

SHARE PURCHASE AGREEMENT

THIS AGREEMENT is made as of the 19th day of July 2023 (the "**Effective Date**").

BETWEEN:

PASTDUE CREDIT SOLUTIONS LIMITED,
having an office at
[address redacted]
("Pastdue Credit")

- and -

**JOSHUA ANTHONY,
CAROLINE ANN GRANT,
PHILIP GRANT, and
JAMES ANDREW SEROKA,**
all c/o *[address redacted]*
(collectively the "**Shareholders**")

- and -

BPO COLLECTIONS LIMITED,
having an office at *[address redacted]*
("BPO Collections")

- and -

EVERYDAY PEOPLE FINANCIAL CORP.,
having a registered office at #450, 11150 Jasper Avenue NW, Edmonton, AB, Canada, T5K 0C7
("EP Corp")

- and -

EVERYDAY PEOPLE INVESTMENTS INC.,
having a registered office at #450, 11150 Jasper Avenue NW, Edmonton, AB, Canada, T5K 0C7
("EP Investments")

(each a "Party" and collectively the "**Parties**")

WHEREAS:

- A. The Shareholders own all of the issued and outstanding shares of Pastdue Credit pursuant to their proportionate shareholdings set forth in Schedule "A" to this Agreement (the "**Purchase Shares**"); and
- B. The Shareholders desire to sell the Purchase Shares to BPO Collections and BPO Collections desires to purchase from the Shareholders all (but not less than all) of the Purchase Shares, upon the terms and subject to the conditions set forth in this Agreement; and
- C. Pastdue Credit is the registered owner or beneficial holder of the Assets; and
- D. The Parties acknowledge that the Purchase Price paid by BPO Collections to the Shareholders pursuant this Agreement includes all right, title and interest in and to the Purchase Shares, as well

as indirectly all rights and obligations in and to the Assets, Business and Intellectual Property (as hereinafter defined) of Pastdue Credit; and

- E. BPO Collections is a wholly owned subsidiary of EP Investments;
- F. As EP Investments is the 100% shareholder of BPO Collections, EP Investments wishes to consent to the terms and conditions set forth in this Agreement; and
- G. As a portion of the Purchase Price shall be paid in marketable shares of EP Corp, and as EP Corp is the 100% shareholder of EP Investments, EP Corp wishes to consent to the terms and conditions set forth in this Agreement.

THEREFORE in consideration of, and in reliance upon, the premises and the representations, warranties, covenants, and agreements set forth in this Agreement, the Parties agree as follows:

ARTICLE 1 - INTERPRETATION

1.1 Defined Terms. In this Agreement, the following terms shall have the following meanings:

- (a) "**Adjustment Value**" has the meaning set out in Section 2.3(c)(1);
- (b) "**Affiliate**" has the meaning set forth in the Companies Act, 2006 (UK);
- (c) "**Agreement**" means this Share Purchase Agreement and the Schedules hereto, together with any amendments thereto;
- (d) "**Applicable Laws**" means any applicable laws, statutes, ordinances, by-laws, regulations, orders, directives, decisions and approvals of all United Kingdom, Scotland, county or municipal governmental authorities, administrative agencies, or regulatory agencies as may be in effect from time to time;
- (e) "**Applicable Securities Laws**" means, collectively, and as the context may require, the applicable provincial and federal securities legislation of Canada, and the rules, regulations, instruments, orders and policies published and/or promulgated thereunder, as such may be amended from time to time prior to the Effective Date, as they apply to Everyday People Financial Corp. and the EP Corp Shares;
- (f) "**Assets**" means all the property and assets of Pastdue Credit of every kind and description and wherever situated used in operating the Business and including the Tangible fixed asset register and Intangible fixed asset register dated 31 October 2022 noted at Schedule "B";
- (g) "**Authorization**" means, with respect to any Person, any permit, approval, certificate, registration, consent, waiver, licence or other authorization issued, granted, given or authorized by, or made applicable under the authority of, any governmental entity having jurisdiction over the Person or any activities or operations of such Person;
- (h) "**BPO Collections**" means BPO Collections Limited, UK company number [number redacted], as set forth on the first page of this Agreement;

- (i) **"Business"** means the business of Pastdue Credit as recorded on the books and records of Pastdue Credit, included but not limited to, all collections, service or other contracts, bank accounts, accounts receivable, accounts payable, records and lists of customers, distributors, suppliers and personnel, operating records of every kind relating to the Assets, all product, business and marketing plans, sales and promotional literature, or product design manuals, plans, drawings, technical manuals or other branding relating to the Assets, as well as all records, list, ledgers, financial data, tax returns and related work papers, budgets, pricing guidelines, insurance policies, minute books, computer files and programs, data processing files and records, retrieval programs and operating data, correspondence, and other data and information, financial or otherwise, whether maintained as hard copy or stored in computer memory;
- (j) **"Business Day"** means any day, other than a Saturday or a Sunday, on which the chartered banks in Scotland are open for business;
- (k) **"Cash"** means the aggregate amount of all (i) cash on hand; (ii) cash standing to the credit of any account with a bank or other financial institution; and (iii) any cash equivalents, in each case to which Pastdue Credit is beneficially entitled as at the Closing Date and as shown in the Closing Financial Statements.
- (l) **"Certificate"** has the meaning set forth in Section 3.8(a) of this Agreement;
- (m) **"Claim"** means a claim in respect of any of the Warranties.
- (n) **"Closing"** means the completion of the transaction of purchase and sale of the Purchase Shares contemplated under this Agreement;
- (o) **"Closing Date"** means on or before August 18, 2023, or any other date mutually agreed upon by the Parties;
- (p) **"Closing Financial Statements"** has the meaning set out in Section 2.3(a);
- (q) **"Closing Net Working Capital"** means the Net Working Capital determined within 90 (Ninety) days following the Closing Date, as further set forth in Section 2.3(a) to this Agreement;
- (r) **"Closing Payment"** means £11,000,000 (Eleven Million GBP) in cash as further set out in Section 2.2(b);
- (s) **"Consideration Shares"** means an amount of Marketable Securities (as hereinafter defined) totaling £5,000,000 (Five Million GBP) as further set out in Section 2.2(c);
- (t) **"Damages"** means any loss, liability, obligation, claim, damages, fines and other penalties, costs, charges or expenses, and all reasonable legal fees and other professional fees (to the exclusion of any incidental and consequential damages, loss of profits or diminution in value);
- (u) **"Data Room"** means the Microsoft 365 virtual data room hosted by the Purchaser and titled "EP Data Rooms", comprising the documents and other information relating to Pastdue Credit made available to the Purchaser Entities and their advisors in relation to the transaction;
- (v) **"Disclosed"** means fairly disclosed (with sufficient details to identify the nature and scope of the

- matter disclosed) in or under the Disclosure Letter;
- (w) "**Disclosure Documents**" means the documents contained in the Data Room;
- (x) "**Disclosure Letter**" means the letter from the Shareholders to the Purchase Entities with the same date as this Agreement and described as the Disclosure Letter, together with the Disclosure Documents;
- (y) "**EBITDA**":
- (1) means Pastdue Credit's earnings before interest, taxes, depreciation, and amortization as determined by Financial Reporting Standard 102 ("FRS 102"), as consistently applied by Pastdue Credit in all respects in accordance with practices prior to the Effective Date (solely to the extent consistent with such pronouncements), and
 - (2) for the purposes of calculating Performance Payments as set forth in Section 2.2(d), EBITDA will be adjusted to exclude (i) any management charges; (ii) the effect of any transactions with related parties; (iii) any upfront costs in relation to Material Contracts that are not performed by Pastdue Credit after Closing; (iv) management salaries that are more than 5% of the average value in the six months before the Closing Date; and (v) exceptional costs which are a consequence of acquisitions made by BPO or EP Investments, or otherwise agreed to be exceptional;
- (z) "**Encumbrance**" means any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement, security interest of any nature, adverse claim, exception, reservation, easement, encroachment, servitude, restriction on use, right of occupation, any matter capable of registration against title, option, right of first offer or refusal or similar right, restriction on voting (in the case of any voting or equity interest), right of pre-emption or privilege or any contract to create any of the foregoing;
- (aa) "**Effective Date**" has the meaning set forth on the first page of this Agreement;
- (bb) "**Employees**" means individuals employed by Pastdue Credit in the Business on a full-time, part-time, or temporary basis, including those Employees of the Business on disability leave, parental leave, workplace safety and insurance, workers' compensation, pregnancy or other statutory or approved leave;
- (cc) "**EP Corp**" means Everyday People Financial Corp., Alberta corporation number *[number redacted]*, as set forth on the first page of this Agreement;
- (dd) "**EP Corp Public Documents**" means all documents which have been publicly filed on SEDAR by EP Corp pursuant to a requirement under Applicable Securities Laws since August 31, 2022.
- (ee) "**EP Corp Shares**" means common shares in the capital of EP Corp, as constituted on the date thereof;
- (ff) "**EP Investments**" means Everyday People Investments Inc., Alberta corporation number *[number redacted]*, as set forth on the first page of this Agreement;
- (gg) "**Governmental Entity**" means: (a) United Kingdom, Scotland, county, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body,

