

SSC SECURITY SERVICES CORP.

and

AVANTE LOGIXX INC.

SHARE PURCHASE AGREEMENT

MARCH 30, 2022

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SHARE PURCHASE AGREEMENT

This Share Purchase Agreement (this “**Agreement**”), is made as of March 30, 2022,

BETWEEN:

Avante Logixx Inc., a corporation existing under the laws of the Province of Ontario
(the “**Vendor**”)

-and-

SSC Security Services Corp., a corporation existing under the laws of the Province of Saskatchewan
(the “**Purchaser**”).

RECITALS:

- A. The Vendor and the Purchaser entered into an arrangement agreement dated as of February 8, 2022 (the “**Arrangement Agreement**”);
- B. The Vendor owns all of the Purchased Shares;
- C. The Vendor wishes to sell to the Purchaser, and the Purchaser wishes to purchase from the Vendor, the Purchased Shares, subject to the terms and conditions set forth herein;
- D. The board of directors of the Vendor, after receiving financial and legal advice, has unanimously determined that it is in the best interests of the Vendor to enter into this Agreement;
- E. The Supporting Shareholders have, prior to or concurrently with the execution of this Agreement, delivered to the Vendor the Support and Voting Agreements; and
- F. The Vendor and the Purchaser have concurrently with the execution of this Agreement terminated the Arrangement Agreement.

NOW, THEREFORE, in consideration of the covenants and agreements herein contained, the Vendor and Purchaser 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:

“**Accounts Receivable**” means all accounts receivable, trade receivables, rights to receive payment, book debts and other amounts due, owing or accruing to the Corporation.

“**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**” has the meaning ascribed thereto in National Instrument 45-106 – *Prospectus Exemptions*.

“**Aged Receivables**” means Closing Date Account Receivables that are due or unpaid more than 90 days after the original due date or 90 days after the original invoice, excluding invoices contractually due for a period in excess of 90 days.

“**Agreement**” has the meaning set forth in the preamble.

“**Articles**” means 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, letters patent, supplemental letters patent, a special act, memorandum and articles of association or any other instrument by which a corporation is incorporated.

“**Arrangement Agreement**” has the meaning set forth in the preamble.

“**Arrangement Expense Reimbursement**” means the amount of \$750,000.

“**ASI**” means Avante Security Inc.

“**ASI Business**” means the business currently carried on by ASI, consisting of the provision of security services (including protective (guarding) services) for residential (non-commercial and non-enterprise) customers.

“**ASI Covenant**” means the non-competition and non-solicitation agreement to be delivered by ASI in respect of the covenants and agreements set forth in Section 5.08 to be provided by ASI.

“**Assessment**” has the meaning set forth in Section 4.13(e).

“**Assets**” means all the assets, real and personal, tangible and intangible of the Corporation.

“**Authorization**” means with respect to any Person, any order, permit, approval, consent, waiver, registration, licence or similar authorization of any Governmental Authority having jurisdiction over the Person or its business, assets or securities.

“**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.

“**Basket**” has the meaning set forth in Section 6.04(a).

“**Books and Records**” means: (a) all of the Corporation’s books of account, accounting records and other financial data and information, including copies of filed Tax Returns and Assessments for each of the taxation years of the Corporation commencing after the Tax year ended seven years before the date of this Agreement; (b) the corporate records of the Corporation; (c) all sales and purchase records, lists of suppliers and customers, credit and pricing information, formulae, business, engineering and consulting reports and research and development information of, or relating to, the Corporation or the Business; and

(d) all other books, documents, files, records, telephone call recordings, correspondence, data and information, financial or otherwise of the Corporation, that are in the possession or under the control of the Corporation, the Vendor or an Affiliate thereof, including all data and information stored electronically or on computer related media.

“**Business**” means the business currently carried on by the Corporation, consisting of the provision of security services (including protective (guarding) services) for enterprise or commercial (non-residential) customers across Canada.

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

“**Calculation Time**” means 11:59 p.m. Toronto time on the day immediately preceding the Closing Date.

“**Cap**” has the meaning set forth in Section 6.04(a).

“**Cash and Cash Equivalents**” means: (a) cash, including 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 of the Corporation, determined in accordance with GAAP consistently applied, the whole calculated as of or before the date of the Closing Working Capital Statement.

“**CBCA**” means the *Canada Business Corporations Act*.

“**Closing**” has the meaning set forth in Section 2.06.

“**Closing Adjustment**” has the meaning set forth in Section 2.04(a)(ii).

“**Closing Date**” has the meaning set forth in Section 2.06.

“**Closing Date Accounts Receivables**” means Accounts Receivable which are outstanding at the Closing Time.

“**Closing Debt**” means the Debt of the Corporation determined at the Calculation Time.

“**Closing Time**” means 8:00 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.

“**Closing Working Capital**” means: (a) the Current Assets of the Corporation; less (b) the Current Liabilities of the Corporation, determined as of the close of business on the Closing Date as adjusted for Uncollected Accounts Receivables pursuant to Section 2.05.

“**Closing Working Capital Statement**” has the meaning set forth in Section 2.04(b)(i).

“**Collective Agreement**” means any collective bargaining agreements or union agreements applicable to the Corporation and all related letters or memoranda of understanding applicable to the Corporation which impose obligations upon the Corporation.

“**Confidentiality Agreement**” means the confidentiality and standstill agreement between the Vendor and the Purchaser, dated October 4, 2021.

“**Competing Transaction**” has the meaning set forth in Section 4.04.

“**Contracts**” means any written or oral agreement, commitment, engagement, contract, licence, lease, obligation or undertaking to which the Corporation is a party or by which the Corporation is bound or to which any of their respective properties or assets is subject.

“**Corporation**” means Logixx Security Inc., a corporation existing under the laws of Canada.

“**COVID-19**” means the coronavirus disease 2019 (generally referred to as COVID-19), caused by the severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) and/or any other virus, variant or disease developing from or arising as a result of SARS-CoV-2 and/or COVID-19.

“**COVID-19 Measures**” means commercially reasonable actions for a Party or any of its Affiliates to take or refrain from taking in the operation of their business as a result of COVID-19 in order to comply with the provisions of any health, quarantine, social distancing, shutdown, safety or similar Law or guideline promulgated by any Governmental Authority in connection with COVID-19.

“**Current Assets**” means consolidated Cash and Cash Equivalents, Accounts Receivable, Inventories, work in progress (also referred to as contract assets) and prepaid expenses and deposits of the Corporation as at the Calculation Time, determined in accordance with GAAP consistently applied, but does not include: (a) the portion of any prepaid expense of which the Purchaser will not receive the benefit following the Closing; (b) deferred Tax assets; and (c) Aged Receivables.

“**Current Liabilities**” means the consolidated trade and other payables, accrued Taxes and other accrued charges of the Corporation, including deferred revenue, determined in accordance with GAAP consistently applied, but does not include: (a) income Taxes payable; (b) deferred Tax liabilities; (c) the current portion of long term Debt; and (d) all obligations of the Corporation under financing leases, determined in accordance with GAAP consistently applied.

“**Data Room**” means the virtual data room established by the Vendor as at 5:00 p.m. on February 6, 2022, as well as the materials contained therein, the index of documents of which is appended to the Vendor Disclosure Letter.

“**Debt**” means, in respect of the Corporation at any time (determined, in the case of any calculation of the amount thereof and with respect to Current Liabilities, without duplication), (i) all Related Party Debt, (ii) all indebtedness of the Corporation for borrowed money and any other indebtedness of the Corporation which is evidenced by a note, bond, debenture or similar instrument at such time, (iii) all obligations of the Corporation for the deferred purchase price of property (other than current trade liabilities incurred in the Ordinary Course of business and payable in accordance with customary practices), (iv) all obligations of the Corporation in respect of acceptances issued or created for the account of the Corporation at such time, (v) all obligations of the Corporation as an account party in respect of amounts drawn under outstanding letters of credit at such time, (vi) all obligations of the Corporation in respect of advances made by related parties to the Corporation at such time, and (vii) income Taxes payable by the Corporation. For greater clarity, it is understood that no item included in the definition of Debt shall be included in the calculation of Current Assets or Current Liabilities.

“**Direct Claim**” has the meaning set forth in Section 6.05(c).

“**Disclosure Letter**” means the disclosure letter dated the date of this Agreement and all schedules, exhibits and appendices thereto, delivered by the Vendor to the Purchaser with this Agreement.

“**Disputed Amounts**” has the meaning set forth in Section 2.04(c)(iii).

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

“**Downstream Affiliate**” when used in reference to the Purchaser or the Vendor, as applicable, means an entity that is controlled by the Purchaser or the Vendor, as applicable, where the term “control” has the meaning ascribed thereto in National Instrument 45-106 – *Prospectus Exemptions*.

“**Employees**” means the officers and employees of the Corporation, including any employee on disability (long-term or short-term), workplace safety and insurance, pregnancy, parental or other statutory or approved leave.

“**Employee Plans**” means all health, welfare, supplemental unemployment benefit, bonus, profit sharing, option, stock appreciation, performance share unit, savings, insurance, incentive, incentive compensation, deferred compensation, share purchase, share compensation, disability, pension or supplemental retirement plans and other material employee or director compensation or benefit plans, policies, trusts, funds, agreements or arrangements for Employees or former Employees, which are maintained by or binding upon the Corporation or in respect of which the Corporation has any actual or potential liability.

“**Encumbrances**” means any mortgage, charge, pledge, hypothec, security interest, prior claim or lien (statutory or otherwise), or restriction or adverse right or claim, or other third-party interest or encumbrance of any kind, in each case, whether contingent or absolute.

“**Environmental Law**” means all Laws and agreements with any Governmental Authority and all other statutory requirements relating to public health and safety, noise control, pollution, reclamation or the protection of the environment, and all Authorizations issued pursuant to such Laws, agreements or other statutory requirements.

“**Estimated Closing Working Capital**” has the meaning set forth in Section 2.04(a)(i).

“**Financial Statements**” means collectively the unaudited financial information of the Corporation for the financial year ended March 31, 2021, (the most recent of which is herein the “**Balance Sheet Date**”) each consisting of balance sheet information (the most recent of which is herein the “**Balance Sheet**”) and statement of earnings (loss) information.

“**GAAP**” means generally accepted accounting principles as set forth in the *CPA Canada Handbook – Accounting* for an entity that prepares its financial statements in accordance with International Financial Reporting Standards, at the relevant time, applied on a consistent basis.

“**Governmental Authority**” means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau, minister, ministry, governor in council, cabinet, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing or (iv) any stock exchange.

“**Governmental Order**” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

“**Indemnified Party**” has the meaning set forth in Section 6.05.

“**Indemnifying Party**” has the meaning set forth in Section 6.05.

“**Independent Accountant**” has the meaning set forth in Section 2.04(c)(iii).

“**Intellectual Property**” means domestic and foreign intellectual property rights including: (a) inventions, patents, applications for patents and reissues, divisions, continuations, re-examinations, renewals, extensions and continuations-in-part of patents or patent applications; (b) copyrights, copyright registrations and applications for copyright registration; (c) mask works, mask work registrations, and applications for mask work registrations, integrated circuit topographies and similar rights; (d) designs and similar rights, design registrations, design registration applications; (e) trade names, business names, corporate names, domain names, website names and world wide web addresses, common law trademarks, trade-mark registrations, trade mark applications, trade dress and logos, and the goodwill associated with any of the foregoing; and (f) proprietary and non-public business information, including inventions (whether patentable or not), invention disclosures, improvements, discoveries, trade secrets, confidential information, know-how, methods, models, formulae, algorithms, processes, designs, technology, technical data, schematics and customer lists and documentation relating to any of the foregoing.

“**Interim Balance Sheet**” has the meaning set forth in the definition of “Interim Financial Statements” in this ARTICLE I.

“**Interim Balance Sheet Date**” has the meaning set forth in the definition of “Interim Financial Statements” in this ARTICLE I.

“**Interim Financial Statements**” means the unaudited interim financial information of the Corporation for the nine-month period ended December 31, 2021 (the “**Interim Balance Sheet Date**”), consisting of balance sheet information (the “**Interim Balance Sheet**”) and statement of earnings (loss) information.

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

“**Inventory**” means all inventories and other supplies and consumables (but excluding advertising and publicity materials of the Corporation) wherever located, and whether on consignment or not, used, consumed or sold by the Corporation as at the Calculation Time, determined on a gross basis in accordance with GAAP consistently applied but excluding any obsolete or worn-out inventory or inventory that is no longer used.

“**Law**” means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Authority that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Authority, as amended unless expressly specified otherwise.

“**liabilities**” means any debts, liabilities, obligations, claims, demands or commitments of any nature whatsoever, asserted or unasserted, absolute or contingent, accrued, matured or unmatured or otherwise.

“**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 solicitor-client 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 punitive or exemplary damages, except in the case of fraud or to the extent actually awarded to a Governmental Authority or other third party.

“Material Adverse Effect” means any change, event, occurrence, effect or circumstance that, individually or in the aggregate with other such changes, events, occurrences, effects or circumstances, has or would be reasonably expected to have, a material adverse effect on the business, operations, results of operations, assets, properties, financial condition or liabilities (contingent or otherwise) of the Corporation, taken as a whole, but excluding any change, event, occurrence, effect or circumstance arising from or arising in connection with:

- (a) any change, development or condition generally affecting the industries, businesses or segments thereof, in which the Corporation operates;
- (b) any change, development or condition in or relating to global, national or regional political conditions (including strikes, lockouts or riots) or in general economic, business, banking, regulatory, currency exchange, interest rate, rates of inflation or market conditions or in national or global financial or capital markets;
- (c) any change, development or condition resulting from any act of sabotage, espionage, hacking, cyberattack or terrorism or any outbreak of hostilities or declared or undeclared war, or any escalation or worsening of such acts of sabotage, espionage, hacking, cyberattack, terrorism, hostilities or war;
- (d) any adoption, proposal, implementation or change in Law or in any interpretation, application or non-application of any Laws by any Governmental Authority;
- (e) any earthquake or other natural disaster or any general outbreak of illness, pandemic (including COVID-19), epidemic or similar event or the worsening thereof;
- (f) any change in applicable generally accepted accounting principles, including GAAP;
- (g) any action taken (or omitted to be taken) by the Vendor which is required to be taken (or omitted to be taken) pursuant to this Agreement or that is requested or consented to by Purchaser in writing;
- (h) any matter which has been disclosed by the Vendor in the Disclosure Letter;
- (i) the failure of the Corporation to meet any internal, published or public projections, forecasts, guidance or estimates, including without limitation of production, revenues, earnings or cash flows (it being understood that the causes underlying such failure may be taken into account in determining whether a Material Adverse Effect has occurred); or
- (j) the execution, announcement, pendency or performance of this Agreement or consummation of the transactions contemplated hereby including any loss or threatened loss of, or adverse change or threatened adverse change in, the relationship of the Corporation with any of its current or prospective employees, lenders, securityholders (including any securityholder litigation relating to this Agreement or consummation of the transactions contemplated hereby), suppliers or other business partners;

provided, however, (i) if an effect referred to in clauses (a) through to and including (f) above, materially and disproportionately adversely effects the Corporation, taken as a whole, relative to other comparable companies and entities operating in the industries and businesses in which the Corporation operates, such effect may be taken into account in determining whether a Material Adverse Effect has occurred, but only to the extent of the disproportionate effect; and (ii)

references in certain Sections of this Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative for purposes of determining whether a “Material Adverse Effect” has occurred.

“**Material Contracts**” means any Contract: (i) that if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect; (ii) that is a partnership agreement, limited liability company agreement, joint venture agreement or similar agreement or arrangement, relating to the formation, creation or operation of any partnership, limited liability company or joint venture in which the Corporation is a partner, member or joint venturer (or other participant) that is material to the Corporation; (iii) under which indebtedness for borrowed money in excess of \$100,000 is or may become outstanding; (iv) under which a customer of the Corporation made payments to the Corporation in excess of \$1,000,000 for the fiscal year ended March 31, 2021; (v) under which a supplier of the Corporation received payments from the Corporation in excess of \$1,000,000 for the fiscal year ended March 31, 2021; (vi) that contains express exclusivity or non-solicitation obligations of the Corporation (excluding customary non-solicitation provisions with customers and partners or potential sellers of businesses to the Corporation); or (vii) that expressly limits or restricts in any material respect (A) the ability of the Corporation to engage in any line of business or carry on business in any geographic area, or (B) the scope of Persons to whom the Corporation may sell products or services.

“**Non-Competing Transaction**” has the meaning set forth in Section 4.04(c).

“**OBCA**” means the *Business Corporations Act* (Ontario).

“**Ordinary Course**” means, with respect to an action taken by the Corporation, that such action is consistent with the past practices of the Corporation and is taken in the ordinary course of the normal day-to-day operations of the business of the Corporation, including any commercially reasonable deviations therefrom taken in good faith by the Corporation, as a result of or in response to natural disasters, calamities, emergencies, crises and any COVID-19 Measures.

“**Outside Date**” means July 31, 2022, or such later date as may be agreed to in writing by the Parties.

“**Parties**” or “**parties**” means, collectively, the Vendor and the Purchaser and “**Party**” or “**party**” means any one of them.

“**Permitted Encumbrances**” means, as of any particular time and in respect of any Person, each of the following Encumbrances:

- (a) Encumbrances for Taxes which (i) are not delinquent or (ii) that are being contested in good faith and have been adequately reserved on the Corporation’s financial statements;
- (b) Encumbrances of contractors, subcontractors, mechanics, materialmen, carriers, workmen, suppliers, warehousemen, repairmen and similar Encumbrances granted or which arise in the Ordinary Course; provided that, such Encumbrances are related to obligations not due or delinquent, are not registered against title to any assets and in respect of which adequate holdbacks are being maintained as required by Law;
- (c) Encumbrances arising under or in connection with zoning, building codes and other land use Laws regarding the use or occupancy of such real property or the activities conducted thereon which are imposed by any Governmental Authority;
- (d) the right reserved to or vested in any Governmental Authority by any statutory provision

or by the terms of any lease, license, franchise, grant, Authorization or permit of the Corporation, to terminate any such lease, license, franchise, grant, Authorization or permit, or to require annual or other payments as a condition of their continuance;

- (e) easements, rights-of-way, encroachments, restrictions, covenants, conditions and other similar matters that, individually or in the aggregate, do not materially and adversely impact the Corporation's current or contemplated use, occupancy, utility or value of the applicable real property;
- (f) Encumbrances listed in Section 1.01 of the Disclosure Letter.

"Person" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including a Governmental Authority), syndicate or other entity, whether or not having legal status.

"Personal Information" means information about an identifiable individual other than such individual's business contact information where such business contact information is collected, used or disclosed for the purposes of contacting such individual in that individual's capacity as an employee or an official of an organization and for no other purpose.

"Post-Closing Adjustment" has the meaning set forth in Section 2.04(b)(ii).

"Pre-Closing Tax Periods" shall mean any Tax Period ending on or before the Closing Date.

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

"Purchased Shares" means all of the issued and outstanding shares in the capital of the Corporation, being 5,013,500 common shares.

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

"Purchaser's Accountant" means KPMG LLP.

"Purchaser Indemnitees" has the meaning set forth in Section 6.02.

"Real Property" means rights, title, estate and interest, present or future, of the Corporation in and to the lands and premises described in Section 1.01 of the Disclosure Letter, including all buildings, erections, structures, fixtures and improvements of any nature or kind now and hereafter situated thereon and all other appurtenances thereto.

"Regulatory Approvals" means any consent, waiver, permit, exemption, review, order, decision or approval of, or any registration and filing with, any Governmental Authority, or the expiry, waiver or termination of any waiting period imposed by Law or a Governmental Authority, in each case in connection with the transactions contemplated by this Agreement.

"Related Party" means any officer, director, employee, trustee or shareholder, or any Person with whom the Corporation is not dealing at arm's length (within the meaning of the Tax Act) or any Affiliate or spouse of any of the foregoing.

"Related Party Debt" means all liabilities owed by the Corporation to the Vendor or any other Related Party.

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

“**Resolution Period**” has the meaning set forth in Section 2.04(c)(ii).

“**Restricted Period**” has the meaning set forth in Section 4.09(a).

“**Restrictive Covenants**” has the meaning set forth in Section 4.09(k).

“**Review Period**” has the meaning set forth in Section 2.04(c)(i).

“**Securities Authorities**” means Ontario Securities Commission and any other applicable securities commissions or securities regulatory authority of a province or territory of Canada and the TSX-V.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval.

“**Statement of Objections**” has the meaning set forth in Section 2.04(c)(ii).

“**Subsidiary**” has the meaning ascribed thereto in the *Securities Act* (Ontario).

“**Support and Voting Agreements**” means the support and voting agreements (including all amendments thereto) among the Purchaser, the Vendor, and the Supporting Shareholders, in each case, setting forth the terms and conditions upon which they have agreed, among other things, to vote their Vendor Shares in favour of the Vendor Shareholder Resolution.

“**Supporting Shareholders**” means, collectively, each of Fairfax Financial Holdings Limited (and its subsidiaries and affiliated entities and related persons), Mr. Emmanuel Mounouchos (and his subsidiaries and affiliated entities and related persons), and the executive officers and directors of the Vendor.

“**Target Working Capital**” means \$7,500,000.

“**Tax Act**” means the *Income Tax Act* (Canada), as amended.

“**Tax**” or “**Taxes**” means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Authority, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers’ compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority on or in respect of amounts of the type described in clause (i) above or this clause; and (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party.

“**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 the Dominion of Canada and all provinces and territories therein.

“**Third-Party Claim**” has the meaning set forth in Section 6.05(a).

“**Transaction Documents**” means this Agreement and:

- (a) the ASI Covenant; and
- (b) the Transition Services Agreement.

“**Transaction Shareholder Approval**” means the approval of the Transaction by Vendor Shareholders representing at least two-thirds of the votes cast on the Vendor Shareholder Resolution by Vendor Shareholders present in person or represented by proxy at a meeting, voting together as a single class, if required pursuant to Section 184 of the OBCA.

“**Transactions**” means the purchase and sale of the Purchased Shares and all other transactions contemplated by this Agreement.

“**Transition Services**” means the transition services to be provided by, or on behalf of, the Vendor as described in Section 1.01 of the Disclosure Letter.

“**Transition Services Agreement**” means the transition services agreement to be executed on or prior to Closing and effective as of the Closing Date in a form mutually agreeable to the Vendor and the Purchaser, each acting reasonably.

“**TSX-V**” means the TSX Venture Exchange.

“**Uncollected Accounts Receivables**” has the meaning set forth in Section 2.05.

“**Undisputed Amounts**” has the meaning set forth in Section 2.04(c)(iii).

“**Vendor**” has the meaning set forth in the preamble.

“**Vendor Indemnitees**” has the meaning set forth in Section 6.03.

“**Vendor Shares**” means the common shares in the capital of the Vendor.

“**Vendor Shareholders**” means the registered and/or beneficial holders of Vendor Shares, as the context requires.

“**Vendor Shareholder Meeting**” means the special meeting of Vendor Shareholders, including any adjournment of postponement thereof, to be called and held to consider the Vendor Shareholder Resolution.

“**Vendor Shareholder Resolution**” means the special resolution approving the Transaction to be considered at the Vendor Shareholder Meeting, substantially in the form set out in Schedule C with or without modification.

“**Vendor’s Accountant**” means RSM Canada LLP.

“**[Redacted] Claim**” means the claim against [Redacted - Personal Information] by the Corporation pursuant to the [Redacted - Personal Information] as such claim may be further amended from time to time.

“**[Redacted]**” means, collectively, [Redacted - Personal Information].

Section 1.02 Certain Rules of Interpretation. In this Agreement, unless otherwise specified:

- (a) **Headings, etc.** The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Agreement.
- (b) **Currency.** All references to dollars or to \$ are references to Canadian dollars, unless specified otherwise.
- (c) **Gender and Number.** Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.
- (d) **Certain Phrases, etc.** The words (i) “including”, “includes” and “include” mean “including (or includes or include) without limitation,” (ii) “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of,” and (iii) unless stated otherwise, “Article”, “Section”, and “Schedule” followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Agreement. The term “Agreement” and any reference in this Agreement to this Agreement or any other agreement or document includes, and is a reference to, this Agreement or such other agreement or document as it may have been, or may from time to time be, amended, restated, replaced, supplemented or novated and includes all schedules to it. The term “made available” means (i) copies of the subject materials were included in the Data Room, (ii) copies of the subject materials were provided to the Purchaser or its Representatives, or (iii) the subject material was expressly and specifically listed in the Disclosure Letter or referred to in the Data Room and copies were provided to Purchaser or its Representatives by the Vendor if requested.
- (e) **Capitalized Terms.** All capitalized terms used in any Schedule or the Disclosure Letter have the meanings ascribed to them in this Agreement.
- (f) **Knowledge.** Where any representation or warranty is expressly qualified by reference to the knowledge of the Vendor it is deemed to refer to the actual knowledge of each of the Chief Executive Officer, the Chief Financial Officer and the Chief People and Legal Affairs Officer of the Vendor, after due and diligent inquiry.
- (g) **Accounting Terms.** All accounting terms are to be interpreted in accordance with GAAP and all determinations of an accounting nature in respect of the Corporation required to be made shall be made in a manner consistent with GAAP.
- (h) **Statutes.** Any reference to a statute refers to such statute and all rules, resolutions and regulations made under it, as it or they may have been or may from time to time be

amended or re-enacted, unless stated otherwise.

- (i) **Computation of Time.** A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Agreement by a Person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.
- (j) **Time References.** References to time are to local time, Toronto, Ontario.
- (k) **Schedules.** The schedules attached to this Agreement and the Disclosure Letter form an integral part of this Agreement for all purposes of it.
- (l) **Disclosure Letter.** The Disclosure Letter and all information contained therein is confidential information and may not be disclosed unless (i) it is required to be disclosed pursuant to Law unless such Law permits the Parties to refrain from disclosing the information for confidentiality or other purposes or (ii) a Party needs to disclose it in order to enforce or exercise its rights under this Agreement, provided that it will only disclose that portion of the Disclosure Letter, as applicable, which, on the written advice of such Party's external legal counsel, is necessary to be disclosed.

ARTICLE II Purchase and Sale

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

Section 2.02 Purchase Price. Subject to adjustment under Section 2.04, the aggregate purchase price for the Purchased Shares shall be \$23,950,000 minus the Closing Debt (the "**Purchase Price**") and shall be paid and satisfied as follows:

- (a) \$750,000 shall be applied by way of set off against the Arrangement Expense Reimbursement; and
- (b) the balance of the Purchase Price shall be paid on Closing by way of wire transfer of immediately available funds.

Section 2.03 Transactions to be Effected at the Closing.

- (a) At the Closing, the Purchaser shall deliver to the Vendor:
 - (i) a wire transfer of immediately available funds to an account of the Vendor designated in writing by the Vendor to the Purchaser no later than one Business Day before the Closing Date in the amount of \$23,200,000, subject to adjustment under Section 2.04, as payment of the Purchase Price and for the repayment of Closing Debt, such amounts to be set out on a flow of funds document to be

agreed between the Parties; and

- (ii) the Transaction Documents and all other agreements, documents, instruments or certificates required to be delivered by the Purchaser at or before the Closing under Section 5.03.
- (b) At the Closing, the Vendor shall deliver to the Purchaser:
- (i) share certificates representing the Purchased Shares duly endorsed in blank or accompanied by forms of share transfers or other instruments of transfer duly executed in blank;
 - (ii) a receipt from the Vendor acknowledging repayment in full (pursuant to the payments in respect of Closing Debt contemplated by section 2.03(a)(i)) of the Closing Debt that is owing by the Corporation to the Vendor; and
 - (iii) the Transaction Documents and all other agreements, documents, instruments or certificates required to be delivered by the Vendor at or before the Closing under Section 5.02.

Section 2.04 Purchase Price Adjustment.

(a) **Closing Adjustments.**

- (i) At least three Business Days before the Closing, the Vendor shall prepare and deliver to Purchaser an estimated balance sheet of the Corporation as of the Closing Date (without giving effect to the Transactions contemplated herein) (the “**Estimated Closing Statement**”), which statement shall include the Vendor’s good faith estimates of Closing Working Capital (the “**Estimated Closing Working Capital**”) and a certificate of the Chief Financial Officer of the Vendor that, except for the calculation of Taxes, the Estimated Closing Statement was prepared in accordance with GAAP and applied using the same accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies that were used in the preparation of the Financial Statements for the most recent financial year end as if such Estimated Closing Statement was being prepared and audited as of a financial year end.
- (ii) The Purchase Price (and the amount to be delivered by the Purchaser pursuant to Section 2.03(a)(i)) shall be adjusted by the amount equal to the Estimated Closing Working Capital minus the Target Working Capital (the “**Closing Adjustment**”).
- (iii) If the Closing Adjustment is a positive number, the Purchase Price (and the amount to be delivered by the Purchaser pursuant to Section 2.03(a)(i)) shall be increased by the amount of the Closing Adjustment. If the Closing Adjustment is a negative number, the Purchase Price (and the amount to be delivered by the Purchaser pursuant to Section 2.03(a)(i)) shall be reduced by the absolute value of the Closing Adjustment.

(b) **Post-Closing Adjustment.**

- (i) Within 90 days after the Closing Date, the Purchaser shall prepare and deliver to the Vendor a statement setting forth its calculation of Closing Working Capital (including a statement of Uncollected Accounts Receivables with full particulars thereof), which statement shall contain an unaudited balance sheet of the Corporation as of the Closing Date (without giving effect to the Transactions contemplated herein), a calculation of Closing Working Capital (the “**Closing Statement**”) and a certificate of the Chief Financial Officer of the Purchaser that the Closing Statement was prepared in accordance with GAAP and applied using the same accounting methods, practices, principles, policies and procedures, with consistent classifications, judgments and valuation and estimation methodologies that were used in the preparation of the Financial Statements for the most recent financial year end as if such Closing Statement was being prepared and audited as of a financial year end.
- (ii) The post-closing adjustment shall be the sum of:
 - (A) the amount equal to the Closing Working Capital minus the Estimated Closing Working Capital; and
 - (B) any Aged Receivables paid to the Corporation or the Purchaser, as the case may be, within the 90 days after the Closing Date,(the “**Post-Closing Adjustment**”).

If the Post-Closing Adjustment is a positive number, the Purchaser shall pay to the Vendor an amount equal to the Post-Closing Adjustment. If the Post-Closing Adjustment is a negative number, the Vendor shall pay to the Purchaser an amount equal to the absolute value of the Post-Closing Adjustment.

(c) **Examination and Review.**

- (i) **Examination.** After receipt of the Closing Statement, the Vendor shall have 30 days (the “**Review Period**”) to review the Closing Statement. During the Review Period, the Vendor and the Vendor’s Accountant shall have full access to the Books and Records of the Corporation, the personnel of, and working papers prepared by, the Purchaser and Purchaser’s Accountant to the extent that they relate to the Closing Statement and to such historical financial information (to the extent in the Purchaser’s possession) relating to the Closing Statement as the Vendor may reasonably request for the purpose of reviewing the Closing Statement and to prepare a Statement of Objections; *provided that* such access shall be in a manner that does not interfere with the normal business operations of the Purchaser or the Corporation.
- (ii) **Objection.** On or before the last day of the Review Period, the Vendor may object to the Closing Statement by delivering to the Purchaser a written statement setting forth the Vendor’s objections in reasonable detail, indicating each disputed item or amount and the basis for the Vendor’s disagreement therewith (the “**Statement of Objections**”). If the Vendor fails to deliver the Statement of Objections before the expiration of the Review Period, the Closing Statement and the Post-Closing Adjustment, as the case may be, reflected in the Closing Statement shall be deemed to have been accepted by the Vendor. If the Vendor

delivers the Statement of Objections before the expiration of the Review Period, the Purchaser and the Vendor shall negotiate to resolve such objections within 30 days after the delivery of the Statement of Objections (the “**Resolution Period**”), and, if the same are so resolved within the Resolution Period, the Post-Closing Adjustment and the Closing Statement with such changes as may have been previously agreed in writing by the Purchaser and the Vendor, shall be final and binding.

- (iii) **Resolution of Disputes.** If the Vendor and the Purchaser fail to reach an agreement with respect to all of the matters set forth in the Statement of Objections before expiration of the Resolution Period, then any amounts remaining in dispute (the “**Disputed Amounts**” and any amounts not so disputed, the “**Undisputed Amounts**”) shall be submitted for resolution to the office of MNP LLP or, if MNP LLP is unable to serve, the Purchaser and the Vendor shall appoint by mutual agreement the office of an impartial nationally recognized firm of independent chartered professional accountants other than Vendor’s Accountant or Purchaser’s Accountant (the “**Independent Accountant**”) who, acting as an expert and not an arbitrator, shall resolve the Disputed Amounts only and make any adjustments to the Post-Closing Adjustment, as the case may be, and the Closing Statement. The parties agree that all adjustments shall be made without regard to materiality. The Independent Accountant shall only decide the specific items under dispute by the parties and its decision for each Disputed Amount must be within the range of values assigned to each such item in the Closing Statement and the Statement of Objections, respectively.
 - (iv) **Fees of the Independent Accountant.** The fees and expenses of the Independent Accountant shall be paid by (A) the Vendor and (B) the Purchaser based upon the percentage that the amount actually contested but not awarded to the Vendor or the Purchaser, respectively, bears to the aggregate amount actually contested by the Vendor and the Purchaser.
 - (v) **Determination by Independent Accountant.** The Independent Accountant shall make a determination as soon as practicable within 30 days (or such other time as the Parties shall agree in writing) after its engagement, and its resolution of the Disputed Amounts and their adjustments to the Closing Statement or the Post-Closing Adjustment, or both, shall be conclusive and binding upon the Parties.
 - (vi) **Payments of Post-Closing Adjustment.** Except as otherwise provided herein, any payment of the Post-Closing Adjustment, together with interest calculated as set forth below, shall (A) be due (x) within five Business Days of acceptance of the applicable Closing Statement, or (y) if there are Disputed Amounts, then within five Business Days of the resolution described in Section 2.04(c)(v); and (B) be paid by wire transfer of immediately available funds to such account as is directed by the Purchaser or the Vendor, as the case may be. The amount of any Post-Closing Adjustment shall bear interest from and including the Closing Date to but excluding the date of payment at a rate per annum equal to the prime lending rate of the Corporation’s primary operating lender plus 1.00%. Such interest shall be calculated daily on the basis of a 365-day year and the actual number of days elapsed, without compounding.
- (d) **Adjustments to Purchase Price.** Any payments made pursuant to Section 2.04 shall be

an adjustment to the Purchase Price, unless otherwise required by Law.

Section 2.05 Accounts Receivable. Any Closing Date Accounts Receivables that are not collected prior to the date that is 90 days after the Closing Date (the “**Uncollected Accounts Receivables**”) shall not be included in the calculation of Closing Working Capital, provided that any invoice that is contractually not due and owing for a period in excess of 90 days shall not be considered as an Uncollected Accounts Receivable unless such invoice is outstanding in excess of 150 days. The Purchaser covenants to the Vendor that: (i) it shall cause the Corporation to use commercially reasonable efforts to collect the Aged Receivables and the Uncollected Accounts Receivable, provided that such obligation shall not require the Purchaser or the Corporation to commence an Action; and (ii) in the event that any Aged Receivable or Uncollected Accounts Receivable is collected by the Corporation within 60 days following the date of the payment of the Post Closing Adjustment, the Purchaser shall cause the Corporation to pay such collected amounts to the Vendor within 30 days following the end of the calendar month during which such amounts were collected by the Corporation. Notwithstanding the foregoing, the Purchaser shall cause the Corporation to pay any amounts received by the Corporation in respect of the [Redacted] Claim to the Vendor within 30 days of receipt by the Corporation regardless of when any such amounts are received.

Section 2.06 Closing. Subject to the terms and conditions of this Agreement, the purchase and sale of the Purchased Shares contemplated hereby shall take place at a closing (the “**Closing**”) to be held at 8:00 a.m., Toronto time, no later than five Business Days after the last of the conditions to Closing set forth in ARTICLE V have been satisfied or waived (other than conditions which, by their nature, are to be satisfied on the Closing Date), or at such other time or on such other date and at such place as the Vendor and the Purchaser may mutually agree upon in writing (the day on which the Closing takes place being the “**Closing Date**”).

ARTICLE III Representations and Warranties

Section 3.01 Representations and Warranties of the Vendor.

- (a) Except as set forth in the correspondingly numbered section of the Disclosure Letter (which disclosure shall apply against any representations and warranties to which it is reasonably apparent it should relate), the Vendor represents and warrants to the Purchaser as set forth in Schedule A and acknowledges and agrees that the Purchaser is relying upon such representations and warranties in connection with the entering into of this Agreement.
- (b) Except for the representations and warranties set forth in this Agreement, neither the Vendor nor any other Person has made or makes, and the Purchaser has not relied upon, any other express or implied representation and warranty, either written or oral, on behalf of the Vendor.

Section 3.02 Representations and Warranties of the Purchaser.

- (a) The Purchaser represents and warrants to the Vendor as set forth in Schedule B and acknowledges and agrees that the Vendor is relying upon such representations and warranties in connection with the entering into of this Agreement.
- (b) Except for the representations and warranties set forth in this Agreement, neither the

Purchaser nor any other Person has made or makes, and the Vendor has not relied upon, any other express or implied representation and warranty, either written or oral, on behalf of the Purchaser.

ARTICLE IV Covenants

Section 4.01 Conduct of Business Before the Closing. The Vendor covenants and agrees that, during the period from the date of this Agreement until the earlier of the Closing and the time that this Agreement is terminated in accordance with its terms, except: (i) with the prior written consent of the Purchaser, such consent not to be unreasonably withheld, delayed or conditioned; (ii) as required or permitted by this Agreement; (iii) in connection with any COVID-19 Measures undertaken by the Corporation; (iv) as required by Law or any Contract; or (v) as set out in the Disclosure Letter, the Vendor shall cause the Corporation to, conduct its business in the Ordinary Course and in accordance with Laws, and the Corporation shall use commercially reasonable efforts to maintain and preserve intact its business organization, assets, properties, employees, goodwill and business relationships it currently maintains with customers, suppliers, partners and other Persons with which the Corporation has business relations.

Section 4.02 Without limiting the generality of Section 4.01, the Vendor covenants and agrees that, during the period from the date of this Agreement until the earlier of the Closing and the time that this Agreement is terminated in accordance with its terms, except: (i) with the prior written consent of the Purchaser, such consent not to be unreasonably withheld, delayed or conditioned; (ii) as required or permitted by this Agreement; (iii) in connection with any COVID-19 Measures undertaken by the Corporation; (iv) as required by Law or any Contract; or (v) as set out in the Disclosure Letter, the Vendor shall not permit the Corporation to, directly or indirectly:

- (a) amend its Articles or by-laws;
- (b) adjust, split, combine, reclassify or amend the terms of any securities of the Corporation;
- (c) redeem, repurchase, or otherwise acquire or offer to redeem, repurchase or otherwise acquire any securities of the Corporation;
- (d) make, declare, set aside or pay any dividend or other distribution (whether in cash, securities or property, or any combination thereof) on any class of securities of the Corporation;
- (e) enter into any Contract with respect to the voting rights of any Purchased Shares;
- (f) issue, grant, deliver, sell, pledge or otherwise encumber (other than Permitted Encumbrances), or authorize the issuance, grant, delivery, sale, pledge or other encumbrance of (other than Permitted Encumbrances), any securities or any options, warrants or similar rights exercisable or exchangeable for or convertible into any securities, of the Corporation;
- (g) acquire any Person (other than an individual), business, line of business (by merger, consolidation, acquisition of shares or assets or otherwise), directly or indirectly, in one transaction or in a series of related transactions, or make any investment in a Person (other than an individual), directly or indirectly, in one transaction or in a series of related

transactions, by the purchase of securities, contributions of capital, loan or other advance, property transfer or the purchase of any property or assets of any Person;

- (h) transfer, licence, sell, lease or otherwise dispose of, or pledge, encumber or otherwise subject to any Encumbrance (other than Permitted Encumbrances), directly or indirectly, in one transaction or in a series of related transactions, any of the Corporation's assets which have a value greater than \$50,000 in the aggregate;
- (i) reorganize, restructure, recapitalize, amalgamate or merge the Corporation;
- (j) reduce the stated capital of the shares of the Corporation;
- (k) adopt a plan of liquidation or resolutions providing for the liquidation or dissolution of the Corporation;
- (l) make any capital expenditure or commitment to do so which individually or in the aggregate exceeds \$50,000, other than for greater certainty ordinary course uniform contracts or vehicle leases in the Ordinary Course;
- (m) create, incur, assume or otherwise become liable, in one transaction or in a series of related transactions, with respect to any indebtedness for borrowed money or guarantees thereof in an amount, on a per transaction or series of related transactions basis, in excess of \$50,000;
- (n) make any material change in the Corporation's accounting principles, except as required by concurrent changes in GAAP;
- (o) except as set out in Section 4.02(xv) of the Disclosure Letter, (A) increase any severance, change of control or termination pay to (or amend any existing arrangement in relation thereto with) any Employee or any director of the Corporation; (B) increase compensation (including wages, salary and fees), retention or incentive compensation or other benefits payable to any Employee, director of the Corporation, independent contractor or consultant (other than, in the case of an Employee, in the Ordinary Course); (C) make any bonus payment or comparable payment to any Employee, director of the Corporation, independent contractor or consultant; (D) loan or advance money or other property to any Employee or any director of the Corporation; (E) establish, adopt, enter into, amend or terminate any Employee Plan (or any plan, agreement, program, policy, trust, fund or other arrangement that would be an Employee Plan if it were in existence on the date hereof) or increase or accelerate the timing of any funding obligation, funding contribution or payment of any compensation or benefits under any Employee Plan; (F) grant any equity-based awards (other than in Ordinary Course); or (G) hire, retain, engage or terminate (for any reason), or enter into any employment, deferred compensation, severance or termination or other similar agreement (or amend any such existing agreement) with any Employee, director of the Corporation, independent contractor or consultant;
- (p) enter into a material Collective Agreement, or amend or modify any union recognition agreement, Collective Agreement or similar agreement with any trade union or representative body;
- (q) waive, release, assign, settle or compromise any litigation, proceedings or governmental

investigations against the Corporation in excess of an amount of \$50,000 individually or \$150,000 in the aggregate or which would reasonably be expected to impede, prevent or delay the consummation of the transactions contemplated by this Agreement;

- (r) amend, modify, terminate, cancel or let lapse any material insurance (or re-insurance) policy of the Corporation in effect on the date of this Agreement, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the terminated, cancelled or lapsed policies for substantially similar premiums are in full force and effect;
- (s) amend or modify in any material respect or terminate or waive any material right under any Material Contract or enter into any Contract or agreement that would be a Material Contract if in effect on the date hereof;
- (t) enter into any new line of business or discontinue any existing line of business;
- (u) abandon or fail to diligently pursue any application for any material Authorizations, leases, permits or registrations or take any action, or fail to take any action, that could lead to the termination of any material Authorizations, leases or registrations; or
- (v) authorize, agree or resolve to do any of the foregoing.

Nothing contained in this Agreement will give the Purchaser, directly or indirectly, the right to direct or control the Corporation's business and operations prior to the Closing. Prior to the Closing, the Corporation will exercise, consistent with the terms of this Agreement, complete control and supervision over its business and operations. Nothing in this Agreement, including any of the restrictions set forth herein, will be interpreted in such a way as to place any Party in violation of Law.

Section 4.03 Access to Information.

- (a) From the date hereof until the Closing, the Vendor shall, and shall cause the Corporation to, upon reasonable prior notice and during regular business hours: (a) afford the Purchaser and its 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 Corporation; (b) furnish the Purchaser and its Representatives with such financial, operating and other data and information related to the Corporation as the Purchaser or any of its Representatives may reasonably request; and (c) instruct the Representatives of the Vendor and the Corporation to cooperate with the Purchaser in its investigation of the Corporation. Any investigation under this Section 4.03 shall be conducted in such manner as not to interfere unreasonably with the conduct of the Business of the Vendor or the Corporation. Neither the Purchaser nor any of their Representatives will contact any Employees, or any contractual counterparts of the Corporation (in their capacity as such), except after consultation with and the approval of the Chief Executive Officer of the Vendor, which shall not be unreasonably withheld. No investigation by the Purchaser or other information received by the Purchaser shall operate as a waiver or otherwise affect any representation, warranty or agreement given or made by the Vendor in this Agreement.
- (b) Notwithstanding any provision of this Agreement, the Vendor shall not be obligated to provide access to, or to disclose, any information to the Purchaser if the Vendor, after

receipt of legal advice from outside counsel, reasonably determines that such access or disclosure would jeopardize any solicitor-client or other privilege claim by the Vendor or the Corporation provided that the Vendor shall use its commercially reasonable efforts to otherwise make available such information to the Purchaser notwithstanding such impediment, including by causing the documents or information that are subject to such privilege to be provided in a manner that would not reasonably be expected to violate or jeopardize such privilege.

- (c) For greater certainty, the Purchaser and its affiliates shall treat, and shall cause their respective Representatives to treat, all information furnished to the Purchaser or any of its affiliates or representatives in connection with the transactions contemplated by this Agreement or pursuant to the terms of this Agreement in accordance with the terms of the Confidentiality Agreement. Without limiting the generality of the foregoing, the Purchaser acknowledges and agrees that the Disclosure Letter and all information contained in it is confidential and shall be treated in accordance with the terms of the Confidentiality Agreement.

Section 4.04 Competing Transactions

- (a) Subject to Section 4.04(c), until the earlier of the Closing Time or such time as this Agreement is lawfully terminated pursuant to Section 7.01, the Vendor shall not, and shall not authorize or permit any of its Affiliates (including the Corporation) or any of its or their Representatives to, directly or indirectly: (i) encourage, solicit, initiate, facilitate or continue inquiries regarding a Competing Transaction; (ii) enter into discussions or negotiations with, or provide any information to, any Person concerning a possible Competing Transaction; or (iii) enter into any agreements or other instruments (whether or not binding) regarding a Competing Transaction. The Vendor shall immediately cease and cause to be terminated, and shall cause its Affiliates (including the Corporation) and all its and their Representatives to immediately cease and cause to be terminated, all existing discussions or negotiations with any Person conducted heretofore with respect to, or that could lead to, a Competing Transaction. For purposes hereof, “**Competing Transaction**” shall mean any inquiry, proposal or offer from any Person (other than the Purchaser) concerning (i) a merger, amalgamation, arrangement, liquidation, recapitalization, share exchange or other business combination transaction involving the Corporation; (ii) the issuance or acquisition of shares in the capital, or other equity securities, of the Corporation; or (iii) the sale, lease, exchange or other disposition of substantially all or any significant portion of the Corporation’s Assets.
- (b) In addition to the other obligations under this Section 4.04, the Vendor shall promptly (and, in any event, within three Business Days after receipt thereof by the Vendor or its Representatives) advise the Purchaser orally and in writing of any: (i) Competing Transaction, any request for information with respect to any Competing Transaction or any inquiry with respect to or which could reasonably be expected to result in an Competing Transaction; (ii) the material terms and conditions of such request, Competing Transaction or inquiry; and (iii) the identity of the Person making the same.
- (c) Notwithstanding the other provisions of this Section 4.04, the Vendor shall be permitted and entitled to (i) encourage, solicit, initiate, facilitate or continue inquiries regarding a Non-Competing Transaction; (ii) enter into discussions or negotiations with, or provide any information to, any Person concerning a possible Non-Competing Transaction; or (iii) enter into any agreements or other instruments (whether or not binding) where the

subject matter relates to a Non-Competing Transaction. For the purposes hereof, a “**Non-Competing Transaction**” means any acquisition, sale, going private, merger, amalgamation, combination, consolidation or arrangement or similar type of transaction or any investment transaction providing for the investment in securities of the Vendor by any other Person(s) that is not, and is not reasonably expected to result in, a Competing Transaction and does not otherwise interfere in any way with the Closing of the Transactions.

- (d) The Vendor agrees that the rights and remedies for non-compliance with this Section 4.04 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 the Purchaser and that monetary damages would not provide an adequate remedy for the Purchaser.

Section 4.05 Notice of Certain Events

- (a) From the date hereof until the Closing, the Vendor shall promptly notify Purchaser in writing of any:
 - (i) fact, circumstance, event or action, the existence, occurrence or taking of which (A) has had, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (B) has resulted in, or would reasonably be expected to result in, any representation or warranty made by the Vendor hereunder not being true and correct, or (C) has resulted in, or would reasonably be expected to result in, the failure of any of the conditions set forth in Section 5.02 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, to the Vendor’s Knowledge, threatened against, relating to or involving or otherwise affecting the Vendor or the Corporation that, if pending on the date of this Agreement, would have been required to have been disclosed under the Disclosure Letter or that relates to the consummation of the transactions contemplated by this Agreement.
- (b) The Purchaser’s receipt of information under this Section 4.05 shall not operate as a waiver or otherwise affect any representation, warranty or agreement given or made by the Vendor in this Agreement (including Section 6.02 and Section 7.01(b)) and shall not be deemed to amend or supplement the Disclosure Schedules.

Section 4.06 Resignations. The Vendor shall deliver to the Purchaser written resignations, effective as of the Closing Date, of the officers and directors of the Corporation five Business Days before the Closing.

Section 4.07 Confidentiality. From and after the Closing, the Vendor shall, and shall cause its Affiliates to, hold, and shall use its reasonable best efforts to cause its or their respective Representatives

to hold, in confidence any and all information, whether written or oral, concerning the Corporation, except to the extent that the Vendor can show that such information: (a) is generally available to, and known by, the public through no fault of the Vendor, any of its Affiliates or any of their respective Representatives; or (b) is lawfully acquired by the 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 the 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, the Vendor shall promptly notify the Purchaser in writing and shall disclose only that portion of such information that the Vendor is advised by its counsel in writing is legally required to be disclosed; *provided that* the Vendor shall use its reasonably best efforts to obtain an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.

Section 4.08 Personal Information Privacy. The 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 the Vendor or the Corporation under this Agreement. The Purchaser shall only collect, use or disclose such Personal Information for the purposes of investigating the Corporation and the Business as contemplated in this Agreement and completing the transactions contemplated in this Agreement. The Purchaser shall safeguard all Personal Information collected from the Vendor or the Corporation 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. The 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 Purchased Shares is not completed for any reason and shall return all Personal Information to the Vendor or, at the Vendor's request, destroy such Personal Information at the Vendor's sole cost.

Section 4.09 Non-Competition; Non-Solicitation

- (a) For a period of three (3) years commencing on the Closing Date (the "Restricted Period"), the Vendor shall not, and shall not permit any of its Downstream Affiliates to, directly or indirectly: (i) engage in or assist others in engaging in the Business in the Territory; (ii) have an interest in any Person that engages directly or indirectly in the Business in the Territory in any capacity, including as a partner, shareholder, member, employee, principal, agent, trustee or consultant (except that the ownership of less than 5% of any Person traded on any stock exchange shall not be prohibited); or (iii) intentionally interfere in any material respect with the business relationships (whether formed before or after the date of this Agreement) between the Corporation and customers or suppliers of the Corporation. Notwithstanding the foregoing, the Vendor may own, directly or indirectly, solely as an investment, securities of any Person traded on any stock exchange if the Vendor is not a controlling Person of, or a member of a group that controls, such Person and does not, directly or indirectly, own 5% or more of any class of securities of such Person. Notwithstanding the foregoing, the restrictions contained in this Section 4.09(a) shall not operate to prevent the Vendor from providing security services (including protective (guarding) services) at luxury condominium buildings in the greater Toronto area where the average sale price per unit in the last 12 months exceeds \$1,650.00 per square foot.
- (b) During the Restricted Period, the Purchaser shall not, and shall not permit any of its Downstream Affiliates to, directly or indirectly: (i) engage in or assist others in engaging in the ASI Business in the Territory; (ii) have an interest in any Person that engages directly or indirectly in the ASI Business in the Territory in any capacity, including as a

partner, shareholder, member, employee, principal, agent, trustee or consultant (except that the ownership of less than 5% of any Person traded on any stock exchange shall not be prohibited); or (iii) intentionally interfere in any material respect with the business relationships (whether formed before or after the date of this Agreement) between the Vendor and customers or suppliers of the Vendor. Notwithstanding the foregoing, the Purchaser may own, directly or indirectly, solely as an investment, securities of any Person traded on any stock exchange if the Purchaser is not a controlling Person of, or a member of a group that controls, such Person and does not, directly or indirectly, own 5% or more of any class of securities of such Person.

