

## Cover Page and Summary



\*Full Name: \_\_\_\_\_

\*Street Address: \_\_\_\_\_

\*City: \_\_\_\_\_ \*Province: \_\_\_\_\_

\*Postal Code: \_\_\_\_\_ \*Telephone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_ Cell Number: \_\_\_\_\_

\*Email Address: \_\_\_\_\_

\*Social Insurance Number: \_\_\_\_\_

Number of DGC Purchased: \_\_\_\_\_ Total Price of DGCs: \$ \_\_\_\_\_

Payment Terms:  Full Payment Now  Credit Terms Initial Deposit Amount: \$ \_\_\_\_\_

Cash Donation to Charity:  1% of DGC  2% of DGC Amount: \$ \_\_\_\_\_

Membership Fee to PGC: \$ \_\_\_\_\_ **Total Payment Required:** \$ \_\_\_\_\_  
(2% of DGC Value)

Signature of Donor: \_\_\_\_\_ Date: \_\_\_\_\_

Affiliate No. \_\_\_\_\_ Affiliate Name: \_\_\_\_\_

\*Required Information

### **TAX SHELTER IDENTIFICATION #: TS093765**

The identification number issued for this tax shelter shall be included in any income tax return filed by the investor. Issuance of the identification number is for administrative purposes only and does not in any way confirm the entitlement of an investor to claim any tax benefits associated with the tax shelter

# Purchase Agreement

This agreement is made between: \_\_\_\_\_  
(Print Name- hereinafter called the "Purchaser")

and Justice Trading Ltd. (hereinafter called the "Vendor").

In consideration of the mutual covenants contained herein and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each party), the parties hereby agree as follows:

1. Agreement to Purchase Assets. Subject to the terms of this Agreement, the Vendor shall sell, and the Purchaser shall purchase, a stated quantity of Donation Gift Certificates ("DGCs"), as indicated by the Purchaser on the Application Form of this Agreement.
  - a. Each DGC is a uniquely-coded, electronically recorded and issued, ONE DOLLAR (\$1.00 CDN) gift certificate, in the form shown in Appendix A, and is redeemable by the holder for goods of the Vendor, in accordance with the DGC Terms and Conditions.
  - b. DGCs are sold in Booklets containing multiple quantities of DGCs.
2. Delivery of Assets. Once the funds therefor are confirmed available and releasable by an independent Canadian escrow agent ("The Escrow Agent"), at a closing to take place from time to time ("The Closing"), the Vendor will electronically issue the corresponding DGCs by validating the Promoter to issue the Booklet of DGCs directly to the Purchaser on the Promoter website.
  - a. In the event that the Purchaser wishes to pledge one or more DGCs to a particular Charity, under a duly signed Limited Power of Attorney ("LPA") granted to the Vendor in order to expedite the donation of the DGCs, the DGCs will be either transferred or issued directly to the Charity electronically, and record of such donation will be duly recorded by the Vendor, Promoter, and Charity, and evidence of same will be provided to the Purchaser on the Promoter's website; however donation receipts for same will be issued by and are the responsibility of the Charity.
3. Purchase Price. The purchase price payable to the Vendor for the DGCs (the "Purchase Price") shall be the face value of the combined DGCs in lawful money of Canada.
4. Credit Option: The Purchaser may leverage his/her purchase (and gift) of DGCs by entering into a credit financing purchase order arrangement with the Vendor.
  - a. The Purchaser must confirm their request to apply for the financing option by indicating same on the Application Form of this Agreement.
  - b. If a Purchaser confirms their request to finance their purchase of DGCs, they must then also demonstrate their willingness to be bound by the Credit Agreement that forms part of this Agreement, by duly signing the Credit Agreement.
5. Quantity of DGCs Purchased The Purchaser may choose from the available quantity of DGCs offered by the Vendor. The minimum purchase is 10,000 DGCs and in 1,000 additional increments up to a maximum of 500,000.

