



This is the 1st Affidavit of Warren Hogg
in this case and was made on January 30, 2025.

NO. S-248103
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985,
C. C-36, AS AMENDED

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002 c. 57

AND

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF FELIX
PAYMENTS SYSTEMS LTD.

PETITIONER

AFFIDAVIT

I, Warren Hogg, engineer, of 604-1661 Davie Street, in Vancouver, British Columbia, AFFIRM
THAT:

1. I was an employee and director of Felix Payment Systems Ltd. ("Felix") until October 10, 2024 and as such have personal knowledge of the facts and matters hereinafter deposed to, save and except where the same are stated to be made upon information and belief, and, as to such facts, I verily believe the same to be true.
2. I recall receiving an email from Emily Kuo of Mordy Palmer on March 14, 2024 regarding loans to be made to Felix to cover payroll. There was a link in the email that took me

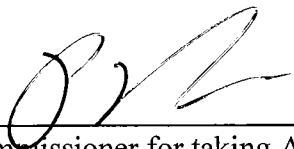
to a single document that I signed digitally. I do not today remember what that document was but I know I only digitally signed one document that day.

3. Attached and marked as **Exhibit "A"** to my affidavit is a true copy of Exhibit "K" to Affidavit #1 of Andrew Cole, sworn November 21, 2024 ("**Cole #1**") which is a "Secured Demand Promissory Note" with Jake Boxer dated March 14, 2024 for \$60,000. This copy is unsigned though has my name at the end as the signatory for Felix. I did not sign this document. I also did not authorize anyone else at Felix to do so on my behalf.

4. Attached and marked as **Exhibit "B"** to my affidavit is a true copy of Exhibit "T" to Cole #1 which is a "Secured Demand Promissory Note" with CA Mordy Legacy Trust dated March 14, 2024 for \$30,000 purporting to bear my signature. The signature at the end of this document is not my handwritten signature. I do not recognize the signature on this document as my digitally authorized signature. I do not recall digitally signing this document or authorize anyone else at Felix to do so on my behalf. Examples of my digital signature are in exhibits I, M, R, X, Z, DD, and FF to KK of Cole #1.

5. Attached and marked as **Exhibit "C"** to my affidavit is a true copy of Exhibit "BB to Cole #1 which is a "Secured Demand Promissory Note" with Brookridge Chartered Professional Accountants Inc. dated March 14, 2024 for \$10,000 purporting to bear my signature. The signature at the end of this document is not my handwritten signature. I do not recognize the signature on this document as my digitally authorized signature. I do not recall digitally signing this document or authorize anyone else at Felix to do so on my behalf.

AFFIREMD BEFORE ME at Vancouver,
British Columbia, on January 30, 2025.


A Commissioner for taking Affidavits for
British Columbia.

PETER J. ROBERTS, Q.C.

Barrister & Solicitor

1600 - 925 WEST GEORGIA ST.

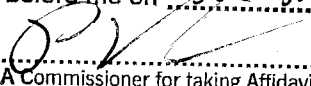
VANCOUVER, B.C. V6C 3L2

(604) 685-3400

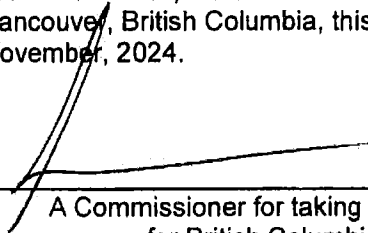

WARREN HOGG

This is Exhibit "A" referred to in the
affidavit of W. Hogg

made before me on Jan 30 2025


A Commissioner for taking Affidavits
for British Columbia

This is Exhibit "K" referred to in Affidavit #1
of **Andrew Cole**, sworn before me at
Vancouver, British Columbia, this 21st day of
November, 2024.