- (c) During the Restricted Period, the Vendor shall not, and shall not permit any of its Affiliates to, directly or indirectly, hire or solicit any Employee or encourage any Employee to leave his or her employment, except pursuant to a general solicitation that is not directed specifically to any such employees; *provided that* nothing in this Section 4.09(c) shall prevent the Vendor or any of its Affiliates from hiring: (i) any Employee whose employment has been terminated by the Corporation or Purchaser; or (ii) after 60 days from the date of termination of employment, any Employee whose employment has been terminated by the Employee.
- (d) During the Restricted Period, the Vendor shall not, and shall not permit any of its Affiliates to, directly or indirectly, solicit or entice, or attempt to solicit or entice, any clients or customers of the Corporation or potential clients or customers of the Corporation for purposes of diverting their business or services from the Corporation.
- (e) The restrictions in this Section 4.09 shall not apply to adversely affect or impact ASI from operating as it currently operates the ASI Business for its existing customers as at the Closing Date, including where the ASI Business currently overlaps with the Business.
- (f) The restrictions in this Section 4.09 shall not apply to prevent ASI and its Affiliates from engaging in the Business so long as it does not exceed 5% of ASI's consolidated revenues.
- (g) The restrictions in this Section 4.09 shall not apply to prevent the Purchaser and its Affiliates from engaging in the ASI Business so long as it does not exceed 5% of the Purchaser's consolidated revenues.
- (h) The Vendor covenants and agrees to cease the use of the "Logixx" name for business purposes within 12 months of Closing.
- (i) Each of the Vendor and the Purchaser acknowledge that a breach or threatened breach of this Section 4.09 would give rise to irreparable harm to the other Party, 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 a Party of any such obligations, the other Party 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).
- (j) Each of the Parties acknowledges that the restrictions contained in this Section 4.09 are

reasonable and necessary to protect the legitimate interests of the other Party and constitute a material inducement to entering into this Agreement and consummating the transactions contemplated by this Agreement. The covenants contained in this Section 4.09 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.

- (k) **Restrictive Covenant.** The Parties intend that the conditions set forth in section 56.4(7) of the Tax Act have been satisfied such that section 56.4(5) of the Tax Act applies to any “restrictive covenants” (as defined in section 56.4(1) of the Tax Act) granted by the Vendor under this Agreement with respect to the Business (collectively, the “**Restrictive Covenants**”). Accordingly, the Parties acknowledge and agree that: (i) no proceeds shall be received or receivable by the Vendor for granting the Restrictive Covenants for purposes of section 56.4(7)(d) of the Tax Act; and (ii) the Restrictive Covenants are integral to this Agreement and have been granted to maintain or preserve the fair market value of the Purchased Shares.

Section 4.10 Approvals and Consents.

- (a) The Vendor and the 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 4.10 of the Disclosure Letter.
- (b) If any consent, approval or authorization necessary to preserve any right or benefit under any Contract to which the Corporation is a party is not obtained before the Closing, the Vendor shall, after the Closing, cooperate with the Purchaser and the Corporation in attempting to obtain such consent, approval or authorization as promptly thereafter as practicable. If such consent, approval or authorization cannot be obtained, the Vendor shall use its commercially reasonable efforts to provide the Corporation with the rights and benefits of the affected Contract for the term thereof and, if the Vendor provides such rights and benefits, the Corporation shall assume all obligations and burdens thereunder.

Section 4.11 Books and Records.

- (a) To facilitate the resolution of any claims made against or incurred by the Vendor before the Closing or, for any other reasonable purpose, for a period of six years after the Closing, the Purchaser shall:
 - (i) retain the Books and Records (including personnel files) of the Corporation relating to periods before the Closing in a manner reasonably consistent with the prior practices of the Corporation; and
 - (ii) upon reasonable notice, afford the Representatives of the Vendor reasonable access (including the right to make, at the Vendor’s expense, photocopies), during normal business hours, to the Books and Records.
- (b) To facilitate the resolution of any claims made by or against or incurred by the Corporation after the Closing, or for any other reasonable purpose, for a period of six years after the Closing, the Vendor shall:

- (i) retain the Books and Records (including personnel files) of the Vendor that relate to the Corporation and its operations for periods before the Closing; and
 - (ii) upon reasonable notice, afford the Representatives of the Purchaser or the Corporation reasonable access (including the right to make, at the Purchaser's expense, photocopies), during normal business hours, to the Books and Records.
- (c) Neither the Purchaser nor the Vendor shall be obligated to provide the other party with access to any Books and Records (including personnel files) under this Section 4.11 where such access would violate any Law.

Section 4.12 Employees. From and after the Closing, the Purchaser shall honour and perform, or cause the Corporation to honour and perform, all of the obligations of the Corporation under Contracts with current or former Employees, as such Contracts may be amended in accordance with their terms, (provided such amendments receive prior written consent of the Purchaser, such consent not to be unreasonably withheld, delayed or conditioned) and for a period of 12 months following the Closing shall provide current or former Employees with benefits that are substantially equivalent to those provided by the Corporation under the Employee Plans; provided that no provision of this Section 4.12 shall give any Employee any right to continued employment or impair in any way the right of the Corporation to terminate the employment of any Employee.

Section 4.13 Pre-Closing Tax Period.

- (a) The Vendor shall prepare and timely file, on behalf of and in the name of the Corporation, in accordance with applicable Law and past practice of the Corporation, all income Tax Returns of the Corporation required by Law to be filed for any Pre-Closing Tax Period of the Corporation that are required to be filed on or before the Closing Date. The Vendor shall provide the Purchaser with a reasonable opportunity (which, in any event, shall not be fewer than 15 Business Days before the date on which any such Tax Return is required to be filed) to review and provide reasonable comments on such Tax Returns, which shall be considered by the Vendor in good faith and shall be incorporated to the extent such comments are reasonable and would not result in an addition to Closing Debt or increase the Liability of the Vendor under any representation, warranty or indemnity under this Agreement.
- (b) The Purchaser shall prepare and timely file, on behalf of and in the name of the Corporation, in accordance with applicable Law and past practice of the Corporation, all Tax Returns of the Corporation required by Law to be filed for any Pre-Closing Tax Period of the Corporation that are required to be filed after the Closing Date. The Purchaser shall provide the Vendor with a reasonable opportunity (which, in any event, shall not be fewer than 15 Business Days before the date on which any such Tax Return is required to be filed) to review and provide reasonable comments on such Tax Returns, which shall be considered by the Purchaser in good faith and shall be incorporated to the extent such comments are reasonable and not inconsistent with applicable Law.
- (c) After Closing, the Purchaser shall provide, and shall cause the Corporation to provide, to the Vendor such information and assistance as is reasonably requested by the Vendor for the purposes of preparing the Tax Returns referred to in Section 4.13(a).
- (d) The Purchaser will not request, or cause or allow the Corporation to request, any audits or investigation by any Governmental Authority of any Tax Return or matter of, or

affecting, the Corporation in respect of any Pre-Closing Tax Period, and it will not cause or allow the Corporation to originate the recalculation, amendment or re-filing of any such Tax Return or file any waivers for any Pre-Closing Tax Period, unless this recalculation, amendment or re-filing is required by Law or this recalculation, amendment or re-filing does not increase the Liability of Vendor under any representation, warranty or indemnity under this Agreement. The parties will inform each other of, and cooperate with each other in respect of, any audit inquiries with respect to any Tax Return involving the Corporation in respect of any Pre-Closing Tax Period.

- (e) If the Purchaser or the Corporation 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, Purchaser shall deliver or cause to be delivered to Vendor a copy of the Assessment within 30 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 the Vendor shall have been actually prejudiced as a result of such failure. The parties will cooperate in responding to or contesting any Assessment. If Purchaser or the Corporation becomes entitled to a refund (or chooses to apply the amount otherwise refundable towards a payment of Tax in respect of a Tax period ending after the Closing Date) of all or a portion of any amount relating to an Assessment of which Vendor has, by payment to the Purchaser or the relevant Governmental Authority, indemnified the Purchaser, then an amount equal to the refund, together with any interest received on it, shall be paid to the Vendor, net of any applicable Taxes, promptly after receipt of payment of the refund or notice from the relevant Governmental Authority of such application, as the case may be; *provided that* any such refund or application that is subsequently disallowed by the relevant Governmental Authority shall be paid by the Vendor to the Purchaser within 30 days of the disallowance. All amounts paid under this Section 4.13(c) shall be treated as an adjustment to the Purchase Price.
- (f) Tax refunds and credits in respect of any Pre-Closing Tax Period that are received or applied after the Closing Date by the Corporation that did not result in an increase in the Closing Working Capital shall be for the account of the Vendor, and Purchaser shall pay, or cause the Corporation to pay, to Vendor such amount, within 30 days after receipt or reduction; *provided that* any such refund or application that is subsequently disallowed by the relevant Governmental Authority shall be paid by Vendor to Purchaser within 30 days of the disallowance. All amounts paid under this Section 4.13(f) shall be treated as an adjustment to the Purchase Price.

Section 4.14 Closing Conditions. During the Interim Period, each party hereto shall, and the Vendor shall cause the Corporation to, use its commercially reasonable efforts to take such actions as are necessary to expeditiously satisfy the closing conditions set forth in ARTICLE V.

Section 4.15 Public Announcements. Unless otherwise required by applicable Law or stock exchange requirements (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. Prior to filing any document relating to the Transactions on SEDAR, the Parties agree to consult with each other in order to agree on the version of the document to be filed and any necessary redaction to be made to the document.

Section 4.16 Further Assurances. Following the Closing, each of the Parties 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 V

Conditions to Closing

Section 5.01 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) 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.
- (b) The Vendor shall have received all required consents, authorizations, orders and approvals from Governmental Authorities and the Purchaser shall have received all required consents, authorizations, orders and approvals from the Governmental Authorities, in each case, in form and substance reasonably satisfactory to the Purchaser and the Vendor, and no such consent, authorization, order and approval shall have been revoked.
- (c) The Transaction Shareholder Approval shall have been obtained.
- (d) Notices of dissent pursuant to the OBCA from Vendor Shareholders holding greater than 10% of the outstanding Vendor Shares shall not have been delivered by Vendor Shareholders to the Vendor.

Section 5.02 Conditions to Obligations of Purchaser. The obligations of the Purchaser to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or the Purchaser's waiver, at or before the Closing, of each of the following conditions:

- (a) The representations and warranties of the Vendor set out in this Agreement, the other Transaction Documents and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects).
- (b) The Vendor shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the other Transaction Documents to be performed or complied with by it before or on the Closing Date.
- (c) No Action shall have been commenced against the Purchaser, the Vendor or the

Corporation that would prevent the Closing.

- (d) All approvals, consents and waivers that are listed on Section 4.10 of the Disclosure Letter shall have been received, and executed counterparts thereof shall have been delivered to Purchaser, at or before the Closing.
- (e) From the date of this Agreement, there shall not have occurred and be continuing any Material Adverse Effect.
- (f) The Transaction Documents (other than this Agreement) shall have been executed and delivered by the parties thereto, and true and complete copies thereof shall have been delivered to the Purchaser.
- (g) The Purchaser shall have received a certificate, dated the Closing Date and signed by a duly authorized officer of the Vendor, that each of the conditions set forth in Section 5.02(a) and Section 5.02(b) has been satisfied.
- (h) The Purchaser shall have received a certificate of the Secretary (or equivalent officer) of the Vendor certifying that attached thereto are true and complete copies of all resolutions adopted by the board of directors of the Vendor authorizing the execution, delivery and performance of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby.
- (i) The Purchaser shall have received a certificate of the Secretary (or equivalent officer) of the Vendor certifying the names and signatures of the officers of the Vendor authorized to sign this Agreement, the Transaction Documents and the other documents to be delivered hereunder and thereunder.
- (j) The Purchaser shall have received resignations of the directors and officers of the Corporation under Section 4.06.
- (k) The Vendor shall have delivered to the Purchaser a certificate of status (or its equivalent) for the Corporation from the Director appointed under the CBCA.
- (l) The Vendor shall have delivered, or caused to be delivered, to the Purchaser share certificates representing the Purchased Shares duly endorsed in blank or accompanied by forms of share transfers or other instruments of transfer duly executed in blank.
- (m) The Purchaser and the Corporation shall have received from The Bank of Nova Scotia a release of any obligations and a discharge of any security interests granted to The Bank of Nova Scotia by the Corporation.
- (n) The Vendor shall have delivered to the Purchaser such other documents or instruments as the Purchaser reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

Section 5.03 Conditions to Obligations of the Vendor. The obligations of the Vendor to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or the Vendor's waiver, at or before the Closing, of each of the following conditions:

- (a) The representations and warranties of the Purchaser set out in this Agreement, the other Transaction Documents and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects).
- (b) The Purchaser shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the other Transaction Documents to be performed or complied with by it before or on the Closing Date.
- (c) The Transaction Documents (other than this Agreement) shall have been executed and delivered by the parties thereto, and true and complete copies thereof shall have been delivered to the Vendor.
- (d) The Vendor shall have received a certificate, dated the Closing Date and signed by a duly authorized officer of the Purchaser, that each of the conditions set forth in Section 6.03(a) and Section 6.03(b) has been satisfied.
- (e) The Vendor shall have received a certificate of the Secretary of the Purchaser certifying that attached thereto are true and complete copies of all resolutions adopted by the board of directors of the Purchaser authorizing the execution, delivery and performance of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby.
- (f) The Vendor shall have received a certificate of the Secretary (or equivalent officer) of the Purchaser certifying the names and signatures of the officers of the Purchaser authorized to sign this Agreement, the Transaction Documents and the other documents to be delivered hereunder and thereunder.
- (g) The Purchaser shall have delivered to the Vendor cash in an amount equal to the amount required under Section 2.03(a)(i) by wire transfer in immediately available funds, to an account or accounts designated at least two Business Days before the Closing Date by the Vendor in a written notice to the Purchaser.
- (h) The Purchaser shall have delivered to the Vendor such other documents or instruments as the Vendor reasonably requests and are reasonably necessary to consummate the transactions contemplated by this Agreement.