- commission, board, ministry, bureau, agency or entity, domestic or foreign; (b) any applicable stock exchange, including the TSX Venture Exchange; (c) any subdivision, agent, commission, board or authority of any of the foregoing; or (d) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing;
- (hh) "**FRS 102**" means the Financial Reporting Standard 102 applicable in the UK and Republic of Ireland, as in force at a given date, as well as the policies, procedures and methodology thereunder, all as amended from time to time;
- (ii) "**Indebtedness**" means, without duplication, all liabilities of Pastdue Credit outstanding or accrued at the Closing Date all determined in accordance with FRS 102, including: (a) any indebtedness for borrowed money; (b) obligations with respect to any performance bond, letter of credit or bank overdraft, to the extent drawn, or interest rate swap, hedging or similar agreements; (c) the deferred purchase price of property or services (other than trade payables), including any holdbacks, earn-outs, vendor notes or other contingent payments that may be payable with respect to acquisitions made by Pastdue Credit; (d) lease obligations that are required to be classified as capitalized lease obligations in accordance with FRS 102; (e) all Tax payables and accrued Tax liabilities; (f) government remittance payables and accruals; (g) all employee vacation accruals; (h) any severance or other similar payment obligations to employees who were terminated at any time prior to the Closing Date or who are sent or who provide a notice of termination of employment at any time prior to the Closing Date, including the employer portion of any payroll, employment, unemployment or similar Taxes payable in respect thereof; (i) any underfunding of any employee pension, benefits or other similar plans; (j) any guarantee of the type of obligations described in (a)-(i) above; (k) all accrued or unpaid expenses of Pastdue Credit that are unrelated to the Business (including personal expenses); (l) all accrued or unpaid expenses of Pastdue Credit in connection with the transactions provided for herein and any bonuses and similar compensatory payments to be paid to employees of the Company upon and in connection with the consummation of the transactions provided for herein, (m) all accrued interest, fees, penalties, premiums, expenses, indemnities, brokerage costs or other amounts due in respect of any of the foregoing, (n) all amounts due to related parties, and (o) outstanding cheques;
- (jj) "**Independent Accounting Firm**" has the meaning set out in Section 2.2(e) and Section 2.3(b).
- (kk) "**Intellectual Property**" means all right, title, and interest and benefit of Pastdue Credit in and to intellectual property of every nature, whether registered or unregistered, including, without limitation, all worldwide copy rights, patents, patent rights, trade marks, applications for any of the foregoing, trade secrets, and know-how, formulae, processes, technology, inventions, engineering and other proprietary processes, source code, object code, computer programs and other computer software, in whatever media, and data, specifications, prototypes, designs, records, drawings, calculations, domain names, web addresses, web sites, computer rights, other intellectual or industrial property and all other proprietary rights or interests including but not limited to information technology assets and equipment, computer systems, networks and hardware, together with all antecedent derivative works, of or pertaining to the Business or Assets;
- (ll) "**Marketable Securities**" means EP Corp Shares with a deemed value of CAD \$1.00 (One Canadian Dollar) per share, being approximately £0.61 (Sixty-One Pence GBP) at the time of signing the

Letter of Intent by the Parties hereto on March 22, 2023 regarding the transactions contemplated hereunder, and more specifically determined by using the average of the Canadian Dollar to Pounds Sterling exchange rate for the five Business Days immediately preceding the Closing Date;

- (mm) "**Material Contract**" means any agreement or contract that either:
- (1) requires payment by Pastdue Credit in excess of £30,000 (Thirty Thousand GBP) in the aggregate per calendar year, including Employee or consultant contracts, or
 - (2) has any direct material effect (by license, assignment, or otherwise) on the Assets, Business or Intellectual Property;
- (nn) "**Net Working Capital**" means the aggregate of:
- (1) current assets of Pastdue Credit, minus
 - (2) current liabilities of Pastdue Credit,
- calculated in accordance with FRS 102 and finally determined in accordance with Section 2.3. For further clarity, any calculation of working capital includes trade debtors, trade creditors, payroll tax liabilities, VAT, prepayments, accruals and other working capital items that become apparent during the due diligence process but not any liabilities within the definition of Indebtedness;
- (oo) "**Ordinary Course of Business**" means, with respect to any action taken by Pastdue Credit, that such action is consistent with Pastdue Credit's past practice and custom and is taken in the ordinary course of the normal day-to-day operations of Pastdue Credit;
- (pp) "**Pastdue Credit**" means Pastdue Credit Solutions Limited, UK company number *[number redacted]*, as set forth on the first page of this Agreement;
- (qq) "**Performance Payments**" mean the performance based amounts comprised of the Initial Performance Payment and the Final Performance Payment, earned and payable during the Performance Period as set forth in Section 2.2(d) and Section 2.2(e) of this Agreement;
- (rr) "**Performance Period**" means the Five (5) years following the Closing Date;
- (ss) "**Person**" means:
- (1) an individual citizen or resident of Scotland or the United Kingdom or any political subdivision thereof, OR
 - (2) a corporation, partnership or other entity created or organized in or under any laws of Scotland or the United Kingdom or any political subdivision thereof, OR
 - (3) any estate or trust that is subject to the laws of Scotland or the United Kingdom;
- (tt) "**Purchaser Entities**" has the meaning set forth in Section 3.5(a) of this Agreement;
- (uu) "**Purchase Price**" has the meaning set forth in Section 2.1(b) of this Agreement;
- (vv) "**Purchase Shares**" has the meaning set forth in the Preamble hereto;
- (ww) "**Relevant Statement**" means a statement prepared by BPO Collections setting out its calculation

of the Minimum EBITDA in accordance with Section 2.2(d).

- (xx) "**SEDAR**" means the System for Electronic Document Analysis and Retrieval in Canada;
 - (yy) "**Seller Entities**" has the meaning set forth in Section 3.5(a) of this Agreement;
 - (zz) "**Shareholders**" has the meaning set forth on the first page of this Agreement;
 - (aaa) "**Shareholders' Cash**" means the total sum held in Pastdue Credit's savings account with Bank of Scotland (account number: *[number redacted]*) as at close of business on the Business Day before the Closing Date.
 - (bbb) "**Target Net Working Capital**" means *[financial metric redacted]*;
 - (ccc) "**Tax**" or "**Taxes**" means all national, local, municipal, foreign and other taxes (including, without limitation, income taxes, sales taxes, excise taxes, value added taxes, capital taxes, property taxes, and production, severance, and similar taxes and assessments) and includes all penalties, interest, and fines with respect thereto;
 - (ddd) "**Threshold**" has the meaning set forth in Section 3.7(a) of this Agreement;
 - (eee) "**Transaction Documents**" means any document required to be entered into pursuant to this Agreement;
 - (fff) "**TSX Venture**" means the TSX Venture Exchange in Toronto, Canada;
 - (ggg) "**Warranties**" means the warranties pursuant to Article 3 of this Agreement, each a Warranty.
- 1.2 Singular etc. Words (including defined terms) using or importing the singular number include the plural and vice versa and words importing one gender only shall include all genders and words importing persons in this Agreement shall include individuals, partnerships, corporations and any other entities, legal or otherwise.
- 1.3 Headings. The headings used in this Agreement are for ease of reference only and shall not affect the meaning or the interpretation of this Agreement.
- 1.4 Currency. Unless otherwise specified, all references to currency, dollars, or the symbol £ refer to lawful GBP.
- 1.5 Accounting Terms. All accounting and financial terms and references not defined in this Agreement are to be interpreted in accordance with FRS 102.
- 1.6 Certain Phrases. Except where expressly stated otherwise, in this Agreement: (a) "either" and "or" are not exclusive and "include", "includes" and "including" are not limiting; (b) "hereof", "hereto", "hereby", "herein" and "hereunder" and words of similar import when used in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement; and (c) "extent" in the phrase "to the extent" means the degree to which a subject or other thing extends, and such phrase does not mean simply "if".

