instruments delivered to the Lender by or on behalf of the Corporation or any Guarantors (whether now existing or presently arising) for the purpose of establishing, perfecting, preserving or protecting any security interest held by the Lender in respect of any Obligations.
  - (uu) “**Senior Revolving Loan**” means that certain portion of the Commitment which outstanding Advances shall not to exceed, in aggregate, \$2,000,000 at any time, which is described as the "Senior Revolving Loan" in the Commitment Letter.
  - (vv) “**Senior Term – Acquisition Line**” means that certain portion of the Commitment equal to \$3,000,000 which is described as the "Senior Term – Acquisition Line" in the Commitment Letter.
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- (ww) “**Senior Term Loan**” means that certain portion of the Commitment equal to \$6,000,000, which is described as the "Senior Term Loan" in the Commitment Letter.
- (xx) “**Standby Charge**” has the meaning in section 1.2.
- ( y y ) “**Subordination Agreement**” means the agreement subordinating payment rights of the shareholders of the Corporation to the payment rights of the Lender.
- (zz) “**Subsidiary**” means a corporation controlled by the corporation being considered, as the term “control” is defined in the *Business Corporations Act* (Ontario) and for this Debenture means the subsidiaries of the Corporation.
- (aaa) “**Taxes**” means all taxes of any kind or nature whatsoever imposed by any Governmental Body including, without limitation, income taxes, sales or value- added taxes, levies, stamp taxes, royalties, duties, and all fees, deductions, and withholdings imposed, levied, collected, withheld or assessed, together with penalties, fines, additions to tax and interest thereon.
- (bbb) “**Technical Revenues**” means revenue generated by the Corporation, or its Subsidiary, related to the interoperative neuromonitoring professional bill where a patient has either a private funded insurance plan, workers compensation, or other coverage policy and where the Corporation, or its Subsidiary collects directly from the patient, with such revenue being 100% owned by the Corporation.
- (ccc) “**Term Loan**” means, collectively, the Senior Term – Acquisition Line and the Senior Term Loan.

## 2.2 **Interpretation**

- (a) “**This Debenture**”, “**hereto**”, “**hereby**”, “**hereunder**”, “**herein**”, and similar expressions refer to the whole of this Debenture and not to any particular Article, Section, paragraph, clause, subdivision or other portion hereof.
- (b) The expression “**Arm’s Length**” has the meaning ascribed to such term in the *Income Tax Act* (Canada).
- (c) All references herein to any statute or regulation shall refer to such act and the regulations thereunder as the same may be amended or replaced from time to time.
- (d) Except as expressly provided herein, terms which are defined in the *Personal Property Security Act* (Ontario) shall have the same meaning where used herein as the same may be amended or replaced from time to time and specifically means the equivalent expression under the provisions of Article 9 of the Uniform Commercial Code of the State of Colorado.

- (e) Words importing the singular number only include the plural and vice versa and words importing gender shall include all genders.
- (f) All financial or accounting determinations, reports and statements provided for in this Debenture shall be made or prepared in accordance with generally accepted accounting principles applied in a consistent manner.
- (g) The division of this Debenture into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Debenture.
- (h) The Schedules annexed hereto shall, for all purposes, form an integral part of this Debenture.
- (i) References to sums of money herein are to United States dollars.
- (j) Time is of the essence hereof.
- (k) Where the word “**including**” or “**includes**” is used in this Debenture, it means “**including (or includes) without limitation**”.
- (l) Wherever in this Debenture reference is made to generally accepted accounting principles, such reference shall be deemed to mean the generally accepted accounting principles from time to time approved by the Canadian Institute of Chartered Accountants, or any successor institute, applicable as at the date on which a given calculation is made or required to be made in accordance with generally accepted accounting principles.

### **2.3 Governing Law**

This Debenture shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. To the extent interpretation requires consideration of the grant of security and the perfection and enforcement thereof this Debenture shall be governed by and interpreted and enforced in accordance with the laws of the State of Colorado and the Uniform Commercial Code as adopted therein.

## **ARTICLE 3 SECURITY**

### **3.1 Security**

- (a) Subject to Sections 3.2, 3.3 and 3.4, as general and continuing collateral security for the payment and satisfaction of the Obligations, the Corporation, and each Guarantor hereby grants a security interest over all assets and further agrees to supplement and confirm such grant by the grant of security pursuant to the Security Documents to the Lender, such to be a security interest in, and charges by way of a fixed and a floating charge, the whole of the undertaking of the Corporation or Guarantor (as the case may be) and all of its property and assets,

real and personal, movable and immovable, tangible and intangible, of every nature and kind whatsoever, wheresoever situate, both now owned and hereafter acquired. Each of the Corporation and Guarantors agrees to give the additional agreements defined as Security in supplement to this grant of security interest.

- (b) The Corporation and each Guarantor and the Lender hereby acknowledge that (i) value has been given to the Corporation by the Lender, (ii) the Corporation and/or the Guarantors have rights in the Secured Property (other than after-acquired property), and (iii) the Corporation and the Guarantors have not agreed to postpone the time of attachment of the security interest granted hereunder.

### **3.2 Exceptions as to Leases**

The last day of any term created by any lease, verbal or written, or any agreement therefor, now held or hereafter acquired by the Corporation or any Guarantor is excepted out of the Secured Property, but the Corporation or Guarantor, as the case may be, shall stand possessed of any such reversion remaining in the Corporation or Guarantor of any leasehold premises in trust for the Lender to assign and dispose thereof as the Lender may direct. Where the giving of a charge or security interest on any real or personal property held by the Corporation or a Guarantor under lease requires the consent of the lessor of such property, the giving of the charge or security interest hereunder on such property shall not take effect until such consent is obtained or legally dispensed with but the suspension of the effect of the charge or security interest on such property shall not affect the charge or security interest on any other property of the Corporation or Guarantor, as applicable.

### **3.3 Exception as to Contractual Rights**

- (a) To the extent that the creation of a granted security interest would constitute a breach, or cause the acceleration, of any agreement, right, licence, or permit to which any Credit Party is a party, the security interest will not attach to it. However, such Credit Party shall hold such contractual rights in trust for the Lender and shall assign that agreement, right, licence, or permit to the Lender immediately upon obtaining the consent of the other party, .
- (b) The security interest granted will be provided on the basis that it will nonetheless immediately attach to any related rights if, to the extent that, and as at the time that attachment to the related rights is not illegal, is not unenforceable against the Lender or other third parties generally, and would not result in an ineligible transfer or a material loss or expense to any Credit Party. Each Credit Party shall use reasonable efforts to obtain all required material approvals as soon as reasonably practicable.
- (c) To the extent permitted by applicable Law, each Credit Party shall hold in trust for the Lender and, after a Default occurs, provide the Lender with the benefits of, each agreement, right, licence, or permit and enforce all related rights at the direction of and for the benefit of the Lender or at the direction of any other Person that the Lender may designate.

### **3.4 Intellectual Property**

Each Credit Party will grant a security interest in its intellectual property only as security. Before the security interest becomes enforceable, the Lender will not be or be deemed to be the owner of any of the intellectual property. Further, the Lender will not be deemed to have assumed, or be deemed to be liable for, any covenant, agreement, or other obligation of any Credit Party under any agreement, right, licence, or permit relating to the intellectual property to which any Credit Party is a party

### **3.5 Charge Valid Irrespective of Advance of Money**

The charges and security interests hereby created shall have effect and be deemed to be effective whether or not the monies or obligations hereby secured or any part thereof shall be advanced or owing or in existence before or after or upon the date of this Debenture and neither the giving of this Debenture nor any advance of funds shall oblige the Lender to advance any funds or any additional funds.

### **3.6 Continuing Security**

Any and all payments made at any time in respect of the Obligations and the proceeds realized from any Secured Property held therefor (including amounts realized from the enforcement of this Debenture) may be applied (and reapplied from time to time notwithstanding any previous application) to such part or parts of the Obligations as the Lender sees fit. The Lender may hold as additional security hereunder any increase or profits or other proceeds realized from the Secured Property (including money) for such period of time as the Lender sees fit. The Corporation and the Guarantors shall be accountable for any deficiency.

### **3.7 Defeasance and Discharge**

Provided that if the Corporation, its successors or assigns or any of them, make or cause to be made due payment or performance of all Obligations in full and the Lender has no remaining commitments in respect of the Loan, then, subject to this Debenture, this Debenture and the other Instruments shall be absolutely null and void and the Lender shall on request therefor by the Corporation, and at the expense of the Corporation, at that time surrender this Debenture to the Corporation and discharge all of the Instruments, but until that time the same shall remain in full force and effect despite the repayment or satisfaction from time to time of the whole or any part of the Obligations.

## **ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE CORPORATION AND THE GUARANTORS**

### **4.1 Representations and Warranties**

The Corporation and each Guarantor represents and warrants to the Lender as follows:

- (a) **Incorporation and Status.** It is duly incorporated and validly existing under the laws of its jurisdiction of incorporation and has the corporate power and capacity

to own its properties and assets and to carry on its business as presently carried on by it or as contemplated hereunder to be carried on by it and holds all Material Authorizations. Schedule 4.1 (a) is an accurate statement as to the jurisdiction of incorporation and location of assets of each.

- (b) **Power and Capacity.** It has the corporate power and capacity to enter into this Debenture and each Instrument to which it is a party and to do all acts and things as are required or contemplated hereunder or thereunder to be done, observed and performed by it.
  - (c) **Due Authorization.** It has taken all necessary corporate action to authorize the execution, delivery and performance of this Debenture and each Instrument to which it is a party.
  - (d) **No Shareholder Agreement.** There is no shareholder agreement which restricts, in whole or in part, the powers of the Corporation's or any Guarantor's directors to manage or supervise their business and affairs.
  - (e) **No Contravention.** The execution and delivery of this Debenture and the other Instruments to which it is a party and the performance by it of its obligations hereunder or thereunder (i) does not and will not contravene, breach or result in any default under its articles, by-laws, constating documents or other organizational documents, or under any material lease, agreement or other legally binding instrument, license, permit or Applicable Law to which it is a party or by which it or any of its properties or assets may be bound, (ii) will not oblige it to grant any Lien to any Person other than the Lender and (iii) will not result in or permit the acceleration of the maturity of any indebtedness, liability or obligation of it under any material lease, agreement or other legally binding instrument of or affecting it.
  - (f) **No Consents Required.** No authorization, consent or approval of, or filing with or notice to, any Person (including any Governmental Body) is required in connection with the execution, delivery or performance of this Debenture by it or any other Instrument by it, except for customary filings required in connection with the charges provided for herein and except for TSXV approval.
  - (g) **Permits.** It has all licences, permits, approvals and franchises that it requires, or is required to have, to own its properties and assets and to carry on its business as presently conducted, except where the absence of same would not have a Material Adverse Effect. All such licences, permits, approvals and franchises are listed in Schedule 4.1(g) herein and are in good standing and no actions, proceedings, investigations or other steps of any kind are in process, pending or, to its knowledge, threatened or which might result in any such licence, permit, approval or franchise being terminated, revoked, withdrawn, suspended or otherwise made unavailable to the it for any period of time, except where such action, proceeding, investigation or other step would not have a Material Adverse Effect. It is
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conducting its business in compliance with all Applicable Laws, except where non-compliance would not have a Material Adverse Effect.

- (h) **Financial Statements.** The Lender has been furnished with a copy of the audited, internally consolidated financial statements of the Corporation for the year ended December 31, 2020 and the internal financial statement of the Corporation for the period ended March 31, 2021 (the “**Financial Statements**”) and such have been prepared in accordance with generally accepted accounting principles and fairly, completely and accurately present the financial condition of the Corporation and the Guarantors (on a consolidated basis) and the financial information presented therein in all material respects for the period and as at the date thereof. The notes to such financial statements do not contain any misstatement of a material fact nor do they omit to state a material fact required to make any statement contained therein not untrue or misleading. It has no outstanding material liabilities (including Funded Indebtedness, Contingent Liabilities or otherwise) other than those disclosed in the Financial Statements, those expressly permitted herein, and those subsequently incurred in the ordinary course of business, which such obligations are currently in good standing in all material respects. Since the date of the Financial Statements, there has been no development which has had or will have a Material Adverse Effect.
  - (i) **Non–Arm’s Length Transactions.** Except as approved by the Lender in writing, or as is required to consolidate the Revenue at the Corporation and Guarantors, it has no obligations to any Person not dealing at Arm’s Length with it, other than on commercially reasonable terms and within the limitations of the other provisions hereof.
  - (j) **No Litigation.** There is no court, administrative, regulatory or similar proceeding (whether civil, quasi–criminal, or criminal), arbitration or other dispute settlement procedure, investigation or enquiry by any Governmental Body, or any similar matter or proceeding (collectively “**proceedings**”) against or involving it (whether in progress or, to its knowledge, threatened) which, if determined adversely to it, would have a Material Adverse Effect; no event has occurred which might give rise to any proceedings which would have a Material Adverse Effect, and there is no judgment decree, injunction, rule, award or order of any Governmental Body outstanding against it which has or may have a Material Adverse Effect.
  - (k) **No Default.** It is not in default or breach under any material commitment or obligation (including obligations in relation to Funded Indebtedness) or under the terms and conditions relating to any Material Authorizations where such default or breach would give rise to a Material Adverse Effect, and there exists no state of facts which, after notice or the passage of time or both, would constitute such a default or breach; and there are no proceedings in progress, pending or, to its knowledge, threatened which may result in the revocation, cancellation suspension or any material adverse modification of any Material Authorization.
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- (l) **Taxes and Claims.** It has:
- (i) delivered or caused to be delivered all required Tax returns to the appropriate Governmental Body;
  - (ii) paid in full all Taxes (including Tax instalments) due and owing by it to the date hereof, except any which are Permitted Encumbrances; and
  - (iii) withheld and collected in all material respects all Taxes required to be withheld and collected by them and remitted such Taxes when due to the appropriate Governmental Body,
- and no material assessment, appeal or claim is, as far as it is aware, being asserted or processed with respect to such claim, Taxes or obligations.
- (m) **Authorized and Issued Capital.** Schedule 4.1(m) accurately describes, as of the date hereof, the authorized and issued share capital of the Corporation and Guarantors.
- (n) **Insurance.** It insures with good and responsible insurance companies approved by the Lender all of its property and other assets of an insurable nature against fire and other casualties (including, without limitation, those casualties specified by the Lender) at a minimum in the same manner and to the same extent as such insurance is carried by prudent corporations carrying on a similar business and owning similar property, and under all applicable worker's compensation laws, at a minimum in the same manner and to the same extent as such insurance is carried by prudent corporations carrying on a similar business and owning similar property.
- (o) **Funded Indebtedness.** Schedule 4.1(p) sets forth a complete and accurate list of all of its Funded Indebtedness (on a consolidated basis) at the date hereof in relation to which it has issued security.
- (p) **Solvency.** It has not committed an act of bankruptcy, proposed a compromise or arrangement to its creditors' generally, had any petition for a receiving order in bankruptcy filed against it, taken any proceeding to have itself declared bankrupt or wound-up or taken any proceeding to have a Receiver appointed over it or any part of its assets.
- (q) **Articles, By-Laws, Etc.** True and complete copies of its articles of incorporation (including all amendments thereto) and by-laws and all other constating documents of it have been delivered to the Lender. There are outstanding no applications or filings which would alter in any way its constating documents or corporate status. The minute books of it contain all by-laws and resolutions of the directors and shareholders of it currently in effect and the corporate and other records of it have been maintained in all material respects in accordance with all Applicable Law.
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- (r) **Location of Business and Assets.** As of the date hereof the only locations at which it has any place of business or assets (other than inventory and equipment located elsewhere in the ordinary course of business) are as set forth in Schedule 4.1(s) including the status as to owned or leased.
- (s) **Title.** It has good and marketable title to all of its undertaking, property and assets, free and clear of any Encumbrances and no Person has any agreement or right to acquire their interest in any of such properties out of the ordinary course of business.
- (t) **Collections/ Revenue.** Each of the Corporation and the Guarantors are entitled to collect and receive all receivables and revenues generated by Subsidiaries that are not Guarantors to the extent of the Revenue, exclusive of all other Persons, and collect and receive such receivables and revenues promptly after the same are generated. All Revenue of the Corporation, Guarantors and all Subsidiaries consolidates as to legal entitlement and practically at the Corporation and Guarantors as Revenue.

#### **4.2 Survival of Representations and Warranties**

The Corporation and each Guarantor covenants that the representations and warranties made by it in this ARTICLE 4 shall be true and correct on each day that this Debenture remains in force and effect, with the same effect as if such representations and warranties had been made and given on and as of such day, notwithstanding any investigation made at any time by or on behalf of the Lender or its counsel and notwithstanding any foreclosure or enforcement pursuant to any Security Documents; except that if any such representation and warranty is specifically given as of the date hereof or in respect of a particular date or particular period of time and relates only to such date or period of time, then such representation and warranty shall continue to be given as at such date or for such period of time.

### **ARTICLE 5 COVENANTS OF THE CORPORATION**

#### **5.1 General Covenants**

So long as this Debenture remains outstanding, the Corporation and each Guarantor covenants and agrees to:

- (a) **To Use Proceeds.** The Corporation shall use the first Advance of the Loan under this Debenture to pay the fees and expenses of the Lender due hereunder, otherwise only to refinance certain existing Funded Indebtedness with Central Bank & Trust, and for no other application or use, a breach of this requirement is specifically a default under this agreement. Approval of the use of an Advance for acquisition shall be in the discretion of the Lender but based on the criteria agreed between the Corporation and the Lender from time to time.
- (b) **To Pay Costs.** It shall pay all reasonable costs, charges and expenses of or incurred by the Lender (a) in taking, recovering or keeping possession of any of

the Secured Property or in any other proceedings taken in enforcing the remedies provided herein or otherwise in relation to this Debenture or the Secured Property, or by reason of non-payment of the Obligations, (b) the costs of any sale proceedings hereunder, and (c) the costs of any Receiver with respect to, and all expenditures made by the Lender or any Receiver in the course of, doing anything hereby permitted to be done by the Lender or such Receiver. All such costs and expenses and other amounts payable hereunder, together with interest at the rate applicable to any Obligations, shall be payable on demand and shall constitute a charge on the Secured Property. Without limiting the generality of the foregoing, such costs shall extend to and include any reasonable legal costs incurred by or on behalf of the Lender or the Receiver as between solicitor and his own client

- (c) **To Pay Debts.** It shall punctually pay and discharge every obligation, the failure to pay or discharge of which might result in any Encumbrance or right of distress, forfeiture, termination or sale or any other remedy being enforced against its assets and property and provide to the Lender when required by the Lender satisfactory evidence of such payment and discharge, but it may, on giving the Lender such security (if any) as the Lender may require, refrain from paying or discharging any obligation the liability for which is being contested in good faith.
  - (d) **To Comply with Obligations and Maintain Corporate Existence and Security.** It shall:
    - (i) pay or cause to be paid all Obligations falling due hereunder on the dates and in the manner specified herein and comply with its obligations hereunder, under the Security Documents and the other Instruments to which it is a party;
    - (ii) maintain its corporate existence;
    - (iii) diligently preserve all its rights, licences, powers, privileges, franchises and goodwill, except where failure to do so would not have a Material Adverse Effect;
    - (iv) observe and perform all of its obligations and comply with all conditions under leases, licences and other agreements to which it is a party or upon or under which any of its assets or property is held, except where failure to do so would not have a Material Adverse Effect;
    - (v) carry on and conduct its business in a proper and efficient manner so as to preserve and protect its assets and property and income therefrom; and specifically ensure that all inter-corporate arrangements are on market usual terms
    - (vi) keep proper books of account with correct entries of all transactions in relation to its business;
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- (vii) observe and comply with in all material respects all valid requirements of Applicable Law and of any Governmental Body relative to its assets and property or the carrying on by it of its business;
- (viii) repair and keep in repair and good order and condition in all material respects (reasonable wear and tear excepted) all property, including the Secured Property, the use of which is necessary in connection with its business;
- (ix) promptly notify the Lender in writing of any proposed change of name of it or of its chief place of business;
- (x) keep the Lender regularly informed in writing as to the location of the Secured Property (other than inventory located elsewhere in the ordinary course of business) and its books of account and other records;
- (xi) pay all Taxes, levied, assessed or imposed upon it or its property as and when the same become due and payable save and except where it contests in good faith the validity thereof by proper legal proceedings and for which provision for payment adequate in the reasonable opinion of the Lender has been made;
- (xii) forthwith notify the Lender of the commencement of any litigation or other claim or process having the risk of payment in excess of \$100,000, any default (or event, condition or occurrence which with the giving of notice and/or the lapse of time would constitute a default) in connection with any indebtedness, Funded Indebtedness or Contingent Liability in an amount exceeding \$100,000;
- (xiii) advise the Lender forthwith upon becoming aware of any Default or Event of Default hereunder with detailed particulars thereof and deliver to the Lender upon request a certificate in form and substance satisfactory to the Lender signed by a senior officer certifying that no Default or Event of Default has occurred or, if such is not the case, specifying all Default or Events of Default and their nature and status;
- (xiv) endeavour to collect or, in the case of its Subsidiaries, cause to be collected, all accounts receivable in the ordinary course of business and to maintain all agreement and process to consolidate all such receivables as collected as Revenue at the Corporation or Guarantors;
- (xv) promptly cure or cause to be cured any defects in the execution or delivery of any Instrument to which it is a party and any defects in the validity or enforceability of any security hereunder and at its expense duly execute and deliver or cause to be duly executed and delivered all documents as the Lender may consider necessary or desirable for such purposes;

- (xvi) at its cost and expense, upon the request of the Lender, duly execute and deliver, or cause to be duly executed and delivered, to the Lender such documents and do or cause to be done such acts as may be necessary or desirable in the reasonable opinion of the Lender to carry out the purposes of this Debenture;
  - (xvii) effect such registrations as may be required by the Lender from time to time to protect the security interest granted hereunder;
  - (xviii) execute and deliver such security, documents, instruments or agreements following the date hereof as may be necessary or desirable in the reasonable opinion of the Lender to carry out the purposes of this Debenture; and,
  - (xix) except as approved by the Lender in writing, cause all Revenue and receivables generated by any of the Corporation's Subsidiaries, other than the Guarantors, to be promptly collected by the Corporation and the Guarantors in accordance with collection and remittance practices existing as of the effective date of this Debenture and be remitted as Revenue on a consolidated basis to the Corporation or Guarantors.
- (e) **To Insure.** It shall keep the Secured Property insured in such amounts as the Lender may reasonably require against loss or damage by fire and such other risks as the Lender may from time to time specify, with insurers approved by the Lender. It shall, whenever from time to time requested by the Lender, provide the Lender satisfactory evidence of such insurance and any renewal thereof which shall at all times be subject to charging clauses in a form approved by the Lender, and shall cause the Lender to be shown as a loss payee under the policy or policies. Each policy of insurance shall be in form and substance acceptable to the Lender, acting reasonably, shall not be subject to any co-insurance clause and shall name the Lender as loss payee and additional insured.
- (f) **Deliver Information.**
- (i) The Corporation shall provide to the Lender within 120 days of the financial year end of the Corporation audited financial statements for the Corporation (on a consolidated basis), including the balance sheet and statements of income, retained earnings and changes in financial position, together with all supporting schedules.
  - (ii) The Corporation shall provide quarterly financial statements to the Lender within 45 days after the end of each fiscal quarter including the year to date financial statements which shall contain a comparison of budget to actual and management comments regarding any material variations from budget annual budget setting out, among other things, the “bad debt allowance” and all “write off” of accounts receivable for a period commencing on the first day of the fiscal year in which such quarterly

financial statement has been furnished and ending on the last day of the relevant reporting period.

