

**SHARE PURCHASE AGREEMENT**

**Dated Effective  
April 14, 2025**

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**MT INVESTMENTS INC.  
2689707 ALBERTA LTD.  
2841575 ONTARIO INC.  
(Purchaser)**

and

**LUCKY FAMILY HOLDINGS LTD.  
(Vendor)**

with respect to the purchase of shares in the capital of

**COLE GROUP INC.  
COLE INTERNATIONAL INC.  
ABCO INTERNATIONAL FREIGHT INC.  
(Parent Entities)**

and the indirect acquisition of the following subsidiaries of the Parent Entities:

**LAKESIDE EQUIPMENT LTD.  
FREIGHT PARTNERS INTERNATIONAL INC.  
COLE INTERNATIONAL US HOLDCO INC.  
COLE INTERNATIONAL USA INC.  
CANCON ASSET MANAGEMENT LLC  
ABCO INTERNATIONAL FREIGHT (USA) INC.  
(Subsidiary Entities)**



## TABLE OF CONTENTS

	Page
<b>ARTICLE 1 DEFINITIONS.....</b>	<b>4</b>
1.1 Definitions.....	4
1.2 Currency.....	21
1.3 Calculation of Time .....	21
1.4 Accounting Principles.....	22
1.5 Absence of Presumption .....	22
1.6 Additional Rules of Interpretation .....	22
1.7 Exhibits .....	23
<b>ARTICLE 2 PURCHASE AND SALE .....</b>	<b>23</b>
2.1 Purchase and Sale.....	23
2.2 Purchase Price.....	23
2.3 Payment of the Purchase Price.....	23
2.4 Indebtedness.....	24
2.5 Related Party Debt .....	25
2.6 Holdback and Earnout Obligations .....	25
2.7 Purchase Price Adjustments.....	25
2.8 Purchase Price Adjustment Process .....	25
<b>ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE VENDOR IN RESPECT OF THE COLE ENTITIES.....</b>	<b>28</b>
3.1 Corporate Status and Authorization of the Cole Entities .....	28
3.2 Capitalization of the Parent Entities.....	29
3.3 Capitalization of the Subsidiary Entities.....	29
3.4 No Subsidiaries .....	30
3.5 No Conflicts and Consents.....	31
3.6 No Material Adverse Effect .....	31
3.7 Financial Statements of the Cole Entities .....	31
3.8 Undisclosed Liabilities.....	32
3.9 No Capital Commitments or Disposals.....	32
3.10 No Guarantees.....	32
3.11 Indebtedness for Borrowed Money.....	32
3.12 Off Balance Sheet Arrangements.....	33
3.13 Accounts Receivable.....	33
3.14 Bank Accounts .....	33
3.15 Absence of Certain Changes, Events and Conditions and Conduct Prior to Closing .....	33
3.16 Customers .....	35
3.17 Material Contracts.....	36
3.18 Title .....	37
3.19 Condition and Sufficiency of Assets.....	37
Other than as set forth in Section 3.19 of the Disclosure Schedules: .....	37
3.20 Real Property .....	38
3.21 Intellectual Property.....	42
3.22 Viruses and Technology.....	44
3.23 Cybersecurity .....	45
3.24 Insurance .....	45
3.25 Legal Proceedings and Governmental Orders.....	46

3.26	Compliance with Laws and Permits.....	46
3.27	Environmental Matters.....	46
3.28	Employment Matters.....	47
3.29	Benefit Plans .....	49
3.30	Taxes.....	52
3.31	Related Party Transactions.....	55
3.32	Books and Records.....	56
3.33	Brokers.....	56
3.34	Anti-Money Laundering and Anti-Corruption Practices .....	56
<b>ARTICLE 4 REPRESENTATIONS AND WARRANTIES IN RESPECT OF THE VENDOR.....</b>		<b>57</b>
4.1	Due Execution, Authorization and Validity of Agreement.....	57
4.2	Execution and Binding Obligation.....	57
4.3	Title to Shares .....	57
4.4	No Other Agreements to Purchase.....	58
4.5	Registered and Beneficial Owners of Lucky Holdings.....	58
4.6	Residence of the Vendor.....	58
4.7	Litigation.....	58
<b>ARTICLE 5 REPRESENTATIONS AND WARRANTIES IN RESPECT OF THE PURCHASER</b>		<b>58</b>
.....		<b>58</b>
5.1	Corporate Status and Authorization of Purchaser.....	58
5.2	No Conflicts and Required Consents .....	59
5.3	Brokers.....	59
<b>ARTICLE 6 COVENANTS .....</b>		<b>60</b>
6.1	Operation during the Interim Period .....	60
6.2	Standstill .....	61
6.3	Regulatory Approvals .....	62
6.4	Transaction Expenses.....	62
6.5	Examination of Records and Assets.....	63
6.6	Confidentiality .....	63
6.7	Personal Information Privacy.....	64
6.8	Books and Records.....	64
6.9	Benefit Plans and Employees.....	65
6.10	Request for Consents and other Regulatory Requirements.....	65
6.11	Public Announcements .....	66
6.12	Further Assurances.....	66
6.13	Excluded Real Property .....	66
6.14	Wrong Pockets.....	66
<b>ARTICLE 7 CONDITIONS AND CLOSING.....</b>		<b>67</b>
7.1	Closing .....	67
7.2	Conditions for the Benefit of the Purchaser.....	67
7.3	Conditions for the Benefit of the Vendor.....	68
7.4	Waiver of Condition.....	68
7.5	Closing Deliveries of the Vendor.....	69
7.6	Closing Deliveries of the Purchaser.....	69
<b>ARTICLE 8 TAX MATTERS .....</b>		<b>70</b>
8.1	Tax Returns.....	70

8.2	Tax Proceedings.....	71
8.3	Other Tax Provisions .....	72
8.4	Tax Elections .....	73
<b>ARTICLE 9 INDEMNIFICATION .....</b>		<b>73</b>
9.1	Survival.....	73
9.2	Indemnification by the Vendor .....	74
9.3	Indemnification by the Purchaser.....	75
9.4	Certain Limitations .....	75
9.5	Indemnification Procedures .....	77
9.6	Payments .....	79
9.7	Tax Treatment of Indemnification Payments.....	79
9.8	Exclusive Remedies .....	79
<b>ARTICLE 10 TERMINATION.....</b>		<b>80</b>
10.1	Termination.....	80
10.2	Effect of Termination.....	80
<b>ARTICLE 11 MISCELLANEOUS .....</b>		<b>81</b>
11.1	Expenses .....	81
11.2	Notices .....	81
11.3	Changes to Disclosure Schedules.....	82
11.4	Severability .....	82
11.5	Entire Agreement .....	82
11.6	Assignment .....	83
11.7	Set-Off.....	83
11.8	Successors and Assigns.....	83
11.9	No Third-Party Beneficiaries .....	83
11.10	Amendment and Modification and Waiver.....	83
11.11	Independent Legal Advice .....	83
11.12	Governing Law, Forum and Choice of Language.....	83
11.13	Specific Performance .....	84
11.14	Joint and Several Liability of Purchaser .....	84
11.15	Guarantee .....	84
11.16	Counterparts.....	84

## EXHIBITS

<b>EXHIBIT A ISSUED AND OUTSTANDING SHARES, PURCHASER ALLOCATIONS AND ALLOCATION OF PURCHASE PRICE .....</b>	<b>A-1</b>
<b>EXHIBIT B FINANCIAL STATEMENTS.....</b>	<b>B-1</b>
<b>EXHIBIT C PERMITTED ENCUMBRANCES .....</b>	<b>C-1</b>
<b>EXHIBIT D FORM OF SPECIFIC MUTUAL RELEASE.....</b>	<b>D-1</b>
<b>EXHIBIT E FORM OF RESIGNATION AND MUTUAL RELEASE.....</b>	<b>E-1</b>
<b>EXHIBIT F FORM OF NON-COMPETITION AGREEMENT.....</b>	<b>F-1</b>
<b>EXHIBIT G FORM OF ESCROW AGREEMENT.....</b>	<b>G-1</b>
<b>EXHIBIT H FORM OF EARNOUT ESCROW AGREEMENT.....</b>	<b>H-1</b>

## SHARE PURCHASE AGREEMENT

**THIS AGREEMENT** dated effective April 14, 2025.

### AMONG:

**MT INVESTMENTS INC.**, a corporation amalgamated under the laws of the Province of Alberta (“**MT Investments**”)

- and –

**2689707 ALBERTA LTD.**, a corporation incorporated under the laws of the Province of Alberta (“**AcquisitionCo 1**”)

- and -

**2841575 ONTARIO INC.**, a corporation incorporated under the laws of the Province of Ontario (“**AcquisitionCo 2**” and together with MT Investments and AcquisitionCo 1, the “**Purchaser**”)

- and -

**LUCKY FAMILY HOLDINGS LTD.**, a corporation incorporated under the laws of the Province of British Columbia (“**Lucky Holdings**”)

### RECITALS:

- A. The Vendor is and will be at the Closing Time the registered and beneficial owner of the number of Shares set out next to its name in Exhibit A.
- B. The Vendor wish to sell and the Purchaser wishes to purchase all of the Shares such that upon Closing the Purchaser will own all of the issued and outstanding shares of the Parent Entities, free and clear of all Encumbrances other than Permitted Encumbrances.

**NOW THEREFORE** in consideration of the premises and mutual covenants and conditions herein contained and other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each Party), the Parties agree as follows:

## ARTICLE 1 DEFINITIONS

### 1.1 Definitions

The following terms have the meanings specified or referred to in this Agreement:

- (a) “**2025 Annual Financial Statements**” means (i) the audited non-consolidated financial statements of Cole, Abco and Cole USA comprised of a balance sheet, statement of earnings and retained earnings, and statement of cash flows and the related notes thereto for the period commencing April 1, 2024 and ending on March 31, 2025, (ii) compiled non-consolidated financial statements for each of CGI, Lakeside, FPI, Cole USA Holdco, Abco USA and Cancon for the period commencing April 1, 2024 and ending on March 31, 2025, and (iii) the management prepared consolidated financial statements of the Cole Entities comprised of a balance sheet, statement of income and

retained earnings and the related schedule and notes thereto for the period commencing April 1, 2024 and ending on March 31, 2025, all prepared in accordance with Section 2.8;

- (b) **“Abco”** means Abco International Freight Inc., a corporation incorporated under the laws of the Province of Ontario.
- (c) **“Abco USA”** means Abco International Freight (USA) Inc., a corporation existing pursuant to the laws of the State of Delaware.
- (d) **“ACA Laws”** has the meaning set forth in Section 3.29(i).
- (e) **“Accountant”** means Avail LLP.
- (f) **“Accounts Receivable”** means, at any applicable date of determination, all trade and other accounts receivable, notes receivable and other debts due or accruing due to any one or more of the Cole Entities in respect of the Business, less any allowances for doubtful accounts, determined in accordance with the Accounting Principles.
- (g) **“AcquisitionCo 1”** has the meaning set forth in the preamble.
- (h) **“AcquisitionCo 2”** has the meaning set forth in the preamble.
- (i) **“Acquisition Proposal”** means any inquiry, proposal or offer from any Person (other than Purchaser or any of its Affiliates) concerning: (i) a merger, amalgamation, arrangement, liquidation, recapitalization, share exchange or other business combination transaction involving any one or more of the Cole Entities; (ii) the issuance or acquisition of shares in the capital, or other equity securities, of any one or more of the Cole Entities; or (iii) the sale, lease, exchange or other disposition of substantially all or any significant portion of the Assets or the assets of any one or more of the Cole Entities.
- (j) **“Action”** means any claim, action, cause of action, demand, lawsuit, arbitration, complaint, grievance, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena, notice of assessment, notice or reassessment or investigation of any nature, civil, criminal, administrative, investigative, regulatory or otherwise, whether at law or in equity.
- (k) **“Advance Ruling Certificate”** means an advance ruling certificate issued by the Commissioner pursuant to section 102 of the Competition Act to the effect that the Commissioner is satisfied that he or she would not have sufficient grounds upon which to apply to the Competition Tribunal for an order under section 92 of the Competition Act in respect of the transactions contemplated under this Agreement.
- (l) **“Affiliate”** when used to indicate a relationship with a specified Person, means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified Person and a Person shall be deemed to be controlled by another Person if controlled in any manner whatsoever that results in control in fact by that other Person (or that other Person and any Person or Persons with whom that other Person is acting jointly or in concert), whether directly or indirectly. For the purposes of this definition, **“control”**, when used with respect to any specified Person, means the power to direct the management and policies of that Person directly or indirectly, whether through ownership of securities, by trust, by contract or otherwise; and the term **“controlled”** has a corresponding meaning; provided that, in any event, any Person that owns directly, indirectly or beneficially 50% or more of the securities having voting

power for the election of directors or other governing body of a corporation or 50% or more of the partnership interests or other ownership interests of any other Person will be deemed to control that Person.

- (m) **“Agreement Date”** means the date of this Agreement first written above.
- (n) **“Agreement”** means this Share Purchase Agreement, together with the schedules and exhibits listed in Section 1.7 and attached hereto and the Disclosure Schedules, each as may be amended or restated from time to time, in accordance with the Agreement.
- (o) **“AI Technology”** means techniques that enable computers to mimic human intelligence, including deep learning, machine learning, generative artificial intelligence and other artificial intelligence technologies and algorithms, software or systems that make use of or employ neural networks, statistical learning algorithms or reinforcement learning.
- (p) **“Articles”** means the original or restated articles of incorporation, articles of amendment, articles of continuance, articles of amalgamation, articles of arrangement, articles of reorganization, articles of dissolution, articles of revival, articles of constitution, articles of organization, certificates of incorporation, letters patent, supplemental letters patent, a special act, memorandum and articles of association or any other instrument by which a corporation is incorporated, as the same may be amended from time to time.
- (q) **“Assets”** means all of the assets, real, immovable, personal and movable, tangible and intangible of the Cole Entities collectively.
- (r) **“Auditor”** means Grant Thornton LLP, or such other independent accounting firm as the Vendor and Purchaser may agree.
- (s) **“Balance Sheet Date”** means March 31, 2024.
- (t) **“Benefit Plan”** means all employee benefit plans, agreements, programs, policies, practices, material undertakings and arrangements (whether oral or written, formal or informal, funded or unfunded) maintained for, available to or otherwise relating to any employees, directors or officers or former employees, directors or officers of any of the Cole Entities, or any spouses, dependents or survivors of any employee or former employee of any of the Cole Entities, or in respect of which any of the Cole Entities, either collectively or on an individual basis, is a party to or bound by or is obligated to contribute or in any way be liable, whether or not insured or whether or not subject to any Law, including bonus, deferred compensation, incentive compensation, share purchase, share appreciation, share option, severance and termination pay, hospitalization, health and other medical benefits including medical or dental treatment or expenses, life and other insurance including accident insurance, vision, legal, long-term and short-term disability, salary continuation, vacation, supplemental unemployment benefits, education assistance, equity or equity-based compensation, change of control benefits, profit-sharing, mortgage assistance, employee loan, employee assistance and pension, retirement and supplemental retirement plans (including any defined benefit or defined contribution Pension Plan and any group registered retirement savings plan), and supplemental pension, except that the term **“Benefit Plans”** shall not include any Canadian statutory plans with which any of the Cole Entities is required to comply, including the Canada Pension Plan and plans administered under applicable provincial health tax, workers’ compensation, workplace health and safety and employment insurance legislation.

- (u) **“Books and Records”** means all records (in any type of storage medium) in the possession or control of the Cole Entities, including, without limitation, customer lists, sales records, records relating to regulatory matters, financial, accounting, tax and compliance records, including all records required in accordance with Section 17 of the *Customs Brokers Licensing Regulations* (Canada) or other applicable Laws.
- (v) **“Business”** means customs brokerage services, international and domestic freight forwarding and logistics services, trade consulting and compliance services.
- (w) **“Business Day”** means any day except Saturday, Sunday or any other day on which banks located in the City of Calgary are authorized or required by Law to be closed for business.
- (x) **“Cancon”** means Cancon Asset Management LLC, a corporation existing pursuant to the laws of the State of Arizona.
- (y) **“Cancon Membership Interests”** means all the issued and outstanding membership interests in Cancon.
- (z) **“CBP”** means the United States Customs and Border Protection.
- (aa) **“CBSA”** means the Canada Border Services Agency.
- (bb) **“CFPOA”** has the meaning set forth in Section 3.34(b).
- (cc) **“CGI”** means Cole Group Inc., a corporation incorporated under the laws of the Province of Alberta.
- (dd) **“Closing”** means the completion of the transaction of purchase and sale of the Shares contemplated by this Agreement and of all other transactions contemplated by this Agreement which must be completed concurrently with the purchase and sale of the Shares.
- (ee) **“Closing Date”** has the meaning set forth in Section 7.1(a).
- (ff) **“Closing Payment”** has the meaning set forth in Section 2.3(a).
- (gg) **“Closing Time”** means 2:00 p.m. (Calgary time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing shall take place.
- (hh) **“Closing Working Capital”** means the Working Capital as of the Effective Time calculated from the Final Financial Statements.
- (ii) **“Code”** means the U.S. Internal Revenue Code of 1986, as amended.
- (jj) **“Cole”** means Cole International Inc., a corporation amalgamated under the laws of the Province of Alberta.
- (kk) **“Cole Entities”** means each of the following corporations:
  - (i) Cole;
  - (ii) CGI;



- (iii) Abco;
- (iv) Lakeside;
- (v) FPI;
- (vi) Cole USA Holdco;
- (vii) Cole USA;
- (viii) Abco USA; and
- (ix) Cancon,

and “**Cole Entity**” means any one of them.

- (ll) “**Cole USA**” means Cole International USA Inc., a corporation existing pursuant to the laws of the State of Nevada.
- (mm) “**Cole USA Shares**” means all the issued and outstanding shares in the capital of Cole USA.
- (nn) “**Cole USA Entities**” means, collectively, Cole USA, Cole USA Holdco, Cancon and Abco USA.
- (oo) “**Cole USA Holdco**” means Cole International U.S. Holdco, Inc., a corporation existing pursuant to the laws of the State of Delaware.
- (pp) “**Cole USA Holdco Shares**” means all the issued and outstanding shares in the capital of Cole USA Holdco.
- (qq) “**Commissioner**” means the Commissioner of Competition appointed under the Competition Act or any Person authorized to exercise the powers and perform the duties of the Commissioner of Competition.
- (rr) “**Competition Act**” means the *Competition Act* (Canada).
- (ss) “**Competition Act Approval**” means:
  - (i) the Commissioner shall have issued (and not rescinded) an Advance Ruling Certificate to the Purchaser; or
  - (ii) both of (i) the expiry or termination of the applicable waiting period (including any extension of such waiting period) under section 123 of the Competition Act, or the waiver of the obligation to provide a pre-merger notification in accordance with section 113(c) of the Competition Act and (ii) the Commissioner shall have issued (and not rescinded) a No-Action Letter to Purchaser.
- (tt) “**Contracts**” means all contracts, leases, deeds, mortgages, licences, instruments, notes, commitments, undertakings, indentures, joint ventures and all other agreements, commitments and legally binding arrangements, whether written or oral.
- (uu) “**Corporate IP**” means all Intellectual Property that is owned, maintained or used by any of the Cole Entities.

- (vv) **“Corporate IP Agreements”** means all licences, sublicences, consent to use agreements, settlements, coexistence agreements, covenants not to sue, permissions and other Contracts (including any right to receive or obligation to pay royalties or any other consideration), whether written or oral, relating to Intellectual Property to which any of the Cole Entities are a party, beneficiary or otherwise bound.
- (ww) **“Corporate IP Registrations”** means all Corporate IP that is subject to any issuance registration, application or other filing by, to or with any Governmental Authority or authorized private registrar in any jurisdiction, including registered trademarks, trade dress, designs, domain names and copyrights, issued and reissued patents and pending applications for any of the foregoing.
- (xx) **“Current Assets”** means the current assets of the Cole Entities to the extent any such item is considered to be a current asset in accordance with the Accounting Principles including income tax receivable and provided that all intercompany balances among the Cole Entities and all marketable securities, short term investments and deferred Tax assets shall be excluded.
- (yy) **“Current Liabilities”** means the current liabilities (excluding the current portion of all long-term debt of the Cole Entities) of the Cole Entities to the extent any such item is considered to be a current liability in accordance with the Accounting Principles including, income tax payable and provided that deferred Tax liabilities and intercompany balances among the Cole Entities shall be excluded.
- (zz) **“Customs Bonds”** means the bonds filed or required to be filed by the Cole Entities with each Governmental Authority in connection with the Business.
- (aaa) **“Customs Brokerage Permits”** means the licenses, permits, registrations and certificates relating to customs brokerage activities, including sufferance warehouses, carried on in connection with the Business.
- (bbb) **“Data Room”** means the electronic data room hosted by [*Redacted – name of host entity*] in connection with the transaction contemplated hereby and named [*Redacted – project name*], comprised of information contained in the files, reports, data, documents and other materials relating to the Vendor and the Cole Entities and uploaded by the Vendor or its advisors at or before 12:00 p.m. (Calgary time) on: (i) the date that is one (1) Business Day prior to the Agreement Date; or (ii) the date that is five (5) Business Days prior to the Closing Date, in the event that any additions, changes or modifications are made to such disclosure by the Vendor or its advisors in accordance with Section 11.3.
- (ccc) **“Direct Claim”** has the meaning set forth in Section 9.5(c).
- (ddd) **“Disclosure Schedules”** means the schedules attached to this Agreement delivered by the Vendor to the Purchaser concurrently with the execution and delivery of this Agreement.
- (eee) **“Disposal”** means any disposal by any means, including dumping, incineration, spraying, pumping, injecting, depositing or burying.
- (fff) **“Dollars”** or **“\$”** means the lawful currency of Canada unless otherwise specifically noted.
- (ggg) **“Earnout Escrow Agreement”** means the escrow agreement to be entered into by the Purchaser, the Escrow Agent and Vendor on the Closing Date, with respect to the Earnout Amount, substantially in the form attached hereto as Exhibit H.

- (hhh) **“Earnout Obligations”** means collectively, any amounts payable, contingent or otherwise, by any Cole Entity pursuant to, (i) the share purchase agreement [*Redacted – parties to share purchase agreement*]; and (ii) the membership interest purchase agreement [*Redacted – parties to membership interest purchase agreement*].
- (iii) **“Earnout Obligations Amount”** means the amount of \$[*Redacted – dollar amount*].
- (jjj) **“Effective Time”** means 12:01 a.m. on the Closing Date.
- (kkk) **“Employee”** means an individual employed by any of the Cole Entities on the Agreement Date.
- (lll) **“Encumbrance”** means any encumbrance, restriction or charge of any kind or nature whatsoever and howsoever arising (whether registered or unregistered) and includes a security interest, mortgage, easement, servitude, adverse ownership interest, defect on title, condition, right of first refusal, right of first offer, right-of-way, encroachment, building or use restriction, conditional sale agreement, hypothec, pledge, deposit by way of security, hypothecation, assignment, charge, trust or deemed trust, voting trust or pooling agreement with respect to securities, any adverse claim, priorities, grant of any exclusive licence or sole licence, or any other right, option or claim of others of any kind whatsoever, and includes any agreement to give any of the foregoing in the future, and any subsequent sale or other title retention agreement or lease in the nature thereof, affecting any of the Cole Entities, the Shares, the Business or the Assets.
- (mmm) **“Environment”** means the air, surface water, ground water, body of water, any land (including surface land and sub-surface strata), soil or underground space, all living organisms and the interacting natural systems that include components of the air, land, water and inorganic matters and living organisms, and the environment or natural environment as defined in any Environmental Law applicable to the Business and the Cole Entities, and **“Environmental”** shall have a corresponding meaning.
- (nnn) **“Environmental Law”** means any and all Laws relating to the protection of the Environment including those relating to the storage, generation, use, handling, manufacture, processing, transportation, import, export, treatment, Release or Disposal of any Hazardous Substance.
- (ooo) **“Environmental Notice”** means any written directive, notice, investigation, proceeding, summons, request for information, citation, letter or other written communication from any Governmental Authority relating to non-compliance or potential non-compliance with or breach of or potential breach of any Environmental Law or Environmental Permit.
- (ppp) **“Environmental Permit”** means any Permit, letter, clearance, consent, waiver, closure, exemption, decision or other action required under or issued, granted, given, authorized by or made by any Governmental Authority under any Environmental Law.
- (qqq) **“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended.
- (rrr) **“ERISA Affiliate”** means, with respect to any Person, any other Person (a) that is part of a “controlled group” (within the meaning of ERISA Section 4001(a)(14)) that includes the first Person, (b) that is part of a group of trades or businesses, including the first Person, that are under “common control” within the meaning of ERISA Section 4001(b), or (c) that is part of a group of Persons, including the first Person, that are treated as a single employer pursuant to Code Section 414 (including without limitation by the application of Code Section 414(t) and Code Section 105(h)(8)).

