

EXHIBIT “E”

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT MADE THIS 5TH DAY OF MAY, 2015

BETWEEN:

Deloitte Restructuring Inc., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of National Telecommunications Inc., with no personal or corporate liability

(hereinafter referred to as the "Vendor")

OF THE FIRST PART

- and -
Unit 3 Innovation Drive Inc.
~~John Mazza, in trust for a company to be incorporated~~



(hereinafter referred to as the "Purchaser")

OF THE SECOND PART

WHEREAS:

- A. Pursuant to the Appointment Order, Deloitte Restructuring Inc. was appointed by the Court as receiver and manager, without security, of all of the assets, undertakings and properties of National Telecommunications Inc. (the "Company") acquired for, or used in relation to the business carried on by the Company, including all proceeds thereof (collectively, the "Property").
- B. Pursuant to the Appointment Order, the Vendor was authorized to market and, subject to Court approval, sell the Property.
- C. Subject to the Court issuing the Approval & Vesting Order, the Purchaser offers to purchase all of the Vendor's and the Company's right, title and interest in and to the Purchased Assets on the terms and conditions contained herein. The Purchaser acknowledges that the Vendor's acceptance of such offer and execution of this Agreement are subject to the terms and conditions contained herein and the approval of the Court of such actions.



NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual premises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties agree as follows:

ARTICLE I
INTERPRETATION

1.01 Definitions

In this Agreement:

“**Agreement**” means this agreement and all schedules and instruments in amendment or confirmation of it; and the expressions “article” and “section” followed by a number mean and refer to the specified article or section of this agreement. The words “herein”, “hereof”, “hereto” and “hereunder” refer to this agreement.

“**Appointment Order**” means the order of the Court dated April 9, 2015 appointing Deloitte Restructuring Inc. as the Receiver pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada).

“**Approval & Vesting Order**” means an order of the Court (i) authorizing and directing the Vendor to complete the terms of this Agreement and (ii) providing for the vesting and/or the transfer of the Purchased Assets in and to the Purchaser free and clear of all claims, liabilities and Encumbrances other than Permitted Encumbrances. The Approval & Vesting Order shall be substantially in the form of the Order annexed hereto as Schedule “C” or as the parties may otherwise agree.

“**Assumed Liabilities**” means those liabilities of the Vendor or the Company which shall be assumed by the Purchaser at Closing, all as more particularly described in Section 2.06.

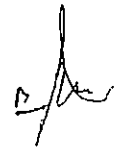
“**Authorization**” means, with respect to any Person, any order, permit, approval, waiver or similar authorization of any Governmental Entity having jurisdiction over the Person.

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

“**Closing**” means the closing of the transaction contemplated by this Agreement.

“**Closing Date**” means the 15th day after the granting of the Approval & Vesting Order or such other date as agreed by the Vendor and the Purchaser, provided such date is not later than June 24, 2015.

“**Closing Time**” means 11:00 o'clock a.m., Toronto time, on the Closing Date or such later time on the Closing Date as Closing takes place.



"Company" means National Telecommunications Inc.

"Conditions Precedent" means those conditions in favour of the Purchaser set out in Section 7.01, those conditions in favour of the Vendor set out in Section 8.01 and those conditions in favour of the Purchaser and Vendor set out in Section 9.01.

"Condominium Corporation" means York Region Standard Condominium Corporation No. 1152.

"Condominium Documents" means the Declaration, By-laws and Rules of the Condominium Corporation, some of which are registered against the title to the Innovation Drive Property, as such term is hereinafter defined.

"Court" means the Ontario Superior Court of Justice (Commercial List).

"Deposit" means the deposit of \$20,000 paid to the Vendor by the Purchaser by way of certified cheque or bank draft drawn upon a Schedule 1 Canadian chartered bank to be held by the Vendor in trust and to be credited toward the Purchase Price on Closing, subject to the termination provisions of this Agreement set out in Article X below.

"Encumbrance" means any mortgage, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), claim, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature or any other arrangement or condition which, in substance, secures payment or performance of an obligation.

"Excluded Assets" has the meaning ascribed thereto in Section 2.02.

"Excluded Liabilities" has the meaning ascribed thereto in Section 2.07.

"Governmental Entity" means (i) any multinational, federal, provincial, state, municipal, local or other government or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign (ii) any subdivision or authority of any of the foregoing, or (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.

"HST" means taxes, interest, penalties and fines imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and **"HST Legislation"** means such act and regulations together.

"Income Tax Act" means, collectively, the *Income Tax Act* (Canada), the *Income Tax Application Rules* (Canada) and the *Income Tax Regulations*, in each case as amended to the date hereof.

"Innovation Drive Property" means the property legally described as Unit 3, Level 1, York Region Condominium Plan No. 1152 and its appurtenant interest, as more particularly described in Schedule "A" hereto, being all of PIN 29683-0003 (LT), and municipally known as 101 Innovation Drive, Unit 3, Vaughan, Ontario.



"**Laws**" means any and all applicable laws including all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, ruling or awards, policies, guidelines and general principles of common and civil law and equity, binding on or affecting the Person referred to in the context in which the word is used.

"**Liabilities**" means any and all debts, liabilities and obligations, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, or claim or order by any Governmental Entity, and those arising under any contract, agreement, arrangement, commitment or undertaking, but excluding those relating to claims for income taxes, interest, penalties and fines;

"**Parties**" means the Vendor, the Purchaser and any other Person who may become a party to this Agreement.

"**Permitted Encumbrances**" means those encumbrances specified in Schedule "B".

"**Person**" means a natural person, partnership, limited liability partnership, corporation, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.

"**PPSA**" means the *Personal Property Security Act* (Ontario), R.S.O. 1990, c.P. 10, as amended from time to time, and the regulations made thereunder.

"**Prepaid Expenses**" means all liabilities, including all operating expenses, with respect to the Purchased Assets referable in whole or in part to the period from and after the Closing Date which have been prepaid by the Company or the Vendor as at the Closing Date.

"**Property**" means all of the assets, undertakings and properties of the Company acquired for, or used in relation to the business carried on by the Company, including all proceeds thereof.

"**Purchased Assets**" has the meaning ascribed thereto in Section 2.01.

"**Receiver**" means Deloitte Restructuring Inc., solely in its capacity as the receiver and manager of the Property of National Telecommunications Inc. appointed pursuant to the Appointment Order, and not in its personal or corporate capacity.

"**Tax**" or "**Taxes**" means all taxes, assessments, charges, dues, duties, rates, fees, imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Entity under any applicable tax legislation, including Canadian federal, provincial, territorial, municipal and local, foreign or other income, capital, harmonized sales, goods and services, sales, use, consumption, excise, value added, business, real property, land transfer, personal property, transfer, franchise, withholding, payroll, or employer health taxes, customs, import, anti-dumping or countervailing duties, Canada Pension Plan contributions, employment insurance premiums, and provincial workers' compensation payments, including any interest, penalties and fines associated therewith.



"**Title Diligence Date**" means the 10th Business Day following acceptance of this Agreement by both the Purchaser and the Vendor.

"**Transfer Taxes**" means all present and future transfer taxes, sales taxes, use taxes, production taxes, value-added taxes, goods and services taxes, land transfer taxes, registration and recording fees, and any other similar or like taxes and charges imposed by a Governmental Entity in connection with the sale, transfer or registration of the transfer of the Purchased Assets, including HST but excluding any taxes imposed or payable under the *Income Tax Act* and any other applicable income tax legislation.

1.02 Currency

All references in this Agreement to monetary amounts, unless indicated to the contrary, are to the currency of Canada.

1.03 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to its subject matter, and supersedes any and all prior negotiations, understandings and agreements between the Parties. This Agreement may not be amended or modified in any respect except by written instrument signed by the Parties. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar), nor shall such waiver constitute a waiver or continuing waiver unless otherwise expressly provided in writing duly executed by the Party to be bound thereby. Subject to the Approval & Vesting Order being issued by the Court, this Agreement is intended to create binding obligations on the part of the Vendor as set forth herein and on acceptance by the Purchaser, is intended to create binding obligations on the part of the Purchaser, as set out herein.