- 1.7 Preamble and Schedules. The Preamble hereto and the following schedules attached to this Agreement shall form part of this Agreement as if recited at length:

| | |
|--------------|---|
| Schedule "A" | Share Structure and Shareholdings of Pastdue Credit |
| Schedule "B" | Asset Register |

ARTICLE 2 – PURCHASE AND SALE OF SHARES

2.1 Purchase and Sale and Purchase Price.

- (a) In accordance with the terms and upon the conditions of this Agreement, upon payment of the Shareholders' Cash, Closing Payment and Consideration Shares pursuant to Sections 2.2(a), (b) and (c) respectively herein, each Shareholder will sell, transfer, assign, convey and deliver to BPO Collections all right, title and interest in and to their respective Purchase Shares as set forth in Schedule "A" attached hereto, free and clear of all Encumbrances.
- (b) The total purchase price for the Purchase Shares (the "**Purchase Price**") shall consist of the aggregate amount of the Closing Payment, payable as set forth in Section 2.2(b), plus the Consideration Shares issued pursuant to Section 2.2(c) herein, plus the Performance Payments set forth and subject to Section 2.2(d) of this Agreement.
- (c) The Purchase Price shall be:
- (1) increased by an amount equal to the Shareholders' Cash as at the Closing Date;
 - (2) reduced by an amount equal to the Indebtedness as of the Closing Date (excluding any Indebtedness which has already been included as part of the Net Working Capital calculation or that has been paid out by the Shareholders on the Closing Date); and
 - (3) increased by an amount equal to the amount by which the amount of Net Working Capital exceeds the Target Net Working Capital or reduced by an amount equal to the amount by which the amount of Net Working Capital is less than the Target Net Working Capital.

2.2 Payments of Shareholders' Cash and Purchase Price.

- (a) The Shareholders' Cash shall be payable in cash to the Shareholders in the proportions set out opposite their respective names in Schedule A to this Agreement, on the Closing Date;
- (b) The Closing Payment of £11,000,000 (Eleven Million GBP) shall be payable by BPO Collections in cash to the Shareholders in the proportions set out opposite their respective names in Schedule A to this Agreement, on the Closing Date;
- (c) The Consideration Shares shall be issued to the Shareholders in the proportions set out opposite their respective names in Schedule A to this Agreement, on the Closing Date, and shall:
- (1) be issued to the Shareholders by way of EP Corp allotting and issuing, credited as fully paid, the applicable number of EP Corp Marketable Securities, and
 - (2) be rounded up to whole shares, and

- (3) be subject to applicable resale restrictions set forth in Section 2.2(g) herein;
- (d) Performance Payments shall be conditional, throughout the Performance Period, on trailing Six (6) months of EBITDA being equal to or greater than £1,587,301 (One Million Five Hundred Eighty Seven Thousand Three Hundred One GBP), representing an EBITDA multiple of 6.3 (the “**Minimum EBITDA**”), and shall be payable by BPO Collections as follows:
- (1) Within ten (10) Business Days of agreement or determination of the Relevant Statement specifying the Minimum EBITDA has been achieved for the Six (6) month period following the Closing Date, then BPO Collections shall pay to the Shareholders, in the proportions set out opposite their respective names in Schedule A to this Agreement, the amount of £2,000,000 (Two Million GBP), in cash (the “**Initial Performance Payment**”).
 - (2) In the event the Minimum EBITDA was not achieved in the Six (6) month period following the Closing Date, then the parties agree that a Relevant Statement shall be prepared for each month thereafter. Within ten (10) Business Days of agreement or determination of a Relevant Statement specifying the Minimum EBITDA has been achieved for the trailing Six (6) months of EBITDA, then BPO Collections shall pay to the Shareholders, in the proportions set out opposite their respective names in Schedule A to this Agreement, the Initial Performance Payment.
 - (3) Within ten (10) Business Days of agreement or determination of the Relevant Statement specifying the Minimum EBITDA has been achieved for the Six (6) months following payment of the Initial Performance Payment, then BPO Collections shall pay to the Shareholders, in the proportions set out opposite their respective names in Schedule A to this Agreement, the amount of £2,000,000 (Two Million GBP), in cash (the “**Final Performance Payment**”).
 - (4) In the event the Minimum EBITDA was not achieved in the Six (6) month period following payment of the Initial Performance Payment, then the parties agree that a Relevant Statement shall be prepared each month thereafter. Within ten (10) Business Days of agreement or determination of a Relevant Statement specifying the Minimum EBITDA has been achieved for the trailing Six (6) months of EBITDA, then BPO Collections shall pay to the Shareholders, in in the proportions set out opposite their respective names in Schedule A to this Agreement, the Final Performance Payment.
 - (5) Performance Payments shall be forfeited in the event the Minimum EBITDA is not achieved during the Performance Period. Following the Performance Period, the entire Purchase Price shall be considered fully paid and satisfied.
 - (6) BPO Collections, EP Corp and EP Investments undertake to the Shareholders that for the duration of the Performance Period:
 - A. they shall use all reasonable endeavours to maintain the profits of Pastdue Credit;
 - B. they shall not, directly or indirectly, take any action, or cause or permit anything to be done that could distort the financial performance of Pastdue Credit or artificially reduce the EBITDA of Pastdue Credit;
 - C. they shall not sell, transfer or otherwise dispose of, or grant any Encumbrance over, any of the shares in the capital of the Pastdue Credit (or enter into any agreement to do so);
 - D. they shall procure that Pastdue Credit shall not sell, transfer or otherwise dispose of all or a material part of its business, assets or undertaking;

- E. they shall not cause or permit any of the following: (i) the proposal or passing of a resolution to wind up the Pastdue Credit; and (ii) any management charges, fees or other intra-group charges or any interest payments on intra-group borrowings to be levied on the Pastdue Credit by any of BPO Collections, EP Corp and EP Investments;
- F. all intra-group transactions between Pastdue Credit and any of BPO Collections, EP Corp and EP Investments shall be undertaken upon reasonable commercial terms;
- G. they shall not cause or permit Pastdue Credit to cease to carry on all or a material part of its business;
- H. they shall not (and shall procure that any of BPO Collections, EP Corp and EP Investments shall not) divert or redirect any trading, business opportunities or revenues or any customer, client or supplier away from the Pastdue Credit;

Each of the foregoing undertakings of BPO Collections, EP Corp and EP Investments in this Section 2.2(d)(6) are subject to such commercially reasonable limits as to permit the operation of Pastdue Credit as an integrated subsidiary of BPO Collections in the ordinary course of its business.