- (iii) Within 10 days of the end of each month, in respect of such preceding month, the Corporation shall provide (i) a detailed statement and an ageing of the accounts receivable, on a consolidated basis, in respect of all Eligible Accounts, and such other details, including detail of any adjustments to the carrying balances of accounts receivable from the prior period and not reflected in repayment (reflecting and discussing write-off, provisions, booked accrual rate and similar), classification by name, customer location and currency as the Lender may reasonably require, and (ii) a borrowing base reporting certificate substantially in the form of Exhibit 5.1(f), prepared as of the date of such certificate and in respect of such Eligible Accounts.
- (iv) The Corporation shall provide to the Lender an annual budget and forecast for each fiscal year (including management discussion and analysis on budget and forecast which shall set out, without limitation, all assumptions, key drivers, and other material inputs used in forming such budget and forecast, and any other information which the Lender may reasonably request), in form and substance satisfactory to the Lender, acting reasonably, not later than 30 days after the first day of that fiscal year.
- (v) The Corporation shall provide to the Lender and its representatives, agents and designees any other information concerning its financial position and business operations which the Lender or such representative, agents or designees may from time to time reasonably request.
- (vi) The Corporation shall provide the Lender with such other reports as it provides any other lenders to the Corporation from time to time.
- (g) **Notice of Litigation and Damage.** It shall promptly notify the Lender of (a) all claims or proceedings pending or, to its knowledge, threatened against it which may give rise to uninsured liability in excess of \$100,000 or which would have a Material Adverse Effect, and (b) all damage to or loss or destruction of any property comprising part of the Secured Property which may give rise to an insurance claim in excess of \$100,000; and will supply the Lender with all information reasonably requested in respect of any such claim.
- (h) **Security.** The Corporation and Guarantors will provide and keep in good standing and perfected the Security required of the Corporation and Subsidiary Guarantors as described in the definition of Security and Article 2, at all times as first security for the Corporation and as to the Subsidiaries subject only to Permitted Encumbrances unless otherwise approved by the Lender. Forthwith, and in any event with thirty (30) days, on any entity becoming a Subsidiary needed to comply with the Requirement for Guarantor, advise the Lender of the

acquisition or other obtaining of such Subsidiary and provide a Guarantee and Security in the form required by the Lender.

- (i) **Guarantees and Revenue Consolidation.** The Corporation will notify the Lender of any acquisition of a Subsidiary promptly upon concluding the acquisition and will, at the request of the Lender, cause any wholly owned Subsidiary to provide a Guarantee and security and will cause the revenue of any Subsidiary that is not wholly owned to be consolidated to the Corporation or Guarantors.

## 5.2 Negative Covenants

At all times, the Corporation hereby covenants and agrees that for so long as this Debenture is in force and any portion of the Obligations remains unpaid, unfulfilled and/or unsatisfied as follows, the Corporation shall not, and each Guarantor agrees that it shall not, without the prior consent of the Lender:

- (a) **Encumber Property.** Create, grant, assume or suffer to exist any Encumbrance upon any of its properties or assets other than Permitted Encumbrances, and as to the Guarantors only Encumbrances arising from the acquisition of property, or the improvement of property for expansion, refurbishment, repurposing, material maintenance or similar in the ordinary course of business, unless approved by the Lender.
- (b) **Sell.** Remove, destroy, lease, transfer, assign, sell or otherwise dispose of (other than to another Guarantor) any of its property or assets, except for sales in the ordinary course of business, sales of obsolete equipment, and sales of other assets not in excess of \$200,000 in the aggregate in any fiscal year.
- (c) **Funded Indebtedness.** Incur or become liable for any Funded Indebtedness other than the Obligations, debt which comprises Permitted Encumbrances and as to the Guarantors only debt incurred for the acquisition of property, or the improvement of property for expansion, refurbishment, repurposing, material maintenance or similar in the ordinary course of business, unless approved by the Lender in writing.
- (d) **Indebtedness.** Incur or repay any material debts, liabilities or obligations (including Funded Indebtedness and Contingent Liabilities) whether direct or indirect, actual or contingent, other than those specifically permitted hereunder or under the Security Documents, except for normal trade debts, liabilities or obligations to Persons dealing at Arm's Length with it arising in the ordinary course of business.
- (e) **Sale of Shares in Guarantors.** Sell, assign or otherwise transfer (other than to another Guarantor) any shares which it holds, directly or indirectly, in the capital of any Subsidiary, without the prior written consent of the Lender.

- (f) **Asset Sales.** In addition to the restrictions elsewhere herein, set out sell any assets from the Corporation or a Guarantor to any person including to another person even if a related party or Subsidiary which is not a Guarantor.
- (g) **Collections.** Take any action to divert, redirect, assign, sell, or otherwise change the collection practices of the Corporation and the Guarantors of the revenues and receivables generated by any Subsidiary of the Corporation if the result of such diversion, redirection, assignment, sale or change would entitle any Person other than the Corporation or the Guarantors to such Revenues or receivables all of which are to be remitted on a consolidation basis as Revenue to the Corporation or Guarantors.
- (h) **Make Certain Changes.**
  - (i) change the nature of its business as presently carried on;
  - (ii) amalgamate, consolidate or merge or enter into a partnership, joint venture (other than joint business arrangements with the third parties for the sale of goods in the ordinary course of business) or syndicate with any other Person;
  - (iii) enter into any material transaction outside the ordinary course of business;
  - (iv) make any loans to any other Person (other than the Corporation or another Guarantor) other than the giving of trade credit;
  - (v) engage in any material commercial transactions with Persons not dealing at Arm's Length with it (other than the Corporation or another Guarantor);
  - (vi) engage in any sale-leaseback or similar transactions;
  - (vii) remove any of the Secured Property or any of its books of account or other records from the jurisdiction where same are presently located, other than inventory removed in the ordinary course of business;
  - (viii) create or adopt any defined benefit pension plan or fail to keep any employee plan funded as required by law and regulation or establish any plan subject to "ERISA";
  - (ix) except pursuant to this Debenture, make or commit to any form of distribution or reduction of the profits of the Corporation, the Guarantors, their respective Subsidiaries, or of their respective capital including any (i) declaration or payment of any dividend (including stock dividends) on any present or future shares except to the Corporation or a Guarantor; (ii) payment to purchase, redeem, retire or acquire any of its shares, or any option, warrant or other right to acquire any such shares, or apply or set apart any of its assets therefor; (iii) payment on account of loans made to its shareholders; or (iv) payment of any bonuses or management fees

(other than bonuses or management fees paid in the ordinary course of business);

- (x) make payment or repayment on loans made by a Related Party to the Corporation; “Related Party” means for a corporation any officer, director, or shareholder holding 5% or more of the issued and outstanding voting shares of the corporation, and any corporation under common control with the corporation whether a parent, subsidiary or sister corporation and any entity equivalent to a corporation in similar relationship;
- (xi) make or commit to make capital expenditures in excess of 110% of the budgeted capital expenditure as approved by the Lender.

### **5.3 Financial Covenants**

The Corporation will, commencing on the fiscal quarter ending December 31, 2021, and at all times thereafter comply with the following financial covenants, such to be calculated on a rolling four quarter basis:

- (a) Minimum Working Capital ratio of 1.20:1 defined as Current Assets to Current Liabilities;
- (b) Fixed Charge Coverage of 1.25:1, defined as the ratio of EBITDA less cash taxes and unfunded capital expenditures divided by all scheduled lease payments and payments on all debt including Funded Debt;
- (c) Maximum Funded Debt to EBITDA Ratio of 4.50:1, defined as the ratio of the total outstanding balances of all indebtedness including the outstanding balances all credit facilities including capital leases, term loans, bank indebtedness etc. plus the balances of any non-postponed related party credit facilities, if applicable, divided by EBITDA.

For the purposes of calculating the financial covenants in this section 5.3 (i) for the fiscal quarter ending December 31, 2021, EBITDA shall be calculated by multiplying the Initial Test EBITDA by four, (ii) for the fiscal quarter ending March 31, 2022, EBITDA shall be calculated by adding together EBITDA for the fiscal quarter then ending and the Initial Test EBITDA, and multiplying the sum by two, (iii) for the fiscal quarter ending June 30, 2022, EBITDA shall be calculated by adding together EBITDA for the fiscal quarter then ending, EBITDA for the immediately preceding fiscal quarter and the Initial Test EBITDA, dividing the sum by three and multiplying the quotient by 4; and (iv) for the fiscal quarter ending September 30, 2022, and for each fiscal quarter thereafter, on a rolling four quarter basis (provided, however, that EBITDA for the fiscal quarter ending December 31, 2021, shall be deemed as being the Initial Test EBITDA).

**ARTICLE 6**  
**EVENTS OF DEFAULT AND REMEDIES**

**6.1 Events of Default**

The occurrence of any of the following events shall constitute an Event of Default under this Debenture:

- (a) If default occurs in payment when due of any principal amount payable under this Debenture.
  - (b) If default occurs in payment when due of any interest, fees or other amounts payable under this Debenture and remains unremedied for a period of five Business Days after the receipt by the Corporation of notice of such default.
  - (c) If default occurs in payment or performance of any other Obligation (whether arising herein or otherwise) and remains unremedied for a period of sixty days after the receipt by the Corporation of notice of such default.
  - (d) If default occurs in performance of any other covenant of the Corporation or any Guarantor in favour of the Lender under this Debenture and remains unremedied for a period of sixty days after the receipt by the Corporation of notice of such default.
  - (e) If an event of default occurs in payment or performance of any obligation in favour of any Person from whom the Corporation or any Guarantor has borrowed in excess of \$250,000 which would entitle the holder to accelerate repayment of the borrowed money, and such default is not remedied or waived in writing within sixty days of the occurrence of such default.
  - (f) If the Corporation or any Guarantor commits an act of bankruptcy or becomes insolvent within the meaning of any bankruptcy or insolvency legislation applicable to it or a petition or other process for the bankruptcy of the Corporation or any Guarantor is filed or instituted and remains undismissed or unstayed for a period of sixty days or any of the relief sought in such proceeding (including the entry of an order for relief against it or the appointment of a receiver, trustee, custodian or other similar official for it or any substantial part of its property) shall occur.
  - (g) If any act, matter or thing is done toward, or any action or proceeding is launched or taken to terminate the corporate existence of the Corporation, or any Guarantor, whether by winding-up, surrender of charter or otherwise.
  - (h) If the Corporation or any Guarantor ceases to carry on its business or makes or proposes to make any sale of its assets in bulk or any sale of its assets out of the usual course of its business unless expressly permitted herein or otherwise by the Lender in writing.
-

- (i) If any proposal is made or any petition is filed by or against the Corporation or any Guarantor under any law having for its purpose the extension of time for payment, composition or compromise of the liabilities of such Corporation or any Guarantor or other reorganization or arrangement respecting its or any Guarantor's liabilities or if the Corporation or any Guarantor gives notice of its intention to make or file any such proposal or petition including an application to any court to stay or suspend any proceedings of creditors pending the making or filing of any such proposal or petition.
  - (j) If any receiver, administrator or manager of the property, assets or undertaking of the Corporation or any Guarantor or a substantial part thereof is appointed pursuant to the terms of any trust deed, trust indenture, debenture or similar instrument or by or under any judgment or order of any court.
  - (k) If any balance sheet or other financial statement provided by the Corporation to the Lender pursuant to the provisions hereof is false or misleading in any material respect.
  - (l) If any proceedings are taken to enforce any Encumbrance affecting any of the Secured Property or if a distress or any similar process be levied or enforced against any of the Secured Property.
  - (m) If any judgment or order for the payment of money in excess of \$250,000 shall be rendered against the Corporation or any Guarantor and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order, or (ii) there shall be any period of sixty consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect.
  - (n) If any action is taken or power or right be exercised by any Governmental Body which would have a Material Adverse Effect.
  - (o) If any representation or warranty made by the Corporation or any Guarantor herein or in any other Instrument to which it is a party or in any certificate, statement or report furnished in connection herewith is found to be false or incorrect in any way so as to make it materially misleading when made or when deemed to have been made.
  - (p) If a Change of Control occurs with respect to the Corporation, without the Lender's prior written consent.
  - (q) If there shall occur or arise any change (or any condition, event or development involving a prospective change) in the business, operations, affairs, assets, liabilities (including any contingent liabilities that may arise through outstanding pending or threatened litigation or otherwise), capitalization, financial condition, licenses, permits, rights or privileges, whether contractual or otherwise, or prospects of the Corporation or any Guarantor which, in the judgment of the Lender, acting reasonably, would have a Material Adverse Effect.
-

## **6.2 Consequences of an Event of Default**

Upon the occurrence of any Event of Default, at the option of the Lender, all Obligations and all monies secured hereby shall become forthwith due and payable, all of the rights and remedies hereby conferred in respect of the Secured Property shall become immediately enforceable and any and all additional and collateral security for payment of this Debenture shall become immediately enforceable.

## **6.3 Enforcement**

- (a) Upon the happening of any Event of Default, the Lender may by instrument in writing declare that the security hereof has become enforceable and the Lender shall have the following rights and powers:
- (i) to enter into possession of all or any part of the Secured Property;
  - (ii) to preserve and maintain the Secured Property and make such replacements thereof and additions thereto as it deems advisable;
  - (iii) to collect any proceeds arising in respect of the Secured Property;
  - (iv) to collect, realize upon or sell or otherwise deal with accounts;
  - (v) to institute proceedings in any court of competent jurisdiction for the appointment of a Receiver of the Secured Property;
  - (vi) to institute proceedings in any court of competent jurisdiction for sale or foreclosure of the Secured Property;
  - (vii) to file proofs of claim and other documents to establish claims in any proceeding relating to the Corporation or any Guarantor;
  - (viii) to undertake any other remedy or proceeding authorized or permitted under the *Personal Property Security Act* (Ontario) or otherwise by law or equity;
  - (ix) to pay or otherwise satisfy in whole or in part any Encumbrances which, in the Lender's opinion, may rank in priority to the security hereof;
  - (x) after entry by its officers or agents or without entry, to sell, lease or otherwise dispose in any way whatsoever of all or any part of the Secured Property either en bloc or separately at public auction or by tender or by private agreement and at such time or times and on such terms and conditions as the Lender in its absolute discretion may determine and without any notice to or concurrence of the Corporation or any Guarantor except as may be required by applicable law; and
-

- (xi) by instrument in writing, to appoint any Person or Persons (whether an officer or officers of the Lender or not) as a Receiver (as defined herein to include a receiver and manager) of the Secured Property and to remove any Receiver so appointed and appoint another or others in its stead.
- (b) The security interest granted pursuant to this Debenture may be realized and the rights enforced by any remedy or in any manner permitted by this Debenture or by law or equity and no remedy for the realization of the security hereof shall be exclusive of or dependent upon any other remedy and all or any remedies may from time to time be exercised independently or in any combination.
- (c) In addition to the remedies of the Lender set forth above, the Lender may, whenever an Event of Default has occurred:
  - (i) carry on all or any part of the business or businesses of the Corporation and the Guarantors and, to the exclusion of all others including the Corporation and Guarantors, enter upon, occupy and use all or any of the premises, buildings, plant, undertaking and other property of or used by the Corporation and any Guarantor for such time as the Lender sees fit, free of charge, and the Lender shall not be liable to the Corporation or any Guarantor for any act, omission or negligence in so doing or for any rent, charges, depreciation or damages incurred in connection therewith or resulting therefrom;
  - (ii) borrow for the purpose of carrying on the business of the Corporation and any Guarantor or for the maintenance, preservation or protection of the Secured Property and mortgage, charge, pledge or grant a security interest in the Secured Property, whether or not in priority to the Security Documents, to secure repayment;
  - (iii) make further advances to the Corporation, in any case upon such terms as the Lender may deem reasonable and upon the security hereof; and
  - (iv) demand, commence, continue or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing or obtaining possession or payment of the Secured Property, and give valid and effectual receipts and discharges therefor and compromise or give time for the payment or performance of all or any part of the accounts or any other obligation of any third party to the Corporation and any Guarantor.

#### **6.4 Disposition**

- (a) Without limiting the generality of the foregoing in connection with the exercise of remedies under this ARTICLE 6, it shall be lawful for the Lender:
    - (i) to make any sale, lease or other disposition of the Secured Property either for cash or upon credit or partly for one and partly for the other upon such
-

conditions as to terms of payment as it in its absolute discretion may deem proper;

- (ii) to rescind or vary any contract for sale, lease or other disposition that the Lender may have entered into pursuant hereto and resell, release or redispense of the Secured Property with or under any of the powers conferred herein; and
  - (iii) to stop, suspend or adjourn any sale, lease or other disposition from time to time and to hold the same adjourned without further notice.
- (b) Upon any such sale, lease or other disposition the Lender shall be accountable only for money actually received by it. The Corporation shall be accountable for any deficiency and the Lender shall be accountable for any surplus. The Lender may deliver to the purchaser or purchasers of the Secured Property or any part thereof good and sufficient conveyances or deeds for the same free and clear of any claim by the Corporation or any Guarantor. The purchaser or lessee receiving any disposition of the Secured Property or any part thereof need not inquire whether default under this Debenture has actually occurred but may as to this and all other matters rely upon a statutory declaration of an officer of the Lender, which declaration shall be conclusive evidence as between the Corporation or Guarantor and any such purchaser or lessee, and the purchaser or lessee need not look to the application of the purchase money, rent or other consideration given upon such sale, lease or other disposition, which shall not be affected by any irregularity of any nature or kind relating to the crystallizing or enforcing of the security hereof or the taking of possession of the Secured Property or the sale, lease or other disposition thereof.

## **6.5 Powers of Receiver**

Any Receiver appointed pursuant to the Security Documents shall have the power without legal process:

- (a) to take possession of the Secured Property or any part thereof wherever the same may be found;
- (b) to carry on the business of the Corporation or Guarantor or any part thereof in the name of the Corporation, a Guarantor or of the Receiver; and
- (c) to exercise on behalf of the Lender all of the rights and remedies herein granted to the Lender,

and without in any way limiting the foregoing the Receiver shall have all the powers of a receiver appointed by a court of competent jurisdiction. Any Receiver appointed by the Lender shall act as agent for the Lender for the purposes of taking possession of the Secured Property, but otherwise and for all other purposes (except as provided below), as agent for the Corporation or any Guarantor. The Receiver may sell, lease, or otherwise dispose of Secured Property as agent for the Corporation, Guarantors or as agent for the Lender, as the Lender may determine in

its discretion. The Corporation and each Guarantor agrees to ratify and confirm all actions of the Receiver acting as agent for the Corporation and any Guarantor, and to release and indemnify the Receiver in respect of all such actions. The Lender, in appointing or refraining from appointing any Receiver shall not incur liability to the Receiver, the Corporation, a Guarantor or otherwise and shall not be responsible for any misconduct or negligence of such Receiver or for any loss resulting therefrom.

#### **6.6 Application of Amounts**

All amounts actually received by the Lender or by the Receiver in enforcing the security of this Debenture shall be applied, subject to the proper claims of any other Person:

- (a) first, to pay or reimburse the Lender and any Receiver the costs, charges, expenses and advances payable by the Corporation or any Guarantor in accordance herewith;
- (b) second, in or toward the payment to the Lender of all other moneys owing hereunder or secured hereby in such order as the Lender in its sole discretion may determine; and
- (c) third, any surplus shall be paid to the Corporation or Guarantor or its assigns or as a court of competent jurisdiction may direct.

#### **6.7 Care and Custody of Secured Property**

The Lender may after an Event of Default: (i) notify any Person obligated on an account or on chattel paper or any obligor on an instrument to make payment thereunder to the Lender whether or not the Corporation or a Guarantor was theretofore making collections thereon; and (ii) assume control of any proceeds arising from the Secured Property.

#### **6.8 Dealing with the Secured Property**

The Lender shall not be obliged to exhaust its recourse against the Corporation, the Guarantors or any other person or persons or against any other security it may hold in respect of the Obligations before realizing upon or otherwise dealing with the Secured Property in such manner as the Lender may consider desirable. The Lender may grant extensions or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Corporation, any Guarantor and with other parties, sureties or securities as the Lender may see fit without prejudice to the Obligations or the rights of the Lender in respect of the Secured Property. The Lender shall not be (i) liable or accountable for any failure to collect, realize or obtain payment in respect of the Secured Property; (ii) bound to institute proceedings for the purpose of collecting, enforcing, realizing or obtaining payment of the Secured Property or for the purpose of preserving any rights of the Lender, the Corporation, any Guarantor or any other parties in respect thereof; (iii) responsible for any loss occasioned by any sale or other dealing with the Secured Property or by the retention of or failure to sell or otherwise deal therewith; or (iv) bound to protect the Secured Property from depreciating in value or becoming worthless.

## **6.9 Standards of Sale**

Without prejudice to the ability of the Lender to dispose of the Secured Property in any manner which is commercially reasonable, the Corporation and each Guarantor acknowledges that a disposition of Secured Property by the Lender which takes place substantially in accordance with the following provisions shall be deemed to be commercially reasonable:

- (a) Secured Property may be disposed of in whole or in part.
- (b) Secured Property may be disposed of by public auction, public tender or private contract, with or without advertising and without any other formality.
- (c) Any purchaser or lessee of such Secured Property may be a customer of the Lender.
- (d) A disposition of Secured Property may be on such terms and conditions as to credit or otherwise as the Lender, in its sole discretion, may deem advantageous.
- (e) The Lender may establish an upset or reserve bid or price in respect of Secured Property.

## **ARTICLE 7 GENERAL**

### **7.1 Waiver**

No act or omission by the Lender in any manner whatever shall extend to or be taken to affect any provision hereof or any subsequent breach or default or the rights resulting therefrom save only express waiver in writing. A waiver of default shall not extend to, or be taken in any manner whatsoever to affect the rights of the Lender with respect to, any subsequent default, whether similar or not.

### **7.2 Other Security**

The rights of the Lender hereunder shall not be prejudiced nor shall the liabilities of the Corporation, Guarantors or of any other Person be reduced in any way by the taking of any other security of any nature or kind whatsoever either at the time of execution of this Debenture or at any time hereafter.

### **7.3 No Merger or Novation**

Neither the taking of any judgment nor the exercise of any power of seizure or sale shall operate to extinguish the liability of the Corporation to pay the moneys hereby secured nor shall the same operate as a merger of any covenant herein contained or of any other Obligation, nor shall the acceptance of any payment or other security constitute or create any novation.

#### **7.4 Power of Attorney**

The Corporation and each Guarantor, for valuable consideration for and after the occurrence of an Event of Default, irrevocably appoints the Lender and its officers from time to time or any of them to be the attorneys of the Corporation and each Guarantor in the name of and on behalf of the Corporation and each Guarantor to execute such deeds, transfers, conveyances, assignments, assurances and things and generally to use the name of the Corporation and each Guarantor as may be necessary or incidental to the exercise of all or any of the powers hereby conferred on the Lender.

#### **7.5 Licence**

The Corporation hereby grants to the Lender and its employees and agents an irrevocable and non-exclusive licence, subject to the rights of tenants, to enter any of the Premises to conduct audits, testing and monitoring with respect to Hazardous Substances and to remove and analyze any Hazardous Substance at the cost and expense of the Corporation (which cost and expense shall be secured hereby).

#### **7.6 Environmental Indemnity**

The Corporation shall indemnify the Lender and hold the Lender harmless against and from all losses, costs, damages and expenses which the Lender may sustain, incur or be or become liable at any time whatsoever for by reason of or arising from the past, present or future existence, clean-up, removal or disposal of any Hazardous Substance referred to in this Debenture or compliance with Environmental Laws or Environmental Orders relating thereto, including any clean-up, decommissioning, restoration or remediation of the Premises and other affected lands or property (and this indemnification shall survive the satisfaction, release or extinguishment of the indebtedness secured hereby).

#### **7.7 Holder May Remedy Default**

If the Corporation or any Guarantor fails to do anything hereby required to be done by it the Lender may, but shall not be obliged to, do such thing and all reasonable sums thereby expended by the Lender shall be payable forthwith by the Corporation or any Guarantor, shall be secured hereby and shall have the benefit of the Encumbrances hereby created, but no such performance by the Lender shall be deemed to relieve the Corporation or any Guarantor from any default hereunder.

#### **7.8 Notices**

Any notice, direction, request, delivery or other communication to be given under this Debenture shall be in writing and given by delivering it or sending it by facsimile or other similar form of recorded communication (with confirmation of transmission), along with delivery by one of either personal delivery, nationally recognized courier or certified/registered mail, addressed:

- (a) to the Lender at:

25 Sheppard Avenue West Suite 1800  
Toronto, Ontario M2N 6S8

Attention: Senior Director, Corporate Finance E-Mail:

clewthwaite@centurion.ca

(b) to the Corporation and the Guarantors at:

4600 South Ulster Street Suite 1225

Denver, Colorado 80237 Attention:

E-Mail:

Any such communication shall be deemed to have been validly and effectively given (i) if delivered personally, via courier or certified/registered mail, on the date of such delivery if such date is a Business Day and such delivery was made prior to 4:00 p.m. (Toronto time) and otherwise on the next Business Day, or (ii) if transmitted by facsimile or similar means of recorded communication on the Business Day following the date of transmission. Either party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address

#### **7.9 Invalidity of any Provisions**

Any provision of this Debenture or any provisions of the security contemplated hereunder which is prohibited by the laws of any jurisdiction shall, in such jurisdiction, be ineffective to the extent of such prohibition without invalidating the remaining terms and provisions hereof or thereof and no such invalidity shall affect the obligation of the Corporation to repay the Obligations.