**Number of DGCs to be Purchased:** \_\_\_\_\_ **(each with a face value of \$1.00 Cdn money)**

**Total Purchase Price:** \$ \_\_\_\_\_

**Payment Terms Requested:**  **Full Payment Now**  **Credit Terms**

Purchasers Information

\*Full Name: \_\_\_\_\_

\*Street Address: \_\_\_\_\_

\*City, Province, Postal Code: \_\_\_\_\_

\*Telephone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

Cell Number: \_\_\_\_\_

\*Email Address: \_\_\_\_\_

\*Social Insurance Number: \_\_\_\_\_

Purchaser Signature: \_\_\_\_\_ Date: \_\_\_\_\_

\*Required Information

## Limited Power of Attorney

Upon acceptance of the Purchase Agreement, the UNDERSIGNED irrevocably constitutes and appoints Justice Trading Ltd or its assignees, as the UNDERSIGNED'S true and lawful attorney and agent on behalf of the undersigned with full power and authority in the name, place, and stead of the undersigned and for the benefit of the undersigned to immediately and unconditionally and irrevocably:

[1] Share all information in connection with this Agreement with the Promoter, the Escrow Agent, and the Charity.

[2] Complete, sign, date and deliver to Justice Trading Ltd the DGC Purchase Agreement and any and all documentation in connection with the transactions contemplated by the Purchase Agreement;

[3] Deliver to the Charity, the Pledge, including The Undersigned's Pledge for a gift of cash ("the Pledged Amount"), with payment in full therefor, and the Undersigned's Pledge for a gift of the DGCs (as defined in the Pledge), with issuance of the DGCs effected in full and delivered to the Charity;

[4] Correct any handwritten insertions made to all documentation delivered in connection with the Purchase Agreement (other than contained on this page), to the extent that such handwritten insertions are inconsistent with or conflict with the type-written provisions of this page, which provisions on this page shall govern.

Purchaser's Signature: X\_\_\_\_\_

## Acknowledgement of Risk

I understand and acknowledge that because this program is a registered gifting arrangement with Canada Revenue Agency (CRA) identification number TS089375 that the CRA is likely to audit the program for compliance to tax law. It is also likely that CRA will issue a reassessment to participants with the intent to deny the tax credits to participants. I therefore hereby apply to Profitable Giving Canada (PGC) as a Program Member, for assistance and guidance to deal with the CRA. I also understand that PGC intends to appeal to the Tax Court of Canada to have such potential reassessments vacated, if they are issued. I further acknowledge that PGC may or may not be successful in its defence of the program and I agree to accept the results as determined by the Tax Court of Canada.

I also understand and acknowledge that this is not an investment of any kind. My intention in participating in the Proposition Life program is to purchase Gift Certificates, redeemable for essential medicines, and either redeem them myself, or donate them to charity for humanitarian relief around the world. If I elect to donate the certificates, I expect to receive a tax credit for my charitable donation, which may or may not be more than my out of pocket cost over 4 years. This depends on whether I financed my purchase or not, and if financed, how and when I settle my debt with the lender

Purchaser's Signature: X\_\_\_\_\_

## Cash Pledge and Donation

**Aid for Aids Canada** provides lifesaving medicines and services to various and numerous countries around the world.

I, the undersigned (the "Donor"), hereby unconditionally pledge a gift of cash and a gift of a quantity of Pharmaceutical Donation Gift Certificates (DGCs) to the charity as indicated below:

**Aid for Aids** Canadian Charity registration number 762877926 RR0001

**Number of DGCs :** \_\_\_\_\_ **Face Value of DGCs : \$** \_\_\_\_\_

**Gift of Cash:** \$ \_\_\_\_\_  1% or  2% of Donation Gift Certificates full face value.

**Donor Information** (All fields marked with an asterisk (\*) are Mandatory and MUST be completed)

\*Full Name: \_\_\_\_\_

\*Street Address: \_\_\_\_\_

\*City, Province, Postal Code: \_\_\_\_\_

\*Tel: \_\_\_\_\_

Cell: \_\_\_\_\_

\*Email \_\_\_\_\_

This Pledge is intended to be binding upon the Donor as if it has been delivered directly to the Charity by the Donor. The undersigned acknowledges and agrees that (i) this Pledge is made by the undersigned voluntarily and without expectation of any benefit, consideration, privilege, recognition, or advantage of any nature from the Charity, other than an income tax receipt in prescribed form for the eligible amounts of the gifts given (the "Donation") and (ii) the undersigned has not imposed any limitation or other restriction of any nature on the use to which the Charity may make of the Donation, and the Charity may apply or use the Donation in such manner as it may in its sole unfettered discretion consider advisable.

This Pledge Agreement between the Donor and the Charity shall constitute the entire agreement between the parties hereto in respect of the subject matter hereof. The Donor hereby covenants and agrees to be bound by the terms and conditions of the Pledge Agreement and to perform its obligations under the Pledge Agreement. The parties agree that the donation shall take place in New Brunswick, the place of business of the Charity, but shall be subject exclusively to the laws of Ontario and the laws of Canada applicable therein.

**SIGNED** this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

DONOR`s Signature: \_\_\_\_\_

*Make your donations a Tribute donation in honor of someone special or a special occasion.*

**Tribute:** \_\_\_\_\_

\_\_\_\_\_

## Credit Agreement

SUBMITTED AND AGREED TO BY: \_\_\_\_\_  
(the "Applicant", or Purchaser", or "Debtor")

TO AND IN FAVOUR OF: **Justice Trading Ltd.** (the "Creditor", also the "Vendor")

### WHEREAS

The Applicant (interchangeably the "Debtor" or "Purchaser" or "Donor") has agreed to be legally bound to purchase a stated amount of Donation Gift Certificates ("DGCs") ("the Principal Amount") from the Vendor in the DGC Purchase Agreement. Principal Amount: \$ \_\_\_\_\_

The Creditor acknowledges that the Debtor has delivered to the Creditor, or to its designated Escrow Agent the sum of \$ \_\_\_\_\_ (the "Initial Deposit" or "Initial Payment") of interest covering 6 years' worth of interest on the Principal Amount (2 percent interest per year, multiplied by 6 years advance payment, multiplied by the combined Face Value of all DGCs- the Purchase Price).

The Debtor acknowledges that the Creditor will rely on the representations and warranties and other information made by the Applicant within the Credit Application as detailed in Schedule B made herein in deciding whether to accept this Credit Agreement and Limited Power of Attorney.

Upon the acceptance of this Credit Agreement by the Creditor, as evidenced by its signing the acceptance below, the parties hereby agree:

- a) this Credit Agreement together with Schedule A and B hereto shall collectively constitute a loan agreement ("Loan Agreement") between the Debtor and the Creditor, which shall constitute the entire agreement between the parties hereto in respect of the subject matter hereof and thereof; and
- b) the Credit Amount is defined as the unpaid principal amount of the purchase price and stated Face Value amount of the combined Donation Gift Certificates (the "Credit Amount") for which the Purchaser seeks a credit facility and is the amount upon which prepaid interest is calculated and paid and it is equal to the Principal Amount, notwithstanding related interest cost; and
- c) the Debtor hereby covenants and agrees to be bound the Terms and Conditions of the Credit Agreement and to perform its obligations under the Credit Agreement.

The Debtor acknowledges that the Debtor has been advised to and has been given the opportunity to obtain independent legal advice with respect to the Credit Agreement, including all schedules hereto. The Debtor further acknowledges that the Debtor is not relying on any representations (expressed or implied) made by any other person or entity other than what is contained in the Credit Agreement.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

The Creditor hereby accepts the above Credit Agreement this date of \_\_\_\_\_.