1.04 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). Each Party hereto irrevocably submits to the exclusive jurisdiction of the Court with respect to any matter arising hereunder or relating hereto.

1.05 Singular, Plural and Gender

Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.

1.06 Certain Words

In this Agreement, the words "including" and "includes" means "including (or includes) without limitation", and "third party" means any Person who is not a Party.



1.07 Headings and Table of Contents

The headings and any table of contents contained in this Agreement, including the separation of this Agreement into sections, subsections, paragraphs and clauses, are for convenience of reference only, and shall not affect the meaning or interpretation.

1.08 Statutory References

All references to any statute is to that statute or regulation as now enacted or as may from time to time be amended, re-enacted or replaced and includes all regulations made thereunder, unless something in the subject matter or context is inconsistent therewith or unless expressly provided otherwise in this Agreement.

1.09 Actions to be Performed on a Business Day

Whenever this Agreement provides for or contemplates that a covenant or obligation is to be performed, or a condition is to be satisfied or waived on a day which is not a Business Day, such covenant or obligation shall be required to be performed, and such condition shall be required to be satisfied or waived on the next Business Day following such day.

1.10 Schedules

The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof.

- Schedule "A" - Legal Description of Innovation Drive Property
- Schedule "B" - Permitted Encumbrances
- Schedule "C" - Approval & Vesting Order

ARTICLE II

PURCHASE AND SALE OF PURCHASED ASSETS AND ASSUMPTION OF LIABILITIES

2.01 Purchased Assets

Upon the terms and subject to the conditions set forth in this Agreement, on the Closing Date, the Vendor agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase from the Vendor, all of the Vendor's and all of the Company's right, title and interest in and to the Purchased Assets, free and clear of all Encumbrances except only for Permitted Encumbrances. The Purchased Assets shall not include the Excluded Assets. The Purchased Assets comprise the following:

- (a) the Innovation Drive Property (subject to the Permitted Encumbrances); and



- (b) the chattels, furniture, furnishings, equipment and machinery owned by the Company, if any, located on or at the Innovation Drive Property.

2.02 Excluded Assets

The Excluded Assets shall consist of all of the Property, other than the Purchased Assets, including, without limitation, the following:

- (a) the Company's Toyota lift truck located at the Innovation Drive Property or the property of which it forms a part (or at such other location at which it may be located);
- (b) all cash, bank balances, funds on deposit with banks or other depositories and other similar items owned or held by or for the account of the Vendor or the Company as at the Closing Date, including the Purchase Price;
- (c) all inventory of the Company;
- (d) the books and records of the Company;
- (e) all amounts owing to the Company by any and all federal, provincial, municipal and other governmental authorities whatsoever;
- (f) any refunds in respect of reassessments for any Taxes (including, without limitation, realty taxes) paid or payable by the Company or the Vendor on or prior to the Closing Date with respect to the Innovation Drive Property;
- (g) refundable Taxes;
- (h) all amounts owing from any director, officer, former director or officer, shareholder, employee or any affiliate of the Company; and
- (i) insurance policies of the Company or the Vendor relating to the Purchased Assets and all rights in connection therewith including any rights to payments thereunder upon the occurrence of an insured event or refunds of insurance payments except for insured events in respect of the Purchased Assets for which proceeds of insurance shall be paid to the Purchaser.

2.03 Purchase Price

The aggregate consideration payable by the Purchaser to the Vendor in consideration of the sale and transfer of the Purchased Assets shall be the aggregate of (i) cash consideration in the amount of Seven Hundred and Sixty Thousand Dollars (\$760,000.00); and (ii) the assumption by the Purchaser of the Assumed Liabilities (collectively, the "Purchase Price"). The Purchase Price shall be exclusive of all Taxes, including all Transfer Taxes. The Purchase Price, as adjusted in accordance with Section 2.08, shall be paid and satisfied by the Purchaser on Closing as follows:



- (a) payment of the Deposit; *on or before May 14, 2015 at 6:00 pm*
- (b) payment to the Vendor, or as the Vendor may otherwise direct in writing, of the balance of the cash consideration comprising the Purchase Price, after payment of the Deposit, by way of wire transfer drawn on a Schedule 1 Canadian chartered bank, as adjusted in accordance with Section 2.08 as at the Closing Time; and
- (c) the assumption by the Purchaser of the Assumed Liabilities.



2.04 Transfer Taxes

The Parties agree that:

- (a) the Purchase Price is exclusive of all Transfer Taxes and the Purchaser shall be liable for and shall pay any and all Transfer Taxes pertaining to the Purchaser's acquisition of the Purchased Assets or the registration of any conveyances necessitated hereby;
- (b) if the Vendor is required under any applicable Law to collect or pay Transfer Taxes, the Purchaser will pay the amount of such Transfer Taxes to the Vendor at Closing in the same manner as the Purchase Price. The Vendor shall provide the Purchaser within a reasonable period of time following Closing with supporting documentation to confirm that such Transfer Taxes have been paid to the appropriate Governmental Entity within the time prescribed by the applicable Transfer Tax legislation;
- (c) except where the Vendor is required under an applicable Law to collect or pay such Transfer Taxes, the Purchaser shall pay such Transfer Taxes directly to the appropriate Governmental Entity or other entity within the required time period and shall file all necessary documentation with respect to such Transfer Taxes when due. The Vendor will do and cause to be done such things as are reasonably requested to enable the Purchaser to comply with such obligation in a timely manner. If the Vendor is required under any applicable Law to pay any such Transfer Taxes, the Purchaser shall promptly reimburse the Vendor the full amount of such Transfer Taxes upon delivery to the Purchaser of copies of receipts showing payment of such Transfer Taxes;
- (d) the Purchaser shall indemnify the Vendor for any Transfer Taxes (including any interest or penalties imposed by a Governmental Entity) for which the Vendor may become liable as a result of any failure by the Purchaser to pay or remit such Transfer Taxes; and
- (e) the Purchaser shall be entitled to provide the Vendor with evidence that the Purchaser is an exempt purchaser, in whole or in part, for purposes of relevant Transfer Tax legislation and, upon provision of such evidence satisfactory to the Vendor, acting reasonably, the Purchaser shall not be required to pay on Closing any Transfer Taxes in respect of which the relevant exemption is applicable.



2.05 HST

With respect to HST:

- (a) the Purchaser represents and warrants to the Vendor that either (i) it is currently a registrant for HST purposes and will continue to be a registrant at the Closing Date in accordance with the provisions of the HST Legislation, or (ii) if the Purchaser is not currently a registrant for HST purposes the Purchaser will be a registrant at the Closing Date in accordance with the provisions of the HST Legislation;
- (b) HST shall be in addition to the Purchase Price. Subject to Section 2.05(c) below, the Purchaser shall pay all HST applicable to the sale and transfer of the Purchased Assets to the Vendor on Closing by wire transfer drawn on a Schedule 1 Canadian chartered bank;
- (c) Notwithstanding the foregoing, the Purchaser shall not be required to pay HST to the Vendor in accordance with Section 2.05(b) above if the Purchaser provides to the Vendor on or before Closing a HST Certificate, Warranty and Indemnity in form and content required by the Vendor confirming that and containing: (i) the Purchaser is purchasing the Purchased Assets as a principal for its own account and is not being purchased by the Purchaser as an agent, trustee or otherwise on behalf of or for another person; (ii) the Purchaser is a registrant for the purposes of the HST Legislation, including the Purchaser's HST registration number and a statement that the registration is in good standing; (iii) the Purchaser will self-assess and remit all HST payable in connection with the transaction contemplated in this Agreement; and (iv) an indemnity whereby the Purchaser agrees to indemnify and save harmless the Vendor from and against any and all HST, penalties, interest, claims, demands, liabilities, losses, costs, damages, disputes or actions that may be suffered or incurred, directly or indirectly, by the Vendor as a result of the Purchaser's failure to register for the purpose of HST imposed under the HST Legislation or the Purchaser's failure to perform its obligations under the HST Legislation or the Certificate, Warranty and Indemnity in connection with the purchase of the Property. The foregoing covenant of indemnity shall not merge on the Closing, but rather shall survive same, and shall continue in full force and effect. In addition to the above, the Purchaser shall deliver to the Vendor its HST registration number at least five (5) Business Days prior to Closing.

2.06 Assumed Liabilities

At Closing, the Purchaser shall assume and be liable for the Assumed Liabilities. The Assumed Liabilities shall consist of all Liabilities arising or accruing from the use of the Purchased Assets from and after the Closing Date.



2.07 Excluded Liabilities

The Purchaser shall not assume nor be liable for any indebtedness, liabilities or obligations of the Company or the Vendor other than the Assumed Liabilities (collectively the "Excluded Liabilities"). The Excluded Liabilities shall include, but not be limited to, the following:

- (a) except as agreed in Section 2.04, all Taxes payable by the Company or the Vendor referable to the period up to the Closing Date including present or future federal and provincial income taxes, municipal business taxes, realty taxes, and school taxes;
- (b) any sales commissions payable by the Company or the Vendor to any real estate agent, agency, broker or brokerage retained by the Vendor with respect to the transaction described in this Agreement; and
- (c) any Liabilities otherwise related to the Excluded Assets.

2.08 Adjustments to the Purchase Price

(i) **Adjustment Date.** The Purchase Price shall not be adjusted for any cause, matter, or thing, save and except for the following, each of which shall be apportioned and allowed to the Closing Date and the Closing Date itself shall be apportioned to and be the responsibility of the Purchaser. The Purchase Price shall be adjusted in accordance with the Statement of Adjustments at to be delivered by the Vendor to the Purchaser in accordance with the terms of this Agreement and shall include:

- (a) the Prepaid Expenses which shall be added to the Purchase Price;
- (b) interest on the Deposit which shall be credited towards the Purchase Price upon Closing;
- (c) all applicable Taxes, including Transfer Taxes, which shall be added to the Purchase Price; and
- (d) realty taxes, local improvement rates and charges, water and assessment rates, and common expenses attributable to the Innovation Drive Property and payable to the Condominium Corporation.

(ii) **Statement of Adjustments.** A statement of adjustments shall be delivered to the Purchaser by the Vendor at least five (5) Business Days prior to the Closing Date and shall have annexed to it details of the calculations used by the Vendor to arrive at all debits and credits on the statement of adjustments.

(iii) **Re-Adjustment.** If the final cost or amount of an item that is to be adjusted cannot be determined at Closing, then an initial adjustment for such item shall be made at Closing, such amount to be estimated by the Parties, acting reasonably, as of the Closing Date on the basis of the best evidence available at the Closing as to what the final cost or amount of such item will



be. In each case, when such cost or amount is determined, the Vendor or Purchaser, as the case may be, shall, within 30 days of determination, provide a complete statement thereof to the other and within 30 days thereafter the Parties shall make a final adjustment as of the Closing Date for the item in question. In the absence of agreement by the parties, the final cost or amount of an item shall be determined by auditors appointed jointly by the Vendor and the Purchaser, with the cost of such auditors' determination being shared equally between the Parties. All re-adjustments shall be requested in a detailed manner on or before the 180th day after the Closing Date after which time neither Party shall have any right to request re-adjustment.

(iv) **Current Year Realty Tax Refunds or Re-Assessments.** All right, title and benefit in and to any realty tax refunds or re-assessments with respect to the Innovation Drive Property for the period commencing on the Closing Date shall be transferred and assigned by the Vendor to the Purchaser on Closing. The Vendor and the Purchaser shall jointly direct the municipality to pay any refund or re-assessment of realty taxes for the 2015 calendar year to the Vendor and the parties shall readjust the amount of any such refund or re-assessment payment between them after the conclusion of any assessment appeal based upon the respective *pro rata* entitlements thereto (net of any fee payable to any consultant). In addition, to the extent that any refund or re-assessment payment is made for the period the Company was in possession of the Innovation Drive Property in respect of the 2015 calendar year, such refund or re-assessment payment shall be disbursed in accordance with the following section.

(v) **Prior Years Realty Tax Refunds or Re-Assessments.** With respect to any realty tax refunds or re-assessments for the period prior to the Closing Date, the Vendor and the Purchaser shall jointly direct any consultant currently engaged in connection with such refunds or re-assessments to continue its work on the same fee basis previously arranged (for which fees the Purchaser shall not be responsible). The Vendor and the Purchaser shall jointly direct the municipality to pay any refund or re-assessment of realty taxes for calendar years prior to 2015 to the Vendor.

ARTICLE III

DUE DILIGENCE

3.01 Title Due Diligence

The Purchaser shall accept title to the Innovation Drive Property subject to the Permitted Encumbrances. The Purchaser shall examine title to the Innovation Drive Property at its own expense and shall not call for the production of any title, deed, abstract, survey or proof of or evidence of title to the Innovation Drive Property nor to have furnished to it copies of any such documents other than those in the possession or within the control of the Vendor. The Purchaser shall be allowed until the Title Diligence Date to satisfy itself as to title to the Innovation Drive Property at its own expense. If, within such time, the Purchaser furnishes the Vendor with any valid objection as to title which the Vendor is unable or unwilling to remove or correct on or before the Closing Date or for which the Purchaser is not able to obtain title insurance coverage pursuant to a title insurance policy that can be obtained by the Purchaser, and which the Purchaser will not waive, this Agreement shall be terminated in accordance with Section 10. Save as to any valid objections so made within such time or any objection going to the root of



title, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Innovation Drive Property.

3.02 Acceptance of Title

If the Purchaser does not terminate this Agreement pursuant to Section 3.01 or if this Agreement is not terminated pursuant to Section 3.03, the Purchaser shall be deemed to have waived any and all rights that it has under Section 3.01 and Section 3.03 and shall be deemed to have accepted title to the Innovation Drive Property and to be satisfied in all respects with the Purchased Assets and shall be obligated to complete the transaction contemplated by this Agreement, subject to satisfaction of the Conditions Precedent specified in this Agreement.

3.03 Planning Act

This Agreement shall be effective to create an interest in the Innovation Drive Property only if the provisions of the *Planning Act*, R.S.O. 1990, c. P-13, as amended from time to time, are complied with, failing which this Agreement shall be terminated in accordance with Section 10.

3.04 Approval & Vesting Order

Subject to the Vendor obtaining the Approval & Vesting Order, the Vendor will deliver the Approval & Vesting Order to transfer all of the right, title and interest of the Vendor and the Company in the Purchased Assets to the Purchaser at Closing in accordance with the terms of this Agreement.

3.05 Passing of Title

The Vendor's right, title and interest in and to the Purchased Assets shall not pass to the Purchaser until the Purchase Price, and all other payments to be made by the Purchaser pursuant to this Agreement, have been paid in full, the Purchaser shall have complied with all of the Purchaser's covenants herein contained and all Conditions Precedent specified shall have been fulfilled or waived.

3.06 Access to Innovation Drive Property

Unless and until this Agreement is terminated in accordance with its terms, the Vendor shall provide the Purchaser with access to the Purchased Assets on two occasions during normal business hours on 48 hours' prior notice to the Vendor. The Vendor may require that a representative of the Vendor accompany the Purchaser's representative during any such visit. The Purchaser shall not be entitled to carry out any testing, inspection or otherwise exercise such right of access in respect of the Purchased Assets in a manner which would affect the health or safety of any Person, interfere with the Vendor's use or possession of the Innovation Drive Property or in any way contravene any provisions of the Condominium Documents. The Purchaser shall promptly repair any damage to the Innovation Drive Property or to the common elements of the Condominium Corporation caused by such visits to the Innovation Drive Property and shall indemnify the Vendor with respect to any such damage and with respect to any loss, claim, demand or action arising out of any such visits. The Purchaser shall not be

responsible for damage caused by anyone other than the Purchaser, its servants, agents, representatives or invitees.