#### **7.10 Indemnification**

The Corporation agrees to indemnify the Lender from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever (except by reason of the gross negligence or wilful misconduct of the Lender or any of its employees) which may be imposed on, incurred by, or asserted against the Lender and arising by reason of any action (including any action referred to herein) or inaction or omission to do an act legally required of the Corporation.

#### **7.11 Successors, Assigns and Participation, etc.**

Neither the Corporation nor the Lender shall assign or transfer all or any part of its rights or obligations hereunder or under any other Instrument to which it is a party without the prior written consent of the other party.

**7.12 Expenses**

All reasonable legal and accounting expenses incurred by the Lender and the Corporation and its shareholders and employees, in connection with the transactions contemplated herein shall be paid by the Corporation.

**7.13 Amendments**

This Debenture may only be amended by a written agreement signed by each of the parties hereto.

**7.14 Counterparts**

This Debenture may be executed in separate counterparts (including by facsimile), each of which when so executed and delivered shall be deemed to be an original and all of such counterparts shall together constitute one and the same instrument. Any party may execute this Debenture by electronic signature.

**7.15 Paramountcy**

If there is any inconsistency between the terms of this Debenture and the terms of any other Instrument including the Commitment Letter, the terms of this Debenture will prevail. If and as required, the parties agree that the inconsistent terms will be interpreted as conformed to the terms of this Debenture. Specifically, the only default under each Instrument will be the Events of Default pursuant to this Debenture and the Obligations secured will be limited to the Obligations as defined in this Debenture.

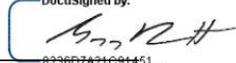
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Signing page to Debenture dated June 9, 2021

**CENTURION FINANCIAL TRUST**

By: \_\_\_\_\_  
 Name: Greg Romundt  
 Title: President

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By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

**ASSURE HOLDINGS CORPORATION**

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

**ASSURE HOLDINGS INC.**

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

**ASSURE NEUROMONITORING, LLC**

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

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

**ASSURE NETWORKS, LLC**

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

**ASSURE NEUROMONITORING COLORADO, LLC**

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

Signing page to Debenture dated June

9, 2021

**CENTURION FINANCIAL TRUST**

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

Name:

Title:

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

Name:

Title:

**ASSURE HOLDINGS CORPORATION**

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

Name: John Farlinger

Title: President

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

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Title:

**ASSURE HOLDINGS INC.**

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

Name: John Farlinger

Title: President

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

Name: Title:

**ASSURE NEUROMONITORING, LLC**

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

Name: John Farlinger

Title: Manager

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Title:

**ASSURE NETWORKS, LLC**

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

Name: John Farlinger

Title: Manager

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Name:

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**ASSURE NEUROMONITORING  
COLORADO, LLC**

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

Name: John Farlinger

Title: Manager

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**ASSURE NEUROMONITORING  
LOUISIANA, LLC**

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Name: John Farlinger  
Title: Manager

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**ASSURE NEUROMONITORING  
PENNSYLVANIA, LLC**

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Name: John Farlinger  
Title: Manager

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**ASSURE NEUROMONITORING  
TEXAS HOLDINGS, LLC**

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**ASSURE NEUROMONITORING  
ARIZONA, LLC**

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Name: John Farlinger  
Title: Manager

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**ASSURE NEUROMONITORING  
MICHIGAN, LLC**

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Name: John Farlinger  
Title: Manager

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Name:  
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**ASSURE NEUROMONITORING TEXAS, LLC**

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By: \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

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**DNS LOUISIANA, LLC**

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By: \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING  
MINNESOTA, LLC**

DocuSigned by:



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By: \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name: Title:

**ASSURE NEUROMONITORING**

**NEVADA, LLC**

DocuSigned by:  


By: \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING SOUTH  
CAROLINA, LLC**

DocuSigned by:  


By: \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name:  
Title:

**DNS PROFESSIONAL READING, LLC**

DocuSigned by:  


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Title: Manager

By: \_\_\_\_\_  
Name:  
Title:

**DISCLOSURE SCHEDULES TO  
DEBENTURE**

These Disclosure Schedules relate to that certain Debenture, dated as of June <sup>9</sup>, 2021 (the “Agreement”), by and among Assure Holdings Corp, a Nevada corporation (“Corporation”), each of [Insert Subsidiaries] (the “Guarantors”) and Centurion Financial Trust (collectively “Lender”).

All capitalized terms not otherwise defined shall have the meanings ascribed to them in the Agreement. Section and subsection references are references to the corresponding sections and subsections of the Agreement and are inserted solely for the sake of convenience. Terms which are specifically defined in a Disclosure Schedule herein shall have the same meaning given to such term wherever such term is utilized in any other Disclosure Schedule herein.

The disclosures in any section or subsection of these Disclosure Schedules shall qualify other sections and subsections of the Agreement and these Disclosure Schedules to the extent reasonably apparent from a reading of the disclosure that such disclosure is applicable to such other sections or subsections. The headings contained in these Disclosure Schedules are for reference purposes only and shall not affect in any way the meaning or interpretation of the disclosures herein contained.

To the extent that any representation or warranty contained in the Agreement is limited or qualified by the materiality of the matters to which the representation or warranty is given, the inclusion of any matter in these Disclosure Schedules does not constitute a determination by Corporation that such matters are material. Nor in such cases where a representation or warranty is limited or qualified by the materiality of the matters to which the representation or warranty is given shall the disclosure of any matter in these Disclosure Schedules imply that any other undisclosed matter having a greater value or significance is material.

The inclusion in these Disclosure Schedules of any matter or document shall not imply any representation, warranty or undertaking not expressly given in the Agreement nor shall such disclosure be taken as extending the scope of any of the representations or warranties. Nothing in these Disclosure Schedules constitutes an admission of liability or obligation of Corporation to any third party nor an admission against Corporation or the interest of Corporation.

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**Schedule 4.1(a) Material**

**Authorizations**

Entity	Jurisdiction of Incorporation	Location of Assets
Assure Holdings Corp	Nevada	Colorado
Assure Holdings Inc.	Colorado	Colorado
Assure Neuromonitoring, LLC	Colorado	Colorado
Assure Networks, LLC	Colorado	Colorado
Assure Neuromonitoring Colorado, LLC	Colorado	Colorado
Assure Neuromonitoring Louisiana, LLC	Louisiana	Louisiana
Assure Neuromonitoring Michigan, LLC	Michigan	Michigan
Assure Neuromonitoring Pennsylvania, LLC	Pennsylvania	Pennsylvania
Assure Neuromonitoring Texas, LLC	Texas	Texas
Assure Neuromonitoring Texas Holdings, LLC	Texas	Texas
DNS Louisiana, LLC	Louisiana	Louisiana
Assure Neuromonitoring Arizona, LLC	Arizona	Arizona
Assure Neuromonitoring Minnesota, LLC	Minnesota	Minnesota
Assure Neuromonitoring Nevada, LLC	Nevada	Nevada
Assure Neuromonitoring South Carolina, LLC	South Carolina	South Carolina
DNS Professional Reading, LLC	Colorado	Colorado

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**Schedule 4.1(g) Permits**

N/A.

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**Schedule 4.1(m) Authorized and  
Issued Capital**

**Assure Holdings Corp.**

Outstanding shares	56,606,634
Outstanding warrants	18,325,028
Outstanding stock options	5,133,000
Performance shares (Not yet issued)	780,162
Convertible notes (Not yet converted)	3,110,235
Sentry acquisition (Shares in escrow)	474,452
Neuro Pro acquisition (Not yet issued)	<u>500,000</u>
<b>Fully diluted shares</b>	<b><u>84,929,511</u></b>

**Assure Holdings Inc.**

Outstanding shares 100,000,000 100% of the  
shares are owned by Assure Holdings Corp.

**Assure Neuromonitoring, LLC**

100% of the membership interests are owned by Assure Holdings, Inc.

**Assure Networks, LLC**

100% of the membership interests are owned by Assure Holdings, Inc.

**Assure Neuromonitoring Colorado, LLC**

100% of the membership interests are owned by Assure Neuromonitoring, LLC

**Assure Neuromonitoring Louisiana, LLC**

100% of the membership interests are owned by Assure Neuromonitoring, LLC

**Assure Neuromonitoring Michigan, LLC**

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100% of the membership interests are owned by Assure Neuromonitoring, LLC

**Assure Neuromonitoring Pennsylvania, LLC**

100% of the membership interests are owned by Assure Neuromonitoring, LLC

**Assure Neuromonitoring Texas, LLC**

100% of the membership interests are owned by Assure Neuromonitoring, LLC

**Assure Neuromonitoring Arizona, LLC**

100% of the membership interests are owned by Assure Neuromonitoring, LLC

**Assure Neuromonitoring Minnesota, LLC**

100% of the membership interests are owned by Assure Neuromonitoring, LLC

**Assure Neuromonitoring Nevada, LLC**

100% of the membership interests are owned by Assure Neuromonitoring, LLC

**Assure Neuromonitoring South Carolina, LLC**

100% of the membership interests are owned by Assure Neuromonitoring, LLC

**Assure Neuromonitoring Texas Holdings, LLC**

100% of the membership interests are owned by Assure Neuromonitoring Texas, LLC

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**Schedule 4.1(p) Funded****Indebtedness**Debt Obligations as of June 1, 2021

Convertible debenture	3,450,000
Payroll Protection Program loan	1,665,000

Lease Obligations as of June 1, 2021

Sageland Financial Group (Sageland 6)	\$ 2,036
Sageland Financial Group (Sageland 7)	12,310
Sageland Financial Group (Sageland 8)	12,272
Sageland Financial Group (Sageland 9)	28,691
Sageland Financial Group (Sageland 10)	30,483
Sageland Financial Group (Sageland 11)	22,851
Sageland Financial Group (Sageland 12)	36,843
Sageland Financial Group (Sageland 13)	115,697
Sageland Financial Group (Sageland 14)	11,531
Sageland Financial Group (Sageland 15)	26,362
Sageland Financial Group (Sageland 16)	72,870
Sageland Financial Group (Sageland 17)	45,146
Sageland Financial Group (Sageland 18)	90,292
Sageland Financial Group (Sageland 19)	24,225
Sageland Financial Group (Sageland 20)	48,681
Sageland Financial Group (Sageland 21)	292,090
Sageland Financial Group (Sageland 22)	131,136
Sageland Financial Group (Sageland 23)	99,291
Sageland Financial Group (Sageland 24)	151,190
AVT Colorado L.P. (AVTech 2)	268,960
AVT Colorado L.P. (AVTech 1)	163,958
Sageland (Elevation 1)	8,261
Sageland (Elevation 2)	23,442
Sageland (Elevation 3)	40,728

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**Schedule 4.1(s) Location of Business  
and Assets**

None other than stated in schedule 4.1(a).

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## GUARANTEE AND INDEMNITY

Dated as of June 9, 2021

BETWEEN:

**Each of the parties listed on Schedule A hereto** (collectively, the “**Guarantors**” and each a “**Guarantor**”)

and

**CENTURION FINANCIAL TRUST as lender and as agent and nominee for certain lenders pursuant to the Debenture as defined below** (the, “**Secured Party**”)

### RECITALS:

- A. Assure Holdings Corporation (the “**Debtor**”) and the Secured Party are parties to a Debenture dated June 9, 2021 (as may be amended, supplemented, restated, replaced, or otherwise modified from time to time, the “**Debenture**”).
- B. The Guarantors consider it in their best interest to provide this guarantee as the Guarantors will derive substantial direct and indirect benefits from the Secured Party providing credit and other financial accommodations to the Guarantors.
- C. It is a condition precedent to the Secured Party making advances under the Debenture that the Guarantors execute and deliver this guarantee.

The parties agree as follows:

### ARTICLE 1 INTERPRETATION

#### 1.01 Definitions

In this guarantee, in addition to the terms defined above, the following definitions apply:

“**Agreed Currency**” means the currency in which the Debtor must pay each component of the Obligations.

“**Authorized Persons**” means the Debtor, any Guarantor, or any of their respective directors, partners, employees, or agents acting or purporting to act on their behalf.

“**Collateral**” has the meaning assigned to it in the General Security Agreement dated June 9, 2021 granted by the Guarantors and the Debtor in favour of the Secured Party.

“**Commitment Letter**” means the letter agreement dated March 8, 2021 issued by the Secured Party to the Debtor.

“**Demand**” means a demand by the Secured Party, made by Notice, upon the Guarantors that they make payment under this guarantee.

“**Documents**” means all the Debtor’s books, accounts, invoices, letters, papers, security certificates, documents, and other records (including customer lists and records, subject, however, to privacy, confidentiality, and access rights of customers), in any form

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evidencing or relating to any part of the Collateral, together with all agreements, licences, and other rights and benefits relating to any of them.

**“Law”** means

- (a) any law (including the common law), statute, by-law, rule, regulation, order, ordinance, treaty, decree, judgment, and
- (b) any official directive, protocol, code, guideline, notice, approval, order, policy, or other requirement of any Governmental Body, having the force of law.

**“Notice”** means any notice, request, direction, or other document that a party can or must make or give under this guarantee.

**“Obligations”** means all of the Debtor’s present and future liabilities, obligations, and indebtedness (including all principal, interest, fees, expenses and other amounts), whether direct or indirect, contingent or absolute, joint or several, matured or unmatured, in any currency, to the Secured Party arising under, in connection with, or relating to the Commitment Letter, Debenture or any other document executed in connection therewith (including all obligations of other amalgamating corporations and the amalgamated corporation described in paragraph (a) of section 8.07 (Debtor’s amalgamation)).

**“Postponed Indebtedness”** means all of the Debtor’s present and future liabilities, indebtedness, and obligations to any Guarantor (including interest), direct or indirect, contingent or absolute, joint or several, matured or unmatured, whether arising by agreement, by Law, in equity, or otherwise.

**“Postponed Security”** means security for the Postponed Indebtedness.

**“Rate of Exchange”** means the closing rate of exchange for Canadian interbank transactions published by the Bank of Canada for the relevant date.

**“Taxes”** means all taxes, duties, rates, levies, assessments, reassessments, withholdings, deductions, fees, dues, and other charges, together with all related penalties, interest, and fines, payable to any governmental authority, but does not include any franchise taxes or any taxes imposed on or measured by the Secured Party’s net income, receipts, or capital.

**“Transaction Documents”** means this guarantee and each other agreement, relating to the Debenture, from time to time in effect between the Debtor and the Secured Party and any Guarantor and the Secured Party (including all Documents relating to any of them).

Capitalized terms used in this guarantee and not otherwise defined have the meanings given to them in the Debenture.

## **1.02 References to specific terms**

- (a) *Currency.* Unless otherwise specified, all dollar amounts expressed in this guarantee refer to United States currency.
- (b) *“Including.”* Where this guarantee uses the word “including,” it means “including without limitation,” and where it uses the word “includes,” it means “includes without limitation.”

- (c) “*Knowledge.*” Where any representation, warranty, or other statement in this guarantee, or in any other document entered into or delivered under this guarantee, is expressed by a party to be “to its knowledge,” or is otherwise expressed to be limited in scope to facts or matters known to the party or of which the party is aware, it means
  - (i) the current, actual knowledge of the directors and officers of that party, and
  - (ii) the knowledge that would or should have come to the attention of any of them had they duly investigated the facts related to that statement and made reasonable inquiries of other individuals reasonably likely to have knowledge of facts related to that statement.
- (d) *Statutes, etc.* Unless otherwise specified, any reference in this guarantee to a statute includes the regulations, rules, and policies made under that statute and any provision or instrument that amends or replaces that statute or those regulations, rules, or policies.

### **1.03 Headings**

The headings used in this guarantee and its division into articles, sections, schedules, exhibits, appendices, and other subdivisions do not affect its interpretation.

### **1.04 Internal references**

References in this guarantee to articles, sections, schedules, exhibits, appendices, and other subdivisions are to those parts of this guarantee.

### **1.05 Number and gender**

Unless the context requires otherwise, words importing the singular number include the plural and vice versa; words importing gender include all genders.

### **1.06 Calculation of time**

In this guarantee, a period of days begins on the first day after the event that began the period and ends at 5:00 p.m. Eastern Time on the last day of the period. If any period of time is to expire, or any action or event is to occur, on a day that is not a Business Day, the period expires, or the action or event is considered to occur, at 5:00 p.m. Eastern Time on the next Business Day.

### **1.07 Schedules**

The following are the schedules to this guarantee: A

- Guarantors

**ARTICLE 2 GUARANTEE  
AND INDEMNITY**

**2.01 Guarantee**

The Guarantors irrevocably and unconditionally guarantees to the Secured Party, as a continuing obligation, the full and punctual payment and performance of the Obligations when due, whether at stated maturity, by acceleration, declaration, demand, or otherwise.

**2.02 Limit on liability**

The Guarantors' liability under this guarantee is unlimited.

**2.03 Nature of guarantee**

This is a continuing guarantee for payment when due under a current, running, or revolving account, credit facility, or similar account or facility, and not of collection. This guarantee is irrevocable by the Guarantors, and the Guarantors expressly and unconditionally waives any right to terminate this guarantee.

**2.04 Indemnity**

If the Secured Party cannot recover the Obligations under section 2.01 (Guarantee) for any reason, then, in addition to the guarantee provided by the Guarantors in section 2.01 (Guarantee) and as a separate and distinct obligation, the Guarantors shall indemnify the Secured Party against all direct and indirect claims, losses, payments, and expenses that the Secured Party may suffer or incur in connection with the Debtor's failure to satisfy the Obligations.

**2.05 Guarantors as primary obligor**

If the Secured Party cannot recover the Obligations under section 2.01 (Guarantee) or if the Secured Party is not fully indemnified under section 2.04 (Indemnity), in either case for any reason, then the Secured Party may recover those Obligations from any Guarantor as primary obligor as a separate and distinct obligation. In that case, the Secured Party may

- (a) treat all Obligations as due and payable,
- (b) immediately demand that the Guarantors, or any of them, pay to it the total amount due and owing under this guarantee, and
- (c) apply any amounts so collected to the Obligations or place those amounts to the credit of a special account.

**2.06 Liability of Guarantors**

The Guarantors shall make payment under this guarantee immediately upon Demand by the Secured Party. The Guarantors' liability will bear interest from the date that the Secured Party makes that Demand to the date of payment at the rate set out in section 2.08 (Interest).

**2.07 Settling of accounts**

In the absence of manifest error, the Guarantors shall accept and will be bound by any account settled or stated in writing by or between the Secured Party and the Debtor as prima facie evidence of the amount or balance that the Debtor must pay the Secured Party.

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## 2.08 Interest

Each Guarantor's liability, whether as a guarantor, indemnitor, or primary obligor, bears interest from the date that the Secured Party makes Demand, both before and after Demand, default, or judgment and until actual payment in full, at an annual rate of interest fluctuating with and at all times equal to the highest rate applicable to the Obligations. For purposes of the *Interest Act* (Canada), the yearly rate of interest applicable to amounts owing under this guarantee will be calculated on the basis of a 365-day year. Whenever interest is to be calculated on the basis of any period of time that is less than a calendar year, the yearly rate of interest to which the rate determined by that calculation is equivalent is the rate so determined multiplied by the actual number of days in that calendar year and divided by that period of time.

## 2.09 Taxes

- (a) The Guarantors shall make each payment under this guarantee free and clear of, and without deduction for or on account of, any present or future Taxes imposed by any taxing authority within the jurisdiction in which the Guarantors are domiciled, any jurisdiction from which the Guarantors make any payment, or any other jurisdiction, or (in each case) any political subdivision or taxing authority of a jurisdiction.
- (b) If applicable Law requires the Guarantors to make any withholding, the Guarantors shall
  - (i) make the withholding,
  - (ii) pay the full amount withheld directly to the appropriate taxing authority before penalties attach or interest accrues,
  - (iii) promptly forward to the Secured Party an official receipt or other documentation satisfactory to the Secured Party that evidences the payment to that authority, and
  - (iv) immediately pay to the Secured Party any additional amount that may be necessary to ensure that the net amount that the Secured Party actually receives is equivalent to the full amount that the Secured Party would have received if the Guarantors had not made that withholding.
- (c) If any taxing authority directly assesses any Taxes against the Secured Party in connection with any payment that the Secured Party receives under this guarantee, then the Secured Party may pay those Taxes, in which case the Guarantors shall promptly pay those additional Taxes (including any penalties, interest, expenses, or any Taxes on that additional amount) as is necessary so that, after the payment of those Taxes, the net amount that the Secured Party receives is equal to the amount that the Secured Party would have received had that taxing authority not asserted those Taxes.
- (d) If the Guarantors fail to pay to the appropriate taxing authority any Taxes when due or fails to remit to the Secured Party the required receipts or other evidence of payment, the Guarantors shall indemnify the Secured Party for any Taxes that the Secured Party may have to pay as a result of that failure.

## **2.10 Agreed currency**

- (a) The Guarantors shall make payments under this guarantee on account of the Obligations in the Agreed Currency.
- (b) If the Secured Party receives any payment in another currency, that payment discharges the Guarantors' liability under this guarantee only to the extent of the amount of the Agreed Currency that the Secured Party is able to purchase at Toronto, Ontario with the amount of the other currency that it receives on the Business Day immediately following that receipt in accordance with normal procedures and after deducting any premium and costs of exchange.
- (c) If the amount of the Agreed Currency that the Secured Party is able to purchase with the amount of the other currency that it received is less than the amount due to it in connection with that Obligation, the Guarantors remain liable to the Secured Party for any deficiency, together with interest in accordance with section 2.08(Interest).

## **2.11 Discharge**

The Secured Party will only release and discharge this guarantee by executing and delivering to the Guarantors an express written discharge at the Guarantors' sole expense. This guarantee will not be satisfied or discharged, in whole or in part, by any intermediate payment of all or any part of the Obligations.

## **2.12 Reinstatement**

This guarantee will continue to be effective or will be reinstated, as the case may be, if, at any time, the Secured Party rescinds or otherwise returns, for any reason (including in connection with the insolvency, bankruptcy, or reorganization of the Debtor or the Guarantors or any allegation that the Secured Party received a payment in the nature of a preference), all or any part of any payment of any of the Obligations, all as though that payment had not been made.

## **2.13 Acceleration of maturity**

The Secured Party may accelerate the maturity date of the Obligations as provided in the Debenture for the purposes of this guarantee, notwithstanding any stay existing under any bankruptcy, insolvency, reorganization, or other similar Law of any jurisdiction preventing that acceleration.

## **2.14 Set-off**

The Secured Party may, at any time and from time to time, set-off and apply any counterclaim (including liabilities in respect of any monies that the Guarantors deposited with it, being general or special, time or demand, provisional or final, in whatever currency) that the Secured Party holds and other obligations (in whatever currency) that the Secured Party owes to or for the credit or the account of the Guarantors against any and all of any Guarantor's liabilities now or later existing under this guarantee irrespective of whether or not the Secured Party has made any Demand under this guarantee and although those Guarantors' liabilities may be unliquidated, contingent, or unmatured. The Secured Party's rights under this section are in addition to other rights and remedies (including other rights of set-off, consolidation of accounts, and bankers' lien) that the Secured Party may have.

**ARTICLE 3**  
**ABSOLUTE LIABILITY; DEALINGS WITH THE DEBTOR AND OTHERS**

**3.01 Absolute liability**

The Guarantors' liability under this guarantee is absolute and unconditional irrespective of, and is not limited, released, discharged, or otherwise affected by

- (a) any lack of validity, legality, or enforceability, in whole or in part, of the Transaction Documents or of any other security, right to recourse, or collateral that the Secured Party may hold,
- (b) any impossibility, impracticality, frustration of purpose, illegality, force majeure, or act of government,
- (c) any limitation, postponement, subordination, prohibition, or other restriction on the Secured Party's rights and remedies in connection with the Obligations (including any court order that purports to prohibit or suspend the acceleration of the time for payment of any of the Obligations, the Debtor's payment of any of the Obligations, or the Secured Party's rights and remedies against the Debtor in connection with the Obligations),
- (d) any insolvency, bankruptcy, winding-up, liquidation, dissolution, amalgamation, reorganization, or other similar proceeding affecting the Debtor, any Guarantor, the Secured Party, or any other Person,
- (e) any change in the name, status, function, control, constitution, objects, capital stock, or ownership of the Debtor, any Guarantor, the Secured Party, or any other Person,
- (f) any sale, in whole or in part, of the Debtor's business or assets,
- (g) any death or loss or diminution of status, power, capacity, or ability of the Authorized Persons (regardless of the Secured Party's actual or imputed knowledge regarding any of the foregoing matters), that the Debtor or any Guarantor may not be a legal or suable entity, or any other irregularity, defect, fraud, or informality of the Debtor, any Guarantor, or their respective Authorized Persons in their respective obligations to the Secured Party,
- (h) any right or alleged right of set-off, counterclaim, defence, appropriation, or application or any claim or demand that any Guarantor may at any time have or may allege to have against the Debtor, the Secured Party, or any other Person, whether in connection with this guarantee or any unrelated transactions,
- (i) the Secured Party's failure to marshal any assets,
- (j) the absence, impairment, or loss of any of any Guarantor's right to subrogation, reimbursement, or contribution, or any other right against the Debtor or any other Person or any security or collateral,
- (k) an intermediate payment of all or any part of the Obligations, and
- (l) any other applicable Law or other circumstance that might otherwise constitute, in whole or in part, a legal or equitable defence available to, or complete or

partial legal or equitable discharge of, any Guarantor, the Debtor, or any other Person in connection with any or all of the Obligations or any Guarantor's liability under this guarantee.