JUSTICE TRADING LTD

Per:

[Please note this is a legal document and any changes/corrections must be initialed by the Debtor.]

## SCHEDULE A

### 1. The Loan

1. Upon acceptance of this Credit Agreement by the Creditor, the Creditor shall sell the Debtor the stated amount of DGCs, on credit, (with full ownership to the DGCs transferring immediately to the Debtor/Purchaser, with no requirement of any payment towards the principal (the Purchase Price of the DGCs) for six (6) years, and if additional yearly interest amounts are paid in advance again at that time, then no requirement of any payment towards the principal of the DGCs for up to ten years.
2. Upon acceptance of this Credit Agreement, the Purchaser will make an Initial Deposit which constitutes a payment of cash, in trust, to the Escrow Agent, for an amount totalling TWO PERCENT (2%) interest per year, on the Purchase Price of the DGCs, covering a minimum period of SIX (6) YEARS (i.e. the Initial Deposit of interest for six years equals 12% of the total Purchase Price of the DGCs).
3. In the event that the Debtor does not fully settle the principal in connection with the Initial Deposit by the time that the Initial Deposit has fully accrued in 6 years, the Debtor must either settle the entire indebtedness, within 60 days, or the Debtor may exercise his/her single-use right to extend the term of the debt by up to four more years (for a total combined term of debt not to exceed ten (10) years), by paying to the Vendor an amount of interest, within 60 days, at 2% per year, multiplied by the combined Face Value of all DGCs. No further extensions will exist under this Agreement.
4. The entire indebtedness, including all outstanding principal of the Credit Amount and unpaid interest amounts (“the Loan”) must be paid back to the Creditor no later than ten years from the day this Agreement is commenced (if prepaid interest will have been paid in advance for ten years); or in the event that prepaid interest is only paid once in advance for six (6) years, then the total indebtedness must be paid back no later than six (6) years; or in the event of an extension of the debt by the further payment of prepaid interest, then the total indebtedness must be paid back within sixty (60) days from the last day upon which the last remaining cent of prepaid interest accrued.
5. The Loan shall be due and payable by the Debtor without the necessity of demand on the date (the “Due Date”) at the end of the term of the Credit Amount which shall be ten (10) years from the date countersigned hereof (the “Loan Term”). However, if after six (6) years when the Initial Deposit has fully accrued, the Purchaser does not, within sixty (60) days of the full accrual, pay a sufficient amount of interest in advance to cover the remaining balance of time of the Loan Term (four (4) years), the entire indebtedness (including outstanding interest and principal) will become immediately payable.
6. The principal amount of the Loan can be satisfied either by,
  - (i) cash transfer, credit card, certified cheque or bank draft for the Credit Amount, or principal of the Loan, plus all outstanding or unpaid interest amounts payable to or to the order of the Creditor, or to the designated Escrow Agent in trust for the Creditor;
  - (ii) the delivery to the Vendor of a reasonably “identical product of DGC redemption”, based on a tracking of what was ordered from the Vendor in the redemption of the Purchaser’s DGCs, whether redeemed directly by the Purchaser of the DGCs or by the Charity that the Purchaser donated his/her DGCs to. A Notice of Identity and Delivery Requirements to assist the Debtor, or groups of Debtors, in sourcing such product to satisfy the Loan/s in this way will be provided to the Purchaser/s, the Promoter, and to the Escrow Agent within a reasonable time after the product of redemption has been itself determined, produced, and delivered, which will among other things take factors into account such as product type, quantity, and quality, as well as expiry date longevity, and other particulars, such as packaging, bottling, labeling, and licensing and customs requirements, as well as details of all the logistical requirements of what sufficiently constitutes acceptable conditions of delivery, storage, reporting, and insurance.
  - (iii) transferring a prorata payment of money, directly to the Creditor or to an elected Escrow Agent, in trust for the Vendor, towards a group payment to the Vendor, based on the same stated prices and amounts of various products in the Vendor’s Catalogue at the time of the signing of this Credit Agreement, of one or more of its product/s, based on the Purchasers desired share of an aggregated payment towards identical product which would satisfy the principal repayment of the Loan, as it will amount exactly to what the underlying DGCs, purchased on credit, were redeemed for to purchase from the Vendor. Any prorata payment made, which is based on creditor catalogue prices is in lieu of replacing identical products through the purchase from 3rd parties and the delivery of same to the creditor.