ARTICLE VI

Indemnification

Section 6.01 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 date that is twelve months from the Closing Date; *provided that* the representations and warranties in paragraphs 1, 2, 3, 5(i), 5(ii), 6 and 7 of Schedule A shall survive indefinitely, and (b) the representations and warranties in paragraph 25 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 6.02 Indemnification by the Vendor. Subject to the other terms and conditions of this ARTICLE VI, the Vendor shall indemnify and defend each of the Purchaser and its Affiliates (including the Corporation) 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 the Vendor set out in this Agreement or in any certificate or instrument delivered by or on behalf of the Vendor under this Agreement;
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by the Vendor under this Agreement;
- (c) to the extent not included in Closing Working Capital, any liabilities of the Corporation as of the Closing Date; and/or
- (d) any Taxes that are payable or collectible or required to be remitted by the Corporation in respect of any Pre-Closing Tax Period in excess of any amount accrued therefore and as reflected in the Closing Working Capital.

Section 6.03 Indemnification by the Purchaser. Subject to the other terms and conditions of this ARTICLE VI, the Purchaser shall indemnify and defend each of the 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 the Purchaser contained in this Agreement or in any certificate or instrument delivered by or on behalf of the Purchaser under this Agreement; or
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by the Purchaser under this Agreement.

Section 6.04 Certain Limitations. The indemnification provided for in Section 6.02 shall be subject to the following limitations:

- (a) The Vendor shall not be liable to the Purchaser Indemnitees for indemnification under Section 6.02(a) until the aggregate amount of all Losses in respect of indemnification

under Section 6.02(a) exceeds \$150,000 (the “**Basket**”), in which event Vendor shall be required to pay or be liable for all such Losses above the Basket. The aggregate amount of all Losses for which Vendor shall be liable under Section 6.02(a) shall not exceed 10% of the Purchase Price (the “**Cap**”).

- (b) Notwithstanding the foregoing, the limitations set forth in Section 6.04(a) shall not apply to Losses based upon, arising out of, with respect to or by reason of any inaccuracy in or breach of any representation or warranty in paragraphs 1, 2, 3, 6 and 7 of Schedule A.
- (c) For purposes of this ARTICLE VI, the calculation of the resulting Losses from any inaccuracy in or breach of any representation or warranty shall be determined without regard to any materiality, Material Adverse Effect or other similar qualification contained in or otherwise applicable to such representation or warranty.

Section 6.05 Indemnification Procedures. The party making a claim under this ARTICLE VI is referred to as the “**Indemnified Party**”, and the party against whom such claims are asserted under this ARTICLE VI 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 supplier or customer of the Corporation; 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 6.05(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 6.05(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 4.07) 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 6.05(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 10 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 6.05(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 Corporation's premises and 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 6.06 Payments. Once a Loss is agreed to by the Indemnifying Party or finally adjudicated to be payable under this ARTICLE VI, 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 the date such payment has been made at a rate per annum equal to 5%. Such interest shall be calculated daily on the basis of a 365 day year and the actual number of days elapsed.

Section 6.07 Treatment of Indemnification Payments. All indemnification payments made under this Agreement shall be treated by the parties as an adjustment to the Purchase Price, unless otherwise required by Law.

Section 6.08 Exclusive Remedies. Subject to Section 4.08, 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 VI. 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 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 VI. Nothing in this Section 6.08 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.

ARTICLE VII Termination

Section 7.01 Termination. This Agreement may be terminated at any time before the Closing:

- (a) By the mutual written consent of the Vendor and the Purchaser.
- (b) By the Purchaser by written notice to the Vendor if:
 - (i) the Purchaser is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by the Vendor under this Agreement that would give rise to the failure of any of the conditions specified in ARTICLE V, and such breach, inaccuracy or failure has not been cured by Vendor within 10 days of the Vendor's receipt of written notice of such breach

from the Purchaser; or

- (ii) any of the conditions set forth in Section 5.01 or Section 5.02 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 the 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 the Vendor by written notice to the Purchaser if:

- (i) the Vendor is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by the Purchaser under this Agreement that would give rise to the failure of any of the conditions specified in ARTICLE V, and such breach, inaccuracy or failure has not been cured by the Purchaser within 10 days of the Purchaser's receipt of written notice of such breach from the Vendor; or

- (ii) any of the conditions set forth in Section 5.01 or Section 5.03 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 the 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 the Purchaser or the 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,

provided that a Party seeking to terminate this Agreement pursuant to this Section 7.01(d) is not then in breach of this Agreement.

Section 7.02 Effect of Termination. In the event of the termination of this Agreement in accordance with this ARTICLE VII, 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 4.07, this ARTICLE VII and ARTICLE VIII;
- (b) that nothing herein shall relieve any party hereto from liability for any fraud or wilful breach of any provision hereof; or
- (c) to pay the Arrangement Expense Reimbursement.

ARTICLE VIII Miscellaneous

Section 8.01 Amendments. This Agreement may, at any time and from time to time be amended by mutual written agreement of the Parties, and any such amendment may, without limitation:

- (a) change the time for performance of any of the obligations or acts of the Parties;
- (b) modify any representation or warranty contained in this Agreement or in any document delivered pursuant to this Agreement;
- (c) modify any of the covenants contained in this Agreement and waive or modify performance of any of the obligations of the Parties; and/or
- (d) modify any mutual conditions contained in this Agreement.

Section 8.02 Fees. Except as otherwise expressly provided in this Agreement, the Parties agree that all out-of-pocket expenses of the Parties relating to this Agreement or the transactions contemplated hereby, including legal fees, accounting fees, financial advisory fees, regulatory filing fees, stock exchange fees, all disbursements of advisors and printing and mailing costs, shall be paid by the Party incurring such expenses.

Section 8.03 Notices. Any notice, or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier, facsimile or email and addressed:

- (i) to Vendor at:

Avante Logixx Inc.
630 – 130 Bloor Street West
Toronto, Ontario, Canada
M5S 1N5

Attention: Craig Campbell
Email: [Redacted – E-mail Address]

with a copy to:

Norton Rose Fulbright Canada LLP
222 Bay Street, Suite 3000
P.O. Box 53
Toronto, Ontario, Canada
M5K 1E7

Attention: Paul Fitzgerald
Email: [Redacted – E-mail Address]

- (ii) to Purchaser at:

SSC Security Services Corp.
300 – 1914 Hamilton Street
Regina, Saskatchewan, Canada
S4P 3N6

Attention: Doug Emsley, Chief Executive Officer
Email: [Redacted – E-mail Address]

with a copy to:

McKercher LLP
800 – 1801 Hamilton Street
Regina, Saskatchewan, Canada
S4P 4B4
Attention: Patricia J.F. Warsaba, Q.C.
Email: [Redacted – E-mail Address]

Any notice or other communication is deemed to be given and received (i) if sent by personal delivery or same day courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, (ii) if sent by overnight courier, on the next Business Day, or (iii) if sent by facsimile or email, on the Business Day following the date of confirmation of transmission by the originating facsimile or email. Sending a copy of a notice or other communication to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice or other communication to that Party. The failure to send a copy of a notice or other communication to legal counsel does not invalidate delivery of that notice or other communication to a Party.

Section 8.04 Time of the Essence. Time is of the essence in this Agreement.

Section 8.05 Injunctive Relief.

- (a) The Parties agree that irreparable harm would occur for which monetary damages would not be an adequate remedy at law in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to injunctive and other equitable relief to prevent breaches or threatened breaches of this Agreement, and to enforce compliance with the terms of this Agreement, without any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief, this being in addition to any other remedy to which the Parties may be entitled at law or in equity.
- (b) If, prior to the Outside Date, any Party brings any action in accordance with this Section 8.05 to enforce specifically the performance of the terms and provisions hereby by any other Party, the Outside Date shall automatically be extended (x) for the period during which such action is pending, plus twenty (20) Business Days or (y) by such other time period established by the court presiding over such action, as the case may be. Nothing set forth in this Section 8.05 shall restrict or limit any Party's right to pursue any other remedies under this Agreement that may be available then or thereafter.
- (c) Each Party hereby agrees not to raise any objections to the availability of the equitable remedies provided for herein and the Parties further agree that (i) by seeking the remedies provided for in this Section 8.05, a Party shall not in any respect waive its right to seek any other form of relief that may be available to a Party under this Agreement (including monetary damages), and (ii) nothing set forth in this Section 8.05 shall require any Party hereto to institute any proceeding for (or limit any Party's right to institute any proceeding for) specific performance under this Section 8.05 prior or as a condition to

exercising any termination right under this Agreement (and/or receipt of any amounts due in connection with such termination), nor shall the commencement of any legal action or legal proceeding pursuant to this Section 8.05 or anything set forth in this Section 8.05 restrict or limit any Party's right to terminate this Agreement in accordance with the terms hereof, or pursue any other remedies under this Agreement that may be available then or thereafter.

Section 8.06 Third Party Beneficiaries. Except as provided in ARTICLE VII, the Parties intend that this Agreement will not benefit or create any right or cause of action in favour of any Person, other than the Parties and that no Person, other than the Parties, shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum.

Section 8.07 Waiver. No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

Section 8.08 Entire Agreement. This Agreement, together with the Transaction Documents constitute the entire agreement between the Parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, express or implied, of the Parties.

Section 8.09 Successors and Assigns.

- (a) This Agreement becomes effective only when executed by the Vendor and the Purchaser. After that time, it will be binding upon and enure to the benefit of the Vendor and the Purchaser and their respective successors and permitted assigns.
- (b) Neither this Agreement nor any of the rights, benefits or obligations under this Agreement are assignable or transferable by any Party without the prior written consent of the other Party.

Section 8.10 Severability. If any provision of this Agreement is determined to be illegal, invalid or unenforceable by any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions shall remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

Section 8.11 Governing Law.

- (a) This Agreement will be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (b) Each Party irrevocably attorns and submits to the non-exclusive jurisdiction of the Ontario courts situated in the City of Toronto and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

Section 8.12 Rules of Construction. The Parties to this Agreement waive the application of any Law

or rule of construction providing that ambiguities in any agreement or other document shall be construed against the party drafting such agreement or other document.

Section 8.13 No Liability. No director or officer of the Purchaser shall have any personal liability whatsoever to the Vendor under this Agreement or any other document delivered in connection with the transactions contemplated hereby on behalf of the Purchaser. No director or officer of the Vendor or the Corporation shall have any personal liability whatsoever to the Purchaser under this Agreement or any other document delivered in connection with the transactions contemplated hereby on behalf of the Corporation.

Section 8.14 Further Assurances. Subject to the provisions of this Agreement, the Parties will, from time to time, do all acts and things and execute and deliver all such further documents and instruments, as the other Party may reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

Section 8.15 Language. The Parties expressly acknowledge that they have requested that this Agreement and all ancillary and related documents thereto be drafted in the English language only. Les parties aux présentes reconnaissent avoir exigé que la présente entente et tous les documents qui y sont accessoires soient rédigés en anglais seulement.

Section 8.16 Counterparts. This Agreement may be executed in any number of counterparts (including counterparts by facsimile) and all such counterparts taken together shall be deemed to constitute one and the same instrument. The Parties shall be entitled to rely upon delivery of an executed facsimile or similar executed electronic copy of this Agreement, and such facsimile or similar executed electronic copy shall be legally effective to create a valid and binding agreement between the Parties.

[Remainder of page intentionally left blank. Signature page to follow.]

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

AVANTE LOGIXX INC.

Per: (s) Craig Campbell
Authorized Signing Officer

SSC SECURITY SERVICES CORP.

Per: (s) Doug Emsley
Authorized Signatory

SCHEDULE A
REPRESENTATIONS AND WARRANTIES OF THE VENDOR

1. **Organization and Qualification.** The Vendor and the Corporation are each a corporation or other entity duly incorporated or organized, as applicable, and validly existing under the laws of the jurisdiction of its incorporation, organization or formation, as applicable, and has the requisite power and capacity to own and lease its assets and properties and conduct its business as now conducted. Except as would not, individually or in the aggregate, be material, the Corporation is duly registered to carry on business in each jurisdiction in which the character of its assets and properties, owned, leased, licensed or operated by it, or the nature of its activities make such registration necessary. The Vendor is not a non-resident of Canada for purposes of the Tax Act.
2. **Corporate Authorization.** The Vendor has the requisite corporate power and authority to enter into this Agreement and, subject to obtaining Transaction Shareholder Approval, to perform its obligations under this Agreement and to complete the transactions contemplated by this Agreement. The execution and delivery of this Agreement and the consummation by the Vendor of the transactions contemplated hereby have been duly authorized by the board of directors of the Vendor and, other than the Transaction Shareholder Approval, no other corporate proceedings on the part of the Vendor or the Corporation are necessary to authorize the execution and delivery by it of this Agreement or the consummation of the transactions contemplated hereby. The Purchaser acknowledges the resignations from the board of directors of the Vendor, and the ensuing appointment of new directors filling vacancies among the board of directors occurring therefrom, having occurred immediately prior to the execution and delivery of this Agreement by the Vendor.
3. **Execution and Binding Obligation.** This Agreement has been duly executed and delivered by the Vendor, and constitutes a legal, valid and binding agreement of the Vendor enforceable against it in accordance with its terms subject to any limitation under bankruptcy, insolvency or other Laws affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
4. **Governmental Authorization.** The execution, delivery and performance by the Vendor of its obligations under this Agreement and the consummation of the transactions contemplated hereby do not require any Authorization or other action by or in respect of, or filing with, or notification to, any Governmental Authority by the Vendor or the Corporation other than: (i) filings with the Director under the Canada Business Corporations Act; (ii) filings with the Securities Authorities; (iii) filings with and approval of the TSX-V; (iv) the Regulatory Approvals and (v) any Authorizations which, if not obtained, or any other actions by or in respect of, or filings with, or notifications to, any Governmental Authority which, if not taken or made, would not, individually or in the aggregate, have a Material Adverse Effect.
5. **Non-Contravention.** Except as disclosed in Section 5 of the Disclosure Letter, the execution, delivery and performance by the Vendor of its obligations under this Agreement and the consummation of the transactions contemplated hereby do not and will not:
 - (i) contravene, conflict with, or result in any violation or breach of the Vendor's Constatng Documents;
 - (ii) assuming compliance with the matters referred to in Paragraph (3) and Paragraph (4) above, contravene, conflict with or result in a violation or breach of any Law;

- (iii) require any consent or approval by any Person under, constitute a default, or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit the termination, cancellation or acceleration of any right or obligation or the loss of any benefit to which the Vendor or the Corporation is entitled under, any Material Contract or any material Authorization to which the Vendor or the Corporation is a party or by which the Vendor or the Corporation is bound; or
- (iv) result in the creation or imposition of any Encumbrance upon any of the material properties or material assets of the Corporation;

except, in the case of each of clauses (ii) through (iv), as would not, individually or in the aggregate, have a Material Adverse Effect.

