

## AGREEMENT OF PURCHASE AND SALE

**THIS AGREEMENT** dated as of the 14<sup>th</sup> day of July, 2025.

**BETWEEN:**

**3337151 NOVA SCOTIA LIMITED**  
(the “**Vendor**”)

OF THE FIRST PART

- and -

**778938 ONTARIO LIMITED**  
(the “**Purchaser**”)

OF THE SECOND PART

**WHEREAS:**

- A. On January 20, 2025, the Vendor, Annapolis Management, Inc., Ruby, LLP, BSL Holdings Limited, 3337151 Nova Scotia and 4551650 Nova Scotia Limited (collectively, the “**Caryi Group**”) commenced proceedings (the “**NOI Proceedings**”) under the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”) by filing Notices of Intention to Make a Proposal pursuant to Section 50.4(1) of the BIA, and Deloitte Restructuring Inc. was appointed as proposal trustee of the Caryi Group (in such capacity, the “**Proposal Trustee**”);
- B. Pursuant to an order of the Supreme Court of Nova Scotia in Bankruptcy and Insolvency (the “**Court**”) dated February 18, 2025, a sale and investment solicitation process for the property and assets of the Caryi Group (the “**SISP**”), to be carried out by the Proposal Trustee, was approved; and
- C. In accordance with the SISP, the Purchaser has made an offer to purchase the Property (as defined herein) from the Vendor and the Vendor and Proposal Trustee have accepted such offer and have agreed to sell the Property to the Purchaser in accordance with the terms of this Agreement (as defined herein).

**NOW THEREFORE**, in consideration of the premises and the covenants contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the parties covenant and agree as follows:

### ARTICLE 1 INTERPRETATION

**1.1 Definitions.** In this Agreement, in addition to the terms defined in the recitals and preamble hereto, the following terms shall have the meanings set out below:

- (a) “**Agreement**” means this agreement, including the Schedules to this Agreement, as it or they may be amended or supplemented from time to time.

- (b) **“Approval and Vesting Order”** means an approval and vesting order of the Court in form and in substance satisfactory to the Vendor, Purchaser, and Proposal Trustee, each acting reasonably, approving this Agreement and vesting in and to the Purchaser the Property, free and clear of and from any and all Encumbrances, other than Permitted Encumbrances, to the extent and as provided for in such approval and vesting order.
- (c) **“Assumed Contracts”** means the Contracts set forth in Schedule “C” hereto.
- (d) **“Building”** means the buildings located on the Lands and all other structures, fixtures and improvements situate on the Lands.
- (e) **“Business Day”** means any day other than a Saturday, Sunday or statutory holiday in the Province of Nova Scotia.
- (f) **“Chattels”** means any equipment and other chattels owned by the Vendor and located at and used solely in connection with the Building and the maintenance, repair and operation of the Property, and for greater certainty does not include any tenant fixtures or other property belonging to tenants or any item leased from third parties.
- (g) **“Closing”** means the closing and consummation of the transaction of purchase and sale contemplated by this Agreement including, without limitation, the satisfaction of the Purchase Price, the delivery of all closing documents contemplated herein on the Closing Date and the conveyance of the Property to the Purchaser.
- (h) **“Closing Date”** means the date that is 5 Business Days following the issuance of the Approval and Vesting Order, or such other date as the parties may agree in writing.
- (i) **“Contracts”** means the contracts, leases, deeds, mortgages, licences, instruments, notes, commitments, undertakings, indentures, joint ventures and all other agreements, commitments and legally binding arrangements, whether written or oral, relating to the Property.
- (j) **“Deposit”** has the meaning ascribed thereto in Section 2.3(a).
- (k) **“Encumbrance”** means any mortgage, charge, pledge, hypothec, security interest, deemed trust (statutory or otherwise), assignment, lien (statutory or otherwise), leases, rights of way, title defects, options, claim, adverse claims, encumbrances, easement, title retention agreement or arrangement, conditional sale, deemed or statutory trust, restrictive covenant or other encumbrance of any nature which, in substance, secures payment or performance of an obligation.
- (l) **“ETA”** means the *Excise Tax Act* (Canada).
- (m) **“Governmental Authority”** means any federal, provincial, territorial, municipal, state or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any arbitrator, court, or tribunal of competent jurisdiction.

- (n) **“Governmental Order”** means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.
- (o) **“HST”** means harmonized sales tax payable pursuant to the ETA.
- (p) **“Lands”** means the lands and premises legally described in Schedule “A” attached hereto and municipally known as 1598 Barrington Street, Halifax, Nova Scotia, together with all easements, rights-of-way, and other rights and benefits appurtenant thereto.
- (q) **“Notice”** has the meaning given to it in Section 8.3.
- (r) **“Outside Date”** means July 18, 2025.
- (s) **“Permitted Encumbrances”** means those encumbrances listed in Schedule “B” attached hereto.
- (t) **“Person”** means an individual, a partnership, a corporation, company, a trust, an unincorporated organization, a Governmental Authority, and the heirs, executors, administrators or other legal representatives of an individual.
- (u) **“Property”** means the Lands, Building, and Chattels, together with the right, title, and interest of the Vendor in and to the Assumed Contracts, the Property Related Documents and the Property Related Deposits.
- (v) **“Property Related Documents”** means all existing reports, permits, licenses, surveys, design plans, if any, issued to the Vendor or the Proposal Trustee in respect of the ownership, development, management, construction, maintenance, repair, operation, servicing, or any other aspect of the Property.
- (w) **“Property Related Deposits”** means all deposits, if any, given by the Vendor or the Proposal Trustee in connection with the ownership, development, management, maintenance, construction, repair, operation, servicing or any other aspect of the Property.
- (x) **“Proposal Trustee’s Certificate”** means the certificate of the Proposal Trustee customarily attached as a schedule to the Approval and Vesting Order which, among other things, certifies that all of the conditions to this Agreement have been satisfied and Closing has occurred.
- (y) **“Purchase Price”** means the sum of [REDACTED], plus HST.
- (z) **“Soup Pot Lease”** means the lease dated June 1, 2010, between Morris Strug (as predecessor in title to the Vendor) and Soup Pot Ideas Inc., as amended by amending agreement dated August 13, 2021, copies of which are attached as Schedule “D” hereto.

**1.2 Interpretation.** For purposes of this Agreement, (a) the words “include,” “includes” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; and (c) the words “herein,” “hereof,” “hereby,” “hereto” and “hereunder” refer to this

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

**1.3 Headings.** The division of this Agreement into Articles and Sections and the insertion of headings into this Agreement are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

**1.4 Currency.** All dollar amounts referred to in this Agreement are in Canadian funds.

## **ARTICLE 2 PURCHASE AND SALE**

**2.1 Purchase and Sale.** The Purchaser agrees to purchase the Property from the Vendor, and the Vendor agrees to sell the Property to the Purchaser, on the terms and subject to the conditions contained in this Agreement for the Purchase Price, subject to adjustment as provided for herein.

**2.2 Closing.** The transactions contemplated in this Agreement will be completed on the Closing Date.

**2.3 Payment of Purchase Price.** The Purchaser shall be paid by the Purchaser to the Vendor as follows: subject to any termination of this Agreement in accordance with the terms hereof, pay to the Proposal Trustee the Purchase Price, and the Vendor hereby irrevocably directs the Purchaser to do so for benefit of the stakeholders of the Vendor, subject to the adjustments referred to herein, in the following manner:

- (a) a deposit in the amount of [REDACTED] (the “**Deposit**”), which the parties acknowledge has been paid by the Purchaser to the Proposal Trustee, in trust, to be held in accordance with Section 2.4;
- (b) the balance of the Purchase Price, subject to adjustment, to be paid by the Purchaser by wire transfer to an account to be provided by the Proposal Trustee at Closing; and
- (c) notwithstanding anything to the contrary herein, the Vendor hereby irrevocably authorizes and directs the Purchaser to pay the Purchase Price, together with all other amounts otherwise payable to the Vendor hereunder, to the Proposal Trustee, to such account or as the Proposal Trustee may otherwise direct, for the benefit of the stakeholders of the Vendor.

**2.4 Termination; Deposit.**

- (a) The Proposal Trustee shall continue to hold the Deposit in a trust account in accordance with this Section 2.4 (or as expressly provided for elsewhere in this Agreement).
- (b) On Closing, the Deposit shall be released from trust to the Proposal Trustee, for the benefit of the stakeholders of the Vendor, in partial satisfaction of the Purchase Price.
- (c) In the event that the Purchaser defaults in the performance any of its obligations hereunder, then the Vendor shall be entitled, in the sole discretion of the Vendor (with the consent of the Proposal Trustee), to either:
  - (i) if the Purchaser is willing to proceed to Closing, waive such default and proceed to Closing in accordance with the terms and provisions hereof; or
  - (ii) declare this Agreement to be terminated, and, the Deposit shall be forfeited to the Proposal Trustee, for the benefit of the stakeholders of the Vendor, as *bona fide* pre-estimated liquidated damages.
- (d) In the event that the Vendor defaults in the performance of any of its obligations hereunder, then the Purchaser shall be entitled, in the sole discretion of the Purchaser, to either:
  - (i) if the Vendor is willing to proceed to Closing, waive such default and proceed to Closing in accordance with the terms and provisions hereof; or
  - (ii) declare this Agreement to be terminated, and the Deposit shall be returned to the Purchaser without further liability of any party to the other.
- (e) In the event that the conditions set out in Section 4.3 have not been satisfied by the Outside Date, then either the Purchaser or Vendor shall be entitled, in their sole discretion, to declare this Agreement to be terminated (unless such failure shall be due to the failure of such party to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it before the Closing), and the Deposit shall be returned to the Purchaser without further liability of any party to the other.

**2.5 Adjustments.** Any municipal property taxes, local improvement rates, rentals and other items established by usual practice for the purchase and sale of similar properties to the Property shall be apportioned and allowed to the Closing Date, the day of completion itself to be apportioned to Purchaser. The Purchaser shall be solely responsible for all development and similar levies and all other charges and levies with respect to the Property attributable to the period beginning on the Closing Date.

**2.6 Harmonized Sales Tax.** The purchase and sale of the Property will be subject to HST, and the parties agree and acknowledge that HST shall be in addition to the Purchase Price. Notwithstanding the foregoing, the parties hereby agree and acknowledge that the Vendor shall not be required to collect HST on the sale of the Property and the Purchaser shall, pursuant to subsection 228(4) of the ETA, self-assess and remit the HST that is properly chargeable under the ETA, in respect of the sale of the Property within its HST return for the Purchaser's reporting period in which the transaction occurs. The Purchaser shall deliver to the Vendor, on or before

Closing, an HST certificate of the Purchaser declaring that the Purchaser is a registrant for HST purposes under the ETA and that it is entitled to self-assess the payment of the HST and an undertaking to indemnify the Vendor and hold it harmless from any liability of the Vendor under the ETA arising because of a breach of the obligations of the Purchaser.

**2.7 Registration and Other Costs.** The Purchaser shall be responsible for and pay any land transfer taxes payable on the transfer of the Property, all registration fees payable in respect of registration by it of any documents on Closing, and all federal and provincial sales and other taxes payable by a purchaser upon or in connection with the conveyance or transfer of the Property, provided, however, that the Purchaser shall not be required to pay HST to the Vendor on Closing if it delivers a HST certificate on Closing as contemplated by Section 2.6.

**2.8 Contracts.**

- (a) The Vendor shall (i) be responsible for the performance and payment of all of the Vendor's obligations and covenants in the Contracts prior to Closing Date; (ii) terminate and be responsible for payment of all costs and expenses and performing all obligations in all Contracts not assumed by the Purchaser, as herein provided for, and the Vendor; and (iii) indemnify and save the Purchaser harmless for any costs, losses, expenses and liabilities suffered by the Purchaser as a result of the Vendor's breach or non-fulfillment of the foregoing obligations and covenants to be performed by the Vendor, which indemnities shall survive Closing.
- (b) The Purchaser shall (i) assume and be responsible for the performance and payment of all of the Vendor's obligations and covenants in the Assumed Contracts from and after the Closing Date; and (ii) indemnify and save the Vendor harmless for any costs, losses, expenses and liabilities suffered by the Vendor as a result of the Purchaser's breach or non-fulfillment of the foregoing obligations and covenants to be performed by the Purchaser, which indemnities shall survive Closing.
- (c) For greater certainty, the Purchaser shall not assume, and shall not be responsible for the performance and payment of any of the Vendor's obligations and covenants under, any Contracts other than the Assumed Contracts.

**2.9 Non-Transferable and Non-Assignable Rights.** To the extent that any of the Property to be transferred to the Purchaser on the Closing, or any claim, right or benefit arising under or resulting from the Property (collectively, the "**Rights**"), is not capable of being transferred without the approval, consent or waiver of any third Person (other than the Vendor or Purchaser), or if the transfer of a Right would constitute a breach of any obligation under, or a violation of, any law unless the approval, consent or waiver of such third Person is obtained, then, except as expressly otherwise provided in this Agreement and without limiting the rights and remedies of the Purchaser contained elsewhere in this Agreement, this Agreement shall not constitute an agreement to transfer such Rights unless and until such approval, consent or waiver has been obtained. After the Closing and for a period of sixty (60) days following the Closing, or such later date as the parties may agree, the Vendor shall, in consultation with the Proposal Trustee:

- (a) hold the Rights in trust for the Purchaser;
- (b) comply with the terms and provisions of the Rights as agent for the Purchaser at the Purchaser's cost and for the Purchaser's benefit;

- (c) cooperate with the Purchaser in any reasonable and lawful arrangements designed to provide the benefits of such Rights to the Purchaser at the Purchaser's cost; and
- (d) enforce, at the reasonable request of the Purchaser and at the expense and for the account of the Purchaser, any rights of the Vendor arising from such Rights against any third Person, including the right to elect to terminate any such rights in accordance with the terms of such rights upon the written direction of the Purchaser.

To the extent that such approval, consent, waiver or order of such Third Person has not been obtained by the 60<sup>th</sup> day following the Closing, such Right shall be deemed to be excluded from the Property and the Vendor may terminate any agreement pertaining to such Right. The Purchaser shall indemnify and hold the Vendor harmless from and against any claim or liability under or in respect of such Rights arising because of any action of the Vendor taken in accordance with this Section.

### **ARTICLE 3 REPRESENTATIONS AND WARRANTIES**

**3.1 Representations of the Vendor.** The Vendor represents and warrants to and in favour of the Purchaser that, as of the date of this Agreement and as of the Closing Date, unless otherwise specified in this Section:

- (a) Organization and Status of the Vendor. The Vendor is duly incorporated, validly existing under the laws of its jurisdiction of incorporation, and has not been discontinued or dissolved the laws of its jurisdiction of incorporation. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution.
- (b) Corporate Power. The Vendor has the corporate power, authority and capacity to enter into and perform its obligations under this Agreement.
- (c) Due Authorization and Enforceability. Subject to the issuance of the Approval and Vesting Order, the execution and delivery by the Vendor of this Agreement, the performance by Vendor of its obligations hereunder and the consummation by the Vendor of the transactions contemplated hereby have been duly authorized by all requisite corporate action on the part of the Vendor. Subject to the issuance of the Approval and Vesting Order, this Agreement has been duly and validly executed by the Vendor and constitutes a valid and binding obligation of the Vendor enforceable against it in accordance with its terms.
- (d) HST. The Vendor is duly registered for the purposes of HST in accordance with the ETA, under the number 73327 3734 RT 0002.
- (e) Residence. The Vendor is not a non-resident of Canada within the meaning of Section 116 of the *Income Tax Act* (Canada).
- (f) No Conflicts. Subject to the issuance of the Approval and Vesting Order, the execution, delivery and performance by Vendor of this Agreement, and the consummation of the transactions contemplated hereby, do not and will not: (a) result in a violation or breach of any provision of the constating documents or any



shareholder agreement relating to, Vendor; (b) result in a violation or breach of any provision of any applicable laws or governmental order applicable to Vendor or (c) except as otherwise provided for herein, require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default under or result in the acceleration of any agreement to which Vendor is a party.

- (g) No Consents. Subject to the issuance of the Approval and Vesting Order, no consent, approval, permit, order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Vendor in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.
- (h) Free of Encumbrances. On the Closing Date in accordance with the Approval and Vesting Order the Property shall be conveyed free and clear of and from all liens, mortgages, charges and encumbrances other than the Permitted Encumbrances.
- (i) Soup Pot Lease. The Soup Pot Lease is in full force and effect unamended and no consents or approvals have been given by the Vendor, as landlord, under the Soup Pot Lease, except as have been disclosed to the Purchaser in writing.
- (j) No Leases. On the Closing Date, there shall be no leases or other rights of occupancy relating to the Property other than the Soup Pot Lease, and any other leases or rights of occupancy shall be terminated and vacant possession of the Property (other than the Soup Pot Lease) shall be given to the Purchaser.
- (k) No Options. There are no options to purchase or rights of first refusal or other purchase rights with respect to the Property or any part thereof that have not expired or been waived.
- (l) Notice of Non-Compliance. Except for the Orders to Comply, to the best of the knowledge and belief of the Vendor, the Vendor has not received any written notice from any Governmental Authority of any material violation of any applicable laws relating to the Property.
- (m) Brokers. The Purchaser shall not be liable for any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Vendor.

**3.2 Representations of Purchaser.** The Purchaser represents and warrants to and in favour of the Vendor that, as of the date of this Agreement and as of the Closing Date, unless otherwise specified in this Section:

- (a) Organization and Status of Purchaser. The Purchaser is duly incorporated, validly existing under the laws of its jurisdiction of incorporation, and has not been discontinued or dissolved under the laws of its jurisdiction of incorporation. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution.
- (b) Corporate Power. The Purchaser has the power, authority and capacity to enter into and perform its obligations under this Agreement.



- (c) Due Authorization and Enforceability of Obligations. The execution and delivery by the Purchaser of this Agreement, the performance by Purchaser of its obligations hereunder and the consummation by the Purchaser of the transactions contemplated hereby have been duly authorized by all requisite corporate action on the part of the Purchaser. This Agreement has been duly and validly executed by the Purchaser and constitutes a valid and binding obligation of the Purchaser enforceable against it in accordance with its terms.
- (d) HST. The Purchaser is, for the purposes of the ETA, the “recipient” of the supply made to it of the Property and is duly registered for the purposes of HST in accordance with the ETA, under the number 133424812 RT0001.
- (e) Residence of Purchaser. The Purchaser is not a non-resident of Canada within the meaning of Section 116 of the *Income Tax Act* (Canada).
- (f) No Conflicts. The execution, delivery and performance by Purchaser of this Agreement, and the consummation of the transactions contemplated hereby, do not and will not: (a) result in a violation or breach of any provision of the constating documents or any shareholder agreement relating to, Purchaser; (b) result in a violation or breach of any provision of any applicable laws or governmental order applicable to Purchaser; or (c) require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default under or result in the acceleration of any agreement to which Purchaser is a party.
- (g) No Consents. No consent, approval, permit, order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Purchaser in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby.
- (h) Brokers. No broker or finder is entitled to any brokerage, finder’s or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Purchaser.

**3.3 As is, Where is.** Notwithstanding any other provision of this Agreement or any other transaction document, the Purchaser hereby acknowledges and agrees: the representations and warranties made by the Vendor in Section 3.1 are the only representations and warranties of the Vendor in connection with this Agreement and the transactions contemplated hereby;

- (b) the Property is being purchased on an “as is, where is” basis as they exist at the Closing and the Purchaser will accept the Property in such state, condition and location at the Closing. Without limiting the generality of the foregoing, the Property is specifically offered as it exists on closing and with no adjustments to be allowed by the Vendor or Purchaser for changes in conditions, qualities or quantities of the Property from the date hereof to the Closing Date, except as specifically provided for herein;
- (c) it has undertaken to its satisfaction such searches, independent investigations, inspections and other due diligence in connection with entering into this Agreement and based solely thereon, has determined to proceed with the transactions contemplated by this Agreement;

- (d) all written and oral information provided by the Vendor and/or the Proposal Trustee and their respective representatives to the Purchaser, including in any court document, teaser letter, asset listing, confidential information memorandum, tender package, data room, management presentation, site visit, meetings, telephone calls and any other information made available to the Purchaser, in connection with the Property has been provided for the convenience of the Purchaser only and neither the Vendor nor the Proposal Trustee and their respective representatives have made or are making any representation or warranty, express or implied, statutory or otherwise, as to the accuracy or completeness of any such information;
- (e) any information regarding or describing the Property in this Agreement, or any documents entered in connection with this Agreement is for identification purposes and the convenience of the Purchaser only and neither the Vendor nor the Proposal Trustee is making any representation or warranty, express or implied, statutory or otherwise, as to the accuracy or completeness of any such information; and
- (f) except for representations and warranties made by the Vendor in Section 3.1 (which, for greater certainty, are not made by the Proposal Trustee), the Vendor, the Proposal Trustee and their respective Representatives have made and are making no representations, warranties, conditions, statements or promises whatsoever, express or implied, statutory or otherwise, with respect to the Property, including without limitation with respect to: (i) the Vendor's right, title and interest in or to the Property; (ii) the merchantability, marketability, location, condition, description, fitness for a particular purpose of the Property; (iii) compliance or non-compliance with laws, regulations, including environmental rules; and (iv) existence of any parts or components, latent defects, quality, quantity, encumbrances, liens or charges or any other thing affecting the Property.

**3.4 Orders to Comply.** Without limiting the generality of Section 3.3, the Purchaser acknowledges and agrees that the Property is subject to Orders to Comply issued by the Halifax Regional Municipality on July 4, 2023, July 24, 2023, April 19, 2024, February 24, 2025, and May 9, 2025, under the *Building Code Act* (Nova Scotia) (the "**Orders to Comply**"), and that such Orders to comply shall not constitute an Encumbrance or an objection to title.

All costs incurred or chargeable to the Vendor in furtherance of the Orders to Comply, including, without limitation, the costs of erecting and removing the scaffolding at the Property shall be paid by the Vendor to the Closing Date.

**3.5 Survival.** All representations and warranties in this Agreement shall be deemed to have been made as of the date hereof and shall survive the Closing for a period of 12 months after the Closing (the "**Survival Period**"). Any right of action for the breach of any representation or warranty herein shall not merge with Closing but shall survive the Closing for the Survival Period and before the expiration thereof the party claiming a breach must have filed an action in a court of competent jurisdiction, and any warranty and representation not specified in such action shall expire.

## ARTICLE 4 CONDITIONS

**4.1 Closing Conditions of Purchaser.** The Purchaser's obligation to carry out and complete the transaction contemplated by this Agreement is subject to fulfillment of each of the following conditions on or before the date specified herein, which conditions are for the sole benefit of the Purchaser and which may be waived by the Purchaser in its sole discretion:

- (a) On the Closing Date, the representations and warranties of the Vendor set out in Section 3.1 shall be true and accurate in all material respects, with the same effect as though made at and as of such date.
- (b) On Closing, all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Vendor shall have been complied with or performed in all material respects on or before the times contemplated in this Agreement.
- (c) The Vendor shall have delivered to the Purchaser the documents and deliveries set forth in Section 5.2.

**4.2 Closing Conditions of Vendor.** The Vendor's obligation to carry out and complete the transaction contemplated by this Agreement is subject to fulfillment of each of the following conditions on or before the date specified herein, which conditions are for the sole benefit of the Vendor and which may be waived by the Vendor in its sole discretion:

- (a) On the Closing Date, the representations and warranties of the Purchaser set out in Section 3.1(h) shall be true and accurate in all material respects, with the same effect as though made at and as of such date.
- (b) On Closing, all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Purchaser shall have been complied with or performed in all material respects on or before the times contemplated in this Agreement.
- (c) The Purchaser shall have delivered to the Vendor the documents and deliveries set forth in Section 5.3.

**4.3 Mutual Conditions.** The obligations of each party to carry out and complete the transaction contemplated by this Agreement is subject to the following conditions being satisfied on or prior to the Closing Date, which conditions are for the benefit of each of the Vendor and the Purchaser and may be jointly waived, in whole or in part, by the Vendor and the Purchaser:

- (a) The Approval and Vesting Order shall have been issued and shall not have been appealed, set aside, varied or stayed or, if appealed or stayed, all appeals shall have been dismissed and all stays shall have been lifted, respectively.
- (b) No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Governmental Order which is in effect and has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining or prohibiting consummation of such transactions or causing any of the transactions contemplated hereunder to be rescinded following completion thereof.

## **ARTICLE 5 CLOSING ARRANGEMENTS**

**5.1 Closing.** Upon the terms and subject to the conditions of this Agreement, the Closing shall take place on the Closing Date at the offices of Vendor's solicitors, by exchange of documents and signatures (or their electronic counterparts).

**5.2 Documents of the Vendor.** The Vendor shall deliver to the Purchaser the following documents on the Closing Date or on such other date as may be specified, each in a form and substance satisfactory to the Purchaser, acting reasonably:

- (a) a deed for the Property, transferring the Property to the Purchaser;
- (b) a statement of adjustments, a draft form of which shall be delivered not less than three (3) Business Days prior to the Closing Date;
- (c) a direction from the Vendor issued to the Purchaser as to the payment of the balance of the purchase price;
- (d) a bring-down certificate of the Vendor relating to the representations, warranties, and covenants of the Vendor in this Agreement;
- (e) all deeds, bills of sales, transfers, assignments, assumptions, and such other agreements, documents, and instruments as may be reasonably requested by the Purchaser in order to transfer and assign the Chattels and Contracts, each duly executed by the Vendor;
- (f) all security pass cards, security codes and keys to the Building to the extent in the Vendor's or Proposal Trustee's possession or control;
- (g) a notice and direction to the tenant under the Soup Pot Lease; and
- (h) such further documentation relating to the completion of this Agreement as the Purchaser may reasonably require.

**5.3 Documents of the Purchaser.** The Purchaser shall deliver to the Vendor the following funds and documents on the Closing Date, or such other date as may be specified, each in a form and substance satisfactory to the Vendor, acting reasonably:

- (a) the balance of the Purchase Price in accordance with Section 2.3;
- (b) a certificate of an officer of the Purchaser certifying that the Purchaser is an HST registrant, that any HST payable on this transaction will be self-remitted, and indemnifying the Vendor for any HST payable in connection with this transaction, in accordance with Section 2.6;
- (c) a bring-down certificate of the Purchaser relating to the representations, warranties, and covenants of the Vendor in this Agreement;
- (d) all deeds, bills of sales, transfers, assignments, assumptions, and such other agreements, documents, and instruments as may be reasonably requested by the

Vendor in order to transfer and assign the Chattels and Assumed Contracts, each duly executed by the Purchaser; and

- (e) such further documentation relating to the completion of this Agreement as the Vendor may reasonably require.

**5.4 Proposal Trustee's Certificate.** When the conditions in ARTICLE 4 have been satisfied or waived, the Vendor shall cause the Proposal Trustee to deliver an executed copy of the Proposal Trustee's Certificate to the Vendor. Upon such delivery, Closing will be deemed to have occurred.

## **ARTICLE 6 DAMAGE BEFORE CLOSING**

### **6.1 Damage Before Closing.**

- (a) The Property shall remain at the risk of the Vendor until Closing. The Vendor shall maintain all existing insurance policies relating to the Property until Closing.
- (b) In the event that, prior to Closing, there is material damage to or destruction of the Property, then the Vendor shall notify the Purchaser within twenty-four (24) hours of such damage or destruction, and the Purchaser shall, within three (3) Business Days thereafter, elect by written notice to the Vendor and the Proposal Trustee either:
  - (i) to terminate this Agreement by delivering notice in writing to the Vendor and the Proposal Trustee, in which case this Agreement shall be terminated and shall be null and void and of no further force or effect whatsoever and the Deposit, shall be promptly returned to the Purchaser without deduction and neither party shall have any claim against the other; or
  - (ii) to complete this Agreement and accept the Property in its damaged or destroyed condition, in which event the insurance proceeds payable in respect of such damage or destruction shall be assigned or paid to the Purchaser (except insofar as such proceeds relate to loss of rental income in respect of the period prior to the Closing Date, which shall be entirely the Vendor's property) and the Purchase Price shall be reduced by an amount equal to the deductible, if any, applicable to the insurance payable in respect of such damage. The Vendor will ensure that such insurance proceeds are assigned or paid to the Purchaser on Closing.

The Purchaser shall make any such election by written Notice to the Vendor and the Proposal Trustee prior to Closing, failing which the Purchaser shall be deemed to have elected to terminate this Agreement, and the Deposit shall be promptly returned to the Purchaser without deduction, and neither party shall have any claim against the other.

- (c) In the event of damage to the Property is not substantial, the Purchaser shall complete the transaction and accept the Property at Closing in damaged condition, in which event the insurance proceeds payable in respect of such damage shall

be paid to the Purchaser, and the Purchase Price shall be reduced by an amount equal to the deductible, if any, applicable to the insurance payable in respect of such damage. The Vendor will deliver to the Purchaser, acting reasonably, satisfactory assurances that such insurance proceeds are assigned or paid to the Purchaser on Closing.

## **ARTICLE 7 PROPOSAL TRUSTEE**

**7.1 Proposal Trustee Liability.** In addition to all of the protections granted to the Proposal Trustee under the NOI Proceedings or any order of the Court in the NOI Proceedings, the Vendor and the Purchaser acknowledge and agree that the Proposal Trustee, acting in its capacity as Proposal Trustee of the Caryi Group and not in its personal capacity, and the Proposal Trustee and its directors, officers, employees, agents, advisors, and successors and assigns will have no liability, in its personal capacity or otherwise, in connection with this Agreement or the transactions contemplated hereby.

**7.2 Indemnity.** The Purchaser shall indemnify the Proposal Trustee and hold the Proposal Trustee harmless against and from all losses, costs, damages and expenses which the Proposal Trustee may sustain, incur or be or become liable for by reason of or arising from any operations of the Purchaser in relation to the Property.

## **ARTICLE 8 GENERAL**

**8.1 Expenses.** Each of the Vendor and Purchaser shall be responsible for its own legal and other expenses (including any taxes imposed on such expenses) incurred in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the transactions contemplated hereby.

**8.2 Confidentiality.**

- (a) The Vendor and Purchaser will keep the terms of this Agreement in the strictest confidence both before and after the Closing, except in the course of conveying necessary information to third parties directly involved in this transaction and except as may be required by law (including any obligation to make public disclosure of this transaction) or otherwise mutually agreed upon in writing.
- (b) Notwithstanding anything in this Agreement to the contrary, the Purchaser hereby acknowledges that the Vendor and/or Proposal Trustee shall be required to publicly file a copy of this Agreement and to disclose information concerning the transactions contemplated hereby in seeking the Approval and Vesting Order. The Purchaser hereby consents to such disclosure of this Agreement and information concerning the transactions contemplated hereby.

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

**8.4 Obligations as Covenants.** Each agreement and obligation of any of the parties hereto in this Agreement, even though not expressed as a covenant, is considered for all purposes to be a covenant.

**8.5 Waiver.** 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 be binding unless executed in writing by the party to be bound by the waiver. No failure on the part of the Vendor or the Purchaser to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right nor shall any single or partial exercise of any such right preclude any other or further exercise of such right or the exercise of any other right.

**8.6 Notice.** Any notice required or permitted to be given under this Agreement (a “**Notice**”) shall be given in writing by personal delivery or by facsimile or other electronic means of transmission at the addresses set out below. Any Notice given prior to 5:00 p.m. (Halifax time) on a Business Day shall be deemed to have been received on that Business Day. Any Notice given after 5:00 p.m. AST on a Business Day or on a day other than a Business Day shall be deemed to have been received on the next following Business Day. Notices shall be delivered or sent as follows:

To the Vendor: 3337151 Nova Scotia Limited  
99 Wyse Road  
Suite 600  
Dartmouth, N.S. B3A 4S5

Attention: Joanne Caryi  
Email:  
rubyllp1537@gmail.com

with a copy to the Vendor's solicitors: BoyneClarke LLP  
99 Wyse Road  
Suite 600  
Dartmouth, N.S. B3A 4S5

Attention: Josh Santimaw  
Email: jsantimaw@boyneclarke.ca

with a copy to the Proposal Trustee: Deloitte Restructuring Inc.  
1741 lower Water Street, Suite 800  
Halifax NS B3J 0J2

Attention: James Foran  
Email: jforan@deloitte.ca

with a copy to the Proposal Trustee's solicitors: Stewart McKelvey  
Queen's Marque  
600-1741 Lower Water Street  
Halifax, N.S. B3J 0J2

Attention: Sara Scott  
Email: sscott@stewartmckelvey.com

To the Purchaser: 778938 Ontario Limited



[REDACTED]  
Attention: Louis Reznick

Email: [REDACTED]

with a copy to the  
Purchaser's Solicitors:

Stewart McKelvey  
Queen's Marque  
600-1741 Lower Water Street  
Halifax, N.S. B3J 0J2

Attention: Ian Sutherland

Email: [isutherland@stewartmckelvey.com](mailto:isutherland@stewartmckelvey.com)

By giving to the other party at least two (2) days' Notice, any party may, at any time and from time to time, change its address for delivery or communication for the purposes of this Section 8.6.

**8.7 Assignment.** The Purchaser may assign this Agreement to an affiliate of the Purchaser with written consent of the Vendor and Proposal Trustee, such consent not to be unreasonably withheld, provided that such assignment shall relieve the Purchaser of any of its obligations hereunder.

**8.8 Third Party Beneficiaries.**

- (a) Except as set forth in Section 8.8(b) below, each Party hereto intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person, other than the parties hereto and their respective successors and permitted assigns.
- (b) The parties hereto acknowledge and agree that the Proposal Trustee is a third-party beneficiary of this Agreement, having the right to enforce the rights, covenants, directions, waivers, and disclaimers granted to or in favour of the Proposal Trustee herein (including, without limitation, those rights set forth in ARTICLE 7).

**8.9 Successors and Assigns.** This Agreement shall be binding upon the parties hereto and their respective heirs, executors, successors and permitted assigns.

**8.10 Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and, except as stated in this Agreement and in the instruments and documents to be executed and delivered pursuant to this Agreement, contains all the representations, undertakings and agreements of the parties. This Agreement supersedes all prior negotiations or agreements between the parties, whether written or verbal with respect to the subject matter of this Agreement.

**8.11 Severability.** If any provision contained in this Agreement or its application to any Person or circumstance, shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such provision to Persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected, and each provision of this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

**8.12 Non-merger.** None of the provisions of this Agreement shall merge on Closing, except as specifically provided in this Agreement.

**8.13 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia and the laws of Canada applicable therein.

**8.14 Time.** Time shall be of the essence of this Agreement. If the time limited for the performance or completion of any matter under this Agreement expires or falls on a day that is not a Business Day, the time so limited shall extend to the next following Business Day. Time limited for performing or completing any matter under this Agreement may be extended or abridged by an agreement in writing signed by the parties or by their respective solicitors.

**8.15 Counterparts and Execution.** This Agreement may be executed in counterparts and may be executed and delivered via facsimile or other electronic transmission, which counterparts and facsimile or other electronically transmitted copies shall together constitute one and the same Agreement with the same effect as if originally executed and delivered.

**[Signature Page Follows]**

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**SIGNED:**

**3337151 NOVA SCOTIA LIMITED**

DocuSigned by:  
*Joanne Caryi*  
By: 1521CD63B8904A0  
Name: Joanne Caryi  
Title: President

**778938 ONTARIO LIMITED**

By: \_\_\_\_\_  
Name:  
Title:

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**SIGNED:**

**3337151 NOVA SCOTIA LIMITED**

By: \_\_\_\_\_  
Name:  
Title:

**778938 ONTARIO LIMITED**

By: Louis Reznick  
Name: Louis Reznick  
Title: Authorized Signatory

**SCHEDULE "A"**  
**Property**

**PID 00076455**

All that messuage of tenement and premises, situate, lying and being on the corner of Barrington and Sackville Street, in the City of Halifax, bounded and described as follows: Beginning at the south western angle formed by the intersection of Barrington and Sackville Streets aforesaid;

Thence running south along the western line of Barrington street forty-five feet more or less till it comes to the north line of lot number fifteen, now or formerly owned by William Stevens;

Thence westerly seventy-two feet more or less or to the property of James W. Fenerty;

Thence running northerly along the east line of James W. Fenerty's land forty feet more or less to Sackville Street;

Thence easterly along the southern line of Sackville Street, seventy-two feet more or less to the place of beginning.

Subject to Barrington Street Heritage District Revitalization Notice found at Document Number 95956489 and By Laws at Document number 95956448 both in favour of Halifax Regional Municipality.

\*\*\* Municipal Government Act, Part IX Compliance \*\*\*

Not Subject To:

The parcel was created by a subdivision that predates subdivision control or planning legislation or by-laws in the municipality and therefore no subdivision approval was required for creation of this parcel.

## **SCHEDULE "B"**

### **Permitted Encumbrances**

#### General Encumbrances

1. Any inchoate statutory liens, charges or similar liabilities and/or rights which may exist from time to time (including, without limitation, any and all statutory rights of expropriation).
2. The reservations, limitations, provisos and conditions, if any, expressed in the original grant from the Crown, in right of Canada or the Province of Nova Scotia.
3. All applicable municipal, provincial or federal statutes, by-laws, regulations or ordinances (including, without limitation, all building and zoning by-laws and regulations) and any subdivision, site plan, development or other similar municipal agreements provided they do not materially and adversely affect the ordinary use or operation of the Property and provided that the terms thereof have been and are being complied with.
4. Any easements and/or agreements relating to drainage, storm or sanitary sewers, public utility lines, telephones lines, cable television lines or other services and all other services and all other easements, servitudes and rights of way which do not materially and adversely affect the present use of the Property and provided that the terms thereof have been and are being complied with.
5. The provisions, restrictions and limitations of the *Land Registration Act* (Nova Scotia).
6. Such other minor encumbrances or defects in title which do not, individually or in the aggregate, materially affect the use, enjoyment or value of the Property or any part thereof, or materially impair the value thereof.
7. Encumbrances respecting minor encroachments by the Property over neighbouring lands permitted under agreements with the owners of such other lands.

#### Specific Encumbrances

8. By-law registered May 19, 2010 in favour of Halifax Regional Municipality as Document No. 95956448.
9. Heritage Conservation Plan registered May 19, 2010 in favour of Halifax Regional Municipality as Document No. 95956489.
10. The leases set forth in Schedule "C".
11. The Orders to Comply.

**SCHEDULE "C"**  
**Assumed Contracts**

1. The Soup Pot Lease.
2. Elevator agreement dated January 23, 2023, between Ruby LLP and Kone Inc.



**SCHEDULE "D"**  
**Soup Pot Lease**

*See attached.*