7. If the Credit Application is not accepted by the Creditor within 30 days of the execution of the Credit Application by the Debtor, (i) the Creditor shall have no obligation to the Debtor, and (ii) the Prepaid Interest (and all other documents or forms accompanying the application) shall be immediately returned to the Debtor without interest or deduction.
8. The Creditor may, at its option exercisable by notice in writing to the Debtor, require the acceleration of the Due Date and the immediate repayment of the whole of the Credit Amount then outstanding and accrued and unpaid interest thereon at any time after any failure of the Debtor to pay when due any amount owing under this Credit Agreement.
9. The Credit Amount shall bear interest, calculated and payable annually in advance, at a rate per annum equal to the Interest Rate of 2%. Notwithstanding the foregoing, the Creditor acknowledges receipt from the Debtor of the Prepaid Interest which shall be paid and applied by the Creditor in partial satisfaction of the said interest obligation that accrues annually for the full term of this loan. Upon the initial prepaid interest being fully applied against interest in respect of the loan, the Debtor agrees that it will remit to the Creditor additional interest instalments in advance, as requested by the Creditor, and these additional interest instalments will be applied against the remaining annual interest incurred during the term of the loan.
10. The Debtor may, at any time during the Loan Term, prepay or satisfy the entire, but not part of, the principal amount of the Loan without notice or bonus by way of cash or satisfaction as outlined in 6 above.
11. If the Debtor exercises the early payment option outlined in 10, the Creditor will refund to the Debtor any and all interest that has been prepaid by the Debtor and that remains on account calculated on a monthly basis after the date of principal repayment.
12. If the Debtor exercises the early payment option outlined in 12 the Debtor hereby acknowledges and agrees that the Lender may charge a prepayment penalty. The prepayment penalty shall be an amount equal to:
- (i) 12% of the loan amount if early principal repayment is made from 1 to 180 days from the date of the loan agreement,
  - (ii) 6% of the loan amount if the early principal repayment is made between 181 and 365 days from the date of the loan agreement.
  - (iii) 6% of the loan amount if the early principal repayment is made between 366 and 730 days from the date of the loan agreement,
  - (iv) 5% of the loan amount if the early principal repayment is made between 731 and 1,095 days from the date of the loan agreement ,
  - (v) 4% of the loan amount if the early principal repayment is made between 1,096 and 1,460 days from the date of the loan agreement,
  - (vi) 2% of the loan amount if the early principal repayment is made between 1461 and 1,825 days from the date of the loan agreement, or
  - (vii) 1% of the loan amount if the early principal repayment is made between 1,826 and 2,190 days from the date of the loan agreement. No prepayment penalty applies for early principal repayment made after 2,190 days from the date of the loan agreement.
13. The Credit Amount, any and all interest accrued thereon, and all other amounts, if any, payable by the Debtor to the Creditor in connection with the Credit Agreement are herein collectively called the "Indebtedness".
14. Subject to the provisions of applicable law, in the event that,
- (i) the Debtor defaults in the payment of all or any portion of the Indebtedness when due,
  - (ii) the Debtor fails upon request to perform any act or execute any document requested by the Creditor pursuant to the provisions hereof,
  - (iii) the Debtor is in default of any of his or her other obligations under the Credit Agreement and has not cured such default within ten (10) days after written notice thereof from the Creditor, or
  - (iv) the Debtor commits an act of bankruptcy, or any proceeding in bankruptcy is commenced against the Debtor and not dismissed within thirty (30) days of such commencement, then the entire unpaid amount of the Indebtedness shall immediately become due and payable, together with interest thereon from the date on which the applicable event occurs at a rate equal to the Interest Rate calculated and payable annually in advance, with interest on overdue interest calculated and payable in the same manner.
15. The Debtor acknowledges and agrees that,