A Commissioner for taking Affidavits
for British Columbia

SECURED DEMAND PROMISSORY NOTE**CDN\$60,000****VANCOUVER, BRITISH COLUMBIA****DATE: MARCH 14, 2024****1. Promise to Pay**

FOR VALUE RECEIVED, **FELIX PAYMENT SYSTEMS LTD.** (the "**Borrower**") unconditionally promises to pay to **JAKE BOXER**, an individual residing in Vancouver, British Columbia (the "**Lender**"), his successors and assigns, or to his order (or at such other address as the Lender shall notify the Borrower), in lawful money of Canada, the amount of **SIXTY THOUSAND DOLLARS (\$60,000)** (the "**Principal Amount**") together with interest on the Principal Amount outstanding from time to time. The Principal Amount and all interest owing thereon shall be due and be paid on demand by the Lender.

For the purposes of this Note, capitalized terms used herein but not otherwise defined shall have the meaning given to such term in the *Personal Property Security Act* (British Columbia).

2. Interest

The Principal Amount outstanding at any time, and from time to time, and any overdue interest, shall bear simple interest at 15% per annum, both before and after the maturity, default, demand and judgment, and be calculated monthly, and will be owing on demand.

3. Prepayment

When not in default under this Note, the Borrower shall be entitled to prepay, in whole or in part, the Principal Amount outstanding and any accrued interest, without notice, bonus or penalty, provided that the Borrower deliver to the Lender a notice of prepayment at least seven (7) days prior to the date of repayment.

4. Security

In order to secure the due payment of the Principal Amount and all interest owing thereon, the Borrower hereby grants in favour of the Lender a continuing, specific and fixed security interest in all present and after acquired personal property of the Borrower, and all personal property in which the Borrower has or in the future may acquire rights, of whatever nature or kind and wherever situate, including, without limitation, all Goods, Investment Property, Instruments, Accounts, Intangibles, and Money, and all proceeds of the foregoing (the "**Collateral**"). The security interest of the Lender in the Collateral is intended to attach upon the execution of this Note.

The security interest created herein shall not extend or apply to (a) Consumer Goods or (b) the last day of the term of any lease or agreement to lease real property; but upon the enforcement of this Note, the Borrower shall stand possessed of such last day in trust to assign and dispose thereof as the Lender may direct.

The security granted by the Borrower to the Lender hereunder is granted in addition to and shall in no event replace or supersede any other security granted by the Borrower to the Lender,

including, without limitation, that certain security agreement dated as of or about February 10, 2024 and registered by way of a financing statement in the British Columbia Personal Property Registry under base registration number 186604Q.

5. Events of Default

An event of default has occurred and is continuing (each, an “**Event of Default**”) in any one of the following situations:

- (a) the Borrower fails to make payment when due of the Principal Amount outstanding;
- (b) the Borrower is unable to meet its obligations as they generally become due;
- (c) a proceeding in bankruptcy or insolvency of the Borrower, or any proceeding related to protection from creditors, or any proceeding or action is taken for the appointment of a monitor, receiver or trustee for any of its property is filed by or against the Borrower, including any proceeding under the *Bankruptcy and Insolvency Act*, the *Companies' Creditor's Arrangement Act*, the *Winding-Up and Restructuring Act* or the *Business Corporations Act*;
- (d) an order is made or a resolution is passed for the liquidation or winding-up of the Borrower; or
- (e) any breach of any covenant, representation, warranty or obligation of the Borrower to the Lender under any other agreement or security granted to the Lender which has not otherwise been waived by the Lender in accordance with the terms of such agreement or security.

6. Rights and Remedies

At any time after an Event of Default has occurred, the Lender may, at its option:

- (a) **acceleration upon default** - require the Principal Amount and interest thereon become immediately due and payable in full;
- (b) **appointment of receiver** - appoint by instrument in writing a receiver (which term shall for the purposes of this Note include a receiver and manager or agent) of the Borrower and of all or any part of the Collateral;
- (c) **retain the Collateral** – retain and administer the Collateral in the Lender's sole and unfettered discretion, which discretion the Borrower acknowledges is commercially reasonable;
- (d) **dispose of the Collateral** – dispose of any Collateral by public auction, private tender or private contract with or without notice, advertising or any other formality, all of which are waived by the Borrower to the extent permitted by law;
- (e) **enforcing third party obligations** – in the Borrower's name, perform, at the Borrower's expense, any and all of the Borrower's obligations or covenants

relating to the Collateral and enforce performance by any other parties of its obligations in relation to the Collateral and settle any disputes with other parties upon terms that the Lender deems appropriate, in its discretion;

- (f) **other rights** – exercise any or all other rights and remedies available to the Lender under this Note or applicable law.

In addition, the Borrower shall pay all reasonable costs and expenses, including solicitor fees and court costs, of collecting the outstanding Principal Amount and interest due under this Note and any other reasonable costs and expenses incurred by the Lender in enforcing and preserving its rights hereunder. It is expressly understood and agreed that the rights and remedies of the Lender under this Note are cumulative, non-exclusive and are in addition to and not in substitution for any rights or remedies provided by law or equity.

7. Criminal Rate of Interest

In no event shall the aggregate "interest" (as defined in Section 347 (the "**Criminal Code Section**") of the *Criminal Code* (Canada)), payable to the Lender under this Note exceed the effective annual rate of interest lawfully permitted under the Criminal Code Section. Further, if any payment, collection or demand pursuant to this Note in respect of such "interest" is determined to be contrary to the provisions of the Criminal Code Section, such payment, collection, or demand shall be deemed to have been made by mutual mistake of the Lender and the Borrower and such "interest" shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in the receipt by the Lender of interest at a rate not in contravention of the Criminal Code Section.

8. Waiver by the Borrower

The Borrower hereby waives demand, presentment for payment, notice of non-payment, notice of dishonour, notice of acceleration and notice of protest of this Note and waive any defences based upon indulgences which may be granted by the Lender to any party liable hereon. The Borrower also waives the benefit of any days of grace, and the right to assert in any action or proceeding with regard to this Note any setoffs or counterclaims which the Borrower may have against the Lender.

9. No Waiver by the Lender

Neither the extension of time for making any payment which is due and payable under this Note at any time or times, nor the failure, delay, or omission of the Lender to exercise or enforce any of its rights or remedies under this Note, shall constitute a waiver by the Lender of its right to enforce any such rights and remedies subsequently. The single or partial exercise of any such right or remedy shall not preclude the Lender's further exercise of such right or remedy or any other right or remedy.

10. Non-Transferrable

This Note, including all rights and obligations associated hereunder, shall not be transferrable, except with the prior written consent of the Lender. The Lender may assign its rights under this Note.

11. Further Assurances

The Borrower and the Lender shall at all times promptly do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Note, and shall promptly provide such further documents or instruments required by the other parties as may be necessary or desirable to effect the purpose of this Note and carry out its provisions, and for the better granting, transferring, assigning, charging, setting over, assuring, granting control over, confirming or perfecting the security interest in the Collateral and the priority accorded to them by law or under this Note or to enable the Lender to exercise and enforce its rights and remedies hereunder.

12. Severability

If any provision of this Note is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions of this Note will continue in full force and effect.

13. Issuance of Replacement Note

The Borrower hereby covenants and agrees with the Lender that if this Note becomes mutilated, lost, destroyed or stolen, the Borrower shall, upon receipt of a declaration of loss from the Lender in a form satisfactory to the Borrower, issue and deliver to the Lender a new secured promissory note of like date and tenor as the one mutilated, lost, destroyed or stolen, in exchange for and in place of and upon cancellation of such mutilated, lost, destroyed or stolen secured promissory note.

14. Governing Law and Successors

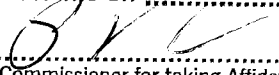
This Note is made under and shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable in the Province of British Columbia, and shall enure to the benefit of the Lender and its successors (including any successor by reason of amalgamation) and assigns, and shall be binding on the Borrower and its successors (including any successor by reason of amalgamation) and permitted assigns.

[Signature Page Follows]

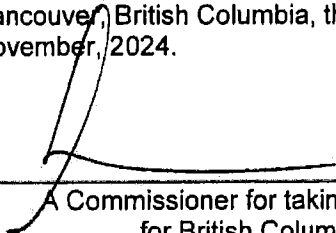
IN WITNESS WHEREOF the Borrower has caused its respective duly authorized signatory to execute and deliver this Note to the Lender as of the day and year first above written.

FELIX PAYMENT SYSTEMS LTD.

By: _____
Name: Warren Hogg
Title: Director

This is Exhibit " B " referred to in the
affidavit of W. Hogg
made before me on Jan 30 2025

A Commissioner for taking Affidavits
for British Columbia

This is Exhibit "T" referred to in Affidavit #1
of Andrew Cole, sworn before me at
Vancouver, British Columbia, this 21st day of
November, 2024.


A Commissioner for taking Affidavits
for British Columbia

SECURED DEMAND PROMISSORY NOTE**CDN\$30,000****VANCOUVER, BRITISH COLUMBIA****DATE: MARCH 14, 2024****1. Promise to Pay**

FOR VALUE RECEIVED, **FELIX PAYMENT SYSTEMS LTD.** (the "**Borrower**") unconditionally promises to pay to **CA MORDY LEGACY TRUST**, a trust formed under the laws of the Province of British Columbia (the "**Lender**"), its successors and assigns, or to its order (or at such other address as the Lender shall notify the Borrower), in lawful money of Canada, the amount of **THIRTY THOUSAND DOLLARS (\$30,000)** (the "**Principal Amount**") together with interest on the Principal Amount outstanding from time to time. The Principal Amount and all interest owing thereon shall be due and be paid on demand by the Lender.

For the purposes of this Note, capitalized terms used herein but not otherwise defined shall have the meaning given to such term in the *Personal Property Security Act* (British Columbia).

2. Interest

The Principal Amount outstanding at any time, and from time to time, and any overdue interest, shall bear simple interest at 15% per annum, both before and after the maturity, default, demand and judgment, and be calculated monthly, and will be owing on demand.

3. Prepayment

When not in default under this Note, the Borrower shall be entitled to prepay, in whole or in part, the Principal Amount outstanding and any accrued interest, without notice, bonus or penalty, provided that the Borrower deliver to the Lender a notice of prepayment at least seven (7) days prior to the date of repayment.

4. Security

In order to secure the due payment of the Principal Amount and all interest owing thereon, the Borrower hereby grants in favour of the Lender a continuing, specific and fixed security interest in all present and after acquired personal property of the Borrower, and all personal property in which the Borrower has or in the future may acquire rights, of whatever nature or kind and wherever situate, including, without limitation, all Goods, Investment Property, Instruments, Accounts, Intangibles, and Money, and all proceeds of the foregoing (the "**Collateral**"). The security interest of the Lender in the Collateral is intended to attach upon the execution of this Note.

The security interest created herein shall not extend or apply to (a) Consumer Goods or (b) the last day of the term of any lease or agreement to lease real property; but upon the enforcement of this Note, the Borrower shall stand possessed of such last day in trust to assign and dispose thereof as the Lender may direct.

IN WITNESS WHEREOF the Borrower has caused its respective duly authorized signatory to execute and deliver this Note to the Lender as of the day and year first above written.

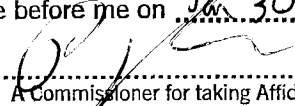
FELIX PAYMENT SYSTEMS LTD.

Warren Hogg

By: _____

Name: Warren Hogg

Title: Director

This is Exhibit C referred to in the
affidavit of W. Hogg
made before me on Jan 30 2025

A Commissioner for taking Affidavits
for British Columbia

This is Exhibit "BB" referred to in Affidavit #1
of Andrew Cole, sworn before me at
Vancouver, British Columbia, this 21st day of
November, 2024.


A Commissioner for taking Affidavits
for British Columbia

SECURED DEMAND PROMISSORY NOTE**CDN\$10,000****VANCOUVER, BRITISH COLUMBIA****DATE: MARCH 14, 2024****1. Promise to Pay**

FOR VALUE RECEIVED, **FELIX PAYMENT SYSTEMS LTD.** (the "**Borrower**") unconditionally promises to pay to **BROOKRIDGE CHARTERED PROFESSIONAL ACCOUNTANTS INC.**, a company incorporated under the laws of the Province of British Columbia (the "**Lender**"), its successors and assigns, or to its order (or at such other address as the Lender shall notify the Borrower), in lawful money of Canada, the amount of **TEN THOUSAND DOLLARS (\$10,000)** (the "**Principal Amount**") together with interest on the Principal Amount outstanding from time to time. The Principal Amount and all interest owing thereon shall be due and be paid on demand by the Lender.

For the purposes of this Note, capitalized terms used herein but not otherwise defined shall have the meaning given to such term in the *Personal Property Security Act* (British Columbia).

2. Interest

The Principal Amount outstanding at any time, and from time to time, and any overdue interest, shall bear simple interest at 15% per annum, both before and after the maturity, default, demand and judgment, and be calculated monthly, and will be owing on demand.

3. Prepayment

When not in default under this Note, the Borrower shall be entitled to prepay, in whole or in part, the Principal Amount outstanding and any accrued interest, without notice, bonus or penalty, provided that the Borrower deliver to the Lender a notice of prepayment at least seven (7) days prior to the date of repayment.

4. Security

In order to secure the due payment of the Principal Amount and all interest owing thereon, the Borrower hereby grants in favour of the Lender a continuing, specific and fixed security interest in all present and after acquired personal property of the Borrower, and all personal property in which the Borrower has or in the future may acquire rights, of whatever nature or kind and wherever situate, including, without limitation, all Goods, Investment Property, Instruments, Accounts, Intangibles, and Money, and all proceeds of the foregoing (the "**Collateral**"). The security interest of the Lender in the Collateral is intended to attach upon the execution of this Note.

The security interest created herein shall not extend or apply to (a) Consumer Goods or (b) the last day of the term of any lease or agreement to lease real property; but upon the enforcement of this Note, the Borrower shall stand possessed of such last day in trust to assign and dispose thereof as the Lender may direct.

The security granted by the Borrower to the Lender hereunder is granted in addition to and shall in no event replace or supersede any other security granted by the Borrower to the Lender, including, without limitation, that certain security agreement dated as of or about February 10, 2024 and registered by way of a financing statement in the British Columbia Personal Property Registry under base registration number 186604Q.

5. Events of Default

An event of default has occurred and is continuing (each, an “**Event of Default**”) in any one of the following situations:

- (a) the Borrower fails to make payment when due of the Principal Amount outstanding;
- (b) the Borrower is unable to meet its obligations as they generally become due;
- (c) a proceeding in bankruptcy or insolvency of the Borrower, or any proceeding related to protection from creditors, or any proceeding or action is taken for the appointment of a monitor, receiver or trustee for any of its property is filed by or against the Borrower, including any proceeding under the *Bankruptcy and Insolvency Act*, the *Companies' Creditor's Arrangement Act*, the *Winding-Up and Restructuring Act* or the *Business Corporations Act*;
- (d) an order is made or a resolution is passed for the liquidation or winding-up of the Borrower; or
- (e) any breach of any covenant, representation, warranty or obligation of the Borrower to the Lender under any other agreement or security granted to the Lender which has not otherwise been waived by the Lender in accordance with the terms of such agreement or security.

6. Rights and Remedies

At any time after an Event of Default has occurred, the Lender may, at its option:

- (a) **acceleration upon default** - require the Principal Amount and interest thereon become immediately due and payable in full;
- (b) **appointment of receiver** - appoint by instrument in writing a receiver (which term shall for the purposes of this Note include a receiver and manager or agent) of the Borrower and of all or any part of the Collateral;
- (c) **retain the Collateral** – retain and administer the Collateral in the Lender's sole and unfettered discretion, which discretion the Borrower acknowledges is commercially reasonable;
- (d) **dispose of the Collateral** – dispose of any Collateral by public auction, private tender or private contract with or without notice, advertising or any other formality, all of which are waived by the Borrower to the extent permitted by law;

- (e) **enforcing third party obligations** – in the Borrower's name, perform, at the Borrower's expense, any and all of the Borrower's obligations or covenants relating to the Collateral and enforce performance by any other parties of its obligations in relation to the Collateral and settle any disputes with other parties upon terms that the Lender deems appropriate, in its discretion;
- (f) **other rights** – exercise any or all other rights and remedies available to the Lender under this Note or applicable law.

In addition, the Borrower shall pay all reasonable costs and expenses, including solicitor fees and court costs, of collecting the outstanding Principal Amount and interest due under this Note and any other reasonable costs and expenses incurred by the Lender in enforcing and preserving its rights hereunder. It is expressly understood and agreed that the rights and remedies of the Lender under this Note are cumulative, non-exclusive and are in addition to and not in substitution for any rights or remedies provided by law or equity.

7. Criminal Rate of Interest

In no event shall the aggregate "interest" (as defined in Section 347 (the "**Criminal Code Section**") of the *Criminal Code* (Canada)), payable to the Lender under this Note exceed the effective annual rate of interest lawfully permitted under the Criminal Code Section. Further, if any payment, collection or demand pursuant to this Note in respect of such "interest" is determined to be contrary to the provisions of the Criminal Code Section, such payment, collection, or demand shall be deemed to have been made by mutual mistake of the Lender and the Borrower and such "interest" shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in the receipt by the Lender of interest at a rate not in contravention of the Criminal Code Section.

8. Waiver by the Borrower

The Borrower hereby waives demand, presentment for payment, notice of non-payment, notice of dishonour, notice of acceleration and notice of protest of this Note and waive any defences based upon indulgences which may be granted by the Lender to any party liable hereon. The Borrower also waives the benefit of any days of grace, and the right to assert in any action or proceeding with regard to this Note any setoffs or counterclaims which the Borrower may have against the Lender.

9. No Waiver by the Lender

Neither the extension of time for making any payment which is due and payable under this Note at any time or times, nor the failure, delay, or omission of the Lender to exercise or enforce any of its rights or remedies under this Note, shall constitute a waiver by the Lender of its right to enforce any such rights and remedies subsequently. The single or partial exercise of any such right or remedy shall not preclude the Lender's further exercise of such right or remedy or any other right or remedy.

10. Non-Transferrable

This Note, including all rights and obligations associated hereunder, shall not be transferrable, except with the prior written consent of the Lender. The Lender may assign its rights under this Note.

11. Further Assurances

The Borrower and the Lender shall at all times promptly do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Note, and shall promptly provide such further documents or instruments required by the other parties as may be necessary or desirable to effect the purpose of this Note and carry out its provisions, and for the better granting, transferring, assigning, charging, setting over, assuring, granting control over, confirming or perfecting the security interest in the Collateral and the priority accorded to them by law or under this Note or to enable the Lender to exercise and enforce its rights and remedies hereunder.

12. Severability

If any provision of this Note is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions of this Note will continue in full force and effect.

13. Issuance of Replacement Note

The Borrower hereby covenants and agrees with the Lender that if this Note becomes mutilated, lost, destroyed or stolen, the Borrower shall, upon receipt of a declaration of loss from the Lender in a form satisfactory to the Borrower, issue and deliver to the Lender a new secured promissory note of like date and tenor as the one mutilated, lost, destroyed or stolen, in exchange for and in place of and upon cancellation of such mutilated, lost, destroyed or stolen secured promissory note.

14. Governing Law and Successors

This Note is made under and shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable in the Province of British Columbia, and shall enure to the benefit of the Lender and its successors (including any successor by reason of amalgamation) and assigns, and shall be binding on the Borrower and its successors (including any successor by reason of amalgamation) and permitted assigns.

[Signature Page Follows]

IN WITNESS WHEREOF the Borrower has caused its respective duly authorized signatory to execute and deliver this Note to the Lender as of the day and year first above written.

FELIX PAYMENT SYSTEMS LTD.

Warren Hogg

By: _____

Name: Warren Hogg

Title: Director