

REVOLVING CREDIT AGREEMENT

THIS AGREEMENT made effective as of the ____ day of _____, _____.

BETWEEN:

[NAME OF LENDER]
a _____ corporation with a head office address at

("Lender")

- and -

[NAME OF BORROWER]
a _____ corporation with a head office address at

("Borrower")

- and -

[NAME OF GUARANTOR]
a _____ corporation with a head office address at

("Guarantor")

WHEREAS Lender has agreed to offer Borrower the credit facilities described below (the "Credit Facilities") for the purpose of financing Borrower's business operating requirements, subject to the following terms and conditions.

NOW THEREFORE in consideration of the premises and the covenants, agreements, representations and warranties hereinafter set forth, the parties hereto agree as follows:

1. Definitions and Interpretation

1.1 Wherever used throughout this Agreement, the following terms shall have the following meanings:

"Applicable Laws" means, with respect to any Person, property, transaction or event, all present or future Applicable Laws, statutes, regulations, rules, orders, codes, treaties, conventions, judgements, awards, determinations and decrees of any governmental, regulatory, fiscal or monetary body or court of competent jurisdiction in any applicable jurisdiction;

"Business Day" means a day, excluding Saturday, Sunday and any other day which is a legal holiday or a day on which banking institutions are closed in the Province of Ontario;

"Contaminant" includes, without limitation, any pollutant, dangerous substance, liquid waste, industrial waste, hazardous material, hazardous substance or contaminant including any of the foregoing as defined in any Environmental Law.

"Current Assets" means, at any time, those assets ordinarily realizable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year.

"Current Liabilities" means, at any time, amounts payable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year (the operating cycle must correspond with that used for current assets).

“Environmental Activity” means any activity, event or circumstance in respect of a Contaminant, including, without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation, or its Release into the natural environment, including movement through or in the air, soil, surface water or groundwater.

“Environmental Laws” means all Applicable Laws relating to the environment or occupational health and safety, or any Environmental Activity.

“GAAP” means generally accepted accounting principles in effect from time to time in Canada applied in a consistent manner from period to period.

“Person” includes an individual, a partnership, joint venture, trust, company, corporation, association, organization, government or any department or agency thereof, and any other incorporated or unincorporated entity.

“Release” includes discharge, spray, inject, inoculate, abandon, deposit, spill, leak, seep, pour, emit, empty, throw, dump, place and exhaust, and used as a noun has a similar meaning.

“Tangible Net Worth” means the total of a party’s equity less intangibles, deferred charges and leasehold improvements. For the purpose hereof, intangibles are assets lacking physical substance.

“Total Liabilities” means all liabilities, exclusive of deferred tax liabilities and preferred shares.

1.2 Unless otherwise provided, all dollar amounts are in Canadian currency and accounting terms are to be interpreted in accordance with GAAP.

1.3 The division of this Agreement into Articles and Sections and the insertion in this Agreement of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.4 Words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders.

2. Credit Facilities

2.1 *Amount.* Revolving demand facility to a maximum amount of _____ Dollars (\$_____) (the “Borrowing Limit”) by way of _____ loans (the “Loans”). Each use of the Credit Facilities is referred to as a “Borrowing” and all such usages outstanding at any time are “Borrowings”.

2.2 *Availability.* Borrower may borrow any amount up to the Borrowing Limit by providing written notice to Lender, which notice shall include the amount of such borrowing, the date of such borrowing and certification as to the satisfaction of Lender’s conditions. Within the limits set forth in this Agreement, Borrower may borrow, repay and re-borrow amounts under this Agreement, provide that the aggregate principal balance outstanding under this Agreement at any given time shall not exceed _____ Dollars (\$_____). This facility is made available at the sole discretion of Lender, and Lender may cancel or restrict availability of any unused portion of the Credit Facilities at any time and from time to time without notice or demand.

2.3 *Repayment.* Notwithstanding compliance with the covenants and all other terms and conditions of this Agreement, Borrowings are repayable on demand, and Lender may terminate the Credit Facilities at any time, without notice or demand. Upon demand or termination, Borrower shall pay Lender all Borrowings outstanding, and all interest and fees payable thereon. All payments of principal and interest shall be payable in lawful money of Canada at Lender’s office address as set out herein, or such other address as Lender may from time to time designate in writing.

2.4 *Overdue Payments.* Any amount that is not paid when due hereunder shall, unless interest is otherwise payable in respect thereof in accordance with the terms of this Agreement or the instrument governing same, bear interest until paid at the rate of Lender's then current prime commercial rate plus ____ percent (____%) per annum.

THIS IS AN 11-PAGE AGREEMENT.