6. **Capitalization.**

- (a) The authorized capital of the Corporation consists of an unlimited number of common shares. As of the close of business on the Business Day prior to the date of this Agreement, there were 5,013,500 common shares, comprising the Purchased Shares. All outstanding Purchased Shares have been duly authorized and validly issued, are fully paid and non-assessable. No Purchased Shares have been issued in violation of any Law or any pre-emptive or similar rights applicable to them.
- (b) There are no:
 - (i) options, equity-based awards, warrants, conversion, pre-emptive, redemption, repurchase, stock appreciation or other rights, or any other agreements, arrangements, instruments or commitments of any kind to which the Corporation is a party that obligate the Corporation to, directly or indirectly, issue or sell any securities of the Corporation, or give any Person a right to subscribe for or acquire, any securities of the Corporation;
 - (ii) obligations of the Corporation to repurchase, redeem or otherwise acquire any securities of the Corporation, or qualify securities for public distribution in Canada, the U.S. or elsewhere, or, other than as contemplated by this Agreement, with respect to the voting or disposition of any securities of the Corporation; or
 - (iii) notes, bonds, debentures or other evidences of indebtedness or any other agreements, arrangements, instruments or commitments of any kind that give any Person, directly or indirectly, the right to vote with holders of Purchased Shares on any matter except as required by Law.
- (c) All dividends or distributions on the securities of the Corporation that have been declared or authorized have been paid in full.

7. **Share Ownership.** The Vendor is, directly or indirectly, the registered and beneficial owner of all of the outstanding common shares or other equity interests of the Corporation, directly or indirectly, free and clear of any Encumbrances, other than Permitted Encumbrances and all such shares or other equity interests so owned by the Vendor have been validly issued and are fully paid and non-assessable, as the case may be, and no such shares or other equity interests have been issued in violation of any pre-emptive or similar rights. The Corporation does not own,

beneficially or of record, any equity interests of any kind in any other Person.

8. **Financial Statements.**

- (a) The Financial Statements and Interim Financial Statements: (i) were prepared in accordance with GAAP; and (ii) present fairly, in all material respects in context of the Vendor's financial statements, the financial position of the Corporation as at the respective dates thereof and the revenues, and results of operations of the Corporation for the periods covered thereby.
- (b) The financial books, records and accounts of the Corporation in all material respects in context of the Vendor's financial statements have been maintained in accordance with GAAP.

9. **No Undisclosed Liabilities.** Except as disclosed in Section 9 of the Disclosure Letter, there are no liabilities or obligations of the Corporation of any nature, whether accrued, contingent, absolute, or otherwise, other than liabilities or obligations: (i) incurred in the Ordinary Course since January 1, 2021; (ii) incurred in connection with this Agreement (including any transaction expenses); or (iii) that relate to Taxes (which are the subject of Paragraph 25), that would not, individually or in the aggregate, have a Material Adverse Effect. To the knowledge of the Vendor, there is no fraud that involves management of the Vendor or the Corporation who have a role in the Corporation's internal control over financial reporting.

10. **Absence of Certain Changes or Events.** Since September 30, 2021 until the date of this Agreement, other than the transactions contemplated by this Agreement and as disclosed in Section 10 of the Disclosure Letter, the business of the Corporation has been conducted in the Ordinary Course, there has not occurred a Material Adverse Effect and the Corporation has not:

- (i) amended its Articles, by-laws or similar organizational documents;
- (ii) adjusted, split, combined, reclassified or amended the terms of any securities of the Corporation;
- (iii) redeemed, repurchased, or otherwise acquired or offered to redeem, repurchase or otherwise acquire any securities of the Corporation;
- (iv) made, declared, set aside or paid any dividend or other distribution (whether in cash, securities or property, or any combination thereof) on any class of securities of the Corporation;
- (v) entered into any Contract with respect to the voting rights of any Purchased Shares;
- (vi) issued, granted, delivered, sold, pledged or otherwise encumbered (other than Permitted Encumbrances), or authorized the issuance, grant, delivery, sale, pledge or other encumbrance of (other than Permitted Encumbrances), any securities or any options, warrants or similar rights exercisable or exchangeable for or convertible into any securities, of the Corporation;
- (vii) acquired any Person, business, line of business (by merger, consolidation, acquisition of shares or assets or otherwise), directly or indirectly, in one

transaction or in a series of related transactions, or made any investment in a Person, directly or indirectly, in one transaction or in a series of related transactions, by the purchase of securities, contributions of capital, loan or other advance, property transfer or the purchase of any property or assets of any Person;

- (viii) transferred, licenced, sold, leased or otherwise disposed of, or pledged, encumbered or otherwise subjected to any Encumbrance (other than Permitted Encumbrances), directly or indirectly, in one transaction or in a series of related transactions, any of the Corporation's assets which have a value greater than \$250,000 in the aggregate;
- (ix) reorganized, restructured, recapitalized, amalgamated or merged the Corporation;
- (x) reduced the stated capital of the shares of the Corporation;
- (xi) adopted a plan of liquidation or resolutions providing for the liquidation or dissolution of the Corporation;
- (xii) created, incurred, assumed or otherwise became liable, in one transaction or in a series of related transactions, with respect to any indebtedness for borrowed money or guarantees thereof in an amount, on a per transaction or series of related transactions basis, in excess of \$250,000;
- (xiii) made any material change in the Corporation's accounting principles, except as required by concurrent changes in GAAP;
- (xiv) waived, released, assigned, settled or compromised any litigation, proceedings or governmental investigations against the Corporation in excess of an amount of \$200,000 individually or \$500,000 in the aggregate or which would reasonably be expected to impede, prevent or delay the consummation of the transactions contemplated by this Agreement;
- (xv) amended, modified, terminated, cancelled or let lapse any material insurance (or re-insurance) policy of the Corporation in effect on the date of this Agreement, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the terminated, cancelled or lapsed policies for substantially similar premiums are in full force and effect;
- (xvi) amended or modified in any material respect or terminated or waived any material right under any Material Contract or entered into any Contract or agreement that would be a Material Contract if in effect on the date hereof;
- (xvii) entered into any new line of business or discontinued any existing line of business;
- (xviii) abandoned or failed to diligently pursue any application for any material Authorizations, leases, permits or registrations or took any action, or failed to take any action, that could lead to the termination of any material Authorizations,

leases or registrations; or

(xix) authorized, agreed or resolved to do any of the foregoing.

11. **Compliance with Laws.** The Corporation is, and since January 1, 2021 has been, in material compliance with Law. The Corporation is not, to the knowledge of the Vendor, under any investigation with respect to, has been charged or threatened to be charged with, or has received notice of, any violation or potential violation of any Law from any Governmental Authority.
12. **Authorizations and Licenses.** The Corporation owns, possesses or has obtained all material Authorizations that are required by Law in connection with the operation of the business of the Corporation as presently conducted. The Corporation, lawfully holds, owns or uses, and has materially complied with, all such Authorizations. Each such Authorization is valid and in full force and effect, and is renewable by its terms or in the Ordinary Course, except as would not, individually or in the aggregate, have a Material Adverse Effect. As of the date hereof, no action, investigation or proceeding is pending, or to the knowledge of the Vendor, threatened, against the Corporation in respect of or regarding any such Authorization that could reasonably be expected to result in the suspension, loss or revocation of any such Authorizations.
13. **Material Contracts.**
 - (a) Section 13 of the Disclosure Letter sets out a complete and accurate list of all Material Contracts. True and complete copies of the Material Contracts have been disclosed in the Data Room.
 - (b) Each Material Contract is legal, valid, binding and in full force and effect and is enforceable by the Corporation in accordance with its terms (subject to bankruptcy, insolvency and other Laws affecting creditors' rights generally, and to general principles of equity). The Corporation is not in breach or default under any Material Contract, except for such breaches or defaults as would not, individually or in the aggregate, have a Material Adverse Effect. The Corporation has not received any notice that any party to a Material Contract intends to cancel, terminate or otherwise adversely modify or not renew its relationship with the Corporation, and to the knowledge of the Corporation, no such action has been threatened.
14. **Restrictions on Conduct of Business.** Except as disclosed in Section 14 of the Disclosure Letter, the Corporation is not a party to, or bound by, any non-competition agreement or any other Contract or any Order or Authorization which purports to: (i) limit the manner or the location in which the Corporation may conduct any line of business; (ii) limit any business practice of the Corporation; or (iii) restrict any acquisition or disposition of any assets or property by the Corporation.
15. **Personal Property.** The Corporation has good title to all material personal property of any kind or nature which the Corporation purports to own, free and clear of all Encumbrances (other than Permitted Encumbrances). The Corporation, as lessee, has the right under valid and subsisting leases to use, possess and control all personal property leased by and material to the Corporation as used, possessed and controlled by the Corporation.
16. **Real Property.** With respect to the real property leased or subleased by the Corporation: (i) each lease or sublease for such property constitutes a legal, valid and binding obligation of the Corporation, enforceable against the Corporation, in accordance with its terms and is in full force

and effect; (ii) the Corporation is not in material breach of or default under any such lease or sublease and no event has occurred which, without the giving of notice or lapse of time, or both, would constitute a material breach of or default under any such lease or sublease; and (iii) to the knowledge of the Vendor, no counterparty to any such lease or sublease is in material default thereunder. The Corporation does not and has not owned any real property.

17. **Intellectual Property.** Except as would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect, (i) the Corporation owns or possesses, or has a license to or otherwise has the right to use, all Intellectual Property currently used by it in the conduct of its business and which is material and necessary for the conduct of its business as presently conducted, (ii) to the knowledge of the Vendor, such Intellectual Property owned by the Corporation is valid and enforceable in the jurisdictions where it is currently used by it in the conduct of its business subject only to any limitation under bankruptcy, insolvency or other Law affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction, and does not infringe in any material way upon the rights of others in such jurisdictions, (iii) to the knowledge of the Vendor, such Intellectual Property owned by the Corporation does not infringe in any material way upon the rights of others in such jurisdictions, and (iv) to the knowledge of the Vendor, no third party is infringing upon such Intellectual Property owned by the Corporation in a manner that currently would be reasonably expected to adversely affect such Intellectual Property.
18. **Title to the Assets.** No Person has any right of first refusal, undertaking or commitment or any right or privilege capable of becoming such, to purchase any of the material assets owned by the Corporation, or any part thereof or interest therein.
19. **Environmental Matters.** Except as would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect, (i) no written notice, order, complaint or penalty has been received by the Corporation alleging that the Corporation is in violation of, or has any liability or potential liability under, any Environmental Law, and, to the Vendor's knowledge, there are no Actions pending or threatened against the Corporation which allege a violation of, or any liability or potential liability under, any Environmental Laws, (ii) the Corporation has all material environmental permits necessary for the operation of their respective businesses and to comply materially with all Environmental Laws, and (iii) the operations of the Corporation are in compliance in all material respects with Environmental Laws.
20. **Litigation.** Except as disclosed in Section 20 of the Disclosure Letter, there are no material claims, actions, suits, arbitrations or proceedings, or to the knowledge of the Vendor, any inquiries or investigations pending, or, to the knowledge of the Vendor, are there any material claims, actions, suits, arbitrations, proceedings, inquiries or investigations threatened, against the Corporation by or before any Governmental Authority that, if determined adverse to the interests of the Corporation, would, individually or in the aggregate, have a Material Adverse Effect. There is no bankruptcy, liquidation, winding-up or other similar proceeding pending or in progress, or, to the knowledge of the Vendor, threatened against or relating to the Corporation before any Governmental Authority. The Corporation is not subject to any outstanding judgment, order, writ, injunction or decree that would individually or in the aggregate, have a Material Adverse Effect.
21. **Employees.**
 - (a) There is no unfair labour practice complaint, grievance or arbitration proceeding in progress or, to the knowledge of the Vendor, threatened against the Corporation.

- (b) Except as disclosed in Section 21(b) of the Disclosure Letter, no Employee has any agreement as to length of notice or severance payment required to terminate his or her employment (other than such as results by Law from the employment of an employee without an agreement as to notice or severance), nor are there any change of control payments or severance payments or agreements with Employees providing for cash or other compensation or benefits upon the consummation of, or relating to, the transaction contemplated by this Agreement, including a change of control of the Corporation.
- (c) All amounts due or accrued due for all salary, wages, bonuses, incentive compensation, deferred compensation, commissions, vacation with pay, sick days and benefits under Employee Plans and other similar accruals have either been paid or are accrued and accurately reflected in all material respects in the books and records of the Corporation.
- (d) Except as disclosed in Section 21(d) of the Disclosure Letter, there are no material charges or investigations pending with respect to the Corporation under applicable occupational health and safety laws or other applicable employment law, including any human rights legislation.