- (e) For the purposes of preparing each Relevant Statement and calculating EBITDA for Section 2.2(d), Pastdue Credit hereby agrees to provide financial statements to BPO Collections as required, prepared in accordance with FRS 102. BPO Collections shall ensure each Relevant Statement is prepared timeously and sent to the Shareholders together with copies of relevant supporting documentation. If the Shareholders do not deliver a written notice objecting to a Relevant Statement prior to the 10th Business Day following the delivery of a Relevant Statement to the Shareholders, such Relevant Statement shall become binding. In the event that BPO Collections and the Shareholders are unable to agree on any aspect of the Relevant Statement, they shall use all reasonable efforts to resolve any difference between them. If they are unable to do so within 10 Business Days of the delivery of any written notice objecting to a Relevant Statement by the Shareholders, then either BPO Collections or the Shareholders may, following such period, issue a written notice of dispute to the other in which event BPO Collections and the Shareholders shall submit the dispute to an independent accounting firm to be agreed by BPO Collections and the Shareholders (the “**Independent Accounting Firm**”) and the Independent Accounting Firm will be instructed to make a determination of the applicable items in dispute in conformity with this Agreement within 30 days of being appointed. BPO Collections and the Shareholders, together with their respective accounting and legal advisors, will have an opportunity to submit evidence and argument to the Independent Accounting Firm and to respond to the other party’s evidence and argument. The decision of the Independent Accounting Firm with respect to the matters in dispute shall in the absence of manifest error be final and binding on BPO Collections and the Shareholders and shall not be subject to appeal by any party. Upon a decision of the Independent Accounting Firm with respect to all matters in dispute, such amendments shall be made to a Relevant Statement as may be necessary to reflect such decision. The fees and disbursements charged by the Independent Accounting Firm shall be borne equally by BPO Collections and Shareholders.
- (f) Upon payment of the Shareholders’ Cash, Closing Payment and Consideration Shares as provided for in Sections 2.2 (a), (b) and (c) respectively herein:
 - (1) the Purchase Shares shall become 100% owned by BPO Collections, and thereby Pastdue Credit shall become a 100% subsidiary of BPO Collections; and
 - (2) BPO Collections and/or EP Investments shall have sole discretion as to the continued use

of any existing branding of Pastdue Credit; and

- (3) any Unanimous Shareholders Agreement of Pastdue Credit shall be terminated on or immediately prior to the Closing Date (subject to the survival of the restrictive covenants as the case may be).
- (g) The Parties hereby acknowledge that EP Corp is authorized to issue an unlimited number of EP Corp Shares pursuant to its Articles of Continuance dated August 30, 2022, and that any EP Corp Shares which may be issued pursuant to Section 2.2(c) shall be duly authorized, validly allotted and issued as fully paid, non-assessable shares in the capital of EP Corp.
- (h) The Shareholders hereby acknowledge that any EP Corp Shares which may be issued pursuant to Section 2.2(c) shall be subject to the applicable resale restrictions under Applicable Securities Laws, and shall have attached thereto a legend setting out the resale restrictions under Applicable Securities Laws in substantially the following form and with the necessary information inserted as required under Applicable Securities Laws:
- “UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE [THE DATE THAT IS FOUR MONTHS AND A DAY AFTER THE DISTRIBUTION DATE WILL BE INSERTED].

2.3 Adjustments to Purchase Price.

- (a) The Shareholders shall, within 90 (Ninety) days following the Closing Date, cause to be prepared and delivered to BPO Collections a balance sheet for Pastdue Credit, as well as a calculation of the Closing Net Working Capital, Cash and the Indebtedness, all calculations of the Closing Net Working Capital, Cash and the Indebtedness to be determined in accordance with FRS 102, and applied on a basis consistent with previous fiscal years (collectively the “**Closing Financial Statements**”);
- (b) Shareholders shall make available to BPO Collections and/or EP Investments all applicable books, records, work papers and personnel utilized in connection with the preparation of the Closing Financial Statements. If BPO Collections does not deliver a written notice objecting to the Closing Financial Statements prior to the 30th day following the delivery of the Closing Financial Statements to BPO Collections, the Closing Financial Statements shall become binding on BPO Collections. In the event that BPO Collections and Shareholders are unable to agree on any aspect of the Closing Financial Statements, they shall use all reasonable efforts to resolve any difference between them. If they are unable to do so within 20 days of the delivery of any written notice objecting to the Closing Financial Statements by BPO Collections, then either BPO Collections or the Shareholders may, following such 20-day period, issue a written notice of dispute to the other in which event BPO Collections and the Shareholders shall submit the dispute to an independent accounting firm to be agreed by BPO Collections and the Shareholders (the “**Independent Accounting Firm**”) and the Independent Accounting Firm will be instructed to make a determination of the applicable items in dispute in conformity with this Agreement within 30 days of being appointed. BPO Collections and the Shareholders, together with their respective accounting and legal advisors, will have an opportunity to submit evidence and argument to the Independent Accounting Firm and to respond to the other party’s evidence and argument. The decision of the Independent Accounting Firm with respect to the matters in dispute shall in the absence of manifest error be final and binding on BPO Collections and the Shareholders and shall not be subject to appeal by any party. Upon a decision of the Independent Accounting Firm with respect to all matters in dispute, such amendments shall be made to the Closing Financial

Statements as may be necessary to reflect such decision. The fees and disbursements charged by the Independent Accounting Firm shall be borne equally by BPO Collections and Shareholders.

- (c) Within 10 (Ten) Business Days of the Closing Financial Statements becoming binding on BPO Collections or final, as the case may be, the following adjustment to the Purchase Price shall be made based on the Closing Financial Statements:
- (1) The adjustment is equal to the Closing Net Working Capital less Target Net Working Capital less Indebtedness, plus Cash (the "**Adjustment Value**");
 - (2) Where the Adjustment Value is greater than zero, BPO Collections shall pay that amount to the Shareholders in cash;
 - (3) Where the Adjustment Value is less than zero, the Shareholders shall pay that amount to BPO Collections in cash.

ARTICLE 3 - REPRESENTATIONS AND WARRANTIES

3.1 Warranties of Pastdue Credit and the Shareholders.

Pastdue Credit and the Shareholders hereby warrant, as applicable, to BPO Collections, EP Corp and EP Investments that:

- (a) The Shareholders are the beneficial and legal owners of record of their respective portions of the Purchase Shares as set forth in Schedule "A" hereto, with good title thereto, free and clear of all Encumbrances;
- (b) Upon completion of the transactions contemplated by this Agreement, all of the Purchase Shares will be owned by BPO Collections as the registered and beneficial owner of record, free and clear of all Encumbrances;
- (c) The Purchase Shares have been validly issued in compliance with Applicable Laws and are fully paid and non-assessable;
- (d) There are no convertible agreements or arrangements regarding the Purchase Shares;
- (e) There are no outstanding options, warrants, debentures or other agreements regarding the Purchase Shares, or alternatively, that any such agreements have been cancelled;
- (f) There are no issued and outstanding shares (common or preferred) of Pastdue Credit other than as provided for in Schedule "A" to this Agreement;
- (g) The Shareholders do not own any assets, intellectual property or business, other than the Purchase Shares, that would otherwise be included in the Assets, Business, Intellectual Property or Material Contracts as defined in this Agreement;
- (h) Except as Disclosed, and in the Ordinary Course of Business, Pastdue Credit has not declared or paid any dividends or declared or made any other distribution on any Purchase Shares and has not, directly or indirectly, redeemed, purchased or otherwise acquired any of its outstanding shares of any class or agreed to do so;