- (i) the Creditor does not, by reviewing the Credit Application, make any commitment to issue the Credit to the Debtor nor to make the Loan in any way, and
- (ii) nothing contained herein or in any other instrument will be interpreted so as to oblige the Creditor to extend any time for payment of the Indebtedness under any circumstances.

\_\_\_\_\_  
Debtor Initials

## **2. Limited Power of Attorney**

1. The Debtor irrevocably constitutes and appoints the Creditor as the Debtor's true and lawful attorney and agent on behalf of the undersigned with full power and authority in the name, place, and stead of the undersigned and for the benefit of the undersigned to, upon the acceptance of this Credit Application by the Creditor, complete, sign, date and deliver to the Creditor any and all other documentation in connection with the transactions contemplated by this Credit Application and limited power of attorney and all schedules attached hereto.

## **3. General**

1. All dollar amounts referred to herein, including the symbol "\$", are expressed and shall be payable in the lawful money of Canada.

2. This Credit Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Each of the Debtor and the Creditor irrevocably submits to the non-exclusive jurisdiction of the courts of Ontario for the purpose of any suit, action or other proceeding arising out of this Credit Agreement or the subject matter hereof brought by either the Debtor or the Creditor or its successors or assigns.

3. Upon acceptance of the Credit Application by the Creditor, the Credit Agreement shall become binding upon the Debtor, and his or her estate in the event of the death of the Debtor, legal personal or estate representatives, and permitted assigns. The Creditor may assign this Credit Agreement without the consent of the Debtor. The Debtor may not assign this Credit Agreement, or any of his or rights of obligations under this Credit Agreement without the prior written consent of the Creditor, which consent may be unreasonably withheld.

4. Any notice or other communication to be given under this Credit Agreement shall be in writing and shall be sufficiently given if delivered in person or sent by prepaid ordinary or registered mail, or email in the case of the Debtor, to the address set out in the Credit Application, or in the case of the Creditor, to its registered office address, or to such other address as may be from time to time indicated by the Creditor to the Debtor as the address for payment of the Credit Amount. Notices or other communications shall be deemed to be received on the date of actual delivery. Either the Debtor or the Creditor may change its address for the purpose of this Section by giving written notice to the other. The Debtor hereby consents to receive documents and notifications in electronic form, such as email, and undertakes to keep the Creditor, and all other entities referred to in this agreement, up to date with current personal information, including email address.

5. The Debtor and the Creditor agree that corrections to this Credit Agreement, if required, may be performed and accepted in the form of either (i) facsimile, (ii) email, or (iii) the initialling of the original Credit Agreement.

\_\_\_\_\_  
Debtor Initials

# Schedule B

## Justice Trading Ltd Credit Application

### Name/Address

Name		Social Insurance Number	
Address:			
City:		Province:	Postal Code:
Phone:		Email:	

### Employment Status

Employer:		Job Title:	
Address:		Supervisor:	
City:	Province:	Postal Code:	Annual Salary/Income::
Phone:	Date From:	Date To:	
Total Current Family Income: (Add Spouse only)			

I hereby certify that the information contained herein is complete and accurate. This information has been furnished with the understanding that it is to be used to determine the amount and conditions of the credit to be extended. Furthermore, I hereby authorize Justice Trading Ltd or it's authorized affiliates, to obtain all necessary information related to the named person, including a credit check, in order to independently determine and verify the information contained herein.