- (sss) **“Escrow Agent”** means MLT Aikins LLP.
- (ttt) **“Escrow Agreement”** means the escrow agreement to be entered into by the Purchaser, the Escrow Agent and Vendor on the Closing Date, with respect to the Holdback Amount, substantially in the form attached hereto as Exhibit G;
- (uuu) **“Excluded Real Property”** means the real property municipally described as:
- (i) *[Redacted – municipal description]*
  - (ii) *[Redacted – municipal description]*
  - (iii) *[Redacted – municipal description]*
  - (iv) *[Redacted – municipal description]*
  - (v) *[Redacted – municipal description]*
- (vvv) **“FACFOA”** has the meaning set forth in Section 3.34(b).
- (www) **“FCPA”** has the meaning set forth in Section 3.34(b).
- (xxx) **“Financial Statements”** means, (i) collectively the financial statements of the Cole Entities described in Exhibit B; and (ii) the Interim Financial Statements.
- (yyy) **“Financial Statement Framework”** means compilation engagements prepared in accordance with Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, as recommended in the CPA Canada Handbook.
- (zzz) **“Final Financial Statements”** means the (i) audited non-consolidated financial statements of each of Cole, Abco and Cole USA comprised of a balance sheet, statement of earnings and retained earnings, and statement of cash flows and the related notes thereto for the period commencing April 1, 2025 and ending on the Closing Date; and (ii) compiled, non-consolidated financial statements for each of CGI, Lakeside, FPI, Cole USA Holdco, Abco USA and Cancon for the period commencing April 1, 2025 and ending on the Closing Date; and (iii) the management prepared consolidated financial statements of the Cole Entities comprised of a balance sheet, statement of income and retained earnings and the related schedule and notes thereto for the period commencing April 1, 2025 and ending on the Closing Date, all prepared in accordance with Section 2.8.
- (aaaa) **“Final Financial Statements Certificate”** has the meaning set forth in Section 2.8(h)(i).
- (bbbb) **“FPI”** means Freight Partners International Inc., a corporation incorporated under the federal laws of Canada.
- (cccc) **“FPI Shares”** means all the issued and outstanding shares in the capital of FPI.
- (dddd) **“Fraud”** has the meaning set forth in Section 9.4(e).
- (eeee) **“Governmental Authority”** means: (i) any court, tribunal, judicial body or arbitral body or arbitrator; (ii) any domestic or foreign government or supranational body or authority whether multinational, national, federal, provincial, territorial, state, municipal or local and any governmental agency, governmental authority, governmental body, governmental bureau,

governmental department, governmental tribunal or governmental commission of any kind whatsoever including the CBP and the CBSA; (iii) any subdivision or authority of any of the foregoing; (iv) any quasi-governmental or private body or public body exercising any regulatory, administrative, expropriation or taxing authority under or for the account of the foregoing; (v) any stock or securities exchange; and (vi) any public utility authority.

- (ffff) “**Governmental Order**” means any order, writ, judgment, injunction, decree, stipulation, determination, award, decision, sanction or ruling entered by or with any Governmental Authority.
- (gggg) “**GST/HST**” means all taxes levied under Part IX of the *Excise Tax Act* (Canada).
- (hhhh) “**Hazardous Substance**” means any pollutant, contaminant, waste, hazardous substance, or hazardous waste as defined under any Environmental Law and in each case, present in any amount or concentration in excess of what is permitted by Environmental Law.
- (iiii) “**Holdback Amount**” means the amount of \$[*Redacted – dollar amount*].
- (jjjj) “**Human Rights Laws**” means the *Human Rights Act* (Alberta), and, in the other provinces of Canada and in the United States, all laws (including provincial, state or local laws applicable to the Cole Entities) available to all current or former employees.
- (kkkk) “**Income Tax Act**” means the *Income Tax Act* (Canada) and regulations thereto in effect on the date of this Agreement.
- (llll) “**Indebtedness**” means, with respect to any Person, without duplication, indebtedness of such Person for borrowed money, or indebtedness issued or incurred in substitution or exchange for indebtedness for borrowed money of any Person or other indebtedness of such Person, whether current portion of long-term debt, or secured or unsecured, including:
- (i) every obligation of such Person evidenced or secured by any note, bond, debenture, hypothec, prior claim, mortgage or other debt instrument, debt security (including callable debt) or other similar instruments;
  - (ii) every obligation of such Person under conditional sale agreements, instalment sale agreement or other title retention agreement or other similar instruments relating to purchased property (moveable or immovable) or assets (even if the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property);
  - (iii) all indebtedness of such Person secured by a purchase money mortgage, hypothec in favour of a vendor, resolutive clause or other Encumbrance to secure all or part of the purchase price of the property (moveable or immovable) subject to such Encumbrance;
  - (iv) all obligations under leases which have been or must be, in accordance with Accounting Principles, recorded as capital leases in respect of which such Person is liable as lessee and for greater certainty, excluding any leases which must be, in accordance with Accounting Principles, recorded as operating leases;
  - (v) all amounts owing or due under, including any premiums, penalties, termination fees, expenses or breakage costs due upon prepayment of, any interest rate or foreign exchange

hedging arrangements upon termination, novation or any assignment and assumption of such arrangements;

- (vi) any liability of such Person in respect of bankers' acceptances, letters of credit or similar arrangement;
- (vii) all interest, penalties, fees, breakage costs, prepayment premiums and other expenses owed with respect to indebtedness referred to above or payable upon the consummation of the transactions contemplated under this Agreement or the Transaction Documents, but for certainty excluding the Transaction Expenses; and
- (viii) all indebtedness and every obligation of the type referred to above of any other Person, which is directly or indirectly guaranteed by such Person or which such Person has agreed (contingently or otherwise) to purchase or otherwise acquire or in respect of which it has otherwise assured a creditor against loss,

in each case, excluding any amounts that constitute current liabilities of the Cole Entities that are included in the calculation of Working Capital.

(mmmm) **"Indemnified Party"** has the meaning set forth in Section 9.5.

(nnnn) **"Indemnifying Party"** has the meaning set forth in Section 9.5.

(oooo) **"Independent Contractor"** means:

- (i) any individual or personal service entity, (A) who is not, or was not (with respect to former Independent Contractors), an employee, officer or director of any of the Cole Entities when providing services; (B) who provides or provided (with respect to former Independent Contractors) services to any of the Cole Entities directly or through such individual's personal services entity, and (C) which individual or personal services entity receives or received remuneration from any of the Cole Entities under a Contract for services; or
- (ii) any individual who is, on the Agreement Date or on the Closing Date, an employee, officer or director of any of the Cole Entities, but who prior to the Agreement Date or the Closing Date, as the case may be, was an individual described above in subsection (i).

(pppp) **"Insurance Policies"** has the meaning set forth in Section 3.24.

(qqqq) **"Intellectual Property"** means all rights, title and interest in and to intellectual property and industrial property rights and assets, and all rights, interests and protections that are associated with or required for the exercise of, any of the foregoing, however arising, under the Laws of any jurisdiction throughout the world, whether registered or unregistered, including any and all:

- (i) trademarks, service marks, trade names, brand names, social media identifiers, logos, trade dress, design rights and other similar designations of source, sponsorship, association or origin, together with the goodwill connected with the use of and symbolized by, and all registrations, applications, renewals and pending findings for, any of the foregoing;
- (ii) business names, corporate names, business communications numbers, electronic mail and other communication addresses owned, maintained or used;

- (iii) internet domain names, whether or not registered as trademarks, registered in any top-level domain by any authorized private registrar or Governmental Authority, URLs, web addresses, web pages, websites and related content, accounts and pages with X® (formerly Twitter), Facebook®, Instagram®, TikTok®, LinkedIn®, YouTube® and other social media platforms and the content found thereon and related thereto, and URLs;
  - (iv) works of authorship, fixed in any media, expressions, designs and design registrations, whether or not copyrightable, including copyrights, author, performer and moral rights, and all registrations, applications supplemental filings and renewals thereof;
  - (v) industrial designs, industrial design rights, design patents and all registrations thereof;
  - (vi) inventions, discoveries, trade secrets, business and technical information and know-how, databases, data collections and other confidential and proprietary information and all rights therein;
  - (vii) patents (including all patent registrations, reissues, divisional applications or analogous rights, continuations and continuations-in-part, re-examinations, renewals, substitutions and extensions thereof), patent applications and other patent rights and any other Governmental Authority issued indicia of invention ownership (including inventor's certificates and patent utility models);
  - (viii) Software (including all related specifications, revisions, enhancements, and customizations);
  - (ix) the goodwill associated with any of the foregoing;
  - (x) past, present, and future causes of action, rights of recovery and claims for equitable relief, damages, accounting for profits, royalties, costs, fees or other relief relating to, arising from, or pertaining to any of the foregoing;
  - (xi) licenses, consents, permissions, covenants not to sue and other contractual rights in respect of, or relating to, the foregoing; and
  - (xii) rights, title and interest arising therefrom or associated with any of the foregoing.
- (rrrr) **“Interim Financial Statements”** means the management prepared non-consolidated financial statements of each of the Cole Entities comprised of a balance sheet and profit loss report for the nine-month period ended December 31, 2024.
- (ssss) **“IRS”** means Internal Revenue Service.
- (tttt) **“Lakeside”** means Lakeside Equipment Ltd., a corporation incorporated under the laws of the Province of Ontario.
- (uuuu) **“Lakeside Shares”** means all the issued and outstanding shares in the capital of Lakeside.
- (vvvv) **“Law”** means any statute, law, ordinance, regulation, rule, instrument, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any Governmental Authority.

(www) **“Leased Real Property”** has the meaning set forth in Section 3.20(a).

(xxxx) **“Liabilities”** means all debts, payment obligations or payment commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured or otherwise.

(yyyy) **“Losses”** means losses, damages, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, costs, assessments or expenses of whatever kind, including actual legal fees, disbursements and charges incurred including in connection with the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers.

(zzzz) **“Material Adverse Effect”** means any effect that is, individually or in the aggregate, materially adverse to:

- (i) the Business, Assets, Liabilities, condition (financial or otherwise) or results of operations of the Cole Entities (taken as a whole);
- (ii) the Purchaser’s ability to operate the Business immediately after Closing in substantially the same manner in which the Business operated before Closing,

provided that a Material Adverse Effect will not include any event, occurrence, fact, condition or change, directly or indirectly, arising out of or attributable to:

- (A) general regional, national or global economic, political, financial, currency exchange or securities market conditions including, for greater certainty, changes in: (A) currency exchange rates or in interest rates; and (B) domestic or international political, social or trade conditions, including any tariff, duty, import or export ban or restriction, embargo or other trade policy or measure enacted or imposed by any Governmental Authority in North America;
- (B) conditions generally affecting the industries in which the Business operates;
- (C) any acts of God, national disaster, acts of war (whether or not declared), armed hostilities or terrorism or the escalation or worsening thereof;
- (D) any adoption, proposal, implementation or change in any Law, accounting rules or principles, including Accounting Principles, or the enforcement or interpretation thereof;
- (E) any epidemic, pandemic, endemic or outbreaks of illness (including the COVID-19 pandemic or any variant thereof) or other health crisis or public health event declared by a Governmental Authority, including the worsening thereof;
- (F) the failure of any Cole Entity to meet any projections, forecasts or estimates of revenues, earnings, cash flows that have been provided to the Purchaser in connection with its due diligence inquiries or the negotiation of this Agreement;
- (G) a matter that has, prior to the date hereof, been disclosed in writing by or on behalf of the Vendor or any Cole Entity to the Purchaser;



- (H) any action or omission taken by the Vendor or any Cole Entity that is consented to, in writing, by the Purchaser pursuant to this Agreement; or
- (I) the public announcement, pendency or completion of the transactions contemplated by this Agreement;

provided, however, that the change or effect referred to in (A), (B), (C), (D) or (E) above does not primarily relate only to (or have the effect of primarily relating only to) the Cole Entities, taken as a whole, or disproportionately affect the Cole Entities, taken as a whole, as the case may be, compared to other comparable companies and entities operating in the industries and businesses in which the Business operates, in which case, the relevant exclusion from this definition Material Adverse Effect referred to in (A), (B), (C), (D) or (E) above will not be applicable.

(aaaaa) “**Material Contracts**” has the meaning set forth in Section 3.17(a).

(bbbbb) “**Material Customers**” has the meaning set forth in Section 3.16.

(ccccc) “**Newcos**” has the meaning set forth in Section 11.15.

(ddddd) “**No-Action Letter**” means written confirmation from the Commissioner that he or she does not, at that time, intend to make an application under section 92 of the Competition Act in respect of the transactions contemplated under this Agreement.

(eeeee) “**Non-Competition Agreement**” means the non-competition agreement to be delivered by the Vendor at the Closing Time in the form of Exhibit F.

(fffff) “**Objection Notice**” has the meaning set forth in Section 2.8(c).

(ggggg) “**Occupational Health and Safety Laws**” means the *Workers Compensation Act* (Alberta), the *Occupational Health and Safety Act* (Alberta), the *Occupational Safety and Health Act of 1970 (US)*, the regulations promulgated by the Occupational Health and Safety Administration (US) and all other Laws of any jurisdiction with authority over the Cole Entities with respect to the subject matter of such Laws or with respect to any aspect of the occupational health and safety of current and former employees of the Cole Entities.

(hhhhh) “**Ordinary Course**”, when used in relation to the conduct of the Business of any of the Cole Entities, means any action that constitutes an ordinary day-to-day business activity of the Cole Entities conducted in a manner reasonably consistent with the applicable Cole Entities’ past practice and the conduct of a prudent operator of a business that is substantially the same as the Business.

(iiii) “**Outside Date**” means October 1, 2025.

(jjjj) “**Owned Real Property**” has the meaning set forth in Section 3.20(g).

(kkkkk) “**Parent Entities**” means, collectively, Cole, CGI and Abco, and “**Parent Entity**” means any one of them.

(lllll) “**Party**” means any party to this Agreement and “**Parties**” means, collectively, the parties to this Agreement.

(mmmmm) **“Payout Statement”** has the meaning set forth in Section 2.4.

(nnnnn) **“Pension Plan”** means a “registered pension plan” as that term is defined in subsection 248(1) of the Income Tax Act and any pension plans covering employees of the Cole Entities resident in the United States.

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

(ppppp) **“Permitted Encumbrances”** means:

- (i) statutory Encumbrances for current Taxes, special assessments or other charges of a Governmental Authority not yet due and payable or delinquent and for which adequate accruals were made in the Financial Statements in accordance with the Accounting Principles;
- (ii) statutory liens and deposits or pledges imposed by Law that arise in the Ordinary Course, including those made in connection with, or to secure payment of, worker’s compensation, employment insurance, Canada Pension Plan programs mandated under Law and for which adequate accruals were made in the Financial Statements in accordance with the Accounting Principles;
- (iii) restrictions on the transfer of securities arising at Law or under the Articles;
- (iv) undetermined or inchoate Encumbrances imposed or permitted by laws and incurred in the Ordinary Course and in the operation of the Business, such as builder’s liens, construction liens, materialmens’ liens, legal hypothecs, and other liens, privileges or other charges of a similar nature that relate to obligations not due (or delinquent);
- (v) any reservations or exceptions contained in or implied by statute in the original dispositions from the Crown and grants made by the Crown of any land or interest reserved therein;
- (vi) security given in the Ordinary Course to a public utility or any municipality or Governmental Authority in connection with the operation of the Business;
- (vii) all encroachments, overlaps, overhangs, unrecorded servitudes and easements, variations in area or measurement, rights of parties in possession, lack of access or any other matters not of record that would be disclosed by an accurate survey or physical inspection of the Real Property and that do not materially interfere with or affect the value or operation of the Business as currently carried on at such Real Property;
- (viii) all permits, servitudes and easements (including conservation easements and public trust easements, rights-of-way, road use agreements, covenants, conditions, restrictions, reservations, licences, other surface agreements and other matters of record) and zoning by-laws and restrictions, ordinances and other restrictions as to the use of real property; provided that they are not of such a nature as to have a Material Adverse Effect on the value or use of the Real Property subject thereto or the operation of the Business as currently carried on at such Real Property;

- (ix) operating leases and other Encumbrances granted in the Ordinary Course in connection with any office equipment;
- (x) landlords' Encumbrances or any other rights or distress reserved in or exercisable under any lease of Leased Real Property for rent and for compliance with the terms of such lease, provided that such Encumbrances do not attach generally to all or substantially all of the undertaking, Assets and property of any Cole Entity; and
- (xi) the specific Encumbrances listed in Exhibit C.

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

(rrrrr) **“Personal Information”** means any factual or subjective information, recorded or not, that is linked to, or may be reasonably linked to an identified or identifiable natural person, including Employees, Independent Contractors, agents, consultants, officers, directors, clients, customers, website users, online application users or suppliers of any of the Cole Entities, but Personal Information does not include the name, job title or business address, business email address or telephone number of an Employee.

(sssss) **“Post-Closing Benefit Liability”** means any and all payments for which the Purchaser is liable, which is attributable to entitlements owed to Employees or former employees of the Corporation or any of the Cole Entities or the Vendor from and after the Effective Time, or which such Employees or former employees will become entitled to from and after the Effective Time, resulting from any Benefit Plan or other agreements or arrangements made with the Purchaser or any of the Cole Entities or the Vendor from and after the Effective Time (including any equity compensation plan), and all claims, payments and obligations owed under any Benefit Plan arising or relating to a period from and after the Effective Time.

(ttttt) **“Post-Closing Tax Period”** means any Tax or fiscal period beginning on or after the Closing Date, and, with respect to a taxation year or fiscal period that includes but does not end on the Closing Date, the portion of such Tax or fiscal period beginning after the Closing Date.

(uuuuu) **“Pre-Closing Benefit Liability”** means any and all payments for which any of the Cole Entities is liable, which is attributable to entitlements owed to Employees or former employees any of the Cole Entities or the Vendor as of the Effective Time, or which such Employees or former employees will become entitled to after the Effective Time, resulting from any Benefit Plan or other agreements or arrangements made with the Vendor or any of the Cole Entities before the Effective Time (including any equity compensation plan), and all claims, payments and obligations owed under any Benefit Plan arising or relating to a period before the Effective Time, including any incurred but not yet paid amounts owed to any Employee or former employee of any of the Cole Entities or the Vendor but excluding any Liability arising because of the Purchaser Benefit Plans or other terms and conditions of employment of the Employees after Closing except those relating to terms and conditions of employment of Employees that the Purchaser was unaware of as a result of a breach by the Vendor of any of its representations and warranties in this Agreement (without reference to any survival period provided for in this Agreement) but excluding the Post-Closing Benefit Liability.

(vvvvv) **“Pre-Closing Tax Period”** means any Tax or fiscal period ending on or before 11:59 p.m. on the date that is one day immediately prior to the Closing Date.

- (wwwww) “**Pre-Closing Taxes**” means any and all Taxes of the Cole Entities relating to a Pre-Closing Tax Period.
- (xxxxx) “**Purchase Price**” has the meaning set forth in Section 2.2.
- (yyyyy) “**Purchaser**” has the meaning set forth in the preamble and, for the avoidance of doubt means collectively MT Investments, AcquisitionCo 1 and AcquisitionCo 2 or any one of them individually, as the context requires.
- (zzzzz) “**Purchaser Benefit Plans**” has the meaning set forth in Section 6.9(b).
- (aaaaa) “**Purchaser Fundamental Representations**” has the meaning set forth in Section 9.1(a).
- (bbbbb) “**Purchaser Indemnitees**” has the meaning set forth in Section 9.2.
- (ccccc) “**Real Property**” means the rights, title, estate, interest, license, sublease or other right of occupancy present or future in and to the Owned Real Property and the Leased Real Property including all buildings, erections, structures, fixtures and improvements of any nature or kind now and hereafter situated thereon and all other appurtenances thereto.
- (dddddd) “**Related Party**” means, with respect to each Cole Entity, the Vendor and each officer, director, employee, contractor and shareholder of each Cole Entity and each corporate Vendor together with any Person with whom the Cole Entity is not dealing at arm’s length (within the meaning of the Income Tax Act) and any Affiliate, spouse, child or entity wholly owned or otherwise controlled by any of the foregoing.
- (eeeeee) “**Related Party Debt**” means all Liabilities owed by any of the Cole Entities to a Related Party excluding employment compensation owing to any Person in the Ordinary Course.
- (ffffff) “**Related Party Debt Statement**” has the meaning set forth in Section 2.5.
- (gggggg) “**Release**” means any actual or threatened release, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, abandonment, disposing or allowing to escape or migrate of any Hazardous Substance into or through the Environment or as defined in any Environmental Law, and the term “**Released**” shall have a similar meaning.
- (hhhhhh) “**Remedial Order**” means any Governmental Order issued, filed or imposed under any Environmental Law and includes any Governmental Order requiring any remediation or clean-up of any Hazardous Substance, or requiring that any Release or Disposal be reduced or eliminated.
- (iiiiii) “**Representative**” means, with respect to any Person, any and all directors, officers, financial advisors, lawyers, accountants and other agents of such Person.
- (jjjjjj) “**Required Consents**” means the consents, approvals and notices set out in Section 3.5 of the Disclosure Schedules.
- (kkkkkk) “**Resignation and Mutual Release**” means the resignation and mutual release to be delivered by each of the directors of each of the Cole Entities in the form attached as Exhibit E.
- (llllll) “**SEMA**” has the meaning set forth in Section 3.34(b).
- (mmmmmm) “**Shares**” has the meaning set forth in the recitals.

- (nnnnnn) **“Software”** means computer programs, operating systems, applications, interfaces, applets, software scripts, macros, firmware, middleware, development tools and other codes, instructions or sets of instructions for computer hardware or software, including SQL and other query languages, hypertext markup language, wireless markup language, xml and other computer markup languages, in object, source code or other code format including, without limitation, the following software developed by the Cole Entities, OCR Software Cole Inc., SLOAP, DASH, MAP, A8A Manifest creation, FTA, SWI, Tariff Upload, Credit Release.
- (oooooo) **“Solicitors for the Purchaser”** means MLT Aikins LLP.
- (pppppp) **“Solicitors for the Vendor”** means Carscallen LLP.
- (qqqqqq) **“Specific Mutual Release”** means the specific mutual release to be delivered by the Vendor at the Effective Time in the form attached as Exhibit D.
- (rrrrrr) **“Subsidiary Entities”** means, collectively, Lakeside, FPI, Cole USA Holdco, Cole USA, Abco USA, and Cancon, and **“Subsidiary Entity”** means any one of them.
- (ssssss) **“Subsidiary Shares”** means, collectively, the Lakeside Shares, FPI Shares, Cole USA Holdco Shares, Cole USA Shares, Abco USA Shares, and Cancon Membership Interests.
- (tttttt) **“Supplement”** has the meaning set forth in Section 11.3.
- (uuuuuu) **“Systems”** has the meaning set forth in Section 3.23.
- (vvvvvv) **“Tax”** or **“Taxes”** means all taxes, surtaxes, duties, levies, imposts, fees, assessments, reassessments, withholdings, dues and other charges of any nature, imposed or collected by any Governmental Authority, whether disputed or not, including federal, provincial, territorial, state, municipal and local, foreign and other income, franchise, capital, real property, personal property, withholding, payroll, health, transfer, value added, alternative, or add on minimum tax including GST/HST, provincial sales tax, sales, use, consumption, excise, customs, anti-dumping, countervail, net worth, stamp, registration, franchise, payroll, employment, education, business, school, local improvement, development and occupation taxes, duties, levies, imposts, fees, assessments and withholdings and Canada Pension Plan contributions, employment insurance premiums and all other taxes and similar governmental charges, levies or assessments of any kind whatsoever imposed by any Governmental Authority including any installment payments, interest, penalties or other additions associated therewith, whether or not disputed.
- (wwwwww) **“Tax Claim”** has the meaning set forth in Section 8.3(b).
- (xxxxxx) **“Tax Contest”** has the meaning set forth in Section 8.2(a).
- (yyyyyy) **“Tax Law”** means the Income Tax Act, the Code and all federal (Canadian and U.S.), provincial, state, territorial, municipal, foreign, or other statutes imposing a Tax, including all treaties, conventions, rules, regulations, order, directive, judgment, decree, award, injunction, ruling, assessment, stipulation, determination or writ of any Tribunal, and decrees of any jurisdiction.
- (zzzzzz) **“Tax Return”** means all reports, returns, information returns, claims for refunds, elections, designations, estimates, reports and other documents, including any schedule or attachments

thereto, filed or required to be filed or supplied to any Governmental Authority in respect of Taxes and including any amendment thereof or attachment thereto.

(aaaaaaa) “**Third Party Claim**” has the meaning set forth in Section 9.5(a)(i).

(bbbbbbb) “**Transaction Documents**” means this Agreement, the Non-Competition Agreement, the Specific Mutual Releases, the Resignation and Mutual Releases, the Escrow Agreement and the Earnout Escrow Agreement.

(ccccccc) “**Transaction Expenses**” means, except as otherwise provided in this Agreement, the out-of-pocket fees and expenses incurred by any of the Cole Entities in connection with the negotiation, execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, in each case, due and payable by any Cole Entity prior to, on or after the Closing Time and which will not have been paid as of the Closing Time, including: (i) the costs, fees and expenses of financial advisors, legal counsel, accountants, consultants and other advisors engaged with respect to the transactions contemplated by this Agreement or in connection with any auction, bid or other process to market the sale or potential sale of the Business, (ii) all sale, “stay around”, retention, change of control or similar bonuses, payment or benefits to any current or former directors, officers, employees and consultants triggered by, or paid as a result of or in connection with Closing, including any employer portion of Taxes on such amounts, and (iii) all fees or other payments payable by any of the Cole Entities to any shareholder of a Cole Entity or any Affiliate of any such Person as a result of or in connection with Closing.

(ddddddd) “**Thunder Bay Property Transfer**” means the property owned by Noma Brokerage Ltd. dated as of this Agreement, municipally described as 180 Main Street, Thunder Bay, Ontario, which property shall be transferred to CGI prior to the Closing Date.

(eeeeeee) “**Vendor**” means Lucky Holdings.

(ffffff) “**Vendor Fundamental Representations**” has the meaning set forth in Section 9.1(a).

(ggggggg) “**Vendor Indemnitees**” has the meaning set forth in Section 9.3.

(hhhhhhh) “**Vendor’s Knowledge**” or any other similar knowledge qualification, means the actual knowledge of *[Redacted – names of individuals]* after due inquiry and without personal liability on the part of any of them.

(iiiiiii) “**Working Capital**” means the amount by which Current Assets exceed or are less than Current Liabilities.

(jjjjjjj) “**Working Capital Target**” means \$*[Redacted – dollar amount]*.

## 1.2 Currency

All dollar amounts referred to in this Agreement are stated in Canadian dollars, unless otherwise indicated.