- (i) There are no outstanding shareholder loans to or from the Shareholders or Pastdue Credit;
- (j) Each Shareholder:
 - (1) is not an insolvent Person (within the meaning of the Bankruptcy (Scotland) Act 2016, and
 - (2) has full legal capacity to enter into and perform their respective obligations under this Agreement and the transaction documents to which such Shareholder is a party, and
 - (3) has full legal capacity to own their respective portion of the Purchase Shares as set forth in Schedule "A" to this Agreement;
- (k) The Shareholders are residents of Scotland with respect to applicable income tax legislation;
- (l) Pastdue Credit is duly incorporated and validly existing under the laws of Scotland, and has all necessary corporate or other power, authority and capacity to own or lease its property and assets as now owned and to carry on its business as it is now being conducted;
- (m) Pastdue Credit is duly registered or otherwise authorized and qualified to do business, and is in good standing in each jurisdiction in which the character of its properties, owned, leased, licensed or otherwise held as applicable, or the nature of its activities makes such qualification necessary, including being extra-jurisdictionally registered to conduct business in the locations outlined in Schedule "B" to this Agreement.
- (n) Pastdue Credit has no subsidiary and holds no securities or other ownership, equity or proprietary interests in any other Person;
- (o) The execution, delivery and performance by each Shareholder respectively of this Agreement and other transaction documents to which they are a party do not (or would not with the giving of notice, the passage of time or the happening of any other event or circumstance): (a) result in a breach or a violation of, conflict with, or cause the termination or revocation of, any Authorization held by such Person necessary to the ownership of their respective Purchase Shares; (b) result in or require the creation of any Encumbrance upon any of their Purchase Shares; or (c) result in a breach or a violation of, or conflict with, (i) any Law applicable to such Shareholder, or (ii) any contract or obligation binding on or affecting such Shareholder or their respective Purchase Shares;
- (p) The execution, delivery and performance by Pastdue Credit of this Agreement and other transaction documents to which it is a party do not (or would not with the giving of notice, the passage of time or the happening of any other event or circumstance): (a) result in a breach or a violation of, conflict with, or cause the termination or revocation of, any Authorization held by Pastdue Credit or necessary to the ownership or use of its property and assets or the operation of the Business; (b) result in or require the creation of any Encumbrance upon any of its property and assets; (c) result in a breach or a violation of, or conflict with, (i) any Law applicable to Pastdue Credit, or (ii) any Material Contract binding on or affecting Pastdue Credit; or (d) result in or give any Person the right to seek, or to cause: (i) the termination, cancellation, amendment or renegotiation of any Material Contract binding on or affecting Pastdue Credit; (ii) the acceleration of any debt or other obligation of Pastdue Credit; or (iii) the forfeiture or other loss, in whole or in part, of any benefit which would otherwise accrue to Pastdue Credit;
- (q) Pastdue Credit has complied in all material respects with all Applicable Laws applicable to the

Business;

- (r) The Pastdue Credit statutory registers are complete and accurate;
- (s) The Shareholders have the necessary power, capacity, right and authority to enter into and deliver this Agreement and the documents required prior to the Closing Date to which they are Parties and to perform their obligations hereunder;
- (t) Pastdue Credit has the necessary power, capacity, right and authority to enter into and deliver this Agreement and the documents required prior to the Closing Date to which it is a Party and to perform its obligations hereunder;
- (u) All actions on the part of the Shareholders and Pastdue Credit necessary for the authorization, execution, and delivery of this Agreement and the transaction documents to which each of them is a party respectively, and the performance of all obligations hereunder have been taken or will be taken prior to the Closing Date, and this Agreement constitutes valid and legally binding obligations of the Shareholders and Pastdue Credit, enforceable in accordance with the terms of this Agreement;
- (v) Unless otherwise Disclosed, to the knowledge of the Shareholders, there are no actions, suits, claims, investigations or other legal proceedings pending or threatened against or by the Shareholders or Pastdue Credit that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement;
- (w) The Shareholders and Pastdue Credit have no liability or obligation to pay any fees or commissions to any broker, finder, or agent with respect to the transactions contemplated by this Agreement or any transaction document;
- (x) There has not occurred any event that would constitute a material default under any Material Contract;
- (y) Pastdue Credit has not received written notice that any party to a Material Contract intends to cancel, terminate, or not renew such Material Contract;
- (z) Policies of insurance are in force as of the Effective Date and will continue in effect following the Closing Date, naming Pastdue Credit as insured that adequately cover all risks as are customarily covered in the industry in which Pastdue Credit operates;
- (aa) Pastdue Credit owns, holds, or possesses debt collection licenses and other Authorizations required to conduct its Business in compliance with Applicable Laws, and each such license and Authorization is valid, subsisting and in good standing including all such licenses and Authorizations listed in Schedule "B";
- (bb) All accounts receivable, book debts and other debts due or accruing to Pastdue Credit are bona fide and, subject to an allowance for doubtful accounts that have been reflected in the financial statements of Pastdue Credit on a basis consistent with prior periods, collectible without set-off or counterclaim;
- (cc) Financial statements of Pastdue Credit have been prepared consistent with prior periods, are

complete and accurate in all material respects and present fairly the earnings, assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of Pastdue Credit;

- (dd) All accruals for unpaid vacation pay, premiums and contributions for statutory plans, accrued wages, salaries and commissions, vacation entitlements and employee plan payments have been reflected in the books and records of Pastdue Credit;
- (ee) Any existing Indebtedness of Pastdue Credit has been paid in full;
- (ff) The Material Contracts are in good standing and validly subsisting;
- (gg) Pastdue Credit has duly filed all income Tax and/or Value-added Tax returns required to be filed by it on or before the Effective Date. All such Tax returns were complete and accurate in all respects. Pastdue Credit has paid all Taxes which are due and payable;
- (hh) The applicable income Tax liabilities of Pastdue Credit have been assessed by the appropriate tax authorities and there are no agreements, waivers or other arrangements providing for an extension of time for Pastdue Credit to file any Tax return or pay any Taxes;
- (ii) Pastdue Credit has, as applicable, collected all amounts required to be collected by it on account of Taxes. Pastdue Credit has remitted to the appropriate tax authority when required by law to do so all such amounts collected by it and has provided true copies of all Tax returns filed by Pastdue Credit in respect of the most recent five fiscal years;
- (jj) The Shareholders and Pastdue Credit are not insolvent and have not made any assignment in favour of creditors or a proposal in bankruptcy to creditors, and no petition for a receiving order has been presented. The Shareholders and Pastdue Credit have not initiated proceedings with respect to a compromise or arrangement with creditors or for winding up, liquidation or dissolution. No receiver or interim receiver has been appointed in respect of the Shareholders and Pastdue Credit, or any of their respective assets, and no execution or distress has been levied on any of their respective assets, nor have proceedings been commenced in connection with any of the foregoing.

3.2 Representations and Warranties of BPO Collections.

BPO Collections hereby represents and warrants to the Shareholders and Pastdue Credit that:

- (a) BPO Collections is validly existing under the laws of Scotland, and has full corporate power and authority to own its assets and conduct its business as now owned and conducted. BPO Collections is duly qualified to carry on business and is in good standing in each jurisdiction in which the character of its properties or the nature of its activities makes such qualification necessary, except where the failure to be so qualified will not, individually or in the aggregate, have a material adverse effect on BPO Collections;
- (b) BPO Collections has the necessary power, capacity, right, and authority to enter into and deliver this Agreement and the documents required for the Closing Date to which it is a Party and to perform its obligations thereunder.
- (c) All action on the part of BPO Collections necessary for the authorization, execution, and delivery

of this Agreement, and the performance of all obligations of BPO Collections hereunder have been taken or will be taken prior to the Closing Date, and this Agreement constitutes valid and legally binding obligations of BPO Collections, enforceable in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other Applicable Laws relating to or affecting rights of creditors generally and subject to the qualification that equitable remedies, including specific performance, are discretionary;

- (d) The obligations of BPO Collections hereunder will not: (i) violate, conflict with or result in a breach of: (A) any contract to which it is a party or by which it is bound; or (B) any Applicable Law to which it is subject or by which it is bound; or (ii) result in the imposition of any Encumbrance upon any of its assets; and
- (e) There are no actions, suits, claims, investigations, or other legal proceedings pending or, to the knowledge of BPO Collections, threatened against or by BPO Collections that challenge, seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement.

3.3 Representations and Warranties of EP Corp.

EP Corp hereby represents and warrants to the Shareholders and Pastdue Credit that:

- (a) EP Corp was duly incorporated in the Province of British Columbia, Canada, and since continuance into the Province of Alberta on August 30, 2022, is validly existing under the laws of the Province of Alberta, and has full corporate power and authority to own its assets and conduct its business as now owned and conducted. EP Corp is duly qualified to carry on business and is in good standing in each jurisdiction in which the character of its properties or the nature of its activities makes such qualification necessary, except where the failure to be so qualified will not, individually or in the aggregate, have a material adverse effect on EP Corp;
- (b) With respect to issued and outstanding EP Corp Shares, or EP Corp shares to potentially be issued pursuant to the terms and conditions of purchase agreements wherein EP Corp Shares are issuable as a portion of the purchase price, as of the Effective Date there are:
 - (1) 113,976,539 EP Corp Shares issued and outstanding,
 - (2) an aggregate of 3,893,597 EP Corp Shares issuable upon exercise of outstanding options to purchase EP Corp Shares,
 - (3) an aggregate of 4,083,397 EP Corp Shares issuable upon exercise of outstanding warrants to purchase EP Corp Shares,
 - (4) an aggregate of 3,307,000 EP Corp Shares issuable upon settlement of outstanding restricted stock units,
 - (5) an aggregate of 1,781,485 EP Corp Shares issuable pursuant to the recent acquisition by EP Investments of General Credit Services Inc., and a potential additional aggregate of 1,781,485 EP Corp Shares issuable upon required financial conditions being met by General Credit Services Inc. (now a wholly owned subsidiary of EP Investments), and
 - (6) an aggregate of 700,000 EP Corp shares issuable pursuant to the recent acquisition by General Credit Services Inc. of Groupe Solution Collect Solu Inc. (now a wholly owned subsidiary of General Credit Services Inc.), and a potential additional aggregate of 700,000 EP Corp shares issuable upon required financial conditions being met by Groupe Solution Collect Solu Inc., and a further potential additional aggregate of EP Corp shares issuable

at the then current market value equaling CAD\$700,000.

- (c) EP Corp has the necessary power, capacity, right, and authority to enter into and deliver this Agreement and the documents required for the Closing Date to which it is a Party and to perform its obligations thereunder.
- (d) Other than TSX Venture approval, which is a condition precedent of this Agreement pursuant to Section 5.2(a)(4), all action on the part of EP Corp necessary for the authorization, execution, and delivery of this Agreement, and the performance of all obligations of EP Corp hereunder have been taken or will be taken prior to the Closing Date, and this Agreement constitutes valid and legally binding obligations of EP Corp, enforceable in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other Applicable Laws relating to or affecting rights of creditors generally and subject to the qualification that equitable remedies, including specific performance, are discretionary;
- (e) The obligations of EP Corp hereunder will not: (i) violate, conflict with or result in a breach of: (A) any contract to which it is a party or by which it is bound; or (B) any applicable law of Alberta or Canada, or any Applicable Securities Law to which it is subject or by which it is bound; or (ii) result in the imposition of any Encumbrance upon any of its assets;
- (f) There are no actions, suits, claims, investigations, or other legal proceedings pending or, to the knowledge of EP Corp, threatened against or by EP Corp that challenge, seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement;
- (g) EP Corp has filed all material documents or information required to be filed by it under Applicable Securities Laws and by the rules and policies of the TSX Venture. All of the EP Corp Public Documents, as of their respective dates (and as of the dates of any amendments thereto), complied as to both form and content in all material respects with the requirements of Applicable Securities Laws or were amended on a timely basis to correct deficiencies identified by securities commissions or similar securities regulatory authorities. All of the EP Corp Public Documents are publicly available on SEDAR. EP Corp has not filed any confidential material change report with any securities regulatory authority that at the date hereof remains confidential. Other than in respect of the transactions contemplated by this Agreement, there is no material fact concerning EP Corp which has not been disclosed in the EP Corp Public Documents filed and available on SEDAR on or before the date hereof;
- (h) EP Corp is a "reporting issuer" under Applicable Securities Laws and is not noted as being in default on the list of reporting issuers maintained under Applicable Securities Laws and the EP Corp Shares are listed for trading on the TSX Venture, and in particular, without limiting the foregoing, EP Corp is in compliance with its disclosure obligations under Applicable Securities Laws. All filings and fees due and payable by EP Corp pursuant to Applicable Securities Laws and general corporate law have been made and paid. EP Corp has not taken any action to cease to be a reporting issuer in any jurisdiction in which it is a reporting issuer and has not received any notification from a securities regulatory authority seeking to revoke the reporting issuer status of EP Corp.;
- (i) No securities commission or similar regulatory authority or stock exchange has issued any award, decision, injunction, judgment, order, ruling, subpoena, or verdict preventing or suspending trading of any securities of EP Corp, and EP Corp is not in default of any material requirement of Applicable Securities Laws. No delisting, suspension of trading or cease trade or other order or

restriction with respect to any securities of EP Corp is pending, or, to the knowledge of EP Corp, threatened or is expected to be implemented or undertaken, and EP Corp is not subject to any formal or informal review, enquiry, investigation or other proceeding relating to any such order or restriction;

- (j) EP Corp has reserved and allotted a sufficient number of EP Corp Shares as are issuable as the share consideration pursuant to this Agreement, and, upon the issuance thereof in accordance with the terms of this Agreement, such EP Corp Shares will be validly issued as fully paid and non-assessable;

3.4 Representations and Warranties of EP Investments.

EP Investments hereby represents and warrants to the Shareholders and Pastdue Credit that:

- (a) EP Investments is duly amalgamated and validly existing under the laws of the Province of Alberta, and has full corporate power and authority to own its assets and conduct its business as now owned and conducted. EP Investments is duly qualified to carry on business and is in good standing in each jurisdiction in which the character of its properties or the nature of its activities makes such qualification necessary, except where the failure to be so qualified will not, individually or in the aggregate, have a material adverse effect on EP Investments; and
- (b) EP Investments has the necessary power, capacity, right, and authority to enter into this Agreement.

3.5 Indemnification.

- (a) Subject to the provisions of Section 3.7 below, the Shareholders and Pastdue Credit and its directors and officers (for the purposes of this Article 3, collectively the “**Seller Entities**”) are jointly liable to, and shall indemnify and save harmless, BPO Collections, EP Corp and EP Investments, their affiliates and each of their respective directors and officers, employees and representatives, to an aggregate maximum amount of *[financial metric redacted]* for any Damage suffered, sustained, or incurred by any of them as a result of, arising out of, or pursuant to:
 - (1) any Claim;
 - (2) any failure by any of the Seller Entities to perform or fulfill any of their covenants, conditions, or obligations under this Agreement; and
 - (3) any liability, assessment or reassessment for Taxes relating to Pastdue Credit for any period (or portion thereof) ending on or before the Closing Date.
- (b) Subject to the provisions of Section 3.7 below, BPO Collections, EP Corp and EP Investments, and their respective directors and officers (collectively, the “**Purchaser Entities**”) are jointly liable to, and shall indemnify and save harmless the Shareholders to an aggregate maximum amount of *[financial metric redacted]*, for any Damage suffered, sustained, or incurred by any of the Shareholders as a result of, arising out of, or pursuant to:
 - (1) any representation or warranty contained in this Agreement given by any of the Purchaser Entities; and
 - (2) any failure by any of the Purchaser Entities to perform or fulfill any of their covenants, conditions, or obligations under this Agreement.

3.6 Survival Periods.

- (a) Subject to the limitations set forth in this Agreement, the warranties, covenants and agreements contained in this Agreement shall continue until 30 (Thirty) days following the Performance Period, except that to the extent that a Claim arises based on fraud, bad faith, or intentional or gross fault.

3.7 Limitations and Exclusions of Liability.

- (a) Subject to Section 3.7(b) and Section 3.1(a), the Purchaser Entities will allow any Damage incurred pursuant to the indemnification provided by the Seller Entities in Section 3.5(a) of this Agreement to accrue to a minimum amount of *[financial metric redacted]* (the “Threshold”) before requesting reimbursement from the Seller Entities. Once the total of all Damages arising pursuant to Section 3.5(a) exceeds the Threshold, the Seller Entities shall be liable for the whole amount of the Claim, both below and above such Threshold, up to an aggregate maximum amount of *[financial metric redacted]* pursuant to Section 3.5(a).
- (b) Notwithstanding the limitations set out in Section 3.7(a), the Threshold shall be disregarded in respect of any Claim made by the Purchaser Entities with respect to any liability, assessment or reassessment for Taxes relating to Pastdue Credit as set forth in Section 3.5(a).
- (c) The Shareholders, or any one of them, shall not be liable for a Claim to the extent that the Claim relates to a matter accounted for in the Closing Net Working Capital calculation and the related adjustments to the Purchase Price in accordance with this Agreement.
- (d) The Shareholders, or any one of them, shall not be liable for a Claim if the Claim arises from facts, events or circumstances that have been Disclosed, except to the extent that the Claim arises based on fraud, bad faith, or intention or gross fault.
- (e) The Shareholders shall have no liability in respect of a Claim where (and to the extent that) such Claim is based upon a contingent liability unless and until such liability becomes an actual liability, and provided this occurs before the expiry of the time limit for notifying such Claim as set out in Section 3.6(a).
- (f) The Purchaser Entities shall not be entitled to make a Claim where (and to the extent that) the facts, matters, events or circumstances giving rise to the Claim are: (i) disclosed in the Disclosure Letter; or (ii) within the actual, constructive or imputed knowledge of the Purchaser Entities, their agents or advisers at the Closing Date, whether arising as a result of their investigation of Pastdue Credit or otherwise.
- (g) The Shareholders shall not be liable in respect of a Claim where Pastdue Credit or any of the Purchaser Entities is entitled to make a claim under a policy of insurance in respect of any matter, event or circumstance giving rise to the Claim unless any of the Purchaser Entities first makes (or procures that the Pastdue Credit makes) a claim against its insurers pursuant to the relevant policy. The Shareholders’ liability in respect of any such Claim shall then be reduced by the amount recovered under such policy of insurance (less all reasonable costs, charges and expenses incurred by any Purchaser Entity in recovering that sum), or extinguished if the amount so recovered exceeds the amount of the Claim.