Applicant Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## Appendix A

# Justice Trading Ltd

## DONATION GIFT CERTIFICATE

**FACE VALUE: \$1.00 CDN**

This Booklet of Donation Gift Certificates (DGC) consists of serialized individual DGCs with a face value of \$1.00 each Canadian funds.

**Booklet No:** \_\_\_\_\_ **Qty of DGC:** \_\_\_\_\_

**REFER TO TERMS AND CONDITIONS APPENDED.**

### **DGC Terms and Conditions.**

#### **DGCs and DGC Booklets**

Each Donation Gift Certificate ("DGC") is issued by Justice Trading LTD ("Vendor")

Each DGC is for sale exclusively in connection with the Proposition Life gifting arrangement ("Program").

Each DGC has a face value and cost of ONE CANADIAN DOLLAR (\$1 CDN).

No DGC shall have any intrinsic value other than its monetary exchange value, which shall be equal to its face value.

No DGC shall have an expiry.

Each purchase of DGCs pursuant to the DGC Purchase Agreement is purchased by and issued to a Purchaser/Donor, as part of an electronic booklet of DGCs ("DGC Booklet") for the total number of DGCs purchased at any one time, and all DGCs within any DGC Booklet must be redeemed in full with the Vendor, or transferred/donated in full to a lawful holder ("Lawful Holder") at the same time.

At any moment, the Lawful Holder shall be either a non "Qualified Donee" within the meaning of the *Income Tax Act of Canada* ("ITA"), (such as the Purchaser him/herself), or by a "Qualified Donee" within the meaning of the ITA.

The DGC Booklet identifier, is part of every DGC code ("DGC Code"), and identifies the Purchaser and the specific DGC purchase order under which every DGC within the DGC Booklet was purchased at one time, and it connects every DGC within a particular DGC Booklet to every other DGC within the same DGC Booklet.

DGC Booklets may not be combined for redemption or applied against any one order with the Vendor by the Lawful Holder, notwithstanding that the Lawful Holder is a "Qualified Donee" within the meaning of the *Income Tax Act of Canada* ("ITA"), who is specially designated as a "Participating Charity" by both the Program promoter ("Promoter") and by the Vendor.

#### **Transferability**

Each DGC Booklet is fully directable, transferable, assignable, and donatable upon written notice to the Vendor, either upon providing instructions at time of purchase (such as in the Limited Powers of Attorney and Pledge forms submitted to the Escrow Agent of the Proposition Life Program, in favor of the Vendor), or subsequent to the issuance of the DGCs, and in the event that the Purchaser is the Lawful Holder.

Transfers are final and irrevocable.

Notwithstanding the terms herein, the number of transfers that may take place prior to redemption and over the course of time are not limited.

The transferee shall become the Lawful Holder and all terms and conditions herein shall apply equally to such transferee, or subsequent transferees.

#### **First Redemption of DGC Booklets**

(Towards Order of Officially Requested Humanitarian Aid Products Available for Sale and Delivery in the Vendor's Dispensing Catalogue)

The DGC Booklet is redeemable by the Lawful Holder as money, without bonus or deduction, towards the order of one or more products sold by the Vendor from time to time ("Order").

Each Order shall consist of one or more products on the Vendor's Dispensing Catalogue

An Order shall be made only in writing on the Vendors official product order form ("Order Form").

Each product that may form part of the Order or that may form the entire Order shall be a product for which there exists sufficient corresponding “active” official donation requests for deeming such product essential and deliverable for purposes of either emergency relief or international humanitarian aid (“Active Products”), and such Active Products shall be clearly identified as such from time to time in the Vendor’s Dispensing Catalogue.

Each official donation request for Active Products must either be duly procured by the Vendor or, in the alternative, may be introduced or suggested by the Lawful Holder or its agent, and shall be subject to the Vendor’s standard “request feasibility study”, and final discretion of its serviceability shall remain exclusively with the Vendor.