## 1.3 Calculation of Time

In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and end at 4:00 p.m. (Calgary time) on the last day of the period. If any period is to expire under

this Agreement on any day that is not a Business Day, the period will be deemed to expire at 4:00 p.m. (Calgary time) on the next succeeding Business Day.

#### **1.4 Accounting Principles**

For the purposes of this Agreement, and unless expressly provided otherwise herein, all accounting terms shall be construed, and all calculations to be made or financial data to be submitted shall be prepared, in accordance with the accounting principles approved or recommended by the Chartered Professional Accountants of Canada (CPA) or any successor institute, and published in the CPA Canada Handbook:

- (a) For Cole, Abco and Cole USA, as published in the CPA Canada Handbook - Accounting, Part II (accounting standards for private enterprises), as in effect on the Closing Date, applied on a consistent basis; and
- (b) For CGI, Lakeside, FPI, Cole USA Holdco, Abco USA and Cancon, the Financial Statement Framework, as in effect on the Closing Date, applied on a consistent basis.

All references in this Agreement to the applicable “Accounting Principles” for each of the Cole Entities shall be construed in accordance with this Section 1.4.

#### **1.5 Absence of Presumption**

The Parties acknowledge that each Party and its counsel have reviewed and revised this Agreement and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting party will be employed in the interpretation of this Agreement or any amendments to this Agreement.

#### **1.6 Additional Rules of Interpretation**

- (a) For purposes of this Agreement, unless the context otherwise requires: (i) words in one gender include all genders, and words in the singular include the plural and *vice versa*; (ii) the headings in this Agreement are for reference only and will not impact the interpretation of this Agreement; (iii) the words “include”, “includes”, and “including” will be deemed to be followed by the words “without limitation”; (iv) the word “or” is not exclusive; and (v) the words “herein”, “hereof”, “hereby”, “hereto” and “hereunder” refer to this Agreement as a whole.
- (b) References in this Agreement to: (i) Articles, Sections and Exhibits mean the Articles and Sections of, and Exhibits attached to, this Agreement; (ii) 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; (iii) references to statutes and the regulations thereunder mean such statutes or regulations as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder; and (iv) the Disclosure Schedules and Exhibits referred to herein will be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.
- (c) The purpose of the Disclosure Schedules and Exhibits A, B and C is to set out the qualifications, exceptions and other information called for in this Agreement. The Parties acknowledge and agree that the Disclosure Schedules and such Exhibits and the information and disclosures contained in them do not constitute or imply, and will not be construed as:
  - (i) any representation, warranty, covenant or agreement which is not expressly set out in this Agreement;

- (ii) an admission of any liability or obligation of the Vendor; or
  - (iii) an expansion of the scope or effect of any of the representations, warranties and covenants set out in the Agreement.
- (d) Inclusion of an item in any section of the Disclosure Schedules or Exhibits A, B or C is deemed to be disclosure for all purposes for which disclosure is required under this Agreement.

## 1.7 Exhibits

The following Exhibits are the Exhibits to this Agreement:

Exhibit A	Issued and Outstanding Shares, Purchaser Allocations and Allocation of Purchase Price
Exhibit B	Financial Statements
Exhibit C	Permitted Encumbrances
Exhibit D	Form of Specific Mutual Release
Exhibit E	Form of Resignation and Mutual Release
Exhibit F	Form of Non-Competition Agreement
Exhibit G	Form of Escrow Agreement
Exhibit H	Form of Earnout Escrow Agreement

## ARTICLE 2 PURCHASE AND SALE

### 2.1 Purchase and Sale

Subject to the terms and conditions set forth herein, at Closing, the Vendor shall sell to the applicable Purchaser, and the applicable Purchaser shall purchase from the Vendor, the Shares set out opposite such Purchaser's name in Exhibit A, free and clear of all Encumbrances, for the consideration specified in Section 2.2.

### 2.2 Purchase Price

Subject to Section 2.7, the aggregate purchase price (the "**Purchase Price**") payable by the Purchaser to the Vendor for the Shares shall be the amount of \$190,000,000 as allocated among the Shares in accordance with Exhibit A.

### 2.3 Payment of the Purchase Price

The Purchaser shall satisfy the Closing Payment on the Closing Date by making payment as follows:

- (a) at or before the Closing Time, the Purchaser shall pay to the Solicitors for the Vendor of behalf of the Vendor by wire transfer, the amount calculated by the following formula (the "**Closing Payment**"):
  -



$$A = B - C - D$$

**Where:**

- A = Closing Payment
- B = Purchase Price
- C = Holdback Amount to be paid to Escrow Agent pursuant to Section 2.6
- D = Earnout Obligations Amount to be paid to Escrow Agent pursuant to Section 2.6

- (b) at or before the Closing Time, the Purchaser shall pay to the Escrow Agent the Holdback Amount and the Earnout Obligations Amount in the manner contemplated in Section 2.6 below, which shall be deemed to be received by the Vendor in accordance with its pro rata ownership of the Shares set forth in Exhibit A and which shall be held by the Escrow Agent and released in accordance with the Escrow Agreement or the Earnout Escrow Agreement, as applicable;
- (c) at the Closing Time, from the Closing Payment, the Indebtedness will be paid by the Solicitors for the Vendor pursuant to trust conditions between the Solicitors for the Vendor and the Solicitors for the Purchaser that are reasonable and customary for transactions of a similar nature, in accordance with the Payout Statements contemplated in Section 2.4;
- (d) at the Closing Time, from the Closing Payment, the Vendor shall pay to each Related Party, on behalf of each applicable Cole Entity, the amount of all Related Party Debt owing to such Related Party as set forth in the Related Party Debt Statement contemplated in Section 2.5 and each Related Party shall deliver a receipt to the Purchaser acknowledging receipt and payment in full of all Related Party Debt owing thereto and release any claims against all of the Cole Entities of any claims to Related Party Debt. Any payments made under this Section 2.3(d) shall be made by the Solicitors for the Vendor, pursuant to trust conditions between the Solicitors for the Vendor and the Solicitors for the Purchaser that are reasonable and customary for transactions of a similar nature; and
- (e) immediately following the payments set forth above in this Section 2.3, the balance of the Closing Payment, if any, shall be paid by the Solicitors for the Vendor to the Vendor in the allocation set forth in Exhibit A.

## **2.4 Indebtedness**

The Vendor shall deliver to the Purchaser no later than five (5) Business Days prior to the Closing Date a payout statement (each a “**Payout Statement**”) prepared by each of the lenders of Indebtedness setting forth:

- (a) the aggregate amount of the Indebtedness, as applicable that will be due and payable by a Cole Entity to such lender of Indebtedness on the Closing Date in full and final satisfaction of the Indebtedness owing by a Cole Entity;
- (b) the per diem rate of interest applicable to such amounts for payments made following the Closing Date; and
- (c) instructions for making payment to such lender of Indebtedness.

## **2.5 Related Party Debt**

The Vendor shall deliver to the Purchaser no later than five (5) Business Days prior to the Closing Date a statement (the “**Related Party Debt Statement**”) prepared by the Cole Entities setting forth the amount of the Related Party Debt owing by any of the Cole Entities to any Related Party as at the Closing Date both in aggregate and for each separate Related Party.

## **2.6 Holdback and Earnout Obligations**

- (a) The Holdback Amount shall be held by the Escrow Agent pursuant to the terms of the Escrow Agreement. The Parties acknowledge and agree that the Holdback Amount is intended to secure any adjustments to the Purchase Price that may be made pursuant to Section 2.7 of this Agreement.
- (b) The Earnout Obligations Amount shall be held by the Escrow Agent pursuant to the terms of the Earnout Escrow Agreement. The Parties acknowledge and agree that the Earnout Obligations Amount is intended to settle and payout in amounts that may be payable pursuant to the Earnout Obligations as shall be more particularly set forth in the Earnout Escrow Agreement.
- (c) The Parties shall direct the Escrow Agent to hold the Holdback Amount in an interest-bearing account.

## **2.7 Purchase Price Adjustments**

In accordance with the procedures set forth in Section 2.8, the Purchase Price will be adjusted as follows:

- (a) if the Closing Working Capital is greater than the Working Capital Target, the Purchase Price will be increased dollar for dollar by the amount of the difference;
- (b) if the Closing Working Capital is less than the Working Capital Target, the Purchase Price will be decreased dollar for dollar by the amount of the difference;
- (c) if the Closing Working Capital is equal to the Working Capital Target, the Purchase Price will not be adjusted; and
- (d) the Purchase Price will be decreased dollar for dollar by the amount, if any, of:
  - (i) the Indebtedness outstanding following the payments made pursuant to Section 2.3(c), to the extent such amount(s) were due and payable by a Cole Entity to such lender of Indebtedness on the Closing Date;
  - (ii) the Related Party Debt outstanding following the payments made pursuant to Section 2.3(d), to the extent such amount(s) were due and payable by a Cole Entity to such Related Party on the Closing Date;
  - (iii) any Transaction Expenses paid or payable by any of the Cole Entities; and
  - (iv) the Earnout Obligations.

## **2.8 Purchase Price Adjustment Process**

- (a) Within ninety (90) days following Closing, the Vendor will:

- (i) at the cost of the Vendor, instruct the Accountant or [*Redacted – name of entity*], as the case may be, to prepare and deliver to the Purchaser, (A) the 2025 Annual Financial Statements; and (B) the Final Financial Statements;
- (ii) request that each of the 2025 Annual Financial Statements and the Final Financial Statements:
  - (A) include such notes as are required pursuant to the Accounting Principles;
  - (B) be prepared in accordance with the Accounting Principles applied using the same accounting methods, practices, principles, policies and procedures, with constituent classifications, judgments and valuation and estimation methodologies that were used in previous years including in preparation of the Financial Statements (excluding the Interim Financial Statements);
  - (C) in all material respects, present fairly and disclose all the financial transactions of the Cole Entities for the period covered therein; and
  - (D) without limiting the generality of the foregoing, include accruals of all outstanding obligations of every nature and kind whatsoever, including any and all Transaction Expenses incurred by the Cole Entities in connection with this Agreement and the transactions contemplated herein, accounting and audit fees and Tax Return preparation fees, bonuses (for any period commencing on or after April 1, 2024 to the Closing date), deferred employee incentive or profit sharing obligations, statutory obligations owing to employees including actual and accrued vacation pay, holiday pay (hourly employees and salary employees) and all applicable taxes.
- (b) The Purchaser and the Vendor shall have fifteen (15) Business Days from receipt of the 2025 Annual Financial Statements and the Final Financial Statements within which to review the 2025 Annual Financial Statements and the Final Financial Statements. For the purposes of this review, the Vendor shall cause the Accountant or [*Redacted – name of entity*], as the case may be, to permit the Purchaser and its Representatives to examine all documents and information used or prepared by the Accountant in connection with the preparation of the 2025 Annual Financial Statements and the Final Financial Statements and to have reasonable access to appropriate personnel of the Cole Entities to verify the accuracy and presentation and other matters relating to the preparation of the 2025 Annual Financial Statements and the Final Financial Statements.
- (c) The Purchaser may dispute any of the items in the 2025 Annual Financial Statements or the Final Financial Statements by written notice (an “**Objection Notice**”) to the Vendor within the same fifteen (15) Business Days. If the Purchaser has not delivered an Objection Notice within this fifteen (15) Business Day period, the Purchaser shall be deemed to have accepted the 2025 Annual Financial Statements and the Final Financial Statements.
- (d) If the Purchaser delivers an Objection Notice, the Parties shall work expeditiously and in good faith in an attempt to resolve all of the items in dispute within fifteen (15) Business Days of receipt of the Objection Notice. If all items in dispute are not resolved within this fifteen (15) Business Day period, the Parties shall retain the Auditor to resolve the remaining items in dispute.
- (e) Each Party shall furnish to the Auditor those documents and information relating to the items in dispute that are available to that Party or its auditors as the Auditor may require. The Parties shall instruct the Auditor that time is of the essence in proceeding with its determination of any dispute,

and the decision of the Auditor with respect to any item in dispute is to be in writing and, absent any manifest error, is final and binding on the Vendor and the Purchaser with no rights of challenge, review or appeal to the courts in any manner. The Auditor, in making its determination of any dispute, is acting as an expert and not as an arbitrator and is not required to engage in a judicial inquiry worked out in a judicial manner.

- (f) On agreement of the Parties or decision by the Auditor, as the case may be, with respect to all items in dispute, the 2025 Annual Financial Statements and the Final Financial Statements shall be deemed to be amended as may be necessary to reflect the agreement or the decision, as the case may be. In this event, references in this Agreement to the 2025 Annual Financial Statements and the Final Financial Statements will be references to the 2025 Annual Financial Statements and the Final Financial Statements, as so amended.
- (g) The Auditor will determine the allocation of the costs of its review and report based on the inverse of the percentage its determination (before such allocation) bears to the total amount of the disputed portions of the 2025 Annual Financial Statements or the Final Financial Statements as originally submitted to the Auditor. For example, should the disputed portions of the Final Financial Statements amount to \$1,000 and the Auditor awards \$600 in favour of the Vendor's position, 60% of the costs of its review would be borne by the Purchaser and 40% of the costs would be borne by the Vendor. However, the Parties will each bear their own costs in presenting their respective cases to the Auditor.
- (h) Promptly following the acceptance of the 2025 Annual Financial Statements and the Final Financial Statements by the Purchaser and the Vendor, or a final determination in accordance with this Section 2.8, the Purchaser and the Vendor will:
  - (i) prepare and execute a final certificate (the “**Final Financial Statements Certificate**”) pursuant to which the Purchaser and the Vendor certify based on the Final Financial Statements, the:
    - (A) Closing Working Capital;
    - (B) Indebtedness, if any;
    - (C) Related Party Debt, if any;
    - (D) Transaction Expenses, if any; and
    - (E) the adjusted Purchase Price; and
  - (ii) deliver to the Escrow Agent the Final Financial Statements Certificate together with a written joint notice prepared in accordance with the terms of the Escrow Agreement, directing the Escrow Agent to release and pay the Holdback Amount to the Vendor, in whole or in part, or to the Purchaser, in whole or in part, in satisfaction of the final adjusted Purchase Price, provided that:
    - (A) if the Purchase Price is decreased pursuant to Section 2.7 by an amount greater than the Holdback Amount (the difference being the “**Overage**”), the Vendor shall pay the amount of such Overage to the Purchaser within five (5) Business Days of the delivery of the Final Financial Statements Certificate; and

- (B) if the Purchase Price is increased pursuant to Section 2.7, in addition to the Holdback Amount being released and paid to the Vendor, the Purchaser shall pay the amount of such increase to the Vendor within five (5) Business Days of the delivery of the Final Financial Statements Certificate.
- (i) Promptly following (i) each date upon which any Earnout Obligations become payable following the Closing Date, and (ii) the date upon which all Earnout Obligations, if any, have been finally determined, the Purchaser and the Vendor will deliver to the Escrow Agent a joint written notice prepared in accordance with the terms of the Earnout Escrow Agreement, directing the Escrow Agent to release and pay the Earnout Obligations Amount to the Vendor, in whole or in part, or to the Purchaser, in whole or in part, provided that, if the amount of the Earnout Obligations exceeds the Earnout Obligations Amount, the Vendor shall pay the amount of such difference between the amount of the Earnout Obligations and the Earnout Obligations Amount to the Purchaser within five (5) Business Days from the date the full amount of the Earnout Obligations Amount has been released from escrow pursuant to the Earnout Escrow Agreement.
- (j) Any adjustment to the Purchase Price made in accordance with Section 2.7 shall be treated by the Parties as an adjustment to the Purchase Price as of the Effective Time for Tax purposes, unless otherwise required by Law.

### **ARTICLE 3**

#### **REPRESENTATIONS AND WARRANTIES OF THE VENDOR IN RESPECT OF THE COLE ENTITIES**

The Vendor, represents and warrants to the Purchaser that the representations and warranties in this Article 3 are true and correct as of the Agreement Date and will be true and correct as of the Closing Date.

#### **3.1 Corporate Status and Authorization of the Cole Entities**

- (a) Each of the Cole Entities is a corporation incorporated and validly existing under the Laws of its jurisdiction of incorporation or formation and has not been discontinued or dissolved under such Laws.
- (b) No steps or proceedings have been taken to authorize or require such discontinuance or dissolution or, to Vendor's Knowledge, the bankruptcy, insolvency, liquidation or winding up of any Cole Entity.
- (c) Each of the Cole Entities is in good standing with respect to all notices or returns of corporate information, licensing, registrations and other filings required by Law to be submitted by it to any Governmental Authority in each jurisdiction in which the Assets or the operation of the Business as currently conducted makes such licensing or registration necessary.
- (d) Each of the Cole Entities has the corporate power and capacity to own, operate or lease the Assets now owned, operated or leased by it and to carry on the Business as it has been and is currently conducted.
- (e) Section 3.1 of the Disclosure Schedules sets forth each jurisdiction in which each Cole Entity is licensed or registered to carry on business, and each of the Cole Entities is duly licensed or registered to carry on business in each jurisdiction where it conducts business and such licensing or registration is required.

- (f) All corporate or entity actions reasonably necessary to authorize the execution, delivery and performance of this Agreement, the other Transaction Documents and the covenants and actions to be taken hereunder and thereunder by each of the Cole Entities have been or will be duly authorized on or before the Closing.

### 3.2 Capitalization of the Parent Entities

- (a) The authorized capital and the issued and outstanding capital of each of the Parent Entities is as set out in the following table:

Parent Entity	Authorized Capital	Issued and Outstanding Shares
CGI	Unlimited number of Class A Shares, Class B Shares, Class C Shares, Class D Shares, Class E Shares, and Class F Shares	100 Class A Shares issued to Vendor 847,267 Class D Shares issued to Vendor
Cole	Unlimited number of Class "A" Shares, Class "B" Shares, and Class "C" Shares	100,100 Class A Shares issued to Vendor
Abco	Unlimited number of Class A Preference Shares, Class B Preference Shares, and Common Shares	100 Common Shares issued to Vendor

- (b) All of the Shares have been duly authorized, are validly issued, fully paid and non-assessable, and the Vendor is the registered and beneficial owner of the Shares, free and clear of all Encumbrances other than restrictions on transfer under the Articles. Upon consummation of the transactions contemplated by this Agreement, the Purchaser shall own all of the Shares, free and clear of all Encumbrances.
- (c) All of the Shares were issued in compliance with applicable Laws. None of the Shares were issued in violation of any agreement, arrangement or commitment to which the Vendor or any of the Parent Entities is a party or is subject to or in violation of any pre-emptive or similar rights of any Person.
- (d) Other than under this Agreement or as will be terminated as of Closing, there are no outstanding or authorized options, warrants, convertible securities or other securities, rights, agreements, arrangements or commitments of any character relating to any shares in the capital of the Cole Entities or obligating the Cole Entities to issue or sell any shares of, or any other interest in the Cole Entities. None of the Cole Entities have any outstanding or have authorized any share appreciation, phantom share, profit participation or similar rights. There are no voting trusts or agreements, pooling agreements, unanimous shareholder agreements or other shareholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Shares.

### 3.3 Capitalization of the Subsidiary Entities

- (a) The authorized capital and the issued and outstanding capital of each of the Subsidiary Entities is as set out in the following table:

Cole Entity	Authorized Capital	Issued and Outstanding Shares
-------------	--------------------	-------------------------------

Lakeside	3,000 Non-Voting Preference Shares and 10,000 Common Shares	3 Common Shares issued to Cole
FPI	Unlimited number of Class A Common Shares, Class B Common Shares, Class C Common Shares, Class M Preference Shares, Class N Preference Shares, Class O Preference Shares, Class P Preference Shares, Class X Preference Shares, and Special Shares	200 Class A Common Shares issued to Cole 358,000 Class M Preference Shares issued to Cole 1,750,000 Class N Preference Shares issued to Cole
Cole USA Holdco	5,000 Common Stock	92 Common Stock issued to Cole 9 Common Stock issued to Abco
Cole USA	75,000 Common Shares	100 Common Shares issued to Cole USA Holdco
Abco USA	1,000 Common Stock	1,000 Common Stock issued to Cole USA Holdco
Cancon	N/A	Cole USA Holdco is the sole member with 100% percentage interest in Cancon

- (b) All of the Subsidiary Shares, except for the Cancon Membership Interests, have been duly authorized, are validly issued, fully paid and non-assessable, and the registered and beneficial owners of the Subsidiary Shares are as set out in the table above, free and clear of all Encumbrances other than restrictions on transfer under the Articles of the respective Subsidiary Entity and the Permitted Encumbrances. The Cancon Membership Interests have been duly authorized and validly issued, and the registered and beneficial owners of the Cancon Membership Interests are as set out in the table above, free and clear of any Encumbrances, other than restrictions on transfer provided for in the Cancon LLC operating agreement and the Permitted Encumbrances. Upon consummation of the transactions contemplated by this Agreement, the Purchaser shall indirectly own all of the Subsidiary Shares, free and clear of all Encumbrances.
- (c) All of the Subsidiary Shares were issued in compliance with applicable Laws. None of the Subsidiary Shares were issued in violation of any agreement, arrangement or commitment to which the Vendor or any of the Cole Entities are a party or is subject to or in violation of any pre-emptive or similar rights of any Person.

### 3.4 No Subsidiaries

At Closing, the Parent Entities will not own, or have any interest in any shares or have securities, or another ownership interest, in any other Person other than the Subsidiary Entities and the Subsidiary Entities will

not own, or have any interest in shares or have securities, or another ownership interest in any other Person other than to the extent such Subsidiary Entity owns shares, securities, or other ownership interests in another Subsidiary Entity.

### **3.5 No Conflicts and Consents**

- (a) The execution, delivery and performance by the Parent Entities of this Agreement and the other Transaction Documents to which any of them is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not:
  - (i) conflict with or result in a violation or breach of, or default under, any provision of the Articles, by-laws or other constating documents of the Cole Entities;
  - (ii) upon obtaining the Competition Act Approval, conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to the Cole Entities;
  - (iii) except as set out in Section 3.5 of the Disclosure Schedules, require the consent, notice or other action by any Person, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel any Contract to which any Cole Entity is a party or by which any Cole Entity is bound or to which any of their respective Assets or Business are subject (including any Material Contract) or any Permit affecting the Assets or Business; or
  - (iv) result in the creation or imposition of any Encumbrance other than Permitted Encumbrances on the Shares or the Assets.
- (b) Except for the Competition Act Approval and the consents and approvals listed in Section 3.5 of the Disclosure Schedules, no consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority (including any consent or approval required in connection with the Customs Brokerage Permits) is required by or with respect to the Cole Entities in connection with the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby, where the failure to obtain such consent, approval, Permit, Governmental Order, declaration or to make such filing or give notice would have a Material Adverse Effect.

### **3.6 No Material Adverse Effect**

Since the Balance Sheet Date, there has been no event, occurrence or development that has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

### **3.7 Financial Statements of the Cole Entities**

- (a) True and complete copies of the Financial Statements have been disclosed in the Data Room. The Financial Statements have been prepared in accordance with the Accounting Principles subject, in the case of the Interim Financial Statements, to normal and recurring year-end adjustments (the effect of which will not be materially adverse) and the absence of notes (that, if presented, would not differ materially from those presented in the Financial Statements).



- (b) Each of the Financial Statements are and the 2025 Annual Financial Statements and the Final Financial Statements will be:
  - (i) based on the Books and Records of the Cole Entities; and
  - (ii) fairly, completely and accurately present in all material respects the Assets, Liabilities and financial position of the applicable Cole Entity as of the respective dates they were or will be prepared and the results of the operations of the Cole Entities for the periods covered thereby.
- (c) The aggregate amount of the combined liabilities (including Related Party Debt and Indebtedness and any other long-term liabilities) has not materially increased since the Balance Sheet Date and prior to Closing there will not be a material increase in such combined liabilities.
- (d) To the Vendor's Knowledge, neither the Cole Entities, nor any director, officer, auditor, accountant or representative of the Cole Entities has received or otherwise obtained knowledge of any written complaint, allegation, assertion, or claim regarding accounting, internal accounting controls or auditing matters, including any written complaint, allegation, assertion, or claim that the Cole Entities have engaged in questionable accounting or auditing practices, or any written expression of concern from its employees regarding questionable accounting or auditing matters.

### **3.8 Undisclosed Liabilities**

The Cole Entities have no Liabilities, except: (i) those Liabilities disclosed in the Financial Statements; (ii) those that have been incurred in the Ordinary Course since the Balance Sheet Date, consistent with past practice; and (iii) Liabilities that would not be reasonably expected to result in, individually or in aggregate, a Material Adverse Effect

### **3.9 No Capital Commitments or Disposals**

Other than as listed in Section 3.9 of the Disclosure Schedules, none of the Cole Entities have any outstanding capital commitments or pending capital commitments in excess of \$250,000 individually or in aggregate, nor any commitments with respect to the disposal of any of the Assets individually or in aggregate in excess of \$50,000 in value.

### **3.10 No Guarantees**

Other than as listed in Section 3.10 of the Disclosure Schedules, the indemnification of directors and officers of each of the Cole Entities pursuant to applicable Laws and the corporate by-laws; indemnity agreements of each of the respective Cole Entities; customary indemnities in favour of any of the Cole Entities' bankers, financial advisors and service providers, and agreements entered into in the Ordinary Course, none of any of the Cole Entities have guaranteed, endorsed, assumed, indemnified or accepted any responsibility for, and do not and will not guarantee, endorse, assume, indemnify or accept any responsibility for, contingently or otherwise, any Indebtedness or the performance of any obligation of any other Person other than the Customs Bonds. True and complete copies of all of the guarantees given by each of the Cole Entities have been disclosed in the Data Room.

