Dear Client,

Thank you for retaining **Hassan & Hassan LLP** to represent you in your upcoming commercial financing or refinance. Refinancing your business can feel stressful and there are many moving pieces, so we have put this guide together to walk you through what to expect and how we will work together toward a smooth closing.

Information We Require from You

To prepare your file, we will ask for some information from you. We will let you know what is needed at each stage — the items below cover the essentials.

Identity Verification

As of January 1, 2024, the Law Society of Ontario requires additional measures to prevent identity fraud. During our closing process, you will be asked to complete ID verification through our Treefort. Additional details will be provided to you separately.

You will be asked to:

- Upload two pieces of original government-issued ID (originals — no photos of photos)
- Take a selfie for biometric matching

Corporate / Entity Documentation

If you are signing on behalf of a corporation, partnership, trust, or other entity, we will need documentation confirming your authority to bind the entity. This typically includes:

- Articles of incorporation and corporate profile report
- Directors' and shareholders' resolutions authorizing the transaction
- Certificate of incumbency or officer's certificate
- Beneficial ownership confirmation (in line with current Ontario corporate transparency rules)

> **Note:** Any additional details we need will be sent to you by email closer to your closing date.

Have Your Financing Ready

Please work closely with your new lender to ensure the commitment letter is signed and instructions issued well in advance. Commercial financing usually involves lender's counsel review, a coordinated security package (general security agreements, guarantees, pledges, specific assignments), and corporate authorizations — building in time avoids last-minute surprises.

We typically ask that lender documents reach us at least one week before the closing date. Please keep us updated on your progress, and let us know immediately if any delays surface so we can plan ahead.

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What We Will Complete for You Before Signing

As your legal representatives, we will work behind the scenes before signing to ensure your closing is smooth. This includes:

- Reviewing the new lender's commitment letter and security requirements
- Conducting PPSA, corporate, bankruptcy, litigation, and execution searches
- Communicating with the lender's counsel as applicable
- Preparing security documents (general security agreement, guarantees, pledges, specific assignments)
- Preparing corporate authorizations and officer's certificates
- Arranging discharge or postponement of existing security
- Calculating final balance owing (or net advance to you) on closing
- Preparing all signing documents for your review and signature

Fees Associated with Your Transaction

Our firm does not charge hidden fees. You will receive a full statement of account showing every charge before closing. Typical items include, but are not limited to:

- PPSA searches (Ontario and other applicable jurisdictions)
- Corporate profile reports and certificates of status
- Bankruptcy, litigation, and execution searches
- Government registration fees (PPSA, corporate filings)
- Discharge fees for existing security
- Courier and registry agent fees
- Law Society of Ontario levy
- File administration

All items above are subject to applicable taxes.

Please note that our quoted fee in the retainer does not cover extraordinary services that may arise from the specific circumstances of your transaction, including but not limited to:

- Intercreditor, subordination, or standstill agreements
- Multiple borrowers, guarantors, or collateral packages
- Lender's counsel comments and revisions beyond ordinary scope
- Cross-border or multi-jurisdictional searches and registrations
- Specific collateral assignments (intellectual property, insurance, accounts)
- Real property mortgages or leasehold security (handled under separate retainer)
- Workout, restructuring, or forbearance arrangements

If extraordinary services are required, we will tell you in advance and discuss them with you at that time. Once your final figure is ready, we will confirm the closing balance and acceptable payment methods.

Extensions and Delays

If circumstances arise that prevent you from closing on the originally scheduled date, please contact us as soon as possible. We will work with you and the other party's counsel to negotiate any extension terms and do our best to keep your transaction on track.

What You Need to Do Prior to Closing

Closing is approaching — a few things to line up on the operational side:

Finalize lender's commitment letter

Confirm all conditions of your lender's commitment have been satisfied. If anything is outstanding (financial reporting, environmental, projections), address these as soon as possible.

Confirm corporate authorizations are current

Ensure your corporate records (minute book, directors' and officers' information, beneficial ownership register) are up to date. Multiple borrowers or guarantors should each have current corporate records.

Update business insurance with lender requirements

Your lender will likely require to be named as loss payee or additional insured on key policies (property, business interruption, liability). Provide your broker with the lender's requirements so policies can be issued promptly.

Banking and account arrangements

Coordinate any required operating account changes, lock-box arrangements, or blocked-account agreements with the lender. Specific assignments of accounts may require notice to your bank.

Ongoing covenants and reporting

Review the financial covenants and reporting obligations under the new commitment letter (financial statements, compliance certificates, projections) so you can plan internally for ongoing compliance.

Existing security and intercreditor matters

If existing lenders are remaining in place behind the new lender, plan for postponement or intercreditor arrangements early — these often slow down a refinance closing.

What Happens on the Closing Date

On closing day, we should have the following in place:

- Security documents fully signed and corporate authorizations finalized
- The new lender's funds received in our trust account (if a refinance)
- Discharge or postponement instructions in place for existing security

Once everything above is checked off, we register the new PPSA financing statements, pay out and discharge existing financing as instructed, and complete any required postponements. We will then report to you and your lender on completion.

Thank you again for choosing **Hassan & Hassan LLP** for your upcoming transaction. We look forward to a smooth closing! If you have questions at any point along the way, please reach out to our team — we are here to help.

Cheers,
Hassan & Hassan LLP

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