The Lawful Holder may redeem no more than one (1) DGC Booklet towards any one single Order with the Vendor, unless the Lawful Holder is a Qualified Donee who has duly requested in writing with the Vendor to receive donations of DGCs in connection with the Program, and who is duly designated by the Vendor and the Promoter as participating in the Program (“Participating Charity”), in which case there is no limit as to the number of DGC Booklets that may be combined towards any one Order.

A Lawful Holder who is not a Qualified Donee may nominate a Qualified Donee to become a Participating Charity, and any Qualified Donee may apply at anytime to become a Participating Charity, and final acceptance of such nominations or applications are solely subject to the final discretion of the Vendor and the Promoter.

Upon redemption, the Active Products that comprise the Order will be placed in queue for procurement, production, packaging, storing, and delivery to the designated recipient of official donation-request-issuing-authority (interchangeably, “Requesting Authority”, or “Authority”), together with a notice of delivery with all requisite documents, including but not limited to, all of the DGC Codes within the DGC Booklet redeemed when placing the Order with the Vendor.

A record of redemption, including the type and quantity of product ordered, or to be ordered, together with its intended destination when known, and once completed, will be transmitted to the Promoter and to the original Purchaser for their consideration and review.

In the event that the DGC Booklet is redeemed by a Lawful Holder other than a Participating Charity, same will place an Order directly with the Vendor, and the Vendor shall deliver the Active Products to the selected Requesting Authority, who may or may not elect to use the Vendor’s own proprietary dispensing system, (interchangeably, “Dispensing System”, or “System”), or part of the System. (see below under section entitled “Optional Second Redemption”).

#### **Optional Second Redemption of Dispensing Booklets**

(Vendor’s Proprietary Dispensing System)

In the event that the Requesting Authority elects to use the System, each unique DGC Booklet, which was already redeemed with the Vendor for its Active Products, bearing some number of unique DGC Codes, shall then be passed on to and grouped by the Requesting Authority and may then be distributed, at the Authority’s full discretion, to one or more of its identified and selected end-users (“Recipients”), as it sees fit, in the form of electronic dispensing coupon booklets (“Dispensing Booklet”) used strictly for dispensing purposes.

Each Dispensing Booklet must be redeemed in whole and not in part.

Each Dispensing Booklet issued to a Recipient may be redeemed by the Recipient only for some pre-selected dispensable amount of prescribed Active Product that was actually ordered with the Vendor and paid for by redeeming the entire DGC Booklet.

Each Dispensing Booklet shall carry a notional value equal to the combined face value of the total number of DGCs within the particular Dispensing Booklet, and can be used to purchase a certain amount of product based on the Vendor’s Dispensing Catalogue pricing, which may change from time to time, but which will be in accordance with the prices as stated within the Vendor’s Catalogue on the day of redemption towards an Order.

Each Dispensing Booklet issued by the Requesting Authority shall be coded (Dispensing Booklet Code) and marked on a shared Dispensing Ledger between the Authority and the Vendor, and identifies the Recipient who is subject of the official underlying donation request.

At a local dispensing facility selected by the Vendor (“Dispensing Facility”), the Recipient shall present his/her identification, as well as the Dispensing Booklet Code, with the Recipient’s valid prescription, to confirm the identity of the Recipient, the validity and details of the Dispensing Booklet, and the Recipient’s prescription, and once approved, the Recipient shall physically or electronically sign for any product received, all of which will be recorded by the Dispensing Facility and shared with the Vendor for consideration in the Vendor’s Final Impact Report.

In the event that the product dispensed to a Recipient has a lower stated price than the notional value of the total DGCs within the Dispensing Booklet, it is the responsibility of the issuing Requesting Authority to reduce the number of DGCs within the Dispensing Booklets used to obtain the product at the local Dispensing Facility, as no change is given in the form of cash and no part of a Dispensing Booklet can be used thereafter.