### **3.11 Indebtedness for Borrowed Money**

Except for the Indebtedness included in the Financial Statements or as set out in Section 3.11 of the Disclosure Schedules, the Cole Entities have no outstanding Indebtedness. Section 3.11 of the Disclosure

Schedules lists all loan agreements and security agreements relating to the Indebtedness included in the Financial Statements, true and complete copies of which have been disclosed in the Data Room. Immediately following the payment of the aggregate Indebtedness set forth in the Payout Statements and pursuant to Section 2.3(c), the Cole Entities, collectively and on an individual basis, shall have no Indebtedness.

### **3.12 Off Balance Sheet Arrangements**

None of the Cole Entities are parties to any off-balance sheet arrangements, as that term is understood under the Accounting Principles.

### **3.13 Accounts Receivable**

The Accounts Receivable included in the Financial Statements and the Accounts Receivable, on a consolidated basis, arising after the date thereof:

- (a) have arisen from bona fide arm's length transactions entered into by any of the Cole Entities involving the sale of goods or the rendering of services in the Ordinary Course;
- (b) constitute only valid, undisputed claims of the Cole Entities not subject to claims of set-off or other defences or counter-claims other than normal credits or cash discounts accrued in the Ordinary Course; and
- (c) subject to a reserve for bad debts showing in the Financial Statements or, with respect to Accounts Receivable arising after the date of the Financial Statements, on the accounting records of the Cole Entities, are collectible in full within ninety (90) days after billing, subject to ordinary course reserves.

### **3.14 Bank Accounts**

An accurate and complete list of each financial institution, branch address and account representative (where applicable) in which each of the Cole Entities have an account, credit line, credit card or safety deposit box together with the account number, credit limit, currency and names of all persons currently authorized to draw thereon or having access thereto (as applicable), has been listed in Section 3.14 of the Disclosure Schedules.

### **3.15 Absence of Certain Changes, Events and Conditions and Conduct Prior to Closing**

Since the Balance Sheet Date, other than (i) as disclosed in Section 3.15 of the Disclosure Schedule, or (ii) in the Ordinary Course, there has not been, with respect to each of the Cole Entities (except as otherwise specified below), any:

- (a) amendment of the Articles, operating agreements, by-laws or other constituting documents of any of the Cole Entities;
- (b) split, consolidation or reclassification of any shares in the capital of any of the Cole Entities;
- (c) issuance, sale or other disposition of any shares in the capital of any of the Cole Entities, or grant of any options, warrants or other rights to purchase or obtain (including upon conversion, exchange or exercise) any shares in the capital of any of the Cole Entities;

- (d) declaration or payment of any dividends or distributions on or in respect of any shares in any of the Cole Entities or redemption, retraction, purchase or acquisition of any of their respective shares;
- (e) material change in any method of accounting or accounting practice of any of the Cole Entities, except as required by the Accounting Principles or as disclosed in the notes to the Financial Statements;
- (f) material change in any of the Cole Entities' cash management practices and their respective policies, practices and procedures with respect to collection of Accounts Receivable, establishment of reserves for uncollectible accounts, accrual of Accounts Receivable, inventory control, prepayment of expenses, payment of trade accounts payable, accrual of other expenses, deferral of revenue and acceptance of customer deposits;
- (g) material change in any of the current liabilities of any of the Cole Entities;
- (h) entry into any Contract that would constitute a Material Contract except in the Ordinary Course;
- (i) incurrence, assumption or guarantee of any Indebtedness, other than with respect to trade payables incurred in the Ordinary Course;
- (j) transfer, assignment, sale or other disposition of any of the Assets shown or reflected in the Financial Statements except in the Ordinary Course or cancellation of any debts or entitlements;
- (k) transfer, assignment or grant of any licence or sublicense of any material rights under or with respect to any Corporate IP or Corporate IP Agreements;
- (l) material damage, destruction or loss (whether or not covered by insurance) to any of its Assets;
- (m) capital investment in, or any loan to, any other Person;
- (n) acceleration, termination, material modification to or cancellation of any Material Contract to which any of the Cole Entities is a party or by which it is bound;
- (o) capital commitments in excess of, in the aggregate including each Cole Entity, \$250,000 (excluding taxes, duties and other import charges);
- (p) imposition of any Encumbrance upon any of the Shares or Assets, tangible or intangible, that is not a Permitted Encumbrance;
- (q) (i) grant of any bonuses, whether monetary or otherwise, or increase in any wages, salary, severance, pension or other compensation or benefits in respect of its current or former employees, officers, directors, Independent Contractors or consultants, other than annual increases or bonus or incentive payments in the Ordinary Course, including as provided for in or as provided for in any written agreements or required by applicable Law; (ii) change in the terms of employment for any employee or any termination of any employee for which the aggregate costs and expenses exceed \$200,000 (on an annualized basis); or (iii) acceleration of the vesting or payment of any compensation or benefit for any current or former employee, officer, director, Independent Contractor or consultant;
- (r) hiring or promoting any individual as or to (as the case may be) an officer;

- (s) adoption, modification or termination of any:
  - (i) employment, severance, retention or other agreement with any current or former employee, officer, director, Independent Contractor or consultant; or
  - (ii) Benefit Plan,
 in each case, whether written or oral;
- (t) loan to (or forgiveness of any loan to), or entry into any other transaction with, any of its Related Parties;
- (u) entry into a new line of business or abandonment or discontinuance of existing lines of business;
- (v) adoption of any amalgamation, arrangement, reorganization, liquidation or dissolution or the commencement of any proceedings by any of the Cole Entities or their respective creditors seeking to adjudicate any of the Cole Entities as bankrupt or insolvent, making a proposal with respect to the Cole Entities under any Law relating to bankruptcy, insolvency, reorganization, arrangement or compromise of debts or similar laws, appointment of a trustee, receiver, receiver-manager, agent, custodian or similar official for any of the Cole Entities or for any substantial part of the Assets;
- (w) purchase, lease or other acquisition of the right to own, use or lease any Assets for an amount in excess of \$100,000, individually by any Cole Entity (in the case of a lease, per annum) or \$500,000 in the aggregate including all Cole Entities (in the case of a lease, for the entire term of the lease, not including any option term), except for purchases of inventory or supplies in the Ordinary Course;
- (x) acquisition by amalgamation or arrangement with, or by purchase of a substantial portion of the assets or shares of, or by any other manner, any business or any Person or any division thereof;
- (y) action by any of the Cole Entities to make, change or rescind any Tax election, amend any Tax Return or take any position on any Tax Return, take any action, omit to take any action or enter into any other transaction that would have the effect of increasing the Tax liability or reducing any Tax asset or attribute of any of the Cole Entities;
- (z) Employee terminations or layoffs by a Cole Entity for any reason;
- (aa) commencement, or notice or threat of commencement of any Action by or against a Cole Entity or Vendor or its or their businesses or the Assets, or settlement of any Action by a Cole Entity or Vendor that relates to a Cole Entity, their businesses or the Assets; or
- (bb) any Contract to do any of the foregoing, or any action or omission that would result in any of the foregoing.

### 3.16 Customers

None of the Cole Entities have received any notice that any of the top ten customers for each Cole Entity (based on the total consideration paid by each such customer) for each of the three most recent financial years (collectively, the “**Material Customers**”) has ceased, or intends to cease after the Closing, to use its goods or services or to otherwise terminate or materially reduce its relationship with any of the Cole Entities.

### 3.17 Material Contracts

- (a) Section 3.17 of the Disclosure Schedules sets out a list of all contracts that meet any one or more of the requirements set forth in subsections (i) through (xvii) below, which are the only material contracts (the “**Material Contracts**”) of the Cole Entities and the Cole Entities have no other Material Contracts:
- (i) each Contract of a Cole Entity involving aggregate consideration in excess of \$500,000 per annum or that, cannot be cancelled by the applicable Cole Entity without material penalty or on ninety (90) or fewer days’ notice;
  - (ii) each Contract of a Cole Entity for the provision of work or services involving more than \$500,000 of revenue of the applicable Cole Entity in the financial year ended March 31, 2024;
  - (iii) all Contracts that require a Cole Entity to purchase its total requirements of any product or service from a third party or that contain “take or pay” provisions;
  - (iv) all Contracts that have the express, specific purpose of providing indemnification by a Cole Entity to any Person or the assumption of any Tax, Environmental or other Liability of any person, other than indemnities standard for the industry;
  - (v) all Contracts entered into in the last three years prior to the date of this Agreement, that relate to the acquisition or disposition of any business, a material amount of shares or assets of any other Person or any Real Property (whether by amalgamation, sale or issue of shares, sale of assets or otherwise) that require or contemplate any deferred payment for the purchase price or consideration;
  - (vi) all trust indentures, mortgages, promissory notes, loan agreement or other Contract for the borrowing of money, and any currency exchange, commodities or other hedging arrangements or any leasing transaction of the type required to be capitalized in accordance with the Accounting Principles, other than in connection with any intercompany balances payable;
  - (vii) all written employment agreements with current and past Employees and Contracts with Independent Contractors (or similar arrangements) to which a Cole Entity is a party that contemplate a contingent payment, bonus, performance payment or other similar arrangement in an amount greater than \$20,000;
  - (viii) except for Contracts related to trade receivables, all Contracts relating to Indebtedness (including guarantees) of a Cole Entity;
  - (ix) all Contracts with any Governmental Authority to which a Cole Entity is a party, other than Ordinary Course moving, storage, freight or customs services Contracts with Governmental Authorities;
  - (x) all Contracts that limit or purport to limit the ability of the Cole Entities to compete in any line of business or with any Person or in any geographic area or during any period of time;
  - (xi) all Contracts to which any of the Cole Entities are a party that provide for any joint venture, partnership or similar arrangement by a Cole Entity;

- (xii) all shareholder agreements, pooling agreements, voting trusts or similar agreements with respect to the ownership or voting of any of the Shares or restriction of the power of the directors of a Cole Entity to manage, or supervise the management, of the business and affairs of any Cole Entity, individually or collectively,
  - (xiii) all Contracts between or among (A) any of the Cole Entities and (B) the Vendor or any Affiliate of the Vendor, other than the Cole Entities or any current or former director or officer of the corporate Vendor;
  - (xiv) all Contracts that provide for a license or royalty, including in respect of any Intellectual Property, but excluding any end-user license agreements relating to any “shrink wrap”, “click wrap” or “off the shelf” software that is generally commercially available;
  - (xv) all Contracts pursuant to which either of the Cole Entities may have granted a power of attorney, any agreements of guarantee, support, indemnification, assumption or endorsement of, or similar commitments with respect to, the obligations and Liabilities (whether accrued, absolute, contingent or otherwise) or indebtedness of any other Person;
  - (xvi) any fidelity, surety or completion bonds or similar instruments; and
  - (xvii) any other Contract not disclosed under this Section 3.17(a), the cancellation or termination of which would reasonably be expected to have a Material Adverse Effect.
- (b) Each Material Contract is valid and enforceable against the parties thereto in accordance with its terms and is in full force and effect. None of the Cole Entities or, to the Vendor’s Knowledge, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under), or has provided or received any notice of any intention to a Cole Entity to terminate, any Material Contract, except as would not have a Material Adverse Effect. To the Vendor’s Knowledge, no event or circumstance has occurred that, with notice or lapse of time or both, would constitute a default under any Material Contract which would have a Material Adverse Effect.

### **3.18 Title**

The Cole Entities have good and valid title to, or a valid and enforceable leasehold interest in, all personal property owned or leased by them, except as would not have a Material Adverse Effect. The Cole Entities’ ownership of or leasehold interest in any such personal property, as applicable, is not subject to any Encumbrances other than Permitted Encumbrances, except as would not have a Material Adverse Effect.

### **3.19 Condition and Sufficiency of Assets**

Other than as set forth in Section 3.19 of the Disclosure Schedules:

- (a) The furniture, fixtures, machinery, equipment, vehicles and other items of tangible personal property of the Cole Entities are in good working condition and repair, having regard to their use and age as of the date of this Agreement, in all material respects and subject to normal wear and tear in the Ordinary Course. Notwithstanding the foregoing, the condition and repair of the furniture, fixtures, machinery, equipment, vehicles and other items of tangible personal property of the Cole Entities is reasonably consistent with the value of such property set forth on the Financial Statements.

- (b) The furniture, fixtures, machinery, equipment, vehicles and other items of tangible personal property currently owned or leased by any of the Cole Entities, together with all other Assets, are sufficient for the continued conduct of the Business after the Closing in substantially the same manner as conducted before the Closing and constitute all of the rights, property and assets necessary to conduct the Business as currently conducted, in all material respects.

### 3.20 Real Property

#### Leased Real Property

- (a) Section 3.20(a) of the Disclosure Schedule lists all of the real property which is leased by the Cole Entities (the “**Leased Real Property**”), and sets forth the municipal descriptions thereof. Other than as set forth in Section 3.20(a) of the Disclosure Schedule, complete, correct and accurate copies of the real property leases pursuant to which any of the Cole Entities is leasing the Leased Real Property (the “**Real Property Leases**”) have been provided in the Data Room.
- (b) Except as otherwise disclosed in Schedule 3.20(a) of the Disclosure Schedules:
  - (i) to the Vendor’s Knowledge, the landlord in each of the Real Property Leases is the registered owner of the Leased Real Property;
  - (ii) each of the Real Property Leases have been executed and delivered by each of the parties thereto and constitute a valid and legally binding obligation against each of the parties thereto, enforceable against such parties, in accordance with their terms;
  - (iii) each of the Real Property Leases is in good standing and is in full force and effect without amendment and, with respect to each Real Property Lease: (A) all material obligations and covenants on the part of any of the Cole Entities have been performed to the date hereof; (B) all rents and additional rents have been paid to date in accordance with the terms of such Real Property Lease and no waiver, indulgence or postponement of any of the Cole Entities’ obligations has been granted by the landlord; (C) no notice has been received by the Cole Entities from any landlord indicating that such landlord is considering exercising any early right of termination afforded to the landlord under its Real Property Lease, if any; and (D) no Real Property Lease will expire within 12-months of the Closing Date;
  - (iv) the Cole Entities are entitled to all rights and benefits as lessee under the respective Real Property Leases and the Cole Entities have not sublet, assigned, licensed or otherwise conveyed any rights in the Real Property Leases or in the Leased Real Property leased thereunder to any other Person;
  - (v) no Cole Entity is in material default of any obligations under the Real Property Leases and, to the Vendor’s Knowledge, none of the lessors or any other parties to those leases are in material default of any obligations under the Real Property Leases;
  - (vi) no Cole Entity has released any of the other parties to any of the Real Property Leases from the performance of any of their material obligations thereunder;
  - (vii) to the Vendor’s Knowledge, no event or condition has occurred that, either immediately or after notice or lapse of time or both, could give rise to the cancellation or termination of any of the Real Property Leases; and

- (viii) except for Permitted Encumbrances, the Cole Entities' interests in the Real Property Leases are free and clear of any Encumbrances, and are not subject to any deeds of trust, assignments, subleases or rights of any third parties created or permitted by any of the Cole Entities, or to Vendor's Knowledge, other than the landlord thereof or any mortgagees of such landlords.
- (c) Subject to obtaining the Required Consents, no provision of the Real Property Leases prohibits any of the Cole Entities from completing the transactions contemplated by this Agreement.
- (d) To the Vendor's Knowledge, the owners of the Leased Real Property have not entered into any agreements, options, contracts or commitments to sell, transfer or otherwise dispose of any interest in such Leased Real Property or that would restrict the ability of any of the Cole Entities to use any of such Leased Real Property as it is used as at the date hereof.
- (e) The Cole Entities are not a party to, or under any agreement to become a party to, any lease, license, tenancy or other rights to occupy with respect to real property other than the Real Property Leases.
- (f) Except as disclosed in Section 3.20(a) of the Disclosure Schedule, all material improvements, alterations, construction or build-outs required to be made by or on behalf of any of the Cole Entities to the Leased Real Property pursuant to the terms of the Real Property Leases have been completed in all material respects. Except as disclosed in Section 3.20(a) of the Disclosure Schedule, none of the Leased Real Property is currently undergoing any material alteration or renovation by or on behalf of any Cole Entity.

#### Owned Real Property

- (g) Section 3.20(g) of the Disclosure Schedules lists all of the real property beneficially owned by the Cole Entities and sets forth the municipal descriptions thereof (the "**Owned Real Property**"). Other than Permitted Encumbrances, there are no agreements, options, contracts or commitments to sell, transfer or otherwise dispose of the Owned Real Property or that would restrict the ability of any Cole Entity to dispose of the Owned Real Property. Except as disclosed in Section 3.20(g) of the Disclosure Schedules and except for the Permitted Encumbrances, there are no leases, tenancies, licenses or other rights of occupancy or use granted to third parties for any portion of the Owned Real Property.
- (h) All material real property Taxes, rates, levies and assessments in respect of the Owned Real Property due and payable before the Closing Date have been paid in full or will be paid in full on or prior to Closing.
- (i) The Cole Entities have not entered into any agreements, options, contracts or commitments to sell, transfer or otherwise dispose of any interest (including a lease to any other Person) in the Owned



Real Property or that would restrict the ability of any of the Cole Entities to use any of the Owned Real Property as it is used as at the date hereof.

- (j) The Cole Entities have kept and maintained the Owned Real Property in good operating conditions and repair to preserve its value and operating efficiency, normal wear and tear excepted.
- (k) The Cole Entities have good and marketable title to all of their respective Owned Real Property, free and clear of all Encumbrances except Permitted Encumbrances.

#### Real Property - General

- (l) With respect to the current use of the Real Property:
  - (i) all material licences, certificates, consents, approvals, rights, permits (including building and occupancy permits) and agreements required to enable the Real Property to be used, operated and occupied in its current manner have been obtained, are in full force and effect, the Cole Entities have not received any notices of violations in connection with such item and are being complied with, or to the extent that any have not already been obtained, the same are not yet required and, if not yet required but the same are material, the Vendor have no reason to believe that the same will not be available before the time that the same are so required;
  - (ii) all applicable legal and contractual requirements with regard to the use, occupancy, construction and operation of the Real Property, including all zoning, by-laws, environmental, flood hazard, fire safety, health, handicapped facilities, building and other laws, ordinances, codes, regulations, orders and requirements of any Governmental Authority are being complied with in all material respects;
  - (iii) all declarations, easements, servitudes, rights-of-way, covenants, conditions and restrictions of record and all such items that are not of record that affect any Owned Real Property or Leased Real Property, if any are being complied with for the Real Property in all material respects; and
  - (iv) all building services required for the proper functioning of the Real Property have been obtained, are functioning properly and are fit and suitable for their intended purpose.
- (m) All of the Real Property has legal ingress and egress from adjacent public streets or highways adequate for the use and occupancy of such Real Property as it is currently being used by the Cole Entities in connection with the operation of the Business.
- (n) No Cole Entity has made application for a rezoning of any of the Real Property and does not have knowledge of any proposed or pending change to any zoning affecting the Real Property.
- (o) There are no development or servicing agreements with any municipality or other Governmental Authority directly or indirectly affecting the Real Property, nor have there been any negotiations with respect thereof or any requirements that such development or servicing agreements be entered into.
- (p) To the Vendor's Knowledge, there are no matters affecting the right, title and interest of any Cole Entity in and to the Real Property which would materially and adversely affect the ability of the

Purchaser to carry on the Business upon the Real Property as it has been carried on in the Ordinary Course of business during the 12-month period prior to the Closing Date.

- (q) There are no arrears on realty Taxes or any local improvement charges, nor are there any similar Taxes or charge creating a lien against the Real Property.
- (r) To the Vendor's Knowledge, no material alteration, repair, improvement or other work has been ordered, directed or requested in writing and received by any Cole Entity to be done or performed to or in respect of the Real Property, or any of the plumbing, heating, ventilating, air-conditioning, sprinkler, elevating, water, drainage or electrical systems, fixtures or works located on or at the Real Property by any Governmental Authority, which alteration, repair, improvement or other work has not been completed, and no written notification has been given to any Cole Entity within the preceding two (2) years of any such outstanding or incomplete work being ordered, directed or requested, other than those that have been complied with.
- (s) All accounts for work and services performed and materials supplied, placed or furnished on or in respect of the Real Property at the request of any Cole Entity has been fully paid and satisfied, and Except as disclosed in Section 3.20(g) of the Disclosure Schedules, no Person is entitled to claim a lien or privilege under applicable Law against the Real Property, or any part thereof, relating to work or services performed for or on behalf of any Cole Entity, other than current accounts in respect of which the payment due date has not yet passed or for which any Cole Entity has a valid claim to dispute such amounts.
- (t) The Cole Entities maintain insurance on the Owned Real Property in such amounts as a careful and prudent owner of similar property and premises would maintain.
- (u) No part of the Real Property is or has ever been occupied by any officer, director or shareholder of any Cole Entity as a family residence.
- (v) No Cole Entity has received any written notice related to any material contravention of applicable Laws with respect to the Real Property.
- (w) No Cole Entity has received any notice of or pending expropriation, condemnation or intended expropriation, condemnation, subdivision, re-plot, re-zoning, re-districting or other restriction or designation or redesignation relating to, or with respect to the Owned Real Property or Leased Real Property.
- (x) To the Vendor's Knowledge, utilities provided to the Real Property via public highway, or satisfactory easements and rights of way have been secured and all charges and fees relating thereto have been paid as and when due.
- (y) There is an absence of encroachments or contravention with the provisions of any easement, right of way, restrictive covenant, or encumbrance registered against or otherwise materially affecting any of the Real Property.
- (z) There are no Actions in progress, pending or, to the Vendor's Knowledge, threatened, against any of the Cole Entities, the Real Property or any portion thereof or interest therein which could reasonably be expected to have a Material Adverse Effect on the value of such Real Property.
- (aa) Neither the Cole Entities nor the Real Properties have any Environmental Liabilities or any reclamation or remediation obligations.

- (bb) The Cole Entities do not have in their possession any studies or reports which indicate any defects in the design or construction of any of the improvements on the Owned Real Property or the Leased Real Property.
- (cc) Other than the property subject to the Thunder Bay Property Transfer, no Person or entity, other than Purchaser, has any right, option, right of first refusal or any other contractual right, whether oral or written, with respect to the purchase, assignment or transfer of all or any portion of the Owned Real Property or, to the Vendor's Knowledge, the Leased Real Property.
- (dd) None of the Owned Real Property or, to the Vendor's Knowledge, the Leased Real Property is subject to or affected by any special assessment for public improvements or otherwise, whether or not presently an Encumbrance on the Owned Real Property or the Leased Real Property. The Cole Entities have not made any commitment to any Governmental Authority, utility company, school board, church or other religious body or any other organization, group or individual relating to the Owned Real Property or the Leased Real Property that would impose an obligation on any of the Cole Entities or its or their successors or assigns to make any contributions or dedications of money or land, or to construct, install or maintain any improvements of a public or private nature as part of the Owned Real Property or the Leased Real Property. No Governmental Authority has imposed any requirement that any Cole Entity pay, directly or indirectly, any special fees or contributions or incur any expenses or obligations in connection with the development of the Owned Real Property or the Leased Real Property or any portion thereof, other than any regular and non-discriminatory local real estate or other Taxes assessed against the Owned Real Property or the Leased Real Property. The parcels comprising the Owned Real Property and the Leased Real Property are separately assessed for Real Property Taxes and are not combined with any other real property for Tax assessment purposes. No Seller has received any notice of any contemplated or actual reassessment of the Owned Real Property or the Leased Real Property or any portion thereof for general real estate Tax purposes. All due and payable Taxes, water charges and sewer charges affecting the Owned Real Property and, to Vendor's Knowledge, the Leased Real Property or any portion thereof, have been paid.
- (ee) The parcels comprising the Owned Real Property, and, to Vendor's Knowledge, the Leased Real Property constitute separately subdivided, legally distinct parcels of land. Each of the Cole Entities has complied with all applicable Laws and restrictions pertaining to and affecting the Owned Real Property or the Leased Real Property which relate to such subdivision.
- (ff) There is no default by any of the Cole Entities nor, to the Vendor's Knowledge, any other party thereto, under any Encumbrances which may affect the Owned Real Property or the Leased Real Property or any portion thereof which are to be performed or complied with by the owner or occupant of the Owned Real Property or the Leased Real Property, and no condition or circumstance exists which would constitute a default by any of the Cole Entities nor, to the Vendor's Knowledge, any other party thereto, under any such Encumbrance.

### **3.21 Intellectual Property**

- (a) Sections 3.21(a) of the Disclosure Schedules lists each of the following:
  - (i) Corporate IP Registrations;
  - (ii) Corporate IP, including Software, that are not registered but that are material to the Business or operations of any Cole Entity, other than know-how and trade secrets which,

for clarity, does not include any “shrink wrap”, “click wrap” or “off the shelf” software that is generally commercially available;

- (iii) corporate identifiers (e.g. material logos and tradenames) used in the Business by any Cole Entity; and
  - (iv) a list of all web addresses, websites, internet domain names, social media accounts and related information owned or licensed by the Cole Entities or used in the operation of the Business.
- (b) All required filings and fees related to the Corporate IP Registrations have been timely filed with and paid to the relevant Governmental Authorities and authorized registrars, and all Corporate IP Registrations are otherwise in good standing.
- (c) No Cole Entity has any Corporate IP Agreements.
- (d) The Cole Entities are the sole and exclusive legal and beneficial, and with respect to the Corporate IP Registrations, registered, owner of all right, title and interest in and to the Corporate IP, and have the valid right to use all other Intellectual Property used in or necessary for the conduct of the Business or any of the Cole Entities’ current operations, in each case, free and clear of Encumbrances other than Permitted Encumbrances.
- (e) The consummation of the transactions contemplated hereunder will not result in the loss or impairment of or payment of any additional amounts with respect to, nor require the consent of any other Person in respect of the Cole Entities right to own, use or hold for use any Intellectual Property as owned, used or held for use in the conduct of the Business or the Cole Entities’ operations as currently conducted.
- (f) The Cole Entities’ rights in the Corporate IP are valid, subsisting and, to the Vendor’s Knowledge, enforceable. The Cole Entities have taken reasonable steps to maintain the Corporate IP and to protect and preserve the confidentiality of all trade secrets included in the Corporate IP.
- (g) To the Vendor’s Knowledge, the conduct of the Business as currently and formerly conducted by the Cole Entities, and the products, processes and services of the Cole Entities, have not infringed, misappropriated, diluted or otherwise violated, and do not and will not infringe, dilute, misappropriate or otherwise violate the Intellectual Property or other rights of any Person. To the Vendor’s Knowledge, no Person has infringed, misappropriated, diluted or otherwise violated, or is currently infringing, misappropriating, diluting or otherwise violating, the Corporate IP.
- (h) Except as would not have a Material Adverse Effect, there are no Actions (including any oppositions, expungement proceedings, interferences or re-examinations) settled, pending or, to the Vendor’s Knowledge, threatened (including in the form of offers to obtain a licence):
- (i) alleging any infringement, misappropriation, dilution or violation of the Intellectual Property of any Person by any of the Cole Entities;
  - (ii) challenging the validity, enforceability, registrability or ownership of any Corporate IP or the Cole Entities’ rights with respect to any Corporate IP; or
  - (iii) alleging any infringement, misappropriation, dilution or violation by any Person of the Corporate IP.

- (i) None of the Cole Entities are subject to any outstanding or prospective Governmental Order (including any application or petition therefor) that does or would restrict or impair the use of any Corporate IP.

### **3.22 Viruses and Technology**

- (a) Other than as set forth in Section 3.22(d) of the Disclosure Schedules, the Cole Entities have not developed and not created any custom Software nor do any of the Cole Entities own any Software which is used in the Business.
- (b) The Cole Entities do not sell or offer for sale any products or services that use or employ AI Technology.
- (c) The Cole Entities do not use third-party services that use or employ AI Technology in connection with their Business.
- (d) Schedule 3.22(d) of the Disclosure Schedules contains a complete list of Software licensed to or used by the Cole Entities in connection with the Business which Schedule, for clarity, does not include any “shrink wrap”, “click wrap” or “off the shelf” software that is generally commercially available.
- (e) To the Vendor’s Knowledge, no Software licensed to or used by the Cole Entities in connection with the Business contains any material bug, defect or error, which adversely affects, or could reasonably be expected to adversely affect, the value, functionality or performance of such Software, that cannot be corrected in the Ordinary Course.
- (f) To the Vendor’s Knowledge, no Software contains any “back door”, “drop dead device”, “time bomb”, “trojan horse”, “virus” or “worm” (as such terms are commonly understood in the software industry) or any other code designed or intended to have, or capable of performing, any of the following functions: (i) disrupting, disabling, harming or otherwise impeding in any manner the operation of, or providing unauthorized access to, a computer system or network or other device on which such code is stored or installed, but excluding any code designed or intended to enforce any restrictions related to such Software or to monitor or track the use thereof; or (ii) damaging or destroying any data or file without the user’s consent (collectively, “**Viruses**”).
- (g) The Technology used in the conduct of the Business: (i) is sufficient in all material respects for the conduct of the Business as currently conducted; (ii) is in good working condition, ordinary wear and tear excepted, to perform all information technology and data processing operations necessary for the conduct of the Business as currently conducted; and (iii) to the Vendor’s Knowledge, is substantially free of any material Viruses, defects, bugs and errors.
- (h) Other than as set forth in Section 3.22(h) of the Disclosure Schedules, to the Vendor’s Knowledge, in the past five (5) years, there has been no unauthorized access, use, intrusion, or breach of security, or material failure, breakdown or performance reduction, or similar material adverse event affecting any of the Technology, that has caused or could reasonably be expected to cause any: (i) substantial disruption of or interruption in or to the use of such Technology or the conduct of the Business; (ii) material Loss, destruction, damage, or harm of or to the Cole Entities or their operations, personnel, property, or other assets; or (iii) material liability of any kind to the Vendor. The Cole Entities have taken all reasonable actions, consistent with standard applicable industry practices, to protect the integrity and security of the Technology and the data and other information stored or processed thereon.

- (i) The Cole Entities maintain commercially reasonable back-up and data recovery, disaster recovery and business continuity plans, procedures and facilities.

### 3.23 Cybersecurity

The information technology hardware, Software, networks and related systems owned, operated, used or held for use by the Cole Entities (“**Systems**”) are reasonably sufficient for the Business’s immediate needs. To the Vendor’s Knowledge, there has been no unauthorized access, use, intrusion, or breach of security, or material failure, breakdown, performance reduction or other adverse event affecting any Systems that has caused or would reasonably be expected to cause any substantial disruption of the use of such Systems or the Business or which would have a Material Adverse Effect.

### 3.24 Insurance

- (a) Each of the Cole Entities maintains such policies or binders of fire, liability, product liability, umbrella liability, real and personal property, workplace safety and insurance, workers compensation, vehicle, director’s and officers’ liability, fiduciary liability and other casualty and property insurance relating to the Assets, Business, operations, employees, officers and directors of the Cole Entities including the Customs Bonds as are set forth in Section 3.24 of the Disclosure Schedules (collectively, the “**Insurance Policies**”).
- (b) Section 3.24 of the Disclosure Schedules lists each Insurance Policy. True and complete copies of each of the Insurance Policies have been disclosed in the Data Room.
- (c) The Insurance Policies are in full force and effect and shall remain in full force and effect following the consummation of the transactions contemplated by this Agreement.
- (d) None of the Cole Entities have received any written notice of cancellation of, premium increase with respect to, or alteration of coverage under, any of the Insurance Policies. All premiums due on the Insurance Policies have either been paid or, if due and payable before the Closing, will be paid before the Closing in accordance with the payment terms of each Insurance Policy. Other than as set forth in Section 3.24(d) of the Disclosure Schedules, the Insurance Policies do not provide for any retrospective premium adjustment or other experience-based liability on the part of the Cole Entities.
- (e) All such Insurance Policies:
  - (i) are valid and binding in accordance with their terms; and
  - (ii) have not been subject to any lapse in coverage.
- (f) There are no claims related to the Business of the Cole Entities pending under any Insurance Policies as to which coverage has been questioned, denied or disputed or in respect of which there is an outstanding reservation of rights.
- (g) None of the Cole Entities are in default under, or have otherwise failed to comply with, in any material respect, any provision contained in any Insurance Policy and all premiums due and payable under each such Insurance Policy have been timely paid.
- (h) The Cole Entities do not maintain any captive insurance.

### **3.25 Legal Proceedings and Governmental Orders**

Except as disclosed in Section 3.25 of the Disclosure Schedules, there are no Actions pending or, to the Vendor's Knowledge, threatened:

- (a) against or by any of the Cole Entities or of their Assets (or by or against any Affiliate thereof and relating to the Cole Entities); or
- (b) against or by the Cole Entities, the Vendor or any Affiliate of the Vendor that challenges or seeks to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement; and
- (c) to the Vendor's Knowledge, no event has occurred, or circumstances exist that would be reasonably expected to give rise to, or serve as a basis for, an Action described in this Section 3.25.

### **3.26 Compliance with Laws and Permits**

- (a) The Cole Entities have complied, and are now complying with all Laws applicable to each of them or their respective Business or Assets including, the Articles, operating agreements and by-laws of each of the Cole Entities, other than non-compliance which would not, individually or in the aggregate, have a Material Adverse Effect and the Cole Entities have not received any written notice of any alleged non-compliance with any Laws.
- (b) All material Permits including the Customs Brokerage Permits required for the Cole Entities to conduct their Business have been obtained by them and are valid and in full force and effect, except where the failure to obtain such Permits would not have a Material Adverse Effect. All fees and charges due and payable with respect to such Permits as of the date hereof have been paid in full. Copies of all current Permits issued to the Cole Entities, including the names of the Permits and their respective dates of issuance and expiration are listed in Section 3.26(b) of the Disclosure Schedules and true and complete copies of each are disclosed in the Data Room. To the Vendor's Knowledge, no event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any such Permit including the Customs Brokerage Permits.
- (c) None of the Cole Entities is subject to any outstanding Governmental Order and there are no unsatisfied judgements, penalties or awards against or affecting the Cole Entities which would have a Material Adverse Effect.

### **3.27 Environmental Matters**

- (a) Except as would not have a Material Adverse Effect, the Cole Entities are:
  - (i) in compliance with all applicable Environmental Laws; and
  - (ii) possess and are in compliance with all Environmental Permits necessary to operate the Business of each Cole Entity.
- (b) There are no Environmental Permits obtained necessary for the ownership, lease, operation or use of the Business or assets of the Cole Entities are in material compliance with all such Environmental Permits. There are no Actions in progress, pending or, to the Vendor's Knowledge, threatened, that would reasonably be expected to result in the cancellation, revocation or suspension of any Environmental Permit.

- (c) None of the Cole Entities, the Business or the Assets are the subject of any Remedial Order or, to the Vendor's Knowledge, are otherwise subject to any Environmental Liability or any reclamation or remediation obligations.
- (d) The Cole Entities have not received, in the past three (3) years, any Environmental Notice alleging that any of the Cole Entities or any Affiliate thereof is in violation of or has any Liability under any Environmental Law or inquiring about any Real Property that, in either instance, is unresolved.
- (e) The Cole Entities have not entered into or agreed to any consent, settlement or other agreement, nor are any of the Cole Entities subject to any Governmental Order in any judicial, administrative, arbitral or other forum relating to compliance with or Liabilities under any Environmental Law.
- (f) Except: (i) in accordance with Environmental Law, or (ii) as would not have a Material Adverse Effect, to the Vendor's Knowledge, no Cole Entity has released any Hazardous Substances at, on or under any part of the Real Property, and, to the Vendor's Knowledge, there are no Hazardous Substances present within the area bounded by the ceiling, walls and floor of any building on any Real Property (and excluding anything outside these boundaries), in each case except in material compliance with applicable Law.
- (g) There are no material Environmental audits, assessments, reports and similar reviews or material correspondence regarding Environmental matters applicable to the Cole Entities.
- (h) There are no active or abandoned above ground or underground storage tanks owned or operated by the Cole Entities.

### **3.28 Employment Matters**

- (a) Section 3.28(a) of the Disclosure Schedules sets forth a complete and accurate list of each Employee whose total annual compensation exceeds \$150,000 for the most recently completed financial year or who is reasonably expected to exceed \$150,000 during the current financial year which includes, for each such Employee, as of the date of this Agreement:
  - (i) the titles of each Employee and the location of their employment;
  - (ii) the date each Employee was hired;
  - (iii) which Employees are subject to a written employment agreement with a Cole Entity;
  - (iv) the current annual wage or salary of each Employee;
  - (v) any bonuses paid to each Employee since April 1, 2024 and during the three (3) years prior and all other bonuses, incentive schemes, benefits, commissions and other compensation to which each Employee is currently entitled;
  - (vi) the current vacation entitlement and accrued and unused vacation, any paid-off entitlement in days and accrued and unused days of such paid-time off and any bonuses, commission or other compensation paid to each Employee since April 1, 2024 and all other bonuses, incentive schemes, benefits, commissions and other compensation to which such Employee is entitled;



- (vii) subject to any restrictions imposed on such disclosure by applicable Law, whether any such Employee is currently on leave, the characterization of the leave, the expected duration of the leave, and indicating whether such Employee is in receipt of disability benefits or workers' compensation benefits; and
  - (viii) whether such Employee is entitled to severance, termination or similar payments or entitlements upon termination of employment of more than \$25,000, including on a change of control of any one or more of the Cole Entities.
- (b) For each Employee, the Cole Entities have maintained in the Books and Records of the Cole Entities, adequate records of all annual wages or hourly rates, as applicable, of such Employee, their vacation entitlement and accrued and unused vacation, holiday pay, any paid-off entitlement in days and accrued and unused days of such paid-time off and any bonuses, commission or other compensation paid to each Employee. Except as set out in Section 3.28(b) of the Disclosure Schedules, no Employee of the Cole Entities has accumulated more than fourteen (14) days of accrued vacation. Section 3.28(b) of the Disclosure Schedules lists all vacation entitlements of the Employees, each of which have been accurately accrued in the Financial Statements.
  - (c) A complete and accurate list of all Contracts with Independent Contractors as of the date of this Agreement is set forth in Section 3.28(c) of the Disclosure Schedules which also sets forth, for each Independent Contractor, as of the date of this Agreement, the current rate of compensation and total fees paid during the 12-month period ending on and at the end of the full month preceding the month of the Agreement Date.
  - (d) Each Independent Contractor has been properly classified as an independent contractor in accordance with applicable Laws and none of the Cole Entities have received any notice in writing from any Governmental Authority disputing such classification and, without limiting the foregoing, to the extent that such individual provides driving services to any Cole Entity, no Cole Entity owns, leases or otherwise provides the vehicle used to provide such services.
  - (e) None of the Cole Entities is bound by or party to any collective bargaining agreement, and no trade union, council of trade unions, labour associations, employee bargaining agency or affiliated bargaining agent holds any bargaining rights with respect to any Cole Entities, and, to the Vendor's Knowledge, there is no organizational campaign to certify or establish a labour union or employee association in progress with respect to any employees of any Cole Entity and, to the Vendor's Knowledge, no question concerning representation of such employees exists. There are not and have not been any pending or threatened labour strikes, work stoppages, slowdowns, lockouts, walkouts or other organized work interruptions at any of the Cole Entities during the past three (3) years.
  - (f) There are no and, to the Vendor's Knowledge there are no other pending or threatened, Actions relating to employment, labour practices, discrimination, pay equity, difference in working conditions, Occupational Health and Safety Laws, Human Rights Laws, termination of employment or termination of any engagement of the Cole Entities' employees, former employees or independent contractors against any Cole Entity before any Governmental Authority
  - (g) The Cole Entities have not entered into any settlement agreements related to allegations of sexual harassment, sexual misconduct, or racial discrimination by any current or former director, officer, Employee or Independent Contractor of the Cole Entities.

- (h) Except as disclosed in Section 3.28(h) of the Disclosure Schedules, no notice in writing has been received by any of the Cole Entities of: (A) any complaint filed by any of its Employees or former employees against any of the Cole Entities, (B) any complaint filed by any current or former director or officer against any of the Cole Entities, or, (C) to the Vendor's Knowledge, any threatened or pending complaint, in all cases, either claiming or alleging that: (x) any of the Cole Entities has violated any Laws applicable to the employee or human rights, or (y) involving any of the Cole Entities and any of the Employees before any Governmental Authority.
- (i) During the past three (3) years, the Cole Entities have paid in full all of their respective Employees or adequately accrued for, in accordance with applicable Laws and accounting standards, all wages, salaries, bonuses, commissions, expenses, wage premiums and any other compensation or benefits that have become due and payable to its current or former Employees pursuant to any applicable Law, contract or employment policy, with the exception of any such amounts that are not yet due to be paid in the Ordinary Course.
- (j) With respect to their Employees in the United States, each Cole Entity maintains complete and, to the Vendor's Knowledge, accurate Form I-9s, or the equivalent under applicable Law, with respect to each of its Employees in accordance with applicable Laws concerning immigration and employment eligibility verification obligations. The Cole Entities and, to the Vendor's Knowledge, each current Employee is in compliance with all applicable visa and work permit requirements and other than as set forth in Section 3.28(j) of the Disclosure Schedules, no visa or work permit held by a current Employee will expire during the six-month period beginning on the Closing Date.
- (k) During the three (3) years prior to the Agreement Date, the Cole Entities have not received any notice of assessment, provisional assessment, reassessment, supplementary assessment, penalty assessment or increased assessment from any workplace safety and insurance or workers compensation board or similar Governmental Authority in any jurisdiction where the Business is carried on that remains unpaid.
- (l) All inspection reports received by the Cole Entities in the past five (5) years under the Occupational Health and Safety Laws have been listed in Section 3.28(l) of the Disclosure Schedules and true and complete copies have been disclosed in the Data Room. There are no outstanding Governmental Orders, nor any pending charges made under any Occupational Health and Safety Laws relating to any of the Cole Entities and there have been no fatal or critical accidents within the last five (5) years that might reasonably be expected to lead to charges involving any of the Cole Entities under Occupational Health and Safety Laws. The Cole Entities have complied with all Governmental Orders issued under Occupational Health and Safety Laws in all respects.
- (m) To the Vendor's Knowledge, no Employee or Independent Contractor has informed the Vendor in verbally or writing that they will resign or retire or cease to provide work or services as a result of the Closing.
- (n) None of the Cole Entities have any obligation to pay any change-of-control, sale, completion, incentive, stay, retention and similar bonuses or payments to any current or former Employee or Independent Contractor as a result of Closing.

### **3.29 Benefit Plans**

- (a) All Benefit Plans have been listed in Section 3.29(a) of the Disclosure Schedules and true and complete copies together with all related documentation in the possession of, or under the control

of the Vendor or the Cole Entities, and plan summaries, booklets and personnel manuals have been disclosed in the Data Room.

- (b) All of the Benefit Plans are and have been established, registered, qualified, funded, invested and administered in accordance with all applicable Laws (including, as applicable, ERISA and the Code) and in accordance with all contracts between the Cole Entities and the Employees.
- (c) All obligations now due regarding the Benefit Plans have been satisfied (or have been properly accrued for, in accordance with the terms of the applicable Benefit Plans), there are no outstanding material defaults or violations by the Cole Entities in respect thereto and no taxes, penalties or fees are owing or pending by the Cole Entities under any of the Benefit Plans. No advance tax rulings are currently pending in respect of the Benefit Plans.
- (d) All contributions or premiums required to be made by the Cole Entities under the terms of each Benefit Plan or by applicable Laws and all source deducted employee contributions required to be made by the Cole Entities under the terms of each Benefit Plan or by applicable Laws as of the Closing Time, have been made in a timely fashion in accordance with applicable Laws and the terms of the Benefit Plans, and with the exception of any such contributions, premiums or source deductions that are not yet due to be paid in the Ordinary Course as of the Closing Time, the Cole Entities will not as of the Closing Time have any indebtedness with respect to such contributions, premiums and source deductions for any of the Benefit Plans. Each Benefit Plan is funded or insured in accordance with applicable Laws (including, as applicable, ERISA and the Code) and the level of insurance reserves under each insured Benefit Plan is reasonable and sufficient to provide for all incurred but unreported claims.
- (e) No improvements to any Benefit Plan outside the Ordinary Course have been promised to any Employees.
- (f) With respect to each Benefit Plan intended to be "qualified" within the meaning of Section 401(a) of the Code: each such Benefit Plan has received a favourable determination letter from the IRS with respect to the form of its qualification (or with respect to a prototype or volume submitter plan, can rely on an opinion or advisory letter from the IRS to the prototype or volume submitter plan sponsor); the trusts maintained thereunder have been determined to be exempt from taxation pursuant to Section 501(a) of the Code; and no event has occurred that would reasonably be expected to result in disqualification or adversely affect such qualification.
- (g) None of the Cole Entities or any of their respective current or former ERISA Affiliates maintains, sponsors, contributes to or has, or has had during the past six (6) years, any obligation to contribute to, or has any Liability, contingent or otherwise (including potential withdrawal liability), with respect to: (i) a "multiemployer plan", as defined in Section 3(37) or 4001(a)(3) of ERISA or 414(f) of the Code (a "**Multiemployer Plan**"); (ii) a multiple employer plan within the meaning of Section 210, 4063 or 4064 of ERISA or Section 413(c) of the Code; (iii) an employee benefit plan that is subject to Section 302 of ERISA, Title IV of ERISA or Section 412 of the Code; or (iv) a "multiple employer welfare arrangement," as defined in Section 3(40) of ERISA, or (v) any plan subject to Title IV of ERISA or to the funding requirements of Section 412 of the Code or Section 302 of ERISA. No benefits are provided or made available by or on behalf of the Cole Entities to current or former employees of the Cole Entities (or any of their dependents or beneficiaries) through any arrangement that is, or is intended to be, a voluntary employees' beneficiary association (within the meaning of Section 501(c)(9) of the Code) or a trust for the payment of supplemental unemployment compensation benefits (within the meaning of Section 501(c)(17) of the Code).

None of the Cole Entities or any of their respective current or former ERISA Affiliates have incurred any withdrawal liability with respect to a Multiemployer Plan.

- (h) Each Benefit Plan that is intended to meet the requirements of a “qualified plan” under Section 401(a) of the Code is so qualified and has received a favorable determination or opinion letter from the IRS to the effect that such Benefit Plan meets the requirements of Section 401(a) of the Code and the IRS has not taken any action to revoke such determination or opinion letter and, to the Vendor’s Knowledge, nothing has occurred that would reasonably be expected to cause the loss of such qualification.
- (i) The Cole Entities with Employees in the United States are and at all times have been in compliance with the Affordable Care Act and its companion bill, the Health Care and Education Reconciliation Act of 2010 (the “**ACA Laws**”), to the extent applicable. The operation of the Cole Entities with Employees in the United States has not resulted in the incurrence of any penalty or Liability to the Cole Entities with Employees in the United States pursuant to the ACA Laws. The Cole Entities with Employees in the United States have not attempted to maintain grandfathered health plan status under the ACA Laws for any of its Benefit Plans and have timely filed all forms required under the ACA Laws.
- (j) No “party in interest” or “disqualified person” with respect to the Benefit Plans has engaged in a non-exempt “prohibited transaction” within the meaning of Section 4975 of the Code or Section 406 of ERISA that would reasonably be expected to cause the Cole Entities to incur any Liability.
- (k) None of the Benefit Plans promises or provides post-employment medical, dental, vision, prescription drug or life insurance benefits to any individual, except as required by Section 4980B of the Code, Section 601 et seq. of ERISA or similar Law (collectively, “**COBRA**”). The Cole Entities and each Benefit Plan at all relevant times have been in compliance in all material respects with (i) the applicable requirements of COBRA, including 100% premium subsidy requirements under the American Rescue Plan Act of 2021 and guidance thereunder, (ii) the applicable requirements of the U.S. Health Insurance Portability and Accountability Act of 1996, as amended (HIPAA), and (iii) the applicable requirements of the U.S. Patient Protection and Affordable Care Act of 2010, as amended. The Cole Entities have not paid, and have no liability for, any assessment, tax, penalty or other payment pursuant to Section 4980D or Section 4980H of the Code.
- (l) None of the Cole Entities have any obligation to pay any change-in-control, sale, completion, incentive, stay, retention or similar bonuses or payments to any current or former employee as a result of the transactions contemplated by this Agreement.
- (m) To the Vendor’s Knowledge, each individual who provides or has provided services to the Cole Entities is or has been, as applicable, properly classified as an employee or independent contractor under applicable Law for all purposes of all matters relating to the Benefit Plans, including without limitation eligibility to participate and compliance with applicable tax withholding and reporting requirements.
- (n) Each Benefit Plan can be amended, terminated or otherwise discontinued after the Closing in accordance with its terms, without Liabilities to any of the Cole Entities other than ordinary administrative expenses typically incurred in a termination event. The Cole Entities have no commitment or obligation and have not made any representations to any Employee, officer, director, Independent Contractor or consultant, whether or not legally binding, to adopt, amend, modify or continue any Benefit Plan, in connection with the consummation of the transactions contemplated by this Agreement or otherwise.

- (o) None of the Cole Entities have received any notice in writing of any pending investigations, and, to the Vendor's Knowledge, there are no pending or threatened investigations, by any Governmental Authority involving or relating to any Benefit Plan or any claims (except for claims for benefits payable in the Ordinary Course operation of the Benefit Plans) or Actions against the Cole Entities in respect of any Benefit Plan.

### **3.30 Taxes**

- (a) All of the Cole Entities have duly and timely filed all of their respective income Tax Returns and all other material Tax Returns with all appropriate Governmental Authorities. Each such Tax Return was true, correct and complete in all material respects. All material Taxes due and payable by any of the Cole Entities for periods (or portions thereof) ending on or before the Closing Date have been paid or accrued.
- (b) No Governmental Authority of a jurisdiction in which any of the Cole Entities have not filed a Tax Return has made any claim in writing that any of the Cole Entities is or may be subject to Tax or required to file Tax Returns by that Governmental Authority in such jurisdiction. There is no reasonable basis for a claim that any of the Cole Entities is subject to Tax in a jurisdiction in which the Cole Entities do not file Tax Returns.
- (c) Other than standard inquiries and follow-up questions from Governmental Authorities related to filed Tax Returns, there are no matters under audit or appeal with any Governmental Authority relating to Taxes of any of the Cole Entities.
- (d) True copies of all Tax Returns prepared and filed by the Cole Entities during the past three (3) years, together with any notices of assessment of the Cole Entities during the past three (3) years, have been disclosed in the Data Room.
- (e) There is a reasonable and supportable basis for the amount of Taxes payable or accrued in the Books and Records of the Cole Entities in accordance with Accounting Principles and, to the Vendor's Knowledge, this is an adequate representation of the obligations for Taxes of the Cole Entities.
- (f) Other than standard inquiries and follow-up questions from Governmental Authorities related to filed Tax Returns, none of the Cole Entities have received any notice from any Governmental Authority that it is taking steps to assess any additional Taxes against any of the Cole Entities for any period for which Tax Returns have been filed and, to the Vendor's Knowledge, there are no actual or pending audit investigations or other Actions of or against any of the Cole Entities by any Governmental Authority relating to Taxes. No Governmental Authority has given notice of any intention to assert any deficiency or claim for additional Taxes against any of the Cole Entities.
- (g) To the Vendor's Knowledge, none of the Cole Entities or any Governmental Authority has waived any statute of limitation in respect of Taxes or agreed to any extension of time within which:
  - (i) to file any Tax Return covering any Taxes for which any of the Cole Entities are or may be liable;
  - (ii) any of the Cole Entities are required to pay or remit amounts on account of Taxes; or
  - (iii) any Governmental Authority may assess or collect Taxes for which any of the Cole Entities may be liable.

- (h) The Vendor is not a non-resident of Canada within the meaning of the Income Tax Act.
- (i) In all material respects, each of the Cole Entities has duly and timely withheld or collected the proper amount of Taxes that are required by Law to be withheld or collected (including Taxes and other amounts required to be withheld by it in respect of any Person, including any employee, officer or director and any Person not resident in Canada for purposes of the Income Tax Act) and have duly and timely remitted to the appropriate Governmental Authority such Taxes and other amounts required to be remitted by any of the Cole Entities.
- (j) Except for the acquisition of control that will occur by virtue of the execution of this Agreement, for purposes of the Income Tax Act or any other applicable Tax Law, no Person or group of Persons other than the Vendor has acquired control of any of the Cole Entities in the last three years.
- (k) During the five years prior to the Closing Date and except as set out in Section 3.30(k) of the Disclosure Schedule, none of the Cole Entities have acquired property or services from, or disposed of property to, a non-arm's length Person (within the meaning of the Income Tax Act) for consideration, the value of which is less than the fair market value of the property or services, as the case may be.
- (l) The only reserves under the Income Tax Act or any equivalent provincial or territorial Law anticipated by the Corporation to be claimed by any of the Cole Entities for the taxation year deemed under subsection 249(4) of the Income Tax Act to have ended as a result of the transactions consummated by this Agreement are for bad debts.
- (m) Each of the following Cole Entities is registered for GST/HST purposes under Part IX of the *Excise Tax Act* (Canada) and the registration numbers are as follows:
  - (i) Cole: [*Redacted – GST number*]
  - (ii) CGI: [*Redacted – GST number*]
  - (iii) Abco: [*Redacted – GST number*]
  - (iv) Lakeside: [*Redacted – GST number*]
  - (v) FPI: [*Redacted – GST number*]
- (n) None of the Cole Entities, except for the Cole USA Entities, is a party to, or bound by, any Tax indemnity, Tax sharing or Tax allocation agreement (other than customary Tax indemnification provisions in ordinary course commercial agreements or arrangements that are not primarily related to Taxes).
- (o) No Tax rulings have been requested or issued by any Tax authority with respect to any of the Cole Entities.
- (p) There is no reasonable and supportable basis that would require any of the Cole Entities to include any item of income in, or exclude any item or deduction from, taxable income for any taxation year or portion thereof ending after the Closing Date as a result of use of an accounting method that is inconsistent with the Accounting Principles or applicable Tax Laws, for a taxation year ending before the Closing Date.

- (q) Each of the Cole Entities, except for the Cole USA Entities, is a “Canadian-controlled private corporation” as defined in the Income Tax Act and has been a Canadian-controlled private corporation continuously since incorporation, other than FPI which has been a “Canadian-controlled private corporation” since August 9, 2023.
- (r) None of the Cole Entities have applied for, claimed or received a refund of Taxes (or amount deemed for the purposes of the Income Tax Act to be an overpayment of Taxes) to which there was no reasonable basis for such refund of Taxes to under applicable Laws.
- (s) The Cole Entities have correctly calculated and duly filed all claims for federal, provincial, and state tax credits (including refundable or reimbursable tax credits) in all material respects. None of the Cole Entities have received any refund of Taxes in respect of any such tax credits to which it is not entitled.
- (t) None of the Cole Entities have made an “excessive eligible dividend designation” as defined in subsection 89(1) of the Income Tax Act or any analogous provision of any comparable Law of any province or territory of Canada, in respect of any dividend paid, or deemed to have been paid on any class of shares of its capital.
- (u) None of the Cole Entities have made a capital dividend election under subsection 83(2) of the Income Tax Act in an amount which exceeded the amount in its capital dividend account at the time such election was made.
- (v) The Cole USA Entities are not a party to any agreement, contract, arrangement or plan that has resulted or could result, separately or in the aggregate, in the payment of (i) any "excess parachute payment" within the meaning of Code Section 280G (or any corresponding provision of state, local, or non-U.S. Tax Law) or (ii) any amount that will not be fully deductible as a result of Code Section 162(m) (or any corresponding provision of state, local, or non-U.S. Tax Law). The Cole USA Entities do not have an obligation to gross-up or reimburse any individual for any tax or tax-related interest or penalties incurred by such individual, including under Sections 409A or 4999 of the Code or otherwise.
- (w) None of the Cole USA Entities have been a United States real property holding corporation within the meaning of Code Section 897(c)(2) during the applicable period specified in Code Section 897(c)(1)(A)(ii).
- (x) None of the Cole USA Entities are a party to or bound by any Tax allocation or sharing agreement, other than the Cole USA Entities filing of a consolidated tax return.
- (y) None of the Cole USA Entities (A) have been a member of an affiliated group filing a consolidated U.S. federal income Tax Return, other than the Cole USA Entities filing of a consolidated tax return or (B) have any Liability for the Taxes of any Person (other than a U.S. Entity itself) under Treasury Regulations 1.1502-6 (or any similar provision of state, local, or non-U.S. law), as a transferee or successor, by contract, or otherwise (other than customary Tax indemnification provisions in ordinary course commercial agreements or arrangements that are not primarily related to Taxes).
- (z) None of the Cole USA Entities will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any:
  - (i) change in method of accounting for a taxable period ending on or prior to the Closing Date;

- (ii) use of an improper method of accounting for a taxable period ending on or prior to the Closing Date;
  - (iii) "closing agreement" as described in Code Section 7121 (or any corresponding or similar provision of state, local, or non-U.S. income Tax Law) executed on or prior to the Closing Date;
  - (iv) intercompany transaction or excess loss account described in Treasury Regulations under Code Section 1502 (or any corresponding or similar provision of state, local, or non-U.S. income Tax Law);
  - (v) installment sale or open transaction disposition made on or prior to the Closing Date; or
  - (vi) prepaid amount received on or prior to the Closing Date.
- (aa) None of the Cole USA Entities have either distributed stock of another Person, or had its stock distributed by another Person, in a transaction that was purported or intended to be governed in whole or in part by Code Section 355 or Code Section 361.
  - (bb) None of the Cole USA Entities are or have been a party to any "reportable transaction," as defined in Code Section 6707A(c)(1) and Treasury Regulations 1.6011-4(b).
  - (cc) None of the Cole USA Entities have claimed, in any year, credits described in section 2301 of the Coronavirus Aid, Relief, and Economic Security Act.
  - (dd) None of the Cole Entities have a permanent establishment (within the meaning of an applicable Tax treaty) or otherwise have an office or fixed place of business in a country other than the country in which it is organized.
  - (ee) None of the Cole USA Entities have received any letter ruling from the IRS (or any comparable ruling from any other taxing authority).

### **3.31 Related Party Transactions**

Other than amounts owing pursuant to employment agreements and with respect to: (i) roles as directors and officers, (ii) the Excluded Real Property, and (iii) the Related Party Debt:

- (a) No Related Party is indebted to any of the Cole Entities.
- (b) None of the Cole Entities are indebted to any Related Party.
- (c) No Related Party:
  - (i) to the Vendor's Knowledge, possesses, directly or indirectly, any financial interest in, or is a director, officer or employee of, any Person which is a competitor or a material supplier, dealer, customer, licensor, licensee, lessor or lessee of any of the Cole Entities; or
  - (ii) has any interest in any Assets.



### 3.32 Books and Records

The Books and Records of the Cole Entities have been maintained in compliance with applicable Law in all material respects and are complete and accurate in all material respects. All corporate actions taken by the Cole Entities have been in material compliance with their respective Books and Records. At the Closing, all of the Books and Records will be in the possession or control of the Cole Entities.

### 3.33 Brokers

Except for [*Redacted – name of broker*], no broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of the Vendor or the Cole Entities.

### 3.34 Anti-Money Laundering and Anti-Corruption Practices

To the Vendor's Knowledge, none of the Cole Entities or any of their respective directors, officers, Employees, agents, consultants or representatives:

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

## **ARTICLE 4**

### **REPRESENTATIONS AND WARRANTIES IN RESPECT OF THE VENDOR**

The Vendor represents and warrants to the Purchaser that the representations and warranties in this Article 4 are true and correct as of the Agreement Date and will be true and correct as of the Closing Date.

#### **4.1 Due Execution, Authorization and Validity of Agreement**

This Agreement has been properly executed and delivered by the Vendor and constitutes a valid and binding agreement of the Vendor enforceable against it in accordance with its terms. The Vendor have the full power and authority to sell, assign, transfer and deliver the Shares to the Purchaser and to do and perform all acts and things required to be done by the Vendor under this Agreement. All corporate actions reasonably necessary to authorize the execution, delivery and performance of this Agreement, the other Transaction Documents and the covenants and actions to be taken hereunder and thereunder by the Vendor have been or will be duly authorized on or before the Closing. The execution and delivery of this Agreement and the Transaction Documents and the consummation of the transactions contemplated by this Agreement will not, with or without the passage of time or the giving of notice or both, result in the violation or breach of nor be in conflict with:

- (a) any of the terms, conditions or provisions of any indenture, mortgage, deed of trust, loan agreement or other agreement, written or oral, to which the Vendor is a party to or bound by;
- (b) any provision of the Articles, by-laws, operating agreements, unanimous shareholders agreement or other constating documents of the Vendor, or
- (c) any provision of any Law or Governmental Order applicable to the Vendor.

#### **4.2 Execution and Binding Obligation.**

This Agreement has been duly executed and delivered by, and (assuming due authorization, execution and delivery by the Purchaser) constitutes a legal, valid and binding obligation of, and is enforceable against, the Vendor in accordance with its terms, subject only to any limitation on enforcement under applicable Laws relating to (a) bankruptcy, winding-up, insolvency, arrangement and other similar Laws of general application affecting the enforcement of creditors' rights, and (b) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

#### **4.3 Title to Shares**

The Vendor is the registered and beneficial owner of the Shares set out opposite their names in Exhibit A and the Shares constitute all of the issued and outstanding shares in the capital of the Parent Entities, and the Vendor has good and valid title thereto, free and clear of all Encumbrances, other than those restrictions on transfer, if any, contained in the Articles of the Parent Entities, and all such Shares have been validly issued in compliance with applicable Law and are fully paid and non-assessable. At Closing, the Vendor (a) will be the registered and beneficial owner of all of the Shares, with a good and valid title thereto, free and clear of all Encumbrances, and (b) shall transfer good and valid title to the Purchaser of the Shares, free and clear of all Encumbrances, other than those restrictions on transfer, if any, contained in the Articles of the Parent Entities and such Encumbrances granted by the Purchaser, if any.

#### **4.4 No Other Agreements to Purchase**

Except for Purchaser's rights under this Agreement, no Person has any Contract, right or privilege (whether by Law or by Contract) capable of becoming such, for the purchase, acquisition or transfer from the Vendor of any securities of the Cole Entities.

#### **4.5 Registered and Beneficial Owners of Lucky Holdings**

Section 4.5 of the Disclosure Schedules sets out a list of each registered and beneficial owner of Lucky Holdings and Noma Brokerage Ltd.

#### **4.6 Residence of the Vendor**

The Vendor are not non-residents of Canada within the meaning of the Income Tax Act.

#### **4.7 Litigation**

There are no Actions or orders in progress, pending or, to the Vendor's Knowledge, threatened against the Vendor, which prohibit, restrict or seek to enjoin the completion of the transactions contemplated by this Agreement or the Transaction Documents and to the Vendor's Knowledge, there is no current state of facts which could give rise to any of the foregoing.

### **ARTICLE 5 REPRESENTATIONS AND WARRANTIES IN RESPECT OF THE PURCHASER**

Each of MT Investments, AcquisitionCo 1 and AcquisitionCo 2, jointly and severally, represent and warrant to the Vendor that the representations and warranties in this Article 5 are true and correct as of the Agreement Date and will be true and correct as of the Closing Date.

#### **5.1 Corporate Status and Authorization of Purchaser**

- (a) MT Investments is a corporation amalgamated and validly existing under the Laws of the Province of Alberta and has not been discontinued or dissolved under such Laws.
- (b) Each of AcquisitionCo 1 and AcquisitionCo 2 are corporations incorporated and validly existing under the Laws of the Province of Alberta and have not been discontinued or dissolved under such Laws.
- (c) No steps or proceedings have been taken to authorize or require such discontinuance or dissolution. Each of MT Investments, AcquisitionCo 1 and AcquisitionCo No. 2 have submitted all notices or returns of corporate information and other filings required by Law to be submitted by it to any Governmental Authority.
- (d) Each of MT Investments, AcquisitionCo 1 and AcquisitionCo 2 have the corporate power and capacity to enter into this Agreement and the other Transaction Documents to which they are a party, to carry out their respective obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby.
- (e) The execution and delivery by Each of MT Investments, AcquisitionCo 1 and AcquisitionCo 2 of this Agreement and any other Transaction Document to which they are a party, the performance by of them of their respective obligations hereunder and thereunder and the consummation by each of

them of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of each of MT Investments, AcquisitionCo 1 and AcquisitionCo 2.

- (f) This Agreement has been duly executed and delivered by each of MT Investments, AcquisitionCo 1 and AcquisitionCo 2, and (assuming due authorization, execution and delivery by the Vendor) this Agreement constitutes a legal, valid and binding obligation of each of them enforceable against such Purchaser in accordance with its terms. When each other Transaction Document to which each of MT Investments, AcquisitionCo 1 and AcquisitionCo 2 is or will be a party has been duly executed and delivered by the Purchaser (assuming due authorization, execution and delivery by each other party thereto), such Transaction Document will constitute a legal, valid and binding obligation of such Purchaser enforceable against it in accordance with its terms.

## **5.2 No Conflicts and Required Consents**

- (a) The execution, delivery and performance by each of MT Investments, AcquisitionCo 1 and AcquisitionCo 2 of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not:
  - (i) conflict with or result in a violation or breach of, or default under, any provision of the Articles, by-laws, unanimous shareholder agreements or other constating documents of such Purchaser;
  - (ii) conflict with or result in a violation or breach of, or default under any of the terms, conditions or provisions of any indenture, mortgage, deed of trust, loan agreement or other agreement, written or oral, to which such Purchaser is a party or by which it is bound;
  - (iii) upon obtaining the Competition Act Approval, conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to such Purchaser; or
  - (iv) require the consent, notice or other action by any Person under any Contract to which such Purchaser is a party.
- (b) No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to each of MT Investments, AcquisitionCo 1 and AcquisitionCo 2 in connection with the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby except for the Competition Act Approval, and such filings as may be required under the Competition Act.

## **5.3 Brokers**

No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any other Transaction Document based upon arrangements made by or on behalf of any of MT Investments, AcquisitionCo 1 and AcquisitionCo 2.

## **ARTICLE 6 COVENANTS**

### **6.1 Operation during the Interim Period**

Except (i) as otherwise contemplated by this Agreement, (ii) as required by Law, (iii) as consented to in writing by the Purchaser (which consent shall not be unreasonably withheld, conditioned or delayed), (iv) as set forth in Section 6.1 of the Disclosure Schedules; and (iv) to give effect to the divestiture of the Excluded Real Property, from the Agreement Date until the Closing Date (the “**Interim Period**”), the Vendor will and will ensure that the Cole Entities:

- (a) carry on their respective Business in the Ordinary Course;
- (b) do not make any capital expenditures or incur any obligations or liabilities in connection with any capital expenditures that, in each case, individually or in the aggregate, would exceed \$100,000;
- (c) do not incur any Indebtedness;
- (d) do not allow any new Related Party Debt;
- (e) do not dispose of any interest in any of the Real Property;
- (f) do not acquire any new interest in any real property;
- (g) use commercially reasonable efforts to preserve intact their respective business, organization and goodwill and to maintain satisfactory relationships with suppliers, distributors, customers and others with whom each of the Cole Entities has business relationships;
- (h) use commercially reasonable efforts to cause their current insurance policies not to be cancelled or terminated or any other coverage thereunder to lapse, unless simultaneously with such terminations, cancellation or lapse, replacement policies underwritten by insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies, and where possible, for substantially similar premiums, are in full force and effect;
- (i) promptly advise the Purchaser in writing of the occurrence of any Material Adverse Effect in respect of any of the Cole Entities or of any facts that come to its attention which would cause any of the representations and warranties of the Vendor in this Agreement to be untrue;
- (j) do not take any action that would knowingly cause any of the representations and warranties of the Purchaser in this Agreement to be untrue;
- (k) maintain the Books and Records of each of the Cole Entities in the Ordinary Course; and
- (l) ensure that its Representatives and the Cole Entities’ Representatives are aware of the provisions of this Section 6.1, and any violation of or the taking of any action which is inconsistent with any of the restrictions set forth in this Section 6.1 by any Representative shall be deemed to constitute a breach of this Section 6.1 by its Representatives.

Notwithstanding the foregoing, the Vendor may, or the Vendor may cause any Cole Entity to, in the Vendor’s reasonable discretion, take any and all actions necessary or advisable to prevent or minimize

injury to persons or damage to property or the Assets in the case of an emergency and to address, prevent or minimize a health, environmental or safety concern involving its Assets, or respond to any epidemic, pandemic or other outbreak of illness or public health event, in each case without the consent of the Purchaser but with such notice to the Purchaser as is reasonable in the circumstances.

## **6.2 Standstill**

- (a) The Vendor will and will ensure that the Cole Entities:
  - (i) immediately cease and cause to be terminated all existing solicitations, discussions and negotiations (including, without limitation, through any of its Representatives), if any, with any third parties other than the Purchaser, initiated on or before the date of this Agreement with respect to any actual or potential Acquisition Proposal;
  - (ii) immediately discontinue, and cause its Representatives to discontinue, access to any of their confidential Information and not allow or establish access to any of their confidential information, or any data room, virtual or otherwise and shall promptly request the return or destruction of all confidential information regarding the Cole Entities provided to any third party in connection with a potential or actual Acquisition Proposal to the extent that such information has not previously been returned or destroyed, and shall use all commercially reasonable efforts to ensure that such requests are honored in accordance with the terms of any confidentiality agreement governing such information;
  - (iii) not, directly or indirectly, do or authorize or permit any of its Representatives or any of the Representatives of the Cole Entities to do, any of the following:
    - (A) solicit, initiate, encourage or facilitate any inquiries, proposals or offers, whether publicly or otherwise, regarding an actual or potential Acquisition Proposal;
    - (B) withdraw, amend, modify or qualify, or propose to withdraw, amend, modify or qualify, in any manner adverse to the Cole Entities, the approval of the Transactions contemplated by this Agreement;
    - (C) encourage or participate in any negotiations or discussions with any other person regarding an actual or potential Acquisition Proposal, or furnish information or provide access to any other person any information with respect to any of the Cole Entities' securities, business, properties, operations or condition (financial or otherwise) in connection with, or in furtherance of, an actual or potential Acquisition Proposal; or
    - (D) accept, recommend, approve, agree to endorse or propose to accept, recommend, approve, agree to endorse or enter into an agreement to implement any Acquisition Proposal or otherwise take any action that could reasonably be expected to lead to an Acquisition Proposal.
- (b) The Purchaser agrees that it shall not terminate, waive, release, amend, modify or otherwise forbear from the enforcement of, and agrees to take all necessary actions to actively prosecute and enforce, any agreement containing standstill provisions and any provision of any existing confidentiality agreement or any standstill agreement to which it is a party.

### **6.3 Regulatory Approvals**

- (a) The Purchaser shall use its commercially reasonable efforts to obtain the Competition Act Approval as soon as reasonably practicable but, in any event, no later than the Outside Date. The Vendor shall provide all necessary assistance reasonably requested by the Purchaser in connection therewith.
- (b) Without limiting the generality of Section 6.3(a), as soon as reasonably possible following the date hereof, and in any event within five (5) days of the date hereof or such other period of time as may be agreed to by the Parties in writing, the Purchaser shall file a request for an advance ruling certificate or, in the alternative, a no-action letter and waiver of the obligation to file a pre-merger notification, under the Competition Act. In addition, if Competition Act Approval is not received within fifteen (15) Business Days of the submission of the request for an advance ruling certificate or, in the alternative, a no-action letter, unless the Purchaser and the Vendor mutually agree in writing not to take such action, the Purchaser and the Vendor shall within five (5) Business Days thereafter each make, or shall cause their Affiliates to make a premerger notification filing in respect of the transactions contemplate under this Agreement with the Commissioner of the Competition in accordance with Part IX of the Competition Act.
- (c) The Parties shall coordinate and cooperate in exchanging information and supplying assistance that is reasonably requested in connection with this Section 6.3. The Parties shall provide each other with advance copies of and a reasonable opportunity to comment on all notices, filings, submissions, correspondence, documents and information proposed to be supplied to or filed with any Governmental Authority and promptly provide copies of all notices, filings, submissions, correspondence and information received from any Governmental Authority. Each Party shall provide to the other Party or Parties, as applicable, and its or their respective counsel, full opportunity to attend and participate in all substantive meetings, discussions or telephone calls with a Governmental Authority or legal counsel for any such entity. To the extent that any information or documentation to be provided by one Party to the other Party pursuant to this Section 6.2 is competitively sensitive, such information shall be provided only to external counsel of the receiving Party on an external counsel only basis and to the extent that such information relates to valuation of the transaction or purchase price, may be redacted.
- (d) The Purchaser shall keep the Vendor informed as to the status of the Competition Act Approval and shall provide the Vendor with updates regarding the status of Competition Act Approval as and when requested by the Vendor. Upon receipt of the Competition Act Approval or notification that Approval will not be obtained, the Purchaser shall promptly notify the Vendor.
- (e) Notwithstanding any provision in this Agreement, including Section 6.4, the Purchaser shall pay all government filing fees incurred in connection with the Competition Act Approval.

### **6.4 Transaction Expenses**

The Vendor shall pay all of the Transaction Expenses incurred by themselves or any of the Cole Entities in connection with the transactions contemplated by this Agreement prior to the Closing failing which, the amount of any unpaid Transaction Expenses or Transaction Expenses incurred by any Cole Entity shall be for the account of the Purchaser and shall be adjusted as against the Purchase Price as contemplated in Section 2.7(d) hereof, failing which such Transaction Expenses shall be subject to the indemnification obligations set forth in Section 9.2(c) hereof.

## 6.5 Examination of Records and Assets

- (a) During the Interim Period or, if earlier, until the date that this Agreement is terminated pursuant to Article 10, the Vendor will provide, and will cause the Cole Entities to provide, the Purchaser and its Representatives with reasonable access, upon reasonable prior written notice (but in no event less than three (3) Business Days' prior written notice) and during normal business hours, to the assets, properties and records of the Cole Entities and to *[Redacted – names of individuals]*, including, without limitation, for the purpose of conducting an environmental review of the Owned Real Property in such details as may be determined by the Purchaser, in its discretion, acting reasonably. Notwithstanding the foregoing, the Purchaser and its Representatives may not conduct any invasive environmental testing or assessments without the prior written consent of the Vendor. Any access requested by Purchaser and its Representatives and granted by Vendor as contemplated by this section shall not unduly interfere with the conduct of the Business in the Ordinary Course. Any disclosure to the Purchaser pursuant to the foregoing shall be subject to such disclosure: (i) not violating any Laws, and (ii) not resulting in the waiver of any solicitor-client, work product or similar privilege.
- (b) During the Interim Period, in no event shall the Purchaser or any of the Purchaser's Representatives hold any non-Ordinary Course meetings with, or engage in any non-Ordinary Course communications with, any lenders, suppliers, other Vendor or customers of the Cole Entities, or any Representatives of any Governmental Authority, regarding the Cole Entities without the prior consent of the Vendor unless such meetings or communications are expressly permitted under this Agreement or required to comply with the Purchaser's obligations under this Agreement.
- (c) At or immediately after the Closing, the Vendor shall deliver to the Purchaser all Books and Records of the Cole Entities including any such Books and Records in its Affiliates' possession or control to the extent such Books and Records are not in the custody or possession of the applicable Cole Entity on the Closing Date.

## 6.6 Confidentiality

- (a) The Parties acknowledge that a confidentiality agreement dated May 7, 2024 was entered between Mullen Group Ltd., the Purchaser parent entity, and *[Redacted – name of agent]*, as agent for the Vendor. The Parties agree that except as provided in this Section 6.6, the confidentiality agreement continues to apply and the Parties thereto are bound by its terms. Upon Closing, the confidentiality agreement will terminate. If the Closing does not occur, the confidentiality agreement will remain in effect in accordance with and subject to its terms.
- (b) From and after the Closing Date and for a period of five (5) years after the Closing Date, the Vendor shall, and shall cause its Affiliates to, hold, and use their commercially reasonable efforts to cause their Affiliates' respective Representatives to hold, in confidence any and all information, whether written or oral, concerning the Cole Entities, except to the extent that the Vendor can show that such information:
  - (i) is generally available to and known by the public through no fault of the Vendor, any of its Affiliates or any of their respective Representatives; or
  - (ii) is lawfully acquired by the Vendor, any of its Affiliates or any of its Representatives from sources that are not prohibited from disclosing such information by a legal, contractual or fiduciary obligation.



- (c) If the Vendor, any of its Affiliates or any of its Representatives are compelled to disclose any information by judicial or administrative process or by other requirements of Law, the Vendor shall promptly notify the Purchaser in writing and shall disclose only that portion of such information that the Vendor is advised by their counsel in writing is legally required to be disclosed; provided that the Vendor shall use their commercially reasonable efforts (but at the sole cost and expense of the Purchaser) to obtain an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.

## **6.7 Personal Information Privacy**

The Parties shall at all times comply with all Laws governing the protection of personal information with respect to Personal Information disclosed or otherwise provided to the Purchaser by the Vendor or the Cole Entities under this Agreement. The Vendor shall, and shall cause the Cole Entities to, transfer or make available Personal Information to the Purchaser for the purposes contemplated in this Agreement in a secure manner that maintains at all times the security and integrity of the Personal Information consistent with the degree of sensitivity of the Personal Information. The Purchaser shall only collect, use or disclose such Personal Information for the purposes of investigating the Cole Entities and the Business as contemplated in this Agreement and completing the transactions contemplated in this Agreement. The Purchaser shall safeguard all Personal Information received from the Vendor or the Cole Entities in a manner consistent with the degree of sensitivity of the Personal Information and maintain at all times the security and integrity of the Personal Information. The Purchaser shall not make copies of the Personal Information or any excerpts thereof or in any way recreate the substance or contents of the Personal Information if the purchase of the Shares is not completed for any reason and shall, in such event, return all Personal Information to the Vendor or destroy such Personal Information at the Vendor's written request.

## **6.8 Books and Records**

- (a) To facilitate the resolution of any claims made by or against or incurred by the Vendor before the Closing, or for any other reasonable purpose, for a period of three (3) years after the Closing, and thereafter in accordance with the Purchaser's document retention policy, the Purchaser shall:
  - (i) retain the Books and Records (including personnel files) of the Cole Entities relating to periods before the Closing in a manner reasonably consistent with the prior practices of the Cole Entities; and
  - (ii) upon reasonable notice, afford the Vendor reasonable access (including the right to make, at the Vendor's expense, photocopies), during normal business hours, to the Books and Records.
- (b) To facilitate the resolution of any claims made by or against or incurred by the Cole Entities after the Closing, or for any other reasonable purpose, for a period of three (3) years after the Closing, the Vendor shall:
  - (i) retain the corporate records of the Vendor which relate to the Cole Entities and their operations but do not form part of the Books and Records, for periods before the Closing; and
  - (ii) upon reasonable notice, afford the Purchaser reasonable access (including the right to make, at the Purchaser's expense, photocopies), during normal business hours, to the records of the Cole Entities contemplated in Section 6.8(b)(i).

Neither the Purchaser nor the Vendor shall be obligated to provide the other party with access to any Books and Records (including personnel files) under this Section 6.8 where such access would, in the reasonable opinion in writing of such Party's legal counsel, violate any Law.

## **6.9 Benefit Plans and Employees**

- (a) During the period between the Balance Sheet Date and the Agreement Date and during the Interim Period, the Vendor have caused and will cause the Cole Entities to continue to provide the Employees with the Benefit Plans and have taken all commercially reasonable steps to ensure that upon Closing, the Benefit Plans will continue unchanged and without interruption.
- (b) The Purchaser agrees to make available to the Cole Entities, following the Closing Date, benefit plans that contain benefit provisions that are substantially similar in the aggregate to those provided under the existing Benefit Plans immediately before the Closing Date, including but not limited to providing continued and identical service and age credit, applicable, to each Employee under all such benefit plans for the purposes of benefits vesting and eligibility (collectively, the “**Purchaser Benefit Plans**”). Without limiting the foregoing, any Employee's maximum eligible benefit amount recognized under each benefit provision in each Benefit Plan immediately prior to Closing will remain unchanged from and after the Closing Date under the Purchaser Benefit Plans. Nothing in this Section 6.9(b) will:
  - (i) obligate the Cole Entities to provide the Purchaser Benefit Plans to any Employee, or
  - (ii) prohibit the Purchaser from changing any of the provisions under Purchaser Benefit Plans at any time provided the Purchaser complies with the requirements in this Section 6.9(b).
- (c) The Purchaser shall not be responsible for Pre-Closing Benefit Liability and the Vendor shall indemnify the Purchaser for any and all Pre-Closing Benefit Liability under Section 9.2.
- (d) The Vendor shall not be responsible for Post-Closing Benefit Liability and the Purchaser shall indemnify the Vendor for any and all Post-Closing Benefit Liability under Section 9.3.

Nothing in this Section 6.9 is intended to, or will be construed to, confer on any continuing Employee or any other Person, other than the Parties to this Agreement, any rights or remedies whatsoever.

## **6.10 Request for Consents and other Regulatory Requirements**

- (a) The Vendor will use its commercially reasonable efforts to obtain, or cause to be obtained, prior to Closing, the consents, approvals and waivers described in Section 3.5 of the Disclosure Schedules. The Purchaser will co-operate in obtaining such consents, approvals and waivers including providing information of the Purchaser as is reasonably requested by a third party in order to grant its consent.
- (b) Prior to Closing, the Vendor will deliver written notice to each third party in respect of Contracts and Permits and to any regulatory body requiring notice of the transactions contemplated by this Agreement where such notice is required by applicable Law including, CBSA, CBP and the Federal Motor Carrier Safety Administration. The Vendor shall provide the Purchaser with reasonable opportunity to review any such notices and shall incorporate the reasonable comments of the Purchaser and its legal advisors.

### **6.11 Public Announcements**

The Purchaser may make any public announcements in respect of this Agreement or the transactions contemplated hereby as it determines and may otherwise communicate with any news media without the prior written consent of the Vendor. Notwithstanding the foregoing, the Purchaser shall use its commercially reasonable efforts to provide a draft copy of any proposed public announcement to the Vendor and its legal advisors prior to publication. The Vendor may not make any announcements in respect of this Agreement, or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the Purchaser.

### **6.12 Further Assurances**

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

### **6.13 Excluded Real Property**

On or before the Closing Date, the Vendor shall cause all right, title and interest in and to the Excluded Real Property to transfer to a Person other than a Cole Entity, which transfer shall not result in any Liabilities, retained or assumed, by any Cole Entity. Copies of certificates or deeds of title evidencing the transfer of the Excluded Real Property shall be provided by the Vendor forthwith upon receipt by the Vendor or its Representatives, which covenant shall survive Closing indefinitely.

### **6.14 Wrong Pockets**

From and after the Closing, if either of the:

- (a) Vendor receives any funds, payment or other property on account of the Business or that is or should properly be considered to be the property of the Purchaser, such Vendor shall: (i) notify the Purchaser; and (ii) transfer or cause to be transferred such funds, payment or other property to the Purchaser within 30 Business Days;
- (b) Purchaser or the Cole Entities receives any funds, payment or other property that is or should properly be considered to be the property of a Vendor, the Purchaser shall: (i) notify such Vendor; and (ii) transfer or cause to be transferred such funds, payment or other property to such Vendor or its applicable affiliate within 30 Business Days;
- (c) Vendor receives mail, a courier package, a facsimile transmission or other document intended for or otherwise the property of a Cole Entity or the Purchaser, such Vendor shall use commercially reasonable efforts to promptly: (i) notify the Purchaser; and (ii) forward or cause to be forwarded such document to the Purchaser or the Corporation; and
- (d) Purchaser or a Cole Entity receives mail, a courier package, a facsimile transmission or other document intended for or otherwise the property of either of the Vendor, the Purchaser shall use commercially reasonable efforts to promptly: (i) notify such Vendor; and (ii) forward or cause to be forwarded such document to such Vendor.

## **ARTICLE 7**

### **CONDITIONS AND CLOSING**

#### **7.1 Closing**

- (a) Subject to the terms and conditions of this Agreement, the closing (the “**Closing Date**”) of the transactions contemplated by this Agreement shall take place on the date that is the first day of the month following the date on which the Competition Approval has been received, unless otherwise agreed to by the Purchaser and the Vendor and provided further that if such date would be June 1, 2025, that the Closing Date shall occur on July 1, 2025.
- (b) The Closing shall take place by means of an electronic closing in which the closing deliverables (other than the Closing Payment) will be delivered through the facilities of an electronic closing room established by the Solicitors for the Purchaser to which access will be granted to the Solicitors for the Vendor, which delivery will be effective without any further physical exchange of the originals or copies of the originals unless specifically agreed to by the Parties. The Closing Payment will be exchanged by Solicitors for the Purchaser and Solicitors for the Vendor and the Closing Payment, and the deliverables exchanged through the electronic closing room will be subject to trust conditions customary for transactions like those contemplated by this Agreement.

#### **7.2 Conditions for the Benefit of the Purchaser**

The sale by the Vendor, and the purchase by the Purchaser, of the Shares, is subject to the following conditions, which are for the exclusive benefit of the Purchaser, and which are to be performed or complied with (or waived in writing by the Purchaser in whole or in part to the extent permitted by Law) at or prior to the Closing Date or such earlier date as may be herein specified:

- (a) the representations and warranties of the Vendor set forth in Article 3 and Article 4 will be true and correct in all material respects on the Closing Date with the same force and effect as if made at and as of such time (except for such representations and warranties made as of another stated date, which shall be true and correct as of such date);
- (b) the Vendor will have performed or complied, in all material respects, with all of the obligations and covenants of this Agreement to be performed or complied with by the Vendor at or prior to the Closing Date;
- (c) no Material Adverse Effect in respect of the Cole Entities will have occurred during the Interim Period;
- (d) the Purchaser is satisfied, in its sole discretion, that there are no contingent liabilities with an individual value of more than \$250,000 as of the Closing Date, unless consented to by the Purchaser;
- (e) no material changes shall have been made to the Disclosure Schedule or the Data Room pursuant to a Supplement delivered in accordance with Section 11.3, after the Agreement Date, provided that if such a Supplement is delivered to Purchaser and Purchaser has been deemed to have waived its right to terminate this Agreement in accordance with Section 11.3, then any reference to Disclosure Schedule or Data Room for the purposes hereof shall be deemed to include the information contained in such Supplement;

- (f) each Required Consent to be obtained, in each case, from a third party, shall have been duly obtained, made or given, in each case on terms and conditions satisfactory to the Purchaser acting reasonably, and shall be in full force and effect;
- (g) each notice required to be delivered to a third party in respect of any Contracts, Permits or in accordance with applicable Laws, shall have been delivered to such third party in accordance with the notice or delivery terms applicable to such notice;
- (h) the Competition Act Approval shall have been obtained and not rescinded;
- (i) The Purchaser is satisfied, acting reasonably, that the Thunder Bay Property Transfer has been completed;
- (j) the Purchaser is satisfied, acting reasonably, that the Excluded Real Property has been transferred in accordance with Section 6.13;
- (k) the Purchaser is satisfied, in its sole discretion, with any internal reorganizations impacting the Cole Entities and the Owned Real Property, including any tax related impacts of same; and
- (l) each of the deliveries of the Vendor as set forth in Section 7.5 shall have been received by the Purchaser.

### **7.3 Conditions for the Benefit of the Vendor**

The sale by the Vendor, and the purchase by the Purchaser, of the Shares, is subject to the following conditions, which are for the exclusive benefit of the Vendor, and which are to be performed or complied with (or waived in writing by the Vendor in whole or in part to the extent permitted by Law) at or prior to the Closing Date or such earlier date as may be herein specified:

- (a) the representations and warranties of the Purchaser set forth in Article 5 will be true and correct in all material respects on the Closing Date with the same force and effect as if made at and as of such time (except for such representations and warranties made as of another stated date, which shall be true and correct as of such date);
- (b) the Purchaser will have performed or complied, in all material respects, with all of the obligations and covenants of this Agreement to be performed or complied with by the Purchaser at or prior to the Closing Date;
- (c) each Required Consent to be obtained, in each case, from a third party, shall have been duly obtained, made or given;
- (d) the Competition Act Approval shall have been obtained and not rescinded; and
- (e) each of the deliveries of the Purchaser as set forth in Section 7.6 shall have been received by the Purchaser.

### **7.4 Waiver of Condition**

The Purchaser, in the case of a condition set out in Section 7.2, and the Vendor, in the case of a condition set out in Section 7.3, will have the exclusive right to waive the performance or compliance of such condition in whole or in part and on such terms as may be agreed upon without prejudice to any of its rights

in the event of non-performance of or non-compliance with any other condition in whole or in part. Any such waiver will not constitute a waiver of any other conditions in favour of the waiving Party. Such waiving Party will retain the right to complete the sale and purchase of the Shares herein contemplated but, to the extent such waiver is in writing and executed by the waiving party, will not have the right to sue the other Party in respect of any breach of the other Party's covenants, obligations or any inaccuracy or misrepresentation in a representation or warranty of the other Party which gave rise to the non-performance of or non-compliance with the condition so waived.

## **7.5 Closing Deliveries of the Vendor**

The Vendor shall deliver the following at Closing:

- (a) the Specific Mutual Release executed by the Vendor;
- (b) the Resignation and Mutual Releases executed by each of the directors of each of the Cole Entities;
- (c) the Non-Competition Agreement duly executed by the applicable parties;
- (d) the Escrow Agreement duly executed by the Vendor;
- (e) the Earnout Escrow Agreement duly executed by the Vendor;
- (f) a certificate of the Vendor executed by the Vendor, dated as of the Closing Date, as to the matters set forth in Sections 7.2(a), 7.2(b) and 7.2(c);
- (g) each of the Required Consents;
- (h) copies of all notices delivered to third parties in accordance with applicable Contracts, Permits or applicable Laws;
- (i) a certificate of an officer of each of the Parent Entities and the Vendor certifying that attached thereto are true and complete copies of all resolutions adopted by (i) the shareholder(s), if applicable, and (ii) the board of directors of such corporations, as applicable and required under applicable Law, authorizing the execution, delivery and performance of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby, and that all such resolutions are in full force and effect and are all the resolutions adopted in connection with the transactions contemplated hereby and thereby;
- (j) a certificate from the Vendor stating that such Vendor is not a non-resident of Canada within the meaning of the Income Tax Act.
- (k) share certificates representing the Shares, free and clear of Encumbrances, duly endorsed in blank or accompanied by forms of share transfers or other instruments of transfer duly executed in blank; and
- (l) such other documents or instruments as the Solicitors for the Purchaser reasonably request.

## **7.6 Closing Deliveries of the Purchaser**

The Purchaser shall deliver the following at Closing:

- (a) the Non-Competition Agreement duly executed by the Purchaser and the Corporation;

- (b) the Escrow Agreement duly executed by the Purchaser and the Escrow Agent;
- (c) the Earnout Escrow Agreement duly executed by the Purchaser and the Escrow Agent;
- (d) a certificate of an officer of each Purchaser, dated as of the Closing Date, as to the matters set forth in Sections 7.3(a) and 7.3(b);
- (e) the Closing Payment by wire transfer in immediately available funds to the Solicitors for the Vendor subject to trust conditions, holdbacks or payout requirements consistent with this Agreement and agreed to in advance by the Solicitors for the Purchaser and the Solicitors for the Vendor; and
- (f) such other documents or instruments as the Solicitors for the Vendor reasonably requests.

## **ARTICLE 8 TAX MATTERS**

### **8.1 Tax Returns**

- (a) The Vendor shall cause each Cole Entity, if necessary, to prepare and file any Tax Returns of each Cole Entity for any Pre-Closing Tax Period, which are required by applicable Tax Laws to be filed after the Closing Date. Such returns shall be prepared and filed on a basis consistent with applicable Laws and the past practices and procedures of the relevant entity provided that no reserve under any of paragraphs 20(1)(m), (m.1) and (n) of the Income Tax Act may be claimed if any amount would be included in the income of the Cole Entities for any Post-Closing Tax Period. The Parties acknowledge that, at the option of the Purchaser, an election under subsection 256(9) of the Income Tax Act or any analogous provision of any comparable Law of any province or territory of Canada, will be made in respect of the taxation year of the Cole Entities ending (or otherwise ending) on or immediately prior to the Closing Date.
- (b) The Vendor shall permit the Purchaser to review and comment on all Tax Returns for any Pre-Closing Tax Period before filing such Tax Return, and the Vendor shall make such changes to such Tax Returns as are reasonably requested by the Purchaser; provided, that such changes are not contrary to Law, inconsistent with the past practices of the Cole Entities or would result in increased Tax Liability for a Cole Entity after the Closing Date. The Vendor shall not file any Tax Returns for any Pre-Closing Tax Period without the written consent of the Purchaser to the filing of such Tax Returns for any Pre-Closing Tax Period.
- (c) The Vendor and the Purchaser will co-operate fully and assist each other and make available to each other in a timely fashion all data and other information as may reasonably be required for the preparation and filing of all Tax Returns of the Cole Entities and will preserve that data and other information until the expiration of any applicable limitation period for maintaining Books and Records under any applicable Tax Law with respect to such Tax Returns.
- (d) Subject to the following sentence, the Purchaser covenants that it will not, and it will not cause or permit the Cole Entities to amend, refile or otherwise modify, or cause or permit any Cole Entity to amend, refile or otherwise modify, any Tax Return of, or relating to, any Cole Entities with respect to any Pre-Closing Tax Period (including, for greater certainty, by making, filing or amending any election), if such election, amendment, refiling or modification would result in an increase in the amount of the Taxes for which the Vendor may be liable under Article 9. The Purchaser agrees that the Vendor are to have no liability for any Tax (including any related interest

and penalties) resulting from any action referred to in the preceding sentence, unless such action was taken with the written prior consent of the Vendor or was required by applicable Law (in which case such action shall be permissible).

- (e) No Party will make an election under Section 338 or 336 of the Code with respect to the transactions contemplated by this Agreement.

## **8.2 Tax Proceedings**

- (a) Each Party shall advise the other Party promptly in writing if it becomes aware of any audit or proceeding pending or threatened against or with respect to any Cole Entity in respect of any Tax matter to the extent such pending or threatened audit or proceeding was not already known by the other Party.
- (b) The Purchaser and Parent Entities shall control any audit or other Action in respect of any Tax Return or Taxes of the Cole Entities (a “**Tax Contest**”); provided, however, that (i) the Vendor, at the Vendor’s sole cost and expense, shall have the right to participate in any such Tax Contest to the extent it relates to Taxes for which the Vendor may be liable pursuant to Article 9, and (ii) the Purchaser shall not allow the Cole Entities to settle or otherwise resolve any Tax Contest if such settlement or other resolution relates to Taxes for which the Vendor may be liable pursuant to Article 9 without the prior written consent of the Vendor (which will not be unreasonably withheld, delayed, or conditioned).
- (c) Notwithstanding the foregoing, if any Tax Contest relates solely to Taxes for which the Vendor may be liable pursuant to Article 9, the Vendor, at the Vendor’s sole cost and expense, shall have the right to control such Tax Contest; provided, however, (i) the Vendor shall have delivered to the Purchaser a written agreement that the Vendor shall be liable for the entire amount of the Taxes covered by or arising out of the Tax Contest; (ii) that the Vendor shall pursue such contest diligently and in good faith; (iii) the Vendor shall keep the Purchaser reasonably informed regarding the status of such Tax Contest and the Purchaser shall be provided copies of any material correspondence relating to such Tax Contest; (iv) the Vendor shall consult in good faith with the Purchaser regarding the defense of such Tax Contest and the Purchaser shall have the right to participate, at the Purchaser’s sole cost and expense, or cause the applicable Cole Entity to participate, at such entity’s sole cost and expense, in such Tax Contest; (v) the Vendor will provide the Purchaser a reasonable opportunity to comment on any representations or submissions proposed to be made to a Governmental Authority in respect of such Tax Contest and to attend any meeting with any such Governmental Authority with respect to such matters; and (vi) the Vendor shall not settle, resolve or abandon (and shall not allow the Cole Entities to settle, resolve or abandon) such Tax Contest without the prior written consent of the Purchaser (which shall not be unreasonably withheld, conditioned, or delayed, provided, however, that the Purchaser shall have the right not to consent to the settlement or compromise of any Tax Contest related to any matter which may adversely affect the Tax liabilities of the Corporation or the Cole Entities for a Post-Closing Tax Period).
- (d) If the Vendor chooses not to exercise its right to assume control of a Tax Contest, the Purchaser will provide the Vendor a reasonable opportunity to comment on any representations or submissions proposed to be made to a Governmental Authority in respect of such Tax Contest and to attend any meeting with any such Governmental Authority with respect to such matters.
- (e) If any Governmental Authority is entitled to take collection action in respect of any Tax Contest for which the Vendor may be liable pursuant to Article 9, notwithstanding the defense relating thereto or if an amount has to be paid in order to advance the Tax Contest, the Vendor shall pay or



cause to be paid such amount that is subject to such collection action or that is required to be so paid to the relevant Governmental Authority within the time required by applicable Law. To the extent that the required funds have been provided by the Vendor and the contestation of the Tax Contest has resulted in a final determination by the relevant Governmental Authority rejecting the Tax Contest in its entirety by deciding such Tax Contest in favour of the relevant taxpayer, the Purchaser or the applicable Cole Entity shall release and pay the funds received from the Vendor back to the Vendor within the five (5) Business Days following the receipt of the funds from the Governmental Authority or the application of the funds to other Tax obligations of any Cole Entity (provided that such other Tax obligations are not obligations for which the Vendor is liable under Article 9).

- (f) To the extent that the Tax Contest for which the Vendor may be liable pursuant to Article 9 has been either wholly or partially upheld by the final determination of the relevant Governmental Authority, the Purchaser shall release and pay back to the Vendor the amount, if any, by which the funds provided by the Vendor and that are described in this Section 8.2 exceed the amount that must be paid by any Cole Entity, pursuant to the final determination of the Tax Contest within the five (5) Business Days following the receipt of the funds from the Governmental Authority or the application of the funds to other Tax obligations of any Cole Entity (provided that such other Tax obligations are not obligations for which the Vendor is liable under Article 9).
- (g) If the amount of funds that is reimbursed pursuant to the final determination of the Tax Contest for which the Vendor may be liable pursuant to Article 9 to the Cole Entity includes an amount of interest, the applicable Cole Entity shall pay to the Vendor within five (5) Business Days following the receipt of the funds from the Governmental Authority or the application of the funds to other Tax obligations of the applicable Cole Entity an amount equal to the interest received on the funds that were paid or deposited, less an amount equal to the amount, as determined by the applicable Cole Entity, that the applicable Cole Entity shall pay to any Governmental Authority as Taxes on the interest.

### **8.3 Other Tax Provisions**

- (a) The Parties hereto agree to treat any payment made pursuant to this Article 8 as an adjustment to the Purchase Price for all Tax purposes except to the extent otherwise required by Tax Law.
- (b) The Purchaser shall promptly (and in any event within fifteen (15) Business Days) provide notice to the Vendor upon receipt by the Purchaser, any of its affiliates or any of the Cole Entities, of any inquiries made by any Governmental Authority (including notice of any pending or threatened audits, assessments and reassessments) to the extent that the subject matter thereof would reasonably be expected to give rise to a right of indemnification under this Agreement (a “**Tax Claim**”); provided, however, that any inadvertent failure or delay in giving any such notice shall not relieve the Vendor of its obligations pursuant to this Agreement, unless and then only to the extent that such failure or delay in giving notice materially disadvantages the Vendor or materially prejudices its rights hereunder.
- (c) Neither the Purchaser nor any Cole Entity shall consent to any extension of any statutory period with respect to the assessment or reassessment of Taxes for a Pre-closing Tax Period without the prior written consent of the Vendor.
- (d) The Purchaser shall take, and it shall cause the Cole Entities to take, all reasonable steps and give all reasonable assistance to avoid or mitigate any Tax Liability which may give rise to a right of indemnification hereunder, provided that any such action would not prejudice the Purchaser.

- (e) The Vendor and the Purchaser (i) shall cooperate fully with each other and make available to each other in a timely fashion such data, personnel or other information as may reasonably be required to prepare any Tax Return with respect to any Cole Entity or to respond to or defend any Tax Contest or Tax Claim, and (ii) shall preserve such data and other information until the expiration of the survival period for the Vendor's liability for Taxes pursuant to Article 9.

#### 8.4 Tax Elections

- (a) If it is determined that, during a Pre-Closing Tax Period, any Cole Entity has made an "excessive eligible dividend designation" (as defined in subsection 89(1) of the Income Tax Act), the Vendor hereby concur (or shall cause the recipient of the relevant dividend to concur) in the making of an election under subsection 185.1(2) of the Income Tax Act in respect of the full amount thereof, and such election shall be made by the applicable Cole Entity in the manner and within the time prescribed by subsections 185.1(2) and 185.1(3) of the Income Tax Act. The Purchaser agrees to work with the Vendor and make all reasonable efforts to cause the applicable Cole Entity to file such election in the form and manner and within the time required by the Income Tax Act.
- (b) If it is determined that, during a Pre-Closing Tax Period, any Cole Entity has made an election under subsection 83(2) of the Income Tax Act in respect of the full amount of any dividend payable by it on shares of any class of its capital stock and the full amount of such dividend exceeded the amount of the Cole Entity's "capital dividend account" (as defined in the Income Tax Act) immediately before the dividend became payable, the Vendor hereby concur (or shall cause the recipient of the relevant dividend to concur) in the making of an election under subsection 184(3) of the Income Tax Act in respect of such dividend.

### ARTICLE 9 INDEMNIFICATION

#### 9.1 Survival

Subject to the limitations and other provisions of this Agreement, the representations and warranties set out herein shall survive the Closing and shall remain in full force and effect until the date that is twenty-four (24) months from the Closing Date; provided that the representations and warranties in:

- (a) Section 3.1 (*Corporate Status and Authorization of the Cole Entities*), Section 3.2 (*Capitalization of the Parent Entities*), Section 3.3 (*Capitalization of the Subsidiary Entities*) Section 3.4 (*No Subsidiaries*), Section 3.5(a)(i) and (ii) (*No Conflicts*), Section 3.33 (*Brokers*), Section 4.1 (*Due Execution, Authorization and Validity of Agreement*), Section 4.2 (*Execution and Binding Obligation*), Section 4.3 (*Title to Shares*), Section 4.4 (*No Other Agreements to Purchase*) and Section 4.5 (*Residence of the Vendor*) (collectively the "**Vendor Fundamental Representations**"), and Section 5.1 (*Corporate Status and Authorization of Purchaser*) (collectively, the "**Purchaser Fundamental Representations**"), shall survive indefinitely.
- (b) Section 3.27 (*Environmental Matters*) (Environmental Representations) will survive and continue in full force and effect for a period of four (4) years after the Closing Date.
- (c) Section 3.30 (*Taxes*) shall survive for 120 days after which the relevant Governmental Authority(ies) are no longer entitled to assess or reassess the applicable Parent Entity(ies) or Subsidiary Entity(ies) in respect of indemnified Taxes, having regard to any consent, waiver, agreement or other document that extends the period during which a Governmental Authority may issue a Tax assessment or reassessment.

- (d) All covenants and agreements of the Parties set out herein shall survive the Closing for a period of twenty-four months or for the period explicitly specified therein.
- (e) No Indemnifying Party shall have any obligation to indemnify the Indemnified Party under this Article 9 unless the Indemnified Party has delivered a written notice of such indemnity claim asserting in good faith with reasonable specificity (to the extent known at such time) before the expiration date of the applicable survival period set out in this Section 9.1, in which case such claim(s) shall not thereafter be barred by the expiration of the relevant representation or warranty and such claim(s) shall survive until finally resolved or the expiry of the limitation period under applicable Law, whichever is sooner.

## 9.2 Indemnification by the Vendor

Subject to the other terms and conditions of this Article 9, the Vendor shall indemnify and defend each of the Purchaser and its Affiliates (including each of the Cole Entities) and their respective Representatives (collectively, the “**Purchaser Indemnitees**”) against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Purchaser Indemnitees based upon, arising out of, with respect to or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of the Vendor contained in this Agreement, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date);
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by the Vendor under this Agreement;
- (c) any and all Indebtedness and Related Party Debt of each Cole Entity set out in the Final Financial Statements;
- (d) without duplication, any and all Pre-Closing Taxes required to be paid by any Cole Entity, including, for greater certainty, (i) any and all Taxes imposed as a result of any loss, reduction, disallowance, or unavailability (in whole or in part) of any refund (whether as cash or a credit or offset against Taxes otherwise payable); (ii) any and all Taxes imposed as a result of any internal reorganization or distribution of cash, cash equivalents, marketable securities or other assets or liabilities impacting the Cole Entities or the Owned Real Property; and (iii) with respect to any transactions set out in the Disclosure Schedule;
- (e) all Transaction Expenses incurred by the Cole Entities;
- (f) any Losses arising from any audit, assessment, claim or litigation relating to any period prior to the Closing Date by:
  - (i) the CBSA, that occur between the Closing Date and the fourth (4<sup>th</sup>) anniversary of the Closing Date; or
  - (ii) the CBP, that occur between the Closing Date and the fifth (5<sup>th</sup>) anniversary of the Closing Date,

in each case arising in connection with non-payment of, or discrepancy in, customs duties; or

- (g) the Excluded Real Property.

### **9.3 Indemnification by the Purchaser**

Subject to the other terms and conditions of this Article 9, each of MT Investments, AcquisitionCo 1 and AcquisitionCo 2, jointly and severally, shall indemnify and defend the Vendor and their Affiliates and Representatives (collectively, the “**Vendor Indemnitees**”) against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, Vendor Indemnitees based upon, arising out of, with respect to or by reason of:

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

### **9.4 Certain Limitations**

The indemnification provided for in Section 9.2 and Section 9.3 shall be subject to the following limitations:

- (a) The Vendor shall have no liability under Section 9.2(a) until the aggregate amount of all Losses incurred by the Purchaser Indemnitees with respect to such matters exceeds \$1,000,000 (the “**Indemnity Threshold**”), provided, however that Vendor shall be liable for Losses from the first dollar once all Losses incurred by Purchaser Indemnitees equal or exceed the Indemnity Threshold, including the amount of the Indemnity Threshold.
- (b) The maximum aggregate liability of the Vendor for Losses:
  - (i) pursuant to Section 9.2(a) in respect only of Vendor Fundamental Representation shall not exceed 100% of the Purchase Price;
  - (ii) pursuant to Section 9.2(a) in respect of all other representations and warranties contained in Article 3 and Article 4 shall not exceed 25% of the Purchase Price; and
  - (iii) pursuant to Sections 9.2(b) through 9.2(g) shall not exceed 100% of the Purchase Price (as adjusted in accordance with Section 2.7).
- (c) The Purchaser shall have no liability under Section 9.3 until the aggregate amount of all Losses incurred by the Vendor Indemnitees with respect to such matters exceeds the Indemnity Threshold, provided, however that Purchaser shall be liable for Losses from the first dollar once all Losses incurred by Vendor Indemnitees equal or exceed the Indemnity Threshold, including the amount of the Indemnity Threshold.
- (d) The maximum aggregate liability of the Purchaser for Losses:

- (i) pursuant to Section 9.3(a) in respect only of Purchaser Fundamental Representation shall not exceed 100% of the Purchase Price;
  - (ii) pursuant to Section 9.3(a) in respect of all other representations and warranties contained in Article 5 shall not exceed 25% of the Purchase Price; and
  - (iii) pursuant to Section 9.3(b) shall not exceed an amount equal to the Purchase Price (as adjusted in accordance with Section 2.7).
- (e) The limitations in this Section 9.4 will not apply with respect to any claim for indemnification made in respect of actual and intentional fraudulent misrepresentation, willful misconduct, willful breach or criminal conduct (collectively, “**Fraud**”) with respect to any representation, warranty or covenant in this Agreement or any document or certificate given in order to carry out the transactions contemplated hereby, which shall not be limited by any threshold or liability cap set out in this Section 9.4.
- (f) No Party shall have any liability to any other Party under this Article 9 to the extent:
  - (i) that the Losses relate to a matter that has been specifically reserved or provided for in the Financial Statements (up to the amount set forth therein);
  - (ii) an Indemnified Party would be entitled to double recovery even though such claim may have resulted from the breach of more than one of the representations, warranties, agreements and covenants made by the Indemnifying Party;
  - (iii) of any Tax benefit actually realized by the Indemnified Party as a result of the matters giving rise to the indemnity claim, provided that such Tax benefit is realized within two years after the relevant Losses are incurred; or
  - (iv) that the Indemnified Party recovers under any insurance policy with respect to any Losses forming the subject matter of the indemnity claim and to the extent of insurance proceeds actually received under such insurance policy, net of any deductible and costs of collection and the net present value of any increase in annual insurance premiums.
- (g) For the sole purpose of determining the monetary value of Losses (and not for determining whether or not any breaches of representations or warranties have occurred), the representations and warranties of the Vendor shall not be deemed qualified by any references to Vendor’s Knowledge, materiality or to Material Adverse Effect.
- (h) Any Indemnified Party may set off against any payment owed or owing to any Indemnifying Party under this Agreement or any of the Transaction Documents, against any and all amounts such Indemnified Party is owed by any Indemnifying Party under this Agreement, including from the Holdback Amount, but only to the extent that the Indemnified Party has delivered a written notice of a Direct Claim or Third Party Claim to the Indemnifying Party which complies with Section 9.5 prior to the date the Holdback Amount is scheduled to be released pursuant to the terms of Section 2.8 and the Escrow Agreement.

## 9.5 Indemnification Procedures

The party making a claim under this Article 9 is referred to as the “**Indemnified Party**”, and the party against whom such claims are asserted under this Article 9 is referred to as the “**Indemnifying Party**”.

### (a) Third-Party Claims

- (i) If any Indemnified Party receives notice of the assertion or commencement of any Action made or brought by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement or a Representative of the foregoing (a “**Third Party Claim**”) against such Indemnified Party with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than thirty (30) calendar days after receipt of such notice of such Third Party Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defences by reason of such failure. Such notice by the Indemnified Party shall describe the Third-Party Claim in reasonable detail, include copies of all material written evidence thereof and indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have the right to participate in, or by giving written notice to the Indemnified Party, to assume the defence of any Third Party Claim at the Indemnifying Party’s expense and by the Indemnifying Party’s own counsel, and the Indemnified Party shall cooperate in good faith in such defence; provided that, if the Indemnifying Party is a Vendor, such Indemnifying Party shall not have the right to defend or direct the defence of any such Third Party Claim that:
  - (A) is asserted directly by or on behalf of a Person that is a supplier or customer of any of any of the Cole Entities;
  - (B) seeks an injunction or other equitable relief against the Indemnified Party; or
  - (C) an Indemnified Party has been advised by counsel that a reasonable likelihood exists of a conflict of interest between an Indemnifying Party and an Indemnified Party.
- (ii) If the Indemnifying Party assumes the defence of any Third Party Claim, subject to Section 9.5(b), it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counter-claims pertaining to any such Third Party Claim in the name and on behalf of the Indemnified Party.
- (iii) The Indemnified Party shall have the right, at its sole cost and expense, to participate in the defence of any Third Party Claim with counsel selected by it subject to the Indemnifying Party’s right to control the defence thereof. The fees and disbursements of such counsel shall be at the expense of the Indemnified Party; provided that, if in the reasonable opinion of counsel to the Indemnified Party, (A) there are legal defences available to an Indemnified Party that are different from or additional to those available to the Indemnifying Party, or (B) there exists a conflict of interest between the Indemnifying Party and the Indemnified Party that cannot be waived, the Indemnifying Party shall be liable for the reasonable fees and expenses of counsel to the Indemnified Party in each jurisdiction for which the Indemnified Party determines counsel is required.

- (iv) If the Indemnifying Party elects not to compromise or defend such Third Party Claim or fails to promptly notify the Indemnified Party in writing of its election to defend as provided in this Agreement, the Indemnified Party may, subject to Section 9.5(b), pay, compromise, or defend such Third Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third Party Claim.
- (v) The Vendor and the Purchaser shall cooperate with each other in all reasonable respects in connection with the defence of any Third Party Claim, including making available (subject to the provisions of Section 6.1) records relating to such Third Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending party, such access to management employees of the non-defending party as may be reasonably necessary for the preparation of the defence of such Third Party Claim.

**(b) Settlement of Third-Party Claims**

- (i) Notwithstanding any other provision of this Agreement, in the event that the Indemnifying Party assumes the defence of a Third Party Claim in accordance with Section 9.5(a), the Indemnifying Party shall not enter into settlement of any Third Party Claim without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld, conditioned or delayed), except as provided in this Section 9.5(b).
- (ii) If an unconditional offer is made to settle a Third Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third Party Claim and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give written notice to that effect to the Indemnified Party.
- (iii) If the Indemnified Party fails to consent to such offer within ten (10) days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third-Party Claim and, in such event, the maximum liability of the Indemnifying Party as to such Third-Party Claim shall not exceed the amount of such settlement offer.
- (iv) If the Indemnified Party fails to consent to such offer and also fails to assume the defence of such Third Party Claim, the Indemnifying Party may settle the Third Party Claim upon the terms set forth in the offer to settle such Third Party Claim.
- (v) If the Indemnified Party has assumed the defence under Section 9.5(a), it shall not agree to any settlement without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld, conditioned or delayed).

**(c) Direct Claims**

- (i) Any Action by an Indemnified Party on account of a Loss which does not result from a Third-Party Claim (a “**Direct Claim**”) shall be asserted by the Indemnified Party giving the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than thirty (30) days after the Indemnified Party becomes aware of such Direct Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defences by reason of such failure.

- (ii) Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party.
- (iii) The Indemnifying Party shall have thirty (30) days after its receipt of such notice to respond in writing to such Direct Claim. The Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim, and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance (including access to any of the Cole Entities premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request.
- (iv) If the Indemnifying Party does not so respond within such thirty (30) day period, the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

## **9.6 Payments**

Once a Loss is agreed to by the Indemnifying Party or finally adjudicated to be payable under this Article 9, the Indemnifying Party shall satisfy its obligations within fifteen (15) Business Days of such final, non-appealable adjudication by wire transfer of immediately available funds. The Parties agree that, if the Indemnifying Party does not make full payment of any such obligations within such fifteen (15) Business Day period, any amount payable shall accrue interest from and including the date of agreement of the Indemnifying Party or final, non-appealable adjudication to but excluding the date such payment has been made at a rate per annum equal to five percent (5%). Such interest shall be calculated daily on the basis of a 365-day year and the actual number of days elapsed, without compounding.

## **9.7 Tax Treatment of Indemnification Payments**

All indemnification payments made under this Agreement shall be treated by the Parties as an adjustment to the Purchase Price for Tax purposes, unless otherwise required by Law.

## **9.8 Exclusive Remedies**

Subject to Section 6.7 and Section 11.13, the Parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from Fraud on the part of a Party hereto in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be under the indemnification provisions set forth in this Article 9. In furtherance of the foregoing, subject to Section 6.7 and Section 11.13 each Party hereby waives, to the fullest extent permitted under Law, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other Parties hereto and their Affiliates and each of their respective Representatives arising under or based upon any Law, except under the indemnification provisions set forth in this Article 9. Nothing in this Section 9.8 shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled or to seek any remedy on account of Fraud committed by any Party.



## **ARTICLE 10 TERMINATION**

### **10.1 Termination**

This Agreement may be terminated, and the transactions contemplated hereby may be abandoned, as follows:

- (a) at any time before the Closing Time, by the Vendor, on the one hand, or the Purchaser, on the other hand, by written notice to the other Party, in the event that any Law restrains, enjoins or otherwise prohibits or makes illegal the sale of the Shares pursuant to this Agreement and such Law has become final and non-appealable, it being agreed that the Parties shall promptly appeal any adverse determination that is appealable (and pursue such appeal with reasonable diligence);
- (b) at any time before the Closing Time, by the Vendor, on the one hand, or the Purchaser, on the other hand, by written notice to the other Party, if such Party is not then in material breach of any of its representations and warranties, covenants or agreement hereunder and the other Party has materially breached any of its representations, warranties, covenants or agreements hereunder, where the effect of such breach would be to cause the conditions to the obligation to consummate the Closing of the terminating Party not to be capable of being satisfied, and such breach (other than a breach of the Purchaser's obligation to pay the Purchase Price in accordance with the terms of Section 2.3) has not been cured within: (i) ten (10) days following written notification thereof; provided, however, that if, at the end of such ten (10) day period, the breaching Party is endeavouring in good faith, and proceeding diligently, to cure such breach, the breaching Party shall have an additional ten (10) days in which to effect such cure; or (ii) twenty-four (24) hours following written notification thereof where the terminating Party acquires actual knowledge of the breach within ten (10) days of Closing;
- (c) at any time before the Closing Time, by the Purchaser, by written notice to the Vendor, if all of the conditions to close set forth in Section 7.1 have been satisfied (other than such closing conditions that by their nature are to be satisfied at the Closing but subject to the satisfaction of such conditions at Closing) or waived in writing by the Purchaser and the Purchaser indicates in such written notice that the Purchaser is ready, willing and able to consummate the transactions contemplated hereby (subject to the Vendor performing at the Closing) and yet the Vendor fail to consummate the transactions contemplated hereby within five (5) days of such written notice; or
- (d) on the Outside Date by the Vendor, on the one hand, or the Purchaser, on the other hand, by written notice to the other Party, if the Closing shall not have occurred on or prior to the Outside Date, provided that the right to terminate this Agreement under this Section 10.1(d) shall not be available to any Party whose failure to fulfill any of its covenants or obligations or whose breach of any of its representations or warranties under this Agreement has been the cause of, or resulted in, the failure of the Closing to occur by the Outside Date; or
- (e) at any time before Closing Time, by mutual written consent of the Purchaser and the Vendor.

### **10.2 Effect of Termination**

If this Agreement is validly terminated pursuant to Section 10.1, there will be no liability or obligation on the part of any Party (or any of their respective Representatives or Affiliates) and provided that: (a) Section 6.6, Section 11.1, Article 10 and Article 11 will survive any such termination; and (b) each Party shall continue to be liable for any wilful and intentional material breach of this Agreement by it occurring prior

to such termination. For purposes of this Section 10.2, “wilful and intentional material breach” shall mean a material breach or material default that is a consequence of an act or omission of the breaching Party taken or not taken, as applicable, with the intent of breaching this Agreement.

## **ARTICLE 11 MISCELLANEOUS**

### **11.1 Expenses**

All expenses incurred in connection with this Agreement shall be paid by the Party incurring such costs and expenses, whether or not the Closing shall have occurred.

### **11.2 Notices**

All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given:

- (a) when delivered by hand (with written confirmation of receipt);
- (b) when received by the addressee if sent by a nationally recognized courier (receipt requested);
- (c) on the date sent by email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or
- (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid.
- (e) Such communications must be sent to the respective Parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 11.2):

- (i) If to the Vendor:

Lucky Family Holdings Ltd.  
1111 49 Ave NE  
Calgary, Alberta T2E 8V2  
Email: [*Redacted – email address*]  
Attention: [*Redacted – name of individual*]

with a copy to:

Carscallen LLP  
332 6th Avenue SW, Suite 900,  
Calgary, Alberta T2P 0B2  
Email: shah@carscallen.com  
Attention: Sabina Shah

(ii) If to Purchaser:

MT Investments Inc.  
#121A, 31 Southridge Dr.  
Okotoks, Alberta T1S 2N3  
Facsimile: (403) 995-5296  
Email: [Redacted – email address]  
Attention: [Redacted – name of individual]

with a copy to:

MLT Aikins LLP  
2100, 222 – 3<sup>rd</sup> Avenue SW  
Calgary, Alberta T2P 0B4  
Facsimile: (403) 508-4349  
Email: smaclachlan@mltaikins.com  
Attention: Sean R. MacLachlan

### 11.3 Changes to Disclosure Schedules

The Vendor may, during the Interim Period, by notice in accordance with the terms of this Agreement, supplement or amend the information contained in the Data Room or the Disclosure Schedule, as the case may be, in order to add information or correct previously supplied information (a “**Supplement**”) and that shall be effective to cure and correct for all purposes any breach of any representation, warranty or covenant that would have existed if the Vendor had not made such Supplement, and all references to the Data Room or the Disclosure Schedule shall for all purposes after the Closing be deemed to be a reference to the Data Room or Disclosure Schedule as so supplemented or amended, provided that the applicable Supplement is delivered to the Purchaser within a reasonable period of time of the Vendor becoming aware that preparation and delivery of a Supplement is necessary and in any event, within five (5) Business Days of such time, and provided further that no Supplement may be delivered after 4:00 pm (Calgary time) on the date that is five (5) Business Days before the Closing Date. Notwithstanding the delivery of any Supplement hereunder, for purposes of Section 7.2(a), such Supplement will not amend or cure an inaccurate representation or warranty made on the date of this Agreement, provided that, if Purchaser has the right to, but does not elect to, terminate this Agreement within five (5) Business Days of its receipt of such Supplement, then Purchaser shall be deemed to have irrevocably waived any right to terminate this Agreement with respect to such matter, and, further, shall have irrevocably waived its right to indemnification under Section 9.2(a) with respect to such matter.

### 11.4 Severability

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

### 11.5 Entire Agreement

This Agreement and the other Transaction Documents constitute the sole and entire agreement of the Parties to this Agreement with respect to the subject matter contained herein and therein and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter, including, for greater certainty, the letter of intent dated January 28, 2025, among the Purchaser and the Vendor. In the event of any inconsistency between the statements in the body of this Agreement and

those in the other Transaction Documents, Exhibits and Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control.

#### **11.6 Assignment**

The rights of the Vendor hereunder shall not be assignable without the prior written consent of the Purchaser. The rights of the Purchaser hereunder shall not be assignable without the prior written consent of the Vendor. No assignment shall relieve the assigning Party of any of its obligations hereunder.

#### **11.7 Set-Off**

Each Party shall have the right to satisfy any amount from time to time due and owing by it to any other Party by way of set-off.

#### **11.8 Successors and Assigns**

This Agreement shall be binding upon and shall enure to the benefit of the Parties hereto and their respective trustees, legal representatives, successors and permitted assigns, as applicable.

#### **11.9 No Third-Party Beneficiaries**

Except as provided in Article 9, this Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

#### **11.10 Amendment and Modification and Waiver**

This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each Party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

#### **11.11 Independent Legal Advice**

The Vendor acknowledges having obtained independent legal advice from the Solicitors for the Vendor with respect to the terms of this Agreement prior to its execution and the Vendor further acknowledges and agrees that it understands the terms, and its rights and obligations under this Agreement.

#### **11.12 Governing Law, Forum and Choice of Language**

- (a) This Agreement shall be governed by and construed in accordance with the Laws of the Province of Alberta and the federal Laws of Canada applicable therein.

- (b) Any Action arising out of or based upon this Agreement, the other Transaction Documents or the transactions contemplated hereby or thereby may be brought in the courts of the Province of Alberta, and each Party irrevocably submits and agrees to attorn to the exclusive jurisdiction of the judicial district of Calgary. The Parties irrevocably and unconditionally waive any objection to the venue of any Action or proceeding in that court and irrevocably waive and agree not to plead or claim in that court that such Action has been brought in an inconvenient forum.

### **11.13 Specific Performance**

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

### **11.14 Joint and Several Liability of Purchaser**

Notwithstanding any other provision of this Agreement, the liability of MT Investments, AcquisitionCo 1 and AcquisitionCo 2 pursuant to this Agreement and each of the Transaction Documents shall be joint and several.

### **11.15 Guarantee**

- (a) As further set forth below, MT Investments hereby, unconditionally and irrevocably guarantees the due and punctual performance and observance by each of AcquisitionCo 1 and AcquisitionCo 2 (together the “**Newcos**”) of all of the obligations of the Newcos contained in this Agreement and each of the Transaction Documents that must be performed and observed by such Newco (such obligations in respect of each Guarantor, the “**Guaranteed Obligations**”).
- (b) The obligations of MT Investments under this Section 11.14 shall remain unaffected until the Guaranteed Obligations guaranteed by MT Investments have been performed or satisfied. Until such performance or satisfaction, the Guaranteed Obligations applicable to MT Investments under this Section 11.14 shall apply despite: (a) a rule of law or equity to the contrary; (b) an insolvency event affecting a Person or the death of a Person; (c) a change in the constitution, shareholdings, membership, or partnership of a Person; or (d) the partial performance of the Guaranteed Obligations; or (e) the Guaranteed Obligations not being enforceable at any time (whether by reason of a legal limitation, disability or incapacity on the part of the Guarantors and whether this Agreement void ab initio or is subsequently voided) against the Newcos or MT Investments.

### **11.16 Counterparts**

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

[Signature page follows.]

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

**MT INVESTMENTS INC.**

Per: \_\_\_\_\_  
Name: Carson Urlacher  
Title: Senior Financial Officer

**2689707 ALBERTA LTD.**

Per: \_\_\_\_\_  
Name: Carson Urlacher  
Title: Chief Financial Officer

**2841575 ONTARIO INC.**

Per: \_\_\_\_\_  
Name: Carson Urlacher  
Title: Chief Financial Officer

**LUCKY FAMILY HOLDINGS LTD.**

Per: \_\_\_\_\_  
Name: Cheryl Murphy  
Title: Director

**EXHIBIT A**  
**ISSUED AND OUTSTANDING SHARES, PURCHASER ALLOCATIONS AND ALLOCATION**  
**OF PURCHASE PRICE**

<b>Purchaser Name</b>	<b>Vendor Name</b>	<b>Class of Shares Held</b>	<b>No. of Shares Held</b>	<b>Purchase Price Allocation</b>
MT Investments	Lucky Family Holdings Ltd.	Class A Shares in CGI Class D Shares in CGI	100 847, 267	[\$ <i>Redacted – dollar amount</i> ]
AcquisitionCo 1	Lucky Family Holdings Ltd.	Class “A” Shares in Cole	100,100	[\$ <i>Redacted – dollar amount</i> ]
AcquisitionCo 2	Lucky Family Holdings Ltd.	Common Shares in Abco	100	[\$ <i>Redacted – dollar amount</i> ]
			<b>TOTAL</b>	\$190,000,000

**EXHIBIT B**  
**FINANCIAL STATEMENTS**

1. The audited non-consolidated financial statements of Cole International Inc. for the financial period ended March 31, 2024, and consisting of a balance sheet, statements of income, retained earnings and cash flows and the related notes thereto.
2. The audited non-consolidated financial statements of Abco International Freight Inc. for the financial period ended March 31, 2024, and consisting of a balance sheet, statements of income, retained earnings and cash flows and the related notes thereto.
3. The audited financial statements of Cole International USA Inc. for the financial period ended March 31, 2024, and consisting of a balance sheet, statements of income, retained earnings and cash flows and the related notes thereto.
4. The compiled financial statements of Cole Group Inc. for the financial period ended March 31, 2024, and consisting of a balance sheet, statement of income (loss) and deficit and the related note in respect thereof.
5. The compiled financial statements of Lakeside Equipment Ltd. for the financial period ended March 31, 2024, and consisting of a balance sheet, statement of income (loss) and deficit and the related note in respect thereof.
6. The compiled financial statements of Freight Partners Inc. for the financial period ended March 31, 2024, and consisting of a balance sheet, statement of income (loss) and deficit and the related note in respect thereof.
7. The compiled financial statements of Cole International US Holdco, Inc. for the financial period ended March 31, 2024, and consisting of a balance sheet, statement of income (loss) and deficit and the related note in respect thereof.
8. The compiled financial statements of Cancon Asset Management LLC for the financial period ended March 31, 2024, and consisting of a balance sheet, statement of income (loss) and deficit and the related note in respect thereof.
9. The compiled financial statements of Abco International Freight (USA) Inc. for the financial period ended March 31, 2024, and consisting of a balance sheet, statement of income (loss) and deficit and the related note in respect thereof.



**EXHIBIT C**  
**PERMITTED ENCUMBRANCES**

*[Redacted – description of permitted encumbrances]*

**EXHIBIT D**  
**FORM OF SPECIFIC MUTUAL RELEASE**

*[Redacted - Form of Specific Mutual Release]*

**EXHIBIT E**  
**FORM OF RESIGNATION AND MUTUAL RELEASE**

*[Redacted - Form of Resignation and Mutual Release]*

**EXHIBIT F**  
**FORM OF NON-COMPETITION AGREEMENT**

*[Redacted - Form of Non-Competition Agreement]*

**EXHIBIT G**  
**FORM OF ESCROW AGREEMENT**

*[Redacted - Form of Escrow  
Agreement]*

**EXHIBIT H**  
**FORM OF EARNOUT ESCROW AGREEMENT**

*[Redacted - Form of Earnout Escrow Agreement]*