



Clip Money Inc. Announces Binding Offer Letter with Business Development Bank of Canada for \$500,000 Loan

December 19, 2023 9:42 PM EST

TORONTO, Dec. 19, 2023 (GLOBE NEWSWIRE) -- Clip Money Inc. (TSX-V: CLIP) ("**Clip**" or the "**Company**"), a company that operates a multi-bank self-service deposit system for businesses, is pleased to announce that it has entered into a binding offer letter (the "**Offer Letter**") with the Business Development Bank of Canada ("**BDC**") for a loan in the amount of CDN\$500,000 (CAD) in the form of non-revolving subordinated secured debt (the "**BDC Loan**"). The Company intends to use the proceeds from the BDC Loan for general working capital purposes.

Clip's mission to transform how businesses conduct financial transactions aligns with a cornerstone of BDC's strategy: increasing support for entrepreneurs. By reimagining the speed, location, and logistics of business deposits and other services, Clip Money is bringing cost-effective and convenient new solutions for businesses owners.

The BDC Loan will bear interest at a floating rate equal to the BDC floating base rate plus a margin of 1.00%. The current BDC base rate as of the date hereof is 9.30% per annum. All obligations of the Company under the BDC Loan and the Offer Letter will be secured by a third-lien security interest that is subordinated to prior security interests granted to certain existing lenders of the Company (the "**BDC Security**"). The BDC Security will cover all present and after-acquired personal property, except consumer goods of the Company. The principal amount of the BDC Loan is repayable by the Company in full on November 15, 2026. Interest on the BDC Loan is payable monthly on the 15th day of each month. In connection with the advancement of the BDC Loan, the Company will pay BDC a one-time fee of \$47,800 (CAD), as well as an annual management fee of \$350 (CAD).

ICP Securities Market Making Activities

Further to the Company's press release dated November 28, 2023 where the Company announced that it had entered into a Market Making Services Agreement with ICP Securities Inc. ("**ICP**"), the Company wishes to clarify that ICP will be using its own funds to facilitate market making activities. In consideration for the market making activities undertaken by ICP, the Company will make a monthly payment of \$7,500 (CAD) to ICP.

About Clip Money Inc.

Clip operates a multi-bank self-service deposit system for businesses through its ClipDrop Boxes that gives users the capability of making deposits outside of their bank branch at top retailers and shopping malls. Rather than having to go to their personal bank branch or using a cash pickup service, businesses can deposit their cash at any ClipDrop Box located near them. After being deposited, the funds will automatically be credited to the business' bank account, usually within one business day. The Company combines functional hardware, an intuitive mobile app and an innovative cloud-based transaction engine that maximizes business-banking transactions. Combined with mobile user applications, Clip offers a cost-effective and convenient solution for business banking deposits in metropolitan statistical areas across Canada and the United States. For more information about the Company, visit www.clipmoney.com.

For further information, please contact:

Joseph Arrage
Chief Executive Officer
tel: 844-593-2547