ARTICLE IV

"AS IS" CONDITION OF PURCHASED ASSETS

4.01 "As Is, Where Is"

As at the Closing Time, the Purchaser acknowledges to and in favour of the Vendor, that it has inspected the Purchased Assets and, save and except as is expressly set out in Section 5.01, the Purchased Assets are sold on an "as is, where is" basis at the Closing Time and that no representation, warranty or condition is expressed or implied as to title, description, fitness for purpose, location, merchantability, quantity, conditions or quality thereof or in respect of any other matter or thing whatsoever, including any law, by-law, regulation, code, standard or agreement of, or administered by, any municipality, utility or other government or authority, fire insurance underwriters or any other Person. Without limitation, the Purchased Assets are specifically offered as they exist on Closing with no adjustments to be allowed the Purchaser for changes in condition, location, quality or quantity of the Purchased Assets from the date hereof to the Closing Date. The Purchaser acknowledges that the Vendor is not required to inspect or count, or provide any inspection or counting, of the Purchased Assets or any part thereof and the Purchaser shall be deemed, at its own expense, to have relied entirely on its own inspection and investigation. Without limiting the generality of the foregoing, any and all conditions, warranties and representations expressed or implied pursuant to the *Sale of Goods Act*, R.S.O. 1990, c. S-1, as amended from time to time, do not apply to the sale of the Purchased Assets and have been waived by the Purchaser.

4.02 Subject to the Purchaser's right to terminate this Agreement in accordance with Section 3.01, the Purchaser acknowledges to and in favour of the Vendor that, without limiting the generality of Section 4.01 and 6.01, the Purchaser has entered into this Agreement and has purchased the Purchased Assets from the Vendor on the basis that:

- (a) the Purchaser shall not require the deletion of nor compliance with any registered agreement with any municipality, governmental authority, public or private utility or conservation authority;
- (b) the Purchaser is purchasing the Purchased Assets on a "as is, where is" basis subject to any and all zoning and/or other by-laws and regulations and easements affecting the Innovation Drive Property, restrictions and covenants which run with the Innovation Drive Property, the Condominium Documents, defects and deficiencies, encroachments, work orders, deficiency notices, compliance requests, impost charges, lot levies, sewer charges, development charges and any requirements which may have been, now are or may in the future be imposed by any federal, provincial, municipal or other governmental authority having jurisdiction over the Purchased Assets including, but not limited to, the Permitted Encumbrances;



- (c) the Vendor shall not be required to provide any letters of compliance, releases or acknowledgements whatsoever including, without limitation, any confirmations in respect of any registered agreements, restrictions and/or easements or in respect of the Condominium Documents. The Purchaser further acknowledges that, pursuant to the Purchaser's further review of title to the Innovation Drive Property, the Purchaser will be deemed to have received notice of all provisions and obligations contained in any site plan, development or other registered agreement whether registered by any provincial, regional, municipal, public or private utility or governmental authority or any owner or occupant of adjoining lands, as well as notice of all provisions of the Condominium Documents;
- (d) the Vendor is not providing and has made no representations, warranties, covenants, agreements, statements, acknowledgements, inducements or promises whatsoever, save and except as expressly contained in Section 5.01, with respect to the Innovation Drive Property, whether express or implied, by statute, at law or in equity, to or in favour of the Purchaser, oral or written, legal, equitable, collateral, or otherwise, including without limitation, with respect to:
- (i) title, including, without limitation, the existence, validity, registration, enforceability or priority of any mortgages, charges, liens, encumbrances, security interests, claims or demands of whatsoever nature or kind affecting or in any way relating to the Innovation Drive Property;
 - (ii) compliance with the terms and provisions of the Condominium Documents;
 - (iii) the status of common expenses relating to the Innovation Drive Property;
 - (iv) the existence or status of any special assessments contemplated or levied by the Condominium Corporation, whether or not there are any legal actions by or against or contemplated by the Condominium Corporation, or the receipt or status of any notices from the Condominium Corporation respecting any potential changes to the status of the Condominium Corporation, the common elements or the assets and liabilities of the Condominium Corporation;
 - (v) the fitness for any particular purpose or use, zoning, suitability, description, marketability, access, condition, quality, extent of the Innovation Drive Property, availability of services, permitted use or state of repair of the Innovation Drive Property or the building of which the Innovation Drive Property forms a part, compliance or accord of any improvements with municipal building by-laws and/or Ontario building code requirements and/or Ontario or municipal fire code requirements;
 - (vi) the presence, absence, nature and/or extent of Hazardous Substances on, in, under, about or migrating from the Innovation Drive Property or the building of which the Innovation Drive Property forms a part; the



discharge of such Hazardous Substances from, on, or in relation to the Innovation Drive Property or the building or property of which the Innovation Drive Property forms a part; the existence, state, nature, identity, extent or effect of any administrative orders, control orders, stop orders, compliance orders or any other orders, proceedings or actions under the *Environmental Protection Act* (Ontario), the *Ontario Water Resources Act* (Ontario) or any other applicable law in relation to the Innovation Drive Property or the Condominium Corporation; nor, the existence, state, nature, kind, identity, extent or effect of any liability on the Purchaser to fulfil any obligations with respect to the environmental condition or quality of the Innovation Drive Property or the building or property of which the Innovation Drive Property forms a part. The Purchaser acknowledges that it accepts the Innovation Drive Property subject to the environmental condition and any Hazardous Substances, whether or not such environmental condition or Hazardous Substance is known by the Vendor prior to the completion date, and acknowledges that the Purchaser will have no recourse against the Vendor for any such pre-existing environmental conditions or Hazardous Substances. "Hazardous Substances" means (i) any substance or material that is prohibited, controlled or regulated by any governmental authority pursuant to the Environmental Laws, including contaminants, pollutants, dangerous goods, liquid wastes, industrial wastes, hauled liquid wastes, radioactive wastes, toxic substances, hazardous wastes, hazardous materials or hazardous substances as defined in any Environmental Laws, (ii) asbestos and urea formaldehyde, and (iii) petroleum products. "Environmental Laws" means all applicable laws, by-laws, rules, regulations, orders, judgments, decrees, decisions or other requirements having the force of law concerning Hazardous Substances or protection of the environment or otherwise relating to the environment (including the air within any structure or underground space) or to environmental aspects of occupational health and safety, including applicable laws pertaining to (i) reporting, licensing, permitting, investigating, removing, treating or otherwise remediating the presence of Hazardous Substances, and (ii) the storage, generation, use, handling, manufacture, processing, transportation, treatment, release and disposal of Hazardous Substances. "Release" means, in addition to the meaning given to it under any applicable Environmental Laws, any release, spill, leak, pumping, pouring, emission, emptying, discharge, injection, escape, leaching, disposal, dumping, deposit, spraying, burial, abandonment, incineration, seepage or placement; and

- (vii) any defects in workmanship or any existing, executed or partially performed agreement for the supply of materials or services to the Innovation Drive Property or any improvement constructed thereon or therein including any right, license or easement to the use of any portion of the Innovation Drive Property or any fixtures or chattels located thereon; or any other matter or thing whatsoever in respect of all or any of



the Innovation Drive Property or otherwise affecting this Agreement or any right or entitlement by which agreement or operation of law may run with and bind the Innovation Drive Property.

4.03 Independent Investigation

As at the Closing Time, the Purchaser acknowledges to and in favour of the Vendor that it has inspected and investigated the Purchased Assets and that it has relied entirely upon its own inspections and investigations in entering into this Agreement and purchasing the Purchased Assets from the Vendor.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF THE VENDOR

5.01 Vendor's Representations and Warranties

The Vendor hereby represents and warrants to and in favour of the Purchaser, acknowledging that the Purchaser is relying on such representations or warranties, as follows:

- (a) the Vendor was appointed as the Receiver pursuant to the Appointment Order;
- (b) subject to the Vendor obtaining the Approval & Vesting Order, the Vendor has the right, power and authority to enter in to and perform its obligations under this Agreement and, subject to the Vendor obtaining the Approval & Vesting Order, to convey the Purchased Assets to the Purchaser;
- (c) subject to any charges created by the Appointment Order, the Vendor has done no act itself to encumber, sell or dispose of any of the Purchased Assets;
- (d) the Vendor is not aware of any action or proceeding pending or threatened against it which may affect its right to convey any of the Purchased Assets as contemplated hereby; and
- (e) the Vendor is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).

ARTICLE VI

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

6.01 Purchaser's Representations and Warranties

The Purchaser hereby represents and warrants to and in favour of the Vendor, acknowledging that the Vendor is relying upon such representations and warranties, as follows:



- (a) if the Purchaser is a corporation, the Purchaser is a corporation duly and validly incorporated under the laws of the Province of Ontario and is a valid and subsisting corporation;
- (b) if the Purchaser is a corporation, the Purchaser has the requisite right, power and authority to enter into this Agreement and to complete the transactions contemplated hereby;
- (c) if the Purchaser is a corporation, all necessary actions and approvals have been taken or obtained by the Purchaser to authorize the creation, execution, delivery and performance of this Agreement;
- (d) this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms;
- (e) other than the Approval & Vesting Order, the execution, delivery and performance of this Agreement by the Purchaser does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Entity, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent, affect or delay the consummation by the Purchaser of the transaction contemplated hereby;
- (f) there are no proceedings for or pending before any Governmental Entity, or threatened to be brought by or before any Governmental Entity by or against the Purchaser affecting the legality, validity or enforceability of this Agreement or the consummation of the transaction contemplated hereby by the Purchaser;
- (g) the Purchaser is not subject to any order of any Governmental Entity, nor are there any such orders threatened to be imposed by any Governmental Entity, which could affect the legality, validity or enforceability of this Agreement or the consummation of the transaction contemplated hereby by the Purchaser;
- (h) the Purchaser has made adequate arrangements to have sufficient funds available to satisfy its obligations to pay the Purchase Price to the Vendor on the Closing Date, subject to the financing condition in favour of the Purchaser set out in Section 7.01 below;
- (i) the Purchaser acknowledges and agrees that, notwithstanding anything else contained herein, the Purchased Assets and the Assumed Liabilities are sold on an "as is" and "where is" basis at the Purchaser's risk and peril without any representations or warranties, express or implied, in fact or by law with respect to the Purchased Assets or the Assumed Liabilities, other than as set out in Section 5.01;
- (j) the Purchaser has provided to the Vendor a true copy of all of the documents relating to the financing commitments necessary for the Purchaser to complete the

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acquisition of the Purchased Assets and such documents are in effect on the date hereof and there have been no amendments to, alterations of or variations in or to such documents;

- (k) the Purchaser will be responsible for and will remit to or reimburse, as applicable, Taxes, Transfer Taxes, levies or the like that arise from the sale of the Purchased Assets unless otherwise specified in this Agreement;
- (l) the Purchaser (i) is currently a registrant for HST purposes and will continue to be a registrant at the Closing Date in accordance with the provisions of the HST Legislation, or (ii) if the Purchaser is not currently a registrant for HST purposes the Purchaser will be a registrant at the Closing Date in accordance with the provisions of the HST Legislation, and the Purchaser will provide to the Vendor its HST registration number at least five (5) Business Days prior to Closing; and
- (m) neither this Agreement nor closing of the transaction contemplated by this Agreement contravenes the Purchaser's constating documents, any law, statute, by-law, rule, regulation, order, ordinance, protocol, decree or judicial, administrative, ministerial or departmental judgment, award or requirements of any Government Entity.

ARTICLE VII

CONDITIONS IN FAVOUR OF THE PURCHASER

7.01 The Purchaser's obligation to complete this Agreement is subject to satisfaction of the following conditions precedent on or before the earlier of either the Closing Date or the Title Diligence Date as applicable, provided that any such date may be extended by the mutual agreement of each of the Purchaser and the Vendor, and which conditions are inserted for the sole benefit of the Purchaser and may be waived only by the Purchaser by notice in writing to the Vendor on or before the earlier of either the Title Diligence Date or the Closing Date, as applicable:

- (a) on or before the Title Diligence Date, the Purchaser shall have secured satisfactory financing for the purchase of the Purchased Assets on such terms and conditions as may be acceptable to the Purchaser;
- (b) on or before the Title Diligence Date, the Purchaser shall have waived, or shall have been deemed to have waived, its rights to terminate this Agreement under Section 3.01;
- (c) the representations and warranties of the Vendor shall be true and correct as at the Closing Date with the same force and effect as if made at and as of such time and the Vendor shall deliver to the Purchaser a certificate signed by a representative of the Vendor to that effect (provided that acceptance of such evidence and the completion of the transaction contemplated hereunder shall not be a waiver of such representations and warranties); and



- (d) the Vendor shall have complied with and performed all of its covenants and obligations contained in this Agreement to be performed by it before or by the Closing Date.

In the event that any of the foregoing conditions are not fulfilled or waived by the Purchaser on or before the Title Diligence Date or the Closing Date, as applicable, this Agreement may be terminated at the Purchaser's option in accordance with Section 10.

ARTICLE VIII

CONDITIONS IN FAVOUR OF THE VENDOR

8.01 The following conditions in favour of the Vendor must be fulfilled on or before the Closing Date, provided that such date may be extended by the mutual agreement of each of the Purchaser and the Vendor, and which conditions are inserted for the sole benefit of the Vendor and may be waived only by the Vendor by notice in writing to the Purchaser on or before the Closing Date:

- (a) the representations and warranties of the Purchaser shall be true and correct as of the Closing Date with the same force and effect as if made at and as of such time and the Purchaser shall deliver to the Vendor a certificate signed by a representative of the Purchaser to that effect (provided that acceptance of such evidence and the completion of the transaction contemplated hereunder shall not be a waiver of such representations and warranties); and
- (b) the Purchaser shall have complied with and performed all of its covenants and obligations contained in this Agreement to be performed by it before or by the Closing Date.

In the event that any of the foregoing conditions are not fulfilled or waived by the Vendor on or before the Closing Date, this Agreement may be terminated by the Vendor in accordance with Section 10.

ARTICLE IX

CONDITIONS IN FAVOUR OF THE VENDOR AND THE PURCHASER

9.01 The following conditions in favour of the Vendor and the Purchaser must be fulfilled on or before the Closing Date, provided that such date may be extended by the mutual agreement of each of the Purchaser and the Vendor, and which conditions are inserted for the benefit of each of the Vendor and the Purchaser and may be waived only by both of the Vendor and Purchaser on or before the Closing Date:

- (a) on or before the Closing Date, the Approval & Vesting Order shall have been obtained, the terms of the Approval & Vesting Order shall not differ materially from the form of Order at Schedule "C", and such Order shall not have been stayed, reversed or dismissed. The Purchaser acknowledges that the Vendor shall not seek the Approval & Vesting Order unless and until the Purchaser has waived



or be deemed to have waived its right to terminate this Agreement pursuant to Section 3.01;

- (b) as of the Closing Date, no order shall have been made and no motion, action or proceeding shall be pending, threatened or commenced by any person, government, Government Entity, regulatory body or agency in any jurisdiction which seeks to restrain or prevent the sale of the Purchased Assets under this Agreement or seeks to restrict, prohibit or direct the Vendor not to complete the transaction contemplated by this Agreement;
- (c) as at the Closing Date, the Purchased Assets shall not have been removed from the control of the Vendor by any means or process; and
- (d) as at the Closing Date, no person shall have taken any action to redeem any of the Purchased Assets.

In the event that any of the foregoing conditions are not waived by the Vendor and the Purchaser or fulfilled as required on or before the Closing Date, then this Agreement may be terminated by the Vendor or the Purchaser in accordance with Section 10.

ARTICLE X

TERMINATION

10.01 Termination by the Parties

This Agreement may be terminated upon the occurrence of any of the following:

- (a) upon the mutual written agreement of the Vendor and the Purchaser;
- (b) by the Purchaser pursuant to Section 7.01, 9.01 or 11.03;
- (c) by the Vendor pursuant to Section 8.01 or 9.01; and
- (d) by either of the Parties following June 24, 2015, unless the Closing has taken place or the Vendor and the Purchaser have agreed in writing to an extension of the Closing beyond June 24, 2015.

10.02 Remedies for Breach of Agreement

If this Agreement is terminated as a result of any breach of a representation, warranty, covenant or obligation of a Party, the terminating Party's right to pursue all legal remedies with respect to such breach shall survive such termination.

10.03 Vendor's Right to Retain Deposit

Subject to the provisions of this Agreement, if the Purchaser is in default hereunder and fails to proceed with the completion of the transaction contemplated by this Agreement for



reasons within its control within five (5) Business Days of having received a written notice from the Vendor requiring that such default be remedied, unless such default or failure is attributable, directly or indirectly, to any action or inaction by the Vendor, then the Vendor may terminate this Agreement by notice in writing to the Purchaser and the Vendor shall be released from all obligations hereunder and shall be entitled to retain the Deposit. The parties acknowledge and agree that the Deposit represents satisfaction of the full amount of any and all damages that the Vendor would suffer under such circumstances.

10.04 Termination If No Breach of Agreement

If this Agreement is terminated other than as a result of a breach of a representation, warranty, covenant or obligation of a Party, then:

- (a) all obligations of each of the Vendor and the Purchaser hereunder shall be at an end;
- (b) the Vendor shall return the Deposit to the Purchaser, together with any accrued interest thereon; and
- (c) neither party shall have any right to specific performance, to recover damages or expenses or to any other remedy or relief other than as provided herein.

ARTICLE XI

DAMAGE TO PURCHASED ASSETS

11.01 Risk of Loss

The Purchased Assets shall be and remain at the risk of the Vendor, as its interests may appear, until the Closing Time. From and after such date and time, the Purchased Assets shall be at the risk of the Purchaser.

11.02 Removal of Purchased Assets from Vendor's Control

If, prior to the Closing Time, the Purchased Assets are removed from the Vendor's control by government action, civil commotion or by order of the Court, or any other cause beyond the Vendor's control, then this Agreement shall automatically be terminated in accordance with Section 10.

11.03 Purchaser's Right to Close or Terminate

If, prior to the Closing Date, the Purchased Assets are substantially damaged or destroyed by fire, flood, the elements or other casualty, then by written notice to the Vendor within seven (7) days after notification to the Purchaser by the Vendor of the occurrence of such loss or damage, the Purchaser may exercise an option to complete the transaction contemplated in this Agreement. In such event, the Purchaser shall be entitled to an assignment of the Vendor's and the Company's right, title and interest in, and the proceeds payable under, the existing insurance policies of the Vendor or the Company and/or the Condominium Corporation for the Purchased

Assets in full settlement of any obligation of the Vendor. If the Purchaser does not exercise such option within such seven (7) day period, then this Agreement shall be automatically terminated in accordance with Section 10.

11.04 Abatement if No Insurance

In the event that there is material damage to any of the Purchased Assets in respect of which no insurance is payable, the Vendor and the Purchaser, acting reasonably, shall agree upon a reduction in the Purchase Price to reflect such material insured damage or loss.

ARTICLE XII

NOTICE

12.01 Addresses for Notice

Any demand, notice or other communication to be given in connection with this Agreement shall be given in writing and shall be given by personal delivery or by electronic mail (with an original to follow) addressed to the recipient as follows:

to the Vendor:

Deloitte Restructuring Inc.
181 Bay Street
Brookfield Place, Suite 1400
Toronto, Ontario
M5J 2V1

Attention: Stefano Damiani

Email: sdamiani@deloitte.ca

with a copy to:

Thornton Grout Finnigan LLP
Barristers and Solicitors
Suite 3200
100 Wellington Street West
Toronto ON M5K 1K7

Attention: Grant Moffat

Email: gmoffat@tgf.ca

to the Purchaser:

c/o Gianfranco J. De Matteis, Barrister and Solicitor



3300 Steeles Avenue West, Unit 204
Concord, ON L4K 2Y4

Attention: G. John De Matteis

Email: john@dematteis.ca

or to such other address as may be designated by notice given by either party to the other. Any notice or other communication given by personal delivery shall be deemed to have been given on the day of actual delivery thereof and, if given by electronic communication, on the day of transmittal thereof if given during normal business hours on the Business Day during which such normal business hours next occur if not given during such hours on any day.

ARTICLE XIII
CLOSING DELIVERIES

13.01 Vendor's Deliveries

At Closing, the Vendor shall surrender the Purchased Assets to the Purchaser at their then current location. On or before the Closing Date or such other date specified below, the Vendor shall deliver to the Purchaser the following:

- (a) Application for Vesting Order in registrable form and a certified copy of the issued Approval & Vesting Order. The Purchaser shall be responsible for all costs and expenses (including land transfer tax) relating to the registration of such Application for Vesting Order and the Vendor shall be responsible for the cost of obtaining the Approval & Vesting Order;
- (b) a statement of adjustments, as contemplated by Section 2.08;
- (c) an undertaking by the Vendor to readjust any errors, omissions or changes in the statement of adjustments;
- (d) the certificate of the Vendor referenced in Section 7.01 (c); and
- (e) such other documents as may be reasonably requested by the Purchaser's solicitors and agreed upon by the Vendor and the Vendor's solicitors to give effect to this Agreement, all acting reasonably.

13.02 Purchaser's Deliveries

On or before the Closing Date or such other date as provided for below, the Purchaser shall deliver to the Vendor or such other party specified below:

- (a) the Purchase Price adjusted in accordance with Section 2.08, by way of wire transfer drawn on a Schedule I Canadian chartered bank;



- (b) the amount of all Taxes (including Transfer Taxes) payable in respect of the transaction contemplated by this Agreement by way of wire transfer drawn on a Schedule 1 Canadian chartered bank, excluding any taxes that are included in Excluded Liabilities or which the Purchaser is obligated to pay directly to the applicable recipient;
- (c) evidence of HST registration;
- (d) an indemnity in form satisfactory to the Vendor indemnifying and holding the Vendor harmless from and against any Assumed Liabilities for matters occurring on or after, and which relate to the period on or after, the Closing Date;
- (e) an undertaking by the Purchaser to readjust any errors, omissions or changes in the statement of adjustments;
- (f) if the Purchaser is a corporation, a certified copy of a resolution of the board of directors of the Purchaser authorizing the execution of this Agreement and performance of each of the Purchaser's obligations hereunder;
- (g) if the Purchaser is a corporation, a certificate of status and copy of the Articles of Incorporation of the Purchaser;
- (h) the HST Certificate, Warranty and Indemnity as described in Section 2.05;
- (i) the certificate by the Purchaser referred to in Section 8.01 (a); and
- (j) such other documents as may be reasonably requested by the Vendor's solicitors to give effect to this Agreement.

ARTICLE XIV

GENERAL PROVISIONS

14.01 Further Assurances

Each of the Vendor and the Purchaser shall from time to time at the cost of the requesting party execute and deliver all such further documents and instruments and do all acts and things as the other party may, either before or after the Closing Date, reasonably require to properly give effect to the sale, assignment and transfer of the Purchased Assets to the Purchaser.

14.02 Time of Essence

Time shall be of the essence of this Agreement.

14.03 Obligations to Survive



The representations and warranties made by each of the Vendor and Purchaser herein shall not merge on Closing and shall survive Closing.

14.04 Fees and Expenses

Each of the parties hereto will be responsible for and shall pay all costs and expenses (including fees and expenses of legal counsel and any other advisors) each party incurs in connection with the negotiation, preparation and execution of this Agreement.

14.05 Waiver

No failure or delay by a party hereto in exercising any right, power or remedy under this Agreement, and no course of dealing between the parties hereto, shall operate as a waiver of any such right, power or remedy of the party. No single or partial exercise of any right, power or remedy under this Agreement by a party hereto, nor any abandonment or discontinuance of steps to enforce any such right, power or remedy, shall preclude such party from any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. The election of any remedy by a party hereto shall not constitute a waiver of the right of such party to pursue other available remedies. No notice to or demand on a party not expressly required under this Agreement shall entitle the party receiving such notice or demand to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the party giving such notice or demand to any other or further action in any circumstances without such notice or demand. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose of which it was given, and shall not constitute a continuing waiver or consent.

14.06 No Third Party Beneficiaries

This Agreement shall be binding upon and enure solely to the benefit of each of the Parties hereto and its permitted assigns and nothing in this Agreement, express or implied, is intended to confer upon any other person any rights or remedies of any nature whatsoever under or by reason of this Agreement. Nothing in this Agreement shall be construed to create any rights or obligations except between the Parties, and no person or entity shall be regarded as a third party beneficiary of this Agreement. Each of the Parties agrees that all provisions of this Agreement, and all provisions of any and all documents and security delivered in connection herewith, shall not merge and except where otherwise expressly stipulated herein, survive the closing of the transactions contemplated by this Agreement.

14.07 Assignment

This Agreement, and any rights hereunder, may not be assigned by the Vendor.

The Vendor and the Purchaser acknowledge and agree that the Purchaser shall have the right at any time prior to Closing to assign this Agreement to a corporation, provided that

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written notice thereof shall be given to the Vendor together with an assignment and assumption executed by the Purchaser and the assignee in form and content satisfactory to the Vendor and the Vendor's solicitors and which shall be addressed to the Vendor and the Purchaser pursuant to which the assignee shall assume all of the Purchaser's rights and obligations hereunder to the same extent and in the same manner as if such assignee had executed this Agreement as Purchaser. Upon delivery of such notice and the said signed assignment and assumption agreement, the original named Purchaser shall not be released hereunder but shall be obligated to the Vendor, jointly and severally with the assignee, for all rights and obligations hereunder up to the Closing Time and shall only be released from such rights and obligations following the successful completion of the transaction contemplated herein, at which point the original named Purchaser shall automatically be fully released from all rights and obligations hereunder.

14.08 Injunctive Relief

Each of the parties hereto acknowledges and agrees that the rights acquired by each party hereunder are unique and that irreparable damage would occur in the event that any of the provisions of this Agreement to be performed by the other party were not performed in accordance with their specific terms or were otherwise breached. Accordingly, in addition to any other remedy to which the parties hereto are entitled at law or in equity, each party hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement by the other party and to enforce specifically the terms and provisions hereof in any court to which the parties have agreed hereunder submit to jurisdiction.

14.09 Severability

In the event that any particular provision or provisions or a part of a provision of this Agreement is found to be void, voidable or unenforceable for any reason whatsoever, then the particular provision or provisions or part of the provision of this Agreement shall be deemed severed from the remainder of this Agreement and all other provisions shall remain in full force and effect.

14.10 Strict Construction

Each party to this Agreement hereto acknowledges that it and its legal counsel have reviewed and participated in settling the terms of this Agreement and the parties hereby agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party shall not be applicable in the interpretation of this Agreement.

14.11 Counterparts

This Agreement shall be considered properly executed and delivered by any party if executed in counterpart and transmitted by facsimile or electronic mail to the other party.

14.12 Capacity of Receiver

The Purchaser acknowledges that Deloitte Restructuring Inc. has been appointed as Receiver pursuant to the Appointment Order. The Purchaser further acknowledges and agrees



that Deloitte Restructuring Inc. acts solely in its capacity as Receiver, without personal or corporate liability. The Purchaser acknowledges and agrees that Deloitte Restructuring Inc. is entering into this Agreement solely in its capacity as the Receiver and that Deloitte Restructuring Inc., its agents, officers, partners and employees shall have no personal or corporate liability of any kind whatsoever, in contract, in tort, or at equity as a result of or in any way connected with this Agreement or as a result of the Vendor performing or failing to perform any of its obligations hereunder.

14.13 Schedules

The following are the schedules delivered separately and initialled by the Vendor and the Purchaser for identification, and incorporated into this Agreement by reference and deemed to be a part hereof, namely:

- Schedule "A" - Legal Description of Innovation Drive Property
- Schedule "B" - Permitted Encumbrances
- Schedule "C" - Approval & Vesting Order

IN WITNESS WHEREOF the Vendor has duly executed this Agreement this 8th day of May, 2015.

DELOITTE RESTRUCTURING INC., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of National Telecommunications Inc., with no personal or corporate liability

Per: PC
 Name: PAUL R. CAYG
 Title: JUNIOR VICE-PRESIDENT
 (I have the authority to bind the Receiver)

14

This Agreement shall be open for acceptance by the Purchaser until 5:00 PM EST on May 12, 2015, after which time, if not accepted by the Purchaser, this Agreement shall be null and void and of no further force and effect.

IN WITNESS WHEREOF the Purchaser has duly executed this Agreement this 12th day of May, 2015.

 Witness

Unit 3 Innovation Drive Inc.
 Per: [Signature]
 S. Mazza - A/D.

GIANFRANCO J. DE MATTEIS
 Barrister and Solicitor
 Unit 204, 3300 Steeles Avenue West
 Concord, Ontario L4K 2Y4

SCHEDULE "A"

LEGAL DESCRIPTION OF INNOVATION DRIVE PROPERTY

Unit 3, Level 1, York Region Standard Condominium Plan No. 1152 and its appurtenant interest.

The description of the condominium property is: Blocks 3 & 5, Plan 65M4044, Vaughan.

Subject to and together with as set out in Schedule "A" of Declaration YR1295786.

Being all of PIN 29683-0003 (LT)

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SCHEDULE "B"

PERMITTED ENCUMBRANCES

Permitted Encumbrances with respect to the Innovation Drive Property means:

- a) All of the instruments set out in this Schedule "B";
- b) All of the instruments set out on the parcel register for the Innovation Drive Property as of the Closing Date, other than mortgages, charges or other financial encumbrances;
- c) The Condominium Documents;
- d) Any easements, servitudes, rights-of-way, licences, restrictions that run with the land and other encumbrances and/or agreements with respect thereto (including, without limiting the generality of the foregoing, easements, rights-of-way and agreements for sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables);
- e) Defects or irregularities in title to the Innovation Drive Property;
- f) Inchoate liens for municipal property taxes, local improvement assessments and/or taxes and/or charges, and/or other taxes, assessments or recoveries, and/or common expenses and/or special assessments relating to the Innovation Drive Property not yet due or liens for same which are due but the validity of which are being contested in good faith by the Vendor provided that the Vendor has provided security which in the opinion of the Purchaser, acting reasonably, is necessary to avoid any lien, charge or encumbrance arising with respect thereto;
- g) Zoning and building by-laws and ordinances, municipal by-laws and regulations, development agreements, subdivision agreements, site plan agreements, notices, and/or building restrictions;
- h) Inchoate liens for public utilities not due as at the Closing Date;
- i) The exceptions, limitations and qualifications set out in the *Land Titles Act* and/or set out on the parcel register for the Innovation Drive Property and any amendments thereto;
- j) All reservations, limitations, provisos and/or conditions set out in the original grant from the Crown; and
- k) All encroachments of buildings or other improvements and/or mislocated fences that may be shown on any existing survey or any up-to-date survey for the Innovation Drive Property.



Without limiting the foregoing Permitted Encumbrances include the following:

1. Notice of Subdivision Agreement with The Corporation of the City of Vaughan (the "City") registered as Instrument No. YR1092996 on November 27, 2011;
2. Transfer of Easement in favour of the City registered as Instrument No. YR1146292 on April 8, 2008;
3. Transfer of Easement in favour of the City registered as Instrument No. YR1146294 on April 8, 2008;
4. Transfer of Easement in favour of Powerstream Inc. registered as Instrument No. YR1160938 on May 9, 2008;
5. Notice of Condominium Agreement with the City registered as Instrument No. YR1279127 on January 21, 2009;
6. Plan of Condominium registered as YRCP1152 on March 17, 2009;
7. Condominium Declaration registered as Instrument No. YR1295786 on March 17, 2009;
8. Condominium By-law No. 1 of the Condominium Corporation registered as Instrument No. YR1302469 on April 6, 2009;
9. Condominium By-law No. 2 of the Condominium Corporation registered as Instrument No. YR1302470 on April 6, 2009;
10. Condominium By-law No. 3 of the Condominium Corporation registered as Instrument No. YR1302471 on April 6, 2009;
11. Condominium By-law No. 4 of the Condominium Corporation registered as Instrument No. YR1302657 on April 6, 2009;
12. Application to Annex Restrictive Covenants registered as Instrument No. YR1302658 on April 6, 2009; and
13. Amendment to Condominium Declaration registered as Instrument No. YR2101509 on March 3, 2014.



SCHEDULE "C"

Court File No. CV-15-10921-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE ►) ► DAY, THE ► DAY
JUSTICE ►) OF ►, 2015

BETWEEN:

HSBC BANK CANADA

Applicant

- and -

NATIONAL TELECOMMUNICATIONS INC.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by **Deloitte Restructuring Inc.** in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of **National Telecommunications Inc.** (the "**Debtor**"), acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and [NAME OF PURCHASER] (the "**Purchaser**") made as of [DATE] and appended to the Report of the Receiver dated [DATE] (the "**Report**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.



ON READING the Report and on hearing the submissions of counsel for the Receiver, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn [DATE] filed:

2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and that the Sale Agreement is commercially reasonable and in the best interests of the Debtor and its stakeholders. The execution of the Sale Agreement by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Receiver's Certificate"), all of the Receiver's and all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Conway dated April 9, 2015; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of York Region of an Application for Vesting Order in the form prescribed

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by the *Land Titles Act* and/or the *Land Registration Reform Act*], the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.



8. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

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Schedule A – Form of Receiver’s Certificate

Court File No. CV-15-10921-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

HSBC BANK CANADA

Applicant

- and -

NATIONAL TELECOMMUNICATIONS INC.

Respondent

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Conway of the Ontario Superior Court of Justice (the "Court") dated April 9, 2015, Deloitte Restructuring Inc. was appointed as the receiver and manager (the "Receiver") of all of the assets, undertakings and properties of National Telecommunications Inc. (the "Debtor"), acquired for, or used in relation to the business carried on by the Debtor, including the proceeds thereof (collectively, the "Property").

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of [DATE OF AGREEMENT] (the "Sale Agreement") between the Receiver and [NAME OF PURCHASER] (the "Purchaser") and provided for the vesting in the Purchaser of the Receiver’s and the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in sections



7, 8 and 9 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in sections 7, 8 and 9 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at [TIME] on ► [DATE].

DELOITTE RESTRUCTURING INC., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of National Telecommunications Inc., with no personal or corporate liability

Per: _____
Name: ►
Title: ►



Schedule B – Purchased Assets

All of the Receiver's (if any) and the Debtors' right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement) including, without limitation, the following real property:

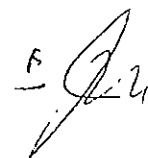
The property legally described as Unit 3, Level 1, York Region Condominium Plan No. 1152 and its appurtenant interest, being all of PIN 29683-0003 (LT), and municipally known as 101 Innovation Drive, Unit 3, Vaughan, Ontario.

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Schedule C – Claims to be deleted and expunged from title to Real Property

The following Instruments are to be discharged upon registration of the Vesting Order:

1. Charge in favour of HSBC Bank Canada ("HSBC") registered as Instrument No. YR1953135 on March 7, 2013;
2. Notice of Assignment of Rents - General in favour of HSBC registered as Instrument No. YR1953136 on March 7, 2013;
3. Charge in favour of Addiction Associates Inc. registered as Instrument No. YR2078222 on December 23, 2013; and
4. Condominium Lien in favour of York Region Standard Condominium Corporation No. 1152 registered as Instrument No. YR2283965 on April 29, 2015.

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**Schedule D -- Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property**

(unaffected by the Vesting Order)

Permitted Encumbrances with respect to the Innovation Drive Property (as defined in the Sales Agreement) means:

- a) All of the instruments set out in this Schedule "B";
- b) All of the instruments set out on the parcel register for the Innovation Drive Property as of the Closing Date, other than mortgages, charges or other financial encumbrances;
- c) The Condominium Documents, as defined in the Sale Agreement;
- d) Any easements, servitudes, rights-of-way, licences, restrictions that run with the land and other encumbrances and/or agreements with respect thereto (including, without limiting the generality of the foregoing, easements, rights-of-way and agreements for sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables);
- e) Defects or irregularities in title to the Innovation Drive Property;
- f) Inchoate liens for municipal property taxes, local improvement assessments and/or taxes and/or charges, and/or other taxes, assessments or recoveries, and/or common expenses and/or special assessments relating to the Innovation Drive Property not yet due or liens for same which are due but the validity of which are being contested in good faith by the Vendor provided that the Vendor has provided security which in the opinion of the Purchaser, acting reasonably, is necessary to avoid any lien, charge or encumbrance arising with respect thereto;
- g) Zoning and building by-laws and ordinances, municipal by-laws and regulations, development agreements, subdivision agreements, site plan agreements, notices, and/or building restrictions;
- h) Inchoate liens for public utilities not due as at the Closing Date;
- i) The exceptions, limitations and qualifications set out in the *Land Titles Act* and/or set out on the parcel register for the Innovation Drive Property and any amendments thereto;
- j) All reservations, limitations, provisos and/or conditions set out in the original grant from the Crown; and



- k) All encroachments of buildings or other improvements and/or mislocated fences that may be shown on any existing survey or any up-to-date survey for the Innovation Drive Property.

Without limiting the foregoing Permitted Encumbrances include the following:

1. Notice of Subdivision Agreement with The Corporation of the City of Vaughan (the "City") registered as Instrument No. YR1092996 on November 27, 2011;
2. Transfer of Easement in favour of the City registered as Instrument No. YR1146292 on April 8, 2008;
3. Transfer of Easement in favour of the City registered as Instrument No. YR1146294 on April 8, 2008;
4. Transfer of Easement in favour of Powerstream Inc. registered as Instrument No. YR1160938 on May 9, 2008;
5. Notice of Condominium Agreement with the City registered as Instrument No. YR1279127 on January 21, 2009;
6. Plan of Condominium registered as YRCP1152 on March 17, 2009;
7. Condominium Declaration registered as Instrument No. YR1295786 on March 17, 2009;
8. Condominium By-law No. 1 of York Region Standard Condominium Corporation No. 1152 (the "Condominium Corporation") registered as Instrument No. YR1302469 on April 6, 2009;
9. Condominium By-law No. 2 of the Condominium Corporation registered as Instrument No. YR1302470 on April 6, 2009;
10. Condominium By-law No. 3 of the Condominium Corporation registered as Instrument No. YR1302471 on April 6, 2009;
11. Condominium By-law No. 4 of the Condominium Corporation registered as Instrument No. YR1302657 on April 6, 2009;
12. Application to Annex Restrictive Covenants registered as Instrument No. YR1302658 on April 6, 2009; and
13. Amendment to Condominium Declaration registered as Instrument No. YR2101509 on March 3, 2014.