- (h) The Shareholders shall not be liable in respect of a Claim that arises, or to the extent that the value of such Claim is increased, as a result of a change in any law, legislation, rule or regulation (including any new law, legislation, rule or regulation) that comes into force or otherwise takes effect after the Closing Date.
- (i) No Party is entitled to double recovery for any Claim even though the Claim may have resulted from the breach or inaccuracy of more than one of the representations, warranties, covenants and obligations of the Party under this Agreement.

3.8 Procedure for Notification of Claims

- (a) A Party shall not be liable for a Claim unless promptly upon obtaining knowledge of a Claim, the Party will promptly deliver a written certificate (the "**Certificate**") to the other Party, which Certificate will:
 - (1) Specify, in reasonable detail, each individual item of loss included in the amount so stated, the date such item was paid or properly accrued, the factual basis for any anticipated liability and the nature of the misrepresentation, breach of warranty, breach of covenant or claim to which each such item is related and the computation of the amount to which such Party claims to be entitled hereunder.

ARTICLE 4 - OTHER COVENANTS

4.1 Conduct of Business Prior to Closing.

- (a) During the period from the Effective Date to the Closing Date, the Shareholders and Pastdue Credit shall cause Pastdue Credit to operate in all material respects in the ordinary course, consistent with past practice, and in particular to:
 - (1) use all commercially reasonable efforts to preserve and maintain the Assets, Business and Intellectual Property in accordance with standard industry practice;
 - (2) not sell, lease, license, transfer, or otherwise dispose of, or agree to sell, lease, license, transfer, or otherwise dispose of, any of the Assets, Business and Intellectual Property to any third party except in the Ordinary Course of Business;
 - (3) use all reasonable efforts to keep available the services of the Employees for Pastdue Credit and subject to Ordinary Course of Business, to maintain relations and goodwill with suppliers, customers, and others having business relations with Pastdue Credit;
 - (4) allow BPO Collections and/or EP Investments access to key employees of Pastdue Credit;
 - (5) not make any extraordinary payments, distribution of assets, dividends or bonuses to the Shareholders, directors or officers of Pastdue Credit, without the prior written consent of BPO Collections;
 - (6) make all necessary Tax, governmental, and other filings, as and when required, in the Ordinary Course of Business;
 - (7) pay to all its Employees all wages or other entitlements in the Ordinary Course of Business;

- (8) not create any new personnel obligations or grant any salary increase to existing Employees, or grant to any director or officer an increase in compensation in any form, or make any loan to any director, officer or shareholder;
 - (9) not, without the prior written consent of BPO Collections, amend, disclaim, reject or vary any existing Material Contract, or enter into any further Material Contracts with third parties, other than collections contacts with customers in the Ordinary Course of Business;
 - (10) permit BPO Collections and/or EP Investments and their representatives, between the Effective Date and the Closing Date, to have reasonable access to any information regarding the Assets, Business and Intellectual Property, and to conduct their due diligence review of Pastdue Credit and the Shareholders.
- (b) Pastdue Credit shall carry on business in the usual, regular and Ordinary Course of Business.
 - (c) The Parties agree to use their reasonable best efforts to complete the terms of this Agreement on or before the Closing Date. Further, the Parties hereto agree to do all things as may be necessary or desirable to give effect to the Agreement, including any restructuring by mutual agreement to permit all advantages of applicable income tax legislation to be achieved, however, each Party hereto will be responsible for their own costs in regards thereto.
 - (d) Pastdue Credit, BPO Collections, EP Corp and EP Investments shall not alter or amend their respective Constating Documents as the same exist at the Effective Date, except as required in connection with the transactions contemplated by this Agreement.

ARTICLE 5 - CLOSING AND CONDITIONS OF CLOSING

- 5.1 Closing Obligations of the Shareholders and Pastdue Credit. Subject to the terms and conditions of this Agreement, the Shareholders and Pastdue Credit covenant and agree with BPO Collections that at the Closing Date, the Shareholders and Pastdue Credit shall deliver or cause to be delivered to BPO Collections as applicable:
- (a) evidence of transfer of the Purchase Shares to BPO Collections, including but not limited to, share certificates and a copy of the statutory registers of Pastdue Credit;
 - (b) a copy of the resolutions of the directors of Pastdue Credit, certified by an officer of Pastdue Credit, approving this Agreement and all transactions contemplated hereunder;
 - (c) a copy of all executed Transaction Documents;
 - (d) the Disclosure Letter executed by Pastdue Credit and the Shareholders on the Effective Date.
- 5.2 Closing Obligations of BPO Collections, EP Corp and EP Investments.
- (a) Subject to the terms and conditions of this Agreement, BPO Collections, EP Corp and/or EP Investments covenant and agree, as applicable, that at the Closing Date:
 - (1) BPO Collections shall transfer the amount of the Closing Payment as provided for in Section 2.2(b) to the Shareholders' solicitor, to be paid to each of the Shareholders pursuant to their proportionate shareholdings of Pastdue Credit set forth in Schedule "A"

to this Agreement;

- (2) Certificates are executed by senior officers of BPO Collections, EP Corp and EP Investments that the representations and warranties each has provided in this Agreement are true on and as of the Closing Date as if made on and as of the Closing Date;
- (3) Copies of resolutions of the directors of BPO Collections, EP Corp and EP Investments, certified by an officer of each, are provided approving this Agreement and all transactions contemplated hereunder;
- (4) A copy of all executed Transaction Documents; and
- (5) Evidence is provided of TSX Venture approval of this Agreement and the transactions contemplated herein including, without limitation, the issuance of the EP Corp Shares contemplated herein.

5.3 Conditions Precedent. The obligations of BPO Collections, EP Corp and EP Investments to complete the transactions contemplated herein are conditional upon the Shareholders and/or Pastdue Credit as applicable providing the following on or before the Closing Date:

- (a) Evidence of debt collection licenses for and bonding in each jurisdictional area of operations, and copies of all licences in connection with Business;
- (b) Confirmation that any existing Indebtedness of the Shareholders to Pastdue Credit has been paid in full;
- (c) Confirmation that any existing Indebtedness of Pastdue Credit has been paid in full, or alternatively, providing an accounting of any outstanding indebtedness, including invoices that are 30 (Thirty) days or more past due, that will remain at the Closing Date;
- (d) Evidence that applicable documents have been filed with Companies House UK in order for the status of the bond and floating charge created October 4, 2005 in favour of the Governor and Company of the Bank of Scotland to be noted as satisfied;
- (e) Signed copies of valid non-compete and non-solicitation agreements, regarding the business of Pastdue Credit, BPO Collections, EP Corp or EP Investments for *[names redacted]*;
- (f) Signed copies of resignations of directors and/or officers of Pastdue Credit as applicable for *[names redacted]*;
- (g) Signed copies of executed mutual releases vis a vis the Shareholders and Pastdue Credit for *[names redacted]* in a form mutually agreed to by the Parties hereto;
- (h) Signed copies of the executed independent contractor and/or employment agreements of *[names redacted]*.

5.4 Taxes. Each of the Parties shall be liable for and shall pay all applicable national or local sales taxes, Value-added Taxes, excise taxes and all other taxes, duties and other like charges that may arise as a result of this Agreement.

5.5 Termination and Failure to Satisfy Closing Conditions. The closing obligations set forth in Section 5.2 and the conditions precedent set forth in Section 5.3 are true conditions precedent to the

Closing Date which must be satisfied and cannot be waived. If one or more of such closing obligations in Section 5.2 and the conditions precedent in Section 5.3 are not satisfied on or before the Closing Date, then:

- (a) this Agreement shall terminate with immediate effect at 6pm on the Closing Date and BPO Collections shall not be obligated to purchase the Purchase Shares;
- (b) the Parties shall be released from any further obligations under this Agreement and the transactions contemplated thereby; and
- (c) the Parties shall immediately return all such information as they respectively may have received in connection with this Agreement and verify in writing that each of the Parties has also deleted any electronic information received.

5.6 The Parties shall use all reasonable endeavours to procure (so far as it lies within their respective powers so to do) that the closing obligations set forth in Section 5.2 and the conditions precedent set forth in Section 5.3 are satisfied as soon as practicable, and in any event no later than the Closing Date.

5.7 The Purchaser Entities may, to the extent that it is legally entitled to do so and to such extent as it thinks fit (in its absolute discretion), waive any of the Conditions by notice in writing to the Shareholders.

5.8 Employment and Management.

- (a) From the Closing Date onward, none of the Shareholders shall have any entitlement to, nor shall they receive any sort of agency fee, processing fee, or management fee, except with respect to any applicable independent contractor and/or employment agreement entered into between any of the Shareholders and Pastdue Credit following the Closing Date;
- (b) Pastdue Credit may, at its sole discretion, continue the employment and operating locations of the key management of Pastdue Credit as required by the Business including, without limitation, the employment of:
 - (1) *[name redacted]*;
 - (2) *[name redacted]*.

ARTICLE 6 - TERMINATION

6.1 Termination. In addition to the Parties' rights to terminate this Agreement pursuant to Section 5.5, this Agreement may be terminated at any time prior to the Closing Date by the mutual written consent of the Parties hereto.

6.2 Effect of Termination. In the event of termination of this Agreement in accordance with this Article 6, in addition to the effects of termination set forth in Section 5.5, this Agreement shall forthwith become of no further force or effect, and the Parties shall be released from any further obligation to each other.

ARTICLE 7 — GENERAL PROVISIONS

- 7.1 Confidentiality. The Parties acknowledge that all information to be disclosed by any other Party in connection with this Agreement is highly sensitive, confidential and proprietary in nature. Each Party shall not disclose or use confidential information with respect to any other Party, other than in accordance with this Agreement, and the Parties shall hold all confidential information in strictest confidence, except such information and documents:
- (a) reasonably demonstrated to be in the public domain, or
 - (b) disclosed as required by applicable laws, or
 - (c) that may be required to be disclosed pursuant to regulations or policies of Governmental Entity.
- 7.2 Time of the Essence. Time shall be of the essence of this Agreement.
- 7.3 Further Acts. Each of the Parties shall at the request of any other Party execute and deliver any further documents and do all acts and things as that Party may reasonably require in order to carry out the true intent and meaning of this Agreement.
- 7.4 Amendments. No amendment, supplement, modification, or waiver of this Agreement and, unless otherwise specified, no consent or approval by any Party hereto, is binding unless executed in writing by the Party to be bound thereby.
- 7.5 Assignment. No Party may assign this Agreement or any rights or obligations under this Agreement without the prior written consent of the other Parties, except for assignment of all or any part of this Agreement by BPO Collections, EP Corp or EP Investments to one or more Affiliates, of which BPO Collections, EP Corp or EP Investments shall provide written Notice to the other Parties, but for which consent of the other Parties shall not be required.
- 7.6 Parties of Interest. This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.
- 7.7 Governing Law and Jurisdiction. This Agreement shall be construed and governed exclusively by Scots law for all purposes and the parties submit to the exclusive jurisdiction of the Scottish courts in relation to any claim or matter (whether contractual or non-contractual) arising under this Agreement.
- 7.8 Severability. The invalidity or unenforceability of any provision in this Agreement shall not affect the validity or enforceability of any other provision or part of this Agreement, and the Parties hereby undertake to renegotiate in good faith any such invalid or unenforceable provision, with a view to concluding valid and enforceable arrangements as nearly as possible the same as those contained in this Agreement.
- 7.9 Entire Agreement. The provisions contained in this Agreement constitute the entire agreement between the Parties with respect to the subject matter and supersede all prior communications proposals, representations, and agreements, whether oral or written, with respect to the subject matter of this Agreement.
- 7.10 Notice. All notices, demands, claims, requests, waivers, and other communications under this Agreement must be in writing and may be delivered by courier or in person, by registered mail or

by electronic transmission to the following:

If to the Shareholders and/or Pastdue Credit:

Pastdue Credit Solutions Limited, Attention: Philip Grant

[address redacted]

Email: [email address redacted]

With a copy sent by email to (which shall not constitute notice) [email address redacted].

If to BPO Collections:

BPO Collections Limited, Attention: Graham Rankin, Director

[address redacted]

Email: [email address redacted]

If to EP Corp or EP Investments:

Everyday People Financial Corp., Attention: Barret J. Reykdal, CEO

#450, 11150 Jasper Avenue NW, Edmonton, AB, T5K 0C7

Email: [email address redacted]

or to such other email address or location as may from time to time be notified in writing by the Parties. All Notices shall be deemed to have been given:

- (a) if delivered by courier or personally, when delivered;
- (b) if delivered by registered mail, on the third Business Day after the date mailed; or
- (c) if delivered by electronic transmission, on the date sent.

7.11 Notices. The Parties shall jointly plan and co-ordinate any public notices, press releases, and other publication concerning the transactions contemplated by this Agreement, and no Party shall act in this regard without the prior approval of the other Parties, such approval not to be unreasonably withheld, except where required to meet timely disclosure obligations of any Party under Applicable Laws or stock exchange rules in circumstances where (a) prior consultation with other Parties is not practicable, and (b) a copy of such disclosure is provided to the other Parties. The Parties acknowledge that a copy of this Agreement may need to be filed under EP Corp's SEDAR profile at www.sedar.com.

7.12 Waiver. Failure by any Party hereto to insist in any instance upon the strict performance of any one of the covenants contained herein shall not be construed as a waiver or relinquishment of such covenant. No waiver by any Party hereto of any such covenant shall be deemed to have been made unless expressed in writing and signed by the waiving Party.

7.13 Costs and Expenses. Each Party shall be liable for their own respective costs and expenses, including fees of legal counsel and other advisors, in connection with this Agreement and the transactions contemplated hereby. BPO Collections shall pay any stamp duty payable on the Purchase Shares pursuant to this Agreement

7.14 Counterparts. This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original and shall have the same force and effect as an original and such counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first written above consisting of this and the preceding 24 pages together with the 2 Schedules annexed hereto as follows:

PASTDUE CREDIT SOLUTIONS LIMITED

Per: (signed) "*Philip Grant*"

Philip Grant, Director

EVERYDAY PEOPLE FINANCIAL CORP.

Per: (signed) "*Barret Reykdal*"

Barret J. Reykdal, CEO & Director

(signed) "*Philip Grant*"

PHILIP GRANT

(signed) "*Joshua Anthony*"

JOSHUA ANTHONY

BPO COLLECTIONS LIMITED

Per: (signed) "*Graham Rankin*"

Graham Rankin, Director

EVERYDAY PEOPLE INVESTMENTS INC.

Per: (signed) "*Barret Reykdal*"

Barret J. Reykdal, President & Director

(signed) "*Caroline Grant*"

CAROLINE ANN GRANT

(signed) "*James Seroka*"

JAMES ANDREW SEROKA

SCHEDULE "A"

SHARE STRUCTURE and SHAREHOLDINGS OF PASTDUE CREDIT

[Shareholdings and allocations redacted]

SCHEDULE "B"

ASSET REGISTER

[redacted]