22. **Collective Agreements.**

- (a) Other than as disclosed in Section 22(a) of the Disclosure Letter, there is no Collective Agreement in force with respect to the Employees nor is there any Contract with any employee association in respect of the Employees.
- (b) Other than as disclosed in Section 22(b) of the Disclosure Letter, as of the date hereof, no trade union, council of trade unions, employee bargaining agency or affiliated bargaining agent or any other Person holds bargaining rights with respect to any Employee by way of certification, interim certification, voluntary recognition or successor rights, or has applied or, to the knowledge of the Vendor, threatened to apply to be certified as the bargaining agent of any employees of the Corporation.
- (c) As of the date hereof, there are no threatened or pending union organizing activities involving any Employees and no such activities have been undertaken in the last three years. As of the date hereof, there is no labour strike, dispute, work slowdown or stoppage pending or involving or, to the knowledge of the Vendor, threatened against the Corporation and no such event has occurred within the last five years.
- (d) As of the date hereof, no trade union has applied to have the Corporation declared a common, related or successor employer pursuant to the *Labour Relations Act* (Ontario) or any similar legislation in any jurisdiction in which the Corporation carries on business.

23. **Employee Plans.**

- (a) The Corporation has, in all material respects, registered and administered each material Employee Plan, and made all contributions and paid all premiums in respect of each material Employee Plan, in accordance with Law, except as would not, individually or in the aggregate, have a Material Adverse Effect. No fact or circumstance exists which could adversely affect the registered status of any such material Employee Plan. There are no pending, or to the knowledge of the Vendor, threatened claims (other than routine claims for benefits) by, on behalf of or against any Employee Plan or any trust related thereto which could reasonably be expected to result in any material liability to the

Corporation and no material audit or other proceeding by a Governmental Authority is pending, or to the knowledge of the Vendor, threatened with respect to such plan. Except as disclosed in Section 23(a) of the Disclosure Letter, neither the execution of this Agreement nor the consummation of the transactions contemplated under this Agreement will increase the amount payable under, result in a default under or result in any other material obligation pursuant to any Employee Plan or individual Contract with any Employee.

- (b) No Employee Plan provides benefits or coverage in the nature of health, life or disability insurance following retirement or other termination of employment, other than coverage or benefits required to be provided by Law or pursuant to agreed severance arrangements.

24. **Insurance.** The Corporation is insured by reputable third party insurers with reasonable and prudent policies appropriate for the size and nature of the business of the Corporation. To the knowledge of the Vendor, each such insurance policy currently in effect that insures the physical properties, business, operations and assets of the Corporation is valid and binding and in full force and effect. To the knowledge of the Vendor, there is no material claim pending under any such insurance policy that has been denied, rejected, questioned or disputed by any insurer or as to which any insurer has made any reservation of rights or refused to cover any material portion of such claims.

25. **Taxes.**

- (a) The Corporation has timely filed all material Tax Returns required to be filed by it and all such Tax Returns are complete and correct in all material respects.
- (b) The Corporation has paid or caused to be paid on a timely basis all material Taxes which are due and payable (including instalments of Taxes), other than those which are being or have been contested in good faith and in respect of which adequate reserves have been provided in the most recently prepared financial information of the Corporation. The Corporation has provided adequate accruals in accordance with GAAP in the most recently published consolidated financial information of the Corporation for any Taxes of the Corporation for the period covered by such financial information that have not been paid whether or not shown as being due on any Tax Returns.
- (c) Except as disclosed in Section 25(c) of the Disclosure Letter, the Corporation is not a party to any material action or proceeding for assessment or collection of Taxes and no such event has been asserted in writing or, to the knowledge of the Vendor, threatened against the Corporation or any of its assets.
- (d) The Corporation has in all material respects withheld or collected all amounts required to be withheld or collected by it on account of Taxes and has remitted all such amounts to the appropriate Governmental Authority in accordance with applicable Law.
- (e) The Corporation has not waived any statute of limitations applicable to the assessment or collection of any Taxes (other than pursuant to extensions of time to file Tax Returns obtained in the Ordinary Course).
- (f) No Governmental Authority of a jurisdiction where the Corporation does not file a Tax Return has made a claim in writing that the Corporation is subject to Tax in such jurisdiction.

26. **Money Laundering.** Except as would not reasonably be expected to have a Material Adverse Effect, the operations of the Corporation are, and have been since January 1, 2021, conducted in compliance with applicable financial recordkeeping and reporting requirements and money laundering Laws and the rules and regulations thereunder and any related or similar Laws, rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority relating to money laundering (collectively, the “**Money Laundering Laws**”) and no action, suit or proceeding by or before any court or Governmental Authority involving the Corporation with respect to the Money Laundering Laws is pending or, to the knowledge of the Vendor, threatened.
27. **Corrupt Practices Legislation.** Except as would not reasonably be expected to have a Material Adverse Effect, the Corporation, nor to the knowledge of the Vendor, any of its directors, officers or employees acting on behalf of the Corporation has taken, committed to take or been alleged to have taken any action which would cause the Corporation to be in violation of the *Corruption of Foreign Public Officials Act* (Canada), the United States Foreign Corrupt Practices Act of 1977 or any Law of similar effect.
28. **Privacy.** Except as would not, individually or in the aggregate, have a Material Adverse Effect, the Corporation is and has at all times been in full compliance with all applicable privacy laws. To the extent required by applicable privacy laws, all personal information has been collected, used and disclosed with the consent of each individual to whom such personal information relates and has been used only for the purposes for which it is collected.
29. **Competition Act.** The aggregate value of all assets in Canada of the Corporation or the annual gross revenues from sales in and from Canada generated from all such assets do not exceed, in either case, \$93 million as determined pursuant to section 110 of the *Competition Act* (Canada).
30. **Related Party Transactions.** Other than as disclosed in Section 30 of the Disclosure Letter, the Corporation is not indebted to any director, officer, employee or agent of, or independent contractor to, the Vendor or the Corporation or any of their respective affiliates or associates (except for amounts due in the Ordinary Course as salaries, bonuses and director’s fees or the reimbursement of Ordinary Course expenses). There are no Contracts (other than employment arrangements) with, or advances, loans, guarantees, liabilities or other obligations to, on behalf or for the benefit of, any shareholder which is an “insider” (as defined in the *Securities Act* (Ontario)), officer or director of the Corporation, or any of its affiliates or associates.
31. **Brokers.** No investment banker, broker, finder, financial advisor or other intermediary has been retained by or is authorized to act on behalf of the Vendor or Corporation or is entitled to any fee, commission or other payment from the Vendor in connection with this Agreement or any other transaction contemplated by this Agreement, except for Canaccord Genuity Corp. and Imperial Capital, LLC.
32. **Board Approval.** As of the date hereof, the board of directors of the Vendor and Corporation, after consultation with legal and financial advisors, has: (i) determined that the Purchase Price is fair and that this Agreement is in the best interests of the Vendor; and (ii) authorized the entering into of this Agreement and the performance by the Vendor of its obligations under this Agreement, and no action has been taken to amend, or supersede, such determinations, resolutions or authorizations.

SCHEDULE B
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

1. **Organization and Qualification.** The Purchaser is a corporation duly incorporated and validly existing under the laws of the jurisdiction of its incorporation and has the requisite power and capacity to own and lease its assets and properties and conduct its business as now conducted. Except as would not, individually or in the aggregate, materially impair the Purchaser's ability to consummate the transactions contemplated hereby, the Purchaser and each of its Subsidiaries is duly registered to carry on business in each jurisdiction in which the character of its assets and properties, owned, leased, licensed or operated by it, or the nature of its activities make such registration necessary.
2. **Corporate Authorization.** The Purchaser has the requisite corporate power and authority to enter into and perform its obligations under this Agreement and to complete the transactions contemplated by this Agreement. The execution, delivery and performance by the Purchaser of its obligations under this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of the Purchaser and no other corporate proceedings on the part of the Purchaser are necessary to authorize the execution and delivery by it of this Agreement or the consummation of the transactions contemplated hereby.
3. **Execution and Binding Obligation.** This Agreement has been duly executed and delivered by the Purchaser, and constitutes a legal, valid and binding agreement of the Purchaser enforceable against it in accordance with its terms subject to any limitation under bankruptcy, insolvency or other Laws affecting the enforcement of creditors' rights generally and the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
4. **Governmental Authorization.** The execution, delivery and performance by the Purchaser of its obligations under this Agreement and the consummation of the transactions contemplated hereby do not require any Authorization or other action by or in respect of, or filing with, or notification to, any Governmental Authority by the Purchaser other than: (i) filings with the Director under the OBCA; (ii) filing with the Securities Authorities; (iii) filings with and approval of the TSX-V; (iv) the Regulatory Approvals; and (vii) any Authorizations which, if not obtained, or any other actions by or in respect of, or filings with, or notifications to, any Governmental Authority which, if not taken or made, would not be reasonably expected to, individually or in the aggregate, prevent or materially impede the ability of the Purchaser to consummate the transactions contemplated hereby.
5. **Non-Contravention.** The execution, delivery and performance by the Purchaser of its obligations under this Agreement and the consummation of the transactions contemplated hereby do not and will not:
 - (i) contravene, conflict with, or result in any violation or breach of the Purchaser's Constatng Documents;
 - (ii) assuming compliance with the matters referred to in Paragraph (4) above, contravene, conflict with or result in a violation or breach of any Law;
 - (iii) require any consent or approval by any Person under, constitute a default, or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit the termination, cancellation or acceleration of

any right or obligation or the loss of any benefit to which the Purchaser or any of its Subsidiaries is entitled under, any material contract or any material Authorization to which the Purchaser or any of its affiliates is a party or by which the Purchaser or any of its Subsidiaries is bound; or

- (iv) result in the creation or imposition of any Encumbrance upon any of the material properties or material assets of the Purchaser or its Subsidiaries;

except, in the case of each of clauses (ii) through (iv), as would not, individually or in the aggregate, materially impair the Purchaser's ability to consummate the transactions contemplated hereby.

6. **No Litigation.** There are no material claims, actions, suits, arbitrations or proceedings, or to the knowledge of the Purchaser, any inquiries or investigations pending, or, to the knowledge of the Purchaser, are there any material claims, actions, suits, arbitrations, proceedings, inquiries or investigations threatened, against the Purchaser or any of its Subsidiaries by or before any Governmental Authority that, if determined adverse to the interests of the Purchaser or its Subsidiaries, would, individually or in the aggregate, materially impair the Purchaser's ability to consummate the transactions contemplated hereby. There is no bankruptcy, liquidation, winding-up or other similar proceeding pending or in progress, or, to the knowledge of the Purchaser, threatened against or relating to the Purchaser or any of its Subsidiaries before any Governmental Authority. Neither the Purchaser nor any of its Subsidiaries is subject to any outstanding judgment, order, writ, injunction or decree that would individually or in the aggregate, materially impair the Purchaser's ability to consummate the transactions contemplated hereby.
7. **Sufficient Funds.** The Purchaser has sufficient cash or cash equivalents to be converted to cash prior to Closing and available to satisfy the aggregate Purchase Price in accordance with the terms of this Agreement.
8. **Brokers.** Except for Persons, if any, whose fees and expenses will be paid by the Purchaser, no investment banker, broker, finder, financial advisor or other intermediary has been retained by or is authorized to act on behalf of the Purchaser or any of its affiliates or is entitled to any fee, commission or other payment in connection with this Agreement or any other transaction contemplated by this Agreement based upon arrangements made by or on behalf of the Purchaser or any of their respective affiliates.
9. **Security Ownership.** Neither the Purchaser nor any of its affiliates or any other Person acting jointly or in concert with any of them, beneficially owns or controls, or will prior to the Closing beneficially own or control, any Vendor Shares or any securities that are convertible into or exchangeable or exercisable for Vendor Shares.
10. **Investment Canada Act.** The Purchaser is not a "non-Canadian" for the purpose of the Investment Canada Act.

SCHEDULE C
VENDOR SHAREHOLDER RESOLUTION

BE IT RESOLVED THAT:

1. The transaction (the “**Transaction**”) involving the sale by Avante Logixx Inc. (the “**Corporation**”) of all of the shares in the capital of Logixx Security Inc., as more particularly described and set forth in the management information circular (the “**Circular**”) of the Corporation dated [●] accompanying the notice of this meeting (as the Transaction may be amended, modified or supplemented in accordance with the share purchase agreement made as of March 30, 2022 between the Corporation and SSC Security Services Corp. (the “**Share Purchase Agreement**”), is hereby authorized, approved and adopted.
2. The (i) Share Purchase Agreement and all the transactions contemplated therein; (ii) actions of the directors of the Corporation in approving the Share Purchase Agreement; and (iii) actions of the directors and officers of the Corporation in executing and delivering the Share Purchase Agreement, and any amendments, modifications or supplements thereto, and causing the performance by the Corporation of its obligations thereunder, are hereby ratified and approved.
3. Notwithstanding that this resolution has been passed (and the Transaction adopted) by the shareholders of the Corporation, the directors of the Corporation are hereby authorized and empowered to, without notice to or approval of the shareholders of the Corporation, (i) amend, modify or supplement the Share Purchase Agreement and (ii) subject to the terms of the Share Purchase Agreement, not to proceed with the Transaction and related transactions.
4. Any officer or director of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute or cause to be executed and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such person determines may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing.