

## **AMENDING AGREEMENT**

**THIS AGREEMENT** made as of the 20<sup>th</sup> day of October, 2025.

**AMONG:**

**MONTFORT CAPITAL CORP.**

a corporation incorporated pursuant to the laws of the Province of British Columbia and having its head office located at 2920-181 Bay Street, Bay Wellington Tower, Toronto, Ontario M6J 2T3

(hereinafter referred to as the “**Vendor**”)

**OF THE FIRST PART**

-and-

**PIVOT ENDGAME CORP.**

a corporation incorporated pursuant to the laws of the Province of Ontario and having its registered head office located at 50 Richmond Street East, Suite 300, Toronto, Ontario M5C 1N7

(hereinafter referred to as the “**Purchaser**”)

**OF THE SECOND PART**

-and-

**MANITOU TOTAL RETURN YIELD FUND**

an investment trust formed pursuant to the laws of the Province of Ontario and having its registered head office located at 150 King Street West, Suite 2003, P.O Box 31, Toronto, Ontario M5H 1J9

(hereinafter referred to as “**TRY**”)

**OF THE THIRD PART**

**WHEREAS** The Vendor, the Purchaser and TRY entered into a Securities Purchase Agreement made as of the 1<sup>st</sup> day of August 2025 (the “**Agreement**”), which is attached hereto as Schedule “A”, pursuant to which the Vendor agreed to sell to the Purchaser all of the Securities of the Pivot Entities.

**AND WHEREAS** the parties wish to amend the terms of the Agreement;

**NOW THEREFORE**, for good and valuable consideration, the parties hereto agree as follows:

1. Section 1.01 Definitions is amended to replace the definitions “Cash Purchase Price”, “Outside date”, “Vendor Pivot Debt” with the following definitions:

“**Brightpath Subordinated Debt Facility**” means the demand promissory note dated August 30, 2024 between Brightpath Capital Corporation (“**Brightpath**”), as borrower, and Pivot LP, as creditor, totaling \$5,082,477 in principal indebtedness and accrued interest.

“**Cash Purchase Price**” means \$1,000,000.

“**Outside Date**” means October 31, 2025.

“**Pivot-Montfort Note**” has the meaning ascribed thereto in Section 6.02(h)(ii).

“**Three-Party Agreement**” has the meaning ascribed thereto in Section 6.01(j) hereof.

“**Vendor Pivot Debt**” means \$2,278,541, comprised of (A) \$2,178,541 accrued interest on an intercompany loan accrued to the Outside Date due from the Vendor to Pivot LP; and (B) \$100,000 in non-interest bearing intercompany indebtedness.

2. Section 1.01 Definitions is further amended to add the following definitions:

“**Langhaus Related Debt**” means \$3,000,000 in principal and interest thereon arising under the second amended and restated credit agreement dated as of August 2, 2024 (the “**General Facility**”) between Cortland, Pivot LP, Pivot GP, the Vendor, Brightpath Capital Corporation (“**Brightpath**”), Langhaus Financial Corporation (“**LFC**”) and Langhaus Financial Partners Inc. (“**LFP**” and together with LFC, the “**Langhaus Entities**”) associated with the Vendor’s acquisition of the Langhaus Entities.

“**VTB**” means vendor take-back note issued by the Purchaser (i) in the principal amount of \$1,278,541 (being the Vendor Pivot Debt less the Cash Purchase Price), (ii) non-interest bearing, (iii) non-assignable except by the Vendor to Pivot LP only, in whole or in part, in payment or partial payment of the outstanding balance of the Vendor Pivot Debt, from time to time, and only upon receipt by Pivot LP of payments in connection with the Brightpath Subordinated Debt Facility in accordance with the Three-Party Agreement.

3. Section 2.02 is amended by adding the following subsection:

- (c) Delivery to the Vendor at the Closing Time of the VTB.
4. Section 2.04(a)(ii) is deleted and replaced with the following with consequential renumbering of Section 2.04(a)(iii).:
- (ii) the Cash Purchase Price, which shall be paid to Pivot LP at the direction and on behalf of the Vendor in partial repayment of the Vendor Pivot Debt;
  - (iii) the VTB; and
5. Section 6.01 is amended by adding the following Section 6.01(j) after Section 6.01(i):
- (j) delivery of a three-party agreement among the Purchaser, the Vendor and Pivot LP substantially in the form attached as Schedule “B” to the amending agreement between the parties dated October 20, 2025 (the "**Three-Party Agreement**") governing, among other things, the conditional partial assignment of the VTB to Pivot LP in reduction of amounts owing under the Pivot-Montfort Note upon repayment by Brightpath of indebtedness owed to Pivot LP under the Brightpath Subordinated Debt Facility.
6. Section 6.02(h) is deleted and replaced with the following:
- (i) Partial repayment of the Vendor Pivot Debt, which may be satisfied by direction from Vendor to Purchaser to make payment to Pivot LP on behalf of the Vendor of the Cash Purchase Price as provided herein; and
  - (ii) Receipt by Pivot LP of a non-interest bearing secured demand promissory note of the Vendor in the amount of the Vendor Pivot Debt less the Cash Purchase Price (the "**Pivot-Montfort Note**").
7. Section 6.02(i) is deleted and replaced with the following:
- Receipt by Pivot LP of a secured interest bearing demand promissory note of the Vendor due on demand in favour of Pivot LP in the principal amount of the Langhaus Related Debt balance owing, plus \$50,000, secured by a general security subordinate to Cortland, such promissory note to have an interest rate equivalent to the amount charged by Cortland on the Langhaus Related Debt
8. Section 6.02(f) is amended by adding thereto:
- namely by delivery by the Vendor to Pivot LP of a secured guarantee of payment by Timia Capital Holdings Limited Partnership (the "**Timia Entity**") of \$250,000 of the indebtedness of Timia Entity to Pivot LP, such secured guarantee to only become effective on the earlier of November 1, 2027 and the occurrence of any of the events listed in Section 1 “Events” in the Penrose Technologies Inc. Simple Agreement for Future Equity dated June 30, 2024 .

9. Each party hereby represents and warrants that: (a) all representations and warranties made by such party in the Agreement remain true and correct as of the date hereof, except as specifically modified by this Amending Agreement; (b) no event has occurred that would constitute a default or breach under the Agreement; (c) it has full power and authority to execute and deliver this Amending Agreement; and (d) this Amending Agreement has been duly authorized, executed and delivered and constitutes a legal, valid and binding obligation.
10. Except as hereby amended, all terms and conditions of the Agreement remain the same, in full force and effect.
11. This agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
12. This agreement may be executed by in one or more counterparts, each of which counterparts when executed shall constitute an original and all of which counterparts so executed shall constitute one and the same instrument.

*(Signature page follows)*

**IN WITNESS WHEREOF** this Agreement has been duly executed by the parties hereto as of the date and at the place first above written.

**MONTFORT CAPITAL CORP.**

By: “Ken Thomson” (signed)

Name: Ken Thomson

Title: Chief Executive Officer

**PIVOT ENDGAME CORP.**

By: “Patrick Ennis” (signed)

Name: Patrick A. Ennis

Title: President

**MANITOU TOTAL RETURN YIELD FUND**

by its manager

Manitou Investment Management Ltd.

By: “Mark Gaskin” (signed)

Name: Mark Gaskin

Title: Portfolio Manager

**SCHEDULE "A"**  
**AGREEMENT**

**Execution Version – August 1, 2025**

**SECURITIES PURCHASE AGREEMENT**

between

**MONTFORT CAPITAL CORP.**

and

**MANITOU TOTAL RETURN YIELD FUND**

and

**PIVOT ENDGAME CORP.**

dated as of

August 1, 2025

## Table of Contents

<b>SECURITIES PURCHASE AGREEMENT .....</b>	<b>4</b>
<b>ARTICLE I Definitions .....</b>	<b>5</b>
<b>ARTICLE II Purchase and Sale .....</b>	<b>12</b>
Section 2.01 Purchase and Sale.....	12
Section 2.02 Purchase Price.....	12
Section 2.03 Closing Date Working Capital .....	13
Section 2.04 Transactions to be Effected at the Closing.....	14
Section 2.05 Allocation of Purchase Price.....	14
Section 2.06 Tax Allocation.....	15
Section 2.07 Closing.....	15
<b>ARTICLE III Representations and Warranties of Vendor .....</b>	<b>16</b>
Section 3.01 Corporate Status and Authorization of Vendor .....	16
Section 3.02 Status of Pivot LP, Pivot GP, PFSI and SQI. ....	16
Section 3.03 Capitalization.....	17
Section 3.04 No Subsidiaries.....	18
Section 3.05 No Conflicts; Consents.....	18
Section 3.06 Financial Statements.....	19
Section 3.07 Undisclosed Liabilities.....	19
Section 3.08 Absence of Certain Changes, Events and Conditions.....	19
Section 3.09 Material Contracts.....	21
Section 3.10 No Real Property, No Leased Premises.....	22
Section 3.11 Legal Proceedings; Governmental Orders.....	22
Section 3.12 Compliance with Laws; Permits.....	22
Section 3.13 Employment Matters.....	22
Section 3.14 Taxes.....	23
Section 3.15 Related-Party Transactions.....	24
Section 3.16 Books and Records.....	24
Section 3.17 Anti-Money Laundering and Anti-Corruption Practices.....	24
Section 3.18 Full Disclosure.....	25
Section 3.19 Commissions.....	26
<b>ARTICLE IV Representations and Warranties of Purchaser .....</b>	<b>26</b>
Section 4.01 Corporate Status and Authorization of Purchaser.....	26
Section 4.02 Officers and Directors.....	26
Section 4.03 Commissions.....	26
Section 4.04 Capitalization.....	26
<b>ARTICLE V Covenants.....</b>	<b>26</b>
Section 5.01 Conduct of Business Before the Closing.....	26
Section 5.02 Access to Information.....	27
Section 5.03 No Solicitation of Other Bids.....	27
Section 5.04 Notice of Certain Events.....	28
Section 5.05 Confidentiality.....	28
Section 5.06 Personal Information Privacy.....	29
Section 5.07 Non-Solicitation.....	29
Section 5.08 Other Approvals and Consents.....	30
Section 5.09 Books and Records.....	31
Section 5.10 Pre-Closing Tax Period and Closing Date Tax Year.....	31
Section 5.11 Closing Conditions.....	32

Section 5.12	Public Announcements.....	32
Section 5.13	Further Assurances.....	32
<b>ARTICLE VI Conditions to Closing .....</b>		<b>32</b>
Section 6.01	Conditions to Obligations of All Parties.....	32
Section 6.02	Conditions to Obligations of Purchaser.....	33
Section 6.03	Conditions to Obligations of Vendor.....	35
<b>ARTICLE VII Indemnification .....</b>		<b>35</b>
Section 7.01	Survival.....	35
Section 7.02	Indemnification by Vendor.....	36
Section 7.03	Indemnification by Purchaser.....	36
Section 7.04	Indemnification Procedures.....	37
Section 7.05	Payments.....	40
Section 7.06	Tax Treatment of Indemnification Payments.....	40
Section 7.07	Effect of Investigation.....	40
Section 7.08	Duty to Mitigate.....	40
Section 7.09	Exclusive Remedies.....	40
Section 7.10	Other Limitations.....	41
<b>ARTICLE VIII Termination .....</b>		<b>41</b>
Section 8.01	Termination.....	41
Section 8.02	Effect of Termination.....	42
<b>ARTICLE IX Miscellaneous .....</b>		<b>42</b>
Section 9.01	Expenses.....	42
Section 9.03	Interpretation.....	43
Section 9.04	Headings.....	44
Section 9.05	Severability.....	44
Section 9.06	Entire Agreement.....	44
Section 9.07	Successors and Assigns.....	44
Section 9.08	No Third-Party Beneficiaries.....	44
Section 9.09	Amendment and Modification; Waiver.....	44
Section 9.10	Governing Law; Forum Selection.....	45
Section 9.11	Specific Performance.....	45
Section 9.12	Further Assurances.....	45
Section 9.13	Remedies Cumulative.....	45
Section 9.14	Counterparts.....	45

## **SECURITIES PURCHASE AGREEMENT**

**THIS AGREEMENT** is made as of the 1<sup>st</sup> day of August, 2025.

**BETWEEN:**

**MONTFORT CAPITAL CORP.**

a corporation incorporated pursuant to the laws of the Province of British Columbia and having its head office located at 2920-181 Bay Street, Bay Wellington Tower, Toronto, Ontario M6J 2T3

(hereinafter referred to as the “**Vendor**”)

**OF THE FIRST PART**

-and-

**PIVOT ENDGAME CORP.**

a corporation incorporated pursuant to the laws of the Province of Ontario and having its registered head office located at 50 Richmond Street East, Suite 300, Toronto, Ontario M5C 1N7

(hereinafter referred to as the “**Purchaser**”)

**OF THE SECOND PART**

-and-

**MANITOU TOTAL RETURN YIELD FUND**

an investment trust formed pursuant to the laws of the Province of Ontario and having its registered head office located at 150 King Street West, Suite 2003, P.O Box 31, Toronto, Ontario M5H 1J9

(hereinafter referred to as “**TRY**”)

**OF THE THIRD PART**

**WHEREAS** the Vendor owns all of the issued and outstanding securities (the “**Securities**”) of Pivot Financial I Limited Partnership (“**Pivot LP**”), Pivot Financial Service Inc. (“**PFSI**”) and 2862454 Ontario Inc. (the “**Pivot GP**” and together with Pivot LP and PFSI, the “**Pivot Entities**”);

**AND WHEREAS** the Vendor wishes to sell and the Purchaser wishes to acquire the Securities (the “**Transaction**”);

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

## **ARTICLE I Definitions**

**Section 1.01 Definitions.** The following terms have the meanings specified or referred to in this Section 1.01:

"**Acquisition Proposal**" has the meaning set forth in Section 5.03(a).

"**Action**" means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena, notice of assessment, notice or reassessment or investigation of any nature, civil, criminal, administrative, investigative, regulatory or otherwise, whether at law or in equity.

"**Affiliate**" when used to indicate a relationship with a specified Person, means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified Person and a Person shall be deemed to be controlled by another Person if controlled in any manner whatsoever that results in control in fact by that other Person (or that other Person and any Person or Persons with whom that other Person is acting jointly or in concert), whether directly or indirectly. For the purposes of this definition, "control", when used with respect to any specified Person, means the power to direct the management and policies of that Person directly or indirectly, whether through ownership of securities, by trust, by contract or otherwise; and the term "controlled" has a corresponding meaning; *provided that*, in any event, any Person that owns directly, indirectly or beneficially 50% or more of the securities having voting power for the election of directors or other governing body of a corporation or 50% or more of the partnership interests or other ownership interests of any other Person will be deemed to control that Person.

"**Agreement**" means this securities purchase agreement.

"**Assessment**" has the meaning set forth in Section 5.10(c).

"**Assets**" means all the assets, real and personal, tangible and intangible of the Pivot Entities.

"**Balance Sheet**" has the meaning set forth in the definition of "Financial Statements" in this Section 1.01.

"**Balance Sheet Date**" has the meaning set forth in the definition of "Financial Statements" in this Section 1.01.

**"Books and Records"** means: (a) all of the Pivot Entities' books of account, accounting records and other financial data and information, including copies of filed Tax Returns and Assessments for each of the financial years of each of the Pivot Entities commencing after the Tax year ended September 21, 2021 before the date of this Agreement; (b) the corporate records of each of the Pivot Entities; (c) information of, or relating to, the Pivot Entities or the Business; and (d) all other books, documents, files, records, telephone call recordings, correspondence, data and information, financial or otherwise, that are in the possession or under the control of any of the Pivot Entities, Vendor or an Affiliate thereof, including all data and information stored electronically or on computer related media, in each case up to the Closing Date.

**"Business"** means private lending to small to mid-sized enterprises ("SME") in Canada, providing borrowers with revolving lines of credit and term loan facilities.

**"Business Day"** means any day except Saturday, Sunday or any other day on which banks located in Toronto, Ontario are authorized or required by Law to be closed for business.

**"Cash and Securities"** means: (a) cash, excluding restricted cash; (b) money in bank accounts plus uncleared deposits less outstanding cheques; (c) guaranteed income certificates, certificates of deposit, banker's acceptances and similar instruments issued by a Canadian financial institution; and (d) marketable securities, determined in accordance with GAAP consistently applied, the whole calculated as of or before the date of the Closing Working Capital Statement.

**"Cash Purchase Price"** means the Vendor Pivot Debt.

**"CFPOA"** has the meaning set forth in Section 3.17(b).

**"Closing"** has the meaning set forth in Section 2.07.

**"Closing Date"** has the meaning set forth in Section 2.07.

**"Closing Date Tax Year"** has the meaning set forth in Section 5.10(b).

**"Closing Date Working Capital"** means the Working Capital of PFSI as at 12:01am (Toronto time) on the Closing Date, prepared in accordance with GAAP, consistently applied with those principals used in the preparation of the Financial Statements, as finally determined in accordance with the provisions of Section 2.03.

**"Closing Time"** means 10:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the parties agree in writing that the Closing shall take place.

**"Constating Documents"** means, collectively, the Pivot LPA, and the original or restated articles of incorporation, articles of amendment, articles of continuance, articles of amalgamation, articles of arrangement, articles of reorganization, articles of dissolution, articles of revival, articles of constitution, articles, notice of articles, letters patent, supplemental letters patent, a special act, memorandum and articles of association or any other instrument by which a corporation, including Pivot GP, PFSI and SQI, is incorporated.

"**Contracts**" means all contracts, leases, deeds, mortgages, licences, instruments, notes, commitments, undertakings, indentures, joint ventures and all other agreements, commitments and legally binding arrangements, whether written or oral.

"**Current Assets**" means consolidated Cash and Securities, trade and other receivables, and prepaid expenses and deposits as determined in accordance with GAAP consistently applied.

"**Current Liabilities**" means the consolidated trade and other payables, accrued Taxes, income Taxes payable and other accrued charges, determined in accordance with GAAP consistently applied.

"**Direct Claim**" has the meaning set forth in Section 7.04(c).

"**Disclosure Schedules**" means, collectively, the Vendor Disclosure Schedules.

"**Dollars**" or "\$" means the lawful currency of Canada.

"**Employee**" means those individuals employed by PFSI or any other of the Pivot Entities on the date of this Agreement;

"**Encumbrances**" means any encumbrance or restriction of any kind or nature whatsoever and howsoever arising (whether registered or unregistered) and includes a security interest, mortgage, easement, adverse ownership interest, defect on title, condition, right of first refusal, right of first offer, right-of-way, encroachment, building or use restriction, conditional sale agreement, hypothec, pledge, deposit by way of security, hypothecation, assignment, charge, security under the *Bank Act* (Canada), trust or deemed trust, voting trust or pooling agreement with respect to securities, any adverse claim, grant of any exclusive licence or sole licence, or any other right, option or claim of others of any kind whatsoever, and includes any agreement to give any of the foregoing in the future, and any subsequent sale or other title retention agreement or lease in the nature thereof, affecting the Pivot Entities, the Securities or the Assets.

"**FACFOA**" has the meaning set forth in Section 3.17(b).

"**FCPA**" has the meaning set forth in Section 3.17(b).

"**Financial Statements**" means individually and collectively the unaudited consolidated (if applicable) financial statements of each of Pivot LP, SQI and PFSI for the three-months ended June 30, 2025 (the "**Balance Sheet Date**") each consisting of a balance sheet (the "**Balance Sheet**"), statement of earnings (loss) and retained earnings.

"**GAAP**" means generally accepted accounting principles as set forth in the *CPA Canada Handbook – Accounting* at the relevant time, applied on a consistent basis.

"**Governmental Authority**" means: (a) any court, tribunal, judicial body or arbitral body or arbitrator; (b) any domestic or foreign government or supranational body or authority whether

multinational, national, federal, provincial, territorial, state, municipal or local and any governmental agency, governmental authority, governmental body, governmental bureau, governmental department, governmental tribunal or governmental commission of any kind whatsoever; (c) any subdivision or authority of any of the foregoing; (d) any quasi-governmental or private body or public body exercising any regulatory, administrative, expropriation or taxing authority under or for the account of the foregoing; (e) any stock or securities exchange; and (f) any public utility authority.

**"Governmental Order"** means any order, writ, judgment, injunction, decree, stipulation, determination, award, decision, sanction or ruling entered by or with any Governmental Authority.

**"HST/GST"** means all taxes levied under Part IX of the *Excise Tax Act* (Canada).

**"Indemnified Party"** has the meaning set forth in Section 7.04.

**"Indemnifying Party"** has the meaning set forth in Section 7.04.

**"Independent Contractor"** means: (a) any individual who is not, or was not (with respect to former Independent Contractors), an employee, officer or director of any Pivot Entity, or any such individual's personal services company, and which individual or personal services company receives or received remuneration from any Pivot Entity under a Contract for services; and (b) any individual who is an employee, officer or director of any Pivot Entity, but who in the past was an individual who was not an employee, officer or director of any Pivot Entity or any such individual's personal services company, and which individual or personal services company received remuneration from any Pivot Entity under a Contract for services.

**"Interim Period"** means the period of time from and including the date of this Agreement to the Closing Time.

**"Law"** means any statute, law, ordinance, regulation, rule, instrument, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any Governmental Authority.

**"Liabilities"** has the meaning set forth in Section 3.07.

**"Losses"** means losses, damages, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind, including legal fees, disbursements and charges on a substantial indemnity basis and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers; *provided that* "Losses" shall not include special, incidental, aggravated punitive, exemplary or consequential damages, except in the case of fraud.

**"Material Adverse Effect"** means any event, occurrence, fact, condition or change that is, individually or in the aggregate, materially adverse to: (a) the business, results of operations, condition (financial or otherwise) or assets of the Pivot Entities; (b) the Purchaser's ability to operate the Business after Closing in the manner it was and they were operated prior to Closing;

except, in each case, to the extent such material adverse effect results from (i) the announcement of the transactions contemplated hereby, the execution of this Agreement or the performance or obligations hereunder, (ii) conditions affecting the global economy or the financial, credit, commodities or capital markets as a whole, (iii) changes generally affecting the industry of the Business, (iv) any change in, adoption of, or change in the interpretation of, any applicable Law or GAAP, or (v) any action taken by, or with the consent of, the Purchaser or required to be taken by this Agreement; provided, in the case of any of the foregoing clauses (ii), (iii), and (iv), such event, change or action does not have a material disproportionate effect on the Business relative to other comparable businesses operating in the same industry.

"**Material Contracts**" has the meaning set forth in Section 3.09(a).

"**Measurement Period**" means 12-months from the Closing Date.

"**Minimum Loss Amount**" means \$20,000.

"**Montfort IB Notes**" means the promissory notes issued by the Vendor to Dan Flaro in consideration of the acquisition by Vendor from Dan Flaro, of 1,024,299 Series A Shares and 2,397,368 Common Shares, in the principal amount equal to the respective market prices of the Series A Shares and Common Shares acquired by the Vendor, at the date of acquisition by the Vendor, as determined in accordance with Section 1.11 of National Instrument 62-104 Take-Over Bids and Issuer Bids.

"**OFAC**" has the meaning set forth in Section 3.17(d).

"**Ordinary Course**", when used in relation to the conduct of the Business, means any transaction that constitutes an ordinary day-to-day business activity of the Pivot Entities conducted in a manner consistent with the Pivot Entities' past practice and custom (including with respect to frequency and amount).

"**Outside Date**" means September 12, 2025.

"**Permits**" means all permits, licences, franchises, approvals, authorizations, registrations, certificates, variances and similar rights obtained, or required to be obtained, from Governmental Authorities.

"**Permitted Encumbrances**" means: (a) statutory Encumbrances for current Taxes, special assessments or other governmental charges not yet due and payable or delinquent and for which appropriate accruals have been established in the Financial Statements in accordance with GAAP; (b) statutory liens and deposits or pledges made in connection with, or to secure payment of, worker's compensation, employment insurance, Canada Pension Plan and Québec Pension Plan programs mandated under Law and for which appropriate accruals have been established in accordance with GAAP; (c) restrictions on the transfer of securities arising under Law or under the Articles.

**"Person"** means an individual, corporation, company, limited liability company, body corporate, partnership, joint venture, Governmental Authority, unincorporated organization, trust, association or other entity.

**"Personal Information"** means any factual or subjective information, recorded or not, about an employee, Independent Contractor, contractor, agent, consultant, officer, director, executive, client, lender, borrower, customer or supplier of the Pivot Entities who is a natural person or a natural person who is a shareholder of Vendor, or about any other identifiable individual, including any record that can be manipulated, linked or matched by a reasonably foreseeable method to identify an individual, but does not include the name, title or business address or telephone number of an employee of any of the Pivot Entities.

**"Pivot LPA"** means the limited partnership agreement governing Pivot LP made between Pivot GP and Montfort dated as of the 1<sup>st</sup> day of September, 2021.

**"Pre-Closing Tax Periods"** shall mean any Tax Period ending before the Closing and any pre-Closing portion of a Straddle Period.

**"Pre-Closing Taxes"** means, without duplication: (a) any Taxes of Pivot GP and PFSI that are attributable to a Tax period (or portion thereof) ending on or before the Closing Date, allocated in accordance with Section 2.04; (b) any Taxes (other than income Taxes) of the Pivot Entities that are attributable to a Tax period (or portion thereof) ending on or before the Closing Date, allocated in accordance with Section 2.04; (c) any Taxes of any Person imposed on Pivot GP and PFSI as a transferee or successor, pursuant to a contract or pursuant to any applicable Law or otherwise, which Taxes relate to an event or transaction occurring before the Closing Date; (d) any Taxes (other than income Taxes) of any Person imposed on the Pivot Entities as transferee or successor, pursuant to a contract or pursuant to any applicable Law or otherwise, which Taxes relate to an event or transaction occurring before the Closing Date; and (e) any Taxes arising from or in connection with any breach of or misrepresentation with respect to any of the representations and warranties in Section 3.14.

**"Prime Rate"** means the prime rate of interest per annum quoted by the Toronto Dominion Bank from time to time as its reference rate of interest for Canadian dollar demand loans made to its commercial customers in Canada and which the Toronto Dominion Bank refers to as its "prime rate", as such rate may be charged from time to time.

**"Purchase Price"** has the meaning set forth in Section 2.02.

**"Purchaser"** has the meaning set forth in the preamble.

**"Related Party"** has the meaning set forth in Section 3.15(b).

**"Related Party Receivables"** means any receivable owing to any of the Pivot Entities by Vendor or any other Related Party.

**"Related Person"** has the meaning set forth in Section 3.15(a).

"**Representative**" means, with respect to any Person, any, and all, directors, officers, employees, consultants, financial advisors, lawyers, accountants and other agents of such Person.

"**Securities**" has the meaning ascribed thereto in the recitals hereof.

"**SEMA**" has the meaning set forth in Section 4.17(b).

"**Series A Shares**" means the Series A Class A Preferred Shares of the Vendor.

"**Straddle Period**" means any Tax Period beginning before the Closing and ending after the Closing.

"**Tax Act**" means the *Income Tax Act* (Canada).

"**Tax**" or "**Taxes**" means all taxes, surtaxes, duties, levies, imposts, fees, assessments, reassessments, withholdings, dues and other charges of any nature, imposed or collected by any Governmental Authority, whether disputed or not, including federal, provincial, territorial, state, municipal and local, foreign and other income, franchise, capital, real property, personal property, withholding, payroll, health, transfer, value added, alternative, or add on minimum tax including HST/GST, sales, use, consumption, excise, customs, anti-dumping, countervail, net worth, stamp, registration, franchise, payroll, employment, education, business, school, local improvement, development and occupation taxes, duties, levies, imposts, fees, assessments and withholdings and Canada Pension Plan, employment insurance premiums and all other taxes and similar governmental charges, levies or assessments of any kind whatsoever imposed by any Governmental Authority including any installment payments, interest, penalties or other additions associated therewith, whether or not disputed.

"**Tax Period**" means any period prescribed by any Governmental Authority for which a Tax Return is required to be filed or Tax is required to be paid.

"**Tax Return**" means all reports, returns, information returns, claims for refunds, elections, designations, estimates, reports and other documents, including any schedule or attachments thereto, filed or required to be filed or supplied to any Governmental Authority in respect of Taxes and including any amendment thereof or attachment thereto.

"**Territory**" means Canada.

"**Third-Party Claim**" has the meaning set forth in Section 7.04(a).

"**Threshold Amount**" means \$100,000.

"**Transaction Documents**" means this Agreement and all other agreements, guarantees, directions, acknowledgements, receipts and other documents necessary to give effect to the Agreement, including, without limitation, the Transition Services Agreement, the Montfort IB Notes, Pivot lender and creditor consents and waivers, the guarantee by the Vendor of the Pivot Subordinated Portion of the indebtedness of Timia Capital Holdings LP owed to Pivot LP, the

general security agreement securing that guarantee, and any reasonably required tax declarations and certificates.

**"Transition Services Agreement"** means the agreement made between the Vendor and PFSI, Pivot LP and Pivot GP pursuant to which the Vendor agrees to provide access and use of information technology (software and hardware), records and equipment, accounting systems, records and services and personnel, office space and office furniture and administrative support for a period of six months following closing.

**"Vendor"** has the meaning set forth in the preamble.

**"Vendor Indemnitees"** has the meaning set forth in Section 7.03.

**"Vendor Disclosure Schedules"** means the schedules attached to this Agreement delivered by Vendor to Purchaser and PFSI concurrently with the execution and delivery of this Agreement.

**"Vendor Pivot Debt"** means the meaning ascribed thereto in Section 2.04(a)(ii).

**"Vendor's Knowledge"** or any other similar knowledge qualification, means the actual or constructive knowledge of Kenneth Thomson, CEO of the Vendor and Sam Hall, CFO of the Vendor, after due inquiry.

**"Working Capital"** means, for purposes of calculating Closing Date Working Capital, Current Assets less Current Liabilities.

**"Working Capital Target"** means \$50,000.

## **ARTICLE II Purchase and Sale**

**Section 2.01 Purchase and Sale.** Subject to the terms and conditions set forth herein, at the Closing, Vendor shall sell to Purchaser, and Purchaser shall purchase from Vendor, the Securities, free and clear of all Encumbrances other than Permitted Encumbrances, for the consideration specified in Section 2.02.

**Section 2.02 Purchase Price.** The aggregate purchase price for the Securities (the "**Purchase Price**"), shall be paid and satisfied by:

- (a) Payment to or to the direction of the Vendor at the Closing Time of the Cash Purchase Price; and
- (b) Delivery to the Vendor at the Closing Time of the Montfort IB Notes,

provided that the Purchase Price shall be adjusted at Closing Time to the extent the principal amount of the Montfort IB Notes is more or less than \$348,481.

## Section 2.03 Closing Date Working Capital

- (a) Preparation of Closing Date Working Capital.
- (i) Promptly after the Closing Date, the Purchaser shall cause PFSI to prepare, at PFSI's expense, a draft calculation of Closing Date Working Capital (the "**Closing Date Working Capital Calculation**"), which shall be delivered to the Vendor no later than the 45th day following the Closing Date.
  - (ii) During the period from the date of delivery of the draft Closing Date Working Capital Calculation until the date no later than 15 days after delivery of the draft Closing Date Working Capital Calculation, the Purchaser shall cause PFSI to give the Vendor and its Representatives such assistance and copies of the Books and Records of the Pivot Entities as the Vendor and its Representatives may reasonably request in order to enable them to reasonably assess the draft Closing Date Working Capital Calculation.
  - (iii) If the Vendor does not give a notice of objection in accordance with Section 2.03(b), the Vendor shall be deemed to have accepted the draft Closing Date Working Capital Calculation prepared by the Purchaser which shall be final and binding on the Parties and the draft Closing Date Working Capital Calculation shall constitute the Closing Date Working Capital for purposes of this Agreement immediately following the expiry date for the giving of such notice of objection.
- (b) Dispute Settlement.
- (i) If the Vendor objects to any matter in the draft Closing Date Working Capital Calculations prepared pursuant to Section 2.03(a), the Vendor shall give notice to the Purchaser no later than 15 days after delivery of the draft Closing Date Working Capital Calculation. Any notice given by the Vendor shall set forth in detail the particulars of such objection. The Parties shall then use reasonable efforts to resolve such objection for a period of 30 days following the giving of such notice. If the matter is not resolved by the end of such 30 day period, then the dispute with respect to such objection shall be submitted by the Parties to an accounting partner associated with an accounting firm of recognized national standing in Canada, which is independent of the Parties (the "**Independent Accountant**"). If the Parties are unable to agree on the Independent Accountant within a further 10 day period, the Independent Accountant will be BDO Canada LLP. The Independent Accountant shall, as promptly as practicable (but in any event within 45 days following its appointment), make a determination of the Closing Date Working Capital, based solely on written submissions of the Parties given by them to the Independent Accountant. The submissions of each Party shall be disclosed to the other Party and each other Party shall be afforded a reasonable opportunity to respond thereto. The decision of the

Independent Accountant as to the Closing Date Working Capital shall be final and binding upon the Parties and shall constitute the Closing Date Working Capital for purposes of this Agreement. The Purchaser and the Vendor shall each pay one-half of the fees and expenses of the Independent Accountant with respect to the resolution of the dispute.

(c) Post-Closing Adjustments to Purchase Price.

- (i) if the Closing Date Working Capital is less than the Working Capital Target, then the Vendor shall pay to the Purchaser such shortfall to the Working Capital Target. The Purchase Price shall be reduced by the amount of the shortfall on a dollar-for-dollar basis; and
- (ii) if the Closing Date Working Capital is greater than the Working Capital Target, then the Purchaser shall pay to the Vendor the amount of such excess, and the Purchase Price shall be increased accordingly on a dollar-for-dollar basis.

**Section 2.04 Transactions to be Effected at the Closing.**

(a) At the Closing, Purchaser shall deliver to or to the direction of Vendor:

- (i) the Montfort IB Notes shall be delivered to the Vendor;
- (ii) \$2,278,541, comprised of (A) \$2,178,541 in accrued interest on an intercompany loan accrued to the Outside Date due from the Vendor to Pivot LP; and (B) \$100,000 in non-interest bearing intercompany indebtedness (collectively, the “**Vendor Pivot Debt**”), which shall be paid to Pivot LP at the direction and on behalf of the Vendor in repayment of the Vendor Pivot Debt; and
- (iii) the Transaction Documents and all other agreements, documents, instruments or certificates required to be delivered by Purchaser at or before the Closing under Section 6.03.

(b) At the Closing, Vendor shall deliver to Purchaser:

- (i) Certificates or other evidence representing the Securities, free and clear of all Encumbrances other than Permitted Encumbrances, either registered in the name of the Purchaser or duly endorsed in blank or accompanied by forms of share transfers or other instruments of transfer duly executed in blank; and
- (ii) the Transaction Documents and all other agreements, documents, instruments or certificates required to be delivered by Vendor at or before the Closing under Section 6.02.

**Section 2.05 Allocation of Purchase Price**

The Vendor and the Purchaser shall allocate the Purchase Price for all purposes (including for purposes of the Tax Act) as follows:

- PFSI: 50% of the Purchase Price less \$1
- Pivot LP: 50% of the Purchase Price
- Pivot GP: \$1

Any Post-Closing Adjustments to Purchase Price shall affect the Purchase Price allocated to PFSI on a dollar-for-dollar basis.

**Section 2.06 Tax Allocation.**

- (a) The Parties agree and acknowledge their mutual intention that the taxable income, tax loss and other income tax attributes of Pivot LP shall be allocated in accordance with the existing provisions of the Pivot LPA and, for certainty, the taxable income or tax loss of Pivot LP for the fiscal period that includes the Closing Date shall be allocated on an interim closing of the books as of immediately before the Closing.
- (b) The Vendor shall pay all Pre-Closing Taxes due with respect to all Tax Returns for the Pivot Entities for any Tax period (or portion thereof) ending on or before the Closing Date.
- (c) Except as otherwise provided for in this Section 2.06, for the purposes of calculation of Pre-Closing Taxes, the allocation of Tax of PFSI, Pivot GP and Pivot LP between a portion of a Tax period ending as of the Closing Date and the portion of such Tax period commencing as of the Closing Date shall be apportioned between the pre-Closing and post-Closing portion of the Tax period based on an interim closing of the books as of immediately before Closing. Any item determined on an annual or periodic basis (including amortization and depreciation deductions and the effects of graduated rates) shall be allocated to the portion of the Tax period ending as of Closing based on the relative number of days in such portion of the Tax period as compared to the number of dates in the entire Tax period.

**Section 2.07 Closing.** Subject to the terms and conditions of this Agreement, the purchase and sale of the Securities contemplated hereby shall take place at a closing (the "**Closing**") to be held at 10 a.m., Toronto time on the Closing Date, at the offices of the Purchaser's legal counsel, Boyle & Co LLP, 50 Richmond Street East, Suite 300, Toronto, Ontario M5C 1N7, or at such other time or on such other date or at such other place as Vendor and Purchaser may mutually agree upon in writing (the day on which the Closing takes place being the "**Closing Date**").

### **ARTICLE III Representations and Warranties of Vendor**

Except as set forth in the correspondingly numbered Section of the Vendor Disclosure Schedules, Vendor represents and warrants to Purchaser and TRY that the statements contained in this ARTICLE III are true and correct as of the date hereof.

**Section 3.01 Corporate Status and Authorization of Vendor.** (a) Vendor is a corporation incorporated and validly existing in good standing under the Laws of the Province of British Columbia. (b) Vendor has the corporate power and capacity to enter into this Agreement, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. (c) The execution and delivery by Vendor of this Agreement, the performance by Vendor of its obligations hereunder and the consummation by Vendor of the transactions contemplated hereby have been duly authorized by all requisite corporate action on the part of Vendor. (d) This Agreement has been duly executed and delivered by Vendor, and (assuming due authorization, execution and delivery by Purchaser), this Agreement constitutes a legal, valid and binding obligation of Vendor enforceable against Vendor in accordance with its terms.

#### **Section 3.02 Status of Pivot LP, Pivot GP, PFSI and SQI.**

- (a) Pivot LP is a limited partnership formed and validly existing under the Laws of the Province of Ontario and has not been discontinued or dissolved under such Laws. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution or, to Vendor's Knowledge, the bankruptcy, insolvency, liquidation or winding up of Pivot LP. Pivot LP has submitted all notices or returns of corporate information and other filings required by Law to be submitted by it to any Governmental Authority. Pivot LP has the corporate power and capacity to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as it has been and is currently conducted. All actions taken by Pivot LP in connection with this Agreement and the other Transaction Documents will be duly authorized on or before the Closing. Pivot LP is a "private issuer" with the meaning of section 73.4(1) of the Securities Act (Ontario)/ and section 2.4(1) of National Instrument 45-106 - Prospectus Exemptions.
- (b) Pivot GP is a corporation incorporated and validly existing under the Laws of the Province of Ontario and has not been discontinued or dissolved under such Laws. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution or, to Vendor's Knowledge, the bankruptcy, insolvency, liquidation or winding up of Pivot GP. Pivot GP has submitted all notices or returns of corporate information and other filings required by Law to be submitted by it to any Governmental Authority. Pivot GP has the corporate power and capacity to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as it has been and is currently conducted. All actions taken by Pivot GP in connection with this Agreement and the other Transaction Documents will be duly authorized on or before the Closing. Pivot GP is a "private issuer" with the meaning of section 73.4(1) of the Securities Act

(Ontario)/ and section 2.4(1) of National Instrument 45-106 - Prospectus Exemptions.

- (c) PFSI is a corporation incorporated and validly existing under the Laws of the Province of Ontario and has not been discontinued or dissolved under such Laws. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution or, to Vendor's Knowledge, the bankruptcy, insolvency, liquidation or winding up of PFSI. PFSI has submitted all notices or returns of corporate information and other filings required by Law to be submitted by it to any Governmental Authority. PFSI has the corporate power and capacity to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as it has been and is currently conducted. All actions taken by PFSI in connection with this Agreement and the other Transaction Documents will be duly authorized on or before the Closing. PFSI is a "private issuer" with the meaning of section 73.4(1) of the Securities Act (Ontario)/ and section 2.4(1) of National Instrument 45-106 - Prospectus Exemptions.
- (d) SQI is a corporation incorporated and validly existing under the Laws of the Province of Ontario and has not been discontinued or dissolved under such Laws. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution or, to Vendor's Knowledge, the bankruptcy, insolvency, liquidation or winding up of SQI. SQI has submitted all notices or returns of corporate information and other filings required by Law to be submitted by it to any Governmental Authority. SQI has the corporate power and capacity to own, operate or lease the properties and assets now owned, operated or leased by it and to carry on its business as it has been and is currently conducted. All actions taken by SQI in connection with this Agreement and the other Transaction Documents will be duly authorized on or before the Closing. SQI is a "private issuer" with the meaning of section 73.4(1) of the Securities Act (Ontario)/ and section 2.4(1) of National Instrument 45-106 - Prospectus Exemptions.

### **Section 3.03 Capitalization.**

- (a) The authorized capital of Pivot LP consists of an unlimited number of Class A Limited Partnership Units (“**Class A LP Units**”) of which only the 1,500,010 Class A LP Units are issued and outstanding and constitute part of the Securities to be purchased by the Purchaser subject to the terms and conditions of this Agreement. All the Class A LP Units have been duly authorized, are validly issued, fully paid and non-assessable, and Vendor is the registered and beneficial owner of the Class A LP Units, free and clear of all Encumbrances other than Permitted Encumbrances. Upon consummation of the transactions contemplated by this Agreement, Purchaser shall own all the Class A LP Units, free and clear of all Encumbrances other than Permitted Encumbrances.
- (b) The authorized capital of Pivot GP consists of an unlimited number Common Shares of which only 100 Common Shares are issued and outstanding and constitute part of the Securities to be purchased by the Purchaser subject to the

terms and conditions of this Agreement. All the Voting Common Shares have been duly authorized, are validly issued, fully paid and non-assessable, and Vendor is the registered and beneficial owner of the Voting Common Shares, free and clear of all Encumbrances other than Permitted Encumbrances. Upon consummation of the transactions contemplated by this Agreement, Purchaser shall own all the Voting Common Shares, free and clear of all Encumbrances other than Permitted Encumbrances.

- (c) The authorized capital of PFSI consists of an unlimited number of Class A shares, and an unlimited number of Class B shares of which only 100 [Class A shares] are issued and outstanding and constitute part of the Securities to be purchased by the Purchaser subject to the terms and conditions of this Agreement. All the Voting Common Shares have been duly authorized, are validly issued, fully paid and non-assessable, and Vendor is the registered and beneficial owner of the Voting Common Shares, free and clear of all Encumbrances other than Permitted Encumbrances. Upon consummation of the transactions contemplated by this Agreement, Purchaser shall own all the Voting Common Shares, free and clear of all Encumbrances other than Permitted Encumbrances.
- (d) The authorized capital of SQI consists of an unlimited number of Common Shares of which only 1 Common Share is issued and outstanding and is owned by Pivot LP. All the SQI Shares have been duly authorized, are validly issued, fully paid and non-assessable, and Pivot LP is the registered and beneficial owner of the SQI Shares, free and clear of all Encumbrances other than Permitted Encumbrances.
- (e) All the Securities were issued in compliance with applicable Laws. None of the Securities were issued in violation of any agreement, arrangement or commitment to which Vendor or any of Pivot LP, Pivot GP or PFSI is a party or is subject to or in violation of any preemptive or similar rights of any Person.
- (f) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to any shares or limited partnership units in the capital of any of Pivot LP, Pivot , PFSI or SQI or obligating Vendor or any of Pivot LP, Pivot GP, PFSI or SQI to issue or sell any shares of, or any other interest in, their capital. None of Pivot LP, Pivot GP, PFSI or SQI 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 Securities.

**Section 3.04 No Subsidiaries.** Other than SQI Diagnostics Systems Ltd. (“SQI”) which is a wholly owned subsidiary of Pivot LP, none of Pivot LP, Pivot GP nor PFSI owns, or has any interest in, any shares or have securities, or another ownership interest, in any other Person.

**Section 3.05 No Conflicts; Consents.** To Vendor’s Knowledge, the execution, delivery and performance by Vendor of this Agreement, and the consummation of the transactions

contemplated hereby, do not and will not to a material extent: (a) conflict with or result in a violation or breach of, or default under, any provision of the Constating Documents of the Vendor; (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Vendor or any of Pivot LP, Pivot GP or PFSI; (c) except as set forth in Section 3.05 of the Vendor Disclosure Schedules, require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel any Contract to which Vendor or any of Pivot LP, Pivot GP or PFSI is bound (including any Material Contract) or any Permit affecting the Assets or Business of any of Pivot LP, Pivot GP or PFSI; or (d) result in the creation or imposition of any Encumbrance other than Permitted Encumbrances on any Assets of any of Pivot LP, Pivot GP or PFSI. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Vendor or any of Pivot LP, Pivot GP or PFSI in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.

**Section 3.06 Financial Statements.**

- (a) Complete copies of Pivot LP's, SQI's and PFSI's Financial Statements have been delivered to Purchaser and TRY. The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis throughout the period involved.
- (b) The Financial Statements: (i) are based on the Books and Records of Pivot LP, SQI and PFSI; and (ii) fairly, completely and accurately present in all material respects the Assets, Liabilities and financial position of Pivot LP and PFSI as of the respective dates they were prepared and the results of the operations of Pivot LP and PFSI for the periods covered thereby.
- (c) Each of the Pivot Entities maintains a standard system of accounting established and administered in accordance with GAAP.

**Section 3.07 Undisclosed Liabilities.** Except as set out in Section 3.07 of the Vendor Disclosure Schedules, to Vendor's Knowledge, none of the Pivot Entities has liabilities, obligations or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured or otherwise, including without limitation invoices for legal, accounting or other professional services purporting to be addressed to any of the Pivot Entities (collectively, the "**Liabilities**"), except: (a) those that are adequately reflected or reserved against in the respective Balance Sheet as of the Balance Sheet Date; and (b) those that have been incurred in the Ordinary Course consistent with past practice since the Balance Sheet Date and that are not, individually or in the aggregate, in excess of \$50,000.

**Section 3.08 Absence of Certain Changes, Events and Conditions.** Since the Balance Sheet Date, and other than in the Ordinary Course consistent with past practice, to Vendor's Knowledge, there has not been, with respect to Pivot LP, Pivot GP and PFSI, any:

- (a) event, occurrence or development that has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;
- (b) amendment of the Articles, by-laws, limited partnership agreement or other constating documents of any of Pivot LP, Pivot GP or PFSI;
- (c) issuance, sale or other disposition of any securities of Pivot LP, Pivot GP or PFSI, or grant of any options, warrants or other rights to purchase or obtain (including upon conversion, exchange or exercise) any securities of Pivot LP, Pivot GP or PFSI;
- (d) declaration or payment of any dividends or distributions on or in respect of any securities of Pivot LP, Pivot GP or PFSI or redemption, retraction, purchase or acquisition of any other securities;
- (e) material change in any method of accounting or accounting practice, except as required by GAAP or as disclosed in the notes to the Financial Statements;
- (f) entry into any Contract that would constitute a Material Contract;
- (g) acceleration, termination, material modification to or cancellation of any Contract/Material Contract to which any of the Pivot Entities is a party or by which it is bound;
- (h) imposition of any Encumbrance upon any of the Securities or Assets;
- (i) any loan to (or forgiveness of any loan to), or entry into any other transaction with, any Related Party;
- (j) entry into a new line of business or abandonment or discontinuance of existing lines of business;
- (k) amalgamation, arrangement, reorganization, liquidation or dissolution, or the commencement of any proceedings by any of Pivot LP, Pivot GP or PFSI or their creditors seeking to adjudicate any of Pivot LP, Pivot GP or PFSI as bankrupt or insolvent, making a proposal with respect to any of Pivot LP, Pivot GP or PFSI under any Law relating to bankruptcy, insolvency, reorganization, arrangement or compromise of debts or similar laws, appointment of a trustee, receiver, receiver-manager, agent, custodian or similar official for any of Pivot LP, Pivot GP or PFSI or for any substantial part of their Assets;
- (l) amalgamation, arrangement, or purchase of a substantial portion of the assets or shares of any business or any Person or any part thereof;
- (m) action by any of Pivot LP, Pivot GP or PFSI to make, change or rescind any Tax election, amend any Tax Return or take any position on any Tax Return, take any action, omit to take any action or enter into any other transaction that would have

the effect of increasing the Tax liability or reducing any Tax asset or attribute of any of Pivot LP, Pivot GP or PFSI; or

- (n) any Contract to do any of the foregoing, or any action or omission that would result in any of the foregoing.

**Section 3.09 Material Contracts.**

- (a) Section 3.09 of the Vendor Disclosure Schedules lists each of the following Contracts of the Pivot Entities to Vendor's Knowledge (such Contracts being "**Material Contracts**"):
  - (i) all Contracts relating to credit, borrowing or indebtedness (including guarantees) of Pivot LP, Pivot GP or PFSI;
  - (ii) all Contracts that limit or purport to limit the ability of any of Pivot LP, Pivot GP or PFSI to compete in any line of business or with any Person or in any geographic area or during any period of time;
  - (iii) any Contracts that provide for any joint venture, partnership or similar arrangement by any of Pivot LP, Pivot GP or PFSI;
  - (iv) all shareholder agreements, pooling agreements, voting trusts or similar agreements with respect to the ownership or voting of any of the Securities or restriction of the power of the directors of Pivot GP or PFSI to manage, or supervise the management of, the business and affairs of Pivot GP, PFSI or Pivot LP;
  - (v) all Contracts between or among (A) any of Pivot LP, Pivot GP or PFSI and (B) Vendor or any Affiliate of Vendor (other than any of the Pivot Entities);
  - (vi) all Contracts that relate to the acquisition or disposition of any business, a material amount of shares or assets of any other Person (whether by amalgamation, sale or issue of shares, sale of assets or otherwise); and
  - (vii) any other Contract of the Pivot Entities that creates an obligation equal to or greater than \$50,000 and not previously disclosed under this Section 3.09.
- (b) To Vendor's Knowledge, each Material Contract is valid and binding on Pivot LP, Pivot GP or PFSI as applicable in accordance with its terms and is in full force and effect. None of the Pivot Entities or, to Vendor's Knowledge, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under) or has provided or received any notice of any intention to terminate, any Material Contract. To Vendor's Knowledge, no event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any Material Contract or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit

thereunder that would constitute a Material Adverse Effect. Complete and correct copies of each Material Contract (including all modifications, amendments and supplements thereto and waivers thereunder) have been made available to Purchaser.

**Section 3.10 No Real Property, No Leased Premises.**

- (a) None of Pivot LP, Pivot GP or PFSI is the owner of, or under any agreement or option to own, any real property or any interest herein.
- (b) None of Pivot LP, Pivot GP or PFSI is a party to any lease, agreement to lease or agreement in the nature of a lease, whether as lessor or lessee.

**Section 3.11 Legal Proceedings; Governmental Orders.**

- (a) Except as set out in Section 3.11 of the Vendor Disclosure Schedules, there are no Actions pending or, to Vendor's Knowledge, threatened: (a) against any of Pivot LP, Pivot GP or PFSI ( against Vendor or any Affiliate thereof and relating to any of Pivot LP, Pivot GP or PFSI); or (b) against or by any of Pivot LP, Pivot GP or PFSI, Vendor or any Affiliate of Vendor that challenges or seeks to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. To Vendor's Knowledge, no event has occurred, or circumstances exist that may give rise to, or serve as a basis for, any such Action.
- (b) There are no outstanding Governmental Orders and no unsatisfied judgments, penalties or awards against or affecting any of Pivot LP, Pivot GP or PFSI.

**Section 3.12 Compliance with Laws; Permits.**

- (a) To Vendor's Knowledge, each of Pivot LP, Pivot GP and PFSI has materially complied, and is now materially complying, with all Laws applicable to it or its Business or Assets.
- (b) All Permits required for each of Pivot LP, Pivot GP and PFSI to conduct its Business have been obtained by it and, to Vendor's Knowledge, are valid and in full force and effect. All fees and charges with respect to such Permits as of the date hereof have been paid in full. To Vendor's Knowledge, no event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any Permit.

**Section 3.13 Employment Matters.**

- (a) Neither Pivot LP nor Pivot GP have any Employees or Independent Contractors.
- (b) Section 3.13 of the Vendor Disclosure Schedules sets forth the list of Employees to Vendor's Knowledge, which indicates: (i) the titles of all Employees and the location of their employment; and (ii) which Employees are subject to a written employment agreement with any of the Pivot Entities.

- (c) Section 3.13 of the Vendor Disclosure Schedules lists: (i) all Contracts with any Employee who is a manager or executive of any of the Pivot Entities; and (ii) all Contracts that provide for severance, termination or similar payments or entitlements including on a change of control of any of the Pivot Entities.
- (d) Section 3.13 of the Vendor Disclosure Schedules lists all Persons to Vendor's Knowledge who are currently performing services for any of the Pivot Entities as Independent Contractors under a Contract.

**Section 3.14 Taxes.**

- (a) Each of Pivot LP, Pivot GP, PFSI and SQI have duly and timely filed all its Tax Returns with all appropriate Governmental Authorities. To Vendor's Knowledge, each such Tax Return was true, correct and complete in all material respects.
- (b) All taxes due and payable by each of Pivot GP, PFSI and SQI for periods (or portions thereof) ending on or before the Closing Date (whether or not shown due on any Tax Returns and whether or not assessed or reassessed by the appropriate Governmental Authority) have either been paid or reflected as Liabilities in the Books and Records and Financial Statements and will be included in the Closing Date Working Capital Calculation.
- (c) There are no matters under audit or appeal with any Governmental Authority relating to Taxes of any of Pivot LP, Pivot GP, PFSI and SQI.
- (d) True copies of all Tax Returns prepared and filed by the Pivot Entities and SQI during the past three years, together with any notices of assessment during the past three years, have been made available to Purchaser on or before the date of this Agreement.
- (e) Adequate provision has been made in accordance with GAAP in the Books and Records for all Taxes payable in respect of the Business or the Assets.
- (f) To Vendors's Knowledge, none of the Pivot Entities nor SQI has received any notice in writing from any Governmental Authority that it is taking steps to assess any additional Taxes against them for any period for which Tax Returns have been filed and there are no actual or pending audit investigations or other Actions of, or against, the Pivot Entities or SQI by any Governmental Authority relating to Taxes. No Governmental Authority has given written notice of any intention to assert any deficiency or claim for additional Taxes against them.
- (g) None of the Pivot Entities nor SQI has waived any statute of limitation in respect of Taxes or agreed to any extension of time within which: (i) to file any Tax return covering any Taxes for which they are or may be liable; (ii) is required to pay or remit amounts on account of Taxes; or (iii) any Governmental Authority may assess or collect Taxes for which the Pivot Entities or SQI may be liable.

- (h) Neither Vendor nor any of the Pivot Entities is a non-resident of Canada within the meaning of the Tax Act.
- (i) Each of the Pivot Entities and SQI has duly and timely withheld or collected the proper amount of Taxes that are required by Law to be withheld or collected (including Taxes and other amounts required to be withheld by it in respect of any Person, including any employee, officer or director and any Person not resident in Canada for purposes of the Tax Act) and has duly and timely remitted to the appropriate Governmental Authority such Taxes and other amounts required to be remitted by them.
- (j) Each of the Pivot Entities and SQI has not acquired property or services from, or disposed of property to, a non-arm's length Person (within the meaning of the Tax Act) for consideration, the value of which is less than the fair market value of the property or services, as the case may be.

**Section 3.15 Related-Party Transactions.** Except as set forth in Section 3.15 of the Vendor Disclosure Schedules:

- (a) None of the Pivot Entities or SQI has made any payment or loan to or borrowed any monies from or is otherwise indebted to, any officer, director, employee, trustee or shareholder, or any Person with whom any of the Pivot Entities or SQI is not dealing at arm's length (within the meaning of the Tax Act) or any Affiliate or spouse of any of the foregoing (each, a "**Related Person**").
- (b) Neither Vendor nor any Affiliate of Vendor (each, a "**Related Party**") is a party to any Contract with any Pivot Entities, no Related Party is indebted to the Pivot Entities and no Pivot Entity is indebted to any Related Party.
- (c) No Related Person: (i) possesses, directly or indirectly, any financial interest in, or is a director, officer or employee of, any Person that is a competitor the Pivot Entities; or (ii) has any interest in any assets used or held for use by the Pivot Entities.

**Section 3.16 Books and Records.** The Books and Records of the Pivot Entities, all of which have been made available to Purchaser, are complete and correct and have been maintained in accordance with sound business practices. The minute books of the Pivot Entities contain accurate and complete records of all meetings, and resolutions in writing of, the shareholders, the board of directors and any committees of the board of directors of the Pivot Entities, and no meeting, or resolution in writing, of any such shareholders, board of directors or committee has been held for which minutes or resolutions in writing have not been prepared and are not contained in such minute books. At the Closing, all the Books and Records will be in the possession of the Pivot Entities.

**Section 3.17 Anti-Money Laundering and Anti-Corruption Practices.** To Vendor's Knowledge, none of the Pivot Entities nor any of their directors, officers, employees, agents, consultants or representatives:

- (a) has violated, and Vendor's execution and delivery of and performance of its obligations under this Agreement will not violate, any Laws related to money laundering or government guidance regarding anti-money laundering and international anti-money laundering principles or procedures of an intergovernmental group or organization and any executive order, directive or regulation under the authority of any of the foregoing, or any orders or licences issued thereunder, in each case to which any of the Pivot Entities or Vendor is subject;
- (b) has, in the course of its actions for, or on behalf of, the Pivot Entities (A) knowingly used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity, (B) paid or received any bribe or otherwise unlawfully offered or provided, directly or indirectly, anything of value to (or received anything of value from) any foreign or domestic government employee or official or any other Person, (C) violated or taken any act that would violate any provision of the *Corruption of Foreign Public Officials Act* (Canada) ("**CFPOA**"), the *Foreign Corrupt Practices Act of 1977* (United States) ("**FCPA**") or other similar Laws of other jurisdictions, (D) violated or taken any act that would violate any provision of the *Bribery Act* (UK) or other similar Laws of other jurisdictions, (E) violated or taken any act that would violate the *Special Economic Measures Act* (Canada) ("**SEMA**") or other similar Laws of other jurisdictions, or (F) violated or taken any act that would violate the *Freezing Assets of Corrupt Foreign Public Officials Act* (Canada) ("**FACFOA**") or other similar Laws of other jurisdictions, in each case to which any of the Pivot Entities is subject;
- (c) has, directly or indirectly, taken any action in violation of any export restrictions, anti-boycott regulations, embargo regulations or other similar applicable Canadian, United States or other foreign Laws;
- (d) is a "specially designated national" or "blocked person" under United States sanctions administered by the Office of Foreign Assets Control of the United States Department of the Treasury ("**OFAC**"), a Person identified under SEMA, FACFOA or any United Nations resolution or regulation or otherwise a target of economic sanctions under other similar applicable Canadian, United States or foreign Laws; or
- (e) has engaged in any business with any Person with whom, or in any country in which it is prohibited for a Person to engage under SEMA, FACFOA, any United Nations resolution or regulation or any other Law.

**Section 3.18 Full Disclosure.** No representation or warranty by Vendor in this Agreement and no statement contained in the Vendor Disclosure Schedules to this Agreement or any certificate or other document furnished or to be furnished to Purchaser under this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained therein, in the light of the circumstances in which they are made, not misleading.

**Section 3.19 Commissions.** The Purchaser will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated by this Agreement because of any action taken by, or agreement or understanding reached by, the Vendor.

#### **ARTICLE IV Representations and Warranties of Purchaser**

Purchaser represents and warrants to Vendor that the statements contained in this ARTICLE IV are true and correct as of the date hereof.

**Section 4.01 Corporate Status and Authorization of Purchaser.** (a) Purchaser is a corporation incorporated and validly existing under the Laws of the Province of Ontario (b) Purchaser has the corporate power and capacity to enter into this Agreement, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. (c) The execution and delivery by Purchaser of this Agreement, the performance by Purchaser of its obligations hereunder and the consummation by Purchaser of the transactions contemplated hereby have been duly authorized by all requisite corporate action. (d) This Agreement has been duly executed and delivered by Purchaser, and (assuming due authorization, execution and delivery by Vendor) this Agreement constitutes a legal, valid and binding obligation of Purchaser enforceable against Purchaser in accordance with its terms. (e) There is no Action in progress, pending, or, to the knowledge of the Purchaser, threatened against or affecting the Purchaser or any of its Affiliates, and there are no grounds on which any such Action might be commenced and there is no Order outstanding against or affecting the Purchaser or any of its Affiliates which, in any such case, affects adversely or might affect adversely the ability of the Purchaser to enter into this Agreement or to perform its obligations hereunder.

**Section 4.02 Officers and Directors.** Tony Ennis is the sole director and officer of the Purchaser as of the date hereof.

**Section 4.03 Commissions.** The Vendor will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated by this Agreement because of any action taken by, or agreement or understanding reached by, the Purchaser.

**Section 4.04 Capitalization.** The authorized capital of the Purchaser consists of an unlimited number of Common Shares of which only 1,000 Common Shares are issued and outstanding, all of which are registered to and beneficially held by TRY.

#### **ARTICLE V Covenants**

**Section 5.01 Conduct of Business Before the Closing.** From the date hereof until the Closing, except as otherwise provided in this Agreement or consented to in writing by Purchaser (which consent shall not be unreasonably withheld or delayed), Vendor shall, and shall cause the Pivot Entities to: (a) conduct the Business of the Pivot Entities in the Ordinary Course consistent with past practice; and (b) use reasonable commercial efforts to maintain and preserve intact the current organization and Business of the Pivot Entities and to preserve the rights, goodwill and relationships of its employees, lenders, borrowers, regulators and others having business

relationships with any of the Pivot Entities. Without limiting the foregoing, from the date hereof until the Closing Date, Vendor shall cause the Pivot Entities to:

- (a) pay their debts, Taxes and other obligations when due;
- (b) perform all its obligations under all Contracts relating to or affecting its Assets or Business;
- (c) maintain the Books and Records in accordance with past practice;
- (d) not (A) make, change or revoke, or permit any Pivot Entity to make, change or revoke, any Tax election, or file or cause to be filed an amended Tax Return unless required by Law or (B) make, or permit any Pivot Entity to make, any change in any Tax or accounting methods or policies or systems of internal accounting controls, except to conform to changes in Laws related to Taxes or accounting requirements;
- (e) comply in all material respects with all applicable Laws; and
- (f) not take or permit any action that would cause any of the changes, events or conditions described in Section 3.08 to occur.

**Section 5.02 Access to Information.** From the date hereof until the Closing, Vendor shall, and shall cause the Pivot Entities to: (a) afford Purchaser, TRY and their Representatives full and free access to and the right to inspect all of the Assets, premises, Books and Records, Contracts and other documents and data related to the Pivot Entities; (b) furnish Purchaser, TRY and their Representatives with such financial, operating and other data and information related to the Pivot Entities as Purchaser, TRY or any of their Representatives may reasonably request; and (c) instruct the Representatives of Vendor and the Pivot Entities to cooperate with Purchaser and TRY in their investigation of the Pivot Entities. Any investigation under this Section 5.02 shall be conducted in such manner as not to interfere unreasonably with the conduct of the Business of Vendor or any of the Pivot Entities. No investigation by Purchaser or TRY or other information received by Purchaser or TRY shall operate as a waiver or otherwise affect any representation, warranty or agreement given or made by Vendor in this Agreement.

**Section 5.03 No Solicitation of Other Bids**

- (a) Vendor shall not, and shall not authorize or permit any of its Affiliates (including any of the Pivot Entities) or any of its or their Representatives to, directly or indirectly: (i) encourage, solicit, initiate, facilitate or continue inquiries regarding an Acquisition Proposal; (ii) enter into discussions or negotiations with, or provide any information to, any Person concerning a possible Acquisition Proposal; or (iii) enter into any agreements or other instruments (whether or not binding) regarding an Acquisition Proposal. For purposes hereof, "**Acquisition Proposal**" shall mean any inquiry, proposal or offer from any Person (other than Purchaser or any of its Affiliates) concerning: (i) a merger, amalgamation, arrangement, liquidation, recapitalization, share exchange or other business combination transaction involving any of the Pivot Entities; or (ii) the acquisition of the Securities.

- (b) In addition to the other obligations under this Section 5.03, Vendor shall promptly (and, in any event, within three (3) Business Days after receipt of an Acquisition Proposal by Vendor or its Representatives) advise Purchaser orally and in writing of any: (i) Acquisition Proposal, any request for information with respect to any Acquisition Proposal or any inquiry with respect to or which could reasonably be expected to result in an Acquisition Proposal and (ii) the material terms and conditions of such request, Acquisition Proposal or inquiry.
- (c) Vendor agrees that the rights and remedies for non-compliance with this Section 5.03 shall include having such provision specifically enforced by any court of competent equitable jurisdiction, it being acknowledged and agreed that any such breach or threatened breach shall cause irreparable injury to Purchaser and that monetary damages would not provide an adequate remedy for Purchaser.

**Section 5.04 Notice of Certain Events**

- (a) From the date hereof until the Closing, Vendor shall promptly notify each of Purchaser and TRY in writing of any:
  - (i) fact, circumstance, event or action, the existence, occurrence or taking of which (A) has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (B) has resulted in, or could reasonably be expected to result in, any representation or warranty made by Vendor hereunder not being true and correct, or (C) has resulted in, or could reasonably be expected to result in, the failure of any of the conditions set forth in Section 6.01 or 6.02 to be satisfied;
  - (ii) notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement;
  - (iii) notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement; and
  - (iv) Actions commenced or threatened against, relating to or involving or otherwise affecting Vendor or and of the Pivot Entities that, if pending on the date of this Agreement, would have been required to have been disclosed under Section 3.11 or that relates to the consummation of the transactions contemplated by this Agreement.
- (b) Purchaser's receipt of information under this Section 5.04 shall not operate as a waiver or otherwise affect any representation, warranty or agreement given or made by Vendor in this Agreement (including Section 7.02 and Section 8.01(b)) and shall not be deemed to amend or supplement the Vendor Disclosure Schedules.

**Section 5.05 Confidentiality.** From and after the Closing, Vendor shall, and shall cause its Affiliates to, hold, and shall use its reasonable commercial efforts to cause its or their respective Representatives to hold, in confidence any and all information, whether written or oral, concerning

the Pivot Entities, except to the extent that Vendor can show that such information: (a) is generally available to, and known by, the public through no fault of Vendor, any of its Affiliates or any of their respective Representatives; or (b) is lawfully acquired by Vendor, any of its Affiliates or any of their respective Representatives from sources that are not prohibited from disclosing such information by a legal, contractual or fiduciary obligation. If Vendor, any of its Affiliates or any of their respective Representatives are compelled to disclose any information by judicial or administrative process or by other requirements of Law, Vendor shall promptly notify Purchaser in writing and shall disclose only that portion of such information that Vendor is advised by its counsel in writing is legally required to be disclosed; *provided that* Vendor shall use its reasonable commercial efforts to obtain an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.

**Section 5.06 Personal Information Privacy.** Purchaser shall, at all times, comply with all Laws governing the protection of personal information with respect to Personal Information disclosed or otherwise provided to Purchaser by Vendor or any of the Pivot Entities under this Agreement. Purchaser shall only collect, use or disclose such Personal Information for the purposes of investigating the Pivot Entities and the Business as contemplated in this Agreement and completing the transactions contemplated in this Agreement. Purchaser shall safeguard all Personal Information collected from Vendor or the Pivot Entities in a manner consistent with the degree of sensitivity of the Personal Information and maintain, at all times, the security and integrity of the Personal Information. Purchaser shall not make copies of the Personal Information or any excerpts thereof or in any way recreate the substance or contents of the Personal Information if the purchase of the Securities is not completed for any reason and shall return all Personal Information to Vendor or, at Vendor's request, destroy such Personal Information at Purchaser's sole cost.

**Section 5.07 Non-Solicitation**

- (a) For a period of two years commencing on the Closing Date (the “**Restricted Period**”), Vendor shall not, and shall not permit any of its Affiliates to, directly or indirectly, hire or solicit any employee of any Pivot Entity (an “**Employee**”) or encourage any Employee to leave their employment or hire any Employee who has left such employment, except pursuant to a general solicitation that is not directed specifically to any such employees; *provided that* nothing in this Section 5.07(a) shall prevent Vendor or any of its Affiliates from hiring: (i) any Employee whose employment has been terminated by any of the Pivot Entities or Purchaser; or (ii) after 180 days from the date of termination of employment, any employee whose employment has been terminated by the employee.
- (b) During the Restricted Period, Vendor will not, and will cause its Affiliates and their respective Representatives not to, in any manner, directly, indirectly, individually, whether as principal, agent, partner, officer, director, shareholder, manager, member, employee, independent contractor, consultant, trustee or otherwise, jointly or in conjunction with any Person, solicit, persuade, encourage or take any other action which is intended to knowingly induce (i) any limited partner, securityholder, client, borrower, supplier, vendor, contractor or other business partner of the Pivot Entities to adversely alter or modify or to discontinue its

relationship with the Pivot Entities or otherwise adversely interfere with the business relationship between the Pivot Entities and such Person or entity, or to divert any business or business opportunities relating to the Business of the Pivot Entities to any other Person or entity, or (ii) any Borrower (as hereinafter defined) to discontinue, or not to commence, borrowing from the Pivot Entities. For the purposes of this Agreement, "**Borrower**" will mean any Person or entity (i) to whom or which the Pivot Entities has made a loan in connection with the Business within the one year period prior to the Closing Date; (ii) which is currently a borrower under any loans made by Pivot LP in connection with the Business; or (iii) to whom or which the Pivot Entities, or any representative of the Pivot Entities, has actively solicited in connection with the potential or prospective provision of loans within the one year period prior to the Closing Date.

- (c) Vendor acknowledges that a breach or threatened breach of this Section 5.07 would give rise to irreparable harm to Purchaser, for which monetary damages would not be an adequate remedy, and hereby agrees that, in the event of a breach or a threatened breach by Vendor of any such obligations, Purchaser shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to equitable relief, including a temporary restraining order, an interim or permanent injunction, specific performance and any other relief that may be available from a court of competent equitable jurisdiction (without any requirement to post a bond or other security).
- (d) Vendor acknowledges that the restrictions contained in this Section 5.07 are reasonable and necessary to protect the legitimate interests of Purchaser and constitute a material inducement to Purchaser's entering into this Agreement and consummating the transactions contemplated by this Agreement. The covenants contained in this Section 5.07 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 5.08 Other Approvals and Consents.**

- (a) Vendor and Purchaser shall use their respective commercially reasonable efforts to give all notices to, and obtain all consents from, all third parties that are described in Section 3.05 of the Vendor Disclosure Schedules.
- (b) If any consent, approval or authorization necessary to preserve any right or benefit under any Contract to which any of the Pivot Entities is a party is not obtained before the Closing, Vendor shall, after the Closing, cooperate with Purchaser and the Pivot Entities in attempting to obtain such consent, approval or authorization as promptly thereafter as practicable. If such consent, approval or authorization cannot be obtained, Vendor shall use its commercially reasonable efforts to provide the Pivot Entities with the rights and benefits of the affected Contract for the term

thereof and, if Vendor provides such rights and benefits, the Pivot Entities shall assume all obligations and burdens thereunder.

**Section 5.09 Books and Records.**

- (a) For a period of two years from Closing, Purchaser shall retain and make available to Vendor the Books and Records of the Pivot Entities (or, if practicable, the relevant parts thereof) for inspection and copying. If it is not practicable to make available only the relevant parts of such Books and Records, Vendor shall furnish such undertaking as to confidentiality as Purchaser may reasonably require prior to receiving access to such Books and Records. Unless otherwise consented to in writing by the Vendor, the Purchaser shall not, and shall not permit the Pivot Entities to, for a period of two years following Closing, destroy, alter or otherwise dispose of any Books and Records for any period prior to the closing without first giving reasonable prior written notice to the Vendor and offering surrender to the Vendor such Books and Records or any portion thereof that the Purchaser or the Pivot Entities may intend to destroy, alter or dispose of.
- (b) For a period of two years from Closing, Vendor shall make available to Purchaser all books and records related to the Pivot Entities retained by it (or, if practicable, the relevant parts thereof) for inspection and copying. If it is not practicable to make available only the relevant parts of such books and records, Purchaser shall furnish such undertaking as to confidentiality as Vendor may reasonably require prior to receiving access to such books and records. Unless otherwise consented to in writing by the Purchaser, the Vendor shall not, for a period of two years following Closing, destroy, alter or dispose of any Books and Records for any period prior to the Closing without first giving reasonable prior written notice to the Purchaser and offering to surrender to the Purchaser such Books and Records or any portion thereof that the Vendor may intend to destroy, alter or dispose of.

**Section 5.10 Pre-Closing Tax Period and Closing Date Tax Year.**

- (a) On or before the statutory due date, Vendor shall prepare all Tax Returns in accordance with applicable Law and past practice of the Pivot Entities and after providing Purchaser with a reasonable opportunity (which, in any event, shall not be fewer than 15 Business Days before the date on which such Tax Returns are required to be filed) to review and, approve, file, on behalf of and in the name of the Pivot Entities, all income Tax Returns required by Law to be filed for any Pre-Closing Tax Period that are not required to be filed on or before the Closing Date.
- (b) On or before the statutory due date, Purchaser shall prepare Tax Returns in accordance with applicable Law and past practice of the Pivot Entities and after providing Vendor with a reasonable opportunity (which, in any event, shall not be fewer than 15 Business Days before the date on which such Tax Returns are required to be filed) to review, approve, file, on behalf of and in the name of the Pivot Entities, all income Tax Returns required by Law to be filed for the taxation year that includes the Closing Date (the "**Closing Date Tax Year**").

- (c) If Purchaser or any of the Pivot Entities receives an assessment or reassessment (each, an "**Assessment**") from any Governmental Authority in respect of any Tax Return in respect of any Pre-Closing Tax Period or any Tax Return filed under the Tax Act for the Closing Date Tax Year, Purchaser shall deliver or cause to be delivered to Vendor a copy of the Assessment within 15 days of receiving the Assessment, *provided that* the failure to do so shall not affect the indemnification provided hereunder except only to the extent that Vendor shall have been actually prejudiced as a result of such failure. The parties will cooperate in responding to or contesting any Assessment.

**Section 5.11 Closing Conditions.** During the Interim Period, each party hereto shall, and Vendor shall cause the Pivot Entities to, use their commercially reasonable efforts to take such actions as are necessary to expeditiously satisfy the closing conditions set forth in ARTICLE VI.

**Section 5.12 Public Announcements.** Unless otherwise required by applicable Law or the TSX Venture Exchange (based upon the reasonable advice of counsel), no party to this Agreement shall make any public announcements in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the other party (which consent shall not be unreasonably withheld or delayed), and the parties shall cooperate as to the timing and contents of any such announcement.

**Section 5.13 Further Assurances.** Following the Closing, each of the parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents, instruments, conveyances and assurances, and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

## **ARTICLE VI**

### **Conditions to Closing**

**Section 6.01 Conditions to Obligations of All Parties.** The obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, at or before the Closing, of each of the following conditions:

- (a) Waivers or consents from parties listed in Section 3.05 of the Vendor Disclosure Schedule;
- (b) Waivers or consents of any other party triggered by any change of control or similar provision shall have been obtained;
- (c) No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Governmental Order that is in effect and has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining or prohibiting consummation of such transactions or causing any of the transactions contemplated hereunder to be rescinded following the completion thereof;
- (d) Vendor shall have received all consents, authorizations, orders and approvals from the Governmental Authorities referred to in Section 3.05, in form and substance

reasonably satisfactory to Purchaser, and no such consent, authorization, order and approval shall have been revoked;

- (e) The Vendor will have received a conversion notice from Dan Flaro in respect of 730,701 Series A Shares to be converted into common shares in the capital of the Vendor (the “**Converted Common Shares**”) on a one-for-one basis in accordance with Section 32(4) of the articles of the Vendor;
- (f) Satisfactory evidence to the Vendor that the 1,255,000 Series A Shares previously held by TRY have been duly assigned to Dan Flaro prior to the conversion in Section 6.01(e);
- (g) The Vendor will have completed an exempt issuer bid share purchase and sale with Dan Flaro whereby Dan Flaro will have sold 1,024,299 Series A Shares and 2,397,368 Common Shares (collectively, the “**Flaro Shares**”) to the Vendor for the market price of the Flaro Shares as at the closing date of such transaction and the Vendor will have issued to Dan Flaro the Montfort IB Notes as contemplated therefor;
- (h) Satisfactory evidence to the Vendor that the Montfort IB Notes have been assigned to the Purchaser prior to Closing; and
- (i) Acceptance or approval by the TSX Venture Exchange of the Transaction.

**Section 6.02 Conditions to Obligations of Purchaser.** The obligations of Purchaser to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Purchaser's waiver, at or before the Closing, of each of the following conditions:

- (a) All of the representations and warranties of the Vendor set out in this Agreement shall continue to be true and correct as at the Closing Date.
- (b) The Vendor and the Pivot Entities shall have conducted the Business of the Pivot Entities in the Ordinary Course without any Material Adverse Effect from the date of this Agreement to the Closing Date.
- (c) All approvals, consents and waivers that are listed in Section 3.05 of the Vendor Disclosure Schedules shall have been received and executed counterparts thereof shall have been delivered to Purchaser, at or before the Closing.
- (d) From the date of this Agreement, there shall not have occurred any Material Adverse Effect.
- (e) Dan Flaro shall have entered into, amended or confirmed valid his existing executive employment agreement with PFSI on terms satisfactory to the Purchaser.
- (f) Mutually agreeable arrangements are made to address the impairment equal to or less than \$425,000 on the Pivot LP loan due from Timia Capital Holdings Limited Partnership;

- (g) Receipt by the Purchaser of the Financial Statements.
- (h) Repayment of the Vendor Pivot Debt, which may be satisfied by direction from Vendor to Purchaser to make payment to Pivot LP on behalf of the Vendor out of the Purchase Price as provided herein.
- (i) Either: (1) evidence reasonably satisfactory to the Purchaser that the Vendor refinanced, repaid or assumed \$3,000,000 in principal under the second amended and restated credit agreement dated as of August 2, 2024 (the “**General Facility**”) between Cortland, Pivot LP, Pivot GP, the Vendor, Brightpath Capital Corporation (“**Brightpath**”), Langhaus Financial Corporation (“**LFC**”) and Langhaus Financial Partners Inc. (“**LFP**” and together with LFC, the “**Langhaus Entities**”) associated with the Vendor’s acquisition of the Langhaus Entities (the “**Langhaus Related Debt**”); or (2) receipt by Pivot LP of a secured interest bearing promissory note of the Vendor in favour of Pivot LP in the principal amount of the Langhaus Related Debt balance owing, secured by a third ranking general security subordinate to Cortland and Pivot LP, such promissory note to have an interest rate of 12.5% per annum and a term to be mutually satisfactory to the Parties.
- (j) A written amendment to the General Facility extending the maturity date thereof, on terms reasonably satisfactory to the Purchaser.
- (k) Execution of the Transition Services Agreement among the applicable Pivot Entities and the Vendor with respect to the transitional provision and use of information technology (software and hardware), accounting services and personnel, for a period of not less than six months, on an actual allocated usage cost recovery basis.
- (l) Purchaser shall have received a certificate of an officer of Vendor certifying that attached thereto are true and complete copies of all resolutions adopted the board of directors of Vendor authorizing the execution, delivery and performance of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby, and that all such resolutions are in full force and effect.
- (m) Purchaser shall have received a certificate of an officer of Vendor certifying the names and signatures of the officers of Vendor authorized to sign this Agreement, the Transaction Documents and any other documents to be delivered hereunder.
- (n) Vendor shall have delivered to Purchaser a certificate of compliance or status (or its equivalent) for each of the Pivot Entities from the appropriate Governmental Authority of the jurisdiction under the Laws in which each of the Pivot Entities is formed and existing.
- (o) Vendor shall have delivered to Purchaser a certificate stating that Vendor is not a non-resident of Canada within the meaning of the Tax Act.

- (p) Vendor shall have delivered, or caused to be delivered, to Purchaser in escrow pending Closing certificates representing the Securities, free and clear of Encumbrances other than Permitted Encumbrances, either registered in the name of the Purchaser or as directed by the Purchaser or duly endorsed in blank or accompanied by forms of share transfers or other instruments of transfer duly executed in blank.
- (q) Vendor shall have delivered to Purchaser such other documents or instruments as Purchaser reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

**Section 6.03 Conditions to Obligations of Vendor.** The obligations of Vendor to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Vendor's waiver, at or before the Closing, of each of the following conditions:

- (a) Vendor shall have received a certificate of an officer of Purchaser certifying that attached thereto are true and complete copies of all resolutions adopted by the board of directors of Purchaser authorizing the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby.
- (b) Vendor shall have received a certificate of an officer of Purchaser certifying the names and signatures of the officers of Purchaser authorized to sign this Agreement and the other documents to be delivered hereunder.
- (c) Purchaser shall have delivered to Vendor such other documents or instruments as Vendor reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.
- (d) Upon Dan Flaro entering into, amending or confirming his existing employment agreement with PFSI, Dan Flaro shall execute a full and final release in favour of the Vendor for any employer-related liabilities.

## **ARTICLE VII Indemnification**

**Section 7.01 Survival.** Subject to the limitations and other provisions of this Agreement, the representations and warranties set out herein shall survive the Closing and shall remain in full force and effect until the earlier of: (a) 12 months from the Closing Date; and (b) upon the Purchaser no longer controlling the Pivot Entities; *provided that* the representations and warranties in Section 3.14 shall survive for the full period of the applicable limitation period (giving effect to any waiver or extension thereof) plus 60 days. All covenants and agreements of the parties set out herein shall survive the Closing indefinitely or for the period explicitly specified therein. Notwithstanding the foregoing, any claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the non-breaching party to the breaching party before the

expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such claims shall survive until finally resolved or the expiry of the limitation period under applicable Law, whichever is sooner.

**Section 7.02 Indemnification by Vendor.** Subject to the other terms and conditions of this ARTICLE VII, Vendor shall indemnify and defend each of Purchaser and its Affiliates and their respective Representatives (collectively, the "**Purchaser Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Purchaser Indemnitees based upon, arising out of, with respect to or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of Vendor set out in this Agreement or in any certificate or instrument delivered by or on behalf of Vendor under this Agreement, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date); or
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Vendor under this Agreement.

The foregoing obligations of the Vendor shall be further subject to and be limited by each of the following qualifications:

- (c) the indemnification obligations of the Vendor for any breach of any of the representations or warranties made by the Vendor in this Agreement or any agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, excluding Claims relating to intentional misrepresentation or fraud by the Vendor, shall not exceed, in the aggregate, an amount equal to 100% of the Cash Purchase Price (the "**Cap**"); and
- (d) the Purchaser shall not be entitled to require payment under this Section 7.02 in respect of any Losses suffered by, imposed upon or asserted against any of the Purchaser Indemnitees and the Vendor shall not be liable for any indemnity payment under this Section 7.02 unless (i) the amount finally agreed or adjudicated of any individual Losses under this Section 7.02 exceeds the Minimum Loss Amount; and (ii) such Losses, when aggregated with the amount finally agreed or adjudicated to be payable in respect of other Losses for which the Purchaser would otherwise be entitled to require payment under this Section 7.02, exceeds the Threshold Amount. Once the Minimum Loss Amount and the Threshold Amount are exceeded, the Purchaser shall be entitled to require payment in respect of all Losses under this Section 7.02, both below and above the Minimum Loss Amount and the Threshold Amount.

**Section 7.03 Indemnification by Purchaser.** Subject to the other terms and conditions of this ARTICLE VII, Purchaser shall indemnify and defend each of Vendor and its Affiliates and their

respective Representatives (collectively, the "**Vendor Indemnitees**") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Vendor Indemnitees based upon, arising out of, with respect to or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of Purchaser contained in this Agreement or in any certificate or instrument delivered by or on behalf of Purchaser under this Agreement, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date); or
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Purchaser under this Agreement.

The foregoing obligations of the Purchaser shall be further subject to and be limited by each of the following qualifications:

- (c) the indemnification obligations of the Purchaser for any breach of any of the representations or warranties made by the Purchaser in this Agreement or any agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, excluding Claims relating to intentional misrepresentation or fraud by the Purchaser, shall not exceed, in the aggregate, an amount equal to \$250,000; and
- (d) the Vendor shall not be entitled to require payment under this Section 7.03 in respect of any Losses suffered by, imposed upon or asserted against any of the Vendor Indemnitees and the Purchaser shall not be liable for any indemnity payment under this Section 7.03 unless (i) the amount finally agreed or adjudicated of any individual Losses under this Section 7.03 exceeds the Minimum Loss Amount; and (ii) such Losses, when aggregated with the amount finally agreed or adjudicated to be payable in respect of other Losses for which the Vendor would otherwise be entitled to require payment under this Section 7.03, exceeds the Threshold Amount. Once the Minimum Loss Amount and the Threshold Amount are exceeded, the Vendor shall be entitled to require payment in respect of all Losses under this Section 7.03, both below and above the Minimum Loss Amount and the Threshold Amount.

**Section 7.04 Indemnification Procedures.** The party making a claim under this ARTICLE VII is referred to as the "**Indemnified Party**", and the party against whom such claims are asserted under this ARTICLE VII is referred to as the "**Indemnifying Party**".

- (a) **Third-Party Claims.** If any Indemnified Party receives notice of the assertion or commencement of any Action made or brought by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement or a Representative of the foregoing (a "**Third-Party Claim**") against such Indemnified Party with

respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than 30 calendar days after receipt of such notice of such Third-Party Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defences by reason of such failure. Such notice by the Indemnified Party shall describe the Third-Party Claim in reasonable detail, include copies of all material written evidence thereof and indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have the right to participate in, or by giving written notice to the Indemnified Party, to assume the defence of any Third-Party Claim at the Indemnifying Party's expense and by the Indemnifying Party's own counsel, and the Indemnified Party shall cooperate in good faith in such defence; *provided that*, if the Indemnifying Party is Vendor, such Indemnifying Party shall not have the right to defend or direct the defence of any such Third-Party Claim that: (i) is asserted directly by or on behalf of a Person that is a lender, borrower, supplier or customer of any of the Pivot Entities; or (ii) seeks an injunction or other equitable relief against the Indemnified Party. If the Indemnifying Party assumes the defence of any Third-Party Claim, subject to Section 7.04(b), it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counter-claims pertaining to any such Third-Party Claim in the name and on behalf of the Indemnified Party. The Indemnified Party shall have the right to participate in the defence of any Third-Party Claim with counsel selected by it subject to the Indemnifying Party's right to control the defence thereof. The fees and disbursements of such counsel shall be at the expense of the Indemnified Party; *provided that*, if in the reasonable opinion of counsel to the Indemnified Party, (A) there are legal defences available to an Indemnified Party that are different from or additional to those available to the Indemnifying Party, or (B) there exists a conflict of interest between the Indemnifying Party and the Indemnified Party that cannot be waived, the Indemnifying Party shall be liable for the reasonable fees and expenses of counsel to the Indemnified Party in each jurisdiction for which the Indemnified Party determines counsel is required. If the Indemnifying Party elects not to compromise or defend such Third-Party Claim, fails to promptly notify the Indemnified Party in writing of its election to defend as provided in this Agreement or fails to diligently prosecute the defence of such Third-Party Claim, the Indemnified Party may, subject to Section 7.04(b), pay, compromise, defend such Third-Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third-Party Claim. Vendor and Purchaser shall cooperate with each other in all reasonable respects in connection with the defence of any Third-Party Claim, including making available (subject to the provisions of Section 5.05) records relating to such Third-Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, management employees of the non-defending party as may be reasonably necessary for the preparation of the defence of such Third-Party Claim.

- (b) **Settlement of Third-Party Claims.** Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into settlement of any Third-Party Claim without the prior written consent of the Indemnified Party, except as provided in this Section 7.04(b). If a firm offer is made to settle a Third-Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third-Party Claim and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within ten days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third-Party Claim and, in such event, the maximum liability of the Indemnifying Party as to such Third-Party Claim shall not exceed the amount of such settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume the defence of such Third-Party Claim, the Indemnifying Party may settle the Third-Party Claim upon the terms set forth in such firm offer to settle such Third-Party Claim. If the Indemnified Party has assumed the defence under Section 7.04(a), it shall not agree to any settlement without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).
- (c) **Direct Claims.** Any Action by an Indemnified Party on account of a Loss which does not result from a Third-Party Claim (each, a "**Direct Claim**") shall be asserted by the Indemnified Party giving the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than 30 days after the Indemnified Party becomes aware of such Direct Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defences by reason of such failure. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have 30 days after its receipt of such notice to respond in writing to such Direct Claim. The Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim, and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance (including access to the Pivot Entities' personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request. If the Indemnifying Party does not so respond within such 30 day period, the Indemnifying Party shall be deemed to have rejected such 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.

**Section 7.05 Payments.** Once a Loss is agreed to by the Indemnifying Party or finally adjudicated to be payable under this ARTICLE VII, the Indemnifying Party shall satisfy its obligations within 15 Business Days of such final, non-appealable adjudication by wire transfer of immediately available funds. The parties agree that, if the Indemnifying Party does not make full payment of any such obligations within such 15-Business Day period, any amount payable shall accrue interest from and including the date of agreement of the Indemnifying Party or final, non-appealable adjudication to [but excluding/and including] the date such payment has been made at a rate per annum equal to Prime Rate. Such interest shall be calculated daily on the basis of a 365 day year and the actual number of days elapsed.

**Section 7.06 Tax Treatment of Indemnification Payments.** All indemnification payments made under this Agreement shall be treated by the parties as an adjustment to the Purchase Price for Tax purposes, unless otherwise required by Law.

**Section 7.07 Effect of Investigation.** The representations, warranties and covenants of the Indemnifying Party, and the Indemnified Party's right to indemnification with respect thereto, shall not be affected or deemed waived by reason of any investigation made by or on behalf of the Indemnified Party (including by any of its Representatives) or by reason of the fact that the Indemnified Party or any of its Representatives knew or should have known that any such representation or warranty is, was or might be inaccurate or by reason of the Indemnified Party's waiver of any condition set forth in Section 6.02 or Section 6.03, as the case may be.

**Section 7.08 Duty to Mitigate.** Nothing in this Agreement shall in any way restrict or limit the general obligation at law of a party to mitigate any Losses that it may suffer or incur by reason of the breach of the Vendor or Purchaser, as applicable, of any representation, warranty or covenant of such party hereunder. If any Losses can be reduced by any recovery, settlement or otherwise under or pursuant to any insurance coverage, or pursuant to any claim, recovery, settlement or payment by or against any other Person, the Vendor or the Purchaser, as applicable, shall take all commercially reasonable steps to enforce such recovery, settlement or payment. To the extent that any breach of a representation or warranty giving rise to a Purchaser's Claim is capable of a remedy, the Purchaser shall afford the Vendor every reasonable opportunity to remedy the breach prior to making a Claim.

**Section 7.09 Exclusive Remedies.** Subject to Section 5.07 and Section 9.11, the parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud, criminal activity or wilful misconduct on the part of a party hereto in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be under the indemnification provisions set forth in this ARTICLE VII. In furtherance of the foregoing, each party hereby waives, to the fullest extent permitted under Law, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other party hereto and their Affiliates and each of their respective Representatives arising under or based upon any Law, except under the indemnification provisions set forth in this ARTICLE VII. Nothing in this Section 7.09 shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled or to seek any remedy on account of any party's fraudulent, criminal or wilful misconduct.

**Section 7.10 Other Limitations.** There shall be no indemnification with respect to any Purchaser's Claim arising as a consequence of the retroactive effect, to any period of time prior to the Closing Date, of any applicable Law issued, promulgated, approved or entered into on or at any time subsequent to, the Closing Date.

## **ARTICLE VIII Termination**

**Section 8.01 Termination.** This Agreement may be terminated at any time before the Closing:

- (a) By the mutual written consent of Vendor and Purchaser.
- (b) By Purchaser by written notice to Vendor if:
  - (i) Purchaser is not then in material breach of any provision of this Agreement and there has been a material breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by Vendor under this Agreement that would give rise to the failure of any of the conditions specified in this Agreement, and such breach, inaccuracy or failure has not been cured by Vendor within 10 days of Vendor's receipt of written notice of such breach from Purchaser; or
  - (ii) any of the conditions set forth in Section 6.01 or Section 6.02 shall not have been, or if it becomes apparent that any of such conditions will not be, fulfilled by the Outside Date, unless such failure shall be due to the failure of Purchaser to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it before the Closing Date.
- (c) By Vendor by written notice to Purchaser if:
  - (i) Vendor is not then in material breach of any provision of this Agreement and there has been a material breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by Purchaser under this Agreement that would give rise to the failure of any of the conditions specified in this Agreement, and such breach, inaccuracy or failure has not been cured by Purchaser within 10 days of Purchaser's receipt of written notice of such breach from Vendor; or
  - (ii) any of the conditions set forth in Section 6.01 or Section 6.03 shall not have been, or if it becomes apparent that any of such conditions will not be, fulfilled by the Outside Date, unless such failure shall be due to the failure of Vendor to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it before the Closing Date.
- (d) By Purchaser or Vendor if:

- (i) there shall be any Law that makes consummation of the transactions contemplated by this Agreement illegal or otherwise prohibited; or
- (ii) any Governmental Authority shall have issued a Governmental Order restraining or enjoining the transactions contemplated by this Agreement, and such Governmental Order shall have become final and non-appealable.

**Section 8.02 Effect of Termination.** In the event of the termination of this Agreement in accordance with this ARTICLE VIII, this Agreement shall forthwith have no further force or effect and there shall be no liability on the part of any party hereto except:

- (a) as set forth in Section 5.05, this ARTICLE VIII and ARTICLE IX; and
- (b) that nothing herein shall relieve any party hereto from liability for any wilful breach of any provision hereof.

## **ARTICLE IX Miscellaneous**

**Section 9.01 Expenses.** Except as otherwise expressly provided herein, all costs and expenses, including fees, disbursements and charges of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred.

**Section 9.02 Notices.** All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); or (c) on the date sent by email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 9.02):

If to Vendor:           Montfort Capital Corp.  
  
                                  2920-181 Bay Street  
                                  Bay Wellington Tower  
                                  Toronto, Ontario M6J 2T3  
  
                                  Email:           kthomson@montfortcapital.com  
  
                                  Attention:    Ken Thomson

If to Purchaser:       Pivot Endgame Corp.

50 Richmond Street East, Suite 300  
Toronto, Ontario M5C 1N7

Email: p.anthonyennis@gmail.com

Attention: Patrick A. Ennis, President

with a copy  
(which shall not  
constitute notice)  
to:

Boyle & Co LLP

50 Richmond Street E, Suite 300  
Toronto, Ontario M5C 1N7

Email: jim@boyleco.com

Attention: Jim Boyle

If to TRY:

Manitou Total Return Yield Fund  
c/o Manitou Investment Management Ltd.

150 King Street West, Suite 2003  
P.O Box 31  
Toronto, Ontario M5H 1J9

Email: mgaskin@manitouinvestment.com

Attention: Mark Gaskin, President

with a copy  
(which shall not  
constitute notice)  
to:

Boyle & Co LLP

50 Richmond Street E, Suite 300  
Toronto, Ontario M5C 1N7

Email: jim@boyleco.com

Attention: Jim Boyle

**Section 9.03 Interpretation.** For purposes of this Agreement: (a) the words "include", "includes" and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein", "hereof", "hereby", "hereto" and "hereunder" refer to this Agreement as a whole. Unless the context otherwise requires, references

herein: (x) to Articles, Sections, Vendor Disclosure Schedules, Purchaser Disclosure Schedules and Exhibits mean the Articles and Sections of, and Vendor Disclosure Schedules, Purchaser Disclosure Schedules and Exhibits attached to, this Agreement; (y) 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 (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. 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. The Vendor Disclosure Schedules, Purchaser Disclosure Schedules and Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

**Section 9.04 Headings.** The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

**Section 9.05 Severability.** If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

**Section 9.06 Entire Agreement.** This Agreement [and the other Transaction Documents] constitute[s] the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein [and therein] and supersede[s] all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement [and those in the other Transaction Documents], the Exhibits and Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control.

**Section 9.07 Successors and Assigns.** This Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed; *provided that*, before the Closing Date, Purchaser may, without the prior written consent of Vendor, assign all or any portion of its rights under this Agreement to one or more of its direct or indirect wholly owned subsidiaries]. No assignment shall relieve the assigning party of any of its obligations hereunder.

**Section 9.08 No Third-Party Beneficiaries.** Except as provided in ARTICLE VII, this Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under, or by reason of, this Agreement.

**Section 9.09 Amendment and Modification; Waiver.** This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any 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 any 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 9.10 Governing Law; Forum Selection.**

- (a) This Agreement shall be governed by and construed in accordance with the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.
- (b) Each Party agrees (i) that any Action arising out of or based upon this Agreement or the transactions contemplated hereby will be brought in any courts of competent jurisdiction in the Province of Ontario, and for that purpose now irrevocably and unconditionally submits and agrees to attorn to the exclusive jurisdiction of that court in any such Action; (ii) to irrevocably and unconditionally waive any objection to the venue of any Action or proceeding in that court; (iii) to irrevocably waive and agree not to plead or claim in that court that such Action has been brought in an inconvenient forum; and (iv) not to oppose the enforcement against it in any other jurisdiction of any Order duly obtained from a Ontario court as contemplated by this Section 9.10.

**Section 9.11 Specific Performance.** The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

**Section 9.12 Further Assurances.** Each Party shall from time to time promptly execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things in connection with this Agreement that the other Party may reasonably require as being necessary or desirable in order to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof.

**Section 9.13 Remedies Cumulative.** The rights, remedies, powers and privileges herein provided to a Party are cumulative and in addition to and not exclusive of or in substitution for any rights, remedies, powers and privileges otherwise available to that Party.

**Section 9.14 Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**MONTFORT CAPITAL CORP.**

By "Ken Thomson" (signed)

Name: Ken Thomson

Title: Chief Executive Officer

**PIVOT ENDGAME CORP.**

By "Patrick A Ennis" (signed)

Name: Patrick A. Ennis

Title: President

**MANITOU TOTAL RETURN YIELD FUND**

by its manager

Manitou Investment Management Ltd.

By "Mark Gaskin" (signed)

Name: Mark Gaskin

Title: Portfolio Manager

## SCHEDULE 3.05

### CONSENTS TO TRANSACTION

Cortland Credit Lending Corporation pursuant to:

- (A) the second amended and restated credit agreement (the “**Pivot General Facility**”) dated August 2, 2024 between Cortland Credit Lending Corporation (“**Cortland**”), as agent, Pivot Financial I Limited Partnership (“**Pivot LP**”), as borrower, and 2862454 Ontario Inc. (“**2862454**”), Montfort Capital Corp., Brightpath Capital Corporation (“**Brightpath**”), Langhaus Financial Corporation and Langhaus Financial Partners Inc., each as guarantors and related security agreements provided in connection therewith; and
- (B) the amended and restated credit agreement between Brightpath and Pivot LP dated as of September 30, 2021, as amended by a first amending agreement dated as of April 28, 2022, as further amended by a consent, acknowledgement and amendment agreement dated as of August 15, 2022 (the “**Consent, Acknowledgement and Amendment**”), and as further amended, replaced, restated, supplemented or otherwise modified from time to time, and (ii) the amended and restated credit agreement between Cortland, Pivot LP and 2862454 dated as of September 30, 2021, as amended by a first amending agreement dated as of April 28, 2022, as further amended by the **Consent, Acknowledgement and Amendment** and as further amended, replaced, restated, supplemented or otherwise modified from time to time (collectively, the “**CPB Facility**”) and the related security agreements provided in connection therewith.

**SCHEDULE 3.07**  
**UNDISCLOSED LIABILITIES**

N/A

**SCHEDULE 3.09**

**MATERIAL CONTRACTS**

Sub-Advisory Agreement dated August 24, 2018 between Celernus Investment Partners Inc. and Pivot Financial Services Inc.

\*Redacted  
due to  
confidentiality

Unsecured demand promissory notes dated May 1, 2016 and November 20, 2016 issued by Pivot Financial I Limited Partnership (as successor borrower to Pivot Financial Inc.) to [REDACTED] totaling \$500,000.00 in principal indebtedness and \$nil in accrued interest.

Unsecured demand promissory notes dated January 23, 2017, May 10, 2017, May 24, 2017, June 25, 2018, July 1, 2021, May 1, 2016 and November 20, 2016 issued by Pivot Financial I Limited Partnership (as successor borrower to Pivot Financial Inc.) to [REDACTED] totaling \$7,048,451.86 of principal indebtedness and accrued interest.

Unsecured demand promissory notes dated April 5, 2024, July 2, 2024, July 19, 2024, September 26, 2024, January 10, 2025, January 31, 2025 and February 4 2025 issued by Pivot Financial I Limited Partnership to [REDACTED] totaling \$13,000,000.00 in principal indebtedness and \$nil in accrued interest.

Pivot General Facility (as defined in Schedule 3.05)

CPB Facility (as defined in Schedule 3.05)

### **SCHEDULE 3.13**

#### **EMPLOYMENT MATTERS**

##### Employees

Dan Flaro – CEO, Toronto– Employment Agreement dated August 12, 2022, as amended on June 12, 2025

Craig Dootson – Director, Portfolio Management, Toronto - Employment Agreement dated January 1, 2023, as amended on June 12, 2025

Stanley Huang - Credit Analyst, Toronto – Employment Agreement dated January 3, 2023, as amended on June 12, 2025

##### Independent Contractors

Steve Matheson (via 1000401798 Ontario Ltd.)

Robert Douglas Palmer (via 1000518382 Ontario Inc.)

Kevin Skells (via Skells Consulting)

**SCHEDULE 3.15**

**RELATED PARTY TRANSACTIONS**

Montfort Capital Corp. is indebted to Pivot Financial I Limited Partnership comprised of \$3,000,000 of principal and \$2,134,363 in accrued interest.

Montfort Capital Corp. is indebted to Pivot Financial I Limited Partnership comprised of \$100,000 of principal and \$nil in accrued interest.

**SCHEDULE "B"**  
**THREE-PARTY AGREEMENT**

### THREE-PARTY AGREEMENT

THIS THREE-PARTY AGREEMENT (this "**Agreement**") is made as of October ●, 2025,

AMONG:

**MONTFORT CAPITAL CORP.**

a corporation incorporated pursuant to the laws of the Province of British Columbia and having its head office located at 2920-181 Bay Street, Bay Wellington Tower, Toronto, Ontario M6J 2T3

(hereinafter referred to as the "**Vendor**")

-and-

**PIVOT ENDGAME CORP.**

a corporation incorporated pursuant to the laws of the Province of Ontario and having its registered head office located at 50 Richmond Street East, Suite 300, Toronto, Ontario M5C 1N7

(hereinafter referred to as the "**Purchaser**")

-and-

**PIVOT FINANCIAL I LIMITED PARTNERSHIP**

a limited partnership formed pursuant to the laws of the Province of Ontario and having its registered head office located at 2920-181 Bay Street, Bay Wellington Tower, Toronto, Ontario M6J 2T3

(hereinafter referred to as "**Target**")

Each of Purchaser, Vendor, and Target may be referred to herein individually as a "**Party**" and collectively as the "**Parties**."

### RECITALS

**WHEREAS**, pursuant to the securities purchase agreement dated August 1, 2025, as amended on October [●], 2025 (the "**Purchase Agreement**"), Purchaser has acquired all of the issued and outstanding equity interests of Target from Vendor;

**WHEREAS**, as partial consideration for the transaction contemplated by the Purchase Agreement, Purchaser has issued to Vendor that certain Vendor Take-Back Promissory Note dated [●] in the original principal amount of \$[●] (the "**VTB Note**");

**WHEREAS**, Vendor owes Target certain intercompany indebtedness in the current outstanding amount of \$[●] evidenced by a secured promissory note dated October ●, 2025 (the "**Pivot-Montfort Note**");

**WHEREAS**, Target is owed certain amounts by Brightpath Capital Corporation ("**Brightpath**") pursuant to a secured demand promissory note dated August 31, 2024 in the current outstanding amount of \$[●] (the "**Brightpath Receivable**");

**WHEREAS**, the Parties desire to establish a mechanism whereby payments received by Target from Brightpath will trigger: (i) automatic partial assignments of the VTB Note from Vendor to Target for face-value consideration, and (ii) corresponding dollar-for-dollar reductions in the Pivot-Montfort Note;

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## **ARTICLE I DEFINITIONS**

1.1 **Defined Terms.** The following terms shall have the following meanings:

- (a) **"Assigned Portion"** means the portion of the VTB Note assigned to Target upon receipt of a Brightpath Payment, calculated as the Brightpath Payment multiplied by the Assignment Ratio.
- (b) **"Assignment Ratio"** means \$1.00 of VTB Note principal for each dollar amount of Brightpath Payment received by the Target equal to the quotient of the following:

$$\frac{B + I + S - 2,500,000}{V}$$

*Where:*

*B* = Brightpath Receivable (principal amount) as of the date hereof

*I* = Accrued interest on the Brightpath Receivable from time to time

*S* = the Target's share of the servicing costs associated with the wind-down of the Brightpath mortgage lending business

*V* = Principal indebtedness under the VTB Note

- (c) **"Brightpath Payment"** means, subject to Section 2.6 hereof, any payment of principal actually received by Target from or on behalf of Brightpath in respect of the principal amount of the Brightpath Receivable.
- (d) **"Business Day"** means any day that is not a Saturday, Sunday, or legal holiday in Toronto, Ontario.
- (e) **"Payment Date"** means the date Target receives a Brightpath Payment in cleared funds.

## **ARTICLE II CONDITIONAL ASSIGNMENT OF VTB NOTE**

2.1 **Automatic Partial Assignment.** Upon Target's receipt of each Brightpath Payment:

- (a) Vendor automatically assigns to Target the Assigned Portion of the VTB Note;
- (b) such assignment is effective immediately upon receipt without further action required;
- (c) Target becomes the holder of the Assigned Portion as of the Payment Date; and
- (d) Vendor remains the holder of the unassigned balance of the VTB Note.

2.2 **Purchaser's Consent.** Purchaser hereby:

- (a) irrevocably consents to all partial assignments pursuant to this Agreement;
  - (b) acknowledges that portions of the VTB Note will be held by Target and Vendor based on Brightpath Payments received; and
  - (c) agrees its obligations under the VTB Note are owed proportionally to each holder.
- 2.3 **Maximum Assignment.** The aggregate of all Assigned Portions shall not exceed the original principal amount of the VTB Note.
- 2.4 **Nature of Assignment.** Each partial assignment is absolute and irrevocable once triggered by receipt of a Brightpath Payment.
- 2.5 **Consideration for Assignment.** The Parties agree that each Assigned Portion is assigned by Vendor to Target for consideration equal to the face value of such Assigned Portion and such consideration automatically reduces the indebtedness owed by Vendor to Target under the Pivot-Montfort Note on a dollar-for-dollar basis.
- 2.6 **Treatment of Sale or Assignment Proceeds.** Any amounts received by Target from the sale, assignment, transfer, or other disposition of all or any portion of the Brightpath Receivable (including, without limitation, any sale or assignment for consideration to a third party) shall be deemed a "Brightpath Payment" for purposes of this Agreement and shall trigger the automatic assignment mechanism set forth in Article II herein. For greater certainty, if Target receives any consideration for the Brightpath Receivable from any third-party source other than Brightpath, such consideration shall be treated as if it were a payment from Brightpath and subject to the Assignment Ratio.

### **ARTICLE III NOTIFICATION AND REPORTING**

- 3.1 **Payment Notification.** Within three (3) Business Days after each Payment Date, Target shall notify Purchaser and Vendor in writing of:
- (a) the amount of the Brightpath Payment received and the Payment Date; and
  - (b) the calculation of the Assigned Portion, the remaining principal balance of the VTB Note; and the remaining balance of the Pivot-Montfort Note.
- 3.2 **Records.** Target shall maintain accurate records of all Brightpath Payments and assignments hereunder.
- 3.3 **Information Rights.** Vendor has the right, upon five (5) Business Days' prior written notice to Target, to request information on all records, documents, correspondence relating to the Brightpath Receivable, collection efforts undertaken, all Brightpath Payments received and any Brightpath default or dispute relating to the Brightpath Receivable.

### **ARTICLE IV COVENANTS**

- 4.1 **Collection Efforts.** Target covenants that it shall use commercially reasonable efforts to collect the Brightpath Receivable and not forgive, cancel, compromise, write off, or settle or amend any material terms of any portion of the Brightpath Receivable without notifying the Vendor and seeking its input into the proposed changes. For clarity, approval will be at the sole discretion of the Target.

- 4.2 **No Circumvention.** Purchaser and Target shall not:
- (a) direct Brightpath to make payments to any party other than Target;
  - (b) take any action to circumvent the assignment mechanism;
  - (c) enter into any arrangement that would impair Vendor's rights hereunder.

## **ARTICLE V REPRESENTATIONS AND WARRANTIES**

- 5.1 **Mutual Representations.** Each Party represents that: (a) It has full authority to execute this Agreement; (b) This Agreement is valid and binding upon it; (c) Execution hereof does not violate any other agreement.
- 5.2 **Target's Representations.** Target represents that: (a) the Brightpath Receivable is valid and enforceable; (b) current balance of the Brightpath Receivable is \$[●]; (c) No undisclosed Brightpath Payments have been received.

## **ARTICLE VI MISCELLANEOUS**

- 6.1 **Term.** This Agreement continues until the earlier of: (a) The VTB Note is fully assigned or paid; or (b) Mutual termination in writing.
- 6.2 **Amendments.** No amendment is valid unless in writing and signed by all Parties.
- 6.3 **Assignment.** No Party may assign this Agreement without consent of all other Parties.
- 6.4 **Notices.** All notices shall be in writing to the addresses on the signature pages.
- 6.5 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each Party irrevocably attorns to the exclusive jurisdiction of the courts of the Province of Ontario.9.6 Counterparts. May be executed in counterparts.
- 6.7 **Entire Agreement.** This Agreement, with the Purchase Agreement and VTB Note, constitutes the entire agreement on this subject matter.
- 6.8 **No Third-Party Rights.** This Agreement benefits only the Parties hereto.
- 6.9 **Further Assurances.** Parties shall execute additional documents as reasonably necessary.
- 6.10 **Dispute Resolution; Arbitration.**
- (a) Any dispute which cannot be resolved by negotiation will be determined by arbitration, by a single arbitrator, in accordance with the Arbitration Act, 1991 Act (Ontario) and pursuant to the Arbitration Rules of the Canadian Arbitration Association.
  - (b) The arbitrator shall be appointed by agreement between the parties or, in default of such agreement, such arbitrator shall be appointed by the Canadian Arbitration Association.
  - (c) The determination of the arbitrator will be final and binding upon the parties.

- (d) Each party will bear its own costs in connection with the arbitration, provided that, if the arbitrator finds that any party has acted unreasonably, the arbitrator may, in his or her discretion, award costs against such party.
  - (e) The arbitrator will have the discretionary authority to grant specific performance, rectification, injunctions and other equitable relief as may be requested by a party including interim preservation orders and any party may, before or after an arbitration has commenced, apply for interim relief, including injunctive relief.
  - (f) Any order of an arbitrator may be entered with a court of competent jurisdiction for the purposes of enforcement.
  - (g) The arbitration will be held in Toronto, Ontario.
  - (h) The arbitrator will resolve the dispute in accordance with the laws of Ontario and laws of Canada applicable therein.
  - (i) All aspects of the arbitration will be kept confidential, unless otherwise required by law.
  - (j) Notwithstanding anything contained in this Section 6.10, the parties shall have the option of waiving the requirement to have their dispute resolved by means of binding arbitration. Any waiver of this obligation must be agreed upon in writing by all parties affected by the dispute.
- 6.11 **Assignment as Legal Assignment.** The Parties intend each partial assignment hereunder to constitute a legal assignment pursuant to Section 53 of the *Conveyancing and Law of Property Act* (Ontario), with this Agreement and the notices provided hereunder constituting sufficient notice to the Purchaser.
- 6.12 **Statutory Set-Off.** The set-off provisions herein are in addition to, and not in derogation of, any rights of set-off available at law or in equity.

*[the rest of this page is left intentionally blank]*

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

**MONTFORT CAPITAL CORP.**

By \_\_\_\_\_

Name: Ken Thomson

Title: Chief Executive Officer

**PIVOT ENDGAME CORP.**

By \_\_\_\_\_

Name: Patrick A. Ennis

Title: President

**PIVOT FINANCIAL I LIMITED PARTNERSHIP**  
by its general partner, **28624564 ONTARIO INC.**

By \_\_\_\_\_

Name:

Title: