

**KENNETH THOMSON
BLAKE ALBRIGHT
SABRINA KYLE
FIONA ELDER
UNIVERSAL FINANCIAL CORP.
THE KENNETH THOMSON BUSINESS TRUST (2020)
THE ALBRIGHT (2020) FAMILY TRUST
GREATBLAKE HOLDINGS INC.
THE SABRINA PRUDHAM (2020) FAMILY TRUST
2753665 ONTARIO INC.
REAP EQUITY CORP.
(AS VENDORS)**

-AND-

**ALBRIGHT HOLDINGS INC.
2754681 ONTARIO INC.
9975756 CANADA INC.
10260835 CANADA CORP.
(AS TARGET HOLDCOS)**

-AND-

**BRIGHTPATH CAPITAL CORPORATION
BRIGHTPATH SERVICING CORPORATION
BRIGHTPATH RESIDENTIAL MORTGAGE LP I
(AS TARGET ENTITIES)**

-AND-

**MONTFORT CAPITAL CORP.
(AS PURCHASER)**

SHARE PURCHASE AGREEMENT

August 15, 2022

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SHARE PURCHASE AGREEMENT

THIS AGREEMENT dated effective August 15, 2022 (the “**Effective Date**”)

BETWEEN:

KENNETH THOMSON, an individual residing in [REDACTED] and having an address for service at [REDACTED]

(“**Thomson**”)

AND:

BLAKE ALBRIGHT, an individual residing in [REDACTED] and having an address for service at [REDACTED]

(“**Albright**”)

AND

SABRINA KYLE, an individual residing in [REDACTED] and having an address for service at [REDACTED]

(“**Kyle**”)

AND

UNIVERSAL FINANCIAL CORP., a company incorporated under the *Business Corporations Act* (Ontario)

(“**Universal**”)

AND

THE KENNETH THOMSON BUSINESS TRUST (2020), a trust formed under the laws of the Province of Ontario

(“**Thomson Trust**”)

AND

THE ALBRIGHT (2020) FAMILY TRUST, a trust formed under the law of the Province of Ontario

(“**Albright Trust**”)

AND

GREATBLAKE HOLDINGS INC., a company incorporated under the *Business Corporations Act* (Ontario)

("GreatBlake")

AND

THE SABRINA PRUDHAM (2020) FAMILY TRUST, a trust formed under the law of the Province of Ontario

("Prudham Trust")

AND

2753665 ONTARIO INC., a company incorporated under the *Business Corporations Act* (Ontario)

("KyleCo")

AND

REAP EQUITY CORP, a company incorporated under the *Business Corporations Act* (Ontario)

("Reap")

AND

FIONA ELDER, an individual residing in [REDACTED] and having an address for service at [REDACTED]

("Elder" and together with Thomson, Albright, Kyle, Universal, Thomson Trust, Albright Trust, GreatBlake, Prudham Trust, KyleCo, and Reap, the "Vendors" and each a "Vendor")

AND

ALBRIGHT HOLDINGS INC., a company incorporated under the *Business Corporations Act* (Ontario) and having a registered and records office at [REDACTED]

("Albright Holdco")

AND

2754681 ONTARIO INC., a company incorporated under the *Business Corporations Act* (Ontario) and having a registered and records office at [REDACTED]

("Thomson Holdco")

AND

9975756 CANADA INC., a company incorporated under the *Canada Business Corporations Act* and having a registered and records office at [REDACTED]

(“**Kyle Holdco**”)

AND

10260835 CANADA CORP., a company incorporated under the *Canada Business Corporations Act* and having a registered and records office at [REDACTED]

(“**LP Holdco**”, and together with Kyle Holdco, Albright Holdco and Thomson Holdco, the “**Target Holdcos**” and each a “**Target Holdco**”)

AND

BRIGHTPATH CAPITAL CORPORATION, a company incorporated under the *Canada Business Corporations Act* and having a registered and records office at [REDACTED]

(the “**Target**”)

AND

BRIGHTPATH SERVICING CORPORATION, a company incorporated under the *Canada Business Corporations Act* and having a registered and records office at [REDACTED]

(the “**Target ServiceCo**”)

AND

BRIGHTPATH SERVICING CORPORATION as general partner of BRIGHTPATH RESIDENTIAL MORTGAGE LP I, a limited partnership organized under the *Limited Partnerships Act (Ontario)* and having a registered and records office at [REDACTED]

(the “**Target LP**”, and together with the Target, Target ServiceCo, the “**Target Entities**”)

AND

MONTFORT CAPITAL CORP., a company incorporated under the *Business Corporations Act (British Columbia)* and having an office at [REDACTED]

(the “**Purchaser**”)

WHEREAS:

- A. the Target Holdcos and Elder together own all of the issued and outstanding shares in the capital of the Target;
- B. Kyle Holdco, Albright Holdco, Thomson and Elder own all of the issued and outstanding shares in the capital of Target ServiceCo;
- C. Albright Holdco, LP Holdco and Universal own all of the issued and outstanding limited partnership units of the Target LP, and Reap and the Target own all the issued and outstanding shares in the capital of LP Holdco;
- D. the Purchaser wishes to purchase, and the Vendors wish to sell certain shares in the Target Holdcos, Target, Target ServiceCo and LP Holdco, as more particularly set out herein upon and subject to the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the respective covenants and agreements contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties covenant and agree as follows:

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

Throughout this Agreement, except as otherwise expressly provided, the following words, terms and expressions shall have the following meanings:

“Accounting Records” means the books of account, accounting records and other financial information of the applicable Person (whether in written, printed, electronic or computer printout form, or stored electronically, digitally or on computer related media);

“Adjustment Date” means the fifth Business Day after the Closing Working Capital Adjustment is finally determined in accordance with Section 2.5;

“Affiliate” means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with that other Person. For purposes of this definition and the definition of “Subsidiaries”, a Person “controls” another Person if that Person possesses, directly or indirectly, the power to direct the management and policies of that other Person, whether through ownership of voting securities, by contract or otherwise and “controlled by” and “under common control with” have similar meanings;

“Agreement”, “this Agreement”, “the Agreement”, “hereof”, “herein”, “hereto”, “hereby”, “hereunder” and similar expressions mean this share purchase agreement dated as of the Effective Date between the Parties, including all schedules and all instruments supplementing, amending, modifying, restating or otherwise confirming this Agreement. All references to “Articles”, “Sections” and “Schedules” mean and refer to the specified article, section and schedule of this Agreement;

“Albright” has the meaning specified on the first page of this Agreement;

“Albright Holdco Shares” means all of the issued and outstanding shares in the capital of Albright Holdco as at the Effective Date;

“Albright Vendors” means Albright, GreatBlake and the Albright Trust;

“Applicable Laws” means any and all applicable laws, statutes, rules, regulations, ordinances, codes, guidelines, policies, advisories, notices, treaties, directions, requirements and Orders of any Governmental Authority;

“Benton Street Landlord” means [REDACTED].;

“Benton Street Lease” means the lease agreement with respect to that part of the leased premises situated on the third and fourth level of the building forming part of the Location, as between the Benton Street Landlord, as landlord, and the Target, as tenant, dated March 25, 2021;

“Books and Records” means all material books and records of the applicable Person, including financial, corporate, operations and sales books, records, lists of clients and suppliers, books of account, sales and purchase records, sales and inventory data, equipment maintenance data, sales promotional data, advertising materials, cost and pricing information, Accounting Records, business reports, plans and projections and all other documents, surveys, plans, files, records, correspondence, and other data and information, financial or otherwise, including all data and information stored on computer-related or other electronic media and technical records (both current and historical);

“Business” means the management and administration of private lending businesses carried on by the Target Entities;

“Business Day” means any day which is not a Saturday, a Sunday or a day observed as a statutory or civic holiday under the laws of the Province of Ontario, the Province of British Columbia or the federal laws of Canada applicable in the Province of Ontario or the Province of British Columbia, as applicable, on which the principal commercial banks in the City of Toronto, Ontario or Vancouver, British Columbia, as applicable, are open for business;

“Calculations” has the meaning specified in Section 2.4(b);

“CASL” means *An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act*, SC 2010, c 23, or any successor thereof as amended from time to time, and includes any regulations and practice guidelines issued by any Governmental Authority in respect thereof and any other Applicable Laws governing spam or electronic communications, as applicable;

“Claim” means any claim, demand, complaint, assessment or reassessment, charge, administrative monetary penalty or Legal Proceeding;

“Closing” means the completion of the sale to and purchase by the Purchaser of the Purchased Shares and the completion of all other transactions contemplated by this Agreement that are to occur at the same time as the sale and purchase of the Purchased Shares;

“Closing Balance Sheet” has the meaning specified in Section 2.4(a)(i);

“Closing Date” means three Business Days following the date upon which all conditions to Closing set forth herein have been satisfied or waived (except those that by their nature, are to be satisfied on the Closing Date), or such other date as may be agreed by the Parties;

“Closing Document” means any agreement, certificate or other instrument to be executed or delivered at Closing as required pursuant to Section 5.1 or Section 5.2, as applicable;

“Closing Time” means 12:00 p.m. Toronto time on the Closing Date or such other time on such date as the Parties may agree in writing as the time at which the Closing shall take place;

“Closing Working Capital Adjustment” has the meaning specified in Section 2.4(a)(ii);

“Collective Agreement” means any agreement, letter of understanding, letter of intent or other written communication with any trade union or employee association that contains the terms and conditions of employment of any of the Employees and imposes obligations on the applicable Person;

“Confidential Information” means all trade secrets, know-how and other confidential or proprietary information and data of or relating to the Target Entities or the Business;

“Consent” means: (a) any notice required to be given to any Person, other than any Governmental Authority; and (b) any approval, consent, permit, waiver, ruling or exemption required to be obtained from any Person other than a Governmental Authority;

“Contract” means any oral or written contract, agreement, instrument or other commitment to which the applicable Person is a party or is otherwise bound, including those listed or described in any Schedule to the Disclosure Letter;

“COVID-19” means the novel coronavirus disease, also known as severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2), and each strain thereof existing as at the date of this Agreement;

“Creditors” and each a **“Creditor”** means the creditors of the Target Entities, Equitable Bank and Cortland Credit Lending Corporation;

“Damages” means, whether involving a Direct Claim or Third Party Claim, any and all damages, losses, Liabilities, interest, fines, penalties or assessments and any judgments or settlements relating thereto, including any reasonable professional fees and reasonable costs incurred in investigating, defending or pursuing any of the foregoing or any proceeding relating to the foregoing, excluding special, indirect, exemplary, consequential or punitive damages except to the extent awarded by a court of competent jurisdiction in connection with a Third Party Claim;

“Debt Instrument” means any bond, debenture, promissory note, trust indenture, loan agreement or other agreement or document evidencing Indebtedness and includes any agreement or instrument granting a security interest in any of the property, assets or undertaking of the applicable Person to secure the obligations of that Person under any of the foregoing;

“Defending Party” has the meaning specified in Section 8.9;

“Direct Claim” means any matter, event or circumstance that is not a Third Party Claim, which entitles an Indemnified Party to make a Claim for indemnification under Article 8 of this Agreement;

“Disclosure Letter” means disclosure letter dated as of the Effective Date, delivered by the Vendors, the Target Holdcos and the Target Entities to the Purchaser contemporaneously with the execution and delivery of this Agreement and includes the schedules thereto, unless the context requires otherwise;

“Effective Date” means the date first set out above;

“Elder” has the meaning specified on the first page of this Agreement;

“Employee” means an individual who is employed by a Target Entity, whether on a full-time or part-time basis, including those individuals employed on a temporary basis, on disability leave, maternity leave, parental leave, compassionate care leave or other approved leave or approved or unapproved absence (and including, as at the Closing Date, the Key Employee);

“Employee Benefit Plans” means all compensation, bonus, deferred compensation, incentive compensation, share purchase, share appreciation, share option, vacation pay, sick leave, hospitalization or other medical, health and welfare benefits, disability, life or other insurance, health insurance premiums, flexible work policies, maternity or parental leave, supplemental employment insurance plan, profit-sharing, employee assistance, pension, retirement or supplemental retirement benefit plans, arrangements or agreements, and all other similar employee benefit plans, arrangements or agreements, that are maintained by the Target Entities for the benefit of any of the Employees or former employees of the Target Entities or any beneficiaries of any of them, except that the term **“Employee Benefit Plans”** does not include any statutory plan with which the Target Entities are required to comply, including the Canada Pension Plan or any plan administered under applicable Tax Legislation or federal or provincial health, workers’ compensation, workers’ safety and insurance and employment insurance legislation;

“Encumbrance” means any lien, mortgage, charge, pledge, hypothec, security interest, title retention agreement, easement, right of way or other encumbrance of any kind, including those which secure payment or performance of an obligation or otherwise affects the right, title or interest in or to any particular property;

“Equipment Lease(s)” means lease(s) of personal property to which a Target Entity is a party or under which it has rights or obligations;

“Equitable Guarantees” means the guaranteed agreements given by each of Thomson, Kyle, and Albright in favour of Equitable Bank, and in each case dated April 13, 2020, as may from time to time be amended, restated, replaced, or otherwise modified;

“Expected Working Capital Adjustment” means [REDACTED]

“Governmental Authority” means any federal, provincial, territorial, municipal, local or other government in Canada or any other country having jurisdiction over the Target Entities, the Business or any Party, including any public ministry, department, agency, commission, board, bureau, Tribunal, stock exchange or securities commission or other law or regulation-making entity;

“Guarantee” means any agreement, contract or commitment providing for a guarantee with respect to the Liabilities or other obligations of any Person;

“Indebtedness” means with respect to any Person, without duplication, any of the following: (a) any indebtedness for borrowed money; (b) any obligations evidenced by bonds, debentures, notes or other similar instruments; (c) any obligations to pay the deferred purchase price of property or services; (d) any obligations as lessee under capitalized leases or other obligations required to be classified and accounted for as capital obligations under generally accepted accounting principles; (e) any indebtedness created or arising under any conditional sale or other title retention agreement with respect to acquired property; (f) any obligations, contingent or otherwise, under acceptance credit, letters of credit or similar facilities; (g) any other obligation that in accordance with generally

accepted accounting principles is required to be classified and accounted for as debt on the balance sheet of such Person; and (h) obligations under any Guarantee;

"Indemnified Party" means a Person whom a Vendor, the Target Entities or the Purchaser (or any of them), as the case may be, is required to indemnify under Article 8;

"Indemnifier" means, in relation to an Indemnified Party, the Party that is required to indemnify such Indemnified Party under Article 8;

"Indemnity Payment" has the meaning specified in Section 8.6(a);

"Independent Accountant" has the meaning specified in Section 2.5(b);

"Information" means all information regarding the Purchaser which has been publicly filed by or on behalf of the Purchaser on its SEDAR profile at www.sedar.com since December 1, 2020, but prior to the Effective Date;

"Intellectual and Industrial Property" means tangible or intangible property in which Intellectual and Industrial Property Rights subsist and/or that is subject to Intellectual and Industrial Property Rights;

"Intellectual and Industrial Property Rights" means: (a) proprietary rights provided under patent law, copyright law, trademark law, design patent or industrial design law, semiconductor chip or mask work law, trade secret law, or any other statutory provision or common law principle that provides a right in either intellectual property or the expression or use of intellectual property and the goodwill associated therewith and symbolized thereby; and (b) applications, registrations or any other evidence of a right in any of the foregoing;

"Interested Person" means any officer, director or shareholder of the applicable Person or any Person with which such Person does not deal at arm's length within the meaning of the Tax Act;

"Interim Period" means the period from and including the time of the execution of this Agreement to the earlier of: (a) the Closing Time; and (b) the early termination of this Agreement;

"Investor Rights and Voting Agreement" has the meaning specified in Section 4.6.3;

"Key Employee" means Blake Albright;

"Key Employee Agreement" means the executive employment agreement to be entered into between the Purchaser and the Key Employee;

"King Street Landlord" means [REDACTED].;

"King Street Lease" means the lease agreement with respect to that part of the leased premises situated on the upper level of the building forming part of the Location, as between the King Street Landlord, as landlord, and the Target, as tenant, dated May 1, 2017, as amended on January 31, 2022;

"Kyle" has the meaning specified on the first page of this Agreement;

"Kyle Holdco Shares" means all of the issued and outstanding shares in the capital of Kyle Holdco as at the Effective Date;

“Kyle Vendors” means Kyle, KyleCo, and the Prudham Trust;

“Leased Property” means any premises that the applicable Person leases, uses and/or occupies pursuant to the Leases, and the interest thereof in all buildings, structures, fixtures, erections, improvements, easements, rights-of-way, spur tracks and other appurtenances situated on or forming part of those premises, including, without limitation, those parts of the leased premises forming part of the Location;

“Leases” means all leases, subleases, agreements or other rights of occupancy pursuant to which the any of the Target Entities lease, use or occupy any real property, including, without limitation, the King Street Lease and the Benton Street Lease;

“Legal Proceeding” means any litigation, action, suit, petition, hearing, arbitration proceeding or other proceeding, whether administrative, civil or criminal, in law, by statute or in equity, or before any Tribunal and includes any appeal or review and any application for same;

“Letter of Intent” means the letter of intent between the Purchaser, the Target Entities, and the Vendors in respect of the transactions contemplated under this Agreement, dated as of the Letter of Intent Date, a copy of which is attached as Schedule G;

“Letter of Intent Date” means April 29, 2022;

“Liabilities” means any liabilities, Claims, demands, obligations, debts or other forms of Indebtedness of any Person, owing or owed, whether known or unknown, present or future, or absolute or contingent;

“License” means: (a) any license, permit, approval, authorization, delegation of authority, certificate or registration granted by any Governmental Authority; (b) any designation as a qualified supplier listed in Schedule 3.2.14 to the Disclosure Letter or by any party to a Material Contract; or (c) any other designation or certification currently maintained by the applicable Person;

“Licensed IP” means Intellectual and Industrial Property that is used by the applicable Person under a license arrangement or arrangement from another Person;

“Location” means, collectively, the following lands and premises:

(a) [REDACTED]; and

(b) [REDACTED]

“Majority of Minority Approval” has the meaning set forth in Section 3.3.34.

“Material Adverse Effect” means any effect, event, result, occurrence, state of facts, development or change that is, or could reasonably be expected to be, material and adverse to: (a) any of the Purchased Shares; (b) the Business or the assets, operations, results of operations, cash flows, properties, Liabilities, affairs or condition (financial or otherwise) of the Target Entities; or (c) the ability of the Vendor to timely perform any of the obligations under this Agreement, except to the extent that the material adverse effect results from or is caused by: (i) worldwide, national or local economic, political or regulatory conditions, including war, armed hostilities, acts of terrorism, emergencies, crises and natural disasters, or changes in the markets or industry in which the

Business operates, but excluding COVID-19; (ii) any change in Applicable Laws; (iii) any change in generally accepted accounting principles; (iv) the entering into and/or the announcement of this Agreement and the transactions contemplated by it; (v) any act or omission of the Vendors, the Target Holdcos or the Target Entities prior to the Closing Date taken with the prior written consent or at the written request of the Purchaser; (vi) any act or omission of the Purchaser, or actions approved or consented to by the Purchaser; or (vii) any action expressly required or permitted to be taken pursuant to this Agreement; provided, however, that any of the clauses (i) to (iii) shall not apply to the extent that any of the changes, effects, events or occurrences therein disproportionately adversely affect the Target Entities or the Business in comparison to other Persons who operate in the same industry in which the Target Entities or the Business primarily operates;

“Material Contracts” has the meaning specified in Section 3.2.26(a);

“MI 61-101” means Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*;

“Montfort Common Shares” means common shares in the capital of the Purchaser;

“Montfort Consideration Shares” has the meaning specified in Section 2.3(a);

“Montfort Series A Preferred Shares” means the 8% Series A Preferred shares in the capital of the Purchaser;

“Non-Competition and Non-Solicitation Agreement” has the meaning specified in Section 5.1.2(i);

“Notice of Acceptance” has the meaning specified in Section 2.5(a);

“Notice of Objection” has the meaning specified in Section 2.5(a);

“Order” means any order, directive, judgment, decree, award, injunction, ruling, assessment, stipulation, determination or writ of any Tribunal;

“Owned IP” means Intellectual and Industrial Property that is owned by the applicable Person;

“Parties” means the Vendors, the Target Entities, the Target Holdcos and the Purchaser and

“Party” means any one of them or a particular one of them, as the context requires;

“Permitted Encumbrance” means:

- (a) Encumbrances for Taxes and utilities which are not due or in arrears;
- (b) easements, encroachments and other minor imperfections of title which relate to real property and which do not, individually or in the aggregate, detract from or reduce the value of or impair or reduce the use or marketability of any real property;
- (c) construction, mechanics’, carriers’, workers’, repairers’, storers’ or other similar Encumbrances: (i) that, individually or in the aggregate, are not material; (ii) that arose or were incurred in the ordinary course of business; (iii) that are related to obligations not due or in arrears; and (iv) that have not been registered or filed under Applicable Laws; and
- (d) the Encumbrances listed or described in Schedule 1.1A to the Disclosure Letter;

provided all of the foregoing have been complied with in all material respects prior to the Closing Time;

“Person” includes any individual, body corporate, unlimited liability company, limited liability corporation, partnership, limited liability partnership, sole proprietorship, firm, joint stock company, joint venture, trust, unincorporated association, unincorporated organization, syndicate, Governmental Authority and any other entity or organization of any nature whatsoever;

“Personal Information” means information about an identifiable individual as defined in Privacy Laws;

“Post-Closing Adjustment Amount” has the meaning specified in Section 2.6(a);

“Post-Closing Adjustment Amount Dispute Expenses” has the meaning specified in Section 2.5(d);

“Privacy Laws” means the *Personal Information Protection and Electronic Documents Act* (Canada) and any comparable Applicable Laws of any province or territory of Canada;

“Pre-Transaction Reorganizations” means the corporate transactions and related steps to be undertaken by the Vendors, Target Holdcos and the Target Entities as disclosed to the Purchaser in the planning memos dated [REDACTED];

“Purchase Price” has the meaning specified in Section 2.2(a);

“Purchased Shares” means: (i) all of the issued and outstanding shares in the capital of each of the Target Holdcos held by the Vendors as at the Closing Time; (ii) the Target Shares held by Elder as at the Closing Time; and (iii) the Target ServiceCo Shares held by Elder and Thomson as at the Closing Time.

“Purchaser” has the meaning specified on the first page of this Agreement;

“Purchaser Financial Statements” has the meaning specified in Section 3.3.12;

“Purchaser Fundamental Representations” means each of the representations and warranties in Sections 3.3.1 - 3.3.6, 3.3.25, and 3.3.28 - 3.3.35.

“Purchaser Indemnified Parties” means the Purchaser and its Affiliates (including, following the Closing, the Target Entities and Target Holdcos) and their respective directors, officers, agents, employees and shareholders, including their respective successors and assigns, heirs and legal representatives, as applicable but, notwithstanding anything herein, does not mean or include the Vendors (or prior to the Closing, the Target Entities and Target Holdcos);

“Purchaser Material Adverse Effect” means any effect, event, result, occurrence, state of facts, development or change that is, or could reasonably be expected to be, material and adverse to: (a) any of the Montfort Consideration Shares; (b) the business or the assets, operations, results of operations, cash flows, properties, Liabilities, affairs or condition (financial or otherwise) of the Purchaser; or (c) the ability of the Purchaser to timely perform any of the obligations under this Agreement, except to the extent that the material adverse effect results from or is caused by: (i) worldwide, national or local economic, political or regulatory conditions, including war, armed hostilities, acts of terrorism, emergencies, crises and natural disasters, or changes in the markets or industry in which the Business operates, but excluding COVID-19; (ii) any change in Applicable Laws; (iii) any change in generally accepted accounting principles; (iv) the entering into and/or the

announcement of this Agreement and the transactions contemplated by it; (v) any act or omission of the Purchaser prior to the Closing Date taken with the prior written consent or at the written request of the Vendors; (vi) any act or omission of the Vendors, Target Entities, Target Holdcos, or actions approved or consented to by such Persons; or (vii) any action expressly required or permitted to be taken pursuant to this Agreement; provided, however, that any of the clauses (i) to (iii) shall not apply to the extent that any of the changes, effects, events or occurrences therein disproportionately adversely affect the Purchaser or the business of the Purchaser in comparison to other Persons who operate in the same industry in which the Purchaser primarily operates;

“Purchaser’s AGSM” means the annual general and special meeting of the shareholders of the Purchaser held on June 7, 2022;

“Purchaser’s Solicitor” means MLT Aikins LLP, in its capacity as the solicitors of the Purchaser;

“Regulatory Approval” means: (a) any notice required to be provided under any Applicable Law; and (b) any approval, consent, ruling, authorization, permit or acknowledgement required from any Person, including any Governmental Authority, pursuant to any Applicable Law;

“Release” has the meaning specified in Section 5.1.2(e);

“Representatives” means, in respect of a Party, that Party’s directors, officers, employees, agents, solicitors, accountants, professional advisors and other representatives involved in the transactions contemplated by this Agreement and, in the case of the Vendors prior to Closing, includes those of the Target Entities and Target Holdcos, as the case may be;

“Review Period” has the meaning specified in Section 2.4(b);

“Service Providers” has the meaning specified in Section 3.2.13(b);

“Software” means all computer programs, operating systems, and applications owned (and not licensed) by the Target Entities and material to the operation of the Business.

“Straddle Period” means a Tax period beginning before and ending after the Closing Date.

“Stub Period Returns” has the meaning specified in Section 4.4.1;

“Subsidiaries” means, with respect to any Person (other than an individual), any other Person (other than an individual) that such Person controls, whether directly or indirectly;

“Target” has the meaning specified on the first page of this Agreement;

“Target Benefit Plan” means the Employee Benefit Plan of Target in effect as at the Effective Date;

“Target Entities” has the meaning specified on the first page of this Agreement;

“Target Fundamental Representations” means each of the representations and warranties in Sections 3.1.1(a) – (f), 3.1.1(k), 3.1.2(a) – (f), 3.1.2(k), 3.1.3(a) –(f), 3.1.3(k), 3.1.4(a) –(f), 3.2.1-3.2.7, 3.2.16, 3.2.17 and 3.2.37;

“Target Holdcos” has the meaning specified on the first page of this Agreement;

“Target LP Units” means all of the issued and outstanding limited partnership units of the Target LP as at the Closing Time;

“Target ServiceCo Shares” means all of the issued and outstanding common shares of Target ServiceCo as at the Closing time;

“Target Shares” means all of the issued and outstanding Class A common shares, Class B common shares, Class C common shares, Class D common shares, Class E common shares, Class A special shares, Class B special shares, Class C special shares, Class D special shares, and Class E special shares of Target as at the Closing Time;

“Target Special Shares” means all of the Class A special shares, Class B special shares, Class C special shares, Class D special shares, and Class E special shares of Target issued and outstanding as at the Effective Date;

“Target’s Accountant” means [REDACTED];

“Target’s Annual Financial Statements” means the audited financial statements and notes thereto of the Target and the Target LP as at and for the fiscal year ended December 31, 2021;

“Target’s Interim Financial Statements” means the interim financial statements of the Target and the Target LP as at and for the six months ended June 30, 2022;

“Tax” or **“Taxes”** means: (a) all taxes, assessments, charges, dues, duties, rates, fees, premiums, air travelers security charges, imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Authority under any Applicable Law, including Tax Legislation, including, Canadian federal, provincial, territorial, municipal and local, foreign or other income, alternative or add-on minimum tax, capital, goods and services, harmonized sales, retail sales, use, consumption, excise, stamp, value-added, ad valorem, business, franchising, property, development, occupancy, employment, social services, education, real property, personal property, transfer, land transfer, withholding, payroll, or employer health taxes, customs, import, anti-dumping or countervailing duties, Canada Pension Plan contributions, provincial pension plan contributions, employment insurance premiums, and provincial workers’ compensation payments, including any interest, penalties, additions to tax and fines associated therewith, or other additional amounts imposed by any Governmental Authority in respect thereof; and (b) any liabilities in respect of any item described in clause (a) payable by reason of Contract, assumption, transferee or successor liability, or operation of law;

“Tax Act” means the *Income Tax Act* (Canada) as it may be amended from time to time and the Regulations promulgated thereunder;

“Tax Legislation” means the Tax Act and all federal, provincial, territorial, municipal, foreign, or other statutes imposing a Tax, including all treaties, conventions, rules, regulations, Orders, and decrees of any jurisdiction;

“Tax Reassessment Period” shall mean, with respect to a taxation year or other period of the applicable Person, the latest of: (a) the period ending on the first date on which no assessment, reassessment or other document assessing liability for Tax, interest or penalties may be issued to such Person in respect of the taxation year or period pursuant to any Tax Legislation (including, for greater certainty, any extensions or waivers); (b) the date upon which the such Person’s right to file a notice of objection to an assessment or reassessment or other document in respect of the taxation year or period expires; and (c) the date upon which no further appeals in respect of such

assessment, reassessment or other document in respect of the taxation year or period are available to such Person;

"Tax Returns" means all reports, elections, returns, and other documents required to be filed under the provisions of any Tax Legislation and any Tax forms required to be filed, whether in connection with a Tax Return or not, under any provisions of any applicable Tax Legislation;

"Termination Date" means 90 days following the Effective Date;

"Third Party Claim" means any Claim by any Person who is not a Party against an Indemnified Party in respect of which such Indemnified Party may make a Claim for indemnification under Article 8 of this Agreement;

"Thomson" has the meaning specified on the first page of this Agreement;

"Thomson Holdco Shares" means all of the issued and outstanding shares in the capital of Thomson Holdco as at the Effective Date;

"Thomson Vendors" means Thomson, Universal and the Thomson Trust;

"Transaction Documents" means this Agreement, the Investor Rights and Voting Agreements, the Releases, and the Non-Competition and Non-Solicitation Agreements;

"Transaction Expenses" means any commissions, fees and expenses (including the commissions, fees and expenses of any other accountants, advisors, brokers, consultants and legal counsel, including, without limitation, the Vendors' Solicitor and the Vendors' accountant) and transaction bonuses, retention payments, stay bonuses or other payments to employees, contractors, consultants or other Persons, in each case, of or incurred by any of the Vendors or the Target or any of their respective Affiliates (excluding, following the Closing, the Purchaser or any of its Affiliates other than the Target) in connection with the transactions contemplated by this Agreement;

"Tribunal" means any court (including a court of equity), arbitrator or arbitration or dispute settlement panel, or any Governmental Authority or other body or Person exercising administrative, ministerial, adjudicative, regulatory, judicial or quasi-judicial powers, including any stock exchange;

"TSXV" means the TSX Venture Exchange;

"TSXV Approval" means the approval and acceptance of the TSXV of the transactions contemplated in this Agreement, including, but not limited to, the issuance of Montfort Consideration Shares to the Vendors in accordance with this Agreement and the listing of the Montfort Consideration Shares issuable pursuant thereto on the TSXV and all matters ancillary thereto;

"USA" has the meaning specified in Section 3.2.4 of this Agreement;

"Vendors" has the meaning specified on the first page of this Agreement;

"Vendors' Designated Representative" has the meaning specified in Section 2.8 of this Agreement;

"Vendors' Solicitor" means Cassels Brock & Blackwell LLP in its capacity as the solicitors of the Vendors;

“Working Capital Adjustment” means an amount to be determined using the methodology and guidelines set out in Schedule E.

1.2 Certain Rules of Interpretation

In this Agreement and the Schedules:

- (a) **Commercially Reasonable.** “Commercially reasonable efforts/actions/steps” means the efforts that a prudent Person who desires to achieve a result would use in similar circumstances to ensure that such result is achieved as expeditiously as possible to the extent that such efforts are sound from a commercial and business point of view.
- (b) **Consent.** Whenever a provision of this Agreement requires or contemplates the consent or approval of a Party and that approval or consent is not delivered within the applicable time limit, then, unless otherwise specified, that Party will be deemed to have withheld its approval or consent.
- (c) **Currency.** Unless otherwise specified, all dollar amounts in this Agreement, including the symbol “\$”, refer to Canadian currency.
- (d) **Gender and Number.** In this Agreement, unless the context requires otherwise, any reference to gender includes all genders and words importing the singular number only include the plural and vice versa.
- (e) **Predecessors and Successors.** In this Agreement, unless the context requires otherwise, any reference to a Person shall be deemed to include their respective predecessors and successors.
- (f) **Headings, etc.** The division of this Agreement into Articles, Sections and other subdivisions and the inclusion of headings and a table of contents are provided for convenience only and do not affect the construction or interpretation of this Agreement.
- (g) **Including.** In this Agreement, the words “include” or “including” mean “include (or including) without limitation” and the words following “include” or “including” are not to be considered an exhaustive list.
- (h) **Knowledge.** Any reference to “to the knowledge of the Vendors” means the knowledge of each of the Vendors and includes the knowledge that each such Vendor would be expected to have, as applicable, after making reasonable inquiries regarding the relevant personnel of the Target.
- (i) **Ordinary Course.** The terms “ordinary course” and “ordinary course of business” means, with respect to an action taken by a Person, that such action is consistent with the past practices of the Person or its business, as the case may be, and is taken in the ordinary course of the normal day-to-day operations of the Person or its business.
- (j) **Performance on Holidays.** If any act is required by the terms of this Agreement to be performed on a day which is not a Business Day, the act will be valid if performed on the next succeeding Business Day.
- (k) **References to Documents.** Unless otherwise specified, any reference in this Agreement to this Agreement or any other agreement or document, is a reference to this Agreement or the other agreement or document as it may have been, or may from time to time be,

amended, supplemented, restated, novated or replaced and includes all schedules to it and to the Disclosure Letter.

- (l) **References to Persons.** Unless the context otherwise requires, any reference in this Agreement to a Person includes its successors and permitted assigns.
- (m) **References to this Agreement.** The words “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this Agreement as a whole and not to any particular Section or portion of it.
- (n) **Statutory References.** Unless otherwise specified, any reference in this Agreement to a statute includes all rules and regulations made under it, in each case as it or they may have been, or may from time to time be, amended or re-enacted.
- (o) **Time.** Time is of the essence of this Agreement, and no extension or variation of this Agreement will operate as a waiver of this provision.
- (p) **Time Periods.** Unless otherwise specified, a period of days (or Business Days) will be deemed to begin on the first day (or Business Day) after (or, in the calculation of days (or Business Days) prior to an event, the first day (or Business Day) prior to) the event which began the period and to end at 5:00 p.m. (Toronto time) on the last day of the period. If a period of time is to expire on any day that is not a Business Day, the period will be deemed to expire at 5:00 p.m. (Toronto time) on the next succeeding Business Day.
- (q) **Trade Terms.** Unless otherwise defined in this Agreement, words or abbreviations which have well-known trade meanings are used in this Agreement with those meanings.

1.3 Virtual Data Room

Any reference to a document or matter being “made available to the Purchaser” includes the posting of such document or matter on the virtual data room established by the Vendors to which the Purchaser has had access; provided that access to such documents or matters via the virtual data room shall have been granted to the Purchaser at least two days prior to the Effective Date. Any reference to a document or matter being “made available to the Vendors” includes any document publicly filed by or on behalf of the Purchaser on its SEDAR profile at www.sedar.com.

1.4 Entire Agreement

- (a) This Agreement together with the agreements and other documents to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral, written or otherwise, of the Parties or any of their respective Affiliates with respect thereto (including the Letter of Intent). There are no representations, warranties, covenants or other agreements between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement and any document delivered pursuant to this Agreement.
- (b) No supplement, modification, amendment, waiver or termination of this Agreement shall be binding unless executed in writing by the Party to be bound thereby.

1.5 Applicable Law

This Agreement shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and shall be treated, in all respects, as an Ontario contract.

1.6 Accounting Principles

Unless otherwise specified, any reference in this Agreement to “generally accepted accounting principles” or “GAAP” is to the accounting standards for private enterprises, and for greater certainty, Part II of the CPA Canada Handbook, in effect in Canada at the date of determination and consistently applied in accordance with past practices.

1.7 Schedules

The Schedules to this Agreement (if any), and the Disclosure Letter (and the Schedules thereto), form an integral part of this Agreement.

ARTICLE 2 PURCHASE AND SALE OF SHARES

2.1 Purchase and Sale

Subject to the terms and conditions of this Agreement, the Vendors shall sell to the Purchaser, effective as at the Closing Time, and the Purchaser shall purchase from the Vendors, effective as at the Closing Time, the Purchased Shares, free and clear of all Encumbrances except for Permitted Encumbrances.

2.2 Amount of Purchase Price

- (a) Subject to adjustment in accordance with this Agreement (including, without limitation, Section 2.6), the aggregate consideration payable by the Purchaser to the Vendors for the Purchased Shares shall be equal to \$30,500,000 (the “**Purchase Price**”), which will be payable to the Vendors in accordance with Section 2.3.
- (b) Subject to its final determination in accordance with this Agreement, the Purchase Price shall be allocated amongst the Purchased Shares in accordance with the allocation schedule provided in Schedule 2.2(b) of the Disclosure Letter.

2.3 Closing Payments

Subject to adjustment and allocation in accordance with this Agreement, the Purchase Price will be paid and satisfied as follows:

- (a) on the Closing Date, the Purchaser shall issue to the Vendors, as set forth in Schedule F, from treasury, on a prospectus and registration exempt basis:
 - (i) as to \$12,500,000, by issuing to the Vendors in accordance with Schedule F 31,250,000 Montfort Common Shares, which is equal to the quotient obtained by dividing \$12,500,000 by \$0.40 per Montfort Common Share; and
 - (ii) as to \$18,000,000, by issuing to the Vendors in accordance with Schedule F 18,000,000 Montfort Series A Preferred Shares at a deemed price of \$1.00 per Montfort Series A Preferred Share,

(collectively, the “**Montfort Consideration Shares**”), as validly issued and fully paid and non-assessable shares, free and clear of any Encumbrances (other than pursuant applicable statutory, TSXV or contractual resale restrictions), and shall deliver or cause to be delivered to each of the Vendors share certificates and/or direct registration statements as directed by the Vendors, representing the Montfort Consideration Shares, rounded to the nearest whole share, as follows:

- (A) representing 10% of the total Montfort Common Shares issued as Montfort Consideration Shares having a restrictive legend affixed thereto that provides: “Subject to the terms of the Investor Rights and Voting Agreement dated *[insert the Closing Date]*, the holder of this security must not trade the security before the date that is *[insert the date that is three months after the Closing Date]*”;
- (B) representing 10% of the Montfort Series A Preferred Shares issued as Montfort Consideration Shares having a restrictive legend affixed thereto that provides: “Subject to the terms of the Investor Rights and Voting Agreement dated *[insert the Closing Date]*, the holder of this security must not trade the security before the date that is *[insert the date that is three months after the Closing Date]*”;
- (C) representing 20% of the Montfort Common Shares issued as Montfort Consideration Shares having a restrictive legend affixed thereto that provides: “Subject to the terms of the Investor Rights and Voting Agreement dated *[insert the Closing Date]*, the holder of this security must not trade the security before the date that is *[insert the date that is six months after the Closing Date]*”;
- (D) representing 20% of the Montfort Series A Preferred Shares issued as Montfort Consideration Shares having a restrictive legend affixed thereto that provides: “Subject to the terms of the Investor Rights and Voting Agreement dated *[insert the Closing Date]*, the holder of this security must not trade the security before the date that is *[insert the date that is six months after the Closing Date]*”;
- (E) representing 30% of the Montfort Common Shares issued as Montfort Consideration Shares having a restrictive legend affixed thereto that provides: “Subject to the terms of the Investor Rights and Voting Agreement dated *[insert the Closing Date]*, the holder of this security must not trade the security before the date that is *[insert the date that is nine months after the Closing Date]*”;
- (F) representing 30% of the Montfort Series A Preferred Shares issued as Montfort Consideration Shares having a restrictive legend affixed thereto that provides: “Subject to the terms of the Investor Rights and Voting Agreement dated *[insert the Closing Date]*, the holder of this security must not trade the security before the date that is *[insert the date that is nine months after the Closing Date]*”;
- (G) representing 40% of the Montfort Common Shares issued as Montfort Consideration Shares having a restrictive legend affixed thereto that provides: “Subject to the terms of the Investor Rights and Voting Agreement dated *[insert the Closing Date]*, the holder of this security must

not trade the security before the date that is *[insert the date that is 12 months after the Closing Date]*"; and

(H) representing 40% of the Montfort Series A Preferred Shares issued as Montfort Consideration Shares having a restrictive legend affixed thereto that provides: "Subject to the terms of the Investor Rights and Voting Agreement dated *[insert the Closing Date]*, the holder of this security must not trade the security before the date that is *[insert the date that is 12 months after the Closing Date]*"; and

(b) on the Adjustment Date, the Purchaser or the Vendors, as the case may be, shall pay (or cause to be paid) the Post-Closing Adjustment Amount (for greater certainty, the absolute value thereof), if any, in accordance with Section 2.6(b).

2.4 Preparation of the Closing Balance Sheet and Determination of Closing Working Capital Adjustment

(a) Following the Closing Date, the Purchaser shall cause and instruct the Target's Accountant to prepare, at the Purchaser's expense and deliver to the Vendors on or before the date that is ■ days following the Closing Date:

(i) the balance sheet of each of the Target Entities and Target Holdcos as at the date immediately preceding the Closing Date, based on generally accepted accounting principles, applying the same accounting policies and practices as applied to the Target's Annual Financial Statements (to the extent consistent with generally accepted accounting principles) (collectively the "**Closing Balance Sheet**"); and

(ii) a calculation of Working Capital Adjustment as at the Closing Time (based upon the Closing Balance Sheet, to the extent applicable) (the "**Closing Working Capital Adjustment**").

(b) Notwithstanding the above, the Closing Balance Sheet and Closing Working Capital Adjustment shall be prepared by assuming that the fiscal period of Target LP that includes the Closing Date instead consisted of two (2) separate fiscal periods, one of which ended at the end of the day preceding the Closing Date and the other of which commenced at the beginning of the Closing Date, and items of income, gain, deduction, loss or credit of Target LP shall be allocated between those two fiscal periods on a "closing of the books basis" by assuming that the books of Target LP were closed at the end of the day preceding the Closing Date; provided, however, that exemptions, allowances or deductions that are calculated on an annual basis (including, but not limited to, depreciation and amortization deductions) shall be allocated in proportion to the number of days in each period; and further provided that the expected Taxes of Target LP and its partners in respect of the fiscal period ending at the end of the day preceding the Closing Date shall be accrued as current liabilities of Target LP for purposes of the Closing Balance Sheet and the Closing Working Capital Adjustment.

(c) Following receipt of the Closing Balance Sheet and the calculations of the Closing Working Capital Adjustment (in this Section 2.4, such calculations being referred to as the "**Calculations**"), the Vendors and the Purchaser will have ■ days to review same (the "**Review Period**"). During the Review Period, the Purchaser will cause the Target Entities and Target Holdcos to give access, and shall ensure that the Target's Accountant gives access, upon every reasonable request, to the Vendors, to the Books and Records and working papers of each of the Target Entities, Target Holdcos and the Target's Accountant

relating to, or created in connection with, the preparation of the Closing Balance Sheet and/or the Calculations to verify the accuracy, presentation and other matters relating to the preparation of the Closing Balance Sheet and the Calculations, and to enable the Vendors to exercise the rights under Section 2.5.

- (d) The Parties shall each bear their own fees and expenses, including the fees and expenses of their respective auditors/accountants, in reviewing the Closing Balance Sheet and the Calculations, provided that if a dispute regarding the Closing Balance Sheet or any of the Calculations is submitted for determination to the Independent Accountant under Section 2.5(b), the fees and expenses of such Parties and the Independent Accountant will be paid in accordance with Section 2.5(d).

2.5 Acceptance or Dispute of the Closing Balance Sheet, Closing Working Capital Adjustment

- (a) Following receipt of the Closing Balance Sheet and the Calculations as contemplated by Section 2.4, if the Vendors' Designated Representative or the Purchaser, as applicable, objects to any item(s) on the Closing Balance Sheet or any of the Calculations, then the Vendors' Designated Representative or the Purchaser, as applicable (the "**Objecting Party**"), may so notify the non-Objecting Party by delivering to the non-Objecting Party a written notice to that effect (the "**Notice of Objection**") prior to the end of the Review Period. The Notice of Objection must set out the reasons for the objection of the Objecting Party, the item(s) in dispute and the Objecting Party's calculation of such item(s). If the Purchaser or the Vendors' Designated Representative, as applicable, does not object to any item on the Closing Balance Sheet or any of the Calculations, the Vendors' Designated Representative or the Purchaser, as applicable, may so notify the other by delivering a written notice to that effect (the "**Notice of Acceptance**"). If the Vendors' Designated Representative or the Purchaser, as applicable, does not deliver a Notice of Objection or a Notice of Acceptance to the other prior to the end of the Review Period, such Party will be deemed to have delivered a Notice of Acceptance to the other on the last day of the Review Period and the Closing Balance Sheet and the Calculations will be deemed to be final and binding for purposes of the adjustments referred to in Section 2.6. For greater certainty, no Party may attempt to dispute, duplicate or adjust any amount which that Party is required to pay or is entitled to receive as a result of the adjustments referred to in Section 2.6 by making a claim for indemnification under Article 8. If a Notice of Objection is delivered in accordance with this Section 2.5(a), the Parties shall work expeditiously and in good faith to resolve all of the items in dispute set out in the Notice of Objection within █ days following the delivery of the Notice of Objection, it being acknowledged and agreed that the Closing Working Capital Adjustment shall be interpreted in accordance with principles set forth in the Letter of Intent. Notwithstanding the foregoing, and for greater certainty, the Parties acknowledge that there is to be no adjustment to the Purchase Price in respect of any related party indebtedness disclosed in Schedule 3.2.18 to the Disclosure Letter, all of which is expressly permitted. If the objections are so resolved, the Closing Balance Sheet and the Calculations with such changes as are agreed to by the Parties in writing shall be final and binding for purposes of the adjustments referred to in Section 2.6.
- (b) Any items in dispute and not resolved by the end of the Review Period shall be submitted by the Parties for determination to an accounting firm to be determined jointly by the Parties, each acting reasonably (the "**Independent Accountant**") in accordance with this Section 2.5. In such event, the Parties shall jointly retain the Independent Accountant, and shall cause the Independent Accountant, acting as an expert and not an arbitrator, on the basis set forth in, and in accordance with, this Section 2.5, to determine those item(s) still in dispute. The Parties shall instruct the Independent Accountant to deliver its written

determination to the Parties no later than [REDACTED] days after submitting the matter to the Independent Accountant for resolution.

- (c) In resolving any disputed item, the Independent Accountant may not assign a value to any disputed item that is greater than the greatest value claimed by the Purchaser or the Vendors' Designated Representative at the time the Independent Accountant is retained or less than the smallest value claimed for the item by the Purchaser or the Vendors at such time. The scope of the disputes to be resolved by the Independent Accountant is limited to whether the preparation of the Closing Balance Sheet and the Calculations were done in accordance with this Agreement, and the Independent Accountant is not to make any other determination unless jointly requested in writing by the Parties. Notwithstanding anything to the contrary in this Agreement, any disputes regarding the Closing Balance Sheet and/or the Calculations shall be resolved solely and exclusively as set forth in this Section 2.5. The findings and determinations of the Independent Accountant as set forth in its written report shall be deemed final, conclusive and binding upon the Parties and shall not be subject to appeal or collateral attack for any reason, except with respect to any mathematical errors or fraud. The Parties shall be entitled to have a judgment entered on such written report in any court of competent jurisdiction.
- (d) The fees, expenses and other charges or disbursements of or reimbursements to the Independent Accountant and the reasonable legal and professional fees and expenses of the Parties relating to any disputes submitted to the Independent Accountant pursuant to this Section 2.5 (collectively, for the purposes of this Section 2.5, the "**Post-Closing Adjustment Amount Dispute Expenses**") shall be borne by the Vendors, on the one hand, and the Purchaser, on the other hand, based on the inverse of the percentage that the Independent Accountant's determination bears to the total amount of the total items in dispute as originally submitted to the Independent Accountant. In particular, and for example, should the items in dispute total [REDACTED] and the Independent Accountant awards [REDACTED] in favour of the Vendors' position, [REDACTED] % of the Post-Closing Adjustment Amount Dispute Expenses shall be borne by the Purchaser and [REDACTED] % of the Post-Closing Adjustment Amount Dispute Expenses shall be borne collectively by the Vendors.
- (e) The Parties shall cooperate with the Independent Accountant during its resolution of the dispute and make readily available to the Independent Accountant all relevant Books and Records and any working papers (including those of the accountants of the Target) relating to the Closing Balance Sheet, the Calculations and/or the Notice of Objection and all other items reasonably requested by the Independent Accountant in connection therewith, provided that neither the Purchaser nor the Vendors' Designated Representative shall be required to provide any documents that are subject to solicitor-client privilege and that address the interpretation of this Agreement with respect to the determination of the Closing Working Capital Adjustment. If the Vendors' Designated Representative does not reasonably cooperate with the Independent Accountant in resolving the dispute or fails to comply with any dispute resolution procedures set forth herein, then the Closing Balance Sheet and all calculations delivered by the Purchaser to the Vendors' Designated Representative shall be deemed agreed, final and binding on the Parties. If the Purchaser does not reasonably cooperate with the Independent Accountant in resolving the dispute or fails to comply with any dispute resolution procedures set forth herein, then all items described in the Notice of Objection delivered by the Vendors' Designated Representative to the Purchaser shall be deemed agreed, final and binding on the Parties.
- (f) The procedure set out in this Section 2.5 for resolving disputes with respect to the Closing Balance Sheet and the Calculations and post-Closing payments to be made pursuant to Article 2 hereof is the sole and exclusive method of resolving those disputes, absent a clear

and manifest error. However, this Section 2.5(f) will not prohibit the Purchaser or the Vendors, from commencing litigation to compel specific performance of this Section 2.5 or to enforce the determination of the Independent Accountant.

2.6 Post-Closing Adjustments

- (a) The Purchase Price will be adjusted as follows:
 - (i) if the Closing Working Capital Adjustment, as finally determined in accordance with Section 2.5:
 - (A) is greater than the Expected Working Capital Adjustment, then the Purchase Price will be increased, dollar for dollar, by the amount of the difference; or
 - (B) is less than the Expected Working Capital Adjustment, then the Purchase Price will be decreased, dollar for dollar, by the amount of the difference.

The aggregate amount by which the Purchase Price is adjusted in accordance with this Section 2.6(a) is referred to as the “**Post-Closing Adjustment Amount**”.

- (b) If the Purchase Price is increased in accordance with Section 2.6(a), the Purchaser shall pay on the Adjustment Date, the Post-Closing Adjustment Amount (for greater certainty, the absolute value thereof) to the Vendors, by wire transfer of immediately available funds in accordance with written wire instructions to be provided by the Vendors prior to the Adjustment Date.
- (c) If the Purchase Price is decreased in accordance with Section 2.6(a), the Vendors shall pay on the Adjustment Date, by wire transfer of immediately available funds in accordance with written wire instructions to be provided by the Purchaser prior to the Adjustment Date, the Post-Closing Adjustment Amount (for greater certainty, the absolute value thereof) to the Purchaser. The obligation of the Vendors under this subsection shall be allocated such that

[REDACTED]

2.7 Securities Matters

- (a) The Vendors acknowledge that the Montfort Consideration Shares will be subject to, and legended to reflect, hold periods and resale restrictions in accordance with the requirements of this Agreement, Applicable Laws, the rules and policies of the TSXV, and the Investor Rights and Voting Agreement.
- (b) The Vendors acknowledge that they are solely responsible to find out what these hold periods and resale restrictions are and that it is solely responsible for compliance with applicable resale restrictions and that they are aware that during any hold period they may not resell the Montfort Consideration Shares except in accordance with limited exemptions under the Applicable Laws and the rules and policies of the TSXV, provided however, that such Montfort Consideration Shares are released from the contractual escrow under the Investor Rights and Voting Agreement

2.8 Vendors' Designated Representative

- (a) The Vendors shall ensure that at all times one Person be appointed as their representative (the "**Vendors' Designated Representative**") in connection with certain matters related to this Agreement post-Closing and such Person agrees to be bound by and comply with the terms of this Agreement and the Vendors shall take all actions required to ensure that the Vendors' Designated Representative complies with and is bound by the terms of this Agreement. The Vendors hereby appoint [REDACTED] as the Vendors' Designated Representative who hereby accepts such appointment and agrees to be bound by and comply with the terms of this Agreement.
- (b) The Vendors' Designated Representative may, at the sole cost and expense of the Vendors, engage such other advisors as the Vendors' Designated Representative deems necessary in order to comply with the terms of this Agreement.
- (c) The appointment of the Vendors' Designated Representative hereunder shall expire on the date on which there shall exist no further obligations of the Vendors' Designated Representative.
- (d) The Purchaser will be entitled to rely on the actions and determinations of the Vendors' Designated Representative and will have no liability whatsoever with respect to any action or omission taken in reliance on the actions or omissions of the Vendors' Designated Representative.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Vendors and the Target Holdcos

3.1.1 Representations and Warranties in Respect of the Thomson Vendors and Thomson Holdco

Each of the Thomson Vendors and Thomson Holdco together jointly and severally, represent and warrant to the Purchaser as follows and acknowledge that the Purchaser is relying on such representations and warranties in connection with its purchase of the Purchased Shares:

- (a) Organization and Status.
 - (i) Thomson Holdco is a corporation validly existing and is in good standing under the laws of the Province of Ontario and is duly registered, licensed or qualified to carry on business in Ontario, being the only jurisdiction in which the nature of its assets or business makes such registration, licensing or qualification necessary and where Thomson Holdco owns or leases any material assets or conducts any material business. Schedule 3.1.1(a) of the Disclosure Letter sets forth the names and titles of all the officers and directors of Thomson Holdco.
 - (ii) Universal is a corporation validly existing and is in good standing under the laws of Ontario and is duly registered, licensed or qualified to carry on business in Ontario, being the only jurisdiction in which the nature of its assets or business makes such registration, licensing or qualification necessary and where Universal owns or leases any material assets or conducts any material business.
 - (iii) The Thomson Trust is a trust validly created and existing under the laws of the Province of Ontario, its trustees have been duly and validly appointed as trustees.

- (b) Power and Authorization.
- (i) Each of Thomson Holdco and Universal has the corporate power and capacity to enter into this Agreement and to perform its obligations hereunder. This Agreement has been duly authorized by all necessary action by Thomson Holdco and Universal.
 - (ii) The trustees of the Thomson Trust have all requisite power and authority to enter into this Agreement and to perform the obligations of the Thomson Trust hereunder. This Agreement has been duly authorized by all necessary action by the trustees of the Thomson Trust.
 - (iii) Thomson has the absolute and unrestricted capacity, right, power and authority to enter into and to perform his obligations hereunder and to perform his obligations under each of the Transaction Documents required by this Agreement to be delivered by Thomson. Thomson has not at any time taken or been the subject of any action that may have an adverse effect on Thomson's ability to comply with or perform any of the Vendors' covenants or obligations under this Agreement.
 - (iv) Each of the Transaction Documents required by this Agreement to be delivered by Thomson Holdco, Universal and the Thomson Trust at the Closing Time has been duly authorized by all necessary action by Thomson Holdco, Universal and the trustees of the Thomson Trust.
 - (v) This Agreement has been duly executed and delivered by Thomson Holdco and each of the Thomson Vendors and is a legal, valid and binding obligation of Thomson Holdco and each Thomson Vendor, enforceable against Thomson Holdco and each Thomson Vendor in accordance with its terms.
 - (vi) At the Closing Time, each of the Transaction Documents required by this Agreement to be delivered by Thomson Holdco and each Thomson Vendor, as applicable, will be duly executed and delivered by Thomson Holdco and the Thomson Vendors, as applicable, and will be legal, valid and binding obligations of Thomson Holdco and each Thomson Vendor, as applicable, enforceable against Thomson Holdco and the Thomson Vendors, as applicable, by the Purchaser in accordance with their respective terms subject to the qualification that such enforceability may be subject to: (x) bankruptcy, insolvency, fraudulent preference or other laws affecting creditors' rights generally; and (y) general principles of equity (regardless of whether such enforceability is considered in a proceeding at equity or law).
- (c) No Violation. The execution and delivery of this Agreement by Thomson Holdco and the Thomson Vendors and the consummation of the transactions provided for herein will not result in the violation of, or constitute a default under or conflict with or cause the acceleration of any obligation of Thomson Holdco or the Thomson Vendors under:
- (i) any Contract to which Thomson Holdco or a Thomson Vendor is a party or by which it is bound;
 - (ii) any provision of the constating documents or resolutions of the board of directors (or any committee thereof), shareholders or trustees, as applicable, of Thomson Holdco, Universal or the Thomson Trust;

- (iii) any judgment, decree, order or award of any court, Governmental Authority or arbitrator having jurisdiction over Thomson Holdco or a Thomson Vendor; or
 - (iv) any Applicable Law.
- (d) No Other Agreements to Purchase. No person other than the Purchaser has any written or oral Contract or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming a Contract or option for the purchase or acquisition from:
 - (i) Thomson Holdco or any Thomson Vendor, any of the Purchased Shares held by a Thomson Vendor;
 - (ii) Thomson Holdco, the Target Shares or Target LP Units held by Thomson Holdco; or
 - (iii) Thomson Holdco, any Thomson Vendor or any other person, of any manner of securities or equity interest of a Thomson Vendor in Thomson Holdco or of Thomson Holdco in or of the Target Entities whatsoever that has not been waived.
- (e) Ownership of Thomson Holdco Shares and Purchased Shares.
 - (i) The Thomson Vendors are the beneficial owners and legal holders of record of all of the outstanding shares of Thomson Holdco as listed in Schedule 3.1.1(e) of the Disclosure Letter; and
 - (ii) The Thomson Vendors and Thomson Holdco are the beneficial owners and legal holders of record of the Target Shares, Target ServiceCo Shares and Target LP Units as listed in Schedule 3.1.1(e) of the Disclosure Letter,

in each case with good and marketable title thereto, free and clear of all Encumbrances other than those restrictions on transfer, if any, contained in the articles of the Thomson Holdco and the Target Entities, as applicable, Permitted Encumbrances, and the USA, and, without limiting the generality of the foregoing, except for the USA, none of the Purchased Shares held by the Thomson Vendors or the Target Shares, Target ServiceCo Shares and Target LP Units held by the Thomson Vendors or Thomson Holdco are now subject to any voting trust, shareholder agreement or voting agreement of any kind.
- (f) No Other Assets and No Liabilities. There are no other assets in Thomson Holdco except its interests in the Target Entities, and Thomson Holdco has no liabilities or debt as of the Effective Date other than as set forth in Schedule 3.1.1(f) of the Disclosure Letter or as may be owing to the Target.
- (g) Consent. No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any foreign, provincial or local governmental authority or other person on the part of the Thomson Vendors or Thomson Holdco is required in connection with the consummation of the transactions contemplated by this Agreement, except such consents and approvals provided.
- (h) Tax Matters – Thomson Vendors. The Thomson Vendors have had an opportunity to review with their tax advisers of the federal, state, provincial, local and/or foreign tax consequences of the transactions contemplated by this Agreement. The Thomson Vendors

are relying solely on such advisers and not on any statements or representations of the Purchaser, the Target Entities, or any of their respective agents. The Thomson Vendors understand and acknowledge that they (and not the Purchaser or the Target Entities) shall be responsible for their tax liability and any related interest and penalties that may arise as a result of the transactions contemplated by this Agreement. None of the Thomson Vendors is not a non-resident of Canada for purposes of the Tax Act.

(i) Tax Matters – Thomson Holdco.

- (i) At all times since its incorporation, Thomson Holdco has been resident in Canada for purposes of the Tax Act and has not been subject to taxation in any foreign jurisdiction.
- (ii) Thomson Holdco is an investment holding corporation and has never conducted, transacted or otherwise engaged in any business or activities other than (A) the ownership of equity and debt of the Target Entities, (B) the maintenance of its corporate existence and corporate governance, (C) income tax, accounting, and other administrative matters, (D) the performance of its obligations under this Agreement, and (E) activities incidental to any of the foregoing.
- (iii) Thomson Holdco has duly and timely paid all material Taxes (whether or not assessed by the relevant Governmental Authority), including all material Taxes shown on its Tax Returns, which were due and payable, and all material Taxes payable by it under any notice of assessment or reassessment. Thomson Holdco is not in possession of any refund of Taxes to which it is not entitled.
- (iv) Thomson Holdco has deducted, withheld and/or collected and remitted to the relevant Governmental Authority within the applicable time periods prescribed under Applicable Laws all material Taxes or other material amounts required to be deducted, withheld and/or collected and remitted by it.
- (v) Thomson Holdco has timely filed or caused to be filed with the applicable Governmental Authorities all material Tax Returns required to be filed by it and all such Tax Returns are true and correct in all material respects and have been completed in accordance with applicable Tax Legislation.
- (vi) There are no reassessments or assessments of Taxes that have been issued to and to the knowledge of Thomson, that are under dispute by Thomson Holdco.
- (vii) There are no Encumbrances (other than Encumbrances related to Taxes which are not due or delinquent or if due or delinquent, the validity of which the Thomson Holdco is contesting in good faith by proper proceedings) for Taxes upon any assets of Thomson Holdco. Thomson Holdco has not requested any extension of time within which to file any Tax Return which has not since been filed.
- (viii) To the knowledge of Thomson, no Governmental Authority has notified Thomson Holdco that it is currently challenging or disputing Thomson Holdco in respect of any Taxes or any Tax Returns.
- (ix) Thomson Holdco has not waived any statute of limitations in respect of any Taxes or executed or filed with any Governmental Authority any agreement extending the period for assessment, reassessment or collection of any Taxes.

- (x) Assessments in relation to all applicable Taxes, including without limitation under all Tax Legislation, have been made with respect to Thomson Holdco covering all past periods through the latest completed fiscal year.
 - (xi) Thomson Holdco is not subject to any liability for Taxes of any other Person, including without limitation, liability arising under section 160 of the Tax Act or any analogous provision of Tax Legislation.
 - (xii) Thomson Holdco has not claimed, nor will it claim, any reserves under the Tax Act or any equivalent provisions of the Tax Legislation of a province or other jurisdiction for any taxation year or period ended on or prior to the Closing Date that could be included in income for any taxation year or period ending after the Closing Date.
 - (xiii) At all times since its incorporation, and until the Effective Date, Thomson Holdco has qualified as a “Canadian-controlled private corporation” as such term is defined in the Tax Act.
 - (xiv) All accrued Taxes of Thomson Holdco related to any period ending on or prior to the Closing Date is disclosed in Schedule 3.1.1(i) of the Disclosure Letter.
- (j) Broker Fees. No broker, finder or investment banker has been retained or engaged on behalf of the Thomson Vendors or Thomson Holdco or is entitled to any brokerage, finder’s or other fee, compensation or commission in connection with the transactions contemplated by this Agreement.
- (k) Litigation. There is no action, suit or proceeding, or governmental inquiry or investigation, pending or, to Thomson’s knowledge, threatened against either the Thomson Vendors in connection with the Purchased Shares being sold by them or Thomson Holdco or that questions the validity of this Agreement or the right of the Thomson Vendors and Thomson Holdco to enter into this Agreement and consummate the transactions contemplated thereby.
- (l) Capitalization.
- (i) The authorized capital of Thomson Holdco consists of an unlimited number of Voting Class 1 Common shares, Voting Class 2 Common shares, Non-voting Class 3 Common shares, Non-voting Class 4 Common shares, Non-voting Class A Special shares, Non-voting Class B Special shares, Non-voting Class C Special shares, Non-voting Class D Special shares, Non-voting Class E Special shares, Non-voting Class F Special shares, Non-voting Class G Special shares, Non-voting Class H Special shares and Super-voting Class I Special shares (10,000 votes per share) of which 10,000 Class 1 Common Shares, 10,000 Class 2 Common Shares, 100,000 Class B Special Shares, 1,320,000 Class A special shares and 2,762,303 Class E special shares are issued and outstanding as at the effective time of this Agreement and 10,000 Class 1 Common Shares, 10,000 Class 2 Common Shares, 100,000 Class B Special Shares, 1,320,000 Class A special shares and 2,762,303 Class E special shares will be issued and outstanding as at the Closing Time and constitute the Thomson Holdco Shares to be purchased by the Purchaser subject to the terms and conditions of this Agreement. All of the Thomson Holdco Shares have been duly authorized, are validly issued, fully paid and non-assessable, and the Thomson Vendors are the sole registered and beneficial owners of the Thomson Holdco Shares as set forth

in Schedule 3.1.1(l) of the Disclosure Letter, free and clear of all Encumbrances other than restrictions on transfer under the Articles.

- (ii) All of the Thomson Holdco Shares were issued in compliance with Applicable Laws. None of the Thomson Holdco Shares were issued in violation of any agreement, arrangement or commitment to which the Thomson Vendors or Thomson Holdco is a party or is subject to or in violation of any pre-emptive or similar rights of any Person.
- (iii) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any shares in the capital of Thomson Holdco or obligating the Thomson Vendors or Thomson Holdco to issue or sell any shares of, or any other interest in, Thomson Holdco. Thomson Holdco does not have outstanding or authorized any share appreciation, phantom share, profit participation or similar rights. There are no voting trusts or agreements, pooling agreements, unanimous shareholder agreements or other shareholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Thomson Holdco Shares.

3.1.2 Representations and Warranties in Respect of the Albright Vendors and Albright Holdco

Each of the Albright Vendors and Albright Holdco together jointly and severally, represent and warrant to the Purchaser as follows and acknowledge that the Purchaser is relying on such representations and warranties in connection with its purchase of the Purchased Shares:

(a) Organization and Status.

- (i) Albright Holdco is a corporation validly existing and is in good standing under the laws of the Province of Ontario and is duly registered, licensed or qualified to carry on business in Ontario, being the only jurisdiction in which the nature of its assets or business makes such registration, licensing or qualification necessary and where Albright Holdco owns or leases any material assets or conducts any material business. Section 3.1.2(a) of the Disclosure Letter sets forth the names and titles of all the officers and directors of Albright Holdco.
- (ii) GreatBlake is a corporation validly existing and is in good standing under the laws of Canada and is duly registered, licensed or qualified to carry on business in Ontario, being the only jurisdiction in which the nature of its assets or business makes such registration, licensing or qualification necessary and where GreatBlake owns or leases any material assets or conducts any material business.
- (iii) The Albright Trust is a trust validly created and existing under the laws of the Province of Ontario, its trustees have been duly and validly appointed as trustees.

(b) Power and Authorization.

- (i) Each of Albright Holdco and GreatBlake has the corporate power and capacity to enter into this Agreement and to perform its obligations hereunder. This Agreement has been duly authorized by all necessary action by Albright Holdco and GreatBlake.

- (ii) The trustees of the Albright Trust have all requisite power and authority to enter into this Agreement and to perform the obligations of the Albright Trust hereunder. This Agreement has been duly authorized by all necessary action by the trustees of the Albright Trust.
 - (iii) Albright has the absolute and unrestricted capacity, right, power and authority to enter into and to perform his obligations hereunder and to perform his obligations under each of the Transaction Documents required by this Agreement to be delivered by Albright. Albright has not at any time taken or been the subject of any action that may have an adverse effect on Albright's ability to comply with or perform any of the Vendors' covenants or obligations under this Agreement.
 - (iv) Each of the Transaction Documents required by this Agreement to be delivered by Albright Holdco, GreatBlake and the Albright Trust at the Closing Time has been duly authorized by all necessary action by Albright Holdco, GreatBlake and the trustees of the Albright Trust.
 - (v) This Agreement has been duly executed and delivered by Albright Holdco and each of the Albright Vendors and is a legal, valid and binding obligation of Albright Holdco and each Albright Vendor, enforceable against Albright Holdco and each Albright Vendor in accordance with its terms.
 - (vi) At the Closing Time, each of the Transaction Documents required by this Agreement to be delivered by Albright Holdco and each Albright Vendor, as applicable, will be duly executed and delivered by Albright Holdco and the Albright Vendors, as applicable, and will be legal, valid and binding obligations of Albright Holdco and each Albright Vendor, as applicable, enforceable against Albright Holdco and the Albright Vendors, as applicable, by the Purchaser in accordance with their respective terms subject to the qualification that such enforceability may be subject to: (x) bankruptcy, insolvency, fraudulent preference or other laws affecting creditors' rights generally; and (y) general principles of equity (regardless of whether such enforceability is considered in a proceeding at equity or law).
- (c) No Violation. The execution and delivery of this Agreement by Albright Holdco and the Albright Vendors and the consummation of the transactions provided for herein will not result in the violation of, or constitute a default under or conflict with or cause the acceleration of any obligation of Albright Holdco or the Albright Vendors under:
- (i) any Contract to which Albright Holdco or any Albright Vendor is a party or by which it is bound;
 - (ii) any provision of the constating documents or resolutions of the board of directors (or any committee thereof), shareholders or trustees of Albright Holdco, GreatBlake or the Albright Trust, as applicable;
 - (iii) any judgment, decree, order or award of any court, Governmental Authority or arbitrator having jurisdiction over Albright Holdco or the Albright Vendors; or
 - (iv) any Applicable Law.

- (d) No Other Agreements to Purchase. No person other than the Purchaser has any written or oral Contract or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming a Contract or option for the purchase or acquisition from:
- (i) Albright Holdco or any Albright Vendor, any of the Purchased Shares held by an Albright Vendor;
 - (ii) Albright Holdco, the Target Shares or Target LP Units held by Albright Holdco; or
 - (iii) Albright Holdco, any Albright Vendor or any other person, of any manner of securities or equity interest of an Albright Vendor in Albright Holdco or of Albright Holdco in or of the Target Entities whatsoever that has not been waived.
- (e) Ownership of Albright Holdco Shares and Purchased Shares.
- (i) The Albright Vendors are the beneficial owners and legal holders of record of all of the outstanding shares of Albright Holdco as listed in Schedule 3.1.2(e) of the Disclosure Letter; and
 - (ii) Albright Holdco is the beneficial owner and legal holder of record of all of the Target Shares, Target ServiceCo Shares and Target LP Units as listed in Schedule 3.1.2(e) of the Disclosure Letter,

in each case with good and marketable title thereto, free and clear of all Encumbrances other than those restrictions on transfer, if any, contained in the articles of the Albright Holdco and the Target Entities, as applicable, Permitted Encumbrances and the USA and, without limiting the generality of the foregoing, except for the USA, none of the Purchased Shares held by Albright or the Target Shares, Target ServiceCo Shares and Target LP Units held by Albright Holdco are now subject to any voting trust, shareholder agreement or voting agreement of any kind.
- (f) No Other Assets and No Liabilities. There are no other assets in Albright Holdco except its interests in the Target Entities, and Albright Holdco has no liabilities or debt as of the Effective Date other than as set forth in Schedule 3.1.2(f) of the Disclosure Letter or as may be owing to the Target.
- (g) Consent. No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any foreign, provincial or local governmental authority or other person on the part of the Albright Vendors or Albright Holdco is required in connection with the consummation of the transactions contemplated by this Agreement, except such consents and approvals provided.
- (h) Tax Matters – Albright Vendors. The Albright Vendors have had an opportunity to review with their tax advisers of the federal, state, provincial, local and/or foreign tax consequences of the transactions contemplated by this Agreement. The Albright Vendors are relying solely on such advisers and not on any statements or representations of the Purchaser, the Target Entities, or any of their respective agents. The Albright Vendors understand and acknowledge that they (and not the Purchaser or the Target Entities) shall be responsible for their tax liability and any related interest and penalties that may arise as a result of the transactions contemplated by this Agreement. None of the Albright Vendors is not a non-resident of Canada for purposes of the Tax Act.

- (i) Tax Matters – Albright Holdco. At all times since its incorporation, Albright Holdco has been resident in Canada for purposes of the Tax Act and has not been subject to taxation in any foreign jurisdiction.
- (i) Albright Holdco is an investment holding corporation and has never conducted, transacted or otherwise engaged in any business or activities other than (A) the ownership of equity and debt of the Target Entities, (B) the maintenance of its corporate existence and corporate governance, (C) income tax, accounting, and other administrative matters, (D) the performance of its obligations under this Agreement, and (E) activities incidental to any of the foregoing.
- (ii) Albright Holdco has duly and timely paid all material Taxes (whether or not assessed by the relevant Governmental Authority), including all material Taxes shown on its Tax Returns, which were due and payable, and all material Taxes payable by it under any notice of assessment or reassessment. Albright Holdco is not in possession of any refund of Taxes to which it is not entitled.
- (iii) Albright Holdco has deducted, withheld and/or collected and remitted to the relevant Governmental Authority within the applicable time periods prescribed under Applicable Laws all material Taxes or other material amounts required to be deducted, withheld and/or collected and remitted by it.
- (iv) Albright Holdco has timely filed or caused to be filed with the applicable Governmental Authorities all material Tax Returns required to be filed by it and all such Tax Returns are true and correct in all material respects and have been completed in accordance with applicable Tax Legislation.
- (v) There are no reassessments or assessments of Taxes that have been issued to and to the knowledge of Albright, that are under dispute by Albright Holdco.
- (vi) There are no Encumbrances (other than Encumbrances related to Taxes which are not due or delinquent or if due or delinquent, the validity of which the Albright Holdco is contesting in good faith by proper proceedings) for Taxes upon any assets of Albright Holdco. Albright Holdco has not requested any extension of time within which to file any Tax Return which has not since been filed.
- (vii) To the knowledge of Albright, no Governmental Authority has notified Albright Holdco that it is currently challenging or disputing Albright Holdco in respect of any Taxes or any Tax Returns.
- (viii) Albright Holdco has not waived any statute of limitations in respect of any Taxes or executed or filed with any Governmental Authority any agreement extending the period for assessment, reassessment or collection of any Taxes.
- (ix) Assessments in relation to all applicable Taxes, including without limitation under all Tax Legislation, have been made with respect to Albright Holdco covering all past periods through the latest completed fiscal year.
- (x) Albright Holdco is not subject to any liability for Taxes of any other Person, including without limitation, liability arising under section 160 of the Tax Act or any analogous provision of Tax Legislation.

- (xi) Albright Holdco has not claimed, nor will it claim, any reserves under the Tax Act or any equivalent provisions of the Tax Legislation of a province or other jurisdiction for any taxation year or period ended on or prior to the Closing Date that could be included in income for any taxation year or period ending after the Closing Date.
 - (xii) All accrued Taxes of Albright Holdco related to any period ending on or prior to the Closing Date is disclosed in Schedule 3.1.2(i) of the Disclosure Letter.
 - (xiii) At all times since its incorporation, and until the Effective Date, Albright Holdco has qualified as a “Canadian-controlled private corporation” as such term is defined in the Tax Act.
- (j) Broker Fees. No broker, finder or investment banker has been retained or engaged on behalf of the Albright Vendors or Albright Holdco or is entitled to any brokerage, finder’s or other fee, compensation or commission in connection with the transactions contemplated by this Agreement.
- (k) Litigation. There is no action, suit or proceeding, or governmental inquiry or investigation, pending or, to Albright’s knowledge, threatened against either the Albright Vendors in connection with the Purchased Shares being sold by them or Albright Holdco or that questions the validity of this Agreement or the right of the Albright Vendors and Albright Holdco to enter into this Agreement and consummate the transactions contemplated thereby.
- (l) Capitalization.
- (i) The authorized capital of Albright Holdco consists of an unlimited number of Class A Common shares, Class B Common shares, Class A Special shares, Class B Special shares and Class C Special shares of which 100 Class A Common Shares, 200,000 Class B Special Shares and 3,661,781 Class C Special Shares are issued and outstanding as at the effective time of this Agreement and 100 Class A Common Shares, 200,000 Class B Special Shares and 3,661,781 Class C Special Shares will be issued and outstanding as at the Closing Time and constitute the Albright Holdco Shares to be purchased by the Purchaser subject to the terms and conditions of this Agreement. All of the Albright Holdco Shares have been duly authorized, are validly issued, fully paid and non-assessable, and the Albright Vendors are the sole registered and beneficial owners of the Albright Holdco Shares as set forth in Schedule 3.1.2(I) of the Disclosure Letter, free and clear of all Encumbrances other than restrictions on transfer under the Articles.
 - (ii) All of the Albright Holdco Shares were issued in compliance with Applicable Laws. None of the Albright Holdco Shares were issued in violation of any agreement, arrangement or commitment to which the Albright Vendors or Albright Holdco is a party or is subject to or in violation of any pre-emptive or similar rights of any Person.
 - (iii) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any shares in the capital of Albright Holdco or obligating the Albright Vendors or Albright Holdco to issue or sell any shares of, or any other interest in, Albright Holdco. Albright Holdco does not have outstanding or authorized any share appreciation, phantom share, profit participation or similar rights. There are no

voting trusts or agreements, pooling agreements, unanimous shareholder agreements or other shareholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Albright Holdco Shares.

3.1.3 Representations and Warranties in Respect of the Kyle Vendors and Kyle Holdco

Each of the Kyle Vendors and Kyle Holdco together jointly and severally, represent and warrant to the Purchaser as follows and acknowledge that the Purchaser is relying on such representations and warranties in connection with its purchase of the Purchased Shares:

(a) Organization and Status.

- (i) Kyle Holdco is a corporation validly existing and is in good standing under the laws of Canada and is duly registered, licensed or qualified to carry on business in Ontario, being the only jurisdiction in which the nature of its assets or business makes such registration, licensing or qualification necessary and where Kyle Holdco owns or leases any material assets or conducts any material business. Section 3.1.3(a) of the Disclosure Letter sets forth the names and titles of all the officers and directors of Kyle Holdco.
- (ii) KyleCo is a corporation validly existing and is in good standing under the laws of the Province of Ontario and is duly registered, licensed or qualified to carry on business in Ontario, being the only jurisdictions in which the nature of its assets or business makes such registration, licensing or qualification necessary and where KyleCo owns or leases any material assets or conducts any material business.
- (iii) The Prudham Trust is a trust validly created and existing under the laws of the Province of Ontario, its trustees have been duly and validly appointed as trustees.

(b) Power and Authorization.

- (i) Each of Kyle Holdco and KyleCo has the corporate power and capacity to enter into this Agreement and to perform its obligations hereunder. This Agreement has been duly authorized by all necessary action by Kyle Holdco and KyleCo.
- (ii) The trustees of the Prudham Trust have all requisite power and authority to enter into this Agreement and to perform the obligations of the Prudham Trust hereunder. This Agreement has been duly authorized by all necessary action by the trustees of the Prudham Trust.
- (iii) Kyle has the absolute and unrestricted capacity, right, power and authority to enter into and to perform her obligations hereunder and to perform her obligations under each of the Transaction Documents required by this Agreement to be delivered by Kyle. Kyle has not at any time taken or been the subject of any action that may have an adverse effect on Kyle's ability to comply with or perform any of the Vendors' covenants or obligations under this Agreement.
- (iv) Each of the Transaction Documents required by this Agreement to be delivered by Kyle Holdco, KyleCo and the Prudham Trust at the Closing Time has been duly authorized by all necessary action by Kyle Holdco, KyleCo and the trustees of the Prudham Trust.

- (v) This Agreement has been duly executed and delivered by Kyle Holdco and each of the Kyle Vendors and is a legal, valid and binding obligation of Kyle Holdco and each Kyle Vendor, enforceable against Kyle Holdco and each Kyle Vendor in accordance with its terms.
 - (vi) At the Closing Time, each of the Transaction Documents required by this Agreement to be delivered by Kyle Holdco and each Kyle Vendor, as applicable, will be duly executed and delivered by Kyle Holdco and the Kyle Vendors, as applicable, and will be legal, valid and binding obligations of Kyle Holdco and each Kyle Vendor, as applicable, enforceable against Kyle Holdco and the Kyle Vendors, as applicable, by the Purchaser in accordance with their respective terms subject to the qualification that such enforceability may be subject to: (x) bankruptcy, insolvency, fraudulent preference or other laws affecting creditors' rights generally; and (y) general principles of equity (regardless of whether such enforceability is considered in a proceeding at equity or law).
- (c) No Violation. The execution and delivery of this Agreement by Kyle Holdco and the Kyle Vendors and the consummation of the transactions provided for herein will not result in the violation of, or constitute a default under or conflict with or cause the acceleration of any obligation of Kyle Holdco or the Kyle Vendors under:
- (i) any Contract to which Kyle Holdco or any Kyle Vendor is a party or by which it is bound;
 - (ii) any provision of the constating documents or resolutions of the board of directors (or any committee thereof), shareholders or trustees of Kyle Holdco, KyleCo or the Prudham Trust, as applicable;
 - (iii) any judgment, decree, order or award of any court, Governmental Authority or arbitrator having jurisdiction over Kyle Holdco or the Kyle Vendors; or
 - (iv) any Applicable Law.
- (d) No Other Agreements to Purchase. No person other than the Purchaser has any written or oral Contract or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming a Contract or option for the purchase or acquisition from:
- (i) Kyle Holdco or any Kyle Vendor, any of the Purchased Shares held by an Kyle Vendor;
 - (ii) Kyle Holdco, the Target Shares or Target LP Units held by Kyle Holdco; or
 - (iii) Kyle Holdco, any Kyle Vendor or any other person, of any manner of securities or equity interest of a Kyle Vendor in Kyle Holdco or of Kyle Holdco in or of the Target Entities whatsoever that has not been waived.
- (e) Ownership of Kyle Holdco Shares and Purchased Shares.
- (i) The Kyle Vendors are the beneficial owners and legal holders of record of all of the outstanding shares of Kyle Holdco as listed in Schedule 3.1.3(e) of the Disclosure Letter; and

- (ii) Kyle Holdco is the beneficial owner and legal holder of record of all of the Target Shares and Target ServiceCo Shares as listed in Schedule 3.1.3(e) of the Disclosure Letter,

in each case with good and marketable title thereto, free and clear of all Encumbrances other than those restrictions on transfer, if any, contained in the articles of the Kyle Holdco and the Target Entities, as applicable, Permitted Encumbrances and the USA and, without limiting the generality of the foregoing, except for the USA, none of the Purchased Shares held by Kyle or the Target Shares and Target ServiceCo Shares held by Kyle Holdco are now subject to any voting trust, shareholder agreement or voting agreement of any kind.

- (f) No Other Assets and No Liabilities. There are no other assets in Kyle Holdco except its interests in the Target Entities, and Kyle Holdco has no liabilities or debt as of the Effective Date other than as set forth in Schedule 3.1.3(f) of the Disclosure Letter or as may be owing to the Target.
- (g) Consent. No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any foreign, provincial or local governmental authority or other person on the part of the Kyle Vendors or Kyle Holdco is required in connection with the consummation of the transactions contemplated by this Agreement, except such consents and approvals provided.
- (h) Tax Matters – Kyle Vendors. The Kyle Vendors have had an opportunity to review with their tax advisers of the federal, state, provincial, local and/or foreign tax consequences of the transactions contemplated by this Agreement. The Kyle Vendors are relying solely on such advisers and not on any statements or representations of the Purchaser, the Target Entities, or any of their respective agents. The Kyle Vendors understand and acknowledge that they (and not the Purchaser or the Target Entities) shall be responsible for their tax liability and any related interest and penalties that may arise as a result of the transactions contemplated by this Agreement. None of the Kyle Vendors is not a non-resident of Canada for purposes of the Tax Act.
- (i) Tax Matters – Kyle Holdco. At all times since its incorporation, Kyle Holdco has been resident in Canada for purposes of the Tax Act and has not been subject to taxation in any foreign jurisdiction.
 - (i) Kyle Holdco is an investment holding corporation and has never conducted, transacted or otherwise engaged in any business or activities other than (A) the ownership of equity and debt of the Target Entities, (B) the maintenance of its corporate existence and corporate governance, (C) income tax, accounting, and other administrative matters, (D) the performance of its obligations under this Agreement, and (E) activities incidental to any of the foregoing.
 - (ii) Kyle Holdco has duly and timely paid all material Taxes (whether or not assessed by the relevant Governmental Authority), including all material Taxes shown on its Tax Returns, which were due and payable, and all material Taxes payable by it under any notice of assessment or reassessment. Kyle Holdco is not in possession of any refund of Taxes to which it is not entitled.
 - (iii) Kyle Holdco has deducted, withheld and/or collected and remitted to the relevant Governmental Authority within the applicable time periods prescribed under

Applicable Laws all material Taxes or other material amounts required to be deducted, withheld and/or collected and remitted by it.

- (iv) Kyle Holdco has timely filed or caused to be filed with the applicable Governmental Authorities all material Tax Returns required to be filed by it and all such Tax Returns are true and correct in all material respects and have been completed in accordance with applicable Tax Legislation.
 - (v) There are no reassessments or assessments of Taxes that have been issued to and to the knowledge of Kyle, that are under dispute by Kyle Holdco.
 - (vi) There are no Encumbrances (other than Encumbrances related to Taxes which are not due or delinquent or if due or delinquent, the validity of which the Kyle Holdco is contesting in good faith by proper proceedings) for Taxes upon any assets of Kyle Holdco. Kyle Holdco has not requested any extension of time within which to file any Tax Return which has not since been filed.
 - (vii) To the knowledge of Kyle, no Governmental Authority has notified Kyle Holdco that it is currently challenging or disputing Kyle Holdco in respect of any Taxes or any Tax Returns.
 - (viii) Kyle Holdco has not waived any statute of limitations in respect of any Taxes or executed or filed with any Governmental Authority any agreement extending the period for assessment, reassessment or collection of any Taxes.
 - (ix) Assessments in relation to all applicable Taxes, including without limitation under all Tax Legislation, have been made with respect to Kyle Holdco covering all past periods through the latest completed fiscal year.
 - (x) Kyle Holdco is not subject to any liability for Taxes of any other Person, including without limitation, liability arising under section 160 of the Tax Act or any analogous provision of Tax Legislation.
 - (xi) Kyle Holdco has not claimed, nor will it claim, any reserves under the Tax Act or any equivalent provisions of the Tax Legislation of a province or other jurisdiction for any taxation year or period ended on or prior to the Closing Date that could be included in income for any taxation year or period ending after the Closing Date.
 - (xii) All accrued Taxes of Kyle Holdco related to any period ending on or prior to the Closing Date is disclosed in Schedule 3.1.3(i) of the Disclosure Letter.
 - (xiii) At all times since its incorporation, and until the Effective Date, Kyle Holdco has qualified as a "Canadian-controlled private corporation" as such term is defined in the Tax Act.
- (j) Broker Fees. No broker, finder or investment banker has been retained or engaged on behalf of the Kyle Vendors or Kyle Holdco or is entitled to any brokerage, finder's or other fee, compensation or commission in connection with the transactions contemplated by this Agreement.
- (k) Litigation. There is no action, suit or proceeding, or governmental inquiry or investigation, pending or, to Kyle's knowledge, threatened against either the Kyle Vendors in connection

with the Purchased Shares being sold by them or Kyle Holdco or that questions the validity of this Agreement or the right of the Kyle Vendors and Kyle Holdco to enter into this Agreement and consummate the transactions contemplated thereby.

(l) Capitalization.

- (i) The authorized capital of Kyle Holdco consists of unlimited number of Class A Common shares, Class B Common shares, Class A Special shares, Class B Special shares and Class C Special shares of which 100 Class A Common Shares, 100,000 Class A Special Shares and 2,740,891 Class C Special Shares are issued and outstanding as at the effective time of this Agreement and 100 Class A Common Shares, 100,000 Class A Special Shares and 2,740,891 Class C Special Shares will be issued and outstanding as at the Closing Time and constitute the Kyle Holdco Shares to be purchased by the Purchaser subject to the terms and conditions of this Agreement. All of the Kyle Holdco Shares have been duly authorized, are validly issued, fully paid and non-assessable, and the Kyle Vendors are the sole registered and beneficial owners of the Kyle Holdco Shares as set forth in Schedule 3.1.3(l) of the Disclosure Letter, free and clear of all Encumbrances other than restrictions on transfer under the Articles.
- (ii) All of the Kyle Holdco Shares were issued in compliance with Applicable Laws. None of the Kyle Holdco Shares were issued in violation of any agreement, arrangement or commitment to which the Kyle Vendors or Kyle Holdco is a party or is subject to or in violation of any pre-emptive or similar rights of any Person.
- (iii) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any shares in the capital of Kyle Holdco or obligating the Kyle Vendors or Kyle Holdco to issue or sell any shares of, or any other interest in, Kyle Holdco. Kyle Holdco does not have outstanding or authorized any share appreciation, phantom share, profit participation or similar rights. There are no voting trusts or agreements, pooling agreements, unanimous shareholder agreements or other shareholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Kyle Holdco Shares.

3.1.4 Representations and Warranties in Respect of Elder

Elder hereby represents and warrants to the Purchaser as follows and acknowledge that the Purchaser is relying on such representations and warranties in connection with its purchase of the Purchased Shares:

(a) Power and Authorization.

- (i) Elder has the absolute and unrestricted capacity, right, power and authority to enter into and to perform his obligations hereunder and to perform her obligations under each of the Transaction Documents required by this Agreement to be delivered by Elder. Elder has not at any time taken or been the subject of any action that may have an adverse effect on Elder's ability to comply with or perform any of the Vendors' covenants or obligations under this Agreement.
- (ii) This Agreement has been duly executed and delivered by Elder and is a legal, valid and binding obligation of Elder enforceable against Elder in accordance with its terms.

- (iii) At the Closing Time, each of the Transaction Documents required by this Agreement to be delivered by Elder will be duly executed and delivered by Elder, and will be legal, valid and binding obligations of Elder enforceable against Elder by the Purchaser in accordance with their respective terms subject to the qualification that such enforceability may be subject to: (x) bankruptcy, insolvency, fraudulent preference or other laws affecting creditors' rights generally; and (y) general principles of equity (regardless of whether such enforceability is considered in a proceeding at equity or law).
- (b) No Violation. The execution and delivery of this Agreement by Elder and the consummation of the transactions provided for herein will not result in the violation of, or constitute a default under or conflict with or cause the acceleration of any obligation of Elder under:
 - (i) any Contract to which Elder is a party or by which it is bound;
 - (ii) any judgment, decree, order or award of any court, Governmental Authority or arbitrator having jurisdiction over Elder; or
 - (iii) any Applicable Law.
- (c) No Other Agreements to Purchase. No person other than the Purchaser has any written or oral Contract or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming a Contract or option for the purchase or acquisition from Elder any of the Purchased Shares held by Elder or of Elder in any manner of securities or equity interest of Elder in or of the Target Entities whatsoever that has not been waived.
- (d) Ownership of Purchased Shares.
 - (i) Elder is the beneficial owner and legal holder of record of the Target Shares and Target ServiceCo Shares as listed in Schedule 3.1.4(d) of the Disclosure Letter;
 - (ii) in each case with good and marketable title thereto, free and clear of all Encumbrances other than those restrictions on transfer, if any, contained in the articles of the Target Entities, as applicable, Permitted Encumbrances, and the USA and, without limiting the generality of the foregoing, except for the USA, none of the Target Shares and Target ServiceCo Shares held by Elder are now or have ever been subject to any voting trust, shareholder agreement or voting agreement of any kind.
- (e) Consent. No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any foreign, provincial or local governmental authority or other person on the part of Elder is required in connection with the consummation of the transactions contemplated by this Agreement, except such consents and approvals provided.
- (f) Litigation. There is no action, suit or proceeding, or governmental inquiry or investigation, pending or, to Elder's knowledge, threatened against Elder in connection with the Purchased Shares being sold by her or that questions the validity of this Agreement or the right of the Elder to enter into this Agreement and consummate the transactions contemplated thereby.

- (g) Tax Matters. Elder has had an opportunity to review with the Elder's tax advisers of the federal, state, provincial, local and/or foreign tax consequences of the transactions contemplated by this Agreement. Elder is relying solely on such advisers and not on any statements or representations of the Purchaser or the Target Entities, or any of their agents. Elder understands and acknowledges that Elder (and not the Purchaser or the Target Entities) shall be responsible for Elder's tax liability and any related interest and penalties that may arise as a result of the transactions contemplated by this Agreement. Elder is not a non-resident of Canada for purposes of the Tax Act.
- (h) Broker Fees. No broker, finder or investment banker has been retained or engaged on behalf of Elder or is entitled to any brokerage, finder's or other fee, compensation or commission in connection with the transactions contemplated by this Agreement.

3.2 Representations and Warranties of the Vendors, Target Holdcos and Target Entities

Each of the Thomson Vendors, the Albright Vendors and the Kyle Vendors hereby jointly and severally represent and warrant to the Purchaser as set out below with respect to each of the Target Entities and LP Holdco, as applicable, as of the Effective Date and as of the Closing Time and acknowledges that the Purchaser is relying on those representations and warranties in entering into this Agreement and completing the transactions contemplated by it.

3.2.1 Incorporation and Qualification

- (a) Each of the Target Entities and LP Holdco is duly organized, validly existing and in good standing under the laws of its governing jurisdiction and each has the corporate power and capacity to own, lease, use and operate its property and carry on the Business. Neither the location or character of any property owned or leased by any of the Target Entities nor, the nature of the Business requires any of the Target Entities to be registered or licensed in any jurisdiction other than Canada.
- (b) Each of the Target Entities and LP Holdco is qualified, licensed and registered to carry on the Business and is in good standing pursuant to the federal laws of Canada.
- (c) The Target has no Subsidiaries other than LP Holdco and does not own, or have any agreement or right to acquire, directly or indirectly, any securities in any Person. The Target is not a member of, or participates in, any partnership, joint venture or similar Person.
- (d) Schedule 3.2.1(d) to the Disclosure Letter contains a full list of all current and past corporate names and business/trade names (including the applicable jurisdiction) of or used by each of the Target Entities.
- (e) Each of the Target Entities and LP Holdco has the corporate power and capacity to enter into this Agreement and to perform its obligations hereunder. This Agreement has been duly authorized by each Target Entity and by LP Holdco. Each of the Transaction Documents required by this Agreement to be delivered by a Target Entity and LP Holdco at the Closing Time has been duly authorized by all necessary action by such Target Entity and LP Holdco. This Agreement has been duly executed and delivered by each Target Entity and LP Holdco and is a legal, valid and binding obligation of each Target Entity and LP Holdco, enforceable against each of them by the Purchaser in accordance with its terms. At the Closing Time, each of the Transaction Documents required by this Agreement to be delivered by each of the Target Entities and LP Holdco will be duly executed and delivered by each of the Target Entities and LP Holdco, as applicable, and will be legal, valid and binding obligations of each Target Entity and LP Holdco, as applicable,

enforceable against the Target Entities and LP Holdco, as applicable, by the Purchaser in accordance with their respective terms subject to the qualification that such enforceability may be subject to: (i) bankruptcy, insolvency, fraudulent preference or other laws affecting creditors' rights generally; and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding at equity or law).

3.2.2 No Solvency or Reorganization Proceedings

None of the Target Entities and LP Holdco are insolvent and no proceedings have been taken or authorized by the Vendors, the Target Holdcos or the Target Entities, or, to the knowledge of any of the Vendors, by any other Person with respect to the bankruptcy, insolvency, liquidation, dissolution or winding up of any of the Target Entities or with respect to any amalgamation, merger, consolidation, arrangement, receivership or reorganization of, or relating to, any of the Target Entities, nor, to the knowledge of any of the Vendors, have any such proceedings been threatened by any other Person.

3.2.3 Authorized and Issued Capital

- (a) Schedule 3.2.3(b) to the Disclosure Letter sets out the authorized capital of the Target Entities and LP Holdco as of the Effective Date.
- (b) Schedule 3.2.3(b) to the Disclosure Letter sets out all of the issued and outstanding equity securities in the capital of each of the Target Entities and LP Holdco (and the registered and beneficial owner thereof). All such equity securities have been duly authorized, are validly issued and (in respect of any such equity securities that are shares) are outstanding as fully paid and non-assessable securities in the capital of each of the Target Entities.
- (c) The Target LP Units disclosed in Schedule 3.2.3(b): (i) are the only issued and outstanding units in the capital of the Target LP as of the Effective Date; (ii) were duly authorized; (iii) are validly issued; (iv) were not issued in violation of any Applicable Laws; and (v) are not subject to and were not issued in violation of any pre-emptive rights, rights of first refusal or rights of first offer
- (d) The Target Shares disclosed in Schedule 3.2.3(b) (i) are the only issued and outstanding shares in the capital of the Target as of the Effective Date; (ii) were duly authorized; (iii) are validly issued; (iv) as of the Effective Date are outstanding as fully paid and non-assessable shares in the capital of the Target; (v) were not issued in violation of any Applicable Laws; and (vi) are not subject to and were not issued in violation of any pre-emptive rights, rights of first refusal or rights of first offer.
- (e) The Target ServiceCo Shares disclosed in Schedule 3.2.3(b): (i) are the only issued and outstanding shares in the capital of the Target ServiceCo as of the Effective Date; (ii) were duly authorized; (iii) are validly issued; (iv) as of the Effective Date are outstanding as fully paid and non-assessable shares in the capital of the Target ServiceCo; (v) were not issued in violation of any Applicable Laws; and (vi) are not subject to and were not issued in violation of any pre-emptive rights, rights of first refusal or rights of first offer.
- (f) The outstanding shares of LP Holdco disclosed in Schedule 3.2.3(b): (i) are the only issued and outstanding shares in the capital of the LP Holdco as of the Effective Date; (ii) were duly authorized; (iii) are validly issued; (iv) as of the Effective Date are outstanding as fully paid and non-assessable shares in the capital of the Target; (v) were not issued in

violation of any Applicable Laws; and (vi) are not subject to and were not issued in violation of any pre-emptive rights, rights of first refusal or rights of first offer.

3.2.4 No Other Agreements or Options

No options, warrants or other rights for the purchase, subscription or issuance of shares or other securities of the Target Entities or LP Holdco or securities convertible into or exchangeable for shares of any of the Target Entities or LP Holdco has been authorized or agreed to be issued or are outstanding as of the Closing Date. There are no restrictions on the transfer of the Target Shares, Target ServiceCo Shares, Target LP Units or shares of LP Holdco Units except those set forth in the constating documents of the Target Entities and the shareholders' agreement of the Target (the "USA") which shall be terminated on or prior to Closing.

3.2.5 No Conflicts

Neither the execution and delivery of or performance by each of the Vendors or any of the Target Entities of this Agreement will result in a breach of, or conflict with, or cause the acceleration of any payment, right or obligation pursuant to, or allow any Person to exercise any rights under, any of the terms or provisions of:

- (a) the articles, by-laws or other constating documents of any of the Target Entities;
- (b) any resolutions of the directors or shareholders (or equivalent) of any of the Target Entities;
- (c) any Contract;
- (d) any Applicable Laws, provided that all applicable Regulatory Approvals are given or obtained (as applicable) in accordance with each Applicable Law; or
- (e) any License of any of the Target Entities.

3.2.6 Required Regulatory Approvals

There is no requirement on the part of any of the Target Entities to give or obtain (as applicable) any Regulatory Approval in connection with the lawful completion of the transactions contemplated by this Agreement or to permit any of the Target Entities to carry on the Business after Closing as it is currently conducted.

3.2.7 Required Consents

Except as set out in Schedule 3.2.7 of the Disclosure Letter, no consent or approval by, or any notification or filing with, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance by the Vendors, Target Holdcos and Target Entities of this Agreement or any other agreement or document to which the Vendors, Target Holdcos or Target Entities is or will be a party in connection with this Agreement.

3.2.8 Corporate Records

The minute books of each of the Target Entities and other corporate records made available to the Purchaser for review include:

- (a) complete and accurate copies of the constating documents (including the notice of articles and articles) of the Target and Target ServiceCo;

- (b) complete and accurate copies of the constating documents of the Target LP;
- (c) complete and accurate minutes of every material meeting (and written resolutions) of the boards of directors (including every committee thereof), shareholders and limited partners, as applicable, of each of the Target Entities; and
- (d) the securities registers, registers of transfers, registers of directors and registers of officers (if applicable) of each of the Target Entities, each of which is complete, accurate and current.

The minute books of each of the Target Entities have been maintained in accordance with all Applicable Laws. All meetings of directors (including every committee thereof), shareholders (or equivalent thereto) and limited partners, as applicable, of the Target Entities have been duly called and held and all resolutions have been passed in accordance with Applicable Laws. Other than the USA and the limited partnership agreement in respect of Target LP, there are no shareholders' agreements, unanimous shareholders' agreements or other security holder agreements governing the affairs of any of the Target Entities or the relationships, rights and/or duties of the shareholders or directors thereof or any voting trusts, pooling arrangements or other similar agreements with respect to the ownership or voting of any shares or units of any of the Target Entities.

3.2.9 Intentionally Deleted

3.2.10 Business Carried on in Ordinary Course

The Target Entities do not carry on any business other than the Business. In addition, and notwithstanding anything contained herein, since the Letter of Intent Date, other than as set out in Schedule 3.2.10 of the Disclosure Letter, the Target Entities have carried on the Business in the ordinary course. Without limiting the generality of the foregoing representations in this Section 3.2.10, since the Letter of Intent Date and other than as set out in Schedule 3.2.10 of the Disclosure Letter, none of the Target Entities and LP Holdco have:

- (a) suffered any material loss of customers, Employees, suppliers, Business, assets, or goodwill;
- (b) transferred, assigned, sold or otherwise disposed of any of its property or assets to customers other than in the ordinary course;
- (c) terminated, discontinued, suspended or reduced any operations (including any product or services previously offered or provided) or closed or disposed of any facility or business operation;
- (d) made or committed to make any capital expenditures or other expenditures in excess of \$50,000 individually or in the aggregate;
- (e) suffered any material damage to or destruction or loss of any material property or asset (whether or not covered by insurance), or suffered an extraordinary loss, or waived any right of material value;
- (f) discharged or satisfied any Encumbrance or paid any Indebtedness (other than trade payables), except in the ordinary course of business;

- (g) incurred any Indebtedness (other than trade payables incurred in the ordinary course) or suffered or permitted to suffer any Encumbrance on or relating to any of its property, assets or undertaking, other than Permitted Encumbrances or in the ordinary course of business;
- (h) undergone any strike, work stoppage or organizing drive or application for certification in respect of a trade union or voluntarily recognized a trade union as a representative of any Employee(s);
- (i) directly or indirectly engaged in any transaction (including the making of a payment), or entered into any Contract or arrangement, with the Vendors or any other Interested Person of the Target Entities;
- (j) hired or made any wage, salary or other compensation increase in respect of any Employee except in the ordinary course of business and except the employment agreement with the Key Employee (or in excess of \$10,000 annually whether or not made in the ordinary course of business);
- (k) other than an amendment to the Target Entities' credit facility with Equitable Bank that has been made available to the Purchaser, amended, terminated or renegotiated any Material Contract or any Contract that would have constituted a Material Contract prior to its amendment, termination or renegotiation;
- (l) entered into a Material Contract or any agreement lasting longer than 30 days in duration;
- (m) terminated, transferred or modified any Intellectual and Industrial Property Rights;
- (n) issued, sold, granted or delivered any shares in its capital stock or any other securities thereof or granted any rights to any Person relating thereto;
- (o) amended or taken any action to amend its articles or by-laws or taken any steps (whether by its directors, officers or shareholders) to dissolve, wind-up or otherwise affect its continuing corporate existence, or amalgamate, merge or enter into a similar business combination with any Person;
- (p) changed its accounting principles, practices, methods or procedures, including, without limitation, with respect to the management of its working capital, or made any election or designation, or any change in an election or designation, with respect to Taxes;
- (q) cancelled any debts or Claims or terminated or waived any rights of value to it;
- (r) undergone a Material Adverse Effect; or
- (s) authorized, agreed or become bound to do any of the foregoing.

3.2.11 Compliance with Laws; Governmental Authorizations

- (a) The Target Entities have conducted the Business in material compliance with all Applicable Laws in each jurisdiction in which the Business is carried on. The Target Entities have not received any notice that any violation of any Applicable Laws is being or may be alleged.
- (b) No proceeding to modify, suspend, revoke, withdraw, terminate or otherwise limit any Governmental Authorization is pending or, to the knowledge of the Vendors threatened. No administrative or other action or proceeding has been taken or threatened by any

Governmental Authority in connection with the expiration, continuance or renewal of any Governmental Authorizations applicable to the Business and the Target Entities do not know of any valid basis for any such proceeding.

- (c) Neither the Business nor the Target Entities nor any of its directors, officers, employees, agents or representatives thereof has:
 - (i) used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity;
 - (ii) directly or indirectly, paid any fee, commission or other sum of money or item of property, however characterized, to any finder, agent, or other Person acting on behalf of or under the auspices of a government official or Governmental Authority, in Canada or any other country, in any manner related to the Business, that was illegal under any Applicable Laws of Canada or any other country having jurisdiction; or
 - (iii) made any payment to any customer or supplier of the Business or any officer, director, partner, employee or agent for the unlawful rebating of charges, or engaged in any other unlawful reciprocal practice, or made any other unlawful payment or given any other unlawful consideration to any such customer or supplier or any such officer, director, partner, employee or agent, in respect of the Business.
- (d) The Target Entities have at all times been and are currently in compliance with all applicable financial record keeping and reporting requirements of all applicable money laundering statutes, the rules and regulations thereunder and any related or similar rules, regulations, or guidelines issued, administered or enforced by any Governmental Authority in all material respects.

3.2.12 CASL

Each of Target Entities has at all times been in material compliance with CASL, as CASL exists as at the Effective Date. Each of the Target Entities has not received any inquiries, warning letters, notices to produce, notices of investigation or notices of violation from any applicable Governmental Authority, or been subject to a warrant or injunction, been assessed any administrative monetary penalties by any Governmental Authority, been the subject of a compliance and enforcement decision or entered into or discussed an undertaking with any Governmental Authority as a result of non-compliance or alleged non-compliance with CASL, and has not otherwise been subject to any enforcement actions with respect to CASL. The Target Entities have adequate records as may be required by any Governmental Authority evidencing the date of sending and content of each Commercial Electronic Message sent by or on behalf of the Target Entities and any express consent or details in respect of implied consents in respect of each recipient in the last five years prior to the Closing Date.

3.2.13 Privacy

- (a) The Target Entities have implemented and maintained all commercially reasonable measures necessary to protect and maintain the confidentiality of, and otherwise enforce and protect its rights in any Personal Information or other information the Target Entities have received under an obligation of confidentiality, including administrative, technical and physical measures designed to safeguard the security, confidentiality and integrity of such Personal Information and such other information, and which are designed to protect against

unauthorized access to such Personal Information and such other information and the systems of any third party service providers that have access to such Personal Information or such other information. Such measures are and have been compliant with all Applicable Laws and consistent with: (i) sound industry practices; (ii) any applicable Licenses; and (iii) the obligations of the Target Entities under any Contract. All notices and consents required by Applicable Laws regarding the collection, use or disclosure of Personal Information in connection with the conduct of the Business have been given or obtained.

- (b) The Target Entities have in place written agreements with all vendors, marketing partners, service providers and other third parties and Persons (“**Service Providers**”) providing services to any of the Target Entities and which, to any material degree, have access to, receive or process Personal Information from or on behalf of any of the Target Entities, and such agreements contain provisions that oblige the Service Providers to comply with all Applicable Laws including but not limited to: (i) only use the Personal Information for the limited purposes of assisting the Target Entities and not use the Personal Information for the Service Providers own purposes; (ii) safeguard the Personal Information in accordance with industry standards and the Target Entities’ requirements; and (iii) promptly notify the Target Entities upon discovering suspected or actual breach of the Service Providers’ safeguards involving Personal Information. No Person (including any Governmental Authority) has made any Claim or commenced any action with respect to any loss, damage, or unauthorized access, use, modification, or other misuse of Personal Information by the Target Entities (or any of its Employees or contractors) which has resulted in, or would reasonably be expected to result in, material liability to any of the Target Entities or the Business. There is no action or action to be commenced against any of the Target Entities or regulatory investigation of the Target Entities or the Business relating to data security or privacy.

3.2.14 Licenses

Other than the Licenses listed in Schedule 3.2.14 to the Disclosure Letter, no License is required by any of the Target Entities: (i) to enable any of the Target Entities to carry on the Business in accordance with all Applicable Laws; (ii) to permit any of the Target Entities to continue to provide any products or services to any of its customers; or (iii) to allow any of the Target Entities to possess its respective assets and property and conduct its operations in compliance with all Applicable Laws. True and complete copies of all Licenses listed in Schedule 3.2.14 to the Disclosure Letter have been made available to the Purchaser for inspection and those Licenses are in the name of and held by at least one of the Target Entities and are valid and subsisting and in good standing, the operations of the Target Entities are in material compliance with those Licenses and to the knowledge of the Vendors there are no outstanding defaults or violations under any of those Licenses on the part of any of the Target Entities. None of the Licenses listed in Schedule 3.2.14 to the Disclosure Letter will be terminated, impaired or in any way breached as a result of the transactions contemplated by this Agreement and to the knowledge of the Vendors no Person has threatened to revoke, amend or impose any condition in respect of, or commenced proceedings to revoke, amend or impose any conditions in respect of, any of those Licenses.

3.2.15 Financial Statements

The Target’s Annual Financial Statements and Target’s Interim Financial Statements have been prepared in accordance with generally accepted accounting principles and on a basis consistent with that of preceding periods (where applicable) and present fully, fairly and accurately in all material respects the financial condition of the Target Entities as of the dates and throughout the periods indicated. True, correct and complete copies of the Target’s Annual Financial Statements

and Target's Interim Financial Statements have been provided to the Purchaser prior to the Effective Date.

3.2.16 Non-Arm's Length Transactions

Except as disclosed in Schedule 3.2.16 to the Disclosure Letter:

- (a) no Interested Person of the Target Entities or LP Holdco is indebted to any of the Target Entities or LP Holdco nor are any of the Target Entities or LP Holdco indebted to any Interested Person of the Target Entities or LP Holdco;
- (b) none of the Target Entities LP Holdco are a party to any Contract with any Interested Person of the Target Entities or LP Holdco;
- (c) no Interested Person of the Target Entities or LP Holdco owns, directly or indirectly, in whole or in part, any property that any of the Target Entities or LP Holdco lease or otherwise use; and
- (d) since the Letter of Intent Date, the Target Entities and LP Holdco have not made any payment to, made any loan to, borrowed any money from, or engaged in any transaction with, any Interested Person of the Target Entities or LP Holdco that has not been disclosed to the Purchaser or that would adversely impact the Purchase Price.

3.2.17 No Liabilities

The Target Entities and LP Holdco have no Liabilities of a type required to be reflected on a balance sheet prepared in accordance with GAAP except for:

- (a) Liabilities reflected or reserved as set forth in Schedule 3.2.17 to the Disclosure Letter.
- (b) Liabilities incurred in the ordinary course of business after the date of the Target's Annual Financial Statements (none of which have arisen pursuant to any breach of or default under any Contract or any violation of any Applicable Law or which, individually or in the aggregate, would be considered to be material to the Business) that do not exceed \$ [REDACTED] individually or \$ [REDACTED] in the aggregate.

3.2.18 Debt Instruments

Except as disclosed in Schedule 3.2.18 to the Disclosure Letter, there are no Debt Instruments to which any of the Target Entities or LP Holdco are a party.

3.2.19 Government Assistance

- (a) Except as disclosed in Schedule 3.2.19 to the Disclosure Letter, the Target Entities are not a recipient of any funding, loans or other financial assistance from any Governmental Authority that gives rise to any existing, or will give rise to any future, liability.
- (b) None of the Target Entities have taken any action which is reasonably likely to give rise to any Liabilities: (i) under any federal, provincial or local governmental relief programs established in response to the COVID-19 pandemic; (ii) for any deferred compensation or rental payment; or (iii) for any deferral of payment of the Target's share of employment insurance, employer health tax, or any other payroll Taxes, as applicable.

3.2.20 Guarantees

Except as disclosed in Schedule 3.2.20 to the Disclosure Letter, the Target Entities and LP Holdco are not a party to or bound by or subject to, any Guarantee.

3.2.21 Title to the Assets

Except for any Licensed IP, any Leased Property and any leased personal property that is the subject of an Equipment Lease, at least one of the Target Entities is the sole legal and beneficial owner of all of the property and assets used by it in connection with the Business, or situated at the Leased Property, with good title thereto, free and clear of all Encumbrances other than Permitted Encumbrances. The property and assets owned or leased by the Target Entities constitutes all of the property and assets necessary for the Target Entities to conduct the Business consistent with past practice and in the ordinary course. To the extent a material asset is a tangible asset, such asset is in good operating condition, except for reasonable wear and tear and no maintenance thereon has been deferred.

3.2.22 Owned Real Property

The Target Entities (a) do not own any real property; (b) have never owned any real property; or (c) do not have or have never had any agreement or other right to acquire any real property.

3.2.23 Leases and Leased Property

- (a) Schedule 3.2.23 to the Disclosure Letter is a complete and accurate list of all of the Leases and the Leased Property, together with a list of the lessee and lessor of each such parcel of Leased Property. None of the Leased Property is subleased by the Target to another Person, or is otherwise occupied by any Person, except to another Target Entity.
- (b) There are no agreements or understandings relating to the Target's lease, use or occupation of any of the Leased Property other than as contained in the Leases.
- (c) All interests held by the Target as a lessee or occupant under any of the Leases, are free and clear of all Encumbrances other than Permitted Encumbrances.
- (d) No part of the Leased Property is subject to any building, zoning or use restriction that restricts or prevents the use or operation of any part of the Leased Property for the Business consistent with past practice.
- (e) To the knowledge of the Vendors, there is no proposed or pending change to any building, zoning or use restriction that could restrict or prevent the use or operation of any of the Leased Property for the Business, nor do the Vendors have any knowledge of any expropriation or condemnation or similar proceeding pending or threatened against any of the Leased Property.
- (f) No one is entitled to claim an Encumbrance for work and services performed or materials placed or furnished upon or in respect of the construction and/or completion of any of the buildings, improvements or other structures constructed on the Leased Property except pursuant to Permitted Encumbrances.
- (g) All components of all improvements included within the Leased Property are in good condition and repair and in proper working order, having regard to their use and age and each has been properly and regularly maintained.

- (h) The Leased Property is fully serviced to permit the operation of the Business.
- (i) There is no current, proposed or pending restriction, default, violation, Order or other proceeding or set of facts or circumstances that could restrict or prevent the use or operation of any of the Leased Property for the Business.
- (j) The Target has not taken any action which could give rise to any Liabilities for any deferred rental payment or other governmental payments made to the Target or another party in settlement of obligations of the Target related to or arising out of the COVID-19 pandemic.
- (k) The Target has paid all rent when due and has satisfied all of its obligations under the Leases.

3.2.24 Equipment Leases

The Target Entities have no Equipment Leases.

3.2.25 Software

The Target Entities do not own any Software.

3.2.26 Material Contracts

- (a) Schedule 3.2.26 to the Disclosure Letter is a complete and accurate list of all the Material Contracts. For purposes of this Agreement, “**Material Contract**” means any Contract:
 - (i) for the purchase or sale of any materials, supplies, tangible assets, equipment or services (other than employment) in excess of ██████ in any calendar year or ██████ over the life of the Contract;
 - (ii) for capital expenditures in excess of ██████ in any calendar year or ██████ over the life of the Contract;
 - (iii) obligating any of the Target Entities or LP Holdco to pay any royalties, license fees or similar payments in excess of ██████ in any calendar year or ██████ over the life of the Contract;
 - (iv) containing any non-competition or non-solicitation covenant or provision or covenant which materially restricts the Business;
 - (v) that is a Lease;
 - (vi) that is an Equipment Lease;
 - (vii) that is a Debt Instrument;
 - (viii) that is a Guarantee;
 - (ix) that is a Collective Agreement;
 - (x) that includes an option to purchase any asset;

- (xi) that is or contains a power of attorney or similar Contract or grant of agency by any of the Target Entities (or in favour of it) (other than as contained in any loan or security document where a Target Entity is the lender);
 - (xii) that is for the lease by any of the Target Entities of any of their respective assets or any property leased by it;
 - (xiii) that is a shareholders' agreement or other similar type of agreement;
 - (xiv) that is a partnership, joint venture, or other similar Contract or arrangement, or any cooperative agreement involving a sharing of profits with any Person;
 - (xv) that relates to the acquisition or disposition of all or any material part of the Business or any material assets used therein (whether by merger, sale of stock, sale of assets, or otherwise);
 - (xvi) containing any restrictions with respect to the payment of any dividend or other form of distribution in respect of any securities in any of the Target Entities;
 - (xvii) with an Interested Person of any Target Entity or LP Holdco;
 - (xviii) a material license, franchise or similar Contract;
 - (xix) that is a stock option plan or similar plan or any other agreement in respect of the purchase of any securities of or from any of the Target Entities; and
 - (xx) the termination, expiry or non-renewal of which could reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect.
- (b) True and complete copies of all the Material Contracts have been made available to the Purchaser for inspection.
 - (c) There are no outstanding defaults or violations under any of the Material Contracts on the part of the Target Entities or, to the knowledge of the Vendors, on the part of the other party or parties to any of the Material Contracts.
 - (d) Each Material Contract is a legal and binding Contract of a Target Entity, in full force and effect, unamended, and is a valid and binding obligation on the other party or parties thereto, and enforceable against such party or parties in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.
 - (e) The Target Entities have not received any written notice, or to the knowledge of the Vendors, oral notice: (i) alleging a breach of any Material Contract, or (ii) terminating or threatening to terminate any Material Contract.
 - (f) Schedule 3.2.26(f) to the Disclosure Letter sets forth all Contracts, agreements and other documents which are currently under ongoing negotiations and which, if concluded on the terms and conditions reasonably anticipated by the Target Entities and LP Holdco, would constitute Material Contracts.

3.2.27 Intellectual and Industrial Property

- (a) Other than Licensed IP that is computer software, Schedule 3.2.27 to the Disclosure Letter contains a complete and accurate list of the material Intellectual and Industrial Property that is Owned IP of the Target Entities.
- (b) On the Closing Date, the Target shall own and have all rights in and to the domain name "brightpathcapital.ca", "brightpath.ca", "brightpathmortgages.ca", and "brightpathmortgage.ca".
- (c) There is no litigation ongoing, pending or, to the knowledge of the Vendors, contemplated against any Target Entity with respect to the infringement, violation, misappropriation or misuse of any of the Intellectual and Industrial Property of any of the Target Entities or the infringement, violation, misappropriation or misuse by any of the Target Entities of any intellectual property right or proprietary right of any Person.
- (d) The Intellectual and Industrial Property of the Target Entities is valid and enforceable and is not subject to any outstanding judgment, injunction, Order, decree or agreement threatening the ownership, validity or use thereof by any of the Target Entities.
- (e) Each item of Owned IP is owned by one of the Target Entities with good and marketable title thereto free of all Encumbrances other than Permitted Encumbrances, and, to the knowledge of the Vendors, such Target Entity has the unencumbered right to use such Owned IP. To the knowledge of the Vendors, no third party has infringed or misappropriated any of the Owned IP.

3.2.28 Directors and Officers

Schedule 3.2.28 to the Disclosure Letter sets forth the names and titles of all of the directors and officers of each of the Target Entities.

3.2.29 Employees

- (a) Schedule 3.2.29(a) to the Disclosure Letter is a list of all of the Employees (including the Key Employees) and the employer, position, status as full-time or part-time, current annual salary/hourly wage, location of employment and hire date of each of them, respectively, with an indication for each such Employee as to whether such Employee is on leave and whether such Employee may, pursuant to the terms of their employment, be eligible for or entitled to any bonuses, material benefits or similar forms of compensation (and the maximum amount thereof) and best estimates as of the Effective Date of the cost of any accrued vacation, and sick leave in respect of such Employees.
- (b) All salary, wages, bonuses (excluding, for greater certainty, discretionary bonuses yet to be determined), incentive pay, vacation, holiday, sick leave and overtime pay due and payable to any current and/or former Employees of any of the Target Entities have been paid as due or otherwise have been accrued in the ordinary course and reflected in the Target's Annual Financial Statements or will be provided for in the Closing Working Capital (for greater certainty, as finally determined in accordance with Section 2.5) and there are no Claims outstanding with respect thereto.
- (c) Schedule 3.2.29(b) to the Disclosure Letter is a list of all employment Contracts to which a Target Entity is a party. True and complete copies of all written employment Contracts to which a Target Entity is a party have been made available to the Purchaser for inspection.

Schedule 3.2.29(b) to the Disclosure Letter includes a summary of all oral employment Contracts to which a Target Entity is a party.

- (d) The Target Entities are not a party to any Contract that results or could result in enhanced or accelerated payments, benefits or rights to any Employee, consultant or independent contractor as a result of or in connection with the transactions contemplated by this Agreement.
- (e) Except as disclosed in Schedule 3.2.29(e) to the Disclosure Letter, no Employee is employed under an employment Contract for a specified term nor is there any Employee who cannot be dismissed in accordance with the terms of their employment Contract or upon provision of reasonable notice of termination in accordance with Applicable Law.
- (f) To the knowledge of the Vendors, there are no threatened or outstanding Claims against any of the Target Entities relating to the employment or termination of employment of any current and/or former Employees.
- (g) The Target Entities: (i) have not, nor have they ever been, a party to or bound by or subject to any Collective Agreement; (ii) have not made any commitment to, or conducted any negotiation or discussion with, any labour union or employee association with respect to any future agreement or arrangement; or (iii) are not required to recognize any labour union or employee association representing any Employees.
- (h) To the knowledge of the Vendors: (i) there are no union organizing activities or applications relating to any trade union, including any proceedings which could result in a new certification of a trade union as bargaining agent for any Employee; and (ii) no such activities or applications are pending or threatened.
- (i) There are no outstanding unfair labour practice complaints against any of the Target Entities. The Target is not subject to any Claim relating to its Employees' termination of employment, discrimination or harassment, nor are there any outstanding Orders against the Target under applicable employment standards or health and safety legislation that, individually or in the aggregate, are material or could materially adversely affect any of the Target Entities.
- (j) The Target Entities do not have any outstanding assessments, penalties, premiums, fines, Encumbrances, charges, surcharges, or other amounts due or owing pursuant to any applicable workplace safety and insurance legislation, has not been reassessed under such legislation during the past three years and no audit of any of the Target Entities is currently being performed pursuant to any applicable workplace safety and insurance legislation and there are no inspection orders, violations, investigations or prosecutions against any of the Target Entities pending, threatened or anticipated under any health and safety laws. There are no Claims or, to the knowledge of the Vendors, potential Claims that could reasonably be expected to materially adversely affect any of the Target Entity's accident cost experience. The Target Entities have provided all health and safety Orders, Ministry of Labour inspection reports, Joint Health and Safety Committee meeting minutes and records of health and safety audits under applicable occupational health and safety legislation for the past three years. There are no charges outstanding or pending against any of the Target Entities under Applicable Laws relating to employment. The Target Entities have complied with any Orders issued under Applicable Laws relating to employment and there are no appeals of any such Orders currently outstanding. To the knowledge of the Vendors, in the past three years, no allegations of workplace sexual harassment or sexual misconduct have been made against any director, officer or manager

of the Target Entities and the Target Entities have not entered into any settlement agreement related to allegations of workplace sexual harassment or sexual misconduct by any current or former director, officer, manager or Employee.

- (k) There is no strike, work stoppage, slow down or lockout or other labour dispute involving any Employees affecting the Target Entities and, to the knowledge of the Vendors, no strike, work stoppage or lockout has been threatened involving any Employees which could affect any of the Target Entities.
- (l) There are no outstanding Claims, Orders or warrants under the *Workplace Safety and Insurance Act, 1997* (Ontario) or any similar legislation in any other jurisdiction against any of the Target Entities.
- (m) All premiums required to be paid by any of the Target Entities under the *Workplace Safety and Insurance Act, 1997* (Ontario) and any similar legislation or regulation in any other jurisdictions have been paid as due or otherwise have been accrued in the ordinary course of business and reflected in the Target's Annual Financial Statements in accordance with generally accepted accounting principles.

3.2.30 Employee Benefit Plans

- (a) As of the Effective Date, except as disclosed in Schedule 3.2.30 of the Disclosure Letter, none of Target Entities have any Employee Benefit Plans or pension plans.

3.2.31 Insurance

- (a) Schedule 3.2.31(a) to the Disclosure Letter contains a complete and accurate list of all insurance policies currently maintained by the Target Entities, or any other Person in respect of the Business. All such insurance policies are in full force and effect unamended, with all payments in respect of premiums due prior to the Effective Date having been paid thereon and the consummation of the transactions contemplated by this Agreement will not constitute a default under any such insurance policies.
- (b) Schedule 3.2.31(b) to the Disclosure Letter contains a complete and accurate list and description of all actual or pending Claims made within the past two years under any of the insurance policies maintained by the Target Entities during such period, or maintained by any other Person in respect of the Business during such period, and the disposition of each such Claim.
- (c) The Target Entities have not failed to give notice of, or provide information with respect to, any insurance claim, such that any of the Target Entities is or will be disqualified from receiving insurance proceeds in respect of such insurance claim.

3.2.32 Legal Proceedings

- (a) There is no Legal Proceeding in progress, pending or, to the knowledge of the Vendors, threatened, against or involving any of the Target Entities or any of their directors or officers, or, to the knowledge of the Vendors, their agents, consultants or Employees with respect to their activities on behalf of the Target Entities other than as disclosed in Schedule 3.2.32 of the Disclosure Letter.
- (b) There is no outstanding, pending or, to the knowledge of the Vendors, threatened, Claim against any of the Target Entities or any of its directors or officers, or, to the knowledge of

the Vendors, its agents, consultants or Employees with respect to any of their activities on behalf of any of the Target Entities other than as disclosed in Schedule 3.2.32 of the Disclosure Letter.

- (c) To the knowledge of the Vendors, there is no fact, occurrence or event which could reasonably form the basis of a Claim against any of the Target Entities or any of their directors, officers, agents, consultants or Employees with respect to any of their activities on behalf of the Target Entities.
- (d) There is no Order outstanding against the Target Entities or any of their directors, officers, agents, consultants or Employees with respect to any of their activities on behalf of the Target Entities, or against any Person relating to any of the Target Shares or any securities in the capital of any of the Target Entities.

3.2.33 Tax Matters

- (a) Each of the Target Entities has duly and timely paid all material Taxes (whether or not assessed by the relevant Governmental Authority), including all material Taxes shown on its Tax Returns which were due and payable and all material Taxes payable by it under any notice of assessment or reassessment. No Target Entity is in possession of any refund of Taxes to which it is not entitled.
- (b) The Target's Annual Financial Statements and Target's Interim Financial Statements contain adequate provision in accordance with generally accepted accounting principles for all material Taxes payable by the Target Entities in respect of each period covered by the Target's Annual Financial Statements and Target's Interim Financial Statements and all prior periods to the extent those Taxes have not been paid, whether or not assessed and whether or not shown to be due in any Tax Returns.
- (c) Each of the Target Entities has deducted, withheld and/or collected and remitted to the relevant Governmental Authority within the applicable time periods prescribed under Applicable Laws all material Taxes or other material amounts required to be deducted, withheld and/or collected and remitted by it.
- (d) True and complete copies of all Tax Returns for each of the Target Entities for the previous three years have been provided to the Purchaser.
- (e) Each of the Target Entities has timely filed or caused to be filed with the applicable Governmental Authorities all Tax Returns required to be filed by it and all such Tax Returns are true and correct in all material respects and have been completed in accordance with applicable Tax Legislation.
- (f) There are no reassessments or assessments of Taxes that have been issued to and, to knowledge of the Vendors, that are under dispute by any of the Target Entities.
- (g) There are no Encumbrances (other than Encumbrances related to Taxes which are not due or delinquent or if due or delinquent, the validity of which the Target Entities are contesting in good faith by proper Legal Proceedings) for Taxes upon any assets of any of the Target Entities. The Target Entities have not requested any extension of time within which to file any Tax Return which has not since been filed.

- (h) To the knowledge of the Vendors, no Governmental Authority has notified any of the Target Entities that it is currently challenging or disputing any of the Target Entities in respect of any Taxes or any Tax Returns.
- (i) The Target Entities have not waived any statute of limitations in respect of any Taxes or executed or filed with any Governmental Authority any agreement extending the period for assessment, reassessment or collection of any Taxes. The Target Entities are not party to or bound by any tax sharing agreement, tax indemnity obligation in favour of any Person or similar agreement in favour of any Person with respect to any Tax matter (including any advance pricing agreement or other similar agreement relating to Taxes with any Governmental Authority). The Target Entities have not granted to any Person a power of attorney that is currently in force with respect to any Tax matter.
- (j) Assessments in relation to all applicable Taxes, including without limitation under all Tax Legislation, have been made with respect to each of the Target Entities covering all past periods through the latest completed fiscal year.
- (k) There are no circumstances existing and no transactions or events or series of transactions or events which have occurred which could result in the application of any of sections 17, 78, 79 or 80 through to and including section 80.04 of the Tax Act, or any equivalent or analogous Tax Legislation of a province or other jurisdiction, to the Target Entities. The Target Entities are not subject to any liability for Taxes of any other Person, including without limitation, liability arising under section 160 of the Tax Act or any analogous provision of Tax Legislation. Each of the Target Entities is not obligated to make any payments or are a party to any agreement under which it could be obligated to make any payments that will not be deductible in computing its income under the Tax Act by virtue of section 67 of the Tax Act.
- (l) Except as disclosed in Schedule 3.2.33(l) to the Disclosure Letter, none of the dividends paid by any of the Target Entities with respect to which an election under subsection 83(2) of the Tax Act has been made exceeded the then balance of the “capital dividend account” (as defined in the Tax Act) thereof. Except as disclosed in Schedule 3.2.33(l) to the Disclosure Letter, none of the dividends paid or deemed to be paid by any of the Target Entities with respect to which a designation under section 89(14) of the Tax Act has been made exceeded the balance in the “general rate income pool” (as defined in the Tax Act) thereof at the end of the applicable taxation year in which such “eligible dividends” (as defined in the Tax Act) were paid or deemed to be paid.
- (m) No transaction or arrangement between any of the Target Entities and any Person with whom a Target Entity was not dealing at arm’s length within the meaning of the Tax Act involving the acquisition, delivery, disposition or provision of property or services or the right to use property or services, took place for consideration that is other than the fair market value of such property, services or right and all such transactions or arrangements were made on arm’s length terms and conditions.
- (n) Each of the Target Entities has not claimed, nor will it claim, any reserves under the Tax Act or any equivalent provisions of the Tax Legislation of a province or other jurisdiction for any taxation year or period ended on or prior to the Closing Date that could be included in income for any taxation year or period ending after the Closing Date.
- (o) Each of the Target Entities are a GST/HST registrant for the purposes of the goods and services tax and harmonized sales tax as provided for under the *Excise Tax Act* (Canada),

and is a sales tax registrant under all applicable provincial or other Tax Legislation, and each of their registration numbers are set out in Schedule 3.2.33(o) to the Disclosure Letter.

- (p) Each of the Target Entities has never carried on business outside of Canada or has any liability for Taxes in the United States or any other jurisdiction where it does not file a Tax Return, nor has any of the Target Entities received any notice from a taxing authority in such a jurisdiction that it is or may be subject to taxation by that jurisdiction. None of the Target Entities have made an election pursuant to section 261 of the Tax Act.
- (q) The Pre-Transaction Reorganizations have been completed in accordance with, and are accurately and completely described in, the planning memos dated July 19, 2022 and July 25, 2022 prepared by BDO LLP as provided to the Purchaser. Other than the Pre-Transaction Reorganizations, the Target Entities or Target Holdcos have not completed (and will not complete) any restructuring or tax planning in contemplation of Closing.

3.2.34 Bank Accounts

Schedule 3.2.34 to the Disclosure Letter sets forth a true and complete list of: (a) the name and address of each bank with which each of the Target Entities has an account or safe deposit box, (b) the name of each Person authorized to draw on each such bank account or have access thereto, and (c) the account number for each such bank account. The bank accounts set forth in Schedule 3.2.34 to the Disclosure Letter represent all of the bank accounts used in or relating to the Business.

3.2.35 Warranties and Product Liability

The Target Entities have not given (directly or indirectly) any written or oral warranty with respect to any products or services sold or supplied by any of the Target Entities. There are no Claims asserting any product or service defects pending or, to the knowledge of the Vendors, threatened against any of the Target Entities. To the knowledge of the Vendors, there is no fact, occurrence or event which could reasonably form the basis of a Claim with respect to any products or services sold or supplied by any of the Target Entities.

3.2.36 Books and Records

The Target Entities' assets and properties and the Business have been accurately recorded in their respective Books and Records. The Books and Records materially comply with all books and record-keeping requirements imposed under Applicable Laws.

3.2.37 No Brokers

No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Vendors, the Target Holdcos or the Target Entities.

3.2.38 Suppliers

Schedule 3.2.38 to the Disclosure Letter sets forth an accurate and complete list of: (a) the names and addresses of the top three suppliers (by expenditure), other than the landlord(s) of the Leased Property and utility companies, from which the Target Entities purchased supplies and/or other goods and/or services during the 12 month period ended as of the May 31, 2022; and (b) the aggregate amount for which each such supplier invoiced any of Target Entities during such period. None of Target Entities nor the Vendors have received any written notice from, nor do the Vendors have any knowledge that, any such supplier: (i) has ceased, or will cease, to supply supplies or

other goods or services to any of the Target Entities; (ii) has substantially reduced, or will substantially reduce, its supply of supplies, or other goods or services to any of the Target Entities; or (iii) has determined not to or is unable to renew any Contract with any of the Target Entities (upon the expiring of such Contract's term or otherwise), or intends to materially change the terms thereof, including, in each case, after the consummation of the transactions contemplated by this Agreement.

3.2.39 Confidential Information

Each of the Target Entities have taken commercially reasonable steps and maintain reasonable precautions to protect and maintain the confidentiality and value of, and to enforce its rights in, the Confidential Information. No Person (other than the directors, officers, Employees, agents, solicitors, accountants, professional advisors and other representatives for each of the Target Entities) has access to any of the Confidential Information other than pursuant to a binding confidentiality agreement. To the knowledge of the Vendors, there has not been any breach of confidentiality or unauthorized use or disclosure of any of the Confidential Information.

3.2.40 Investment Canada

The Business is not a cultural business, as defined in the *Investment Canada Act* (Canada).

3.2.41 Competition Act; Value of Assets and Revenues in Canada

- (a) The aggregate value of the Business in Canada or the gross revenues from sales in or from Canada generated from the Business, as determined in the manner prescribed in the *Competition Act* (Canada), does not exceed 93 million Canadian dollars.
- (b) Since December 31, 2021, the Target Entities, together with its affiliates (as defined in the *Competition Act* (Canada)) were not a party to or otherwise affected by a transaction or event the consequences of which, if taken into account, would affect the determination of whether notification is required to be given under Part IX of the *Competition Act* (Canada) with respect to the transactions contemplated by this Agreement.

3.2.42 Reap

- (a) Reap is a corporation validly existing and is in good standing under the laws of Canada and is duly registered, licensed or qualified to carry on business in Ontario.
- (b) Reap has the corporate power and capacity to enter into this Agreement and to perform its obligations hereunder. This Agreement has been duly authorized by all necessary action by Reap.
- (c) Each of the Transaction Documents required by this Agreement to be delivered by Reap at the Closing Time has been duly authorized by all necessary action by Reap.
- (d) This Agreement has been duly executed and delivered by Reap and is a legal, valid and binding obligation of Reap enforceable against Reap in accordance with its terms.
- (e) At the Closing Time, each of the Transaction Documents required by this Agreement to be delivered by Reap will be duly executed and delivered by Reap and will be legal, valid and binding obligations of Reap enforceable against Reap by the Purchaser in accordance with their respective terms subject to the qualification that such enforceability may be subject to: (x) bankruptcy, insolvency, fraudulent preference or other laws affecting creditors' rights

generally; and (y) general principles of equity (regardless of whether such enforceability is considered in a proceeding at equity or law).

- (f) The execution and delivery of this Agreement by Reap and the consummation of the transactions provided for herein will not result in the violation of, or constitute a default under or conflict with or cause the acceleration of any obligation of Reap under:
 - (i) any Contract to which it is a party or by which it is bound;
 - (ii) any provision of the constating documents or resolutions of the board of directors (or any committee thereof), shareholders or trustees of Reap;
 - (iii) any judgment, decree, order or award of any court, Governmental Entity or arbitrator having jurisdiction over Reap; or
 - (iv) any applicable Legal Requirements.
- (g) No Other Agreements to Purchase. No person other than the Purchaser has any written or oral Contract or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming a Contract or option for the purchase or acquisition from Reap of the shares of LP Holdco held by it.
- (h) Reap is the beneficial owner and legal holder of record of one class A special share of LP Holdco, with good and marketable title thereto, free and clear of all Encumbrances other than those restrictions on transfer, if any, contained in the articles of LP Holdco and, without limiting the generality of the foregoing, the LP Holdco shares held by Reap is not now and has never been subject to any voting trust, shareholder agreement or voting agreement of any kind.
- (i) No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any foreign, provincial or local governmental authority or other person on the part of the Reap is required in connection with the consummation of the transactions contemplated by this Agreement, except such consents and approvals provided.
- (j) Litigation. There is no action, suit or proceeding, or governmental inquiry or investigation, pending or, to the Vendors' knowledge, threatened against Reap in connection with the Purchased Shares being sold by it that questions the validity of this Agreement or the right of Reap to enter into this Agreement and consummate the transactions contemplated thereby.

3.3 Representations and Warranties of the Purchaser

The Purchaser represents and warrants to the Vendors as set out in this Section 3.3 as of the Effective Date and as of the Closing Time and acknowledges that the Vendors are relying on those representations and warranties in entering into this Agreement and completing the transactions contemplated by it.

3.3.1 Incorporation and Qualification

- (a) The Purchaser is duly organized, validly existing and in good standing under the laws of its governing jurisdiction and has the corporate power and capacity to own, lease, use and operate its property and carry on its business. Neither the location or character of any

property owned or leased by the Purchaser nor, the nature of the Business requires the Purchaser to be registered or licensed in any jurisdiction other than Canada.

- (b) The Purchaser is qualified, licensed and registered to carry on its business and is in good standing pursuant to the laws of each jurisdiction in which it is required to be.
- (c) Other than as disclosed in the Information, the Purchaser has no Subsidiaries and does not own, or have any agreement or right to acquire, directly or indirectly, any securities in any Person. Other than as disclosed in the Information, the Purchaser is not a member of, or participates in, any partnership, joint venture or similar Person.

3.3.2 No Solvency or Reorganization Proceedings

The Purchaser is not insolvent and no proceedings have been taken or authorized by the Purchaser, or, to the knowledge of the Purchaser, by any other Person with respect to the bankruptcy, insolvency, liquidation, dissolution or winding up of the Purchaser or with respect to any amalgamation, merger, consolidation, arrangement, receivership or reorganization of, or relating to, the Purchaser, nor, to the knowledge of the Purchaser, have any such proceedings been threatened by any other Person.

3.3.3 No Other Agreements or Options

As of the Closing Date, other than this Agreement and as disclosed in the Information, no Person has any agreement or option or any right or privilege capable of becoming an agreement or option, to acquire any of the issued and outstanding shares in the capital of the Purchaser. Other than as disclosed in the Information, no Person has any right, option or agreement to acquire any shares or other securities (including, without limitation, any shares or securities which have yet to be issued) from the Purchaser.

3.3.4 No Conflicts

Neither the execution and delivery of nor performance by the Purchaser of this Agreement will result in a breach of, or conflict with, or cause the acceleration of any payment, right or obligation pursuant to, or allow any Person to exercise any rights under, any of the terms or provisions of:

- (a) the articles, notice of articles or other constating documents of the Purchaser;
- (b) any resolutions of the directors or shareholders of the Purchaser;
- (c) any Contract;
- (d) any Applicable Laws, provided that all applicable Regulatory Approvals are given or obtained (as applicable) in accordance with each Applicable Law; or
- (e) any License of the Purchaser.

3.3.5 Required Regulatory Approvals

Other than the TSXV Approval, there is no requirement on the part of the Purchaser to give or obtain (as applicable) any Regulatory Approval in connection with the lawful completion of the transactions contemplated by this Agreement or to permit the Purchaser to carry on its business after Closing as it is currently conducted.

3.3.6 Required Consents

Other than the Majority of Minority Approval, there is no requirement on the part of the Purchaser to give or obtain (as applicable) any Consent in connection with the execution and delivery of this Agreement.

3.3.7 Corporate Records

The minute books of the Purchaser and other corporate records made available to the Vendors for review include:

- (a) complete and accurate copies of the constating documents (including the notice of articles and articles) of the Purchaser;
- (b) complete and accurate minutes of every material meeting (and written resolutions) of the boards of directors (including every committee thereof) and shareholders of the Purchaser; and
- (c) the securities registers, registers of transfers, registers of directors and registers of officers of the Purchaser, each of which is complete, accurate and current.

The minute books of the Purchaser have been maintained in accordance with all Applicable Laws. All meetings of directors (including every committee thereof) and shareholders of the Purchaser have been duly called and held and all resolutions have been passed in accordance with Applicable Laws. There are no shareholders' agreements, unanimous shareholders' agreements or other security holder agreements governing the affairs of the Purchaser or the relationships, rights and/or duties of the shareholders or directors thereof or any voting trusts, pooling arrangements or other similar agreements with respect to the ownership or voting of any shares of the Purchaser other than as disclosed in the Information.

3.3.8 Dividends and Distributions

Other than in the ordinary course and as disclosed in the Information, the Purchaser has not, directly or indirectly:

- (a) declared or paid any dividends or declared or made any other distribution or return of capital in respect of any of its securities;
- (b) redeemed, purchased or otherwise acquired any of its outstanding securities; or
- (c) agreed to do any of the foregoing.

3.3.9 Compliance with Applicable Laws

The Purchaser has been and is, and its business has been conducted and is being conducted, in material compliance with all Applicable Laws. The Purchaser has not received any notice of any violation or alleged violation of any Applicable Law.

3.3.10 Privacy

The Purchaser has implemented and maintained all commercially reasonable measures necessary to protect and maintain the confidentiality of, and otherwise enforce and protect its rights in any Personal Information or other information the Purchaser has received under an obligation of

confidentiality, including administrative, technical and physical measures designed to safeguard the security, confidentiality and integrity of such Personal Information and such other information, and which are designed to protect against unauthorized access to such Personal Information and such other information and the systems of any third party service providers that have access to such Personal Information or such other information. Such measures are and have been compliant with all Applicable Laws and consistent with: (a) sound industry practices; (b) any applicable Licenses; and (c) the obligations of the Purchaser under any Contract. All notices and consents required by Applicable Laws regarding the collection, use or disclosure of Personal Information in connection with the conduct of the Business have been given or obtained.

3.3.11 Licenses

Each of the Purchaser and its Subsidiaries holds all Licenses under all Applicable Laws required to conduct its business and is in compliance in all material respects with all terms of such Licenses, and has not received a notice of non-compliance, nor knows of, nor has reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations or Licenses, which would have a Purchaser Material Adverse Effect. All Licenses held by the Purchaser or a Subsidiary and are valid and subsisting and in good standing, the operations of the Purchaser are in material compliance with those Licenses and there are no outstanding defaults or violations under any of those Licenses on the part of the Purchaser. None of the Licenses held by the Purchaser or a Subsidiary will be terminated, impaired or in any way breached as a result of the transactions contemplated by this Agreement and no Person has threatened to revoke, amend or impose any condition in respect of, or commenced proceedings to revoke, amend or impose any conditions in respect of, any of those Licenses.

3.3.12 Financial Statements

The financial statements of the Purchaser disclosed in the Information (the “**Purchaser Financial Statements**”):

- (a) have been prepared in accordance with IFRS, consistently applied throughout the periods referred to therein;
- (b) contain no misrepresentation and present fully, fairly and correctly, in all material respects, the financial position of the Purchaser and the Subsidiaries as at such dates thereof and the results of the operations and the changes in the financial position of the Purchaser and the Subsidiaries for the periods then ended; and
- (c) contain and reflect adequate provisions or allowance for all reasonably anticipated liabilities, expenses and losses of the Purchaser and the Subsidiaries, and there has been no change in accounting policies or practices of the Purchaser and the Subsidiaries subsequent to the date thereof.

3.3.13 Non-Arm's Length Transactions

Except as disclosed in the Information or in connection with the transactions contemplated by this Agreement:

- (a) no Interested Person of the Purchaser is indebted to the Purchaser nor is the Purchaser indebted to any Interested Person of the Purchaser;
- (b) the Purchaser is not a party to any Contract with any Interested Person of the Purchaser;

- (c) no Interested Person of the Purchaser owns, directly or indirectly, in whole or in part, any property that the Purchaser leases or otherwise uses; and
- (d) since the Letter of Intent Date, the Purchaser has not made any payment to, made any loan to, borrowed any money from, or engaged in any transaction with, any Interested Person of the Purchaser that has not been disclosed to the Vendors.

3.3.14 No Liabilities

The Purchaser has no Liabilities except for:

- (a) Liabilities reflected or reserved against in the Purchaser Financial Statements; and
- (b) current Liabilities incurred in the ordinary course of business after the date of the Purchaser Financial Statements (none of which have arisen pursuant to any breach of or default under any Contract or any violation of any Applicable Law or which, individually or in the aggregate, would be considered to be material to the Business) that do not exceed \$ [REDACTED].

3.3.15 Debt Instruments

Except as disclosed in the Information, there are no Debt Instruments to which the Purchaser is a party.

3.3.16 Title to the Assets

Except for any Licensed IP, any Leased Property and any leased personal property that is the subject of an Equipment Lease, the Purchaser is the sole legal and beneficial owner of all of the property and assets used by it in connection with its Business, with good title thereto, free and clear of all Encumbrances other than Permitted Encumbrances.

3.3.17 Owned Real Property

The Purchaser: (a) does not own any real property; (b) has never owned any real property; or (c) does not have nor has it ever had any agreement or other right to acquire any real property.

3.3.18 Material Contracts

Any and all of the agreements and other documents and instruments pursuant to which the Purchaser or a Subsidiary holds its property and assets (including any interest in, or right to earn an interest in, any such property) and conducts its business is a valid and subsisting agreement, document and instrument in full force and effect, enforceable in accordance with the terms thereof. None of the Purchaser or any of the Subsidiaries is in default of any of the material provisions of any such agreements, documents or instruments, nor has any such default been alleged and such properties and assets are in good standing under the applicable statutes and regulations of the jurisdictions in which they are situated, all material leases, licences and claims pursuant to which the Purchaser or a Subsidiary derives the interests thereof in such property and assets are in good standing in all material respects and there has been no material default under any such lease, licence or claim. The material properties (or any interest in, or right to earn an interest in, any property) of each of the Purchaser and the Subsidiaries are not subject to any right of first refusal or purchase or acquisition right.

3.3.19 Intellectual and Industrial Property

- (a) The conduct of its business and the use by the Purchaser of its Intellectual and Industrial Property does not infringe, violate, misappropriate or misuse any intellectual property rights or any other proprietary right of any Person or give rise to any obligations to any Person. There is no litigation ongoing, pending or, to the knowledge of the Purchaser, contemplated with respect to the infringement, violation, misappropriation or misuse of any of the Intellectual and Industrial Property of the Purchaser or the infringement, violation, misappropriation or misuse by the Purchaser of any intellectual property right or proprietary right of any Person.
- (b) The Intellectual and Industrial Property of the Purchaser is valid and enforceable and is not subject to any outstanding judgment, injunction, Order, decree or agreement threatening the ownership, validity or use thereof by the Purchaser.

3.3.20 Employees

- (a) There have not been and there are not currently any labour disruption or conflict, or material disagreements with any employee or employees of the Purchaser or the Subsidiaries which are adversely affecting or could have a Purchaser Material Adverse Effect;
- (b) There are no threatened or outstanding Claims against the Purchaser relating to the employment or termination of employment of any current and/or former Employees.
- (c) The Purchaser: (i) is not, nor has it ever been, a party to or bound by or subject to any Collective Agreement; (ii) has not made any commitment to, or conducted any negotiation or discussion with, any labour union or employee association with respect to any future agreement or arrangement; or (iii) is not required to recognize any labour union or employee association representing any Employees.
- (d) There is no strike, work stoppage, slow down or lockout or other labour dispute affecting the Purchaser and no strike, work stoppage or lockout has been threatened which could affect the Purchaser.

3.3.21 Insurance

- (a) The Purchaser and its Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged; and none of the Purchaser or its Subsidiaries has reason to believe that it will not be able to renew any such insurance as and when such insurance expires or obtain similar coverage from similar insurers as may be necessary to continue the business of each of the Purchaser and its Subsidiaries at a cost that would not have a Purchaser Material Adverse Effect;
- (b) The Purchaser has not failed to give notice of, or provide information with respect to, any insurance claim, such that the Purchaser is or will be disqualified from receiving insurance proceeds in respect of such insurance claim.

3.3.22 Legal Proceedings

- (a) There is no Legal Proceeding in progress, pending or, to the knowledge of the Purchaser, threatened, against, affecting or involving the Purchaser or its directors or officers, or, to

the knowledge of the Purchaser, its agents, consultants or employees with respect to their activities on behalf of the Purchaser.

- (b) There is no outstanding, pending or, to the knowledge of the Purchaser, threatened, Claim against the Purchaser or any of its directors or officers, or, to the knowledge of the Purchaser, its agents, consultants or employees with respect to any of their activities on behalf of the Purchaser.
- (c) To the knowledge of the Purchaser, there is no fact, occurrence or event which could reasonably form the basis of a Claim against the Purchaser or any of its directors, officers, agents, consultants or employees with respect to any of their activities on behalf of the Purchaser.
- (d) There is no Order outstanding against the Purchaser or any of its directors, officers, agents, consultants or employees with respect to any of their activities on behalf of the Purchaser, or against any Person relating to any of the Purchased Shares or any securities in the capital of the Purchaser.

3.3.23 Tax Matters

- (a) The Purchaser has duly and timely paid all Taxes (whether or not assessed by the relevant Governmental Authority), including all Taxes shown on its Tax Returns as being due and payable and all Taxes payable by it under any notice of assessment or reassessment. The Purchaser is not in possession of any refund of Taxes to which it is not entitled.
- (b) The Purchaser Financial Statements contain adequate provision in accordance with generally accepted accounting principles for all Taxes payable by the Purchaser in respect of each period covered by the Purchaser Financial Statements and all prior periods to the extent those Taxes have not been paid, whether or not assessed and whether or not shown to be due in any Tax Returns.
- (c) The Purchaser has deducted, withheld and/or collected and remitted to the relevant Governmental Authority within the applicable time periods prescribed under Applicable Laws all Taxes or other amounts required to be deducted, withheld and/or collected and remitted by it.
- (d) The Purchaser has timely filed or caused to be filed with the applicable Governmental Authorities all Tax Returns required to be filed by it and all such Tax Returns are true and correct in all respects and have been completed in accordance with applicable Tax Legislation.
- (e) There are no reassessments of Taxes that have been issued to and that are under dispute by the Purchaser.
- (f) There are no Encumbrances for Taxes upon any assets of the Purchaser. The Purchaser has not requested any extension of time within which to file any Tax Return which has not since been filed.
- (g) No Governmental Authority has notified the Purchaser that it is currently challenging or disputing the Purchaser in respect of any Taxes or any Tax Returns.

- (h) The Purchaser has not received any notice from any Governmental Authority that an assessment or reassessment is proposed in respect of any Taxes. The Purchaser is not negotiating any draft assessment or reassessment with any Governmental Authority.
- (i) The Purchaser has not waived any statute of limitations in respect of any Taxes or executed or filed with any Governmental Authority any agreement extending the period for assessment, reassessment or collection of any Taxes. The Purchaser is not party to or is bound by any tax sharing agreement, tax indemnity obligation in favour of any Person or similar agreement in favour of any Person with respect to any Tax matter (including any advance pricing agreement or other similar agreement relating to Taxes with any Governmental Authority). The Purchaser has not granted to any Person a power of attorney that is currently in force with respect to any Tax matter.
- (j) Assessments in relation to all applicable Taxes, including without limitation under all Tax Legislation, have been made with respect to the Purchaser covering all past periods through the latest completed fiscal year.

3.3.24 Books and Records

The Books and Records fairly and correctly set out and disclose in all material respects the assets and Liabilities of the Purchaser and all material financial transactions and activities relating thereto. The Purchaser's assets and properties and the Business have been accurately recorded in such Books and Records, as applicable. The Books and Records comply with all books and record-keeping requirements imposed under Applicable Laws and all applicable policies adopted by the Purchaser.

3.3.25 No Brokers

No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Purchaser.

3.3.26 Money Laundering

The Purchaser has at all times been and is currently in compliance with all applicable financial record keeping and reporting requirements of all applicable money laundering statutes, the rules and regulations thereunder and any related or similar rules, regulations, or guidelines issued, administered or enforced by any Governmental Authority.

3.3.27 No Misrepresentation

No representation or warranty of the Purchaser contained in this Agreement or in the Information, contains any untrue statement of a material fact, or omits to state any material fact which is necessary to make the statements therein not misleading or necessary to fully and fairly provide the information required to be provided therein.

3.3.28 Montfort Consideration Shares

The Purchaser has the full corporate power and capacity to issue the Montfort Consideration Shares. All of the Montfort Consideration Shares have been, or will by the time of issuance be, duly authorized and fully paid and non-assessable shares in the capital of the Purchaser and will have been issued in compliance with all Applicable Laws and not in violation of or subject to any pre-emptive or similar right that entitles any person to acquire from the Purchaser any Montfort

Common Shares or other security of the Purchaser, or any security convertible into, or exercisable for, Montfort Common Shares or any other such security. As of the Effective Date there are 59,877,006 Montfort Common Shares and 10,485,994 Montfort Series A Preferred Shares issued and outstanding, options to purchase an aggregate of 5,225,000 Montfort Common Shares, warrants to purchase an aggregate of 2,511,681 Montfort Common Shares and 600,000 restricted share units. At the Closing Time, all conditions required for the conditional listing of Montfort Consideration Shares on the TSXV will have been fulfilled (subject to standard post-Closing filings with the TSXV).

3.3.29 Share Terms

The rights, privileges, restrictions and conditions attached to the Montfort Common Shares and Montfort Series A Preferred Shares are as set out in the Notice of Articles and the Articles, copies of which have been made available to the Vendors.

3.3.30 Listing of the Montfort Consideration Shares

- (a) The Montfort Common Shares and Montfort Series A Preferred Shares are listed and posted for trading on the TSXV and no order ceasing or suspending trading in any securities of the Purchaser or prohibiting the sale or issuance of the Montfort Consideration Shares or the trading of any of the Purchaser's issued securities has been issued and no (formal or informal) proceedings for such purpose have been threatened or, to the knowledge of the Purchaser, are pending.
- (b) The Purchaser has not taken any action which would reasonably be expected to result in the delisting or suspension of the Montfort Common Shares or Montfort Series A Preferred Shares on or from the TSXV.

3.3.31 No Conflicts

The execution and delivery of and performance by the Purchaser of this Agreement will not result in a breach of, or conflict with, or cause the acceleration of any payment, right or obligation pursuant to, or allow any Person to exercise any rights under, any of the terms or provisions of:

- (a) the notice of articles and articles of the Purchaser;
- (b) any resolutions of the directors or shareholders of the Purchaser;
- (c) any contract to which the Purchaser is a party, provided that the applicable Consents set forth in Section 3.3.34 are given or obtained (as applicable) in accordance with the terms of each applicable contract; or
- (d) any Applicable Laws, provided that the applicable Regulatory Approvals disclosed in Section 3.3.32 are given or obtained (as applicable) in accordance with each such Applicable Law.

3.3.32 Required Regulatory Approvals

Other than TSXV Approval, there is no requirement on the part of the Purchaser to give or obtain (as applicable) any Regulatory Approval in connection with the lawful completion of the transactions contemplated by this Agreement.

3.3.33 Regulatory Matters

The Purchaser is a “reporting issuer” under the securities laws of each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario and is not noted as being in default on the list of reporting issuers maintained under the securities legislation in such provinces, and in particular, without limiting the foregoing, the Purchaser is in material compliance with its disclosure obligations under securities laws and, except with respect to this Agreement and the transactions contemplated herein, there is no material change relating to the Purchaser which has occurred and with respect to which the requisite material change report has not been filed with the applicable securities regulators. All material filings and fees due and payable by the Purchaser pursuant to securities laws and general corporate law have been made and paid. The Purchaser has not taken any action to cease to be a reporting issuer in any jurisdiction in which it is a reporting issuer, and has not received any notification from a securities regulator seeking to revoke the reporting issuer status of the Purchaser.

3.3.34 Required Consents

As Thomson is both a director of the Purchaser and a Vendor, the transactions contemplated by this Agreement will fall within the definition of a “related party transaction” under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). Accordingly, the Purchaser must obtain the consent of “majority of minority” holders of both the Montfort Common Shares and the Montfort Series A Preferred Shares (“**Majority of Minority Approval**”). The Majority of Minority Approval was obtained at the Purchaser’s AGSM. Majority of Minority Approval excluded the votes held by Thomson as a holder of Montfort Common Shares and Montfort Series A Preferred Shares. Other than Majority of Minority Approval and TSXV Approval, there is no requirement on the part of the Purchaser to give or obtain (as applicable) any Consent in connection with the completion of the transactions contemplated by this Agreement.

3.3.35 Information and Compliance with Disclosure Requirements

The Information was, as of the date of the applicable document in which it was contained:

- (a) in compliance in all material respects with the applicable securities laws of the provinces in which the Purchaser is a reporting issuer; and
- (b) did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

The Purchaser is in all material respect in compliance with its continuous disclosure obligations under applicable securities laws of the provinces in which it is a reporting issuer and has not filed any confidential material change reports under such laws which have not subsequently become public.

ARTICLE 4 COVENANTS OF THE PARTIES

4.1 Interim Period Covenants of the Vendors, Target Holdcos and Target Entities

The Vendors, Target Holdcos and Target Entities hereby covenant as set out in this Section 4.1.

4.1.1 Investigation and Availability of Records; Cooperation

During the Interim Period, the Vendors shall cause the Target Holdcos and Target Entities to permit the Purchaser and its Representatives to have reasonable access to the assets, personnel and facilities of each of the Target Holdcos and Target Entities (including, for greater certainty, the Books and Records, the Accounting Records, the Material Contracts and communications in any form received by any of the Target Entities, Target Holdcos and/or the Vendors from any Governmental Authority), it being understood that those investigations will be carried out during normal business hours.

4.1.2 Conduct of the Business

Except as otherwise expressly provided in this Agreement or as provided for in the agreements, contracts, instruments, tax elections during the Interim Period, the Vendors shall cause each of the Target Entities to carry on the Business in the ordinary course and in a manner consistent with past practices, and cause the Target Entities and Target Holdcos to not do any of the following, without the express written consent of the Purchaser:

- (a) transfer, assign, sell or otherwise dispose of any of its material property or assets other than in the ordinary course of business;
- (b) terminate, discontinue, suspend or reduce operations (including any product or services previously offered or provided) or close or dispose of any facility or business operation;
- (c) make or commit to make any capital expenditures or other expenditures in excess of [REDACTED] in the aggregate;
- (d) discharge or satisfy any Encumbrance or pay any Indebtedness (other than trade payables), except in the ordinary course of business and with respect to the redemption of the Target Special Shares issued and outstanding as of the date hereof;
- (e) incur any Indebtedness (other than trade payables in the ordinary course) or suffer or permit to suffer any Encumbrance on or relating to any of its property, assets or undertaking, other than Permitted Encumbrances;
- (f) voluntarily recognize a trade union as a representative of any Employee(s);
- (g) directly or indirectly engage in any transaction (including the making of a payment), or enter into any Contract or arrangement, with the Vendors or any other Interested Person of the Target Entities, except for compensation and/or benefit arrangements which are otherwise contemplated in this Agreement;
- (h) enter into any Collective Agreement;
- (i) cancel any debts or Claims or amend, terminate or waive any rights of value to it;
- (j) amend, modify or terminate any Employee Benefit Plan;
- (k) make any wage, salary or other compensation increase in respect of any Employee;
- (l) terminate or amend any policy of insurance by or for its benefit or any of its directors or officers;

- (m) other than in connection with the Pre-Transaction Reorganizations or as approved by the Purchaser, declare or pay any dividends or other distribution or return of capital on any of its outstanding securities or redeem, purchase or otherwise acquire any of its outstanding securities;
- (n) amend, terminate or renegotiate any Material Contract;
- (o) enter into a Material Contract, other than any of the potential Material Contracts disclosed in Schedule 3.2.26 to the Disclosure Letter on terms and conditions that are commercially reasonable;
- (p) terminate, transfer or modify any Intellectual and Industrial Property Rights;
- (q) issue or sell, or enter into any Contract for the issuance or sale of, any shares in its capital or securities convertible into or exercisable for shares in its capital, or any other securities thereof;
- (r) amend or take any action to amend its articles or by-laws or take any steps (whether by its directors, officers, or shareholders) to dissolve, wind-up or otherwise affect its continuing corporate existence, or amalgamate, merge or enter into a similar business combination with any Person;
- (s) change its accounting principles, practices, methods or procedures, including, without limitation, with respect to the management of its working capital, or make any election or designation, or change in an election or designation, with respect to Taxes;
- (t) take or omit to take, any action that would cause or lead to a Material Adverse Effect;
- (u) breach or contravene, in a material manner, any Applicable Law; or
- (v) authorize, agree or become bound to do any of the foregoing.

4.1.3 Tax Matters

The Vendors shall ensure that, during the Interim Period, each of the Target Holdcos and Target Entities:

- (a) duly pays, within the prescribed time, all Taxes that become due and payable by it on or before the Closing Date and all Taxes payable by it under any notice of assessment or reassessment received prior to the Closing Date, and files all Tax Returns required to be filed by it on or prior to the Closing Date;
- (b) makes adequate provision in the Books and Records for the Taxes thereof that relate to any and all periods ending on or before the Closing Date (including any Taxes thereof arising as a consequence of the Closing) but that are not yet due and payable and for which Tax Returns are not yet required to be filed;
- (c) withholds from each payment made by it the amount of all Taxes and other deductions required under any applicable Tax Legislation to be withheld therefrom and pays all those amounts to the relevant Governmental Authority within the time prescribed under any applicable Tax Legislation; and

- (d) refrains from entering into any arrangements to provide for an extension of time with respect to any assessment or reassessment of Taxes, the filing of any Tax Return or the payment of any Taxes, without the prior written consent of the Purchaser.

4.1.4 Redemption of Target Special Shares

- (a) The Vendors will cause the Target to redeem all outstanding Target Special Shares prior to the Closing Date. Any Target Special Shares which are not redeemed prior to the Closing Date shall require an adjustment to the Purchase Price in accordance with Section 2.6.

4.1.5 Actions to Satisfy Closing Conditions

During the Interim Period, the Vendors, the Target Holdcos and the Target Entities shall take all commercially reasonable actions as are within their power to control, and use commercially reasonable efforts to cause other actions to be taken which are not within their power to control, to ensure the satisfaction of all of the conditions set out in Section 5.1 including, but not limited to, obtaining all approvals, authorizations and consents related to the transactions contemplated hereunder.

4.1.6 Notice of Certain Matters

During the Interim Period, the Vendors, Target Holdcos and the Target Entities shall promptly notify the Purchaser in writing upon becoming aware that:

- (a) any representation or warranty made by any of them contained in this Agreement or any Closing Document has become untrue or incorrect;
- (b) any of them has failed to perform or satisfy any covenant required to be performed or satisfied by any of them;
- (c) any notice or other communication from any third party (including any Governmental Authority), including, but not limited to, any communications relating to any Licenses held or applied for by any of the Target Entities; or
- (d) an event has occurred or has failed to occur which could reasonably be expected to make the satisfaction of any of the conditions set forth in Section 5.1 impossible or unlikely.

Any such notice will set out particulars of the untrue or incorrect representation or warranty, unperformed or unsatisfied covenant, or event (or lack thereof) that could reasonably be expected to make the satisfaction of any of the conditions set forth in Section 5.1 impossible or unlikely (as applicable), and details of any actions being taken by the Vendors, the Target Holdcos or the Target Entities to rectify the matter. The delivery of any notice pursuant to this Section 4.1.6 does not limit or otherwise affect the remedies available to the Purchaser under this Agreement, or the representations or warranties or covenants of, or the conditions to the obligations of, any of the Parties hereunder.

4.2 Interim Period Covenants of the Purchaser

The Purchaser hereby covenants as set out in this Section 4.2.

4.2.1 Investigation and Availability of Records; Cooperation

During the Interim Period, the Purchaser shall permit the Vendors' Designated Representatives to have reasonable access to the assets, personnel and facilities of the Purchaser, it being understood that those investigations will be carried out during normal business hours.

4.2.2 Conduct of the Business

Except as otherwise expressly provided in this Agreement or as provided for in the agreements, contracts, instruments, tax elections during the Interim Period, the Purchaser shall carry on its business in the ordinary course and in a manner consistent with past practices, and not do any of the following, without the express written consent of the Vendors:

- (a) transfer, assign, sell or otherwise dispose of any material portion of its property or assets other than in the ordinary course of business;
- (b) terminate, discontinue, suspend or reduce operations (including any product or services previously offered or provided) or close or dispose of any facility or business operation;
- (c) incur any Indebtedness (other than trade payables in the ordinary course) or suffer or permit to suffer any Encumbrance on or relating to any of its property, assets or undertaking, other than Permitted Encumbrances or in the ordinary course of business;
- (d) cancel any debts or Claims or amend, terminate or waive any rights of value to it;
- (e) terminate or amend any policy of insurance by or for its benefit or any of its directors or officers;
- (f) except in the ordinary course, declare or pay any dividends or other distribution or return of capital on any of its outstanding securities or redeem, purchase or otherwise acquire any of its outstanding securities;
- (g) issue or sell, or enter into any Contract for the issuance or sale of, any shares in its capital or securities convertible into or exercisable for shares in its capital, or any other securities thereof, other than: (i) pursuant to the terms of outstanding convertible securities; or (ii) in respect of securities issued pursuant to the Purchaser's equity incentive plan;
- (h) amend or take any action to amend its articles or take any steps (whether by its directors, officers, or shareholders) to dissolve, wind-up or otherwise affect its continuing corporate existence, or amalgamate, merge or enter into a similar business combination with any Person;
- (i) change its accounting principles, practices, methods or procedures, including, without limitation, with respect to the management of its working capital, or make any election or designation, or change in an election or designation, with respect to Taxes;
- (j) take or omit to take, any action that would cause or lead to a Purchaser Material Adverse Effect;
- (k) breach or contravene, in a material manner, any Applicable Law; or
- (l) authorize, agree or become bound to do any of the foregoing.

4.2.3 Actions to Satisfy Closing Conditions

During the Interim Period, the Purchaser shall take all commercially reasonable actions as are within its power to control, and use commercially reasonable efforts to cause other actions to be taken which are not within its power to control, to ensure the satisfaction of the conditions set out in Section 5.2.

4.2.4 TSXV Approval

During the Interim Period, the Purchaser shall make commercially reasonable efforts to obtain the TSXV Approval.

4.2.5 Notice of Certain Matters

From the Effective Date until the Closing Time, the Purchaser shall promptly notify the Vendors in writing upon becoming aware that:

- (a) any representation or warranty made by it contained in this Agreement or any Closing Document has become untrue or incorrect;
- (b) it has failed to perform or satisfy any covenant required to be performed or satisfied by it; or
- (c) an event has occurred or has failed to occur which could reasonably be expected to make the satisfaction of any of the conditions set forth in Section 5.2 impossible or unlikely.

Any such notice will set out particulars of the untrue or incorrect representation or warranty, unperformed or unsatisfied covenant, or event (or lack thereof) that could reasonably be expected to make the satisfaction of any of the conditions set forth in Section 5.2 impossible or unlikely (as applicable), and details of any actions being taken by the Purchaser to rectify the matter. For greater certainty, the delivery of any notice pursuant to this Section 4.2.5 does not limit or otherwise affect the remedies available to the Vendors under this Agreement, or the representations or warranties or covenants of, or the conditions to the obligations of, any of the Parties hereunder.

4.3 Additional Interim Period Covenants of the Parties

Each Party hereby covenants as set out in this Section 4.3.

4.3.1 Consents and Regulatory Approvals

- (a) Commencing immediately after the Effective Date, the Vendors shall make commercially reasonable efforts to give or obtain (as applicable), and shall cause the Target Holdcos and Target Entities to use commercially reasonable efforts to give or obtain (as applicable) prior to the Closing Time, all Consents that are identified in Schedule 3.2.7 to the Disclosure Letter.
- (b) The Parties shall co-operate in good faith with each other and their respective Representatives for the purpose of the Vendors, the Target Holdcos and the Target Entities giving or obtaining (as applicable) the Consents and Regulatory Approvals noted in Section 4.3.1(a). Without limiting the generality of the foregoing, the Parties shall:
 - (i) co-operate and consult with each other in connection with the preparation of any consent requests, notices, filings, applications or other similar documents and

keep each other informed in a prompt manner of the status of such consent requests, notices, filings, applications and other similar documents;

- (ii) provide to the applicable Party all such information as may be reasonably requested by such Party in connection with the preparation of any consent requests, notices, filings, applications and other similar documents;
- (iii) consult with each other regarding the content of all material communications with relevant third parties, including, Governmental Authorities;
- (iv) consult and co-operate with each other in connection with any meetings with relevant third parties, including, Governmental Authorities; and
- (v) provide each other with advance copies and reasonable opportunity to comment on all documents and information to be supplied to or filed with relevant third parties, including Governmental Authorities.

4.3.2 Cooperation

The Parties shall co-operate fully in good faith with each other and their respective Representatives in connection with any steps required to be taken as part of their respective obligations under this Agreement. The Purchaser shall provide such guarantees and security as is required by Equitable Bank and Cortland Credit Lending Corporation in connection with any consents that the Target Entities must obtain from them in connection with the Closing.

4.3.3 Notice of Untrue Representation

Without limiting the Parties' respective rights and remedies under Sections 4.1.6 and 4.2.5, and without limiting the strict application of Section 9.10 [Amendment], in the event that a notice is delivered on behalf of the Vendors pursuant to Section 4.1.6, on the one hand, or the Purchaser pursuant to Section 4.2.5 on the other hand, the Vendors' Designated Representative and a representative of the Purchaser shall promptly meet and discuss in good faith the nature of the breach or the circumstances or events which could reasonably be expected to make the satisfaction of any of the conditions set forth in Sections 5.1 or 5.2 (as the case may be) impossible or unlikely, with a view of determining whether or not there is a mutually acceptable approach to dealing with the matter set out in such notice.

4.3.4 Risk of Loss

If, at or prior to the Closing Time, all or a material part of the assets of the Target Entities are destroyed or damaged by fire or any other casualty or are expropriated or otherwise seized by any Governmental Authority, the Vendors shall immediately advise the Purchaser thereof in writing and, and if such damage, destruction, expropriation or seizure gives rise to the inability to fulfil a condition set forth in Section 5.1, the Purchaser may elect not to complete the transactions contemplated herein by notice in writing to the Vendors' Designated Representative, and in such event all Parties hereto shall be discharged from all obligations herein; other than the obligations referred to in Section 7.2 which survive the termination of this Agreement. Unless the Purchaser has elected not to proceed, the Parties shall complete the transactions contemplated herein.

4.4 Post-Closing Covenants of the Vendors

The Vendors hereby covenant as set out in this Section 4.4.

4.4.1 Tax Matters

- 4.4.2 The Vendors shall cause to be prepared, in a manner which is consistent with the past practices of the Target Entities and Target Holdcos (including claims for reasonable deductions), and file in a timely fashion all Tax Returns required under any applicable Tax Legislation to be filed by each of the Target Entities and Target Holdcos for (a) any period ending on or before the Closing Date (including as a consequence of Closing) and for which applicable Tax Returns have not been filed as of that date; and (b) any period beginning prior to the Closing Date and ending after the Closing Date (clauses (a) and (b) above are collectively referred to as the “**Stub Period Returns**”). The Parties shall co-operate fully in good faith with each other and make available to each other in a timely fashion any information in their respective possession and that is reasonably required for the preparation and filing of the Stub Period Returns, and shall preserve that information in their respective possession until the expiration of any applicable limitation period under any applicable Tax Legislation. No later than 10 Business Days prior to the applicable deadline for filing any Stub Period Return with any Governmental Authority, the Vendors’ Designated Representative shall provide to the Purchaser a copy of the applicable Stub Period Return for its review and comments. Vendors shall consider in good faith any reasonable comments provided by Purchaser. Vendors’ Designated Representative shall then file such Stub Period Returns and the cost thereof shall be at the cost of the Vendors.
- 4.4.3 None of the Purchaser, and any of its Affiliates (including the Target Entities and Target Holdcos) shall, without the prior written consent of the Vendors Representatives, (i) make or change any Tax election affecting any Tax period ending on or before the Closing, (ii) amend, refile or otherwise modify or grant an extension of any applicable statute of limitations with respect to any Tax Return relating to a any Tax period ending on or before the Closing or (iii) take any action, position or enter into any settlement or agreement that results in any increased Tax liability (including a reduction in a refund) or reduction of any Tax asset, of any of the Target Entities or Target Holdcos with respect to any Tax period ending on or before the Closing. The Purchaser agrees that, notwithstanding anything else to the contrary, the Vendors shall have no liability whatsoever for any Tax resulting from any action referred to in the immediately preceding sentence, and agrees to indemnify and hold harmless the Vendors and their respective Affiliates against any such Tax.
- 4.4.4 The Parties agree that they have not allocated any portion of the Purchase Price to any “restrictive covenant” as such term is defined in Section 56.4 of the Tax Act and any equivalent provision under any provincial Tax Law. The Parties acknowledge their mutual understanding that the “restrictive covenants” provided under this Agreement can reasonably be regarded to have been granted to maintain or preserve the fair market value of the Purchased Shares.
- 4.4.5 If, at any time after the Closing Date, any Target Entity or Target Holdco is assessed for Taxes under subsection 185.1(1) of the Tax Act (or equivalent provision under any provincial tax legislation) in respect of an “excessive eligible dividend designation” within the meaning of subsection 89(1) of the Tax Act (or equivalent provision under any provincial tax legislation) in respect of any dividend paid on or before the Closing, Purchaser shall cause such Target Entity or Target Holdco to make the election under subsection 185.1(2) of the Tax Act (or equivalent provision under any provincial tax legislation) in prescribed manner and within the time specified in subsection 185.1(2) (or equivalent provision under any provincial tax legislation), in respect of any such “excessive eligible dividend designation” so as to treat such excess amount as a separate taxable dividend and each of the Vendors hereby concurs with the making of the election under

subsection 185.1(2) of the Tax Act (or equivalent provision under any provincial tax legislation) to treat such excess amount as a taxable dividend.

- 4.4.6 If, at any time after the Closing Date, any Target Entity or Target Holdco is assessed for Taxes under subsection 184(2) of the Tax Act (or equivalent provision under any provincial tax legislation) in respect of a dividend paid on or before the Closing in respect of which such Target Entity or Target Holdco made a capital dividend election under subsection 83(2) of the Tax Act (or equivalent provision under any provincial tax legislation), Purchaser shall cause such Target Entity or Target Holdco to make the election under subsection 184(3) of the Tax Act (or equivalent provision under any provincial tax legislation) in prescribed manner and within the time specified in subsection 184(3) (or equivalent provision under any provincial tax legislation) in respect of any such excessive capital dividend election so as to treat such excess amount as a separate taxable dividend and each of the Vendors hereby concurs with the making of an election under subsection 184(3) of the Tax Act (or equivalent provision under any provincial tax legislation) to treat such excess amount as a taxable dividend.
- 4.4.7 To the extent not reflected as an upward adjustment to the Purchase Price, promptly upon receipt by the Target Entities, Target Holdcos or Purchaser, the applicable party shall pay to Vendors any refund, rebate, abatement, reduction or other recovery (whether direct or indirect through a right of setoff or credit) of Taxes of the Target Entities or Target Holdcos and any interest received thereon, attributable to any Tax period ending on or before the Closing.

4.5 Post-Closing Covenants of the Purchaser

The Purchaser hereby covenants as set out in this Section 4.5.

4.5.1 Listing of Common Shares

As long as the Vendors are a holder of any of the Montfort Consideration Shares, the Purchaser shall not take any action which would reasonably be expected to result in the delisting or suspension of: (A) the Montfort Common Shares from the TSXV or such other stock exchange on which the shares are listed at the time for a period of 1 year following the date that the Purchaser has exercised the Retraction Right (as such term is defined in the Articles of the Purchaser and hereafter the "**Retraction Right**") in respect of the Montfort Series A Preferred Shares; and (B) the Montfort Series A Preferred Shares from the TSXV or such other stock exchange on which the shares are listed at the time for a period until the date that the Purchaser has exercised the Retraction Right in respect of the Montfort Series A Preferred Shares, provided that this covenant shall not prevent the Purchaser from completing any transaction which would result in the Purchaser ceasing to be listed so long as (a) the holders of Montfort Common Shares and Montfort Series A Preferred Shares receive (i) cash, (ii) securities of an entity which is listed on a stock exchange in Canada, or (iii) a combination of both cash and securities; or (iv) in the case of the Montfort Series A Preferred Shares, a debt note having terms substantially similar to the terms of such Montfort T Series A Preferred Shares; or (b) the holders of the Montfort Common Shares and Montfort Series A Preferred Shares have approved the transaction.

4.5.2 Retraction Right

The Purchaser and Vendor agree that upon exercise by Purchaser of the Retraction Right in respect of any Montfort Series A Preferred Shares held by a Vendor prior to the date that is five years from the Closing Date (the "Vendor Retraction Date"), the Purchaser shall issue to such Vendors (and such Vendors shall accept from Purchaser), in lieu of Common Shares or cash as set out in the share terms in respect of the Montfort Series A Preferred Shares, one replacement

preferred share (“Replacement Preferred Shares”) for each Montfort Series A Preferred Share retracted at a deemed price of \$1.00 per Replacement Preferred Share. The Replacement Preferred Share terms shall have substantially the same special rights and restrictions as the Montfort Series A Preferred Shares, except only that (i) the Retraction Right shall not be exercisable by the Purchaser for the Replacement Preferred Shares until the 3rd anniversary of the Closing Date; (ii) the Purchaser shall exercise the Retraction Right for the Replacement Preferred Shares on the date that is 5 years from the Closing Date, provided that such exercise shall not have a material adverse effect on the business of the Purchaser; and (iii) the Replacement Preferred Shares will be convertible, at the option of the holder thereof, into Montfort Common Shares at an initial Exchange Rate of \$1.00 per share. If, upon exercise of the Retraction Right in respect of any Montfort Series A Preferred Shares held by the Vendors, the Purchaser is unable for any reason to issue the Replacement Preferred Shares, the Vendors who hold Montfort Series A Preferred Shares shall be treated upon such retraction in the same manner as all other holders of Montfort Series A Preferred Shares.

4.6 Post-Closing Covenants of the Parties

The Parties hereby covenant as set out in this Section 4.6.

4.6.1 Governance of Purchaser

Promptly following Closing, the board of directors of the Purchaser will appoint Blake Albright a director of the Purchaser.

4.6.2 Governance of Target

Promptly after Closing and in any event no later than 5 Business Days after Closing, the board of directors of the Target will be reconstituted to be comprised of two (2) nominees of the Purchaser and one (1) nominee of the Vendors’ Designated Representative.

4.6.3 Governance of Target ServiceCo

Promptly after Closing and in any event no later than 5 Business Days after Closing, the board of directors of Target ServiceCo will be reconstituted to be comprised of three (3) nominees of the Purchaser, one (1) nominee of the Vendors’ Designated Representative, and one (1) nominee of Equitable Bank, a creditor to the Target Entities.

4.6.4 Investor Rights and Voting Agreement

Upon Closing, each of the Vendors will enter into an investor rights and voting agreement as more particularly set out in the form attached as Schedule C hereto (the “**Investor Rights and Voting Agreement**”).

4.6.5 Tax Election

Subject to the limitations and conditions described below, the Purchaser and each Vendor shall make a joint election under subsection 85(1) of the Tax Act and the corresponding provisions of any applicable provincial tax statute with respect to the sale of the Purchased Shares at the amount elected by each respective Vendor; provided, however, that the amount so determined shall be subject to the limitations set forth in the Tax Act and the corresponding provisions of any applicable provincial tax statute. The applicable Vendor will be responsible for filing any such election and the Purchaser shall sign and return duly completed election forms within 20 Business Days following the receipt of a copy of any such election form from a Vendor.

ARTICLE 5
CONDITIONS OF CLOSING

5.1 Conditions for the Benefit of the Purchaser

The transactions contemplated by this Agreement, including the sale and purchase of the Purchased Shares, are subject to the satisfaction of, or compliance with, at or before the Closing Time, each of the conditions in this Section 5.1, each of which is for the exclusive benefit of the Purchaser and may be waived, in whole or in part, by the Purchaser in its sole discretion.

5.1.1 Representations, Warranties and Covenants of the Vendors, Target Holdcos and Target Entities

- (a) All of the representations and warranties of each of the Vendors, Target Holdcos and Target Entities contained in this Agreement which are not qualified by materiality will be true and correct in all material respects as of the Effective Date and as of the Closing Time (other than (i) the Target Fundamental Representations which shall be true and correct in all respects as of the Effective Date and as of the Closing Time; and (ii) any representation or warranty which specifies that it is made as of a specific date, which shall be true and correct as of that date), and all of the representations and warranties of the Vendors, Target Holdcos and Target Entities contained in this Agreement that are qualified by materiality will be true and correct in all respects as of the Effective Date and as of the Closing Time (other than any representation or warranty which specifies that it is made as of a specific date, which shall be true and correct as of that date), and each of the Vendors, Target Holdcos and Target Entities will have executed and delivered a certificate to that effect.
- (b) The Vendors, Target Holdcos and Target Entities will have performed or complied with, in all material respects, all obligations and covenants contained in this Agreement to be performed or complied with by him at or prior to the Closing Time, and each of the Vendors, Target Holdcos and Target Entities will have executed and delivered a certificate to that effect.

5.1.2 Deliveries of the Vendors

At the Closing Time, the Vendors shall have delivered to the Purchaser (or the Purchaser's Solicitor) the following in form and substance satisfactory to the Purchaser acting reasonably:

- (a) certified copies of: (i) the constating documents of each of the Target Holdcos and Target Entities; (ii) resolutions of the board of directors of each of the Target Holdcos and the Target Entities authorizing the completion of the transactions contemplated by this Agreement;
- (b) a certificate of status or compliance (as applicable) with respect to each of the Target Holdcos and Target Entities issued by the appropriate Governmental Authority in its respective jurisdiction of incorporation;
- (c) the certificates referred to in Sections 5.1.1(a) and 5.1.1(b);
- (d) copies of management prepared financial statements of the Target Entities from the previous fiscal year end and interim financial statements for the three and six months ended June 30, 2022 that, in the sole opinion of the Purchaser, do not materially differ from any Target's Annual Financial Statements previously provided to the Purchaser;

- (e) a duly executed release (each, a “**Release**”), in substantially the form set forth in Schedule B, effective as at the Closing Time, of each of the Vendors which shall release the Purchaser, the Target Holdcos, Target Entities and their Affiliates and their respective predecessors and successors and their respective past, present and future directors, officers, employees and shareholders from all Claims in respect of facts or events existing or occurring on or before the Closing, whether known or not known; except for Claims under this Agreement;
- (f) the Investor Rights and Voting Agreement duly executed by each of the Vendors;
- (g) certificates representing the Purchased Shares duly endorsed to the Purchaser for transfer, or accompanied by irrevocable security transfer powers of attorney in favour of the Purchaser;
- (h) the Key Employee Agreement, duly executed by the Key Employee;
- (i) a non-competition and non-solicitation agreement in substantially the form attached hereto as Schedule D duly executed by the Thomson and Kyle (the “**Non-Competition and Non-Solicitation Agreement**”);
- (j) a consent by the King Street Landlord to the change of control of the Target in relation to the King Street Lease, on terms acceptable to the Purchaser, acting reasonably;
- (k) a consent by the Benton Street Landlord to the change of control of the Target in relation to the Benton Street Lease, on terms acceptable to the Purchaser, acting reasonably;
- (l) all required consents and approvals from Equitable Bank and Cortland, on terms acceptable to the Purchaser, acting reasonably;
- (m) management prepared financial summaries in respect of each of the Target Entities and Target Holdcos dated within two Business Days of the Closing Date showing the estimated financial positions of each of the Target Entities and Target Holdcos pre-and post of the implementation of the Pre-Transaction Reorganizations, it being acknowledged that such statements will be estimates only, and the Vendors shall not be liable for any differences between the estimates in these statements and the actual numbers in the final statements;
- (n) evidence of termination of the USA by each of the Target Holdcos and Elder;
- (o) executed resignations from each of the Vendors from their respective positions as directors or officers of the Target Holdcos, Target Entities and LP Holdco, as requested by the Purchaser; and
- (p) evidence of the discharge of all Encumbrances registered against the Target other than Permitted Encumbrances.

5.1.3 No Legal Proceedings

As at the Closing Time, no Order shall have been made and no Legal Proceeding shall have been commenced or shall have been threatened in writing against any of the Vendors, Target Holdcos or the Target Entities for the purpose of enjoining, restricting or prohibiting the completion of any of the transactions contemplated by this Agreement.

5.1.4 No Material Adverse Effect

As at the Closing Time, there shall not have been any Material Adverse Effect since the Letter of Intent Date.

5.1.5 No Encumbrances

As at the Closing Time, the Purchased Shares shall be free and clear of all Encumbrances other than Permitted Encumbrances.

5.1.6 TSXV Approval

The Purchaser shall have obtained the TSXV Approval required for the completion of the transactions contemplated by this Agreement prior to the Closing Time and on terms and conditions satisfactory to the Purchaser, acting reasonably.

5.1.7 Purchaser Shareholder Approval

The Purchaser shall have obtained the Majority of Minority Approval at the Purchaser's AGSM required for the completion of the transactions contemplated by this Agreement prior to the Closing Time and on terms and conditions satisfactory to the Purchaser, acting reasonably.

5.1.8 Regulatory Approval

The Purchaser shall have received all necessary Regulatory Approvals for the completion of the transactions contemplated by this Agreement prior to the Closing Time and on terms and conditions satisfactory to the Purchaser, acting reasonably.

5.2 **Conditions for the Benefit of the Vendors**

The transactions contemplated by this Agreement, including the sale and purchase of the Purchased Shares, are subject to the satisfaction of, or compliance with, at or before the Closing Time, each of the conditions in this Section 5.2, each of which is for the exclusive benefit of the Vendors and may be waived, in whole or in part, by the Vendors' Designated Representative.

5.2.1 Representations, Warranties and Covenants of the Purchaser

- (a) All representations and warranties of the Purchaser contained in this Agreement which are not qualified by materiality will be true and correct in all material respects as of the Effective Date and as of the Closing Time (other than (i) the Purchaser Fundamental Representations which shall be true and correct in all respects as of the Effective Date and as of the Closing Time, and (ii) any representation or warranty which specifies that it is made as of a specific date, which shall be true and correct as of that date), and all representations and warranties of the Purchaser contained in this Agreement that are qualified by materiality will be true and correct in all respects as of the Effective Date and as of the Closing Time, and the Purchaser will have executed and delivered a certificate to that effect.
- (b) The Purchaser will have performed or complied with, in all material respects, all obligations and covenants contained in this Agreement to be performed or complied with by it at or prior to the Closing Time, and the Purchaser will have executed and delivered a certificate to that effect.

5.2.2 Deliveries of the Purchaser

At the Closing Time, the Purchaser shall have delivered to the Vendors (or the Vendors' Solicitor):

- (a) a certified copy of: (i) the resolutions of the board of directors of the Purchaser authorizing the entering into and completion of the transactions contemplated by this Agreement (including, without limitation, the acquisition by the Purchaser of the Purchased Shares and issuance of the Montfort Consideration Shares to the Vendors as more particularly set out in this Agreement); and (ii) incumbency and signatures of the officers of the Purchaser executing this Agreement and the other transaction documents contemplated herein;
- (b) a certificate of good standing with respect to the Purchaser, issued by the appropriate Governmental Authority in its jurisdiction of incorporation;
- (c) the certificates referred to in Sections 5.2.1(a) and 5.2.1(b);
- (d) the Investor Rights and Voting Agreement with each of the Vendors duly executed by the Purchaser;
- (e) the Key Employee Agreements, duly executed by each of the Purchaser and Target; and
- (f) share certificates or direct registration statements representing the Montfort Consideration Shares registered as directed by the Vendors free and clear of all Encumbrances.

5.2.3 TSXV Approval

The Purchaser shall have obtained the TSXV Approval required for the completion of the transactions contemplated by this Agreement prior to the Closing Time and on terms and conditions satisfactory to the Vendors, acting reasonably.

5.2.4 Purchaser Shareholder Approval

The Purchaser shall have obtained the Majority of Minority Approval at the Purchaser's AGSM required for the completion of the transactions contemplated by this Agreement prior to the Closing Time and on terms and conditions satisfactory to the Vendors, acting reasonably.

5.2.5 Regulatory Approval

The Purchaser shall have received all necessary Regulatory Approvals for the completion of the transactions contemplated by this Agreement prior to the Closing Time and on terms and conditions satisfactory to the Vendors, acting reasonably.

5.2.6 Creditor Approvals

Prior to the Closing Time, the Vendors will cause the Target Entities to obtain the necessary approvals and consents from Equitable Bank and Cortland Credit Lending Corporation, creditors to the Target Entities, necessary for the completion of the transactions contemplated by this Agreement prior to the Closing Time and on terms and conditions satisfactory to the Vendors, acting reasonably.

5.2.7 No Legal Proceedings

As at the Closing Time, no Order shall have been made and no Legal Proceeding shall have been commenced or shall have been threatened in writing against the Purchaser for the purpose of enjoining, restricting or prohibiting the completion of any of the transactions contemplated by this Agreement.

5.2.8 No Material Adverse Effect

As at the Closing Time, there shall not have been any Purchaser Material Adverse Effect since the Effective Date.

5.2.9 No Encumbrances

As at the Closing Time, the Montfort Consideration Shares shall be free and clear of all Encumbrances.

5.3 Waiver of Conditions

The Purchaser may waive, in whole or in part, at any time by notice in writing to the Vendors, any condition in Section 5.1 which is for the benefit of the Purchaser. The Vendors may waive, in whole or in part, at any time by notice in writing to the Purchaser, any condition in Section 5.2 which is for the benefit of the Vendors. No such waiver by the Purchaser or by the Vendors, as the case may be, of any condition, in whole or in part, will operate as a waiver of any other condition or of the rights of termination in favour of the Purchaser or in favour of the Vendors, as the case may be, in the event of the non-fulfilment of any other condition, in whole or in part.

ARTICLE 6 CLOSING ARRANGEMENTS

6.1 Date, Place and Time of Closing

The Closing will take place by electronic transfer of documents at the Closing Time at the offices of the Purchaser in Vancouver, British Columbia, or at such other place as may be agreed upon in writing by the Parties.

ARTICLE 7 TERMINATION

7.1 Termination Rights

Notwithstanding anything contained in this Agreement to the contrary, at any time prior to the Closing, this Agreement may be terminated:

- (a) by the Purchaser or the Vendors, upon written notice to the other, if any Governmental Authority or Creditor has not provided a consent, authorization or approval set forth, or required by the terms of this Agreement prior to the Termination Date (including the TSXV Approval);
- (b) by the Vendors, upon written notice to the Purchaser if the Closing has not occurred by the Termination Date and such failure did not result from the failure of the Vendors to fulfill any undertaking or commitment provided for herein that is required to be fulfilled by the Vendors prior to the Closing;

- (c) by the Purchaser, upon written notice given to the Vendors' Designated Representative, if the Closing has not occurred by the Termination Date and such failure did not result from the failure of the Purchaser to fulfill any undertaking or commitment provided for herein that is required to be fulfilled by the Purchaser prior to the Closing;
- (d) by the Vendors, if the Purchaser shall have breached any of its representations, warranties, covenants or agreements set forth in this Agreement, which breach: (i) would give rise to the inability to fulfil a condition set forth in Section 5.2; and (ii) remains uncured on the earlier of: (A) the date which is 10 Business Days following the Purchaser's receipt of written notice thereof from the Vendors' Designated Representative; and (B) the day immediately preceding the Termination Date;
- (e) by the Purchaser if any of the Vendors, the Target Holdcos or the Target Entities shall have breached any of their respective representations, warranties, covenants or agreements set forth in this Agreement, which breach: (i) would give rise to the inability to fulfil a condition set forth in Section 5.1; and (ii) remains uncured on the earlier of: (A) the date which is 10 Business Days following the Vendors' Designated Representative receipt of written notice thereof from the Purchaser; and (B) the day immediately preceding the Termination Date;
- (f) by the Purchaser or the Vendors, in the event that any Order or Applicable Law becomes effective restraining, enjoining or otherwise prohibiting or making illegal the consummation of the transactions contemplated hereunder or under any of the Closing Documents, and such Order or Applicable Law is final and/or non-appealable; or
- (g) by the mutual written agreement of the Parties upon the terms of that agreement.

7.2 Effect of Exercise of Termination Rights

If this Agreement is terminated under Section 7.1, this Agreement will be of no further force or effect and the Parties will be discharged from any further obligations under this Agreement, except that Sections 9.1, 9.2, 9.5, and 9.7 to 9.12 and all of the obligations thereunder will continue indefinitely and nothing in this Section 7.2 will relieve either Party of liability for any breach of this Agreement occurring prior to the termination of this Agreement.

ARTICLE 8 SURVIVAL AND INDEMNIFICATION

8.1 Survival of Representations, Warranties and Covenants

- (a) The representations and warranties of each Party contained in this Agreement and in the certificates to be delivered under Sections 5.1.1(a), 5.1.1(b), 5.2.1(a) and 5.2.1(b) will not merge on and will survive the Closing and will continue in full force and effect, notwithstanding the Closing until:
 - (i) with respect to a Target Fundamental Representation or Purchaser Fundamental Representation, without limit as to time;
 - (ii) with respect to a representation or warranty set out in Section 3.2.33 [Tax Matters], until the date that is 90 days following the applicable Tax Reassessment Period; and
 - (iii) with respect to all other representations and warranties, until the date that is 12 months following the Closing Date.

- (b) The covenants of the Parties contained in this Agreement to be performed prior to Closing will survive the Closing and, notwithstanding the Closing, will continue in full force and effect.

8.2 Indemnification by the Vendors

- (a) Subject to Section 8.4 and Section 8.5, the Vendors shall indemnify and save each Purchaser Indemnified Party harmless against, and will reimburse each Purchaser Indemnified Party for, any and all Damages suffered or incurred by it arising from or in connection with:
 - (i) the breach of the representations or warranties of the Vendors, Target Holdcos or Target Entities, as applicable, contained in this Agreement or in any certificate to be delivered under Section 5.1.1(a) or Section 5.1.1(b); and/or
 - (ii) any breach or non-fulfillment of any covenant or obligation on the part of any Vendor, any Target Holdco or the Target Entities, as applicable, contained in this Agreement; and/or
 - (iii) [intentionally deleted]; and/or
 - (iv) any Transaction Expenses that remain outstanding following the Closing; and/or
 - (v) any Taxes of Target Holdcos or the Target Entities in respect of any Tax period ending on or before the Closing and the amount of Taxes allocable to the portion ending on and including the Closing Date of a Straddle Period (including, for certainty, the pre-Closing portion of any fiscal period of a partnership) in excess of the amount accrued therefor and as reflected in the Closing Working Capital Adjustment (as finally determined in accordance with Section 2.5) or otherwise taken into account in determining the Purchase Price, including any Taxes arising from the Pre-Transaction Reorganizations.

8.3 Indemnification by the Purchaser

Subject to Section 8.5, the Purchaser shall indemnify and save the Vendors harmless against, and will reimburse the Vendors for, any Damages suffered or incurred by it arising from or in connection with:

- (a) the breach of any of the representations or warranties of the Purchaser contained in this Agreement or in any of the certificates to be delivered under Section 5.2.1(a) and Section 5.2.1(b); and/or
- (b) any breach or non-fulfillment of any covenant or obligation on the part of the Purchaser contained in this Agreement; and/or
- (c) any Damages suffered by any of Thomson, Albright, or Kyle by reason of the Equitable Guarantees.

8.4 Limitations on Amount of Indemnification

- (a) Except in respect of any indemnification Claim relating to: (A) any breach of a Target Fundamental Representation or Purchaser Fundamental Representation; (B) Section

8.2(a)(ii); (C) Section 8.2(a)(iii); (D) Section 8.2(a)(iv); (E) Section 8.2(a)(v); and/or (F) fraud or intentional misrepresentation (which, for greater certainty, shall not be subject to the limitation and threshold set forth in paragraphs (i) and (ii) below, respectively):

- (i) subject to Section 8.4(a)(ii), the maximum aggregate liability of the Vendors under Section 8.2(a) shall be limited to [REDACTED] of the Purchase Price; and
- (ii) the Vendors shall not be liable to indemnify any Purchaser Indemnified Party pursuant to an indemnification claim under Section 8.2(a), unless the aggregate Damages suffered or incurred by the Indemnified Parties exceeds [REDACTED], in which event, the Vendors shall be liable for the full amount of all such Damages regardless of such threshold,

provided that the maximum aggregate liability of the Vendors pursuant to this Article 8 shall be limited to [REDACTED] of the Purchase Price.

- (b) Notwithstanding any other provision herein, no Vendor shall have any liability pursuant to 8.2(a)(i) for breach of a representation in Section 3.1 made by any other Vendor.
- (c) Notwithstanding any other provision herein, all liability for any Damages arising from (a) Section 8.2(a)(ii)-(v); and (b) any breach of any representation in Section 3.2 shall be borne by the Vendors as follows:

- [REDACTED] [REDACTED]
- [REDACTED] [REDACTED]
- [REDACTED] [REDACTED]

8.5 Time Limits for Claims

- (a) The Vendors have no obligation to make any payment in respect of a claim (for indemnification or otherwise) under Section 8.2(a) unless written notice of that claim is delivered to the Vendors' Designated Representative under Section 8.6 on or before the following dates (where applicable):
 - (i) with respect to: (A) a breach of a Target Fundamental Representation; (B) any breach or non-fulfillment of any covenant or obligation of any of the Vendors; (C) with respect to a claim for indemnification pursuant to Section 8.3(c); (D) fraud or intentional misrepresentation; or (E) a claim for indemnification pursuant to Section 8.2(a)(iii) or Section 8.2(a)(iv), at any time;
 - (ii) with respect to a breach of any of the representations or warranties set out in Section 3.2.33 [Tax Matters] or with respect to a claim for indemnification pursuant to Section 8.2(a)(v) hereof, on or before the date that is 90 days following the applicable Tax Reassessment Period; and
 - (iii) with respect to a breach of any of the other representations or warranties of any of the Vendors, on or before the date that is [REDACTED] after the Closing Date.

For greater certainty and notwithstanding any other provision of this Agreement: (A) a Purchaser Indemnified Party shall be entitled to deliver notice of an indemnification claim (based on the then

currently existing facts or circumstances) in respect of matters that could reasonably be expected to result in Damages for which indemnification is provided for under this Article 8 notwithstanding that Damages have not yet been actually suffered or incurred in respect thereof; and (B) if written notice of such indemnification claim has been delivered under Section 8.5 at or prior to the end of the applicable time period (if any) set out in this Section 8.5, each Purchaser Indemnified Party shall be indemnified and saved harmless from all Damages which are suffered or incurred by it in respect of such matters set forth therein, even if such Damages are suffered or incurred following the end of the applicable time period (if any), subject to the limitation on indemnification set forth in Section 8.4, if and to the extent applicable.

- (b) For greater certainty, the Vendors: (i) expressly waive any rights of indemnification that they may have from the Target Entities or Target Holdcos for any acts, circumstances, or events that give rise to any indemnification obligations of the Vendors pursuant to this Agreement; and (ii) agree and acknowledge that they have no right of contribution from, or right of subrogation against, the Target Entities or Target Holdcos in the event that they are required to take, or refrain from taking, any action, whether by payment of money or otherwise, as a result of this Article 8.
- (c) The Purchaser has no obligation to make any payment in respect of an indemnification claim under Section 8.3 unless notice of that claim is delivered to the Purchaser in accordance with Section 8.6 on or before the following dates:
 - (i) with respect to: (A) a breach of a Purchaser Fundamental Representation; (B) any breach or non-fulfillment of any covenant or obligation of the Purchaser; (C) with respect to a claim for indemnification pursuant to Section 8.3(c), or (D) fraud or intentional misrepresentation of the Purchaser, at any time; and
 - (ii) with respect to all other representations and warranties of the Purchaser, on or before the date that is 12 months after Closing.

For greater certainty and notwithstanding any other provision of this Agreement: (A) a Vendor Indemnified Party shall be entitled to deliver notice of an indemnification claim (based on the then currently existing facts or circumstances) in respect of matters that could reasonably be expected to result in Damages for which indemnification is provided for under this Article 8 notwithstanding that Damages have not yet been actually suffered or incurred in respect thereof; and (B) if written notice of such indemnification claim has been delivered under Section 8.5 at or prior to the end of the applicable time period (if any) set out in this Section 8.5, each Vendor Indemnified Party shall be indemnified and saved harmless from all Damages which are suffered or incurred by it in respect of such matters set forth therein, even if such Damages are suffered or incurred following the end of the applicable time period (if any), subject to the limitation on indemnification set forth in Section 8.4, if and to the extent applicable.

8.6 Other Limitations on Liability

Notwithstanding any other provision of this Agreement, no Party will have any liability to any other Party to the extent:

- (a) of any insurance proceeds actually received by an Indemnified Party with respect to such damages, net of any deductible and costs of collection and any increase in the annual insurance premium of said insurance policies for any subsequent period resulting from the filing and collection of such insurance claim, and if an Indemnified Party receives any payment (an "**Indemnity Payment**") required by this Agreement from an Indemnifier in respect of any Damages and subsequently receives insurance proceeds in respect of the

subject matter that gave rise to the Indemnity Payment, the Indemnified Party will pay the Indemnifier an amount equal to the difference between the Indemnity Payment actually received less the amount of that Indemnity Payment that would have been paid if the insurance proceeds had been received, realized or recovered before the Indemnity Payment had been made;

- (b) of any net Tax benefit actually recognized in the year the damages are incurred or in the immediately succeeding tax year by the Indemnified Party as a result of the damages giving rise to the claim hereunder;
- (c) any such Damages suffered by an Indemnified Party arise solely by reason of a proposed or actual enactment or change of any Tax law after the Closing Date;
- (d) any Damages arise solely (i) as a result of any law not in force on the Closing Date which takes effect retrospectively or (ii) as a consequence of a change in the interpretation of any law after the Closing Date;
- (e) any Damages are caused by, or contributed to or by, any Indemnified Party;
- (f) any Damages are caused by any matter or thing done or omitted to be done by or at the direction of or with the consent of the Indemnified Party;
- (g) to the extent such party has been indemnified or reimbursed for such Damages under any other provision of this Agreement, including pursuant to Section 2.6; and
- (h) any Damages suffered by any Indemnified Party to the extent there are any offsetting savings by or net financial benefits to such Indemnified Party arising from such Damages or the facts, matters, events or circumstances giving rise to such Damages.

8.7 Notice of Claim

- (a) If a Third Party Claim is instituted or asserted against an Indemnified Party, the Indemnified Party shall reasonably promptly after the commencement or assertion of that Third Party Claim, notify the Indemnifier in writing of the Third Party Claim. The notice will describe the Third Party Claim in reasonable detail and indicate, if reasonably practicable, the nature of the Third Party Claim and, to the extent known by the Indemnified Party, the amount of the potential Damages which may be suffered or incurred by it in respect thereof. The failure by the Indemnified Party to provide notice to the Indemnifier of such Third Party Claim on a reasonably prompt basis shall not affect the right of the Indemnified Party to make a claim for indemnification against the Indemnifier with respect thereto, as long as the notice is provided prior to the expiry of the applicable time period set forth in Section 8.5, if any except to the extent that, as a result of such failure, any party which was entitled to receive such notice was directly prejudiced as a result of such failure, including should it have been deprived of its right to recover any payment under its applicable insurance coverage.
- (b) If an Indemnified Party becomes aware of a Direct Claim, the Indemnified Party shall reasonably promptly notify the Indemnifier in writing of that Direct Claim. The notice will describe the Direct Claim in reasonable detail and indicate, if reasonably practicable, the nature and amount of the potential Damages which may be suffered or incurred by it in respect thereof. The failure by the Indemnified Party to provide notice to the Indemnifier of such Direct Claim reasonably promptly shall not affect the right of the Indemnified Party to make a claim for indemnification against the Indemnifier with respect thereto, as long as

the notice is provided prior to the expiry of the applicable time period set forth in Section 8.5, if any.

- (c) Notice to an Indemnifier of a Third Party Claim or Direct Claim under this Section 8.6 will constitute assertion of a claim for indemnification against such Indemnifier under this Article 8 and upon receipt of notice, the provisions of Sections 8.8 to 8.10 will apply to any Third Party Claim and the provisions of Section 8.11 will apply to any Direct Claim.

8.8 Defence of Third Party Claims

With respect to any Third Party Claim, the Indemnifier may participate in or, by giving notice to that effect to the Indemnified Party not later than 30 days after receipt of notice with respect to that Third Party Claim and, subject to:

- (a) the rights of any insurer or other third party having potential liability therefor;
- (b) the Indemnifier having sufficient financial resources, in the opinion of the Indemnified Party, acting reasonably, to satisfy any adverse monetary judgment that is reasonably likely to result from such Third Party Claim;
- (c) the defence of such Third Party Claim by the Indemnifier not, in the opinion of the Indemnified Party, acting reasonably, materially adversely affecting the Indemnified Party (including its relationships with its material customers and suppliers);
- (d) the Third Party Claim solely seeking (and continuing to solely seek) monetary damages;
- (e) the Third Party Claim not including any criminal or regulatory proceeding, indictment or allegation; and
- (f) the Third Party Claim not seeking an amount in excess of what the Indemnifier may be liable for under this Article 8,

elect to assume the control of the defence of the Third Party Claim at the Indemnifier's own expense and by the Indemnifier's own counsel provided that the Indemnifier acknowledges in writing its obligation to indemnify the Indemnified Party in accordance with the terms contained in this Article 8 in respect of such Third Party Claim. The Indemnifier shall thereafter keep the Indemnified Party reasonably informed with respect to the status of such Third Party Claim and the Indemnified Party may participate in the defence of such Third Party Claim assisted by counsel of its choice at its own expense. If the Indemnifier does not give notice within 30 days after receipt of notice of the Third Party Claim that it has elected to assume the control of the defence of the Third Party Claim, the Indemnified Party may, at its option and assisted by counsel of its choice, assume the defence of the Third Party Claim without prejudice to its right of indemnification under this Agreement.

8.9 Assistance for Third Party Claims

With respect to any Third Party Claim, the Indemnifier and the Indemnified Party shall make all reasonable efforts to make available to the Person which is undertaking and controlling the defence of such Third Party Claim (the "**Defending Party**"):

- (a) those employees whose assistance, testimony or presence is necessary to assist the Defending Party in evaluating and in defending such Third Party Claim; and

- (b) all documents, records and other materials in the possession of that Person reasonably required by the Defending Party for its use in defending such Third Party Claim,

and shall otherwise co-operate in good faith with the Defending Party. The Indemnifier shall be responsible for all reasonable expenses associated with making those documents, records and materials available and for all reasonable expenses of any employees made available by the Indemnified Party to the Indemnifier hereunder.

8.10 Settlement of Third Party Claims

- (a) If an Indemnifier elects to assume the defence of any Third Party Claim as provided in Section 8.8, the Indemnifier shall diligently proceed with the defence and shall not, without the prior written consent of the Indemnified Party (not to be unreasonably withheld), enter into any compromise or settlement of the Third Party Claim or consent to the entry of any judgment, which would lead to liability or create any other obligation, financial or otherwise, on the Indemnified Party.
- (b) If an Indemnifier elects to assume the defence of any Third Party Claim as provided in Section 8.8, the Indemnifier will not be liable for any legal expenses subsequently incurred by the Indemnified Party in connection with the defence of that Third Party Claim. However, if the Indemnifier fails to take reasonable steps necessary to defend diligently that Third Party Claim within 30 days after receiving notice from the Indemnified Party that the Indemnified Party believes on reasonable grounds that the Indemnifier has failed to take such reasonable steps, the Indemnified Party may, at its option and assisted by counsel of its choice, defend, settle or compromise the Third Party Claim (at the expense of the Indemnifier) without prejudice to its right of indemnification hereunder. The party controlling the defence of the Third Party Claim shall keep the other party advised of the defence of the Third Party Claim and consider in good faith recommendations made by the other party with respect thereto.

8.11 Direct Claims

Upon receiving a notice of a Direct Claim from an Indemnified Party pursuant hereto, the Indemnifier will then have a period of 30 days within which to respond in writing thereto. The Indemnified Party shall, at the request of the Indemnifier, make available to the Indemnifier the information relied upon by the Indemnified Party to substantiate its right to be indemnified with respect to such Direct Claim, together with all other information as may be reasonably requested by the Indemnifier. If the Indemnifier does not respond within that 30 day period, the Indemnifier will be deemed to have rejected such Direct Claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

8.12 Arbitration

Except where a resolution mechanism is otherwise specifically set out herein, if at any time any dispute, difference, disagreement or question shall arise between the Parties then every such dispute, difference, disagreement or question shall be referred to a single arbitrator, if the Parties can agree upon one. Otherwise such matter in issue shall be referred to a board of three arbitrators, one to be appointed by each Party to the dispute and one to be appointed by the arbitrators chosen by the Parties, in writing, before the arbitrators enter upon the business of the reference. If either Party shall refuse or neglect to appoint an arbitrator within five Business Days after the other Party shall have appointed an arbitrator and shall have served a written notice upon that other Party requiring such Party to make such appointment, then the arbitrator first appointed shall proceed to

hear and determine the matter in issue as if that arbitrator was appointed by both Parties for that purpose. The award or determination which shall be made by the arbitrator, the arbitrators, or the majority of them, as applicable, shall be absolutely final and binding upon the Parties and their respective heirs, executors, administrators, successors and assigns. In the event that the two arbitrators chosen by the Parties are unable to agree upon the appointment of the third arbitrator, when required, within five Business Days after the appointment of the last of them, then upon the motion of any such arbitrator or either Party hereto to any judge of the Ontario Superior Court of Justice, such judge shall name the third arbitrator, whose appointment shall be final and binding upon the Parties. In all respects, subject to the terms of this Agreement, the *Arbitration Act, 1991* (Ontario) and amendments thereto shall govern such proceedings, any arbitration shall occur in Toronto, Ontario, and the arbitrators shall be entitled to fix and apportion the liability for the costs of the arbitration.

8.13 Tax Treatment

To the fullest extent permitted under Applicable Laws, any payment made by the Purchaser as an Indemnifier under this Article 8 shall constitute a dollar-for-dollar increase to the Purchase Price and any payment made by the Vendors as an Indemnifier under this Article 8 shall constitute a dollar-for-dollar decrease to the Purchase Price. Notwithstanding the foregoing, and for greater certainty, any adjustment required by this Section 8.13 shall not reduce the "Purchase Price" for the purposes of determining the indemnification cap set out in Section 8.4.

8.14 Duty to Mitigate

Each Indemnified Party will use commercially reasonable efforts to mitigate any Damages for which an Indemnifier is required to indemnify an Indemnified Party hereunder.

8.15 Foreseeability of Losses

For purposes of determining the liability and indemnity obligations under this Agreement, Damages will be limited to actual losses that are the direct and reasonably foreseeable consequences of any breach, non-performance or non-fulfillment of any covenant or agreement or misrepresentation, inaccuracy, incorrectness or breach of any representation, warranty or covenant, except to the extent that an aggrieved party is actually required to pay or otherwise satisfy a Third Party Claim, the substance of which includes Damages which are not reasonably foreseeable and such Party would otherwise be entitled to indemnification under this Agreement.

8.16 Exclusive Remedy

- (a) The Parties acknowledge and agree that their sole and exclusive remedy with respect to any and all Claims relating (directly or indirectly) to Damages arising from the matters referred to in Sections 8.2(a)(i) to 8.2(a)(iv) in the case of the Purchaser, and from the matters referred to in Section 8.3 in the case of the Vendors (except in the case of fraud on the part of a Party), is set out in this Article 8.
- (b) The Parties agree that the provisions in this Agreement relating to indemnification, and the limits imposed on the Parties' remedies with respect to this Agreement, and the transactions contemplated hereby were specifically bargained for between sophisticated Persons and were relied upon by the Parties in agreeing to execute and deliver this Agreement.

**ARTICLE 9
MISCELLANEOUS**

9.1 Notices

- (a) Any notice, direction or other communication (in this Section 9.1, a “notice”) regarding the matters contemplated by this Agreement must be in writing and delivered personally or sent by courier or electronic mail as follows:
- (i) in the case of the Vendors, the Target Holdcos and the Target Entities, to:

THE KENNETH THOMSON BUSINESS TRUST (2020)
UNIVERSAL FINANCIAL CORP.
2754681 ONTARIO INC.
Kenneth Thomson

[REDACTED]
[REDACTED]
Email: [REDACTED]

THE ALBRIGHT (2020) FAMILY TRUST
GREATBLAKE HOLDINGS INC.
ALBRIGHT HOLDINGS INC.
REAP EQUITY CORP.
Blake Albright

[REDACTED]
[REDACTED]
Email: [REDACTED]

THE SABRINA PRUDHAM (2020) FAMILY TRUST
2753665 ONTARIO INC.
9975756 CANADA INC.
Sabrina Kyle

[REDACTED]
[REDACTED]
Email: [REDACTED]

Fiona Elder

[REDACTED]
[REDACTED]
[REDACTED]

10260835 CANADA CORP.
BRIGHTPATH CAPITAL CORPORATION
BRIGHTPATH SERVICING CORPORATION
BRIGHTPATH RESIDENTIAL MORTGAGE LP I

[REDACTED]
[REDACTED]
[REDACTED]

Attention: Blake Albright, Managing Director
Email: [REDACTED]

with a copy (not constituting notice) to:

Cassels Brock & Blackwell LLP
[REDACTED]

Attention: Jason Arbuck
Email: [REDACTED]

(ii) in the case of the Purchaser, to:

Montfort Capital Corp.
[REDACTED]

Attention: Michael Walkinshaw, Chief Executive Officer
Email: [REDACTED]

with a copy (not constituting notice) to:

MLT Aikins LLP
[REDACTED]

Attention: Kevin Sorochan
Email: [REDACTED]

- (b) A notice is deemed to be delivered and received: (i) if delivered personally or by electronic mail, on the date of delivery if delivered prior to 5:00 p.m. (recipient's time) on a Business Day and otherwise on the next Business Day; (ii) if sent by same-day courier, on the date of delivery if delivered prior to 5:00 p.m. (recipient's time) on a Business Day and otherwise on the next Business Day; or (iii) if sent by overnight courier, on the next Business Day.
- (c) A Party may change its address for service from time to time by notice given in accordance with the foregoing provisions.

9.2 Public Announcements

No press release, public statement or announcement or other public disclosure regarding this Agreement or the transactions contemplated by this Agreement may be made without the prior written consent and joint approval of the Parties, except if required by Applicable Laws, a Governmental Authority or an applicable stock exchange rule. If disclosure is required by Applicable Laws, a Governmental Authority or applicable stock exchange rule, the Party that is required to make the disclosure shall, without unreasonable delay, notify the other Parties of the requirement before any disclosure is made and make reasonable efforts to obtain the approval of the other Parties as to the form, nature and extent of the disclosure.

9.3 Exclusivity

- (a) From the Effective Date and until the earlier of the Closing or the date on which this Agreement is terminated pursuant to Article 7 hereof, the Vendors shall not, and the Vendors shall cause the Target Entities and Target Holdcos to not, directly or indirectly, through any shareholder, director, officer, Employee, agent or other representative

(including a financial advisor) or otherwise: (i) solicit, initiate, encourage or facilitate the submission of any proposal or offer from any Person relating to the acquisition or purchase of: (A) any of the Purchased Shares; (B) the Business or any part thereof; (C) any material assets of the Target Entities; (D) any equity interest or other securities of the Target Entities; or (E) any merger, amalgamation, arrangement or other business combination relating to any of the foregoing; (ii) participate in any discussions or negotiations regarding any of the foregoing; or (iii) furnish or make available to any Person any information with respect to, or otherwise co-operate in any way with, or assist or participate in, facilitate or encourage, any effort or attempt by any Person to do or seek any of the foregoing.

- (b) The Vendors, the Target Holdcos and the Target Entities acknowledge that the Purchaser shall suffer irreparable loss and damage which cannot be adequately determined or compensated by monetary compensation alone as a result of any breach of this Section 9.3 by the Vendors, Target Holdcos or Target Entities and, accordingly, acknowledges and agrees that any breach or threatened or anticipated breach of any provision of this Agreement shall be the proper subject of injunctive relief to restrain such breach or threatened or anticipated breach without proof of any actual damages that have resulted or may result to the Purchaser by such breach or threatened or anticipated breach and without the necessity of posting a bond. The remedies under this Article 9 are in addition to any other remedy at law or in equity available to the Purchaser, including but not limited to, general, specific and/or punitive damages.

9.4 Further Assurances

Each Party shall from time to time, before and after the Closing Time, execute, acknowledge and deliver or cause to be executed, acknowledged and delivered all further acts, documents, elections and instruments as may be reasonably necessary or desirable to give full effect to this Agreement or any provision of it.

9.5 Expenses

Each of the Parties shall pay their own respective legal, accounting and other professional advisory fees, costs and other expenses incurred in connection with the preparation, negotiation, execution and delivery of this Agreement and the Closing Documents.

9.6 Waiver of Rights

Except as otherwise provided in this Agreement, any waiver of any of the provisions of this Agreement will be binding only if it is in writing and signed by the Party to be bound by it, and only in the specific instance and for the specific purpose for which it has been given. Except as otherwise provided in this Agreement, the failure or delay of either Party in exercising any right under this Agreement will not operate as a waiver of that right. Except as otherwise provided in this Agreement, no single or partial exercise of any right will preclude any other or further exercise of that right or the exercise of any other right, and no waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar).

9.7 Severability

If any provision of this Agreement or its application to either Party or circumstance is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable, it will be ineffective only to the extent of its illegality, invalidity or unenforceability without affecting the validity or the enforceability of the remaining provisions of this Agreement and without affecting its application to other parties or circumstances.

9.8 Assignment

Neither this Agreement nor any of the rights, benefits or obligations under this Agreement are assignable or transferable by either Party without the prior written consent of the other Party.

9.9 Successors and Assigns

This Agreement will enure to the benefit of and be binding upon the Parties and their respective successors, heirs and permitted assigns.

9.10 Amendment

This Agreement may not be amended, supplemented or otherwise modified in any respect except by written agreement signed by the Parties.

9.11 Tender

Any tender of documents or money under this Agreement may be made upon the Parties or their respective counsel and money must be tendered by wired funds or by official bank draft drawn upon a Canadian chartered bank or by negotiable cheque payable in Canadian funds and certified by a Canadian bank listed in Schedule 1 to the *Bank Act* (Canada).

9.12 Counterparts and Electronic Transmission

This Agreement may be executed in any number of counterparts (including counterparts by facsimile or other electronic transmission), each of which will be deemed to be an original and all of which, taken together, will be deemed to constitute one and the same instrument and notwithstanding the date of execution shall be deemed to have been executed as of the Effective Date.

[REMAINDER OF PAGE INTENTIONALLY BLANK—SIGNATURE PAGE FOLLOWS]

THIS AGREEMENT has been executed by the Parties as of the Effective Date.

[Redacted]

Witness Signature

Print name:

[Redacted]

[Redacted]

Witness Signature

Print name:

[Redacted]

[Redacted]

Witness Signature

Print name:

[Redacted]

[Redacted]

Witness Signature

Print name:

[Redacted]

UNIVERSAL FINANCIAL CORP.

Per:

[Redacted]

Authorized Signatory

Print name:

Title:

[Redacted]

THE KENNETH THOMSON BUSINESS TRUST (2020)

Per:

[Redacted]

Trustee

Print name:

[Redacted]

Per:

[Redacted]

Trustee

Print name:

[Redacted]

THE ALBRIGHT (2020) FAMILY TRUST

Per:

[Redacted]

Trustee

Print name:

[Redacted]

Per:

[Redacted]

Trustee

Print name:

[Redacted]

GREATBLAKE HOLDINGS INC.

Per: _____
Authorized Signatory
Print name: _____
Title: _____

THE SABRINA PRUDHAM (2020) FAMILY TRUST

Per: _____
Trustee
Print name: _____

Per: _____
Trustee
Print name: _____

2753665 ONTARIO INC.

Per: _____
Authorized Signatory
Print name: _____
Title: _____

REAP EQUITY CORP.

Per: _____
Authorized Signatory
Print name: _____
Title: _____

ALBRIGHT HOLDINGS INC.

Per: _____
Authorized Signatory
Print name: _____
Title: _____

2754681 ONTARIO INC.

Per: _____
Authorized Signatory
Print name: _____
Title: _____

9975756 CANADA INC.

Per: _____
Authorized Signatory
Print name: _____
Title: _____

10260835 CANADA CORP.

Per: _____
Authorized Signatory
Print name: _____
Title: _____

BRIGHTPATH CAPITAL CORPORATION

Per: _____
Authorized Signatory
Print name: _____
Title: _____

BRIGHTPATH SERVICING CORPORATION

Per: _____
Authorized Signatory
Print name: _____
Title: _____

**BRIGHTPATH RESIDENTIAL MORTGAGE
LP I by its general parter, BRIGHTPATH
SERVICING CORPORATION**

Per: _____
Authorized Signatory
Print name: _____
Title: _____

MONTFORT CAPITAL CORP.

Per: _____
Authorized Signatory
Print name: _____
Title: _____

SCHEDULE A
EMPLOYMENT AGREEMENTS

[not used]

SCHEDULE B
RELEASE

(see attached)

RESIGNATION AND RELEASE

TO: [●]

AND TO: **BRIGHTPATH CAPITAL CORPORATION** ("Brightpath Capital")

AND TO: **BRIGHTPATH SERVICING CORPORATION** ("Brightpath Servicing" and together with [●] and Brightpath Capital, the "**Corporations**")

WHEREAS in order to induce Montfort Capital Corp. (the "**Purchaser**") to execute and deliver a share purchase agreement dated as of _____, 2022 between the Purchaser, Kenneth Thomson, Blake Albright, Sabrina Kyle, Fiona Elder, Universal Financial Corp., The Kenneth Thomson Business Trust (2020), The Albright (2020) Family Trust, GreatBlake Holdings Inc., The Sabrina Prudham (2020) Family Trust, 2753665 Ontario Inc., Reap Equity Corp., Albright Holdings Inc., 2754681 Ontario Inc., 9975756 Canada Inc., 10260835 Canada Corp., Brightpath Capital Corporation, Brightpath Servicing Corporation, and Brightpath Residential Mortgage LP I (the "**Share Purchase Agreement**"), the undersigned has agreed to provide this resignation and release.

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged:

The undersigned hereby resigns from all positions held within the Corporations, including without limitation, her position as a director, officer and employee of each of the Corporations, effective as of _____, 2022 (the "**Effective Date**").

1. The undersigned, on behalf of herself and her heirs, executors, administrators, legal personal representatives, estate, successors, and assigns (collectively referred to as the "**Releasor**"), hereby remises, releases and forever discharges the Corporations and their respective directors, trustees, officers, employees and partners (collectively, the "**Releasees**"), of and from any and all actions, causes of action, suits, debts, duties, accounts, bonds, covenants, contracts, claims and demands of any and every kind and nature whatsoever, at law or in equity, or under any statute, which the Releasor as a director, officer, employee or creditor of the Corporations, or otherwise, ever had, now has or hereafter can, shall, or may have for or by reason of or in any way arising out of any cause, matter or thing whatsoever existing up to the present time and, in particular, without in any way limiting the generality of the foregoing, for or by reason of or in any way arising out of any and all claims for monies advanced, salary, wages, bonus, severance, vacation pay, expenses, retirement or pension allowances, overtime, participation in profits or earnings or other remuneration whether authorized or provided for by resolution, contract or otherwise save and except for (i) any matters arising under the Share Purchase Agreement and the documents delivered in connection therewith or pursuant thereto, (ii) any matters arising under the investor rights and voting agreement dated as of the date hereof between, *inter alios*, the undersigned and Montfort Capital Corp. and any documents delivered in connection therewith or pursuant thereto; and (iii) any debt or matters arising under any promissory notes issued by the Corporations in favour of the undersigned including without limitation the promissory note dated [●] issued by Brightpath Capital Corporation in favour of [●] in the principal amount of \$[●].
2. Notwithstanding the foregoing, the provisions hereof shall not remise, release or discharge the Releasees in respect of any rights which the Releasor now has or hereafter can, shall, or may have arising under any agreement or corporate resolution or by-law authorizing the Corporation to indemnify the Releasor in respect of any liability which the Releasor may incur by reason of acting or having acted as a director or officer of the Corporation.
3. The Releasor covenants and agrees that he shall not commence, maintain or enforce or cause to be commenced, maintained or enforced any proceedings of any kind or nature whatsoever against any person as a result of any injury, loss or damage that the Releasor may have suffered in respect

of any or all matters released by the Releasor in this Resignation and Release, including proceedings against any person who has or might claim contribution or indemnity from the other, as applicable, whether pursuant to statute or otherwise.

4. The Releasor acknowledges that in the event any provision of this Resignation and Release, or part thereof, shall be found to be void or invalid by a court of competent jurisdiction, such void or invalid provision, or part thereof, shall be deemed to be severed from this Resignation and Release without in any way affecting the validity, enforceability or effect of any of the remaining provisions, or parts hereof, which shall be and remain in full force or effect.
5. The Releasor (a) acknowledges that he has obtained independent legal advice in respect of the contents hereof and her rights and obligations hereunder, or, in the alternative, (b) acknowledges, confirms, and agrees that he was advised to seek, and has had the opportunity to seek and was not prevented nor discouraged by any other party from seeking independent legal advice prior to the execution and delivery of this instrument and that, in the event that the Releasor did not avail herself of that opportunity prior to the signing of this instrument, he did so voluntarily without any undue pressure and agrees that her failure to obtain independent legal advice shall not be used as a defence to the enforcement of her obligations under this instrument.
6. This Resignation and Release shall be governed by the laws of the Province of Ontario.
7. An executed copy of this Resignation and Release may be delivered electronically, including by way of .TIFF or PDF format.

[Signature Page Follows]

IN WITNESS WHEREOF the undersigned has executed this Resignation and Release as of the Effective Date.

[•]

SCHEDULE C
INVESTOR RIGHTS AND VOTING AGREEMENT

(see attached)

INVESTOR RIGHTS AND VOTING AGREEMENT

THIS INVESTOR RIGHTS AGREEMENT is made as of the ____ day of _____, 2022 (the "Effective Date").

AMONG:

[•], an individual with an address at [•]

("[•]")

AND:

MONTFORT CAPITAL CORP., a company incorporated under the *Business Corporations Act* (British Columbia) and having its registered and records office at Suite [REDACTED]

("Montfort")

RECITALS:

- A. Montfort and [•], among others, have entered into a share purchase agreement (the "**Purchase Agreement**"), pursuant to which Montfort will acquire from [•] all securities owned by [•] in Brightpath Capital Corporation and Brightpath Servicing Corporation, for consideration consisting of the Consideration Shares (as defined herein) on the terms and subject to the conditions set forth in the Purchase Agreement (the "**Transaction**"); and
- B. as a condition to the willingness of Montfort and [•] to enter into the Purchase Agreement and incur the obligations set forth in the Purchase Agreement, Montfort and [•] have agreed to enter into this Agreement.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and adequacy of which are acknowledged), the Parties agree as follows:

ARTICLE 1 INTERPRETATION

Section 1.1 Defined Terms

For the purposes of this Agreement (including the recitals and the Schedules hereto), unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"Affiliate" means, with respect to any specified Person, any other Person which directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such specified Person;

"Agreement" means this Investor Rights and Voting Agreement, as may be supplemented or amended from time to time;

"Business Day" means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Vancouver, British Columbia;

"Closing Date" has the meaning ascribed thereto in the Purchase Agreement;

"Common Shares" mean the common shares in the capital of Montfort;

"Consideration Shares" mean the Common Shares issued to [●] under the Purchase Agreement;

"control" when used to describe a relationship between one Person and any other Person, has the following meanings:

- (a) a Person controls a body corporate if securities of the body corporate to which are attached more than 50% of the votes that may be cast to elect directors of the body corporate are beneficially owned by the Person and the votes attached to those securities are sufficient, if exercised, to elect a majority of the directors of the body corporate;
- (b) a Person controls an unincorporated entity, other than a limited partnership, if more than 50% of the ownership interests, however designated, into which the entity is divided are beneficially owned by that Person and the Person is generally able to direct the business and affairs of the entity;
- (c) a general partner of a limited partnership controls the limited partnership;
- (d) a Person who controls an entity is deemed to control any entity that directly or indirectly is controlled, or deemed to be controlled, by the entity; and
- (e) a Person is deemed to beneficially own, for the purposes of subparagraphs (a) or (b):
 - (i) any securities of the entity that are beneficially owned by that Person; and
 - (ii) any securities of the entity that are beneficially owned by any entity directly or indirectly controlled by that Person,

and the terms **"controls"** and **"controlled"** have corresponding meanings;

"Exchange" means the TSX Venture Exchange, or any other stock exchange upon which the Common Shares may be listed;

"Notice" has the meaning ascribed thereto in Section 8.1;

"Notice of Sale" has the meaning ascribed thereto in Section 4.1(1);

"Parties" means [●] and Montfort, and **"Party"** means any one of them;

"Person" means and includes any individual, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or governmental entity, and pronouns have a similarly extended meaning;

"Purchase Agreement" has the meaning ascribed thereto in Recital A;

"Sale Shares" has the meaning ascribed thereto in Section 3.2(2); and

"Transaction" has the meaning ascribed thereto in Recital A.

Section 1.2 Currency

Unless otherwise indicated, in this Agreement "\$" or "Dollars" each means dollars which are the lawful currency of the Canada.

Section 1.3 Gender and Number

Any reference in this Agreement to gender includes all genders. Words importing the singular number only include the plural and vice versa.

Section 1.4 Headings, etc.

The division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect its interpretation.

Section 1.5 Certain Phrases, etc.

In this Agreement (i) the words "including", "includes" and "include" mean "including (or includes or include) without limitation" and (ii) the words "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of". The expressions "Recital", "Article", "Section" and other subdivisions followed by a number mean and refer to the specified Recital, Article, Section or other subdivision of this Agreement. In the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding".

ARTICLE 2 NATURE OF AGREEMENT

Section 2.1 No Partnership

Nothing in this Agreement will be deemed to constitute a legal partnership, agency or similar relationship between the Parties, or to authorize any Party to bind the other. Except as provided herein or as the Parties may otherwise agree, each Party shall have the right to engage in and receive the full benefits from any independent business activities or operations, whether or not competitive with the business activities and operations carried on by the other Party, without consulting with, or incurring any obligation to, the other Party, and each Party will be free to pursue and derive the benefits of all such future business opportunities as such Party sees fit without reference to or restriction by doctrines of "corporate opportunity" or "business opportunity" or other similar doctrines, all of which the Parties expressly agree shall not apply to the Parties in their dealings with each other.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

Section 3.1 Representations and Warranties of [●]

[●] hereby represents and warrants to and in favour of Montfort as follows and acknowledges and confirms that Montfort is relying on such representations and warranties in entering into this Agreement:

- (a) **Capacity.** [●] has full legal capacity and power, and absolute authority to enter into Agreement and to perform all of the obligations under this Agreement.
- (b) **Execution and Binding Obligation.** This Agreement has been duly executed and delivered by the [●] and constitutes a legal, valid and binding obligation of [●] enforceable against each in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization and other laws of general application limiting the enforcement of creditors' rights generally, and to the fact that specific performance is an equitable remedy available only in the discretion of the court.

Section 3.2 Representations and Warranties of Montfort

Montfort represents and warrants to [●] as follows and acknowledges and confirms that [●] is relying on such representations and warranties in entering into this Agreement:

- (a) **Corporate Power.** Montfort has been duly formed and is validly existing under the laws of the Province of British Columbia and has all requisite corporate power and authority to enter into and deliver this Agreement and to perform its obligations under this Agreement;
- (b) **Conflict With Other Instruments.** The execution and delivery by Montfort and the performance by it of its obligations under, and compliance with the terms, conditions and provisions of, this Agreement will not conflict with or result in a breach of: (i) its articles, (ii) any applicable law, rule or regulation, (iii) any agreement or instrument to which Montfort is a party or by which it is bound or by which any of its properties or assets are bound, or (iv) any judgment, injunction, determination or award which is binding on it;
- (c) **Corporate Action.** The execution and delivery of this Agreement by Montfort and the performance by Montfort of its obligations under this Agreement have been duly authorized by all necessary corporate action on the part of Montfort; and
- (d) **Execution and Binding Obligation.** This Agreement has been duly executed and delivered by Montfort and constitutes a legal, valid and binding obligation of Montfort enforceable against it in accordance with its terms subject to applicable bankruptcy, insolvency, reorganization and other laws of general application limiting the enforcement of creditors' rights generally and to the fact that specific performance is an equitable remedy available only in the discretion of the court.

ARTICLE 4 TRANSFER OF COMMON SHARES

Section 4.1 Notice of Sale

- (2) Beginning on the Closing Date and ending on the date that is 24 months after that date, if [●] wishes to sell, at one time, any of the Consideration Shares in excess of 10,000 Common Shares, [●] shall deliver a notice in writing to Montfort (the "**Notice of Sale**") at least five (5) Business Days prior to the intended completion date of such sale of the intention to sell and the number of Common Shares that [●] wishes to sell (the "**Sale Shares**").
- (3) Upon the Notice of Sale being given, Montfort shall first have the right to try and place all or a portion of the Sale Shares within five (5) Business Days after the Notice of Sale is deemed to have been received.

- (4) If Montfort does not place all of the Sale Shares pursuant to Section 4.1(2) above, then [●] shall have the right to sell the Sale Shares pursuant to applicable securities laws and other applicable laws within the next succeeding 30 days thereafter, and shall not be required to deliver any subsequent Notice of Sale to Montfort in respect of such Sale Shares within such 30 days. Any Sale Shares remaining unsold by [●] at the end of such 30 day period, shall again be subject to the provisions of Section 4.1(1).

Section 4.2 Orderly Sales

Subject to the terms and conditions herein, if [●] intends to sell any Consideration Shares on the Exchange, [●] hereby agrees to not sell during any one single trading day Common Shares in excess of 20% of the five day average daily trading volume for the immediately prior five trading days.

ARTICLE 5 VOTING SUPPORT

Section 5.1 Investor Voting Support

- (1) Until the date which is 24 months following the Closing Date, [●] hereby covenants and agrees:
- (a) to be present in person or represented by proxy (in respect of all Common Shares beneficially owned, or over which control or direction is exercised, by [●]) at all meetings of shareholders of Montfort for the purpose of determining the presence of a quorum at such meetings;
 - (b) to vote all Common Shares beneficially owned, or over which control or direction is exercised, by [●] at each meeting of shareholders of Montfort in favour of all matters proposed by management of Montfort, which, in the interest of clarity, includes any director nominations by management of Montfort;
 - (c) that it will not, and will not permit any entity under its control, to, deposit any of the Common Shares beneficially owned, or over which it exercises control or direction, into a voting trust or subject any of the Common Shares beneficially owned, or over which it exercises control or direction, to any arrangement or agreement with respect to the voting of such securities, other than pursuant to this Agreement; and
 - (d) that it will not, and will not permit any entity under its control, to: (a) solicit proxies, or become a participant in a solicitation in opposition to, or competition with, any matter proposed by management of Montfort at any meeting of shareholders of Montfort; (b) assist any person, entity or group in taking or planning any action that would compete with, restrain or otherwise serve to interfere with or inhibit any matter proposed by management of Montfort at any meeting of shareholders of Montfort; or (c) act jointly or in concert with others with respect to voting securities of Montfort for the purpose of opposing or competing with the any matter proposed by management of Montfort at any meeting of shareholders of Montfort.
- (2) Notwithstanding the above, the obligations of [●] set out in Section 5.1(1) will cease to apply in the event of:
- (a) any transaction whereby over 50% of the Montfort's outstanding voting securities or its assets are to be acquired by any third party or parties as a result of such transaction;
 - (b) Montfort is not in compliance with this Agreement; or

- (c) Montfort is not in compliance with the Purchase Agreement.

**ARTICLE 6
RESTRICTIONS ON TRANSFER OF CONSIDERATION SHARES**

Section 6.1 Resale Restrictions

- (1) Following the Closing Date, except as specifically contemplated by the Purchase Agreement or permitted in Section 6.1(2) or Section 6.1(3), [●] hereby agrees not to, in any manner, directly or indirectly, sell, assign, transfer, hypothecate, pledge or otherwise encumber ("**Transfer**") the Consideration Shares until the date that is:
- (a) four (4) months and a day following the Closing Date, with respect to 10% of the Consideration Shares;
 - (b) six (6) months following the Closing Date, with respect to 20% of the Consideration Shares;
 - (c) nine (9) months following the Closing Date with respect to 30% of the Consideration Shares; and
 - (d) twelve (12) months following the Closing Date, with respect to all of the Consideration Shares.
- (2) Notwithstanding Section 6.1(1), [●] shall be permitted to Transfer and/or tender any of the Consideration Shares to a Person making a formal take-over bid for all outstanding Common Shares of Montfort, a purchase of all or substantially all of the assets of Montfort, plan of arrangement, acquisition, merger or similar material transaction which results in a change of control of Montfort (each a "**Control Transaction**"); provided that if the Control Transaction is not completed for any reason, such Consideration Shares shall continue to be subject to Section 6.1(1).
- (3) Notwithstanding Section 6.1(1), [●] shall be permitted to Transfer the Consideration Shares or the beneficial ownership of, or any interest in the Consideration Shares or in any certificate evidencing the Consideration Shares in the following circumstances: (i) to any Affiliates of [●], any family members of [●], or any company, trust or other entity owned by or maintained for the benefit of [●] or any family members thereof, (ii) transfers occurring by operation of law or in connection with transactions arising as a result of the death or incapacitation of [●], (iii) transfers to charitable organizations pursuant to bona fide gifts, or (iv) pledges of the Consideration Shares as security for bona fide indebtedness of [●], provided, in each of (i), (ii), (iii) and (iv) that any such transferee or pledgee shall first agree with Montfort in writing prior to the Transfer to be bound by the terms of this Agreement.

**ARTICLE 7
TERMINATION**

Section 7.1 Termination

- (1) This Agreement shall automatically terminate on the two-year anniversary of the Effective Date and may be terminated earlier:
- (a) at any time by written agreement of the Parties;

- (b) by either Party by providing notice in writing in the event of a breach of the terms of this Agreement by the other Party, provided that the breaching Party shall have five (5) Business Days to cure any such breach; and
 - (c) by either Party by providing notice in writing in the event of a breach of the terms of the Purchase Agreement by the other Party, subject to the cure provisions in the Purchase Agreement.
- (2) Upon termination of this Agreement, each Party shall no longer thereafter have any further liability or obligation to the other Party under this Agreement, excepting any claims, liabilities or damages that arose under this Agreement prior to the date of termination.

**ARTICLE 8
MISCELLANEOUS**

Section 8.1 Notices.

Any notice, direction or other communication (each a "Notice") given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or email transmission and addressed:

- (a) If to Montfort:

Montfort Capital Corp.

[REDACTED]

Attention: Michael Walkinshaw, Chief Executive Officer

Email: [REDACTED]

with a copy to:

MLT Aikins LLP

[REDACTED]

Attention: Kevin Sorochan

Email: [REDACTED]

- (b) If to [●]:

[REDACTED]

Attention: [REDACTED]

Email: [REDACTED]

with a copy to:

Cassels Brock & Blackwell LLP

Attention: Jason Arbuck

Email: [REDACTED]

A Notice is deemed to be delivered and received (i) if sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in the place of receipt) and otherwise on the next Business Day, and (ii) if transmitted by email, on the Business Day following the date of the email message. Any Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed.

Section 8.2 Amendments.

This Agreement may only be amended, supplemented or otherwise modified by written agreement executed by the Parties.

Section 8.3 Waiver.

No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right it may have.

Section 8.4 Entire Agreement.

This Agreement, together with the Purchase Agreement, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties with respect to the subject matter hereof. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement. The Parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement.

Section 8.5 Successors and Assigns.

- (1) This Agreement is binding upon and will enure to the benefit of the Parties and their respective successors and permitted assigns.
- (2) Neither this Agreement nor any of the rights or obligations under this Agreement are assignable or transferable by any Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed, except that [●] may assign or transfer its rights or obligations under this Agreement to an Affiliate thereof, upon five (5) Business Days' written notice to Montfort.

Section 8.6 Severability

If any provision of this Agreement is determined to be illegal, invalid or unenforceable, by an arbitrator or any court of competent jurisdiction from which no appeal exists or is taken, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

Section 8.7 Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of British Columbia and the laws of Canada applicable therein.

Section 8.8 Attornment.

For the purpose of all legal proceedings this Agreement will be deemed to have been performed in British Columbia, Canada and the courts of the Province of British Columbia will have jurisdiction to entertain any action arising under this Agreement. The Parties each attorn to the jurisdiction of the courts of the Province of British Columbia.

Section 8.9 Public Disclosure.

The Parties acknowledge that Montfort will be required to file this Agreement on SEDAR as a material contract. Prior to doing so, Montfort will provide [●] with a reasonable opportunity to comment as to whether any provisions are of such a nature that they can, under Canadian securities laws, be redacted from this Agreement prior to filing and will give reasonable consideration to any such comments. Subject to the foregoing, all press releases and other public disclosure will be mutually coordinated and any Party required to make disclosure as aforesaid will, to the extent reasonably possible, give the other Party advance notice thereof, together with a copy or other particulars of the disclosure intended to be made.

Section 8.10 Counterparts.

This Agreement may be executed in any number of counterparts (including counterparts by facsimile or other electronic means) and all such counterparts taken together will be deemed to constitute one and the same instrument.

[Signature page to immediately follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

 _____

MONTFORT CAPITAL CORP.

By: _____

Name: Mike Walkinshaw
Title: Chief Executive Officer

Signature page to Investor Rights and Voting Agreement

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SCHEDULE D
NON-COMPETITION AND NON-SOLICITATION AGREEMENT

(see attached)

CONFIDENTIALITY, NON-COMPETITION AND NON-SOLICITATION AGREEMENT

THIS AGREEMENT dated effective _____, 2022 (the “Effective Date”)

BETWEEN:

[●], an individual residing in the Province of Ontario and having an address for service at [●]

(the “Vendor”)

AND:

MONTFORT CAPITAL CORP., a company incorporated under the *Business Corporations Act* (British Columbia) and having a registered and records office at [REDACTED]

(the “Purchaser”)

WHEREAS:

- A. the Purchaser and the Vendor (together, the “Parties” and each a “Party”) have, among others, entered into a share purchase agreement dated as of the Effective Date (the “Purchase Agreement”) pursuant to which the Vendor and its Affiliates (as defined herein) have agreed to sell to the Purchaser, and the Purchaser has agreed to purchase from the Vendor and its Affiliates (as defined herein) all the issued and outstanding shares in the capital of Brightpath Capital Corporation and Brightpath Servicing Corporation (the “Purchased Shares”) owned by the Vendor, including: [●]
- B. because the Purchaser intends to cause the Business (as defined herein) to be conducted following Closing and a substantial portion of the value of the Corporation includes its confidential information, business relationships, customer loyalty and goodwill, the Parties agree that this Agreement is necessary in order that the Purchaser receives the full benefit of the goodwill of the Business (as defined herein) and to maintain and preserve the fair market value (“FMV”) of all of the Purchased Shares and the Vendor is willing to enter into this Agreement to protect that goodwill and maintain or preserve that FMV;
- C. the obligations of Purchaser under the Purchase Agreement are subject to the condition that Vendor execute and deliver this Agreement;
- D. the Vendor acknowledges that this Agreement is an integral part of the transaction contemplated by the Purchase Agreement under which the Vendor shall receive significant benefits, including without limitation payment of the Purchase Price thereunder, and that the Purchaser is relying on the covenants and acknowledgements given herein by the Vendor in connection with its purchase of the Purchased Shares; and
- E. capitalized terms used herein and not otherwise defined shall have the meaning ascribed to such terms in the Purchase Agreement.

NOW THEREFORE, in consideration of the respective covenants and agreements contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties covenant and agree as follows:

**ARTICLE I
DEFINITIONS AND INTERPRETATION**

Section 1.01 Definitions.

The following terms have the meanings specified or referred to in this Article:

- (a) “**Affiliate**” has the meaning given to it in the *Business Corporations Act* (British Columbia);
- (b) “**Agreement**” means this confidentiality, non-competition and non-solicitation agreement, as it may be amended or supplemented from time to time;
- (c) “**Brightpath Companies**” means, collectively, the Corporation and each of its Subsidiaries, including, for certainty and without limitation, Brightpath Servicing Corporation, 10260835 Canada Corp., and Brightpath Residential Mortgage LP I;
- (d) “**Business**” means the management, origination and administration of private lending business carried on by the Purchaser, the Brightpath Companies and their affiliates.
- (e) “**Competing Business**” has the meaning given to it in Section 2.01;
- (f) “**Confidential Information**” means all information, data, documents, agreements, files and other materials regarding or concerning the Brightpath Companies, the Purchaser or their Affiliates, whether disclosed orally or disclosed or stored in written, electronic or other form or media, which is disclosed or otherwise furnished by the Brightpath Companies, the Purchaser or their Affiliates or their Representatives before, on or after the Effective Date, including any and all analyses, notes, compilations, reports, forecasts, studies, samples, statistics, summaries, interpretations and other documents prepared by or for the Brightpath Companies, the Purchaser or their Affiliates or Representatives which contain or otherwise reflect or are generated from such information, data, documents, agreements, files or other materials, whether or not marked, designated or otherwise identified as “confidential,” including, without limitation:
 - (i) information concerning the Brightpath Companies, the Purchaser or their Affiliates and their customers’, suppliers’ and other third parties’, past, present and future business affairs including, without limitation, finances, supplier information, services, customer information, products, organizational structure and internal practices, forecasts, sales and other

financial results, records and budgets, and business, marketing, development, sales and other commercial strategies;

- (ii) unpatented inventions, ideas, methods and discoveries, trade secrets, know-how, software programs, unpublished patent applications and other confidential intellectual property;
- (iii) designs, specifications, documentation, components, source code, object code, computer chips, images, icons, audiovisual components and objects, schematics, drawings, protocols, processes, and other visual depictions, in whole or in part, of any of the foregoing;
- (iv) third-party confidential information (including, without limitation, any Personal Information) included with, or incorporated in, any information provided by the Brightpath Companies, the Purchaser or their Affiliates to the Vendor or its Representatives; and
- (v) other information that would reasonably be considered non-public, confidential or proprietary given the nature of the information and the business of the Brightpath Companies and Purchaser;
- (vi) provided however, that the term “**Confidential Information**” as used herein shall not include information that:
 - (A) is or becomes generally available to and known by the public (other than as a result of its disclosure directly or indirectly by the Vendor or its Representatives in violation of this Agreement);
 - (B) is or becomes available to, the Vendor or his Representatives from a source other than Brightpath Companies, the Purchaser or their Affiliates or Representatives, provided that such source, to the Vendor’s knowledge, was not and is not bound by a confidentiality agreement regarding the Brightpath Companies, the Purchaser or either of their Affiliates, or otherwise prohibited from disclosing such information by a legal, contractual or fiduciary obligation;
 - (C) was already known by or in the possession of the Vendor prior to being disclosed by or on behalf of the Brightpath Companies, the Purchaser or their Affiliates pursuant to this Agreement; or
 - (D) has been independently developed by the Vendor or his Representatives without violating any of its obligations under this Agreement or use of or reference to, in whole or in part, the Confidential Information;

- (g) “**Corporation**” has the meaning set forth in the recitals;
- (h) “**Effective Date**” means the date first set out above;
- (i) “**FMV**” has the meaning set forth in the recitals;
- (j) “**Parties**” has the meaning set forth in the recitals;
- (k) “**Party**” has the meaning set forth in the recitals;
- (l) “**Person**” means an individual, corporation, company, limited liability company, body corporate, partnership, joint venture, regulatory body or agency, government or governmental agency or authority, unincorporated organization, trust, association or other entity;
- (m) “**Personal Information**” means information that relates to an individual Person and identifies or can be used to identify, locate or contact that individual alone or when combined with other personal or identifying information that is or can be associated with that specific individual;
- (n) “**Purchase Agreement**” has the meaning set forth in the recitals;
- (o) “**Purchased Securities**” has the meaning set forth in the recitals;
- (p) “**Purchaser**” has the meaning set forth in the preamble;
- (q) “**Representatives**” means, as to any Person, such Person’s Affiliates, and its and their respective directors, officers, employees, general partners, shareholders, agents and consultants (including lawyers, financial advisors and accountants);
- (r) “**Restricted Period**” means [REDACTED]
- (s) “**Restrictive Covenants**” has the meaning set forth in Section 6.01;
- (t) “**Tax Act**” means the *Income Tax Act* (Canada);
- (u) “**Territory**” means [REDACTED] and [REDACTED]
- (v) “**Vendor**” has the meaning set forth in the preamble.

Section 1.02 Interpretation. For purposes of this Agreement:

- (a) the words “include”, “includes” and “including” shall be deemed to be followed by the words “without limitation”; the word “or” is not exclusive; and the words

“herein”, “hereof”, “hereby”, “hereto” and “hereunder” refer to this Agreement as a whole;

- (b) unless the context otherwise requires, references herein: (i) to Articles and Sections mean the Articles and Sections of this Agreement; (ii) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (iii) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder; and
- (c) this Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

ARTICLE II NON-COMPETITION

Section 2.01 Non-Competition. The Vendor shall not, during the Restricted Period, directly or indirectly, in any manner whatsoever, including either individually, in partnership, jointly or in conjunction with any other Person, as a principal, agent, director, officer, employee, consultant or shareholder:

- (a) agree to be employed by or agree to provide services to any undertaking or business;
- (b) carry on or be engaged in or advise or invest in or give any financial assistance to any business or undertaking; or
- (c) carry on or be engaged in or have any financial or other interest (including without limitation, an interest by way of royalty or other compensation arrangements) in or, in respect of, any business or undertaking,

carried on within the Territory which is the same or substantially similar to, or which competes with the Business (the “**Competing Business**”); provided, however that this Section 2.01 shall not be construed as preventing the Vendor from:

- (i) owning, directly or indirectly not more than [REDACTED] of the issued and outstanding securities of a corporation which is a Competing Business, provided that such corporation’s principal business is not a Competing Business and such securities are traded on a recognized stock exchange or in the over-the-counter market;
- (ii) continuing to serve on corporate boards or committees on which the Vendor currently serves; or

- (iii) continuing to engage in private lending in their personal capacity to family or personal acquaintances to a maximum of \$ [REDACTED] per loan and an aggregate of not more than \$ [REDACTED] at any one time.

Section 2.02 The Vendor agrees that, should a court of competent jurisdiction determine that the restrictions contained in Section 2.01 above as to the Restricted Period, Territory or Business are unenforceable, the Parties agree that the Restricted Period, Territory or Business as are, or may be determined to be, enforceable by such court shall govern this Agreement.

ARTICLE III NON-SOLICITATION

Section 3.01 Non-Solicitation. The Vendor covenants that he shall not, without the prior written consent of the Purchaser, at any time during the Restricted Period, either alone or in partnership or jointly or in conjunction with any person, whether as principal, agent, partner, co-venturer, shareholder, investor, creditor, director, officer, employee, advisor, consultant or in any other capacity whatsoever, directly or indirectly:

- (a) hire or take away or cause to be hired or taken away, any employee of the Corporation or its Affiliates for the purposes of employment in any Competing Business;
- (b) contact any customer, advance prospect, supplier, dealer, agent, distributor or other Person in the habit of dealing with the Corporation or any Affiliate of the Business for the purposes of interfering with, or encouraging them to alter or terminate, their business relationships with the Corporation or any Affiliate;
- (c) contact, other than at the request of the Corporation or any Affiliate, any Person that is a supplier, dealer, agent or distributor of the Corporation or any Affiliate for the purpose of attempting to obtain a franchise, distribution or other arrangement in the Territory with such Person in respect of any Competing Business; or
- (d) interfere with any Person who is a customer, supplier or strategic partner of the Corporation or use the Vendor's personal knowledge or influence over any such customer, supplier or strategic partner for the Vendor's own benefit in a manner that is designed to interfere with the Purchaser's or the Corporation's business with such Person or the benefit of any Competing Business.

Section 3.02 The Vendor agrees that, should a court of competent jurisdiction determine that the restrictions contained in Section 3.01 above as to the Restricted Period, Territory or Business are unenforceable, the Parties agree that the Restricted Period, Territory or Business as are, or may be determined to be enforceable, by such court shall govern this Agreement.

**ARTICLE IV
NON-DISPARAGEMENT**

Section 4.01 Non-Disparagement. Both the Vendor, on the one hand, and the Purchaser and its management, on the other, agree that they shall not engage in any pattern of conduct that involves the making or publishing of written or oral statements or remarks including without limitation the repetition or distribution of derogatory rumours, allegations, negative reports or comments which are disparaging, deleterious or damaging to the integrity, reputation or good will of each other.

**ARTICLE V
TRADE SECRETS AND CONFIDENTIAL INFORMATION**

Section 5.01 Confidential Information. During and after the Restricted Period, the Vendor will keep in strict confidence, and will not, directly or indirectly, disclose, furnish, disseminate, make available or use any Confidential Information, except (a) to the extent required to perform the Vendor's duties of employment or other contractual engagement while employed or engaged by the Corporation; and (b) if required by law, regulation, valid court order or pursuant to any requirement or process of any legal or regulatory authority ("**Applicable Law**"), but only in accordance with Section 5.02.

Section 5.02 Disclosure Required. If the Vendor or its Representatives are required to disclose any Confidential Information under Applicable Law, the Vendor shall, to the extent permitted by Applicable Law:

- (a) give the Corporation and the Purchaser prompt prior written notice of such requirement or process so that the Corporation and the Purchaser may seek, at their sole cost and expense, an appropriate protective order or other remedy; and
- (b) cooperate with, and provide reasonable assistance to, the Corporation and the Purchaser, at the sole cost and expense of the Corporation and the Purchaser, in opposing such disclosure and to obtain such protective order or other remedy.

If, after providing such notice and cooperation as required herein, such protective order or other remedy is not obtained, the Vendor (or such Representative to whom such requirement is directed) will furnish only that portion of the Confidential Information which is required to be disclosed and, upon the Corporation, the Purchaser and their Affiliates' request, use commercially reasonable efforts to (i) preserve the privileged nature or confidentiality of the Confidential Information and (ii) obtain assurances that confidential treatment will be accorded the Confidential Information so disclosed.

Section 5.03 Return or Destruction of Confidential Information. Upon the expiration or termination of this Agreement, or at any time upon written request by the Corporation or the Purchaser, the Vendor and his Representatives shall promptly, and in any event no later than ten business days after the request, return or destroy all Confidential Information (including all copies,

reports, analyses, extracts, notes or other reproductions created using the Confidential Information) to the Corporation or the Purchaser and if destroyed, certify in writing to the Corporation and the Purchaser within such time frame that such Confidential Information (including any Confidential Information held electronically) has been destroyed. Notwithstanding the return or destruction of the Confidential Information, the Vendor and his Representatives shall continue to be bound by their obligations of confidentiality and other obligations hereunder.

Section 5.04 No Transfer of Rights, Title or Interest. The Corporation and the Purchaser hereby retain their entire right, title and interest, including all intellectual property rights, in and to all Confidential Information. Any disclosure of such Confidential Information hereunder shall not be construed as an assignment, grant, option, licence or other transfer of any such right, title or interest whatsoever to the Vendor or any of his Representatives. The Vendor specifically acknowledges and agrees that the Confidential Information is and shall remain the exclusive property of the Corporation and the Purchaser and that he has no right, title or interest in or to the Confidential Information.

Section 5.05 Value of Confidential Information. The Vendor specifically acknowledges that all the Confidential Information, whether reduced to writing, maintained on any form of electronic media, or maintained in the mind or memory of the Vendor, derives independent economic value from not being readily known to or ascertainable by proper means of others who can obtain economic value from its disclosure or use, that reasonable efforts have been made by the Corporation and Purchaser to maintain the secrecy of the Confidential Information, and that the Confidential Information is the sole property of the Corporation and Purchaser.

ARTICLE VI RESTRICTIVE COVENANT

Section 6.01 Restrictive Covenant. The Parties intend that the conditions set forth in section 56.4(7) of the Tax Act have been satisfied such that section 56.4(5) of the Tax Act applies to any “restrictive covenants” (as defined in section 56.4(1) of the Tax Act) granted by the Vendor under this Agreement with respect to the Business carried on by the Corporation (collectively, the “**Restrictive Covenants**”). Accordingly, the Parties acknowledge and agree that:

- (a) no proceeds shall be received or receivable by the Vendor for granting the Restrictive Covenants for purposes of section 56.4(7)(d) of the Tax Act; and
- (b) the Restrictive Covenants are integral to the Purchase Agreement and have been granted to maintain or preserve the FMV of the Purchased Securities.

ARTICLE VII MISCELLANEOUS

Section 7.01 Reasonable Restrictions. The Vendor acknowledges and agrees that the restrictive covenants set out herein are reasonable and valid in the context of the nature of the Business and

the competitive injuries likely to be sustained by the Corporation and the Purchaser if the Vendor were to violate any such obligations and constitute a material inducement to the Purchaser's entering into the Purchase Agreement and consummating the transactions contemplated thereby.

Section 7.02 Equitable Remedies. The Vendor acknowledges that a breach or threatened breach by the Vendor of any provision of this Agreement may result in the Purchaser suffering irreparable harm that cannot be calculated fully or adequately by recovery of damages alone. Accordingly, the Vendor agrees that, in addition to any other relief to which the Purchaser may become entitled, the Purchaser shall be entitled without proof of actual damages to seek interim and permanent injunctive relief, specific performance and other equitable remedies.

Section 7.03 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 7.04 Severability. The covenants contained in this Agreement and each provision hereof are severable and distinct covenants and provisions. The invalidity or unenforceability of any such covenant or provision as written shall not invalidate or render unenforceable the remaining covenants or provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such covenant or provision in any other jurisdiction.

Section 7.05 Successors and Assigns. This Agreement shall be binding upon and shall enure to the benefit of the Parties and their respective heirs, personal representatives, successors and permitted assigns.

Section 7.06 Assignment. This Agreement may not be assigned, in whole or in part, by the Vendor without the prior written consent of the Purchaser. The Purchaser may assign its rights under this Agreement to a non-Affiliate acquirer of all or substantially all of the assets relating to the Business (whether by asset sale or an acquisition of control of the Corporation or the Purchaser by way of sale of shares or under a plan of arrangement or similar acquisition transaction).

Section 7.07 Amendment and Modification. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each Party hereto.

Section 7.08 Waiver. No waiver by either Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by either Party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 7.09 Governing Law; Forum

- (a) This Agreement shall be governed by and construed in accordance with the laws of the province of British Columbia and the federal laws of Canada applicable therein.
- (b) Any action or proceeding arising out of or based upon this Agreement may be brought in the courts of the province of British Columbia, and each Party irrevocably submits and agrees to attorn to the jurisdiction of such courts in any such action or proceeding. Each of the Parties irrevocably and unconditionally waives any objection to the venue of any action or proceeding in such courts and irrevocably waives and agrees not to plead or claim in such courts that such action or proceeding has been brought in an inconvenient forum.

Section 7.10 Counterparts. This Agreement may be executed in any number of counterparts and by each Party on separate counterparts. Each counterpart is an original and all counterparts taken together constitute one and the same instrument. A counterpart may be delivered by facsimile, e-mail attachment (in a PDF document) or other electronic means, which shall be as effective as hand delivery of the original executed counterpart.

[REMAINDER OF PAGE INTENTIONALLY BLANK—SIGNATURE PAGE FOLLOWS]

THIS AGREEMENT has been executed by the Parties as of the Effective Date.

Witness Signature

Print name:

[•]

MONTFORT CAPITAL CORP.

Per: _____

Authorized Signatory

Print name: Michael Walkinshaw

Title: Chief Executive Officer

SCHEDULE F
ALLOCATION OF MONTFORT CONSIDERATION SHARES

Vendor	Purchased Shares Sold by Vendor	Montfort Consideration Shares
GreatBlake	[REDACTED] common of AHI	[REDACTED]
Albright	[REDACTED] Class B special of AHI	[REDACTED]
Albright Trust	[REDACTED] Class C special of AHI	[REDACTED]
KyleCo	[REDACTED] common of 997	[REDACTED] Preferred
Kyle	[REDACTED] Class A special of 997	[REDACTED] Preferred
Prudham Trust	[REDACTED] Class C special shares of 997	[REDACTED] Preferred
Universal	[REDACTED] Class 1 and [REDACTED] shares of 2754	[REDACTED] Common
Universal	[REDACTED] Class B special shares of 2754	[REDACTED] Common
Thomson Trust	[REDACTED] Class E special shares of 2754	[REDACTED] Preferred
Thomson	[REDACTED] Class A special shares of 2754	[REDACTED] Common [REDACTED] Preferred
Elder	[REDACTED] Class E common shares of Brightpath	[REDACTED] Common
Thomson	[REDACTED] common shares of Brightpath Servicing	[REDACTED] Preferred and Common

Elder	████ common shares of Brightpath Servicing	████ Preferred and Common
Reap	████ Class A Special of 10260835	████ Preferred and Common

SCHEDULE G
LETTER OF INTENT

[Redacted - commercially sensitive]