Each Guarantor waives each of the defences noted above to the fullest extent permitted under applicable Law.

**3.02 No release**

Without limiting the generality of the preceding sentence and without limiting, releasing, discharging, or otherwise affecting, in whole or in part, each Guarantor's liability under this guarantee, the Secured Party may, from time to time and without giving Notice to or obtaining the consent of any Guarantor,

- (a) discontinue, reduce, increase, or otherwise vary the Debtor's credit, including the Obligations, in any manner (including variations in interest rates, fees, principal amounts, margin requirements, conditions for the extension of credit and the determination of the amount of credit available, positive and negative covenants, the application of payments received by or on behalf of the Debtor, and events of default),
- (b) make any change to the time, manner, or place of payment under, or to any other term of, the Transaction Documents (including supplementing or replacing any of those agreements),
- (c) waive the Debtor's failure to carry out any of its obligations under any of the Transaction Documents,
- (d) release any Guarantor of the Obligations hereunder,
- (e) grant renewals, extensions of time, indulgences, releases, and discharges to the Debtor or any other Person,
- (f) with respect to security or collateral given by the Debtor or any other Person in connection with the Obligations, (i) take, perfect, or maintain or refrain from taking, perfecting, or maintaining that security or collateral, (ii) subordinate, release, discharge, or compromise any of that security or collateral, and (iii) otherwise deal with that security or collateral in any manner it sees fit (including enforcing that security, whether in an improvident or commercially unreasonable manner as a result of the Secured Party's negligence, recklessness, or wilful action or inaction, or otherwise, and regardless of any duty that the Secured Party might have to the Debtor under applicable Law in connection with the enforcement of that security),
- (g) release, substitute, or add any co-signer, endorser, or other guarantor of the Obligations,
- (h) accept compositions, compromises, or arrangements from the Debtor or any other Person,
- (i) fail to notify the Guarantors of (i) acceptance of this guarantee, (ii) partial payment or non-payment of all or any part of the Obligations, or (iii) the sale or

other disposition of any property securing the Obligations or any guarantee thereof, or any defect in any notice of sale or other disposition,

- (j) apply all monies that it receives at any time from the Debtor or any other Person or from the proceeds of any security that the Secured Party holds in connection with the Obligations, or change any application of those monies, in whole or in part, from time to time as the Secured Party sees fit, not being bound by the law of imputation and regardless of any direction that the Debtor or any other Person may give regarding application of those monies, and
- (k) otherwise deal or fail to deal with the Debtor and all other Persons and any security that the Secured Party holds in connection with the Obligations at the Secured Party's discretion.

Each Guarantor waives each of the above defences to the fullest extent permitted under applicable Law.

### **3.03 Limitation periods**

If any limitation period applies to any claim for payment of the Obligations or remedy for enforcement of the Obligations, then

- (a) if applicable Law permits, any limitation period is expressly excluded and entirely waived,
- (b) if applicable Law prohibits a complete exclusion and waiver of any limitation period, any limitation period is extended to the maximum length permitted by applicable Law,
- (c) any applicable limitation period begins only after the Secured Party expressly Demands that the Guarantors pay the Obligations,
- (d) any applicable limitation period begins afresh upon any Guarantor making any payment or other acknowledgement of the Obligations, and
- (e) this guarantee is a "business agreement" as defined in the *Limitations Act, 2002* (Ontario), if that act applies.

### **3.04 Remedies**

- (a) Before a Demand is made under this guarantee, the Secured Party need not
  - (i) exhaust its recourse against the Debtor or any other Person, (ii) realize on any security, collateral, or other guarantees that it may hold at any time in connection with the Obligations, or (iii) take any other action.
- (b) Each Guarantor renounces all benefits of discussion and division.

## **ARTICLE 4 ASSIGNMENT, POSTPONEMENT, AND SUBROGATION**

### **4.01 Assignment and postponement of Permitted Indebtedness**

- (a) As continuing security for the payment of each Guarantor's liability under this guarantee, each Guarantor (i) assigns the Postponed Indebtedness to the

Secured Party and (ii) postpones the Postponed Indebtedness to the payment of the Obligations.

- (b) Each Guarantor shall (i) hold all monies that it receives in payment of any portion of the Postponed Indebtedness in trust for the Secured Party, separate and apart from such Guarantor's other property, and (ii) immediately upon receipt pay those monies to the Secured Party.
- (c) The Secured Party may (i) apply any monies that it receives under this section (including monies derived from any instrument and any other property) against any Obligations, (ii) hold those monies as continuing security for the Guarantors' liability, or (iii) release those monies to the Guarantors (or, for the avoidance of doubt, any Guarantor), all as the Secured Party may see fit and without lessening, limiting, or otherwise affecting any Guarantor's liability under this guarantee.
- (d) If any Guarantor, now or in the future, holds any Postponed Security, the Guarantor (i) assigns that Postponed Security to the Secured Party as additional security for the payment of the Guarantors' liability under this guarantee and (ii) postpones and subordinates that Postponed Security and those security interests constituted by that Postponed Security to all present and future security and security interests that the Secured Party holds in connection with the Obligations, regardless of the order of execution, delivery, registration, or perfection of that security or those security interests, the order of advancement of funds, the order of crystallization of security, or any other matter that may affect the relative priorities of that security or those security interests. No Guarantor shall initiate or take any action to enforce any Postponed Security without the Secured Party's prior written consent.
- (e) These assignments and postponements are independent of this guarantee and remain in full force and effect until, in the case of the assignment, the Guarantors discharge or terminate their liability under this guarantee and, in the case of the postponement, all Obligations are performed and indefeasibly paid in full in cash.
- (f) Notwithstanding the other provisions of this Article, each Guarantor may from time to time receive payments in respect of the Postponed Indebtedness provided that no default or event of default exists under the Debenture nor would such payment result in any such default or event of default.

#### **4.02 Restrictions on right of subrogation**

- (a) No Guarantor shall enforce or exercise any right of exoneration, contribution, reimbursement, recourse, indemnification, subrogation, or any similar claim available to it against the Debtor or any other Person or against any related security until
  - (i) the Guarantors have performed or made indefeasible payment to the Secured Party in cash of all amounts that the Guarantors owe the Secured Party under this guarantee, and
  - (ii) all other Obligations are performed and indefeasibly paid in full in cash.

- (b) Until the Secured Party receives that payment and performance, the Guarantors shall hold in trust for the Secured Party (separate and apart from each Guarantor's other property), and shall immediately upon receipt pay to the Secured Party, all monies that the Guarantors receive in connection with these claims. After that payment and performance, the Secured Party shall, at any Guarantor's request and expense, execute and deliver to the Guarantors all appropriate documents (without recourse and without representation and warranty) necessary to evidence the Secured Party's transfer by way of subrogation to the Guarantors, on an "as is, where is" basis, of an interest in the Obligations and any security that the Secured Party holds for that interest as a result of the Guarantors' performance or payment.

#### **4.03 Priority upon insolvency and liquidation**

Upon either (a) the Debtor's liquidation, winding up, or bankruptcy (whether voluntary or compulsory) or (b) the Debtor making a bulk sale of any of its assets within the bulk transfer provisions of any applicable Law, any composition with creditors, or any scheme of arrangement, the Secured Party's claim will rank in priority to that of any Guarantor in connection with the Obligations and the Secured Party will receive in priority to the Guarantors all dividends or other payments in connection with the Obligations until the Secured Party's claim has been paid in full, all without prejudice to the Secured Party's claim against the Guarantors. The Guarantors will remain liable to the Secured Party for any remaining unpaid balance of the Obligations. In the event of the Secured Party's valuation of any securities, that valuation will not, as between the Secured Party and the Guarantors, be considered payment, satisfaction, or reduction in whole or in part of any Obligations.

### **ARTICLE 5 GUARANTOR'S REPRESENTATIONS AND WARRANTIES**

The Guarantors each hereby represent and warrant to the Secured Party as follows, acknowledging that the Secured Party is relying on these representations and warranties:

#### **5.01 Existence**

It is a corporation incorporated and existing under the laws of the jurisdiction of its incorporation.

#### **5.02 Power and capacity**

It has the corporate power and capacity to carry on business, to own properties and assets, and to execute, deliver, and perform its obligations under this guarantee.

#### **5.03 Authorization**

It has taken all necessary corporate action to authorize its execution and delivery of, and the performance of its obligations under, this guarantee.

#### **5.04 Execution and delivery**

It has duly executed and delivered this guarantee.

#### **5.05 No breach**

The execution, delivery, and performance of its obligations under this guarantee (including the payment, observance, or performance of the Obligations) do not and will not

- (a) breach or result in a default under
  - (i) its constating documents, or any unanimous shareholders agreement,
  - (ii) any Law to which it is subject,
  - (iii) any judgment, order, or decree of any Governmental Body to which it is subject, or
  - (iv) any material agreement to which it is a party or by which it is bound, or
- (b) result in or permit the acceleration of the maturity of any indebtedness or other obligation of the Guarantor.

#### **5.06 No regulatory approvals required**

It is not required to take any action or obtain approval, authorization, consent, or order of, or make any filing, registration, qualification, or recording with, any Governmental Body or any other Person in connection with the execution or delivery of, or the performance of its obligations under, this guarantee.

#### **5.07 Bankruptcy, etc.**

No proceedings have been taken or authorized by it or, to its knowledge, by any other Person relating to its bankruptcy, insolvency, liquidation, dissolution, or winding up.

### **ARTICLE 6 ACKNOWLEDGEMENTS**

#### **6.01 Construction of terms**

The parties have each participated in settling the terms of this guarantee. Any rule of legal interpretation to the effect that any ambiguity is to be resolved against the drafting party will not apply in interpreting this guarantee.

#### **6.02 Payment of costs and expenses**

The Guarantors shall pay all costs and expenses (including legal fees, as applicable), that it and the Secured Party, or its agents on its behalf, incur in connection with the drafting and negotiation of the transactions contemplated by this guarantee, and the execution and delivery of, and the perfection and enforcement of the Secured Party's interest under, this guarantee, which will be paid immediately upon demand and form part of the Obligations.

### **ARTICLE 7 RIGHTS AND REMEDIES**

#### **7.01 Remedies cumulative**

The rights, remedies, and powers provided to a party under this guarantee are cumulative and in addition to, and are not exclusive of or in substitution for, any rights, remedies, and powers otherwise available to that party.

#### **7.02 Guarantee in addition**

This guarantee is in addition to and not in substitution for any other guarantee, security, or agreement now or later held by the Secured Party in connection with the Debtor or the Obligations.

#### **7.03 Survival**

The provisions of section 2.09 (Taxes) survive the payment in full of the Obligations and the termination of this guarantee.

#### **7.04 Severability**

The invalidity or unenforceability of any particular term of this guarantee will not affect or limit the validity or enforceability of the remaining terms.

#### **7.05 Waiver**

- (a) *Requirements.* No waiver of satisfaction of a condition or non-performance of an obligation under this agreement is effective unless it is in writing and signed by the party granting the waiver.
- (b) *Scope of waiver.* No waiver by a party will extend to any subsequent non-satisfaction or non-performance of an obligation under this agreement, whether or not of the same or similar nature to that which was waived.
- (c) *Rights and remedies.* No waiver by a party will affect the exercise of any other rights or remedies by that party under this agreement. Any failure or delay by a party in exercising any right or remedy will not constitute, or be deemed to constitute, a waiver by that party of that right or remedy. No single or partial exercise by a party of any right or remedy will preclude any other or further exercise by that party of any right or remedy.

### **ARTICLE 8 GENERAL**

#### **8.01 Entire agreement**

This guarantee together with the Debenture and the other Transaction Documents:

- (a) constitutes the entire agreement; there are no representations, covenants, or other terms other than those set out in those agreements, and
- (b) supersedes any previous discussions, understandings, or agreements, between the

parties relating to its subject matter.

#### **8.02 Further assurances**

Each party, upon receipt of Notice by another party, shall sign (or cause to be signed) all further documents, do (or cause to be done) all further acts, and provide all reasonable assurances as may reasonably be necessary or desirable to give effect to this guarantee and the transactions contemplated by this guarantee.

### **8.03 Amendment**

This guarantee may only be amended by a written document signed by each of the parties.

### **8.04 Conflict of terms**

If there is any inconsistency between the terms of this guarantee and the terms of the Debenture, the terms of the Debenture will prevail. The parties shall take all necessary steps to conform the inconsistent terms to the terms of that agreement.

### **8.05 Binding effect**

This guarantee enures to the benefit of and binds the parties and their respective successors and permitted assigns.

### **8.06 Debtor's information**

The Secured Party possesses and will possess information relating to the Debtor that is and may be material to this guarantee. The Secured Party has no obligation to disclose to the Guarantors any information that it may now or later possess concerning the Debtor.

### **8.07 Debtor's amalgamation**

If the Debtor amalgamates with any other entity or entities, this guarantee will continue in full force and effect and, for greater certainty

- (a) the Obligations will include all obligations, of the nature contemplated by the "Obligations" definition, of (i) each other amalgamating entity to the Secured Party existing at the time of the amalgamation and (ii) the amalgamated entity to the Secured Party arising after the amalgamation, and
- (b) all defined terms and other terms of this guarantee will be deemed to have been amended to reflect the amalgamation, to the extent required by the context.

### **8.08 Assignment**

The Secured Party may assign this guarantee and the Obligations in whole or in part to any Person without Notice to or the consent of the Guarantor. Without the prior written consent of the Secured Party, the Guarantors may not assign this guarantee.

### **8.09 Joint and Several Liability**

Each Guarantor acknowledges and agrees that it is jointly and severally liable for all liabilities, obligations, representations and warranties of the Guarantors set forth in this guarantee, including the guarantee of the Obligations under Section 2.01 hereof.

### **8.10 Notice**

To be effective, a Notice must be in writing and given in the manner contemplated in the Debenture, and the provisions of section 7.8 thereof are incorporated herein *mutatis mutandis*.

### **8.11 Governing law**

The laws of the Province of Ontario and the laws of Canada applicable in that province, excluding any rule or principle of conflicts of law that may provide otherwise, govern this guarantee.

### **8.12 Submission to jurisdiction**

The Guarantor irrevocably attorns to the jurisdiction of the courts of Ontario, which will have non-exclusive jurisdiction over any matter arising out of this guarantee.

### **8.13 Judgment currency**

- (a) *Conversion.* If, for the purpose of obtaining or enforcing in any jurisdiction, it becomes necessary to convert into a particular currency an amount due under this guarantee, the conversion will be made at the Rate of Exchange prevailing on the Business Day immediately preceding the date on which judgment is given.
- (b) *Payment of additional amounts.* If, as a result of a change in the Rate of Exchange between the date of judgment and the date of actual payment, the conversion results in the Secured Party receiving less than the amount payable to it, the Guarantors shall pay the Secured Party any additional amount as may be necessary to ensure that the amount received is not less than the amount payable by the Guarantors on the date of judgment.
- (c) *Treatment of additional amounts.* Any additional amount due under this section will be due as a separate debt, gives rise to a separate cause of action, and will not be affected by judgment obtained for any other amount due under this guarantee.

### **8.14 Copy of guarantee**

The Guarantors acknowledge receipt of an executed copy of this guarantee.

### **8.15 Conclusive delivery**

Possession by the Secured Party of an executed copy of this guarantee constitutes conclusive evidence that

- (a) the Guarantors executed and delivered this guarantee to the Secured Party free of all conditions,
- (b) there is no agreement or understanding between the Secured Party and the Guarantors that the Guarantors delivered this guarantee in escrow or the Guarantors did not intend it to be effective until the occurrence of any event or the satisfaction of any condition, and
- (c) the Secured Party has not made any representations, statements, or promises to the Guarantors regarding the Debtor, the Secured Party's intention to obtain any security in connection with the Obligations or guarantees from other persons in connection with the Obligations, the circumstances under which the Secured Party may enforce this guarantee, the manner in which the Secured Party may enforce this guarantee, or any other matter that might conflict with the provisions expressly set out in this guarantee.

**8.16 Counterparts**

This guarantee may be signed in any number of counterparts, each of which is an original, and all of which taken together constitute one single document.

**8.17 Effective date**

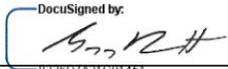
This guarantee is effective as of the date shown at the top of the first page, even if any signatures are made after that date.

**[The remainder of this page has been intentionally left blank]**

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**IN WITNESS WHEREOF** the Secured Party and the Guarantors have executed this Guarantee and Indemnity.

**CENTURION FINANCIAL TRUST**

By:   
Name: Greg Romundt  
Title: President

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE HOLDINGS INC.**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING, LLC**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NETWORKS, LLC**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING COLORADO, LLC**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

~~Signature~~ page – Guarantee and

**IN WITNESS WHEREOF** the Secured Party and the Guarantors have executed this Guarantee and Indemnity.

**CENTURION FINANCIAL TRUST**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE HOLDINGS INC.**

By: \_\_\_\_\_  
Name: John Farlinger  
Title: President

DocuSigned by:  
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By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING, LLC**

By: \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

DocuSigned by:  
AD1D48F2BD2D430...

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NETWORKS, LLC**

By: \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

DocuSigned by:  
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By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING COLORADO, LLC**

By: \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

DocuSigned by:  
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By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING**

By:  \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING PENNSYLVANIA, LLC**

By:  \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING TEXAS HOLDINGS, LLC**

By:  \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING**

By:  \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING MICHIGAN, LLC**

By:  \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING TEXAS, LLC**

By:  \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name:  
Title:

**DNS LOUISIANA, LLC**

By:  \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING MINNESOTA, LLC**

By:  \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name: Title:

**ASSURE NEUROMONITORING**

DocuSigned by:  
  
By: \_\_\_\_\_  
AD1D48F2BD2D430...  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING SOUTH  
CAROLINA, LLC**

DocuSigned by:  
  
By: \_\_\_\_\_  
AD1D48F2BD2D430...  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name: Title:

**DNS PROFESSIONAL READING, LLC**

DocuSigned by:  
  
By: \_\_\_\_\_  
AD1D48F2BD2D430...  
Name:  
Title: Manager

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE A  
GUARANTORS**

Assure Holdings Inc.

Assure Neuromonitoring, LLC

Assure Networks, LLC

Assure Neuromonitoring Colorado, LLC

Assure Neuromonitoring Louisiana, LLC Assure

Neuromonitoring Michigan, LLC Assure Neuromonitoring

Pennsylvania, LLC Assure Neuromonitoring Texas, LLC

Assure Neuromonitoring Texas Holdings, LLC DNS

Louisiana, LLC

Assure Neuromonitoring Nevada, LLC Assure

Neuromonitoring South Carolina, LLC Assure

Neuromonitoring Colorado, LLC

DNS Professional Reading, LLC

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## GENERAL SECURITY AGREEMENT

Dated: June 9, 2021 BETWEEN:

**ASSURE HOLDINGS CORPORATION** (the "Borrower")

and

**ASSURE HOLDINGS INC., ASSURE NEUROMONITORING, LLC, ASSURE NETWORKS, LLC, ASSURE NEUROMONITORING COLORADO, LLC, ASSURE NEUROMONITORING LOUISIANA, LLC, ASSURE NEUROMONITORING MICHIGAN, LLC, ASSURE NEUROMONITORING PENNSYLVANIA, LLC, ASSURE NEUROMONITORING TEXAS, LLC, ASSURE NEUROMONITORING TEXAS HOLDINGS, LLC, DNS LOUISIANA, LLC, ASSURE NEUROMONITORING ARIZONA, LLC, ASSURE NEUROMONITORING MINNESOTA, LLC, ASSURE NEUROMONITORING NEVADA, LLC, ASSURE NEUROMONITORING SOUTH CAROLINA, LLC, and DNS PROFESSIONAL READING, LLC**  
(the "Guarantors" and with the Borrower, the "Debtors" and each a "Debtor")

and

**CENTURION FINANCIAL TRUST** as agent and nominee for certain lenders pursuant to the Debenture as defined below  
(the "Secured Party").

### RECITALS:

A. The Borrower may become indebted or otherwise obligated to the Secured Party, including under a Commitment Letter dated March 8, 2021 and a certain Debenture dated on or around June 9, 2021 (as may be amended, supplemented, restated, replaced, or otherwise modified from time to time, the "Debenture").

B. The Guarantors, being the direct subsidiaries of the Borrower, have guaranteed all of the obligations of the Borrower under the Debenture pursuant to a guarantee granted by the Guarantors dated as of the date hereof (the "Guarantee").

C. The Debtors have agreed, as a condition of the Debenture, to enter into this agreement and grant security to the Secured Party.

The parties agree as follows:

## ARTICLE 1 INTERPRETATION

### 1.01 Definitions

Words and expressions defined in the PPSA (as defined herein) and the STA (as defined herein) are used in this agreement (capitalized or not) with the defined meanings assigned to them in those statutes, unless the context otherwise requires. For greater certainty, in this agreement each of the words "accessions," "account," "chattel paper," "consumer goods," "document of title," "equipment," "goods," "instruments," "intangible," "inventory," "investment property," "money," and "proceeds" has the same meaning as its defined meaning in the PPSA

and each of the terms “certificated security,” “entitlement holder,” “financial asset,” “securities account,” “securities intermediary,” “security,” “security entitlement,” and “uncertificated security” has the same meaning as its defined meaning in the STA. In this agreement, in addition to the terms defined above, the following definitions apply: To the extent the jurisdiction governing the security granted is the State of Colorado of the United States, the equivalent term or definition of the applicable Uniform Commercial Code Article 9 (“UCC”) as adopted by the State of Colorado will be substituted.

“**Account Debtor**” means a party obligated to pay under any account, chattel paper, or instrument constituting Collateral.

“**Collateral**” means, collectively, all of each Debtor’s present and after-acquired assets, meaning all personal property (including all accounts, chattel paper, Documents, documents of title, equipment, goods, instruments, intangibles, inventory, investment property, Licences, money, securities, security entitlements, undertaking, proceeds, and Replacements, together with each Debtor’s interest in any of them) but excludes consumer goods and any reference in this agreement to Collateral will, unless the context otherwise requires, be deemed a reference to “Collateral or any part thereof”.

“**Default**” means any “Default” or “Event of Default” as defined in the Debenture.

“**Documents**” means all any Debtor’s books, accounts, invoices, letters, papers, security certificates, documents, and other records (including customer lists and records, subject, however, to privacy, confidentiality, and access rights of customers), in any form evidencing or relating to any part of the Collateral, together with all agreements, licences, and other rights and benefits relating to any of them.

“**Indemnified Party**” has the meaning given to that term in section 3.12 (General indemnity).

“**Intellectual Property**” means all of any Debtor’s

- (a) business and trade names, corporate names, brand names, and slogans,
- (b) inventions, patents, patent rights, patent applications (including all reissues, divisions, continuations, continuations-in-part, and extensions of any patent or patent application), unregistered industrial designs, applications for registration of individual designs, and registered designs.
- (c) registered copyrights and all registered and unregistered trade-marks (including the goodwill attaching to those trade-marks), registrations, and applications for trade-marks and copyrights,
- (d) rights and interests in and to processes, data, trade secrets, designs, know-how, processes, product formulae and information, manufacturing, engineering, and other drawings and manuals, technology, algorithms, blue prints, research and development reports, technical information, technical assistance, engineering data, design and engineering specifications, and similar materials recording or evidencing expertise or information,
- (e) other owned intellectual and industrial property rights throughout the world,
- (f) licences of the intellectual property listed in paragraphs (b) through (e) above, except for Shrink-Wrap Software,

- (g) all future income and proceeds from any of the intellectual property listed in paragraphs (b) through (e) above and the licences listed in paragraph (g) above, and
- (h) all rights to damages and profits by reason of the infringement of any of the intellectual property listed in paragraphs (b) through (f) above.

“**Law**” means

- (a) any law (including the common law), statute, by-law, rule, regulation, order, ordinance, treaty, decree, judgment, and
- (b) any official directive, protocol, code, guideline, notice, approval, order, policy, or other requirement of any Governmental Body, having the force of law.

“**Licence**” means (a) any authorization from any Governmental Body having jurisdiction relating to any Debtor or its businesses, undertaking, or properties, (b) any authorization from any Person granting any easement or licence relating to any real or immovable property, and (c) any Intellectual Property licence.

“**Lien**” means (a) any interest in property created by way of mortgage, pledge, charge, lien, assignment by way of security, hypothecation, security interest, conditional sale agreement, sale/lease back transaction, deposit arrangement, title retention, capital lease, or discount, factoring, or securitization arrangement on recourse terms, (b) any statutory deemed trust or lien, (c) any preference, priority, adverse claim, levy, execution, seizure, attachment, garnishment, or other encumbrance that binds property, (d) any right of set-off intended to secure the payment or performance of an obligation, and (e) any agreement to grant any of the rights or interests described in any of the preceding clauses.

“**Notice**” means any notice, request, direction, or other document that a party can or must make or give under this agreement.

“**Obligations**” means all of each Debtor’s present and future liabilities, obligations, and indebtedness (including all principal, interest, fees, expenses, and other amounts), whether direct or indirect, contingent or absolute, joint or several, matured or unmatured, in any currency, to the Secured Party arising under, in connection with, or relating to the Debenture and any Transaction Document (including all obligations of other amalgamating corporations and the amalgamated corporation described in paragraph (a) of section 8.06 (Debtor’s amalgamation)).

“**Permitted Liens**” means “Permitted Encumbrances” as defined in the Debenture. “**Person**”

includes

- (a) any corporation, company, limited liability company, partnership, Governmental Body, joint venture, fund, trust, association, syndicate, organization, or other entity or group of persons, whether incorporated or not, and
- (b) any individual, including in his or her capacity as trustee, executor, administrator, or other legally appointed representative.

“**PPSA**” means the *Personal Property Security Act* (Ontario) or as applicable the UCC of the applicable state of the United States and the regulations promulgated thereunder, as

amended from time to time and any legislation substituted therefor and any amendments thereto, provided that, if perfection or the effect of perfection or non-perfection or the priority of any Lien created hereunder or under any other Transaction Document on the Collateral is governed by the personal property security legislation or other applicable legislation with respect to personal property security in effect in a province or jurisdiction other than Ontario, "PPSA" means the Personal Property Security Act or UCC or such other applicable legislation in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

**"Receiver"** means any privately or court appointed receiver, manager, or receiver and manager for the Collateral or for any of any Debtor's business, undertaking, or property appointed by the Secured Party under this agreement or by a court on application by the Secured Party.

**"Recovery"** means any monies received or recovered by the Secured Party after the Security Interest has become enforceable, whether under any enforcement of the Security Interest, by any suit, action, proceeding, or settlement of any claim, or otherwise.

**"Related Rights"** means all of any Debtor's rights arising under, by reason of, or otherwise in connection with, any agreement, right, Licence, or permit (including the right to receive payments under any of them).

**"Replacements"** means all increases, additions, improvements, and accessions to, and all substitutions for and replacements of, any part of the Collateral in which any Debtor now or later has rights.

**"Security Interest"** means, collectively, the grants, mortgages, charges, pledges, transfers, assignments, and other security interests created under this agreement as to the Collateral.

**"Shrink-Wrap Software"** means shrink-wrap or off-the-shelf software used by any Debtor that was readily available for use at the time of purchase or licensing and was not customized for any Debtor.

**"Third Party Agreements"** means all leases (true or finance), Licences, and other agreements affecting any of any Debtor's rights, title, or interest in any of the Intellectual Property.

**"Transaction Documents"** means this agreement and each other agreement, relating to the Debenture, from time to time in effect between any Debtor and the Secured Party (including all Documents relating to any of them and, for avoidance of doubt, the Guarantee).

**"undertaking"** means all of any Debtor's present and future real and personal property, businesses, undertaking, and goodwill that are not accounts, chattel paper, Documents, documents of title, equipment, instruments, intangibles, inventory, money, or securities.

Capitalized terms used in this agreement and not otherwise defined have the meanings given to them in the Debenture.

## **1.02 References to specific terms**

- (a) *Currency.* Unless otherwise specified, all dollar amounts expressed in this agreement refer to United States currency.
- (b) *"Including."* Where this agreement uses the word "including," it means "including without limitation," and where it uses the word "includes," it means "includes without limitation."
- (c) *"Knowledge."* Where any representation, warranty, or other statement in this agreement, or in any other document entered into or delivered under this agreement, is expressed by a party to be "to its knowledge," or is otherwise expressed to be limited in scope to facts or matters known to the party or of which the party is aware, it means the current, actual knowledge of the directors and officers of that party, without the requirement to make any other inquiry or investigation.
- (d) *Statutes, etc.* Unless otherwise specified, any reference in this agreement to a statute includes the regulations, rules, and policies made under that statute and any provision or instrument that amends or replaces that statute or those regulations, rules, or policies.

## **1.03 Headings**

The headings used in this agreement and its division into articles, sections, schedules, exhibits, appendices, and other subdivisions do not affect its interpretation.

## **1.04 Internal references**

References in this agreement to articles, sections, schedules, exhibits, appendices, and other subdivisions are to those parts of this agreement.

## **1.05 Number and gender**

Unless the context requires otherwise, words importing the singular number include the plural and vice versa; words importing gender include all genders.

## **1.06 Calculation of time**

In this agreement, a period of days begins on the first day after the event that began the period and ends at 5:00 p.m. Eastern Time on the last day of the period. If any period of time is to expire, or any action or event is to occur, on a day that is not a Business Day, the period expires, or the action or event is considered to occur, at 5:00 p.m. Eastern Time on the next Business Day.

## **1.07 Schedules**

The following are the schedules to this agreement:

Schedule A - Location of Debtor and Collateral  
Schedule B - List of Securities and Security Entitlements

## **1.08 Governing Law**

This General Security Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. To the extent interpretation requires consideration of the grant of security and the perfection and enforcement thereof this General Security Agreement shall be governed by and interpreted and enforced in accordance with the laws of the State of Colorado and the Uniform Commercial Code as adopted therein.

## **ARTICLE 2 GRANT OF SECURITY**

### **2.01 Creation of Security Interest**

As general and continuing security for the due payment, observance, and performance by any Debtors of all Obligations, each Debtor hereby grants to the Secured Party a Security Interest in the Collateral.

### **2.02 Attachment**

The parties acknowledge that (a) each Debtor has rights in their respective Collateral, (b) the Secured Party has given value to any Debtors, (c) the parties have not agreed to postpone the time for attachment of the Security Interest, and (d) the Security Interest is intended to attach (i) as to Collateral in which a Debtor now has rights, when such Debtor executes this agreement and (ii) as to Collateral in which a Debtor subsequently acquires rights, when such Debtor first obtains those rights.

### **2.03 Release of Collateral**

The Secured Party may, at its discretion and at any time, release from the Security Interest any of the Collateral or any other security or surety for the Obligations either with or without sufficient consideration for that Collateral without releasing any other part of the Collateral or any Person from this agreement.

### **2.04 Account Debtor**

The Secured Party may, if a Default exists, notify and direct any Account Debtor of any Debtor to make payment directly to the Secured Party. The Secured Party may, at its discretion, apply the amounts received from any Account Debtor of any Debtor and any proceeds in accordance with section 7.24 (Application of payments) or hold them as part of the Collateral.

### **2.05 Leasehold interests**

- (a) The last day of the term of any lease, sublease, or agreement to lease or sublease now held or subsequently acquired by any Debtor is excluded from the Security Interest and does not form part of the Collateral. However, upon the Security Interest becoming enforceable, such Debtor will stand possessed of that last day and hold it in trust for the Security Party and shall assign it as the Secured Party directs.
- (b) If any lease, sublease, or agreement to lease or sublease contains a term that provides, in effect, that it may not be assigned, sub-leased, charged, or made the subject of any Lien without the consent of the lessor, the application of the Security Interest to that agreement will be conditional upon obtaining that

consent. Such Debtor shall use reasonable efforts to obtain that consent as soon as reasonably practicable.

## **2.06 Contractual rights**

- (a) To the extent that the creation of the Security Interest would constitute a breach, or cause the acceleration, of any agreement, right, Licence, or permit to which any Debtor is a party, the Security Interest will not attach to it. However, such Debtor shall hold such contractual rights in trust for the Secured Party and shall assign that agreement, right, Licence, or permit to the Secured Party immediately upon obtaining the consent of the other party.
- (b) The Security Interest will nonetheless immediately attach to any Related Rights if, to the extent that, and as at the time that attachment to the Related Rights is not illegal, is not enforceable against the Secured Party or other third parties generally, or would not result in an ineligible transfer or a material loss or expense to any Debtor. Each Debtor shall use reasonable efforts to obtain all required material approvals as soon as reasonably practicable.
- (c) To the extent permitted by applicable Law, each Debtor shall hold in trust for the Secured Party and, after a Default occurs, provide the Secured Party with the benefits of, each agreement, right, Licence, or permit and enforce all Related Rights at the direction of and for the benefit of the Secured Party or at the direction of any other Person that the Secured Party may designate.

## **2.07 Intellectual Property**

Each Debtor grants the Security Interest in the Intellectual Property only as security. Before the Security Interest becomes enforceable under this agreement, the Secured Party will not be or be deemed to be the owner of any of the Intellectual Property. Further, the Secured Party will not be deemed to have assumed, or be deemed to be liable for, any covenant, agreement, or other obligation of any Debtor under any agreement, right, Licence, or permit relating to the Intellectual Property to which any Debtor is a party.

## **2.08 Commingled goods**

If the Collateral subsequently becomes part of a product or mass to which the security interest of another secured party attaches, the Security Interest will extend to all accounts, Replacements, or proceeds arising from any dealing with such product or mass.

## **2.09 Release of Security Interest**

Once any Debtor (or any Debtors) satisfies the Obligations in full, the Secured Party shall, within a reasonable time after it receives a written request from any Debtor, release the Security Interest and execute and deliver any releases and discharges that any Debtor may reasonably require. The Debtors shall pay all expenses incurred by the Secured Party in doing so.

# **ARTICLE 3 DEBTOR'S COVENANTS**

## **3.01 Care of Collateral**

The Debtors shall keep the Collateral in good condition, ordinary wear and tear excepted.

### **3.02 Liens**

The Debtors shall keep the Collateral free of all Liens, except for Permitted Liens. The Debtors shall defend the title of the Collateral against any Person. The Secured Party may, at any time, contest the validity, effect, perfection, or priority of any Lien. No Lien may rank in priority to or pari passu with the Security Interest, except for Permitted Liens. Nothing in this agreement is intended to create any rights (including subordination rights or any release of Security Interest) in favour of any Person other than the Secured Party, any Receiver, and the other Indemnified Parties.

### **3.03 Proceeds held in trust**

From and after the first date on which the Secured Party exercises any remedies under Article 7 (Rights and Remedies), each Debtor shall hold any accounts, dividends, distributions, interest, proceeds, and other income that it collects in respect of the Collateral as agent and in trust for the Secured Party separate and apart from all its other property. Such Debtor shall pay any such amounts to the Secured Party immediately upon receipt.

### **3.04 Accessions and fixtures**

The Debtors shall prevent the Collateral from becoming (a) an accession to any personal property not subject to this agreement or (b) affixed to any real property unless the Security Interest ranks prior to the interests of another Person in the realty.

### **3.05 Notice of change**

- (a) The Debtors shall give Notice to the Secured Party
  - (i) immediately of (A) any material Intellectual Property in which any Debtor acquires rights, (B) any securities and security entitlements in which any Debtor acquires rights, or (C) any location at which Documents are situated or (D) any event occurring that, after notice or lapse of time, would constitute a Default,
  - (ii) at least 10 Business Days prior to (A) any change of name of any Debtor and (B) any change in or addition to the location of Collateral from those locations referred to in section 5.03 (Location of Collateral), and
  - (iii) at least 10 Business Days prior to (A) the adoption of a French or combined English and French form of name, (B) any change in the jurisdiction where any Debtor is incorporated or continued or where the registered office or chief executive office of any Debtor is located, (C) any change in the jurisdiction where any Debtor has its chief executive office (within the meaning of any applicable PPSA).
- (b) Each Debtor hereby authorizes the Secured Party, as such Debtor's attorney under this agreement, to revise each schedule to reflect the information provided to the Secured Party under this section.

### **3.06 Information**

Each Debtor shall deliver to the Secured Party any information concerning the Collateral or any Debtor that the Secured Party may reasonably request.

### **3.07 Documents**

Each Debtor shall keep proper Documents and shall keep the Documents at the locations specified in Schedule A (Location of Debtor and Collateral).

### **3.08 Inspection**

Each Debtor shall allow the Secured Party or its representatives, on reasonable notice, (a) to have access at commercially reasonable times to all premises of such Debtor at which Collateral or Documents may be located, (b) to inspect the Collateral and all Documents, (c) to have temporary custody of, make copies of, and take extracts from any Documents, and (d) to verify the existence and state of the Collateral in any reasonable manner that the Secured Party may consider appropriate. The Secured Party shall keep confidential any information that the Secured Party obtains from that inspection, except as required by the Secured Party in exercising its rights under this agreement.

### **3.09 Maintenance of Intellectual Property**

Each Debtor shall perform all covenants required under any Third Party Agreement (including promptly paying all required fees, royalties, and taxes) to maintain every item of Intellectual Property in full force and effect, except where noncompliance would not have a Material Adverse Effect. Each Debtor shall vigorously protect, preserve, and maintain all of the value of, and all of the right, title, and interest of any Debtor in, the Intellectual Property owned by such Debtor (including the prosecution and defence against any suits concerning the validity, infringement, enforceability, ownership, or other aspects affecting any of the Intellectual Property), except where noncompliance would not have a Material Adverse Effect.

### **3.10 Delivery of certain Collateral**

At the request of the Secured Party, each Debtor shall deliver to the Secured Party all items of Collateral that are chattel paper, instruments, or negotiable documents of title, endorsed to the Secured Party or in blank by an effective endorsement, as the Secured Party may reasonably request.

### **3.11 Registration**

Each Debtor hereby authorizes and if so required by the Secured Party shall make all necessary filings, registrations, and other recordations to protect the interest of the Secured Party in the Collateral (including all recordations in connection with patents, trade-marks, and copyrights forming part of the Intellectual Property), except where noncompliance would not have a Material Adverse Effect. Each Debtor shall cause its representatives to immediately register, file, and record this agreement, or notice of this agreement, on behalf of the Secured Party at all proper offices where, in the opinion of counsel to the Secured Party, registration, filing, or recordation may be necessary or advantageous to create, perfect, preserve, or protect the Security Interest in the Collateral and its priority. Each Debtor shall subsequently cause its representatives to maintain all those registrations, filings, and recordations on behalf of the Secured Party in full force and effect (including by making timely payment of any renewal or maintenance fees).

### **3.12 General indemnity**

- (a) Each Debtor (on a joint and several basis) shall indemnify the Secured Party, any Receiver, and their respective representatives (each, an "**Indemnified Party**") in

connection with all claims, losses, and expenses that an Indemnified Party may suffer or incur in connection with

- (i) the exercise by the Secured Party or any Receiver of any of its rights under this agreement,
- (ii) any breach by any Debtor of the representations or warranties of any Debtor contained in this agreement, or
- (iii) any breach by any Debtor of, or any failure by any Debtor to observe or perform, any of the Obligations,

except that any Debtor will not be obliged to indemnify any Indemnified Party to the extent those claims, losses, and expenses are determined by a final judgment to have directly resulted from the wilful misconduct or gross negligence of the Indemnified Party.

- (b) The Secured Party will be constituted as the trustee of each Indemnified Party, other than itself, and shall hold and enforce each of the rights of the other Indemnified Parties under this section or their respective benefits.

### **3.13 Set-off, combination of accounts, and crossclaims**

The Secured Party or any assignee of the Secured Party may set off or apply against, or combine with, the Obligations any indebtedness owing by the Secured Party or any assignee of the Secured Party to any Debtor, direct or indirect, extended or renewed, actual or contingent, mutual or not, at any time before, upon, or after maturity, without demand upon or notice to anyone, and the terms of that indebtedness and Obligations will be changed to the extent necessary to permit and give effect to the set-off, application, and combination.

### **3.14 Limitations on Secured Party's rights and realization**

To the fullest extent permitted by applicable Law, each Debtor shall waive all of the rights, benefits, conditions, warranties, and protections given by the provisions of any existing or future statute that imposes limitations upon the rights of a secured party or upon the methods of realization of Security Interest.

## **ARTICLE 4 DEBTOR'S RIGHTS**

### **4.01 Dealings with Collateral**

Except as permitted by the Debenture, no Debtor shall sell, exchange, transfer, assign, or otherwise dispose of, grant a lien on, or deal in any way with the Collateral, or enter into any agreement or undertaking to do so.

### **4.02 Special provisions relating to securities**

- (a) The terms of this agreement do not apply to those securities that specifically do not form part of the Collateral.
- (b) Until the Secured Party provides notice to the contrary, any certificates representing the securities may remain registered in the name of any Debtor. At any time upon request by the Secured Party following a Default, each Debtor shall cause any of the securities to be registered in the name of the Secured

Party or its nominee; for that purpose, each Debtor hereby appoints the Secured Party as its irrevocable attorney, with full power of substitution, to cause any or all of the securities to be registered in the name of the Secured Party or its nominee.

- (c) Contemporaneously with the execution and delivery of this agreement (as to securities and securities entitlements in which any Debtor now has rights), and within five Business Days of any Debtor first having rights in securities and securities entitlements (as to securities and securities entitlements in which any Debtor subsequently acquires rights), each Debtor shall
- (i) physically deliver to the Secured Party each certificated security that is in bearer form,
  - (ii) physically deliver to the Secured Party each certificated security that is in registered form and, as the Secured Party may direct and either  
(A) endorse the security certificate to the Secured Party or in blank by an effective endorsement or (B) register the security certificate in the name of the Secured Party or its nominee, in either case in form and substance satisfactory to the Secured Party,
  - (iii) cause the issuer of any uncertificated security to agree with the Secured Party that that issuer shall comply with the Secured Party's instructions without the further consent of any Debtor or any other entitlement holder, and
  - (iv) as the Secured Party directs, either (A) cause the Secured Party or its nominee to become the entitlement holder of each security entitlement  
(B) cause the securities intermediary to agree with the Secured Party that the securities intermediary shall comply with entitlement orders in relation to each security entitlement that are originated by the Secured Party without the further consent of any Debtor or any other entitlement holder, or (C) cause another Person that has control on behalf of the Secured Party, or having previously obtained control, to acknowledge that the Person has control on behalf of the Secured Party of any security entitlement in the manner contemplated by paragraphs (A) or (B) above; any security (including any security entitlement) held or controlled by the Secured Party under this paragraph will be held as Collateral under this agreement.
- (d) Subject to paragraph (e) below, all rights conferred by statute or otherwise upon a registered holder of securities will (i) with respect to any securities or security entitlement held directly by the Secured Party or its representatives, be exercised as any Debtor may direct, and (ii) with respect to any securities or security entitlement held directly by any Debtor or its representatives, be exercised by any Debtor.
- (e) Until the Secured Party enforces the Security Interest each Debtor may exercise all voting rights attached to, and give consents, waivers, and ratifications in connection with, the securities, except that such Debtor may not cast any vote, give any consent, waiver, or ratification, or take any action that would be prejudicial to the interests of the Secured Party or that would have the effect of

either reducing the value of the securities as security for the Obligations or imposing any restriction on the transferability of any of the securities.

- (f) If any Debtor is in Default or if the Security Interest otherwise becomes enforceable, all rights of any Debtor to vote and give consents, waivers, and ratifications in respect of the securities will immediately cease. In that event, the Secured Party and its representatives may, at the Secured Party's discretion (in the name of any Debtor or otherwise), exercise or cause to be exercised in respect of any of the securities any voting rights or rights to receive dividends, interest, principal, or other payments of money forming part of the securities and all other rights conferred on or exercisable by the bearer or holder thereof.
- (g) The Secured Party's responsibility in connection with the securities in its possession is limited to exercising the same degree of care that it gives its own valuable property at its offices where any of the securities are held. The Secured Party will not be bound under any circumstances to realize upon any of the securities, to allow any of the securities to be sold, to exercise any option or right attaching thereto, or to be responsible for any loss occasioned by any sale of the securities or by its retention or other refusal to sell them. The Secured Party is not obliged to collect or see to the payment of interest or dividends on the securities. Each Debtor shall hold in trust all interest and dividends, if and when received, for the Secured Party and shall immediately pay those amounts to the Secured Party.

## **ARTICLE 5 DEBTOR'S REPRESENTATIONS AND WARRANTIES**

Each Debtor represents and warrants to the Secured Party as follows, acknowledging that the Secured Party is relying on these representations and warranties:

### **5.01 Collateral unencumbered**

Except for Permitted Liens, each Debtor owns the Collateral free from any mortgage, lien, charge, encumbrance, pledge, security interest, or any other claim.

### **5.02 Location of Debtor**

Schedule A (Location of Debtor and Collateral) lists each Debtor's full, complete name (including any French name), its registered office, places of business, and the jurisdiction in which it is incorporated and in which its chief executive office (within the meaning of any applicable PPSA) is located.

### **5.03 Location of Collateral**

Schedule A (Location of Debtor and Collateral) lists the locations of the Collateral, except for (a) Collateral that is in transit to and from those locations in the ordinary course of business, (b) equipment that is with repairers for repair and return to any Debtor, (c) Collateral having an aggregate value that is not material, and (d) Collateral that has been disposed of in accordance with the terms of the other Transaction Documents.

### **5.04 Securities and security entitlements**

- (a) Schedule B (List of Securities and Security Entitlements) includes a complete list of all securities and security entitlements which form part of the Collateral and in

which any Debtor currently has rights, which, if applicable, have been validly issued, fully paid, and non-assessable and constitute such percentage of all of the issued and outstanding securities of each such class or designation as set forth in Schedule B (List of Securities and Security Entitlements).

- (b) There is no agreement, option, warrant, privilege, or right related thereto that would require that any Debtor sell or otherwise dispose of any of the securities and security entitlements.

## **ARTICLE 6 ACKNOWLEDGEMENTS**

### **6.01 Construction of terms**

The parties have each participated in settling the terms of this agreement. Any rule of legal interpretation to the effect that any ambiguity is to be resolved against the drafting party will not apply in interpreting this agreement.

### **6.02 No partnership, etc.**

Nothing contained in this agreement will create a partnership, joint venture, principal-and-agent relationship, or any similar relationship between the parties.

### **6.03 No third party beneficiaries**

This agreement does not confer any rights or remedies upon any Person other than the parties and their respective heirs, trustees, executors, administrators, and other legally appointed representatives, successors and assigns.

### **6.04 Payment of costs and expenses**

Each Debtor shall pay all costs and expenses (including legal fees) that it and the Secured Party or its agents on its behalf, incur in connection with the drafting and negotiation of the transactions contemplated by this agreement, and the execution and delivery of, and the perfection (including those incurred for registration costs of any financing statement registered in connection with the Security Interest) and enforcement of the Secured Party's interest under, this agreement, which will be paid immediately upon demand and form part of the Obligations.

## **ARTICLE 7 RIGHTS AND REMEDIES**

Upon the occurrence of a Default, or if the Security Interest otherwise becomes enforceable, the Secured Party may exercise any of the following rights or remedies:

### **7.01 Remedies cumulative**

The rights, remedies, and powers provided to a party under this agreement are cumulative and in addition to, and are not exclusive of or in substitution for, any rights, remedies, and powers otherwise available to that party.

### **7.02 Security in addition**

This agreement and the Security Interest are in addition to and not in substitution for any other security now or later held by the Secured Party in connection with any Debtor, the Obligations, or the Collateral. The Security Interest does not replace or otherwise affect any existing or future

Lien held by the Secured Party. No taking of any suit, action, or proceeding, judicial or extra-judicial, no refraining from doing so, and no dealing with any other security for any Obligations will release or affect (a) the Security Interest or (b) any of the other Liens held by the Secured Party for the payment or performance of the Obligations.

### **7.03 Non-merger**

- (a) This agreement will not operate by way of a merger of the Obligations or of any guarantee, agreement, or other document or instrument by which the Obligations now, or at any time subsequently, may be represented or evidenced. Neither the taking of any judgment nor the exercise of any power of seizure or disposition will extinguish the liability of any Debtor to pay and perform the Obligations nor shall the acceptance of any payment or alternate security constitute or create any novation.
- (b) The rights, obligations, representations and warranties, and covenants under this agreement will not merge in any judgment.

### **7.04 Survival**

The covenants and agreements in Section 3.12 (General indemnity) survive the termination of this agreement.

### **7.05 Severability**

The invalidity or unenforceability of any particular term of this agreement will not affect or limit the validity or enforceability of the remaining terms.

### **7.06 Waiver**

- (a) *Requirements.* No waiver of satisfaction of a condition or non-performance of an obligation under this agreement is effective unless it is in writing and signed by the party granting the waiver.
- (b) *Scope of waiver.* No waiver by a party will extend to any subsequent non-satisfaction or non-performance of an obligation under this agreement, whether or not of the same or similar nature to that which was waived.
- (c) *Rights and remedies.* No waiver by a party will affect the exercise of any other rights or remedies by that party under this agreement. Any failure or delay by a party in exercising any right or remedy will not constitute, or be deemed to constitute, a waiver by that party of that right or remedy. No single or partial exercise by a party of any right or remedy will preclude any other or further exercise by that party of any right or remedy.

### **7.07 Acceleration and enforcement**

The Obligations will be accelerated and become immediately due and payable in full and the Security Interest will become immediately enforceable without the Secured Party having to take any further action.

### **7.08 Floating charge**

Any floating charge will become a fixed charge and the Secured Party may register this agreement against any Debtors' lands but does not extent to securities excluded from the Collateral.

### **7.09 Power of entry**

The Secured Party may enter any premises owned, leased, or otherwise occupied by any Debtor or where any Collateral may be located to take possession of, dispose of, disable, or remove any Collateral by any method permitted by applicable Law. Each Debtor shall grant to the Secured Party a licence to occupy any of any Debtor's premises for the purpose of storing any Collateral and shall, immediately upon demand, deliver to the Secured Party possession of any Collateral at the place specified by the Secured Party.

### **7.10 Power of sale**

- (a) The Secured Party may sell, lease, consign, license, assign, or otherwise dispose of any Collateral by public auction, private tender, or private contract, with or without notice, advertising, or any other formality, all of which any Debtor hereby waives to the extent permitted by applicable Law. The Secured Party may establish the terms of disposition (including terms and conditions as to credit, upset, reserve bid, or price). The Secured Party will credit all payments made under those dispositions against the Obligations only as they are actually received. The Secured Party may buy in, rescind, or vary any contract for the disposition of Collateral and may dispose of any Collateral again without being answerable for any resulting loss. Any disposition may take place whether or not the Secured Party has taken possession of the Collateral. The exercise by the Secured Party of any power of sale does not preclude the Secured Party from any further exercise of its power of sale in accordance with this paragraph.
- (b) The Secured Party may approach a restricted number of potential purchasers to effect the sale of any Collateral constituting securities under paragraph (a) above. A sale under those circumstances may yield a lower price for Collateral than would otherwise be obtainable if that Collateral was registered and sold in the open market. Each Debtor agrees that
  - (i) if the Secured Party sells Collateral at a private sale or sales, the Secured Party has the right to rely upon the advice and opinion of any Person who regularly deals in or evaluates securities of the type constituting the Collateral as to the best price obtainable in a commercially reasonable manner, and
  - (ii) that reliance will be conclusive evidence that the Secured Party handled that sale in a commercially reasonable manner.

### **7.11 Carrying on business**

The Secured Party may carry on, or concur in the carrying on of, all or any part of the businesses or undertaking of any Debtor and may, to the exclusion of all others (including any Debtor), enter upon, occupy, and use any of the premises, buildings, and plant of, occupied or used by any Debtor and may use all or any of those premises and the equipment and other Collateral located on those premises (including fixtures) for whatever time and purposes as the Secured Party sees fit, free of charge. The Secured Party will not be liable to any Debtor for any

act, omission, or negligence in doing so or in connection with any rent, charges, costs, depreciation, or damages in connection with that action.

#### **7.12 Pay Liens**

The Secured Party may pay any liability owed to any actual or threatened Lien holder against any Collateral, and borrow money to maintain, preserve, or protect any Collateral or to carry on the businesses or undertaking of any Debtor, and may charge and grant further security interests in any Collateral in priority to the Security Interest as security for the money so borrowed. Immediately upon demand by the Secured Party, each Debtor shall reimburse the Secured Party for all those payments and borrowings.

#### **7.13 Dealing with Collateral**

- (a) As soon as the Secured Party takes possession of any Collateral or appoints a Receiver over any Collateral, all rights of any Debtor in and to that Collateral will cease unless the Secured Party or any Receiver agrees in writing to specifically continue those rights.
- (b) The Secured Party may have, enjoy, and exercise all of the rights of and enjoyed by any Debtor in and to the Collateral or incidental, ancillary, attaching, or deriving from the ownership by any Debtor of the Collateral (including the right to
  - (i) enter into agreements and grant licences over or relating to Collateral,
  - (ii) demand, commence, continue, or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing, or obtaining possession or payment of the Collateral, (iii) grant or agree to Liens and grant or reserve profits à prendre, easements, rights of ways, rights in the nature of easements, and licences over or relating to any part of the Collateral, and (iv) give valid receipts and discharges, and to compromise or give time for the payment or performance of all or any part of the accounts or any other obligation of any third party to any Debtor).
- (c) The Secured Party may take any actions to maintain, preserve, and protect the Collateral or otherwise deal with any Collateral in the manner, upon the terms, and at the times it deems advisable in its discretion without notice to any Debtor, except as otherwise required by applicable Law (including payments on account of other security interests affecting the Collateral); provided that the Secured Party will not be required to take any of those actions or make any of those expenditures. Any of the amounts that the Secured Party pays (including legal, Receiver's, accounting, or other professional fees and expenses) will be added to the Obligations and will be secured by this agreement.
- (d) The Secured Party may accept the Collateral in satisfaction of the Obligations.
- (e) The Secured Party or any Receiver has no obligation to keep Collateral identifiable or to preserve rights against prior secured creditors in connection with any Collateral.

#### **7.14 Powers re leases**

The Secured Party may upon any sale by the Secured Party of any leasehold interest under this agreement for the purpose of vesting the one day residue of the term or its renewal in any purchase, by deed or writing appoint the purchaser or any other Person as a new trustee of the

residue or renewal in place of any Debtor and may vest those rights in the new trustee so appointed free from any obligation in that Collateral.

#### **7.15 Dealing with accounts**

The Secured Party may collect, sell, or otherwise deal with accounts (including notifying any Person obligated to any Debtor in connection with an account, chattel paper, or an instrument to make payment to the Secured Party of all present and future amounts that are due).

#### **7.16 Collect rents**

The Secured Party may collect any rents, income, and profits received in connection with the business of any Debtor or the Collateral, without carrying on the business.

#### **7.17 Dealing with securities**

- (a) The terms of this section related solely to the securities included in the Collateral.
- (b) The Secured Party may exercise or cause to be exercised all voting rights, rights to receive dividends, interest, principal, or other payments of money attached to the securities (whether or not registered in the name of the Secured Party or its nominee), give or withhold all related consents, waivers, and ratifications, exercise any rights of conversion, exchange, subscription, or other rights, privileges, or options relating to any of the securities as if the Secured Party were the absolute owner (including the right to exchange, at its discretion, any of these securities upon the merger, consolidation, reorganization, recapitalization, or other readjustment of any issuer or upon the exercise by any issuer of any right, privilege, or option relating to any of the securities), and in doing so, to deposit or deliver any of the securities with or to any committee, depository, transfer agent, registrar, or other designated agency upon the terms and conditions it may determine.
- (c) The Secured Party may comply with any limitation or restriction in connection with any proposed sale or other disposition of the securities necessary to comply with applicable Law (including any policy imposed by any stock exchange, securities commission, or other Governmental Body). That compliance by the Secured Party will not result in the sale being considered or deemed not to have been made in a commercially reasonable manner, nor will the Secured Party be liable or accountable to any Debtor for any discount in the sale price of these securities that may be given because those securities are sold in compliance with any limitation or restriction.

#### **7.18 Dealing with Intellectual Property**

The Secured Party may register assignments of the Intellectual Property, and use, sell, assign, license, or sub-license any of the Intellectual Property.

#### **7.19 File claims**

The Secured Party may file proofs of claim and other documents in order to have the claims of the Secured Party lodged in any bankruptcy, winding-up, or other judicial proceeding relating to any Debtor or the Collateral.

## **7.20 Power of attorney**

Each Debtor shall appoint the Secured Party, acting by any officer, director, employee, agent, or representative for the time being of the Secured Party located at its address for notices in section 8.08 (Notice), to be its attorney with full power of substitution to do on such Debtor's behalf anything that such Debtor can lawfully do by an attorney (including to do, make, and execute all agreements, deeds, acts, matters, or things, with the right to use the name of such Debtor) that it deems necessary or expedient and to carry out its obligations under this agreement, to revise and schedule to this agreement and to complete any missing information in this agreement. This power of attorney, being granted by way of security and coupled with an interest, is irrevocable until the Obligations are paid in full.

## **7.21 Retain services**

The Secured Party may retain the services of any lawyers, accountants, appraisers, and other agents, and consultants as the Secured Party deems necessary or desirable in connection with anything done or to be done by the Secured Party or with any of the rights of the Secured Party set out in this agreement and pay their commissions, fees, disbursements (which payments will constitute part of the Secured Party's disbursements reimbursable by the Debtors under this agreement). Each Debtor shall immediately on demand reimburse the Secured Party for all those payments.

## **7.22 Appointment of a Receiver**

- (a) The Secured Party may
  - (i) appoint, by instrument in writing, a Receiver for any Debtor, the Collateral, or both any such Debtor and the Collateral, and no such Receiver need be appointed, need its appointment ratified, or need its actions in any way supervised, by a court,
  - (ii) appoint an officer or employee of the Secured Party as Receiver,
  - (iii) remove any Receiver and appoint another Receiver, or
  - (iv) apply, at any time, to any court of competent jurisdiction for the appointment of a Receiver or other official, who may have powers the same as, greater or lesser than, or otherwise different from, those capable of being granted to a Receiver appointed by the Secured Party under this agreement.
- (b) If two or more Receivers are appointed to act concurrently, they will act severally and not jointly and severally.

## **7.23 Effect of appointment of Receiver**

Any Receiver will have the rights set out in this Article 7 (Rights and Remedies). In exercising those rights, a Receiver will act as, and for all purposes will be deemed to be, the agent of any Debtor. However, the Secured Party will not be responsible for any act, omission, negligence, misconduct, or default of any Receiver.

## **7.24 Application of payments**

The Secured Party, or any Receiver appointed by the Secured Party in the enforcement of the Security Interest, may hold all payments made in connection with the Obligations and all monies

received as security for the Obligations (including each Recovery), or may apply those payments or monies in whatever manner they determine at their discretion. The Secured Party may at any time apply or change any application of those payments, monies, or Recoveries to any parts of the Obligations as the Secured Party may determine at its discretion. Each Debtor will remain liable to the Secured Party for any deficiency. The Secured Party shall pay any surplus funds realized after the satisfaction of all Obligations in accordance with applicable Law.

#### **7.25 Deficiency**

If the proceeds of the realization of any Collateral are insufficient to repay all Obligations, the Debtors shall immediately pay or cause to be paid the deficiency to the Secured Party.

#### **7.26 Limitation of liability**

Neither the Secured Party nor any Receiver will be liable for any negligence in accordance with any rent, charges, costs, depreciation, or damages in connection with any of its actions. Neither the Secured Party nor any Receiver will be liable or accountable to any Debtor for any failure to seize, collect, realize, dispose of, enforce, or otherwise deal with any Collateral, nor will any of them be bound to bring any action or proceeding for any of those purposes or to preserve any rights of any Person in any of the Collateral. Neither the Secured Party nor any Receiver will be liable or responsible for any claim, loss, and expense flowing from any failure resulting from any act, omission, negligence, misconduct, or default of the Secured Party, any Receiver, or any of their respective representatives or otherwise. If any Receiver or the Secured Party takes possession of any Collateral, neither the Secured Party nor any Receiver will have any liability as a mortgagee in possession of the Collateral or be accountable for anything except actual receipts. Further, the Secured Party will not be deemed to have assumed, or be deemed to be liable for, any covenant, agreement, or other obligation of any Debtor under any agreement, right, Licence, or permit to which any Debtor is a party.

#### **7.27 Extensions of time**

The Secured Party and any Receiver may grant renewals, extensions of time, and other indulgences, take and give up Liens, accept compositions, grant releases and discharges, perfect or fail to perfect any Liens, release any Collateral to third parties, and otherwise deal or fail to deal with the Collateral, other Liens, any Debtor, debtors of any Debtor, guarantors of any Debtor, sureties of any Debtor, and others as the Secured Party or such Receiver may see fit, all without prejudice to the Obligations and the rights of the Secured Party or any Receiver to hold and realize upon the Security Interest. However, no extension of time, forbearance, indulgence, or other accommodation will operate as a waiver, alteration, or amendment of the Secured Party's rights or otherwise preclude the Secured Party from enforcing those rights and nothing in this agreement obligates the Secured Party to extend the time for payment or satisfaction of any of the Obligations.

#### **7.28 Secured Party or Receiver may perform**

If any Debtor fails to perform any Obligations, the Secured Party or any Receiver may perform those Obligations as attorney for any Debtor in accordance with section 7.20 (Power of attorney). The rights conferred on the Secured Party and any Receiver under this agreement are for the purpose of protecting the Security Interest in the Collateral and do not impose any obligation upon the Secured Party or any Receiver to exercise any of those rights. Each Debtor will remain liable under each agreement to which it is party or by which it or any of its businesses, undertaking, and properties is bound and shall perform all of its obligations under

each of those agreements; any Debtor will not be released from any of its obligations under any agreement by the exercise of any rights by the Secured Party or any Receiver.

#### **7.29 Validity of sale**

No Person dealing with the Secured Party, any Receiver, or any representative of the Secured Party or any Receiver has any obligation to enquire whether the Security has become enforceable, whether any right of the Secured Party or any Receiver has become exercisable, whether any Obligations remain outstanding, or otherwise as to the propriety or regularity of any dealing by the Secured Party or any Receiver with any Collateral or to see to the application of any money paid to the Secured Party or any Receiver. In the absence of fraud on the part of any Person, those dealings will be deemed to be within the rights conferred under this agreement and to be valid and effective accordingly.

#### **7.30 No obligation to advance**

Nothing in this agreement obligates the Secured Party to make any loan or accommodation to any Debtor or to extend the time for payment or satisfaction of any Obligation.

### **ARTICLE 8 GENERAL**

#### **8.01 Entire agreement**

This agreement together with Debenture and the other Transaction Documents

- (a) constitutes the entire agreement; there are no representations, covenants, or other terms other than those set out in those agreements, and
- (b) supersedes any previous discussions, understandings, or agreements, between the

parties relating to its subject matter.

#### **8.02 Further assurances**

Each party, upon receipt of Notice by another party, shall sign (or cause to be signed) all further documents, do (or cause to be done) all further acts, and provide all reasonable assurances as may reasonably be necessary or desirable to give effect to this agreement and the transactions contemplated by this agreement.

#### **8.03 Amendment**

This agreement may only be amended by a written document signed by each of the parties.

#### **8.04 Conflict of terms**

If there is any inconsistency between the terms of this agreement and the terms of the Debenture, the terms of the Debenture will prevail. The parties shall take all necessary steps to conform the inconsistent terms to the terms of that agreement.

#### **8.05 Binding effect**

This agreement enures to the benefit of and binds the parties and their respective heirs, trustees, executors, administrators, and other legally appointed representatives, successors and assigns.

#### **8.06 Debtor's amalgamation**

If any Debtor amalgamates with any other entity or entities, this agreement will continue in full force and effect and will be binding upon the amalgamated entity, and, for greater certainty

- (a) the Security Interest will (i) continue to secure all the Obligations, (ii) secure all obligations, of the nature contemplated by the "Obligations" definition, of each other amalgamating entity to the Secured Party, and (iii) secure all obligations, of the nature contemplated by the "Obligations" definition, of the amalgamated entity to the Secured Party arising after the amalgamation,
- (b) the Security Interest will (i) continue to attach to the Collateral, (ii) attach to the Collateral of each other amalgamating entity, and (iii) attach to the Collateral of the amalgamated entity after the amalgamation, and
- (c) all defined terms and other terms of this agreement will be deemed to have been amended to reflect the amalgamation, to the extent required by the context.

#### **8.07 Assignment**

The Secured Party may assign this agreement and the Obligations in whole or in part to any Person without Notice to or the consent of any Debtor. Without the prior written consent of the Secured Party, any Debtor may not assign this agreement.

#### **8.08 Notice**

To be effective, a Notice must be in writing and given in the manner contemplated in the Debenture, and the provisions of section 9.8 thereof are incorporated herein *mutatis mutandis*.

#### **8.09 Submission to jurisdiction**

The parties irrevocably attorn to the jurisdiction of the courts of the Province of Ontario which will have non-exclusive jurisdiction over any matter arising out of this agreement, as to any exercise of rights of enforcement as to the security granted hereby the Secured Party may choose the jurisdiction of the writs of the State of Colorado and the parties also irrevocably attorn to the jurisdiction of the courts of the State of Colorado.

#### **8.10 Counterparts**

This agreement may be signed in any number of counterparts, each of which is an original, and all of which taken together constitute one single document.

#### **8.11 Copy of agreement**

Each Debtor acknowledges receipt of an executed copy of this agreement and copies of the verification statements relating to the financing statements or financing change statements filed by the Secured Party or its representatives under the PPSA and under the personal property security statutes of other provinces in connection with this agreement.

#### **8.12 Effective date**

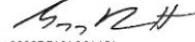
This agreement is effective as of the date shown at the top of the first page, even if any signatures are made after that date.

**[The remainder of this page has been intentionally left blank]**

IN WITNESS WHEREOF the parties hereto have executed this General Security Agreement.

**CENTURION FINANCIAL TRUST**

By: \_\_\_\_\_  
Name: Title: Greg Romundt  
President

DocuSigned by:  
  
0236D7A21C91451...

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ASSURE HOLDINGS CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ASSURE HOLDINGS INC.**

**ASSURE NEUROMONITORING, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ASSURE NETWORKS, LLC**

**ASSURE NEUROMONITORING COLORADO, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF the parties hereto have executed this General Security Agreement.

**CENTURION FINANCIAL TRUST**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE HOLDINGS CORPORATION**

By: \_\_\_\_\_  
Name: John Farlinger  
Title: President

DocuSigned by:  
  
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By: \_\_\_\_\_  
Name:  
Title:

**ASSURE HOLDINGS INC**

By: \_\_\_\_\_  
Name: John Farlinger  
Title: President

DocuSigned by:  
  
AD1D48F2B02D430...

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING, LLC**

By: \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

DocuSigned by:  
  
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By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NETWORKS, LLC**

By: \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

DocuSigned by:  
  
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By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING COLORADO, LLC**

By: \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

DocuSigned by:  
  
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By: \_\_\_\_\_  
Name:  
Title:



**ASSURE NEUROMONITORING**

DocuSigned by:  
  
E AD1D48F2BD2D430...  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE NEUROMONITORING SOUTH  
CAROLINA, LLC**

DocuSigned by:  
  
E AD1D48F2BD2D430...  
By: \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name:  
Title:

**DNS PROFESSIONAL READING, LLC**

DocuSigned by:  
  
E AD1D48F2BD2D430...  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE A  
LOCATION OF DEBTOR AND COLLATERAL**

<b>Full Name:</b>	<b>Assure Holdings Corporation</b>
<b>Jurisdiction of Incorporation or Formation:</b>	Nevada
<b>Registered Office:</b>	3773 Howard Hughs Parkway Suite 500S Las Vegas, NV 89169
<b>Chief Executive Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Places of Business:</b>	3773 Howard Hughs Parkway Suite 500S Las Vegas, NV 89169 <u>and</u> 4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237

<b>Full Name:</b>	<b>Assure Holdings Inc.</b>
<b>Jurisdiction of Incorporation or Formation:</b>	Colorado
<b>Registered Office:</b>	7800 E Union Avenue, Ste. 600, Denver, CO 80237
<b>Chief Executive Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Places of Business:</b>	7800 E Union Avenue, Ste. 600, Denver, CO 80237 <u>and</u> 4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237

<b>Full Name:</b>	<b>Assure Neuromonitoring, LLC</b>
<b>Jurisdiction of Incorporation or Formation:</b>	Colorado
<b>Registered Office:</b>	7800 E Union Avenue, Ste. 600, Denver, CO 80237

<b>Chief Executive Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Places of Business:</b>	7800 E Union Avenue, Ste. 600, Denver, CO 80237 and 4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237

<b>Full Name:</b>	<b>Assure Networks, LLC</b>
<b>Jurisdiction of Incorporation or Formation:</b>	Colorado
<b>Registered Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Chief Executive Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Places of Business:</b>	7800 E Union Avenue, Ste. 600, Denver, CO 80237 and 4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237

<b>Full Name:</b>	<b>Assure Neuromonitoring Colorado, LLC</b>
<b>Jurisdiction of Incorporation or Formation:</b>	Colorado
<b>Registered Office:</b>	7800 E Union Avenue, Ste. 600, Denver, CO 80237
<b>Chief Executive Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Places of Business:</b>	7800 E Union Avenue, Ste. 600, Denver, CO 80237 and 4600 S. Ulster St., Ste. 1225, Denver, CO 80237

<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
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<b>Full Name:</b>	<b>Assure Neuromonitoring Louisiana, LLC</b>
<b>Jurisdiction of Incorporation or Formation:</b>	Louisiana
<b>Registered Office:</b>	3867 Plaza Tower Dr., 1St Floor Baton Rouge, LA 70816
<b>Chief Executive Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Places of Business:</b>	3867 Plaza Tower Dr., 1St Floor Baton Rouge, LA 70816 and 4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237

<b>Full Name:</b>	<b>Assure Neuromonitoring Michigan, LLC</b>
<b>Jurisdiction of Incorporation or Formation:</b>	Michigan
<b>Registered Office:</b>	40600 ANN ARBOR ROAD EAST SUITE 200 Plymouth, MI 48170
<b>Chief Executive Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Places of Business:</b>	40600 Ann Arbor Road East, Suite 200, Plymouth, MI 48170 and 4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237

<b>Full Name:</b>	<b>Assure Neuromonitoring Pennsylvania, LLC</b>
<b>Jurisdiction of Incorporation or Formation:</b>	Pennsylvania

<b>Registered Office:</b>	InCorp Services, Inc. (no address listed)
<b>Chief Executive Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Places of Business:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237

<b>Full Name:</b>	<b>Assure Neuromonitoring Texas, LLC</b>
<b>Jurisdiction of Incorporation or Formation:</b>	Texas
<b>Registered Office:</b>	815 Brazos St., Ste. 500, Austin, TX 78701
<b>Chief Executive Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Places of Business:</b>	815 Brazos St., Ste. 500, Austin, TX 78701' and 4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237

<b>Full Name:</b>	<b>Assure Neuromonitoring Texas Holdings, LLC</b>
<b>Jurisdiction of Incorporation or Formation:</b>	Texas
<b>Registered Office:</b>	815 Brazos St., Austin, TX 78701
<b>Chief Executive Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Places of Business:</b>	815 Brazos St., Austin, TX 78701 and 4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237

<b>Full Name:</b>	<b>DNS Louisiana, LLC</b>
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<b>Jurisdiction of Incorporation or Formation:</b>	Louisiana
<b>Registered Office:</b>	3867 Plaza Tower Dr., 1 <sup>st</sup> Floor, Baton Rouge, LA 70816
<b>Chief Executive Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Places of Business:</b>	3867 Plaza Tower Dr., 1 <sup>st</sup> Floor, Baton Rouge, LA 70816 and 4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237

<b>Full Name:</b>	<b>Assure Neuromonitoring Arizona, LLC</b>
<b>Jurisdiction of Incorporation or Formation:</b>	Arizona
<b>Registered Office:</b>	8825 N. 23 <sup>rd</sup> Ave., Suite 100, Phoenix, AZ 85021
<b>Chief Executive Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Places of Business:</b>	8825 N. 23 <sup>rd</sup> Ave., Suite 100, Phoenix, AZ 85021 and 4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237

<b>Full Name:</b>	<b>Assure Neuromonitoring Minnesota, LLC</b>
<b>Jurisdiction of Incorporation or Formation:</b>	Minnesota
<b>Registered Office:</b>	11575 E. Laketowne Drive Albertville, MN 55301
<b>Chief Executive Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Places of Business:</b>	11575 E. Laketowne Drive Albertville, MN 55301

	and 4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237

<b>Full Name:</b>	<b>Assure Neuromonitoring Nevada, LLC</b>
<b>Jurisdiction of Incorporation or Formation:</b>	Nevada
<b>Registered Office:</b>	3773 Howard Hughes Pkwy Ste 500S Las Vegas, NV 89169-6014
<b>Chief Executive Office:</b>	N/A
<b>Places of Business:</b>	3773 Howard Hughes Pkwy Ste 500S Las Vegas, NV 89169-6014 and 4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237

<b>Full Name:</b>	<b>Assure Neuromonitoring South Carolina, LLC</b>
<b>Jurisdiction of Incorporation or Formation:</b>	South Carolina
<b>Registered Office:</b>	317 Ruth Vista Road Lexington, South Carol 29073
<b>Chief Executive Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Places of Business:</b>	317 Ruth Vista Road Lexington, South Carol 29073 and 4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237

<b>Full Name:</b>	<b>DNS Professional Reading, LLC</b>
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<b>Jurisdiction of Incorporation or Formation:</b>	Colorado
<b>Registered Office:</b>	7800 E Union Avenue, Suite 600, Denver, CO 80237
<b>Chief Executive Office:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Places of Business:</b>	7800 E Union Ave., Suite 600, Denver, CO 80237 4600 S. Ulster St., Ste. 1225, Denver, CO 80237
<b>Locations of Records:</b>	4600 S. Ulster St., Ste. 1225, Denver, CO 80237

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**SCHEDULE B  
LIST OF SECURITIES AND SECURITY ENTITLEMENTS**

Registered Owner	Issuer	Certificate Number	Description of Interest	% of Outstanding Interests
Assure Holdings Corp.	Assure Holdings Inc.	N/A	Shares of Common Stock	100%
Assure Holdings, Inc.	Assure Neuromonitoring, LLC	N/A	Membership Interest	100%
Assure Holdings, Inc.	Assure Networks, LLC	N/A	Membership Interest	100%
Assure Holdings, Inc.	Assure Equipment Leasing, LLC	N/A	Membership Interest	100%
Assure Holdings, Inc.	Velocity Revenue Cycle, LLC	N/A	Membership Interest	100%
Assure Holdings, Inc.	Assure Telehealth Providers, LLC	N/A	Membership Interest	100%
Assure Neuromonitoring, LLC	Assure Neuromonitoring Colorado, LLC	N/A	Membership Interest	100%
Assure Neuromonitoring, LLC	Assure Neuromonitoring Louisiana, LLC	N/A	Membership Interest	100%
Assure Neuromonitoring, LLC	Assure Neuromonitoring Michigan, LLC	N/A	Membership Interest	100%
Assure Neuromonitoring, LLC	Assure Neuromonitoring Pennsylvania, LLC	N/A	Membership Interest	100%
Assure Neuromonitoring, LLC	Assure Neuromonitoring Texas, LLC	N/A	Membership Interest	100%
Assure Neuromonitoring, LLC	Assure Neuromonitoring Arizona, LLC	N/A	Membership Interest	100%
Assure Neuromonitoring, LLC	Assure Neuromonitoring Minnesota, LLC	N/A	Membership Interest	100%
Assure Neuromonitoring, LLC	Assure Neuromonitoring Nevada, LLC	N/A	Membership Interest	100%
Assure Neuromonitoring, LLC	Assure Neuromonitoring South Carolina, LLC	N/A	Membership Interest	100%
Assure Neuromonitoring Texas, LLC	Assure Neuromonitoring Texas Holdings, LLC	N/A	Membership Interest	100%
Assure Neuromonitoring, LLC	Assure Neuromonitoring Georgia, LLC	N/A	Membership Interest	100%
Assure Neuromonitoring, LLC	Assure Neuromonitoring Oklahoma, LLC	N/A	Membership Interest	100%

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Registered Owner	Issuer	Certificate Number	Description of Interest	% of Outstanding Interests
Assure Neuromonitoring, LLC	Assure Neuromonitoring Tennessee, LLC	N/A	Membership Interest	100%
Assure Neuromonitoring, LLC	Assure Neuromonitoring Utah, LLC	N/A	Membership Interest	100%
Assure Neuromonitoring, LLC	Assure Neuromonitoring Virginia, LLC	N/A	Membership Interest	100%
Assure Networks, LLC	Assure Networks Arizona, LLC	N/A	Membership Interest	100%
Assure Networks, LLC	Assure Networks Colorado, LLC	N/A	Membership Interest	100%
Assure Networks, LLC	Assure Networks Michigan, LLC	N/A	Membership Interest	100%
Assure Networks, LLC	Assure Networks Pennsylvania, LLC	N/A	Membership Interest	100%
Assure Networks, LLC	Assure Networks South Carolina, LLC	N/A	Membership Interest	100%
Assure Networks, LLC	Assure Networks Texas, LLC	N/A	Membership Interest	100%
Assure Networks, LLC	Assure Networks Texas Holdings II, LLC	N/A	Membership Interest	100%
Assure Networks Texas, LLC	Assure Networks Texas Holdings, LLC	N/A	Membership Interest	100%
Assure Networks, LLC	Assure Networks Georgia, LLC	N/A	Membership Interest	100%
Assure Networks, LLC	Assure Networks Oklahoma, LLC	N/A	Membership Interest	100%
Assure Networks, LLC	Assure Networks Minnesota, LLC	N/A	Membership Interest	100%
Assure Networks, LLC	Assure Networks Nevada, LLC	N/A	Membership Interest	100%
Assure Networks, LLC	Assure Networks Tennessee, LLC	N/A	Membership Interest	100%
Assure Networks, LLC	Assure Networks Virginia, LLC	N/A	Membership Interest	100%
Assure Networks, LLC	Assure Networks Louisiana, LLC	N/A	Membership Interest	100%

## ASSIGNMENT OF MATERIAL CONTRACTS

**THIS AGREEMENT** made as of the 9 day of June, 2021 by Assure Holding Corporation (the "**Borrower**"), and Assure Holding Inc., Assure Neuromonitoring, LLC, Assure Networks, LLC, Assure Neuromonitoring Colorado, LLC, Assure Neuromonitoring Louisiana, LLC, Assure Neuromonitoring Michigan, LLC, Assure Neuromonitoring Pennsylvania, LLC, Assure Neuromonitoring Texas, LLC, Assure Neuromonitoring Texas Holdings, LLC, DNS Louisiana, LLC, Assure Neuromonitoring Arizona, LLC, Assure Neuromonitoring Minnesota, LLC, Assure Neuromonitoring Nevada, LLC, Assure Neuromonitoring South Carolina, LLC, and DNS Professional Reading, LLC (collectively, the "**Guarantors**" and, together with the Borrower, collectively, the "**Assignors**", and each an "**Assignor**") in favour of Centurion Financial Trust (the "**Agent**") in its capacity as agent and nominee for certain lenders that may now or hereafter be parties to the Debenture (as such term is defined below) (such other lenders hereinafter together with their successors and assignees, collectively referred to as the "**Lenders**").

### **RECITALS:**

A. The Borrower may become indebted or otherwise obligated to the Secured Party, including under a Commitment Letter dated March 8, 2021 and a certain Debenture dated on or around June 9, 2021 (as may be amended, supplemented, restated, replaced, or otherwise modified from time to time, the "**Debenture**").

B. The Guarantors, being the direct and indirect subsidiaries of the Borrower, have guaranteed all of the obligations of the Borrower under the Debenture pursuant to a guarantee granted by the Guarantors dated as of the date hereof (the "**Guarantee**").

C. The Assignors have entered into, or may hereafter enter into, certain commercial contracts in connection with the leasing or use of certain neuromonitoring medical equipment (in each case, as amended, modified, supplemented from time to time hereinafter, each referred to as a "**Contract**" and collectively referred to as the "**Contracts**").

D. The Debtors have agreed, as a condition of the Debenture, to enter into this agreement and grant an assignment of its interest under the Contracts.

**NOW THEREFORE**, in consideration of the Lenders agreeing to make credit available from time to time to the Borrower, and for other good and valuable consideration, the receipt and sufficiency of which is hereby conclusively acknowledged by the Assignor, the parties hereto agree as follows:

1. As continuing collateral security for the due payment, observance and performance of all indebtedness, liability and obligations of the Assignors to or in favour of the Lenders (the "**Obligations**"), the Assignors hereby assign to the Agent all right, title and interest of each such Assignor in, to and under the Contracts to which it is a party; provided that the Agent shall have no responsibility to the other parties under such Contracts (collectively the "**Third Parties**" and each individually a "**Third Party**") unless and until the Agent in each case has given the Third Party the notice required under paragraph 2 hereof.

2. The Assignors shall not amend, terminate, modify, cancel, replace, supplement, surrender or waive any material right or relieve any party of any material obligation which results in the redirection and payment of the payments which would have been made in favour of the Borrower or Guarantor party thereto to another subsidiary or person affiliated with the Borrower

or any Guarantor, with the intention that revenue from assigned Contracts are to remain revenue of the Borrower or relevant Guarantor. Each Assignor shall, provided it is not in Default of any of the Obligations, be entitled to collect and receive all sums due, exercise all rights, do or cause to be done all acts and things, and to receive and enforce performance, under all Contracts.

3. Notwithstanding anything contained in this Assignment, the assignment contained herein shall not constitute an assignment of the right, title, interest and benefit of the Assignor in any of the Contracts which (i) require the consent of any third party to such assignment for which, if assigned, would give rise to a default or penalty or (ii) if assigned would give rise to a violation of applicable laws (collectively, the "Excluded Collateral"). In such case, the Assignor shall forthwith, upon request, use its commercially reasonable efforts to obtain the necessary consent of any third party to the assignment contained herein in respect of any such Excluded Collateral and, upon such consent being obtained, the assignment contained herein shall apply to such Excluded Collateral without regard to this Section and without the necessity of any further assurance to effect the assignment contained herein in respect thereto. Until such consent is obtained, the Assignor shall, to the extent that it may do so by law or under the terms of the Excluded Collateral and without giving rise to any default or penalty, hold all right, title, benefit and interest to be derived therefrom in trust for the Assignee as additional security, as if the assignment contained therein applied, and shall deliver up such right, title, benefit and interest to the Assignee forthwith upon Default.

4. Upon repayment of all the Obligations by the Borrower, the Contracts shall be reassigned by the Agent to the Assignors, as applicable.

5. The Agent may grant extensions of time or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Assignors, or any of them, and with other parties and securities as the Agent sees fit, and apply all monies received from the Assignors or others or from any security upon such part of the Obligations as it may think best, without the consent of, or notice to, the Assignor and without prejudice to, or in any way limiting or lessening, the liability of the Assignors, or any of them, hereunder.

6. This Assignment shall be governed by and construed in accordance with the laws of the Province of Ontario and shall be binding upon the Assignors, and their respective successors and assigns. To the extent interpretation requires consideration of the grant of security and the perfection and enforcement thereof this Assignment shall be governed by and interpreted and enforced in accordance with the laws of the State of Colorado and the Uniform Commercial Code as adopted therein.

7. Capitalized terms used herein but not defined shall have the meanings attributed to them in the Debenture.

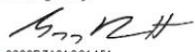
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IN WITNESS WHEREOF the parties hereto have executed this Assignment of Material Contracts.

**CENTURION FINANCIAL TRUST**

By: \_\_\_\_\_  
Name: Title: Greg Romundt  
President

DocuSigned by:  
  
8296D7A21C91461

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ASSURE HOLDINGS CORPORATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ASSURE HOLDINGS INC.**

**ASSURE NEUROMONITORING, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ASSURE NETWORKS, LLC**

**ASSURE NEUROMONITORING COLORADO, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF the parties hereto have executed this Assignment of Material Contracts.

**CENTURION FINANCIAL TRUST**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**ASSURE HOLDINGS CORPORATION**

By:  \_\_\_\_\_  
Name: John Farlinger  
Title: President

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

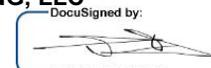
**ASSURE HOLDINGS INC.**

By: \_\_\_\_\_  
Name: John Farlinger  
Title: President

By: \_\_\_\_\_ Name: \_\_\_\_\_ Title: \_\_\_\_\_

**ASSURE NEUROMONITORING, LLC**

By:  \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

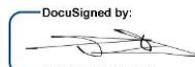
By:  \_\_\_\_\_  
Name:  
Title

**ASSURE NETWORKS, LLC**

By:  \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

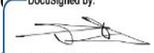
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**ASSURE NEUROMONITORING COLORADO, LLC**

By:  \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
Name:  
Title

**ASSURE NEUROMONITORING**

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By: AD1D48F2B02D430...  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
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**ASSURE NEUROMONITORING**

**P** DocuSigned by: **C**  
  
By: AD1D48F2B02D430...  
Name: John Farlinger  
Title: Manager

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**ASSURE NEUROMONITORING**

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Name: John Farlinger  
Title: Manager

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**ASSURE NEUROMONITORING**

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Name: John Farlinger  
Title: Manager

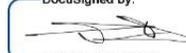
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**ASSURE NEUROMONITORING MICHIGAN, LLC**

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Name: John Farlinger  
Title: Manager

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**ASSURE NEUROMONITORING TEXAS, LLC**

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By: AD1D48F2B02D430...  
Name: John Farlinger  
Title: Manager

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**DNS LOUISIANA, LLC**

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Name: John Farlinger  
Title: Manager

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**ASSURE NEUROMONITORING MINNESOTA, LLC**

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Name: John Farlinger  
Title: Manager

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**ASSURE NEUROMONITORING**

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Name: John Farlinger  
Title: Manager

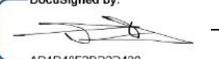
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**ASSURE NEUROMONITORING SOUTH  
CAROLINA, LLC**

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By: \_\_\_\_\_  
Name: John Farlinger  
Title: Manager

By: \_\_\_\_\_  
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**DNS PROFESSIONAL READING, LLC**

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UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITIES REPRESENTED BY THIS WARRANT CERTIFICATE SHALL NOT TRADE SUCH SECURITIES BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER JUNE 14, 2021.

WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE AND THE SECURITIES ISSUABLE UPON EXERCISE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL OCTOBER 15, 2021.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, PLEDGED, ENCUMBERED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION UNDER THE SECURITIES ACT, AND EXCEPT AS SET FORTH BELOW. BY ITS ACQUISITION HEREOF, THE HOLDER AGREES THAT IT WILL NOT OFFER, RESELL OR OTHERWISE TRANSFER THIS SECURITY, EXCEPT (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (B) TO ASSURE HOLDINGS CORP., (C) IN COMPLIANCE WITH (i) RULE 144A UNDER THE U.S. SECURITIES ACT TO A PERSON THE SELLER REASONABLY BELIEVES TO BE A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A); OR (ii) RULE

144 UNDER THE U.S. SECURITIES ACT ("RULE 144"), IF AVAILABLE (D) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATIONS UNDER THE SECURITIES ACT, OR (E) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS. ADDITIONALLY, FOR ANY TRANSFER REFERRED TO IN CLAUSE (C)(ii) OR (E), OR IF REQUESTED BY ASSURE HOLDINGS CORP. OR THE TRANSFER AGENT FOR THE SECURITIES, (D), THE HOLDER MUST, PRIOR TO SUCH TRANSFER, FURNISH TO THE COMPANY OR TRANSFER AGENT SUCH CERTIFICATIONS, LEGAL OPINIONS OR OTHER INFORMATION AS THE COMPANY OR THE TRANSFER AGENT MAY REASONABLY REQUIRE TO CONFIRM THAT SUCH TRANSFER IS BEING MADE PURSUANT TO AN EXEMPTION FROM OR IN A TRANSACTION NOT SUBJECT TO THE REGISTRATION REQUIREMENT OF THE SECURITIES ACT. THE HOLDER HEREOF AGREES THAT IT WILL NOT, DIRECTLY OR INDIRECTLY, ENGAGE IN ANY HEDGING TRANSACTION WITH REGARD TO THE SECURITIES EXCEPT AS PERMITTED BY THE SECURITIES ACT.

THIS WARRANT MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF, OR FOR THE ACCOUNT OR BENEFIT OF, A U.S. PERSON UNLESS THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE SECURITIES LEGISLATION OF ANY SUCH STATE OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENTS IS AVAILABLE. "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED BY REGULATIONS UNDER THE U.S. SECURITIES ACT.

EXERCISABLE ONLY PRIOR TO 5:00 P.M. EST ON THE EXPIRY TIME (AS HEREINAFTER DEFINED), AFTER WHICH TIME THESE WARRANTS SHALL BE NULL AND VOID.

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#4119003

**NON-TRANSFERABLE WARRANTS TO PURCHASE COMMON  
SHARES OF ASSURE HOLDINGS CORP.**

**Warrant Certificate Number:**

**Number of Warrants:**

**WC-US-2021-001**

1,375,000

THIS IS TO CERTIFY THAT for value received Centurion Financial Trust (the "**Warrantholder**"), at Toronto, Ontario has the right to purchase in respect of each warrant ("**Warrants**") represented by this certificate or by a replacement certificate (in either case this "**Warrant Certificate**"), at any time up to 5:00 p.m. (Eastern Standard Time), on the 14<sup>th</sup> day of June, 2025 (the "**Expiry Time**") one fully paid and non-assessable common share ("**Common Shares**") and which term shall include any shares or other securities to be issued in addition thereto or in substitution or replacement therefor as provided herein) of Assure Holdings Corp. (the "**Corporation**"), a corporation existing under the laws of the State of Nevada, as constituted on the date hereof at a purchase price (the purchase price in effect from time to time being called the "**Exercise Price**") of US\$1.51 per Common Share, subject to adjustment as provided herein.

The Corporation agrees that the Common Shares purchased pursuant to the exercise of the Warrants shall be and be deemed to be issued to the Warrantholder as of the close of business on the date on which this Warrant Certificate shall have been surrendered and payment made for such Common Shares as aforesaid.

Nothing contained herein shall confer any right upon the Warrantholder to subscribe for or purchase any Common Shares at any time after the Expiry Time and, from and after the Expiry Time, the Warrants and all rights under this Warrant Certificate shall be null and void and of no value.

The above provisions are subject to the following:

1. **Exercise:**

- (1) Cash Exercise: In the event that the Warrantholder desires to exercise the right to purchase Common Shares conferred hereby, the Warrantholder shall (a) complete to the extent possible in the manner indicated and execute a subscription form in the form attached as Schedule A to this Warrant Certificate, (b) surrender this Warrant Certificate to the Corporation in accordance with section [9](#) hereof, and (c) pay the amount payable on the exercise of such Warrants in respect of the Common Shares subscribed for by certified cheque, bank draft or money order in lawful money of the United States of America payable to the Corporation or by transmitting same day funds in lawful money of the United States of America by wire to such account as the Corporation shall direct the Warrantholder. Upon such surrender and payment as aforesaid, the Warrantholder shall be deemed for all purposes to be the holder of record of the number of Common Shares to be so issued and the Warrantholder shall be entitled to delivery of a certificate or certificates representing such Common Shares and the Corporation shall cause such certificate or certificates to be delivered to the Warrantholder at the address specified in the subscription form within ten business days after such surrender and payment as aforesaid. No fractional Common Shares will be issuable upon any exercise of the Warrants and the Warrantholder will not be entitled to any cash payment or compensation in lieu of a fractional Common Share.
- (2) US Persons: Notwithstanding any provision in sections [1, 2](#) or [3](#) hereof, the Warrants may not be exercised, in whole or in part, by a U.S. Person or person within the United

States (or on behalf of a U.S. Person or person within the United States) unless registered under the United States *Securities Act of 1933*, as amended (the "**1933 Act**") and applicable state securities laws or unless an exemption from such registration is available. As used herein, the terms "United States" and "U.S. Person" have the meaning assigned to them in Regulation S under the 1933 Act.

2. **Partial Exercise**: The Warrantholder may from time to time subscribe for and purchase any lesser number of Common Shares than the number of Common Shares expressed in this Warrant Certificate. In the event that the Warrantholder subscribes for and purchases any such lesser number of Common Shares prior to the Expiry Time, the Warrantholder shall be entitled to receive a replacement certificate representing the unexercised balance of the Warrants.
3. **Not a Shareholder**: The holding of the Warrants shall not constitute the Warrantholder a shareholder of the Corporation nor entitle the Warrantholder to any right or interest in respect thereof except as expressly provided in this Warrant Certificate.
4. **Covenants, Representations and Warranties**: The Corporation hereby represents and warrants that it is authorized to create and issue the Warrants and covenants and agrees that it will cause the Common Shares from time to time subscribed for and purchased in the manner provided in this Warrant Certificate and the certificate or certificates representing such Common Shares to be issued and that, at all times prior to the Expiry Time, it will reserve and there will remain unissued a sufficient number of Common Shares to satisfy the right of purchase provided for in this Warrant Certificate. The Corporation hereby further covenants and agrees that it will at its expense expeditiously use its best efforts to obtain the listing of such Common Shares (subject to issue or notice of issue) on each stock exchange or over-the-counter market on which the Common Shares may be listed from time to time. All Common Shares which are issued upon the exercise of the right of purchase provided in this Warrant Certificate, upon payment therefor of the amount at which such Common Shares may be purchased pursuant to the provisions of this Warrant Certificate, shall be and be deemed to be fully paid and non-assessable shares and free from all taxes, liens and charges with respect to the issue thereof. The Corporation hereby represents and warrants that this Warrant Certificate is a valid and enforceable obligation of the Corporation, enforceable in accordance with the provisions of this Warrant Certificate.
5. **Anti-Dilution Protection**:
  - (1) **Definitions**: For the purposes of this section 5, unless there is something in the subject matter or context inconsistent therewith, the words and terms defined below shall have the respective meanings specified therefor in this subsection 5(1):
    - (a) "Adjustment Period" means the period commencing on the date of issue of the Warrants and ending at the Expiry Time;
    - (b) "Current Market Price" of the Common Shares at any date means the price per share equal to the volume weighted average price at which the Common Shares have traded on the TSX Venture Exchange (the "**TSXV**") or, if the Common Shares are not then listed on the TSXV, on such other Canadian stock exchange as may be selected by the directors of the Corporation for such purpose or, if the Common Shares are not then listed on any Canadian stock exchange, in the over-the-counter market, during the period of any twenty (20) consecutive trading days ending not more than five (5) trading days before such date; provided that the volume weighted average price shall be determined by dividing the aggregate

sale price of all Common Shares sold on the said exchange or market, as the case may be, during such twenty (20) consecutive trading days by the total number of Common Shares so sold; and provided further that if the Common Shares are not then listed on any Canadian stock exchange or traded in the over-the-counter market, then the Current Market Price shall be determined by a firm of independent chartered accountants selected by the directors of the Corporation;

- (c) "director" means a director of the Corporation for the time being and, unless otherwise specified herein, a reference to action "by the directors" means action by the directors of the Corporation as a board or, whenever empowered, action by any committee of the directors of the Corporation; and
  - (d) "trading day" with respect to a stock exchange or over-the-counter market means a day on which such stock exchange or market is open for business.
- (2) Adjustments: The Exercise Price and the number of Common Shares issuable to the Warrantholder upon the exercise of the Warrants shall be subject to adjustment from time to time in the events and in the manner provided as follows:
- (a) If at any time during the Adjustment Period the Corporation shall:
    - (i) fix a record date for the issue of, or issue, Common Shares to the holders of all or substantially all of the outstanding Common Shares by way of a stock dividend;
    - (ii) fix a record date for the distribution to, or make a distribution to, the holders of all or substantially all of the outstanding Common Shares payable in Common Shares or securities exchangeable for or convertible into Common Shares;
    - (iii) subdivide the outstanding Common Shares into a greater number of Common Shares; or
    - (iv) consolidate the outstanding Common Shares into a lesser number of Common Shares,(any of such events in subclauses [5\(2\)\(a\)\(i\)](#), [5\(2\)\(a\)\(ii\)](#), [5\(2\)\(a\)\(iii\)](#) and [5\(2\)\(a\)\(iv\)](#) above being herein called a "**Common Share Reorganization**"), the Exercise Price shall be adjusted on the earlier of the record date on which holders of Common Shares are determined for the purposes of the Common Share Reorganization and the effective date of the Common Share Reorganization to the amount determined by multiplying the Exercise Price in effect immediately prior to such record date or effective date, as the case may be, by a fraction:
    - A. the numerator of which shall be the number of Common Shares outstanding on such record date or effective date, as the case may be, before giving effect to such Common Share Reorganization; and
    - B. the denominator of which shall be the number of Common Shares which will be outstanding immediately after giving effect

to such Common Share Reorganization (including in the case of a distribution of securities exchangeable for or convertible into Common Shares the number of Common Shares that would have been outstanding had such securities been exchanged for or converted into Common Shares on such date).

To the extent that any adjustment in the Exercise Price occurs pursuant to this clause [5\(2\)\(a\)](#) as a result of the fixing by the Corporation of a record date for the distribution of securities exchangeable for or convertible into Common Shares, the Exercise Price shall be readjusted immediately after the expiry of any relevant exchange or conversion right to the Exercise Price which would then be in effect based upon the number of Common Shares actually issued and remaining issuable after such expiry and shall be further readjusted in such manner upon the expiry of any further such right. Any Warrantholder who has not exercised his right to subscribe for and purchase Common Shares on or prior to the record date of such stock dividend or distribution or the effective date of such subdivision or consolidation, as the case may be, upon the exercise of such right thereafter shall be entitled to receive and shall accept in lieu of the number of Common Shares then subscribed for and purchased by such Warrantholder, at the Exercise Price determined in accordance with this clause [5\(2\)\(a\)](#) the aggregate number of Common Shares that such Warrantholder would have been entitled to receive as a result of such Common Share Reorganization, if, on such record date or effective date, as the case may be, such Warrantholder had been the holder of record of the number of Common Shares so subscribed for and purchased.

- (b) If at any time during the Adjustment Period the Corporation shall fix a record date for the issue or distribution to the holders of all or substantially all of the outstanding Common Shares of rights, options or warrants pursuant to which such holders are entitled, during a period expiring not more than 45 days after the record date for such issue (such period being the "**Rights Period**"), to subscribe for or purchase Common Shares or securities exchangeable for or convertible into Common Shares at a price per share to the holder (or in the case of securities exchangeable for or convertible into Common Shares, at an exchange or conversion price per share) at the date of issue of such securities of less than 95% of the Current Market Price of the Common Shares on such record date (any of such events being called a "**Rights Offering**"), the Exercise Price shall be adjusted effective immediately after the record date for such Rights Offering to the amount determined by multiplying the Exercise Price in effect on such record date by a fraction:
  - (i) the numerator of which shall be the aggregate of
    - A. the number of Common Shares outstanding on the record date for the Rights Offering, and
    - B. the quotient determined by dividing
      - (1) either (a) the product of the number of Common Shares offered during the Rights Period pursuant to the Rights Offering and the price at which such Common Shares

are offered, or, (b) the product of the exchange or conversion price of the securities so offered and the number of Common Shares for or into which the securities offered pursuant to the Rights Offering may be exchanged or converted, as the case may be, by

- (2) the Current Market Price of the Common Shares as of the record date for the Rights Offering; and
- (ii) the denominator of which shall be the aggregate of the number of Common Shares outstanding on such record date and the number of Common Shares offered pursuant to the Rights Offering (including in the case of the issue or distribution of securities exchangeable for or convertible into Common Shares the number of Common Shares for or into which such securities may be exchanged or converted).

If by the terms of the rights, options, or warrants referred to in this clause [5\(2\)\(b\)](#), there is more than one purchase, conversion or exchange price per Common Share, the aggregate price of the total number of additional Common Shares offered for subscription or purchase, or the aggregate conversion or exchange price of the convertible or exchangeable securities so offered, shall be calculated for purposes of the adjustment on the basis of the lowest purchase, conversion or exchange price per Common Share, as the case may be. Any Common Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of any such calculation. To the extent that any adjustment in the Exercise Price occurs pursuant to this clause [5\(2\)\(b\)](#) as a result of the fixing by the Corporation of a record date for the issue or distribution of rights, options or warrants referred to in this clause [5\(2\)\(b\)](#), the Exercise Price shall be readjusted immediately after the expiry of any relevant exchange, conversion or exercise right to the Exercise Price which would then be in effect based upon the number of Common Shares actually issued and remaining issuable after such expiry and shall be further readjusted in such manner upon the expiry of any further such right.

- (c) If at any time during the Adjustment Period the Corporation shall fix a record date for the issue or distribution to the holders of all or substantially all of the outstanding Common Shares of:
  - (i) shares of the Corporation of any class other than Common Shares;
  - (ii) rights, options or warrants to acquire Common Shares or securities exchangeable for or convertible into Common Shares (other than rights, options or warrants pursuant to which holders of Common Shares are entitled, during a period expiring not more than 45 days after the record date for such issue, to subscribe for or purchase Common Shares or securities exchangeable for or convertible into Common Shares at a price per share (or in the case of securities exchangeable for or convertible into Common Shares at an exchange or conversion price per share) at the date of issue of such securities to the holder of at least 95% of the Current Market Price of the Common Shares on such record date);

- (iii) evidences of indebtedness of the Corporation; or
- (iv) any property or assets of the Corporation;

and if such issue or distribution does not constitute a Common Share Reorganization or a Rights Offering (any of such non-excluded events being herein called a "**Special Distribution**"), the Exercise Price shall be adjusted effective immediately after the record date for the Special Distribution to the amount determined by multiplying the Exercise Price in effect on the record date for the Special Distribution by a fraction:

- A. the numerator of which shall be the difference between
  - (1) the product of the number of Common Shares outstanding on such record date and the Current Market Price of the Common Shares on such record date, and
  - (2) the fair value, as determined by the directors of the Corporation, to the holders of Common Shares of the shares, rights, options, warrants, evidences of indebtedness or property or assets to be issued or distributed in the Special Distribution, and
- B. the denominator of which shall be the product obtained by multiplying the number of Common Shares outstanding on such record date by the Current Market Price of the Common Shares on such record date.

Any Common Shares owned by or held for the account of the Corporation shall be deemed not to be outstanding for the purpose of such calculation. To the extent that any adjustment in the Exercise Price occurs pursuant to this clause [5\(2\)\(c\)](#) as a result of the fixing by the Corporation of a record date for the issue or distribution of rights, options or warrants to acquire Common Shares or securities exchangeable for or convertible into Common Shares referred to in this clause [5\(2\)\(c\)](#), the Exercise Price shall be readjusted immediately after the expiry of any relevant exercise, exchange or conversion right to the amount which would then be in effect based upon the number of Common Shares issued and remaining issuable after such expiry and shall be further readjusted in such manner upon the expiry of any further such right.

- (d) If at any time during the Adjustment Period there shall occur:
  - (i) a reclassification or redesignation of the Common Shares, a change of the Common Shares into other shares or securities or any other capital reorganization involving the Common Shares other than a Common Share Reorganization;
  - (ii) a consolidation, amalgamation or merger of the Corporation with or into another body corporate which results in a reclassification or redesignation of the Common Shares or a change of the Common Shares into other shares or securities;

- (iii) the transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation or entity;

(any of such events being called a "**Capital Reorganization**"), after the effective date of the Capital Reorganization the Warrantholder shall be entitled to receive, and shall accept, for the same aggregate consideration, upon exercise of the Warrants, in lieu of the number of Common Shares to which the Warrantholder was theretofore entitled upon the exercise of the Warrants, the kind and aggregate number of shares and other securities or property resulting from the Capital Reorganization which the Warrantholder would have been entitled to receive as a result of the Capital Reorganization if, on the effective date thereof, the Warrantholder had been the registered holder of the number of Common Shares which the Warrantholder was theretofore entitled to purchase or receive upon the exercise of the Warrants. If necessary, as a result of any such Capital Reorganization, appropriate adjustments shall be made in the application of the provisions of this Warrant Certificate with respect to the rights and interests thereafter of the Warrantholder to the end that the provisions shall thereafter correspondingly be made applicable as nearly as may reasonably be possible in relation to any shares or other securities or property thereafter deliverable upon the exercise of the Warrants.

- (e) If at any time during the Adjustment Period any adjustment or readjustment in the Exercise Price shall occur pursuant to the provisions of clause [5\(2\)\(a\)](#), [5\(2\)\(b\)](#) or [5\(2\)\(c\)](#) of this Warrant Certificate, then the number of Common Shares purchasable upon the subsequent exercise of the Warrants shall be simultaneously adjusted or readjusted, as the case may be, by multiplying the number of Common Shares purchasable upon the exercise of the Warrants immediately prior to such adjustment or readjustment by a fraction which shall be the reciprocal of the fraction used in the adjustment or readjustment of the Exercise Price.

- (1) **Rules:** The following rules and procedures shall be applicable to adjustments made pursuant to subsection [5\(2\)](#) hereof:

- (a) Subject to the following clauses of this subsection [5\(3\)](#), any adjustment made pursuant to subsection [5\(2\)](#) hereof shall be made successively whenever an event referred to therein shall occur.
- (b) No adjustment in the Exercise Price shall be required unless such adjustment would result in a change of at least one per cent in the then Exercise Price and no adjustment shall be made in the number of Common Shares purchasable or issuable on the exercise of the Warrants unless it would result in a change of at least one one-hundredth of a Common Share; provided, however, that any adjustments which except for the provision of this clause [5\(3\)\(b\)](#) would otherwise have been required to be made shall be carried forward and taken into account in any subsequent adjustment. Notwithstanding any other provision of subsection [5\(2\)](#) hereof, no adjustment of the Exercise Price shall be made which would result in an increase in the Exercise Price or a decrease in the number of Common Shares issuable upon the exercise of the Warrants (except in respect of the Common Share Reorganization described in subclause [5\(2\)\(a\)\(iv\)](#) hereof or a Capital Reorganization described in subclause [5\(2\)\(d\)\(ii\)](#) hereof).

- (c) No adjustment in the Exercise Price or in the number or kind of securities purchasable upon the exercise of the Warrants shall be made in respect of any event described in section [5](#) hereof if the Warrantholder is entitled to participate in such event on the same terms *mutatis mutandis* as if the Warrantholder had exercised the Warrants prior to or on the record date or effective date, as the case may be, of such event.
  - (d) No adjustment in the Exercise Price or in the number of Common Shares purchasable upon the exercise of the Warrants shall be made pursuant to subsection [5\(2\)](#) hereof in respect of the issue from time to time of Common Shares pursuant to this Warrant Certificate or pursuant to any stock option, stock purchase or stock bonus plan in effect from time to time for directors, officers or employees of the Corporation and/or any subsidiary of the Corporation and any such issue, and any grant of options in connection therewith, shall be deemed not to be a Common Share Reorganization, a Rights Offering nor any other event described in subsection [5\(2\)](#) hereof.
  - (e) If at any time during the Adjustment Period the Corporation shall take any action affecting the Common Shares, other than an action described in subsection [5\(2\)](#) hereof, which in the opinion of the directors would have a material adverse effect upon the rights of Warranholders, either or both the Exercise Price and the number of Common Shares purchasable upon exercise of Warrants shall be adjusted in such manner and at such time by action by the directors, in their sole discretion, as may be equitable in the circumstances. Failure of the taking of action by the directors so as to provide for an adjustment prior to the effective date of any action by the Corporation affecting the Common Shares shall be deemed to be conclusive evidence that the directors have determined that it is equitable to make no adjustment in the circumstances.
  - (f) If the Corporation shall set a record date to determine holders of Common Shares for the purpose of entitling such holders to receive any dividend or distribution or any subscription or purchase rights and shall, thereafter and before the distribution to such holders of any such dividend, distribution or subscription or purchase rights, legally abandon its plan to pay or deliver such dividend, distribution or subscription or purchase rights, then no adjustment in the Exercise Price or the number of Common Shares purchasable upon exercise of the Warrant shall be required by reason of the setting of such record date.
  - (g) In any case in which this Warrant Certificate shall require that an adjustment shall become effective immediately after a record date for an event referred to in subsection [5\(2\)](#) hereof, the Corporation may defer, until the occurrence of such event:
    - (i) issuing to the Warrantholder, to the extent that the Warrants are exercised after such record date and before the occurrence of such event, the additional Common Shares or other securities issuable upon such exercise by reason of the adjustment required by such event; and
    - (ii) delivering to the Warrantholder any distribution declared with respect to such additional Common Shares or other securities after such record date and before such event;
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provided, however, that the Corporation shall deliver to the Warrantholder an appropriate instrument evidencing the right of the Warrantholder upon the occurrence of the event requiring the adjustment, to an adjustment in the Exercise Price or the number of Common Shares purchasable upon the exercise of the Warrants and to such distribution declared with respect to any such additional Common Shares issuable on the exercise of the Warrants.

- (h) In the absence of a resolution of the directors fixing a record date for a Rights Offering, the Corporation shall be deemed to have fixed as the record date therefor the date of the issue of the rights, options or warrants issued pursuant to the Rights Offering.
  - (i) In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Common Shares purchasable upon the exercise of the Warrants, the Corporation shall submit the disputed determinations or arithmetic calculations via electronic mail within two (2) business days of receipt of the subscription form giving rise to such dispute, as the case may be, to the Warrantholder. If the Warrantholder and the Corporation are unable to agree upon such determination or calculation of the Exercise Price or the Common Shares purchasable upon the exercise of the Warrants within three (3) business days of such disputed determination or arithmetic calculation being submitted to the Warrantholder, then the Corporation shall, within two (2) business days, submit via electronic mail (a) the disputed determination of the Exercise Price to an independent, reputable investment bank selected by the Corporation and approved by the Warrantholder or (b) the disputed arithmetic calculation of the Common Shares purchasable upon the exercise of the Warrants to the Corporation's independent, outside accountant. The Corporation shall cause at its expense the investment bank or the accountant, as the case may be, to perform the determinations or calculations and notify the Corporation and the Warrantholder of the results no later than ten (10) business days from the time it receives the disputed determinations or calculations. Such investment bank's or accountant's determination or calculation, as the case may be, shall be binding upon all parties absent demonstrable error.
  - (j) As a condition precedent to the taking of any action which would require an adjustment pursuant to subsection [5\(2\)](#) hereof, including the Exercise Price and the number or class of Common Shares or other securities which are to be received upon the exercise thereof, the Corporation shall take any action which may, in the opinion of counsel to the Corporation, be necessary in order that the Corporation may validly and legally issue as fully paid and non-assessable shares all of the Common Shares or other securities which the Warrantholder is entitled to receive in accordance with the provisions of this Warrant Certificate.
- (2) Notice: At least 21 days prior to the earlier of the record date or effective date of any event which requires or might require an adjustment in any of the rights of the Warrantholder under this Warrant Certificate, including the Exercise Price or the number of Common Shares which may be purchased under this Warrant Certificate, the Corporation shall deliver to the Warrantholder a certificate of the Corporation specifying the particulars of such event and, if determinable, the required adjustment and the calculation of such adjustment. In case any adjustment for which a notice in this subsection [5\(4\)](#) has been given is not then determinable, the Corporation shall promptly
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after such adjustment is determinable deliver to the Warrantholder a certificate providing the calculation of such adjustment. The Corporation hereby covenants and agrees that the register of transfers and share transfer books for the Common Shares will be open, and that the Corporation will not take any action which might deprive the Warrantholder of the opportunity of exercising the rights of subscription contained in this Warrant Certificate, during such 21 day period.

6. **Further Assurances:** The Corporation hereby covenants and agrees that it will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, all and every such other act, deed and assurance as the Warrantholder shall reasonably require for the better accomplishing and effectuating of the intentions and provisions of this Warrant Certificate.
7. **Time of Essence:** Time shall be of the essence of this Warrant Certificate.
8. **Governing Laws:** This Warrant Certificate shall be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
9. **Notices:** All notices or other communications to be given under this Warrant Certificate shall be delivered by hand or by recorded electronic communication and, if delivered by hand, shall be deemed to have been given on the delivery date and, if sent by recorded electronic communication, on the date of transmission if sent before 5:00 p.m. on a business day or, if such day is not a business day, on the first business day following the date of transmission.

Notices to the Corporation shall be addressed to:

Assure Holdings Corp. 4600 South  
Ulster Street Denver, Colorado 80237  
Attention: John Farlinger, CEO Email:  
john.farlinger@assureiom.com

Notices to the Warrantholder shall be addressed to the address of the Warrantholder set out on page 2 of this Warrant Certificate.

The Corporation and the Warrantholder may change its address for service by notice in writing to the other of them specifying its new address for service under this Warrant Certificate.

10. **Legend on Common Shares:**

Any certificate representing Common Shares issued upon the exercise of the Warrants prior to the date which is four months and one day after the date hereof will bear the following legends:

"UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE SHALL NOT TRADE THE SECURITIES BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER JUNE 14, 2021.

WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR

THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL OCTOBER 15, 2021."

provided that at any time subsequent to the date which is four months and one day after the date hereof any certificate representing such Common Shares may be exchanged for a certificate bearing no such legend. The Corporation shall use the best efforts thereof to cause the registrar and transfer agent to deliver the certificate representing such Common Shares within ten (10) business days after receipt of the legended certificate or certificates.

In addition to the foregoing, any certificate representing Common Shares issued upon exercise of the Warrants will bear the following legend:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, PLEDGED, ENCUMBERED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION UNDER THE SECURITIES ACT, AND EXCEPT AS SET FORTH BELOW. BY ITS ACQUISITION HEREOF, THE HOLDER AGREES THAT IT WILL NOT OFFER, RESELL OR OTHERWISE TRANSFER THIS SECURITY, EXCEPT (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (B) TO ASSURE HOLDINGS CORP., (C) IN COMPLIANCE WITH (i) RULE 144A UNDER THE U.S. SECURITIES ACT TO A PERSON THE SELLER REASONABLY BELIEVES TO BE A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A); OR (ii) RULE 144 UNDER THE U.S. SECURITIES ACT ("RULE 144"), IF AVAILABLE (D) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATIONS UNDER THE SECURITIES ACT, OR (E) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS.

ADDITIONALLY, FOR ANY TRANSFER REFERRED TO IN CLAUSE (C)(ii) or (E), OR IF REQUESTED BY ASSURE HOLDINGS CORP. OR THE TRANSFER AGENT FOR THE SECURITIES, (D), THE HOLDER MUST, PRIOR TO SUCH TRANSFER, FURNISH TO THE COMPANY OR TRANSFER AGENT SUCH CERTIFICATIONS, LEGAL OPINIONS OR OTHER INFORMATION AS THE COMPANY OR THE TRANSFER AGENT MAY REASONABLY REQUIRE TO CONFIRM THAT SUCH TRANSFER IS BEING MADE PURSUANT TO AN EXEMPTION FROM OR IN A TRANSACTION NOT SUBJECT TO THE REGISTRATION REQUIREMENT OF THE SECURITIES ACT. THE HOLDER HEREOF AGREES THAT IT WILL NOT, DIRECTLY OR INDIRECTLY, ENGAGE IN ANY HEDGING TRANSACTION WITH REGARD TO THE SECURITIES EXCEPT AS PERMITTED BY THE SECURITIES ACT.

11. **Lost Certificate:** If this Warrant Certificate or any replacement hereof becomes stolen, lost, mutilated or destroyed, the Corporation shall, on such terms as it may in its discretion impose, acting reasonably, issue and deliver a new certificate, in form identical hereto but with appropriate changes, representing any unexercised portion of the subscription rights represented hereby to replace the certificate so stolen, lost, mutilated or destroyed.
  12. **Language:** The parties hereto acknowledge and confirm that they have requested that this Warrant Certificate as well as all notices and other documents contemplated hereby be drawn up in the English language. Les parties aux présentes reconnaissent et confirment qu'elles ont exigé que la présente convention ainsi que tous les avis et documents qui s'y rattachent soient rédigés en langue anglaise.
  13. **Non-Transferable:** The Warrants are non-transferable and are also subject to the restrictions contained herein including any restrictive legends on this Warrant Certificate.
  14. **Successors and Assigns:** This Warrant Certificate shall enure to the benefit of the Warranholder and the successors and assignees thereof and shall be binding upon the Corporation and the successors thereof.
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IN WITNESS WHEREOF the Corporation has caused this Warrant Certificate to be signed by an authorized officer as of the 14 day of June, 2021.

**ASSURE HOLDINGS CORP.**

Per:  \_\_\_\_\_  
Authorized Signing Officer

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#4119003

**SCHEDULE A SUBSCRIPTION**

**FORM**

TO: ASSURE HOLDINGS CORP.

The undersigned hereby:

1. subscribes for \_\_\_\_\_ common shares ("**Common Shares**") of Assure Holdings Corp. (the "**Corporation**") (or such other number of common shares or other securities to which such subscription entitles the undersigned in lieu thereof or in addition thereto pursuant to the provisions of the warrant certificate (the "**Warrant Certificate**") dated the 14 day of \_\_\_\_\_, 2021 (the "**Issuance Date**") issued by the Corporation) at the purchase price of US\$1.51 per Common Share (or at such other purchase price as may be in effect under the provisions of the Warrant Certificate) and on and subject to the other terms and conditions specified in the Warrant Certificate and hereunder and encloses herewith a certified cheque, bank draft or money order in lawful money of the United States of America payable to the Corporation or has transmitted same day funds in lawful money of the United States of America by wire to such account as the Corporation directed the undersigned in payment of the subscription price.

By executing this subscription form, the undersigned hereby acknowledges, represents and warrants:

- (1) That the following legends will be placed on the certificates representing the Common Shares being acquired if the Warrants are exercised prior to four months plus one day from the Issuance Date:

"UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE SHALL NOT TRADE THE SECURITIES BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER JUNE 14, 2021.

WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL OCTOBER 15, 2021."

and, in addition to the foregoing legends, the following legends will be placed on the certificates representing the Common Shares irrespective of the date of exercise:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER ANY STATE SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, PLEDGED, ENCUMBERED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, REGISTRATION UNDER THE SECURITIES ACT, AND EXCEPT AS SET FORTH BELOW. BY ITS ACQUISITION HEREOF, THE HOLDER AGREES THAT IT WILL NOT OFFER,

RESELL OR OTHERWISE TRANSFER THIS SECURITY, EXCEPT (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (B) TO ASSURE HOLDINGS CORP., (C) IN COMPLIANCE WITH (i) RULE 144A UNDER THE U.S. SECURITIES ACT TO A PERSON THE SELLER REASONABLY BELIEVES TO BE A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A); OR (ii) RULE 144 UNDER THE U.S. SECURITIES ACT ("RULE 144"), IF AVAILABLE (D) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATIONS UNDER THE SECURITIES ACT, OR (E) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS. ADDITIONALLY, FOR ANY TRANSFER REFERRED TO IN CLAUSE (C) (ii) or (E), OR IF REQUESTED BY ASSURE HOLDINGS CORP. OR THE TRANSFER AGENT FOR THE SECURITIES, (D), THE HOLDER MUST, PRIOR TO SUCH TRANSFER, FURNISH TO THE COMPANY OR TRANSFER AGENT SUCH CERTIFICATIONS, LEGAL OPINIONS OR OTHER INFORMATION AS THE COMPANY OR THE TRANSFER AGENT MAY REASONABLY REQUIRE TO CONFIRM THAT SUCH TRANSFER IS BEING MADE PURSUANT TO AN EXEMPTION FROM OR IN A TRANSACTION NOT SUBJECT TO THE REGISTRATION REQUIREMENT OF THE SECURITIES ACT. THE HOLDER HEREOF AGREES THAT IT WILL NOT, DIRECTLY OR INDIRECTLY, ENGAGE IN ANY HEDGING TRANSACTION WITH REGARD TO THE SECURITIES EXCEPT AS PERMITTED BY THE SECURITIES ACT.

- (2) That the undersigned is not a U.S. Person, or a Person in the United States, and is not acquiring any of the Common Shares issuable upon the exercise of the Warrants for the account or benefit of, a U.S. Person or Person in the United States and none of the persons listed above is a U.S. Person or a Person in the United States. For purposes hereof, (a) "United States" means the United States of America, its territories or possessions, any state thereof or the District of Columbia and (b) a "U.S. Person" means any natural person resident in the United States, any partnership or corporation organized or incorporated under the laws of the United States, any estate of which any executor or administrator is a U.S. Person, any trust of which any trustee is a U.S. Person, any agency or branch of a foreign entity located in the United States, any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person, any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized or incorporated, or, if an individual, resident, in the United States or any partnership or corporation organized or incorporated under the laws of a country other than the United States if formed by a U.S. Person principally for the purpose of investing in securities not registered under the United States Securities Act of 1933, as amended.

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The undersigned hereby directs that the Common Shares subscribed for pursuant to the exercise of the Warrant be registered in the name of and delivered as follows:

<u>Name in Full</u>	<u>Address</u>	<u>Number of Warrants Hereby Exercised</u>

DATED this \_\_\_ day of \_\_\_\_\_, 20\_\_.

(Print Name)

By:

\_\_\_\_\_  
(Signature)