ACQUISITION AGREEMENT

among

NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.

and

NND ROYALTIES LIMITED PARTNERSHIP

and

DIVERSIFIED ROYALTY CORP.

November 1, 2019

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ACQUISITION AGREEMENT

THIS ASSET PURCHASE AGREEMENT is made the 1st day of November, 2019

AMONG:

NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC., a corporation incorporated under the laws of Canada, having an office at Unit 300-1788 West 5th Avenue, Vancouver, British Columbia V6J 1P2

(the "**Vendor**")

AND:

NND ROYALTIES LIMITED PARTNERSHIP, a limited partnership formed under the laws of the Province of British Columbia, having an office at Suite 902 - 510 Burrard Street, Vancouver, British Columbia V6C 3A8

(the "**Purchaser**")

AND:

DIVERSIFIED ROYALTY CORP., a corporation incorporated under the laws of Canada, having an office at Suite 902 - 510 Burrard Street, Vancouver, British Columbia V6C 3A8

("**DIV**")

WHEREAS:

A. The Vendor owns all of the trade-marks and certain other intellectual property related to the NND Business (as defined herein);

B. DIV has formed the Purchaser to acquire all of the trade-marks and certain other intellectual property related to the NND Business on the terms and subject to the conditions set forth in this Agreement; and

C. The Vendor wishes to sell to the Purchaser, and the Purchaser wishes to purchase from the Vendor, all of the trade-marks and certain other intellectual property related to the NND Business, on the terms and subject to the conditions set forth in this Agreement.

NOW THEREFORE in consideration of the premises, mutual covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which is acknowledged by each of the Parties), the Parties covenant and agree as follows:

1. <u>INTERPRETATION</u>

1.1 Definitions: In this Agreement, the following terms will have the following meanings and any other terms defined elsewhere in this Agreement will have the meanings given to them elsewhere in this Agreement:

(a) "**2019 Financial Statements**" has the meaning ascribed to it in Section 8.1(e);

(b) "**Affiliate**" means an affiliate as that term is defined in the *Canada Business Corporations Act*, as amended from time to time;

(c) “**Agreement**” means this acquisition agreement, including all recitals and Schedules to this acquisition agreement, as amended, restated or supplemented from time to time;

(d) “**ASPE**” means the Accounting Standards for Private Enterprises which are in effect from time to time in Canada, as published in Part II of the CPA Canada Handbook – Accounting by the Chartered Professional Accountants of Canada or any successor thereto;

(e) “**Business Day**” means any day other than a Saturday, Sunday or statutory holiday in the Province of British Columbia;

(f) “**Canadian Securities Laws**” means, collectively, all applicable securities laws in each of the Provinces of Canada, and the respective rules, regulations, blanket orders and rulings under such laws together with applicable published policies, policy statements, instruments and notices of the Securities Commissions;

(g) “**Class B LP Units**” means the Class B limited partner units in the capital of the Purchaser having the rights, privileges, restrictions and conditions set out in the Limited Partnership Agreement;

(h) “**Closing**” means the completion of the Transactions on the Closing Date in accordance with this Agreement;

(i) “**Closing Date**” means, unless otherwise agreed by the Parties, the date that is the later of (i) November 15, 2019 and (ii) the date not more than three (3) Business Days following the satisfaction and/or waiver of all conditions to the Closing set forth in Article 8 (other than conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions);

(j) “**Closing Time**” means 5:00 a.m. Vancouver time on the Closing Date;

(k) “**Collective Agreements**” means a collective agreement under applicable labour legislation and related documents thereto, including benefit agreements, letters of understanding, letters of intent and other written communications (including arbitration awards) by which any member of the Vendor Group is bound;

(l) “**Credit Facilities Payoff Amount**” means the aggregate amount, if any, of outstanding principal and accrued but unpaid interest, fees and other amounts payable by the Vendor under any credit facility, hedging facility or capital lease (including any prepayment penalties, if any) as of the close of business on the date immediately preceding the Closing Date;

(m) “**Dispute**” has the meaning ascribed to it in Section 11.1;

(n) “**DIV Public Record**” means all information filed by DIV with any Securities Commission in compliance, or intended compliance, with any Canadian Securities Law and available on SEDAR under DIV’s profile;

(o) “**DIV Shares**” means the common shares in the capital of DIV;

(p) “**Employees**” means all employees of any member of the Vendor Group involved in the NND Business (including those employees otherwise employed by any member of the Vendor Group involved in the NND Business but who are on lay-off with rights to recall, vacation, short term disability, long term disability, workers’ compensation-related leave, pregnancy, parental or other leave);

(q) “**Encumbrances**” means any encumbrance, lien, charge, hypothec, pledge, mortgage, legal notation, title retention agreement, security interest of any nature or kind, prior claim, adverse claim, exception, reservation, restrictive covenant, easement, right of occupation, option, right of use, right of first refusal, right of pre-emption, privilege, whether floating or fixed, against any assets or property (whether real, personal, mixed, tangible or intangible) or any matter capable of registration against title or any interest or right in any property or assets (whether real, personal, mixed, tangible or intangible) or any contract to create any of the foregoing;

(r) "**Environmental Laws**" means all Laws relating to or in respect of the protection of the environment or in respect of Hazardous Substances that are applicable to the NND Business or the Leased Property and that are in force on the Closing Date;

(s) "**ETA**" means the *Excise Tax Act* (Canada);

(t) "**Exchange Agreement**" means the exchange agreement in the form attached hereto as Exhibit 3 between DIV, the Purchaser, NND Holdings Limited Partnership and the Vendor, as amended, restated or supplemented from time to time, pursuant to which Class B LP Units may be exchanged for DIV Shares or cash;

(u) "**Franchisees**" means all the Persons who are party to any Franchise Agreement as a franchisee;

(v) "**Franchise Agreements**" means all of the franchise agreements and licence agreements entered into by, or in favour of, any member of the Vendor Group, as franchisor, a Franchisee, as franchisee and any Guarantor(s), as guarantor(s) with respect to the operation of a Nurse Next Door Franchise;

(w) "**Fundamental Representations**" means the representations and warranties of the Vendor contained in Sections 4.2, 4.3, 4.4, 4.17 and 4.19(a);

(x) "**General Security Agreement**" means the general security agreement in the form attached hereto as Exhibit 5 between the Vendor and the Purchaser, as amended, restated or supplemented from time to time, providing for, inter alia, security for the obligations of the Vendor to the Purchaser pursuant to the Licence and Royalty Agreement;

(y) "**Governance Agreement**" means the governance agreement in the form attached hereto as Exhibit 2 among DIV, the Purchaser, NND Royalties GP Inc., the Vendor and certain others, as amended, restated or supplemented from time to time;

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

(aa) "**GST/HST**" means all Taxes payable under Part IX of the ETA (including where applicable both the federal and provincial portion of those Taxes);

(bb) "**Guarantors**" means all the Persons who are party to any Franchise Agreement as a guarantor;

(cc) "**Hazardous Substances**" means any substance or material that is prohibited, controlled or regulated by a Governmental Authority, including pollutants, contaminants, dangerous goods or substances, toxic or hazardous substances or materials, but specifically excluding any substance or material that is normally held for use in the NND Business;

(dd) "**Historical Financial Statements**" means the unaudited consolidated financial statements of the Vendor for the years ending September 30, 2017 and September 30, 2018, consisting of the balance sheet, income statement, cash flow statement and statement of retained earnings and all notes, schedules and exhibits thereto and the review engagement report thereon of the Vendor's accountants;

(ee) "**Intellectual Property Rights**" mean any and all intellectual property and similar proprietary rights, including rights granted under license, provided under (i) patent law, (ii) copyright law, including database rights and all works of authorship, whether or not published, and moral rights relating to any of the foregoing (iii) trade-mark law, including trademarks, certification marks, trade names, trade dress rights and designations of origin and the goodwill associated therewith (iv) design patent or industrial design law, (v) semi-conductor chip or mask work law, (vi) trade secret law or confidential information or technical information law, (vii) all rights in internet addresses, uniform resource locators and domain names, or (viii) any other applicable statutory provision or common law principle, that may exist anywhere in the world, including, in the case of each of the foregoing, any and all applications, registrations, licenses, sub-licenses, franchises, agreements or any other evidence of a right in any of the foregoing, and including all past, present, and future causes of action, rights of recovery, and claims for damage, accounting for profits, royalties, or other relief relating, referring, or pertaining to any of the foregoing;

(ff) "**Interim Period**" means the period of time between the date of this Agreement and the Closing Time;

(gg) "**Laws**" means any domestic (federal, provincial or municipal) or foreign statute, law (including common and civil law and principles of equity), code, ordinance, rule, regulation, order-in-council, or by-law (zoning or otherwise), any judgement, order, writ, injunction, directive, decision, ruling, decree or award, any regulatory policy, practice, standard or guideline (where such regulatory policy, practice, standard and guideline have the force of law), and other lawful requirements of any Governmental Authority now or hereafter in effect;

(hh) "**Leased Property**" means the property or portions thereof leased to any member of the Vendor Group pursuant to the Leases;

(ii) "**Leases**" means (i) the real property leases between a third party as lessor and any member of the Vendor Group as lessee and (ii) the real property subleases between any member of the Vendor Group as lessor and a third party as lessee, in each case as set out in Schedule 4.6 of the Vendor Disclosure Letter;

(jj) "**Liabilities**" means all liabilities (whether accrued, contingent, matured, unmatured, disputed, undisputed, absolute, statutory, contractual, legal, equitable or otherwise), obligations, losses, claims, summons, orders, awards, judgements, damages, penalties, demands, causes of action, fines, tickets, charges, costs and expenses (including all fees and disbursements of legal counsel, consultants and other professionals and any other costs incurred in investigating, defending or pursuant to any legal proceeding);

(kk) "**Licence and Royalty Agreement**" means the licence and royalty agreement in the form attached hereto as Exhibit 1 between the Purchaser and the Vendor, as amended, restated or supplemented from time to time, providing for, inter alia, the licence by the Purchaser to the Vendor of the use of the NND Rights, and the payment by the Vendor to the Purchaser of a royalty as specified therein for the use of the NND Rights;

(ll) "**Limited Partnership Agreement**" means the amended and restated agreement of limited partnership in respect of the Purchaser in the form attached hereto as Exhibit 4, as amended, restated or supplemented from time to time;

(mm) "**Management Agreement**" means the management agreement in the form attached hereto as Exhibit 6 between DIV and the Vendor, as amended, restated or supplemented from time to time;

(nn) "**Material Adverse Change**" or "**Material Adverse Effect**" means, with respect to any event, matter or circumstance, any change or effect that individually or when taken together with all other changes or effects that have occurred during any relevant period of time before the determination of the occurrence of that change or effect, is or is reasonably likely to be materially adverse to the NND Business or the NND Rights or materially adversely affects the ability of the Vendor Group to conduct the NND Business after the Closing Time substantially as the NND Business has been conducted to the date of this Agreement; provided however, that any change or effect related to or resulting from the following matters will not constitute a Material Adverse Change or Material Adverse Effect:

(i) any event affecting the Canadian or North American economy or capital or financial markets generally, including changes in interest rates and changes in exchange rates;

(ii) a general downturn or other change in the industry in which the Vendor Group primarily operates;

(iii) any adoption, implementation or change, or proposed adoption, implementation or change, of or in any applicable Law after the date hereof or any change in the interpretation, application or non-application of any applicable Law by any Governmental Authority;

(iv) any change in global, national or regional political conditions, any acts of war, sabotage or terrorism (or any escalation or worsening of any such acts of war, sabotage or terrorism or any governmental or other response or reaction to any such acts of war, sabotage or terrorism) or any natural disaster;

(v) any change in any applicable accounting standard;

(vi) the announcement of the execution of this Agreement or the transactions contemplated hereby, the pendency of the completion of the transactions contemplated hereby, the performance of any obligation contemplated hereunder or the completion of any of the transactions contemplated hereby; or

(vii) any changes arising from actions taken or omitted to be taken (i) by DIV or (ii) by any member of the Vendor Group in accordance with this Agreement, at the request of DIV or consented to or approved by DIV in writing,

provided, however, that each of the clauses (i) through (v) above shall not apply to the extent that any of the changes, effects, events or occurrences referred to therein relate primarily to (or have the effect of relating primarily to) the Vendor Group or the NND Business, taken as a whole, or disproportionately adversely affect the Vendor Group or the NND Business, taken as a whole, in comparison to other Persons who operate in the same or similar industry as the Vendor Group;

(oo) "**Material Contracts**" means any contract in respect of the NND Business or relating to the NND Rights: (i) involving remaining payments to or by any member of the Vendor Group in excess of $50,000 annually; (ii) which is outside the Ordinary Course of the NND Business; or (iii) which restricts in any way the NND Business or activities of any member of the Vendor Group. For greater certainty, the "**Material Contracts**" include the Leases and the Franchise Agreements;

(pp) "**Misrepresentation**" means a "misrepresentation" within the meaning of Canadian Securities Laws;

(qq) "**Non-Competition Agreements**" means the confidentiality, non-solicitation and non-competition agreement in the form attached as Exhibit 7 to be executed by each of the Principals at the Closing Time, as amended, restated or supplement from time to time;

(rr) "**NND Business**" means the business of franchising, licensing and operating home care service providers as carried on by the Vendor Group as of the date hereof;

(ss) "**NND Marks**" means all registered and unregistered trade-marks (including service marks, logos, brand names, certification marks, trade names, trade dress and applications for registration) owned by the Vendor and used in the NND Business, including the trade-marks covered by the trade-mark registrations and pending trade-mark applications listed in Schedule 4.19(b) of the Vendor Disclosure Letter, and all trade names confusingly similar to any of the foregoing trade-mark, if any, used in the NND Business, and all goodwill associated with all of the foregoing;

(tt) "**NND Rights**" means all of the Vendor's right, title and interest, in and to the NND Marks and the NND Works;

(uu) "**NND Works**" mean all works protected by copyright that are owned by the Vendor and used or exploited by the Vendor in connection with the NND Business, including all standards, specifications, documentation, manuals, advertising materials, promotional materials, relating to the NND Business, but specifically excluding any software;

(vv) "**Nurse Next Door Franchise**" means any home care service providers that is operated under the "Nurse Next Door" name that is either owned and operated by the Vendor Group, directly or indirectly, or licensed by the Vendor Group to use and display in its operation any of the NND Marks and to use any of the NND Works;

(ww) "**Operative Documents**" means the Exchange Agreement, the Governance Agreement, the Limited Partnership Agreement, the Licence and Royalty Agreement, the Management Agreement, the General Security Agreement, the Subsidiary Guarantee Documents and the Non-Competition Agreements;

(xx) "**Ordinary Course**" means, with respect to an action taken by a Person, that the action is consistent with the past practices of the Person and is taken in the normal day-to-day operations of the Person;

(yy) "**Outside Date**" means December 15, 2019 or such other date as extended pursuant to Section 9.4(c) or as may be agreed upon in writing by the Purchaser and the Vendor;

(zz) "**Parties**" means collectively DIV, the Purchaser and the Vendor, and "**Party**" means any of them;

(aaa) "**Permitted Encumbrances**" means those Encumbrances listed in Schedule 1.1(aaa) of the Vendor Disclosure Letter;

(bbb) "**Person**" includes any individual, corporation, body corporate, partnership, joint venture, association, unincorporated organization, trust, union, Governmental Authority and other entity and the heirs, executors, administrators or other legal representatives of an individual;

(ccc) "**Personal Information**" means information about an identifiable natural person, but does not include the name, title, business address or telephone number of an employee of the Vendor Group, that is to be disclosed to the Purchaser at Closing or that was disclosed to the Purchaser to permit the Purchaser to carry out its due diligence in connection with the Transactions;

(ddd) "**Principals**" means Ken Sim and John DeHart and "**Principal**" means any one of them;

(eee) "**Purchase Price**" has the meaning ascribed to it in Section 3.1;

(fff) "**Purchaser Cap**" has the meaning ascribed to it Section 10.4(b);

(ggg) "**Purchaser Indemnified Parties**" means the Purchaser and DIV, and each of their respective shareholders, partners, directors, officers, employees, agents, representatives, successors and assigns;

(hhh) "**Purchaser Trigger**" has the meaning ascribed to it in Section 10.4(a);

(iii) "**Securities**" means 1,000,000,000 Class B LP Units (including, for greater certainty, any associated rights to exchange such limited partnership units for DIV Shares or cash) to be issued to the Vendor by DIV and the Purchaser, as applicable, at Closing;

(jjj) "**Securities Commission**" means the applicable securities commission or securities regulatory authority in each of the Provinces of Canada and "**Securities Commission**" means any one of them;

(kkk) "**SEDAR**" means the System for Electronic Document Analysis and Retrieval adopted by the Canadian Securities Administrators, or such other system as may be adopted from time to time by the Canadian Securities Administrators for document filing and disclosure;

(lll) "**Subsidiary Guarantee Documents**" means, in respect of each member of the Vendor Group other than the Vendor, (i) a guarantee in favour of the Purchaser, pursuant to which such member of the Vendor Group will guarantee the obligations of the Vendor under the Licence and Royalty Agreement, and (ii) a general security agreement between such member of the Vendor Group and the Purchaser providing for, *inter alia*, security for the obligations of such member of the Vendor Group pursuant to such guarantee, in each case as amended, restated or supplemented from time to time, each in a form agreed by the Purchaser and the Vendor, each acting reasonably;

(mmm) "**Stock Exchange**" means any stock exchange recognized by the British Columbia Securities Commission for such purposes and, where the DIV Shares have traded on more than one Stock Exchange during the relevant period, means the Stock Exchange on which the greatest volume of DIV Shares traded during such period.

(nnn) "**Tax Act**" or any reference to a specific provision thereof means the *Income Tax Act* (Canada) and legislation of any legislature of any province or territory of Canada (including the *Taxation Act* (Québec)) and any regulations thereunder in force of like or similar effect;

(ooo) "**Taxes**" means taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever imposed by any Governmental Authority, including all interest, penalties, fines, additions to tax or other additional amounts imposed in respect thereof (including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, gains, capital stock, production, gift, wealth, environment, windfall profits, net worth, utility, sales, goods and services, harmonized sales, use, consumption, valued-added, excise, stamp, withholding, premium, business, franchising, property, employer health, payroll, employment, health, social services, education and social security taxes, surtaxes, customs duties and import and export taxes, development, occupancy, social services, licence, franchise and registration fees and employment insurance, health insurance and Canada, Québec, United States and other government pension plan premiums or contributions), and including any amount required to be withheld by a person in respect of a tax liability of another person, and "**Tax**" has a corresponding meaning;

(ppp) "**Transactions**" means the purchase and sale of the NND Rights and all other transactions contemplated by this Agreement;

(qqq) "**TSX**" means the Toronto Stock Exchange;

(rrr) "**Vendor Cap**" has the meaning ascribed to it in Section 10.3(b);

(sss) "**Vendor Disclosure Letter**" means the disclosure letter dated the date hereof regarding this Agreement that has been delivered by the Vendor to DIV and the Purchaser;

(ttt) "**Vendor Group**" means the Vendor, Nurse Next Door Home Healthcare Services (USA) Inc., Nurse Next Door Home Healthcare Services, Canada Inc. and Nurse Next Door Home Healthcare Services, Vancouver Inc.;

(uuu) "**Vendor Indemnified Parties**" means the Vendor Group and each of their respective shareholders, directors, officers, employees, agents, representatives, successors and assigns; and

(vvv) "**Vendor Trigger**" has the meaning ascribed to it in Section 10.3(a);

1.2 **Certain Rules of Interpretation**: The division into Articles and Sections and the insertion of headings and the Table of Contents are for convenience of reference only and do not affect the construction or interpretation of this Agreement. The expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this Agreement and not to any particular portion of this Agreement. The words "including" or "includes" means "including (or includes) but is not limited to" and is not to be construed to limit any general statement preceding it to the specific or similar items or matters immediately following it. In this Agreement words importing the singular number include the plural and vice versa and words importing gender include all genders.

1.3 **Exhibits**

The Vendor Disclosure Letter and the exhibits to this Agreement, as listed below, are incorporated into and form an integral part of this Agreement:

Exhibit 1	Form of Licence and Royalty Agreement
Exhibit 2	Form of Governance Agreement
Exhibit 3	Form of Exchange Agreement
Exhibit 4	Form of Limited Partnership Agreement
Exhibit 5	Form of General Security Agreement
Exhibit 6	Form of Management Agreement
Exhibit 7	Form of Non-Competition Agreement

1.4 **Currency**: All monetary amounts referred to in this Agreement are stated in Canadian currency.

1.5 **Accounting Terms**: All accounting terms used in this Agreement will have the meanings assigned to them in accordance with ASPE.

1.6 **Statutory References**: Unless otherwise stated in this Agreement, any reference to a statute includes all regulations made under that statute and includes all amendments made to the statute and the regulations in force from time to time, and any statute or regulation that supplements or replaces that statute or regulation.

1.7 **Vendor's Knowledge**: Where any representation or warranty of the Vendor is given "to the knowledge of the Vendor", "to the Vendor's knowledge" or is otherwise expressed to be limited in scope to matters known to the Vendor, it means the actual knowledge of each of Ken Sim and Cathy Thorpe as of the date hereof after reasonable inquiry.

2. <u>PURCHASE AND SALE</u>

2.1 **Agreement to Purchase and Sell**: Subject to the terms and the fulfilment of the conditions of this Agreement, as of the Closing Time, the Vendor hereby agrees to sell, transfer, assign and convey to the Purchaser, and the Purchaser hereby agrees to purchase and assume from the Vendor, all of the Vendor's right, title and interest in and to the NND Rights free and clear of all Encumbrances, other than the Permitted Encumbrances.

2.2 **Third Party Consents**: Anything contained in this Agreement to the contrary notwithstanding, this Agreement shall not constitute an agreement to assign or transfer any right, title or interest in, to or under any NND Right or any claim of or right to any benefit arising thereunder or resulting therefrom if an attempted assignment or transfer thereof, without the consent of a third party, would constitute a breach thereof or significantly adversely affect the rights of the Purchaser or the Vendor thereunder or if the consent of a third party to any such transfer or assignment is otherwise required. The Vendor shall use commercially reasonable efforts to obtain, and the Purchaser agrees to cooperate with the Vendor using its commercially reasonable efforts to obtain (including, without limitation, the submission of financial and other information concerning the Purchaser and the execution and delivery of any assumption agreements or similar documents reasonably requested by a third party), the consent of any such third party to the assignment or transfer of the NND Rights to the Purchaser in all cases in which consent is required for assignment or transfer. If such consent is not obtained by Closing, the Vendor will (a) hold such NND Mark in trust for the Purchaser and, to the extent reasonably necessary, at the request and cost of the Purchaser, perform all obligations with respect to such NND Mark in the name of the Purchaser and all benefits derived therefrom shall be for the account of the Purchaser; (b) use commercially reasonable efforts to obtain such consent or waiver and upon obtaining it will assign and transfer such NND Mark to the Purchaser; and (c) cooperate with the Purchaser by entering into any commercially reasonable arrangements designed to provide for the Purchaser the benefits thereunder, including enforcement for the benefit of the Purchaser of any and all rights of the Vendor against any such third party arising out of the NND Rights by such third party or otherwise.

2.3 **Transfer Taxes**: The Purchaser shall pay to the Vendor or, where permitted by Law, directly to the appropriate Governmental Authorities, all federal and provincial sales and transfer Taxes, registration charges and transfer fees of any jurisdiction, including GST/HST, payable by it in respect of the purchase and sale of the NND Rights under this Agreement, and, on request of the Vendor, the Purchaser shall furnish to the Vendor proof of direct payment to a Governmental Authority. The Purchaser shall indemnify and save harmless the Vendor from any amounts, including interest and penalties, that may be assessed against the Vendor arising out of the failure of the Purchaser to pay, when due, any Taxes described in this Section 2.3.

3. PURCHASE PRICE

3.1 **Purchase Price**: Subject to the terms and conditions of this Agreement, the aggregate purchase price (the "**Purchase Price**") to be paid by the Purchaser to the Vendor for the NND Rights is $75,000,000 plus GST/HST of $3,750,000.

3.2 **Payment of the Purchase Price**: The Purchase Price (inclusive of GST/HST) shall be paid by the Purchaser at Closing as follows:

(a) as to $55,750,000 less the Credit Facilities Payoff Amount, by wire transfer in immediately available funds to a bank account designated by the Vendor;

(b) as to the Credit Facilities Payoff Amount, by wire transfer in immediately available funds to the bank account(s) designated by the lender(s) of any Credit Facilities Payoff Amount, as provided to the Purchaser by the Vendor not less than two (2) Business Days prior to the Closing; and

(c) as to $23,000,000, by the issue by the Purchaser to the Vendor of 1,000,000,000 Class B LP Units.

The Purchaser acknowledges and agrees that the purchase of the NND Rights constitutes a taxable supply by the Vendor under Part IX of the *Excise Tax Act* (Canada) and agrees to pay to the Vendor the taxes payable under Part IX of the *Excise Tax Act* (Canada) in connection with such taxable supply.

3.3 **Tax Elections**: The Purchaser and the Vendor covenant and agree to make a joint election under subsection 97(2) of the Tax Act (and elections under the corresponding provisions of any applicable provincial legislation) with respect to the transfer by the Vendor to the Purchaser of each property comprising the NND Rights. The Purchaser and the Vendor agree that (a) each election referred to in this Section 3.3 shall be filed with the appropriate taxing authorities on or before the last day in which such election is required to be filed under the relevant legislation (without taking into account any provisions for late filing of such election) and (b) all income Tax returns filed by the Purchaser or the Vendor, respectively, for all federal and provincial income Tax purposes will reflect the amounts contained in such election.

3.4 **Allocation of Purchase Price**: The Purchaser and the Vendor shall allocate the entire Purchase Price and any adjustments thereto to the NND Rights and shall report the purchase and sale of the NND Rights for all Tax purposes in a manner consistent with that allocation. If any Governmental Authority does not agree with that allocation, the Purchaser and the Vendor shall use their commercially reasonable efforts (which is not to be construed as requiring the Purchaser or the Vendor to commence or participate in any litigation or administrative process challenging the determination of any Governmental Authority) to agree on a different allocation acceptable to that Governmental Authority, and the Purchaser and the Vendor shall amend the original allocation and the relevant Tax returns accordingly. Each of the Parties acknowledge that the NND Rights include more than one property as determined pursuant to the Tax Act, all of which will be disposed of by the Vendor to the Purchaser on Closing. The Vendor may designate, for the purposes of the Tax Act, the order in which each such property will be disposed.

4. REPRESENTATIONS AND WARRANTIES OF THE VENDOR

The Vendor represents and warrants to the Purchaser and DIV as follows and acknowledges that the Purchaser and DIV are relying on the accuracy of each representation and warranty of the Vendor set out in this Article 4 in entering into this Agreement:

4.1 **Organization and Standing**:

(a) The organizational structure of the NND Business is as set forth in Schedule 4.1 of the Vendor Disclosure Letter. The Vendor Group has no subsidiaries and holds no shares or other ownership, equity or other proprietary interests in any other Person except as set forth in Schedule 4.1 of the Vendor Disclosure Letter.

(b) Each member of the Vendor Group is a corporation duly organized and validly existing under the laws of the jurisdiction of its formation, with the requisite power and corporate capacity to conduct its business as now being conducted and to own and lease its properties and assets and, as applicable, to enter into this Agreement and each of the agreements, documents and instruments to be entered into in connection with this Agreement and to perform its obligations hereunder and thereunder. Each member of the Vendor Group is duly qualified or licensed to do business in each of the jurisdictions in which the NND Business makes such qualification necessary.

4.2 **Authorization**: This Agreement and each of the agreements, documents and instruments of the Vendor Group contemplated hereby has been or on the Closing Date will have been duly authorized, executed and delivered by the applicable member of the Vendor Group and is or will be a legal, valid and binding obligation of such member of the Vendor Group, enforceable against such member of the Vendor Group, as applicable, by the Purchaser in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.

4.3 **No Violation**: Neither the execution and delivery of the Agreement or the other documents and instruments to be executed and delivered by any member of the Vendor Group pursuant hereto, nor the consummation by the Vendor Group of the Transactions will:

(a) violate any provision of the constating documents or shareholders agreement of any member of the Vendor Group;

(b) violate or be in conflict with any Law applicable to the Vendor or the NND Business;

(c) violate any judgment, decree, order or award of any Governmental Authority having jurisdiction over any member of the Vendor Group;

(d) violate any of the provisions of, or constitute a default under, or conflict with or cause or give rise to a right of termination, cancellation, loss of rights, purchase or sale rights or payment obligations or the acceleration of, any obligations of any member of the Vendor Group under any Material Contract; or

(e) result in the creation or imposition of any Encumbrance (other than a Permitted Encumbrance) on any of the NND Rights,

except, in the case of clauses (b) and (d), as would not reasonably be expected to have a Material Adverse Effect on the NND Rights or the NND Business or to prevent or significantly impede or materially delay the completion of the Transactions.

4.4 **Consents**: Except as set forth in Schedule 4.4 of the Vendor Disclosure Letter, there is no requirement for any member of the Vendor Group to make any filing with, give any notice to or obtain any approval from any Governmental Authority or from any Person:

(a) as a condition to the lawful consummation by the Vendor Group of the Transactions;

(b) to avoid the violation, breach or termination of, or default under, or the creation of any Encumbrance under the terms of any applicable Law; or

(c) to enable the NND Business to continue to be carried on as currently conducted following Closing.

4.5 **Absence of Certain Changes and Events**: Except as set forth in Schedule 4.5 of the Vendor Disclosure Letter, the Vendor Group has operated the NND Business only in the Ordinary Course since September 30, 2019 and, since such date, except in the Ordinary Course of business, there has been no:

(a) Material Adverse Change affecting the NND Rights or the NND Business, taken as a whole;

(b) transaction, agreement or commitment, or any event or events that, individually or in the aggregate, has or have materially and adversely interfered with the condition or use of the NND Rights or the NND Business or a material portion thereof;

(c) payment, discharge or satisfaction of any material Liabilities related to the NND Rights or NND Business, other than the payment, discharge or satisfaction of current liabilities and obligations in the Ordinary Course of business and consistent with past practice;

(d) payment (except in the Ordinary Course of business) or increase by any member of the Vendor Group of any bonuses, salaries or other compensation to any Employee, except in amounts in keeping with past practices and formulas or otherwise or entry into any employment, severance or similar contract with any Employee (except in the Ordinary Course of business);

(e) entry into, termination of or receipt of notice of termination of any contract or transaction involving a total remaining commitment by any member of the Vendor Group of at least $75,000 with respect to or arising out of the operation of the NND Business or the NND Rights;

(f) no destruction or loss of any assets related to the NND Business in excess of $75,000, whether or not insured, or any material interruption to the NND Business;

(g) any change in Tax or accounting practices, polices or methods related to the NND Business*;*

(h) any capital expenditures related to the NND Business in excess of $35,000 individually or $75,000 in the aggregate; or

(i) contract by any member of the Vendor Group to do any of the foregoing.

4.6 Leases:

(a) No member of the Vendor Group is a party to or bound by or subject to, nor has any member of the Vendor Group agreed or become bound to enter into, any lease or agreement to lease with respect to any real property relating to or used by the NND Business, whether as lessor or lessee, except for the Leases.

(b) Schedule 4.6 of the Vendor Disclosure Letter sets out the parties to each of the Leases, their dates of execution and expiry dates and the locations of the leased lands and premises. Except as set out in Schedule 4.6 of the Vendor Disclosure Letter, each of the Leases is in good standing in all material respects and in full force and effect, and no member of the Vendor Group nor, to the knowledge of the Vendor, any other party thereto is in breach of any material covenants, conditions or obligations contained therein and the Vendor Group is entitled to all rights thereunder. The Vendor has provided a true and complete copy of each Lease and all amendments thereto to the Purchaser. The applicable member of the Vendor Group is exclusively entitled to all rights and benefits as lessee under the Leases.

(c) Except as set forth in Schedule 4.6 of the Vendor Disclosure Letter, all rental and other material payments and other material obligations required to be paid and performed by the applicable member of the Vendor Group pursuant to the Leases have been duly paid and performed.

4.7 Litigation: Except as disclosed in Schedule 4.7 of the Vendor Disclosure Letter, no suit, action, arbitration or other proceeding is pending, or to the Vendor's knowledge has been threatened, that, if determined adversely to any member of the Vendor Group, might (a) have a Material Adverse Effect on the NND Rights or the NND Business, (b) result in impairment or loss of the Vendor's title to any part of the NND Rights, (c) have a Material Adverse Effect, hinder or impede the Closing or the operation of the NND Business by the Vendor Group after the Closing, or (d) adversely affect the Vendor Group's ability to consummate the Transactions contemplated herein.

4.8 Compliance: Except as disclosed in Schedule 4.8 of the Vendor Disclosure Letter, each member of the Vendor Group will be, on the Closing Date, in compliance with all, and is not in violation of any, Laws in respect of the conduct of the NND Business and ownership of the NND Rights, except where the failure to comply would not have a Material Adverse Effect upon the NND Rights or the NND Business. Except as disclosed in Schedule 4.8 of the Vendor Disclosure Letter, no member of the Vendor Group has received any written notice from any Governmental Authority regarding any violations or possible violations of any Laws. Prior to the Closing Date, the Vendor Group has operated the NND Business in material compliance with any disclosure or other requirements contemplated under applicable provincial franchise legislation forming part of Law.

4.9 Financial Statements:

(a) True copies of the Historical Financial Statements are attached at Schedule 4.9 of the Vendor Disclosure Letter. The Historical Financial Statements:

(i) have been prepared in accordance with ASPE;

(ii) present fairly, in all material respects, the financial position of the Vendor Group as at September 30, 2017 and September 30, 2018; and

(iii) present fairly, in all material respects, the results of operations of the Vendor Group for the year ending September 30, 2017 and for the year ending September 30, 2018.

(b) The 2019 Financial Statements, when delivered in accordance with Section 8.1(e):

(i) shall have been prepared in accordance with ASPE;

(ii) shall present fairly, in all material respects, the financial position of the Vendor Group as at September 30, 2019; and

(iii) shall present fairly, in all material respects, the results of operations of the Vendor Group for the year ending September 30, 2019.

4.10 **Absence of Undisclosed or Contingent Liabilities**: Except as disclosed in Schedule 4.10 of the Vendor Disclosure Letter, no member of the Vendor Group has incurred any Liabilities which continue to be outstanding, except for Liabilities:

(a) disclosed in the Historical Financial Statements and 2019 Financial Statements;

(b) incurred in the Ordinary Course of business consistent with past practice since September 30, 2018; or

(c) expressly permitted or specifically contemplated by this Agreement.

4.11 **Taxes**: Each member of the Vendor Group has filed on a timely basis all Tax returns and reports in all jurisdictions where such member of the Vendor Group is obliged to file such returns and reports and has paid, or contested in good faith, all material Taxes due and payable, the non-payment of which could result in an Encumbrance on the NND Rights or otherwise impose Liabilities on the Purchaser. No member of the Vendor Group is the subject of a legal proceeding concerning any Tax that could result in an Encumbrance against the NND Rights. There are no Encumbrances for Taxes other than Permitted Encumbrances upon the NND Rights and no event has occurred that, with the passage of time or the giving of notice, or both, could reasonably be expected to result in an Encumbrance for Taxes other than Permitted Encumbrances on any of the NND Rights. All Taxes that the Vendor Group is or were required by Law to withhold, deduct, pay or collect relating to the NND Business have been duly withheld, deducted and collected and, to the extent required, have been paid to the proper Governmental Authority or other person.

4.12 **Brokerage Commissions**: Except as disclosed in Schedule 4.12 of the Vendor Disclosure Letter, no broker, agent or other intermediary has acted for any member of the Vendor Group in connection with the Transactions and no member of the Vendor Group has incurred or has any obligation to pay any brokerage or finder's fees or commissions pursuant to this Agreement or upon the consummation of any of the Transactions.

4.13 **Labour and Employment Matters**:

(a) No member of the Vendor Group has entered into or is a party to, either directly or by operation of law, any Collective Agreement, letters of understanding, letters of intent or other written communication with any trade union or association or organization that may qualify as a trade union or association, contingent or otherwise, which would cover any Employee or dependent contractor of the Vendor Group.

(b) The Employees or independent contractors of the Vendor Group are not subject to any Collective Agreements or letters of understanding, letters of intent or other written communication with any trade union or association or organization that may qualify as a trade union or association, contingent or otherwise, and are not, in their capacities as Employees, represented by any trade union or association or organization that may qualify as a trade union or association.

(c) To the knowledge of the Vendor, there are no organizational efforts currently being made, threatened by or on behalf of, any trade union or association or organization that may qualify as a trade union or association with respect to the Employees, nor has there been any such attempts within the last three years, and no Collective Agreement is currently being negotiated by any of the Vendor Group or any other Person in respect of any member of the Vendor Group,

(d) No member of the Vendor Group has engaged in any unfair labour practice. There is no unfair labour practice complaint, grievance or arbitration proceeding pending or, to the knowledge of the Vendor, threatened against any member of the Vendor Group, or which could have a Material Adverse Effect on the Vendor Group (taken as a whole).

(e) There is no labour strike, slow down, work stoppage or lockout in effect or, to the knowledge of the Vendor, threatened against any member of the Vendor Group, nor has there been any such event within the last five years.

(f) To the knowledge of the Vendor, no trade union has applied to have any member of the Vendor Group declared a common or single employer pursuant to applicable Law in any jurisdiction in which any member of the Vendor Group carries on business.

(g) To the knowledge of the Vendor, no managerial or key employee and no group of employees of any of the Vendor Group has any plans to terminate his, her or their employment with any member of the Vendor Group.

4.14 **Bankruptcy**: No member of the Vendor Group is insolvent or has: (a) proposed a compromise or arrangement to any of its creditors generally; (b) had any petition or receiving order in bankruptcy filed against it; (c) taken any proceeding with respect to a compromise or arrangement or become subject to such proceeding; (d) taken or become subject to any proceeding to have it liquidated, dissolved, declared bankrupt or wound-up; (e) taken any proceeding or become subject to any proceeding to have a receiver appointed over any part of its assets; (f) had any encumbrancer take possession of any of its property; or (g) had any execution or distress become enforceable or become levied upon any of its property.

4.15 **Environmental Matters**: The Vendor Group has been and will, on the Closing Date, be in material compliance with all Environmental Laws applicable to the conduct of the NND Business, and to the Vendor's knowledge, no condition exists or event has occurred which would, individually or in the aggregate, with or without notice or the passage of time or both, give rise to material liability under any Environmental Laws. There are no outstanding written notices from any Governmental Authority of any actual or alleged material default or non-compliance under Environmental Laws with respect to the NND Business.

4.16 **Material Contracts**: Schedule 4.16 of the Vendor Disclosure Letter discloses each Material Contract. Each Material Contract is in full force and effect and is valid and enforceable by and against the applicable member of the Vendor Group and, to the Vendor's knowledge, each Material Contract is valid and enforceable against the other party or parties thereto, in each case in accordance with its terms. All of the Material Contracts have either been entered into by the applicable member of the Vendor Group or have been validly and effectively assigned to such member of the Vendor Group as the principal and not as an agent for any other Person. No member of the Vendor Group is in default in any material respect under any Material Contract, nor has it received written notice or, to the Vendor's knowledge, oral notice of any default in any material respect under any Material Contract. True, current, correct and complete copies of all Material Contracts have been made available to the Purchaser.

4.17 **Residency of the Vendor**: The Vendor is not a non-resident of Canada for the purposes of the Tax Act.

4.18 **Restrictive Covenants**: Except as disclosed in Schedule 4.18 of the Vendor Disclosure Letter, no member of the Vendor Group is a party to or bound by any contract:

(a) limiting its freedom to compete in any line of business or any geographic area, establish the prices at which it may sell goods or services to any customer or potential customer, or transfer or move any of its assets or operations; or

(b) which could materially and adversely affect the business practices, continued operation or financial condition of NND Business after the Closing.

4.19 NND Rights:

(a) The Vendor is the legal and beneficial owner of the NND Rights. Except as disclosed in Schedule 4.19(a) of the Vendor Disclosure Letter and, subject to the nature of the applicable Intellectual Property Rights, the Vendor has the perpetual, royalty free, and exclusive right to use and grant the right to others to use the NND Rights, subject only to Permitted Encumbrances, Encumbrances that will be discharged at or prior Closing, and licenses granted to Franchisees pursuant to Franchise Agreements. To the Vendor's knowledge, the Vendor is the owner of all copyright in all designs or other works comprising or incorporated in any of the NND Rights. The Vendor has the right to transfer the NND Rights to the Purchaser free and clear of any Encumbrances, subject only to Permitted Encumbrances and Encumbrances which will be discharged at Closing and licenses granted to Franchisees pursuant to Franchise Agreements.

(b) Schedule 4.19(b) of the Vendor Disclosure Letter sets forth a complete and accurate list of all Canadian and U.S. trade-mark registrations and Canadian and U.S. trade-mark applications owned by the Vendor and used in the NND Business and, in each case, the applicable trade-mark registration or application number.

(c) To the Vendor's knowledge, except as disclosed in Schedule 4.19(c) of the Vendor Disclosure Letter, all registrations for the NND Rights are valid and subsisting. Except as disclosed in Schedule 4.19(c) of the Vendor Disclosure Letter, the Vendor has and, to the Vendor's knowledge, all of its predecessors in title to the NND Marks have maintained direct or indirect control over the character and quality of the wares and services in association with which the NND Marks have been used so that the NND Rights have not lost their distinctiveness. Sufficient notice has been given that the Vendor is the owner of the NND Marks and that all use of the NND Marks by any Franchisees or any other licensed users is a licensed use such that it shall be presumed that the use of the NND Marks by any Franchisees or any other licensed users is licensed by the Vendor and the character and quality of the wares and services is under the control of the Vendor. There are no licensed users of any of the NND Rights other than Franchisees pursuant to the Franchise Agreements and the Vendor is not permitting anyone to use any of the NND Marks other than Franchisees under Franchise Agreements or other licensees under proper license agreements listed in Schedule 4.19(c) of the Vendor Disclosure Letter. No fees, royalties, or other amounts are owing by the Vendor to any Person with respect to any of the NND Rights or any use of any of the same.

(d) No Person other than the Purchaser has any agreement or any right or privilege capable of becoming an agreement for the purchase or acquisition from the Vendor of any of the NND Rights.

(e) Except as disclosed in Schedule 4.19(c) of the Vendor Disclosure Letter, no trade-marks (including service marks, logos, brand names, certification marks and trade dress) or copyright protected works that are owned by the Vendor and are used or exploited by the Vendor or the Franchisees in connection with the NND Business other than the NND Rights.

4.20 Franchise Matters:

(a) Schedule 4.20 of the Vendor Disclosure Letter sets forth a complete list of all Franchise Agreements currently in effect. Each of the Franchise Agreements set forth in Schedule 4.20 of the Vendor Disclosure Letter is a valid and binding obligation of the applicable member of the Vendor Group, enforceable against the applicable Franchisee and Guarantor which is a party to such Franchise Agreement, except as such enforceability may be affected by bankruptcy, insolvency, arrangement, moratorium or other laws affecting the enforcement of creditors' rights generally and the availability of equitable remedies may be limited by equitable principles of general applicability.

(b) Except as disclosed in Schedule 4.20 of the Vendor Disclosure Letter, no member of the Vendor Group in material breach of any of the Franchise Agreements currently in effect to which it is a party and, to the Vendor's knowledge, no Franchisee is in material breach of any of the Franchise Agreements currently in effect and no event has occurred or has failed to occur that would, with the giving of notice or the passing of time, constitute a material breach of a Franchise Agreement currently in effect by any party thereto.

(c) No member of the Vendor Group has notice of any current, pending or threatened litigation with, between or among any Franchisees in respect of any of the Franchise Agreements currently in effect.

(d) Except as disclosed in Schedule 4.20 of the Vendor Disclosure Letter, the Vendor Group has no plans or intention to terminate, temporarily close or relocate any of the Nurse Next Door Franchises listed in Schedule 4.20 of the Vendor Disclosure Letter.

(e) No current Franchisee has delivered or threatened to deliver a notice of intent to cease being a Franchisee, or to rescind or terminate a Franchise Agreement currently in effect, whether as a result of the transactions contemplated hereby or otherwise.

(f) The Vendor Group has no agreements, arrangements, or understandings with any current Franchisee whether oral or written, other than the Franchise Agreements set forth on Schedule 4.20 of the Vendor Disclosure Letter.

(g) Except as set forth in Schedule 4.20 of the Vendor Disclosure Letter, no present Franchisee has been granted an exclusive or protected territory (nor the right or option to acquire an exclusive or protected territory) other than as expressly set forth in the written documents listed in Schedule 4.20 of the Vendor Disclosure Letter.

(h) Except as disclosed in Schedule 4.20 of the Vendor Disclosure Letter, no Franchisee has a right of first refusal, option or other arrangement, or any right to acquire additional franchises or expand the Franchisee's protected territory.

(i) The consummation of the Transactions will not affect the validity or enforceability of Franchise Agreements.

(j) Except as disclosed in Schedule 4.20 of the Vendor Disclosure Letter, all prospective Franchisees were delivered a copy of the then-current Nurse Next Door Franchise disclosure document by a member of the Vendor Group, in accordance with Laws applicable to franchising in all respects.

4.21 Corporation Locations

Schedule 4.21 of the Vendor Disclosure Letter sets forth a complete and accurate list and description of all Nurse Next Door Franchises operated directly or indirectly by the Vendor Group as of the date hereof.

4.22 [Intentionally Deleted]

4.23 Infringement/Proceedings:

(a) Except as disclosed in Schedule 4.23 of the Vendor Disclosure Letter, no member of the Vendor Group has notice of, or is aware of, any infringement by any member of the Vendor Group in its operation of the NND Business or, to the Vendor's knowledge, any of its licensees (including all Franchisees) in its operation of Nurse Next Door Franchise, of any third party Intellectual Property Rights.

(b) Except pursuant to the Franchise Agreements or as disclosed in Schedule 4.23 of the Vendor Disclosure Letter, no Person is authorized by the Vendor Group to use or, to the Vendor's knowledge, is using in its corporate name, trade name or business name any NND Mark or any word or other indicia that is confusingly similar to any NND Mark.

(c) Except as disclosed in Schedule 4.23 of the Vendor Disclosure Letter, no member of the Vendor Group has notice in writing of any current, pending or threatened challenge or proceeding with respect to any of the NND Marks, including any protest, trademark opposition proceeding, trademark interference proceeding, summary cancellation or expungement proceeding (whether initiated by, pending, filed or threatened to be filed in the Canadian Trademarks Office, the Canadian Trademarks Opposition Board, the United States Patent and Trademarks Office, or the United States Trademark Trial and Appeal Board), or any other cancellation or expungement proceeding (whether filed, pending, or threatened to be filed in the Federal Court of Canada, the United States courts, or any applicable state or provincial court in Canada or the United States) or any other litigation or other administrative proceedings in respect of any of the NND Marks and the Vendor has no knowledge of any basis for the commencement of any such proceedings against any Persons.

(d) To the Vendor's knowledge, use of the NND Rights in the Vendor Group's operation of the NND Business does not infringe the Intellectual Property Rights of any Person.

4.24 **Accredited Investor Status**: The Vendor is an "accredited investor" as defined in National Instrument 45-106 – *Prospectus Exemptions* and has properly completed, executed and delivered to DIV and the Purchaser a certificate confirming its status as an accredited investor in a form acceptable to the Parties, acting reasonably.

4.25 **Share Capital**:

(a) The authorized share capital of the Vendor consists of the following:

(i) an unlimited number of Class A Common Shares;

(ii) an unlimited number of Class B Non-Voting Common Shares;

(iii) an unlimited number of Class C Preferred Shares;

(iv) an unlimited number of Class D Preferred Shares;

(v) an unlimited number of Preferred Shares issuable in series;

(vi) an unlimited number of Class E Common Shares;

(vii) an unlimited number of Class F Common Shares;

(viii) an unlimited number of Class G Common Shares;

(ix) an unlimited number of Class H Common Shares;

(x) an unlimited number of Class I Common Shares;

(xi) an unlimited number of Class J Preferred Shares; and

(xii) an unlimited number of Class K Common Shares,

of which 9,091,285 Class J Preferred Shares and 10,005,957 Class K Common Shares are issued and outstanding.

(b) The owners of the issued and outstanding shares of the Vendor are set forth in Schedule 4.25 of the Vendor Disclosure Letter.

(c) Except as disclosed in Schedule 4.25 of the Vendor Disclosure Letter, no Person holds any securities of the Vendor or any right, option or warrant to acquire any securities of the Vendor, including without limitation any securities convertible into or exchangeable for securities of the Vendor.

5. REPRESENTATIONS AND WARRANTIES OF THE PURCHASER AND DIV

The Purchaser and DIV, jointly and severally, represent and warrant to the Vendor as follows and acknowledge that the Vendor is relying on the accuracy of each representation and warranty of the Purchaser and DIV set out in this Article 5 in entering into this Agreement:

5.1 Organization and Standing: The Purchaser is a limited partnership duly organized and validly existing under the Laws of British Columbia with the requisite power and capacity to enter into this Agreement and each of the agreements, documents, and instruments to be entered into by the Purchaser in connection with this Agreement and perform its obligations hereunder and thereunder. DIV is a corporation duly organized and validly existing under the Laws of Canada with the requisite power and corporate capacity to enter into this Agreement and each of the agreements, documents, and instruments to be entered into by DIV in connection with this Agreement and perform its obligations hereunder and thereunder.

5.2 Authorization: This Agreement and each of the agreements, documents and instruments of the Purchaser and DIV contemplated hereby has been or on the Closing Date will have been duly authorized, executed and delivered by the Purchaser and DIV, as applicable, and is or will be a legal, valid and binding obligation of the Purchaser and DIV, enforceable against the Purchaser and DIV, as applicable, by the Vendor in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally and except that equitable remedies may only be granted in the discretion of a court of competent jurisdiction.

5.3 No Violation: Neither the execution and delivery of this Agreement or the other documents and instruments to be executed and delivered by the Purchaser and DIV pursuant hereto, nor the consummation by the Purchaser or DIV of the Transactions (a) will violate any provision of the partnership agreement of the Purchaser or any constating documents of DIV, (b) violate or be in conflict with any Law, (c) violate any judgment, decree, order or award of any Governmental Authority having jurisdiction over the Purchaser or DIV.

5.4 Bankruptcy: Neither the Purchaser nor DIV is insolvent and neither has: (a) proposed a compromise or arrangement to any of its creditors generally; (b) had any petition or receiving order in bankruptcy filed against it; (c) taken any proceeding with respect to a compromise or arrangement or become subject to such proceeding; (d) taken or become subject to any proceeding to have it liquidated, dissolved, declared bankrupt or wound-up; (e) taken any proceeding or become subject to any proceeding to have a receiver appointed over any part of its assets; (f) had any encumbrancer take possession of any of its property; or (g) had any execution or distress become enforceable or become levied upon any of its property.

5.5 Consents and Approvals: There is no requirement for the Purchaser or DIV to make any filing with, give any notice to or obtain any consent or approval from any Governmental Authority or other Person as a condition to the lawful consummation by the Purchaser or DIV of the Transactions in accordance with all Laws.

5.6 Legal Proceedings: There are no legal proceedings pending or threatened by the Purchaser or DIV or to the knowledge of the Purchaser or DIV, pending or threatened against the Purchaser or DIV that might have a material adverse effect on the ability of the Purchaser or DIV to enter into this Agreement or to consummate the Transactions, and to the knowledge of the Purchaser or DIV, no state of facts exist which could constitute the basis of any such legal proceedings.

5.7 Canadian Partnership: The Purchaser is a Canadian Partnership for the purposes of the Tax Act.

5.8 Reporting Issuer: DIV is a "reporting issuer" within the meaning of Canadian Securities Laws and is not on the list of reporting issuers in default under applicable Canadian Securities Laws, and no Securities Commission has issued any order preventing or suspending trading of any securities of DIV, and DIV is in compliance in all material respects with Canadian Securities Laws. Trading in the DIV Shares on the TSX is not currently halted or suspended. No delisting, suspension of trading or cease trading order with respect to any securities of DIV is pending or, to the knowledge of DIV, threatened. To the knowledge of DIV, no inquiry, review or investigation (formal or informal) of DIV by any Securities Commission under applicable Canadian Securities Laws or any stock exchange is in effect or ongoing or expected to be implemented or undertaken.

5.9 **Compliance with Canadian Securities Laws**: DIV has filed, on a timely basis, all documents, forms, statements, certifications and reports required to be filed or furnished pursuant to Canadian Securities Laws since January 1, 2019. All information and statements contained in the DIV Public Record (a) did not, as of the respective dates of such information and statements, and do not, as of the date hereof, contain any Misrepresentations and (b) complied in all material respects with the requirements of Canadian Securities Laws. DIV has not filed any confidential material change report, confidential treatment request or other report or document with any Securities Commission which remains confidential as of the date hereof.

6. SURVIVAL OF REPRESENTATIONS AND WARRANTIES

6.1 **Survival**: The representations and warranties set forth in Articles 4 and 5 of this Agreement shall survive the Closing and continue in full force and effect for the respective survival periods shown below following the Closing Date, unless the Party or Parties for whose benefit such representation or warranty was made waives the same in writing:

(a) Representations and Warranties – in the case of a claim with respect to a representation and warranty, except as expressly provided below, within a period of 12 months from the Closing Date;

(b) Taxes – in the case of claim with respect to the representation and warranty contained in Section 4.11 within a period commencing on the Closing Date and ending on a date which is 60 days after the date on which the last applicable limitation period, including any extensions thereof, under any applicable Law relating to Tax matters expires with respect to any taxation year that is relevant in determining any Liability with respect to those Tax matters;

(c) Fundamental Representations – in the case of a claim with respect to a Fundamental Representation, as to which a claim may be made at any time; and

(d) Fraud – notwithstanding Sections 6.1(a), (b) and (c), a claim made by a Party for any breach of any of the representations, warranties and covenants contained in this Agreement involving fraud, fraudulent misrepresentation, intentional misrepresentation or deliberate or wilful breach may be made at any time following the Closing Date, subject only to applicable limitation periods imposed by Law.

Any claim for indemnification relating to a breach of a representation or warranty specified above must be made by notice to the indemnifying Party, prior to the end of the survival period of the applicable representation or warranty.

6.2 **Other Matters**: The Purchaser and DIV agree that, notwithstanding that the Vendor's representations and warranties in any section of this Agreement may refer to a specific Schedule of the Vendor Disclosure Letter, the Vendor will not be in breach of a representation or warranty made pursuant to this Agreement if the true facts with respect to the representation or warranty are readily apparent from any other Schedule to the Vendor Disclosure Letter. Except for the representations and warranties of the Vendor set out in Article 4, in executing this Agreement, the Purchaser and DIV each rely wholly upon its own judgment and that of each of its advisors. The Purchaser and DIV acknowledge that they are not relying on any representations or statements regarding any matter made by any Person, except the representations and warranties of the Vendor set out in Article 4.

7. COVENANTS

7.1 Transfer of Documentation:

(a) Promptly following the Closing Date, the Vendor shall deliver, and shall cause to be delivered, to the Purchaser all documents (except, in the case of those required by Law to be retained by the Vendor, copies thereof) and other data, technical or otherwise, which are owned by the Vendor at the Closing Date, relating to the NND Rights. The Purchaser shall preserve all those documents delivered to it in accordance with the Purchaser's document retention procedures or for such longer period as is required by Law. The Purchaser shall permit the Vendor and its authorized representatives reasonable access to those documents while they are in the Purchaser's possession or control solely to the extent that access is required by the Vendor to perform its obligations under this Agreement or under Law, but the Purchaser shall not be responsible or liable to the Vendor for, or as a result of, any loss or destruction of or damage to any such documents and other data unless that destruction, loss or damage is caused by the Purchaser's negligence or wilful misconduct.

(b) Notwithstanding Section 7.1(a), the Vendor shall be entitled to retain copies of any documents or other data delivered to the Purchaser pursuant to Section 7.1(a) provided that those documents or data are reasonably required and only used or relied on by the Vendor to perform its obligations under this Agreement or under Law. The Vendor shall retain any documents or data which relate to the NND Rights and which are retained by the Vendor pursuant to this Section 7.1(b) in strict confidence and shall not use or otherwise disclose the data or information contained therein except as permitted by Section 11.6.

7.2 Exclusive Dealings: During the Interim Period, the Vendor will not take any action, directly or indirectly, to encourage, initiate or engage in discussions or negotiations with, or provide any information to, or enter into any agreement or arrangement or understanding with, any Person, other than the Purchaser and DIV and their designated and authorized representatives, concerning any sale, transfer or assignment of any portion of the NND Business, the NND Rights or the issued and outstanding ownership interests of any member of the Vendor Group. The Vendor shall notify the Purchaser and DIV promptly if any such discussions or negotiations are sought or if any proposal for a sale, transfer or assignment of any portion of the NND Business, the NND Rights or the issued and outstanding ownership interests of any member of the Vendor Group. In addition, the Vendor shall immediately cease and cause to be terminated all existing discussions and negotiations (including through any advisors or other parties on its behalf), if any, with any parties conducted before the date of this Agreement concerning any sale, transfer or assignment of any portion of the NND Business, the NND Rights or the issued and outstanding ownership interests of any member of the Vendor Group, and shall, within five Business Days of the date of this Agreement, request the return or destruction of all information respecting the Vendor, the NND Business and the NND Rights provided to any third parties who have entered into a confidentiality agreement with any member of the Vendor Group with respect to any sale, transfer or assignment of any portion of the NND Business, the NND Rights or the issued and outstanding ownership interests of any member of the Vendor Group and shall use commercially reasonable efforts to ensure that such requests are honoured.

7.3 Investigation: During the Interim Period, the Vendor shall, and shall cause its representatives to, permit the Purchaser and DIV and their authorized representatives to make such investigations, inspections, surveys or tests of the NND Business and the NND Rights, and of their respective financial, legal and physical condition, as the Purchaser or DIV reasonably request to familiarize themselves with the NND Business and the NND Rights. Without limiting the generality of the foregoing, the Vendor shall, and shall cause its representatives to, provide the Purchaser and DIV with reasonable access during normal business hours to (i) all documents relating to information scheduled or required to be disclosed under this Agreement, (ii) the books and records related to the NND Business, (iii) the Material Contracts; (iv) records regarding suppliers, customers and regulators, and (v) all other reports (including title opinions) prepared by advisors of the Vendor and its Affiliates in connection with the NND Business and the NND Rights, and the Vendor shall, and shall cause its representatives to, provide photocopies to the Purchaser and DIV of all such written information and documents as reasonably requested by the Purchaser or DIV, provided that nothing herein shall require any member of the Vendor Group to disclose any documents or materials that are subject to solicitor-client privilege or confidentiality obligations to a third party. At DIV's request, the Vendor shall execute, or cause to be executed, such consents, authorizations and directions as may be reasonably necessary, as determined by the Vendor in their sole discretion, to permit any inspection of the NND Business and any of the NND Rights and to enable the Purchaser, DIV or their authorized representatives to obtain full access to all files and records relating to the NND Business or relating to any of the NND Rights maintained by Governmental Authorities and self-regulating authorities.

7.4 **Personal Information**: The Vendor, the Purchaser and DIV will:

(a) at all times, use and disclose the Personal Information under its control solely for the purposes for which the Personal Information was collected or permitted to be used or disclosed, unless to the extent required by Law, such Vendor, the Purchaser or DIV, as the case may be, has obtained the consent of or has given notice to the individual to whom the Personal Information relates of the additional purposes for which the Personal Information is to be used or disclosed, or such additional purposes are permitted or authorized by Law;

(b) protect the Personal Information using security safeguards that meet or exceed industry standards, taking into account the sensitivity of the Personal Information; and

(c) give effect to any withdrawal of consent by the individual to whom the Personal Information relates where the Personal Information was collected with consent.

7.5 **Conduct Prior to Closing**: Without in any way limiting any other obligations of the Vendor hereunder, during the Interim Period, the Vendor shall:

(a) conduct the NND Business only in the Ordinary Course, and shall not, without the prior written consent of DIV, enter into any transaction or refrain from doing any action that, if effected before the date of this Agreement, would constitute a breach of any representation, warranty, covenant or other obligation of the Vendor in this Agreement and, without limiting the generality of the foregoing, no member of the Vendor Group shall, except pursuant as contemplated in Schedule 7.5(a) of the Vendor Disclosure Letter:

(i) merge or consolidate with or acquire or agree to acquire all or substantially all of the shares or assets of any Person, acquire or lease or agree to acquire or lease any business operations or any equity interests in any other Person;

(ii) do any act or thing of the kind described in Section 4.5;

(iii) enter into any compromise or settlement of any litigation, proceeding or government investigation relating to the NND Business or any of the NND Rights;

(iv) make any material modification to its usual sales, human resource, accounting, software, or management practices, processes or systems;

(v) terminate or enter into any Material Contract related to the NND Business; and

(vi) move any material part of the NND Business to any other location from which the Vendor do not carry on the NND Business at the date hereof;

(b) not do any act or thing that would result in a breach of Section 7.1;

(c) continue to maintain in full force and effect all the insurance policies or renewals thereof in effect as of the date of this Agreement;

(d) use its commercially reasonable efforts to obtain any third party consents required to assign the NND Rights, if any;

(e) preserve intact the NND Business and the NND Rights, carry on the NND Business as currently conducted, and promote and preserve for the Purchaser the goodwill of suppliers, customers and others having business relations with the Vendor Group in connection with the NND Business; and

(f) pay and discharge the liabilities of the Vendor Group relating to the NND Business and the NND Rights in the Ordinary Course in accordance and consistent with the previous practice of the Vendor Group, except those contested in good faith by any member of the Vendor Group.

7.6 **Notice of Material Changes**: During the Interim Period, each Party will promptly advise each other Party in writing of:

(a) any change, effect, event or occurrence subsequent to the date of this Agreement that renders or could reasonably be expected to render any representation or warranty of the such Party contained in this Agreement untrue or inaccurate in any material respect as of the date of such change, effect, event or occurrence or as of the Closing Date (or, in the case representation or warranty which speaks solely as of a date prior to such change, effect, event or occurrence, as of such earlier date);

(b) in respect of the Vendor, any change, effect, event or occurrence that has or could reasonably be expected to have a Material Adverse Effect on the Vendor, the NND Business or the NND Rights;

(c) any material breach by such Party of any of its covenants or agreements contained in this Agreement; and

(d) any change, effect, event or occurrence that could reasonably be expected to delay, impede or otherwise interfere with the completion of the Transactions.

7.7 **Actions to Satisfy Closing Conditions**:

(a) The Vendor shall take all such actions as are within its power to control, and use reasonable commercial efforts to cause other actions to be taken which are not within its respective power to control, so as to ensure satisfaction of the closing conditions set forth in Section 8.1.

(b) Each of DIV and the Purchaser shall take all such actions as are within its respective power to control, and use reasonable commercial efforts to cause other actions to be taken which are not within its respective power to control, so as to ensure satisfaction of the closing conditions set forth in Section 8.2.

(c) If required by applicable securities legislation, policy, or order or by any securities commission, stock exchange or other regulatory authority, the Vendor will sign, deliver, file, and otherwise assist DIV and/or the Purchaser in filing all reports, undertakings, and other documents required with respect to the issue of the Securities.

8. CONDITIONS TO CLOSING

8.1 **Conditions of the Purchaser and DIV**: The obligation of the Purchaser and DIV to complete the Transactions is subject to the following conditions for the exclusive benefit of the Purchaser and DIV, being fulfilled or performed at or prior to the Closing:

(a) Representations and Warranties: the representations and warranties of the Vendor contained in this Agreement shall be true and correct at the Closing in all material respects (except for those representations and warranties which are already qualified as to materiality, in which case those representations and warranties shall be true and correct) with the same effect as though such representations and warranties had been made as of the Closing;

(b) Covenants: all of the covenants and obligations of this Agreement to be complied with or performed by the Vendor on or before the Closing shall have been duly complied with or performed in all material respects;

(c) No Action or Proceeding: no legal or regulatory action or proceeding shall be pending or threatened by any Person before any court or other Governmental Authority to obtain damages in respect of this Agreement or to restrain or prohibit the completion of any of the Transactions;

(d) TSX Approval: DIV receiving evidence satisfactory to DIV, acting reasonably, that the TSX has approved the Transactions, subject only to the satisfaction by DIV of customary conditions imposed by the TSX as set out in the letter(s) from the TSX granting conditional approval for the Transaction or the TSX advising DIV in writing that no such approval is required;

(e) 2019 Financial Statements: the Vendor shall have delivered to DIV and the Purchaser not less than two (2) Business Days prior to the Closing the unaudited consolidated financial statements of the Vendor for the year ending September 30, 2019, consisting of the balance sheet, income statement, cash flow statement and statement of retained earnings and all notes, schedules and exhibits thereto, and the review engagement report thereon of the Vendor's accountants (the "**2019 Financial Statements**"), and such financial statements are not materially different in a manner adverse to the Vendor than the internally prepared statements prepared by the Vendor and furnished to the Purchaser on or prior to the date hereof;

(f) Financing: DIV receiving acquisition financing of at least $12,000,000 from a Schedule I chartered bank (for the purposes of the *Bank Act* (Canada)) to fund the Transactions upon terms satisfactory to DIV acting reasonably;

(g) Payoff Letters: the Vendor shall have delivered to the Purchaser not less than two (2) Business Days prior to the Closing payoff letter(s) in form and substance reasonably acceptable to the Purchaser with respect to the payment in full of the Credit Facilities Payoff Amount; and

(h) Closing Deliveries: the Vendor shall have duly executed and delivered, or caused to be executed and delivered, to the Purchaser and DIV the documents and agreements set forth in Section 9.2 this Agreement.

In the event that any of the foregoing conditions are not performed or fulfilled at or before the Closing, the Purchaser and DIV may terminate this Agreement, in which event, the Purchaser and DIV will be released from all obligations under this Agreement, and the Vendor shall also be so released unless the Vendor were reasonably capable of causing such condition or conditions to be fulfilled or unless the Vendor had breached any of its covenants or obligations in or under this Agreement. The foregoing conditions are for the benefit of the Purchaser and DIV only and accordingly the Purchaser and DIV will be entitled to waive compliance with any such conditions if they see fit to do so, without prejudice to their rights and remedies at Law and in equity and also without prejudice to any of their rights of termination in the event of non-performance of any other conditions in whole or in part.

8.2 Conditions of the Vendor: The obligation of the Vendor to complete the Transactions is subject to the following conditions for the exclusive benefit of the Vendor, being fulfilled or performed at or prior to the Closing:

(a) Representations and Warranties: the representations and warranties of the Purchaser and DIV contained in this Agreement shall be true and correct at the Closing in all material respects (except for those representations and warranties which are already qualified as to materiality, in which case those representations and warranties shall be true and correct) with the same effect as though such representations and warranties had been made as of the Closing;

(b) Covenants: all of the covenants and obligations of this Agreement to be complied with or performed by the Purchaser and DIV or before the Closing shall have been duly complied with or performed in all material respects;

(c) No Action or Proceeding: no legal or regulatory action or proceeding shall be pending or threatened by any Person before any court or other Governmental Authority to obtain damages in respect of this Agreement or to restrain or prohibit the completion of any of the Transactions; and

(d) Closing Deliveries: the Purchaser and DIV shall have duly executed and delivered, or caused to be executed and delivered, to the Vendor the documents and agreements set forth in Section 9.3 this Agreement.

In the event that any of the foregoing conditions are not performed or fulfilled at or before the Closing, the Vendor may terminate this Agreement, in which event, the Vendor will be released from all obligations under this Agreement, and the Purchaser and DIV shall also be so released unless the Purchaser or DIV was reasonably capable of causing such condition or conditions to be fulfilled or unless the Purchaser or DIV had breached any of their covenants or obligations in or under this Agreement. The foregoing conditions are for the benefit of the Vendor only and accordingly the Vendor will be entitled to waive compliance with any such conditions if it sees fit to do so, without prejudice to its rights and remedies at law and in equity and also without prejudice to any of its rights of termination in the event of non-performance of any other conditions in whole or in part.

9. CLOSING ARRANGEMENTS

9.1 Closing: Subject to the satisfaction or waiver by the applicable Party of the conditions set out in Article 8, the Parties shall hold the Closing on the Closing Date at the Closing Time at the offices of the Vendor's counsel or at such other time and place as the Parties may agree.

9.2 Vendor's Closing Deliveries: At Closing, the Vendor shall deliver or cause to be delivered to the Purchaser and DIV the following:

(a) Resolutions – duly signed certified copy of the resolutions of the directors of the Vendor approving the completion of the Transactions, including, without limitation, the sale of the NND Rights, and the execution and delivery of this Agreement;

(b) Certificate – a certificate of the Vendor signed by a senior officer of the Vendor, dated the Closing Date, certifying that the conditions set out in Sections 8.1(a) and 8.1(b) have been satisfied, in form and substance satisfactory to DIV, acting reasonably;

(c) Conveyance Documentation – all necessary conveyances, bills of sale, assurances, transfers, assignments and other documentation necessary or reasonably required to transfer the NND Rights to the Purchaser with good title thereto, free and clear of all Encumbrances, except for Permitted Encumbrances, in each case duly signed by the Vendor, including an

(i) assignments of the NND Rights duly executed by the Vendor, in form and substance satisfactory to DIV, acting reasonably; and

(ii) evidence that any Encumbrances with respect to the assets and properties of the Vendor (other than Permitted Encumbrances) have been or will be, contemporaneously with the Closing, discharged, including executed releases of all Encumbrances (other than Permitted Encumbrances) charging any of the NND Rights;

(d) Payoff Letters – payoff letter(s) in form and substance reasonably acceptable to Purchaser with respect to the payment of the Credit Facilities Payoff Amount;

(e) Operative Documents – copies of each of the Operative Documents duly executed, as applicable, by members of the Vendor Group and the Principals; and

(f) Other Documentation – such other documentation as the Purchaser and DIV reasonably request in a timely manner in order to establish the completion of the Transactions and the taking of all corporate proceedings in connection with the Transactions (as to certification and otherwise), in each case in form and substance satisfactory to the Purchaser and DIV, acting reasonably.

9.3 **Purchaser's Closing Deliveries**: At Closing, the Purchaser and DIV shall deliver or cause to be delivered to the Vendor the following:

(a) Purchase Price – payment of the Purchase Price in accordance with Section 3.2 of this Agreement and delivery of the certificates representing the Securities to be issued to the Vendor pursuant to Section 3.2(c);

(b) Resolutions – duly signed certified copies of the resolutions of the directors of the general partner of the Purchaser and duly signed certified copies of the resolutions of the directors of DIV approving the completion of the Transaction, including, without limitation, the purchase of the NND Rights, the execution and delivery of this Agreement and the issuance of the Securities to be issued to the Vendor pursuant to Section 3.2(c);

(c) Certificate – a certificate of the Purchaser and DIV signed by a senior officer of the general partner of the Purchaser and by a senior officer of DIV, dated the Closing Date, certifying that the conditions set out in Sections 8.2(a) and 8.2(b) have been satisfied, in form and substance satisfactory to the Vendor, acting reasonably;

(d) Conveyance Documentation – all necessary conveyances, bills of sale, assurances, transfers, assignments and other documentation necessary or reasonably required to transfer the NND Rights to the Purchaser with good title thereto, free and clear of all Encumbrances, except for Permitted Encumbrances, in each case duly signed by the Purchaser;

(e) Operative Documents – copies of each of the Operative Documents duly executed, as applicable, by DIV, the Purchaser, NND Holdings Limited Partnership, the general partner of NND Holdings Limited Partnership and the general partner of the Purchaser;

(f) Other Documentation – such other documentation as the Vendor reasonably request in a timely manner in order to establish the completion of the Transactions and the taking of all corporate proceedings in connection with the Transactions (as to certification and otherwise), in each case in form and substance satisfactory to the Vendor, acting reasonably.

9.4 **Termination Events**: Subject to Section 9.5, this Agreement may be terminated as follows:

(a) by the Purchaser or DIV pursuant to Section 8.1;

(b) by the Vendor pursuant to Section 8.2;

(c) by either DIV or the Vendor if the Closing Date has not occurred on or before the Outside Date, except that the right to terminate this Agreement under this Section 9.4(c) shall not be available to a Party if the failure of that Party to fulfill any of its obligations under this Agreement or the breach by that Party of any of its representations and warranties under this Agreement has been a principal cause of, or resulted in, the failure of the Closing Date to occur by such date; or

(d) by mutual written consent of DIV and the Vendor.

9.5 **Effect of Termination**: Each Party's right of termination under Section 9.4 is in addition to any other rights it may have under this Agreement or otherwise, whether at law, in equity or otherwise, and the exercise of that right of termination is not an election of remedies. If this Agreement is terminated pursuant to Section 9.4, all obligations of the Parties under this Agreement will terminate except that the obligations contained in this Section 9.5 and in Article 11 will survive, provided that if this Agreement is terminated pursuant to Section 9.4(a) or 9.4(b), the terminating Party's right to pursue the legal remedies contemplated by this Agreement will survive that termination unimpaired.

10. **<u>INDEMNIFICATION</u>**

10.1 **Indemnification by Vendor**: Subject to the terms and conditions of this Article 10 and Section 6.1, the Vendor hereby agree to indemnify, defend and hold harmless the Purchaser Indemnified Parties at any time after the Closing from, against, and with respect to any and all Liabilities resulting to, imposed upon or incurred or suffered by the Purchaser Indemnified Party, directly or indirectly, by reason of or resulting from:

(a) any breach of any representation or warranty made by any member of the Vendor Group in Article 4 of this Agreement; or

(b) any breach of any covenant or agreement of the Vendor in this Agreement or of any member of the Vendor Group under any certificate, document, writing or instrument delivered by the Vendor pursuant to this Agreement.

10.2 **Indemnification by Purchaser and DIV**: Subject to the terms and conditions of this Article 10 and Section 6.1, the Purchaser and DIV hereby agree, jointly and severally, to indemnify, defend and hold harmless the Vendor Indemnified Parties at any time after the Closing from and against all Liabilities asserted against, resulting to, imposed upon or incurred or suffered by the Vendor Indemnified Party, directly or indirectly, by reason of or resulting from:

(a) any breach of any representation or warranty made by the Purchaser and DIV in Article 5 of this Agreement;

(b) any breach of any covenant or agreement of the Purchaser or DIV in this Agreement or in any certificate, document, writing or instrument delivered by the Purchaser pursuant to this Agreement; or

(c) the use of the NND Rights after the Closing Time.

10.3 **Limitation on Indemnification by Vendor:**

(a) Except as otherwise specifically provided in this Agreement or with respect to breaches of Fundamental Representations, in no event shall the Vendor be required to indemnify the Purchaser Indemnified Parties for any Liabilities asserted under Section 10.1(a) except to the extent that the aggregate Liabilities exceed an amount equal to $400,000 (the "**Vendor Trigger**"). Once the amount of such Liabilities reaches the Vendor Trigger, in the aggregate, the obligation to indemnify for any Liabilities under Section 10.1(a) shall apply (in which case the Vendor will be obligated to indemnify for all Liabilities, including the initial $400,000). In addition to the foregoing:

(i) no claim for indemnification may be made by the Purchaser Indemnified Parties against the Vendor under Section 10.1(a) for any single indemnity claim, or a series of directly related indemnity claims arising from the same or substantially similar facts or circumstances, which is less than $25,000;

(ii) the liability of the Vendor pursuant to Section 10.1(a) shall be reduced to the extent that a Purchaser Indemnified Party has received, or will receive, a payment with respect thereto under any insurance or has received, or will receive, any net Tax benefit;

(iii) the Purchaser Indemnified Parties shall take all commercially reasonable steps to mitigate their Liabilities;

(iv) the Vendor shall have no responsibility for any Liabilities with respect to consequential, exemplary, indirect, punitive or special damages or damages for loss of opportunity or business interruption, except to the extent that a Purchaser Indemnified Party is required to pay such damages to a third party; and

(v) the Vendor shall have no responsibility for any Liabilities to the extent that any act or omission of a Purchaser Indemnified Party materially aggravated or worsened, or materially contributed to, or otherwise increased such Liabilities.

(b) Notwithstanding anything in this Agreement to the contrary, in no event shall the Vendor be required to indemnify the Purchaser Indemnified Parties for aggregate Liabilities asserted under Section 10.1(a) of this Agreement in an amount greater than an amount that equals 15% of the Purchase Price (the "**Vendor Cap**"). The Vendor Cap shall not limit the Purchaser Indemnified Parties' right to indemnification for Liabilities asserted with respect to breaches of Fundamental Representations, which shall not exceed 100% of the Purchase Price.

10.4 Limitation on Indemnification by Purchaser and DIV:

(a) Except as otherwise specifically provided in this Agreement, in no event shall the Purchaser or DIV be required to indemnify the Vendor Indemnified Parties for any Liabilities asserted under Section 10.2(a) except to the extent that the aggregate Liabilities exceed an amount equal to $400,000 (the "**Purchaser Trigger**"). Once the amount of such Liabilities reaches the Purchaser Trigger, in the aggregate, the obligation to indemnify for any Liabilities under Section 10.2(a) shall apply (in which case the Purchaser and DIV will be obligated to indemnify for all Liabilities, including the initial $400,000). In addition to the foregoing:

(i) no claim for indemnification may be made by the Vendor Indemnified Parties against the Purchaser or DIV under Section 10.2(a) for any single indemnity claim, or a series of directly related indemnity claims arising from the same or substantially similar facts or circumstances, which is less than $25,000;

(ii) the liability of the Purchaser pursuant to Section 10.2(a) shall be reduced to the extent that a Vendor Indemnified Party has received, or will receive, a payment with respect thereto under any insurance or has received, or will receive, any net Tax benefit;

(iii) the Vendor Indemnified Parties shall take all commercially reasonable steps to mitigate their Liabilities;

(iv) the Purchaser and DIV shall have no responsibility for any Liabilities with respect to consequential, exemplary, indirect, punitive or special damages or damages for loss of opportunity or business interruption, except to the extent that a Vendor Indemnified Party is required to pay such damages to a third party; and

(v) the Purchaser and DIV shall have no responsibility for any Liabilities to the extent that any act or omission of a Vendor Indemnified Party materially aggravated or worsened, or materially contributed to, or otherwise increased such Liabilities.

(b) Notwithstanding anything in this Agreement to the contrary, in no event shall the Purchaser or DIV be required to indemnify the Vendor Indemnified Parties for aggregate Liabilities asserted under Section 10.2(a) of this Agreement in an amount greater than an amount that equals 15% of the Purchase Price (the "**Purchaser Cap**"). The Purchaser Cap and the limitations in the first two sentences of Section 10.4(a) shall not limit the Vendor Indemnified Parties' right to indemnification for Liabilities asserted with respect to breaches of representations and warranties in Sections 5.2 and 5.3.

10.5 **Indemnification Procedure**: The obligations and liabilities of a Party (the "**Indemnifying Party**") to indemnify the other Party (the "**Indemnified Party**") under Sections 10.1 and 10.2 with respect to claims relating to third parties ("**Third Party Claims**") shall be subject to the following additional terms and conditions:

(a) the Indemnified Party will give the Indemnifying Party prompt notice of any such Third Party Claim, including copies of all documents and information relating to the Third Party Claim that the Indemnifying Party shall reasonably request. The failure to promptly notify the Indemnifying Party shall not relieve such Party of its obligations hereunder except to the extent the failure to so notify has prevented the Indemnifying Party from asserting any defence or to the extent the Indemnifying Party has been damaged as a result of the failure to so notify;

(b) following notice by the Indemnified Party to the Indemnifying Party of a Third Party Claim and provided that the Indemnifying Party notifies the Indemnified Party in writing that the Indemnified Party is entitled to indemnification hereunder with respect to such Third Party Claim, the Indemnifying Party shall be entitled at its cost and expense to contest and defend by all appropriate legal proceedings such Third Party Claim; provided, however, that notice of the intention so to contest shall be delivered by the Indemnifying Party to the Indemnified Party within 60 days from the date of receipt by the Indemnifying Party of notice from the Indemnified Party of the assertion of such Third Party Claim. Any such contest may be conducted in the name and on behalf of the Indemnifying Party or the Indemnified Party, as may be appropriate. Such contest shall be conducted diligently by reputable counsel employed or retained by the Indemnifying Party, but the Indemnifying Party shall keep the Indemnified Party fully informed with respect to such Third Party Claim and the contest thereof. If the Indemnified Party joins in any such contest, the Indemnifying Party shall have full authority, in consultation with the Indemnified Party, to determine all action to be taken with respect thereto; provided, that in no event shall the Indemnifying Party have authority to agree to any relief other than the payment of money damages by the Indemnifying Party unless agreed to by the Indemnified Party. Each Party shall bear its own expenses of such representation. If any Third Party Claim is asserted and the Indemnifying Party fails to contest and defend such Third Party Claim within a reasonable period of time, the Indemnified Party may take such action in connection therewith as the Indemnified Party deems necessary or desirable, including retention of counsel, and the Indemnified Party shall be entitled to indemnification for costs incurred in connection with such defence;

(c) if requested by the Indemnifying Party, the Indemnified Party agrees to co-operate with the Indemnifying Party and its counsel, including permitting reasonable access to books, records, files, data, property and personnel in contesting any Third Party Claim that the Indemnifying Party elects to contest or, if appropriate, in making any counterclaim against the person asserting the Third Party Claim, or any cross-complaint against any person, but the Indemnifying Party will reimburse the Indemnified Party for reasonable out-of-pocket costs (but not the cost of director, officer or employee time expended) incurred by the Indemnified Party in so co-operating. Such access may only be exercised after advance written notice and during regular business hours, and the Indemnifying Party agrees not to unreasonably interfere with the Indemnified Party's business operations. The Indemnified Party will take steps necessary to ensure that, upon request, the Indemnifying Party is provided copies of requested documents that may relate to its indemnification obligations; and

(d) the Indemnified Party agrees to afford the Indemnifying Party and its counsel the opportunity to be present at, and to participate in, conferences with all persons, including Governmental Authorities, asserting any Third Party Claim against the Indemnified Party or conferences with representatives of or counsel for such persons. Unless the Indemnifying Party approves in writing the settlement of a Third Party Claim effected by the Indemnified Party, no conclusive right to indemnification under Article 10 shall be established by such settlement.

10.6 **Other Indemnification Procedures**: A claim for indemnification for any matter not involving a Third Party Claim may be asserted by notice from an Indemnified Party to an Indemnifying Party and shall be paid promptly after resolution. The Indemnified Party shall deliver to the Indemnifying Party all documents and information reasonably requested by the Indemnifying Party to enable the Indemnifying Party to verify the indemnification claim in question.

10.7 **Subrogation**: In the event that an Indemnified Party has a right of recovery against any third party with respect to any Third Party Claim or direct claim in connection with which the payment is made to such Indemnified Party by any Indemnifying Party, then:

(a) such Indemnifying Party, will to the extent of such payment, be subrogated to all of the rights of recovery of such Indemnified Party against such third party with respect to such Third Party Claim or direct claim; and

(b) such Indemnified Party will deliver all documents reasonably required and take all action necessary to secure such rights, including the execution of such documents as are reasonably necessary to enable such Indemnifying Party to bring suit to enforce such rights.

10.8 **Exclusive Remedy**: From and after the Closing, the provisions of this Article 10 will be a Party's exclusive remedies with respect to any claim for breach of any covenant, representation, warranty or other provision of this Agreement or any Agreement, instrument or certificate executed and delivered pursuant to this Agreement (other than a claim for specific performance or injunctive relief or a claim based on fraud or intentional misrepresentation).

11. MISCELLANEOUS PROVISIONS

11.1 **Disputes**: In the event any dispute, claim, question or difference (a "**Dispute**") arises out of or with respect to this Agreement, including its performance, enforcement, interpretation, construction, breach, termination or validity, the parties shall use reasonable commercial efforts to settle the Dispute. To this end, the parties shall consult and negotiate with each other, in good faith, to reach a just and equitable solution to the Dispute satisfactory to each party.

11.2 **Arbitration**: If the parties do not reach a solution pursuant to Section 11.1 within a period of 15 Business Days following the first notice of the Dispute by any party to the other, then upon written notice by any party to the other, the Dispute shall be finally settled by a single arbitrator in accordance with the provisions of the *Arbitration Act* (British Columbia), subject to the following.

(a) The arbitrator shall be instructed that time is of the essence in the arbitration proceeding and, in any event, the arbitration award must be made within 90 days of the submission of the Dispute to arbitration and within 15 days of the conclusion of any hearing, or, if none, written submissions.

(b) After written notice is given to refer any Dispute to arbitration, the parties will meet within 10 Business Days of delivery of the notice and will negotiate in good faith any changes in these arbitration provisions or the rules of arbitration which are herein adopted, in an effort to expedite the process and otherwise ensure that the process is appropriate given the nature of the Dispute and the values at risk;

(c) The arbitration shall take place in Vancouver, British Columbia and shall be conducted in the English language;

(d) The arbitration award shall be given in writing and shall be final and binding on the parties, and there shall be no appeal therefrom (including on a question of law). The award shall give reasons and shall deal with the question of costs of arbitration and all related matters;

(e) The parties agree that the arbitration shall be kept confidential and that the existence of the proceeding and any element of it (including any pleadings, briefs or other documents submitted or exchanged, any testimony or other oral submissions and any awards) shall not be disclosed beyond the arbitrator, the parties, their counsel and any Person necessary to the conduct of the proceeding, except as may lawfully be required in judicial proceedings relating to the arbitration or otherwise; and

(f) Notwithstanding the arbitration clause above, any party shall be entitled to go directly to Court, in the event the parties do not reach a solution pursuant to Section 11.1 within a period of 15 Business Days, to seek preliminary injunctive relief during the pendency of the arbitration.

11.3 **Notice**: Any notice, direction or other instrument required or permitted to be given under this Agreement will be in writing and given by delivering or sending it by mail, courier or email transmission addressed:

(a) if to the Vendor, at:

Nurse Next Door Professional Homecare Services Inc.
Unit 300 - 1788 West 5th Avenue
Vancouver, British Columbia V6J 1P2

Attention: Cathy Thorpe, President and CEO
Email: [Contact information redacted]

with a copy to the Vendor's counsel, at:

McCarthy Tétrault LLP
Suite 2400, 745 Thurlow Street
Vancouver, BC V6E 0C5

Attention: Robin Mahood
Email: rmahood@mccarthy.ca

(b) if to the Purchaser or DIV, at:

c/o Diversified Royalty Corp.
902 – 510 Burrard Street
Vancouver, BC V6C 3A8

Attention: Sean Morrison, President and CEO
Email: sean@diversifiedroyaltycorp.com

with a copy to the Purchaser's and DIV's counsel, at:

Farris LLP
Suite 2500 – 700 West Georgia Street
Vancouver, British Columbia V7Y 1B3

Attention: Bradley A. Newby
Email: bnewby@farris.com

Any notice, direction or other instrument required or permitted to be given under this Agreement will conclusively be deemed to have been given and received, if delivered, on the day on which it was delivered, if sent by email, on the first Business Day following the day on which it was dispatched, and if mailed, on the fifth Business Day following the day on which it was mailed. No notice, direction or other instrument required or permitted to be given under this Agreement may be mailed when a threatened or actual work stoppage exists at the post office from, or to, which the notice, direction or other instrument is being sent. Any address for receipt of any notice, direction or other instrument required or permitted to be given under this Agreement may be changed by notice given in accordance with this Section 11.3.

11.4 Confidentiality:

(a) For the purposes of this Section 11.4, "**Confidential Information**" of a Party at any time means all information relating to that Party which at the time is of a confidential nature (whether or not specifically identified as confidential), is known or should be known by the other relevant Party or its representatives as being confidential, and has been or is from time to time made known to or is otherwise learned by the relevant other Party or any of its representatives as a result of the matters provided for in this Agreement, and includes:

(i) the existence and the terms of this Agreement and of any other contract, agreement, instrument, certificate or other document to be entered into as contemplated by this Agreement;

(ii) a Party's business records;

(iii) all Personal Information;

(iv) all books and records and all other information and documentation with respect to the NND Business and the NND Rights provided by the Vendor to the Purchaser, DIV and their representatives, including all notes, analyses, compilations, studies, summaries and other material prepared by the Purchaser, DIV and their representatives as a result of the books and records, information or documentation; and

(v) all copies of documents and data retained by the Vendor pursuant to Section 7.1(b).

Notwithstanding the foregoing, Confidential Information does not include any information that at the time has become generally available to the public other than as a result of a disclosure by the other Party or any of its representatives, any information that was available to the other Party or its representatives on a non-confidential basis before the date of this Agreement or any information that becomes available to the other Party or its representatives on a non-confidential basis from a Person (other than the Party to which the information relates or any of its representatives) who is not, to the knowledge of the other Party or its representatives, otherwise bound by confidentiality obligations to the Party to which the information relates in respect of the information or otherwise prohibited from transmitting the information to the other Party or its representatives.

(b) Each Party shall (and shall cause each of its representatives to) hold in strictest confidence and not use in any manner, other than as expressly contemplated by this Agreement, all Confidential Information of the other Parties.

(c) Subject to Section 11.5, Section 11.4(b) shall not apply to the disclosure of any Confidential Information where that disclosure is required by Law. In that case, the Party required to disclose (or whose representative is required to disclose) shall, as soon as possible in the circumstances, notify the other Parties of the requirement of the disclosure including the nature and extent of the disclosure and the provision of Law pursuant to which the disclosure is required. To the extent possible, the Party required to make the disclosure shall, before doing so, provide to the other Parties the text of any disclosure. On receiving the notification, the other Parties may take any reasonable action to challenge the requirement, and the affected Party shall (or shall cause the applicable representative to), at the expense of the other Parties, assist the other Parties in taking that reasonable action.

(d) Following the termination of this Agreement in accordance with the provisions of Section 9.4, each Party shall (and shall cause each of its representatives to) promptly, on a request from any other Party, return to the requesting Party all copies of any tangible items (other than this Agreement), if any, that are confidential or that contain Confidential Information of the requesting Party, except that if the Party so obligated to return Confidential Information or its representatives have prepared notes, analyses, compilations, studies or summaries containing or concerning any Confidential Information, then that Party may, instead of returning the notes, analyses, compilations, studies or summaries, destroy them and provide a certificate to that effect to the requesting Party.

11.5 **Public Announcement**: No Party shall make any public statement or issue any press release concerning the Transactions except as agreed by the Parties acting reasonably or as may be necessary to comply with the requirements of applicable Law. If any public statement or release is so required, the Party making the disclosure shall consult with the other Parties before making that statement or release, and the Parties shall use all reasonable efforts, acting in good faith, to agree on a text for the statement or release that is satisfactory to the Parties.

11.6 **Disclosure and Consultation**:

(a) Before any public statement or press release concerning the Transactions, no Party shall disclose this Agreement or any aspect of the Transactions except to its board of directors, partners, its senior management, its legal, accounting, financial or other professional advisors, any financial institution contacted by it with respect to any financing required in connection with the Transactions and counsel to that institution, or as may be required by any Law or as agreed by the Parties.

(b) The Vendor, the Purchaser and DIV shall consult with each other concerning the manner by which the Vendor's employees, customers, suppliers and other Persons having dealings with the Vendor shall be informed of the Transactions.

11.7 **No Third Party Beneficiary**: This Agreement is solely for the benefit of the Parties (and any of their successors) and no third party accrues any benefit, claim or right of any kind pursuant to, under, by or through this Agreement

11.8 **Governing Law; Attornment**: This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in the Province of British Columbia, which will be deemed to be the proper law of this Agreement. The Parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of British Columbia sitting in Vancouver, British Columbia with respect to any dispute that may arise under the terms of this Agreement.

11.9 **Enurement**: This Agreement will enure to the benefit of and be binding upon the Parties and each of their respective successors and assigns.

11.10 **Expenses**: Each Party shall pay all costs and expenses (including the fees and disbursements of legal counsel and other advisors) it incurs in connection with the negotiation, preparation and execution of this Agreement and the Transactions.

11.11 **Entire Agreement**: This Agreement together with the other agreements to be entered into as contemplated by this Agreement (in this Section 11.11, the "**Other Agreements**") constitute the entire agreement between the Parties pertaining to the subject matter of this Agreement and the Other Agreements and supersede all prior correspondence, agreements, negotiations, discussions and understandings, written or oral. Except as specifically set out in this Agreement or the Other Agreements, there are no representations, warranties, conditions or other agreements or acknowledgements, whether direct or collateral, express or implied, written or oral, statutory or otherwise, that form part of or affect this Agreement or the Other Agreements or which induced any Party to enter into this Agreement or the Other Agreements.

11.12 **Non-Merger**: Except as otherwise provided in this Agreement, the covenants, representations and warranties set out in this Agreement do not merge but survive Closing and, notwithstanding such Closing or any investigation by or on behalf of a Party, continue in full force and effect. Closing does not prejudice any right of one Party against another Party in respect of any remedy in connection with anything done or omitted to be done under this Agreement.

11.13 **Time of Essence**: Time is of the essence of this Agreement.

11.14 **Amendment**: This Agreement may be supplemented, amended, restated or replaced only by written agreement signed by each Party.

11.15 **Waiver of Rights**: Any waiver of, or consent to depart from, the requirements of any provision of this Agreement is effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement operates as a waiver of that right. No single or partial exercise of any such right precludes any other or further exercise of that right or the exercise of any other right.

11.16 **Assignment**: No Party may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its rights or obligations under this Agreement to any Person, except with the prior written consent of the other Party.

11.17 **Further Assurances**: Each Party shall promptly do, execute, deliver or cause to be done, executed or delivered all further acts, documents and matters in connection with this Agreement that any other Party may reasonably require, for the purposes of giving effect to this Agreement.

11.18 **Severability**: If any covenant, obligation or term of this Agreement is held to be invalid or unenforceable, then the remainder of this Agreement will not be affected by the invalid or unenforceable portion and this Agreement will be construed as though it were executed without reference to the invalid or unenforceable portion of this Agreement.

11.19 **Counterparts**: This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together constitute one agreement. Delivery of an executed counterpart of this Agreement by facsimile or transmitted electronically in legible form shall be equally effective as delivery of a manually executed counterpart of this Agreement.

[signature page follows]

IN WITNESS WHEREOF the Parties have executed this Acquisition Agreement as of the day and year first above written.

NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.

By: *"Cathy Thorpe"*
Authorized Signatory

By: *"Ken Sim"*
Authorized Signatory

NND ROYALTIES LIMITED PARTNERSHIP,
by its general partner, **NND ROYALTIES GP INC.**

By: *"Sean Morrison"*
Authorized Signatory

DIVERSIFIED ROYALTY CORP.

By: *"Sean Morrison"*
Authorized Signatory

EXHIBIT 1
Form of Licence and Royalty Agreement

(see attached)

LICENCE AND ROYALTY AGREEMENT

between

NND ROYALTIES LIMITED PARTNERSHIP

and

NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.

•, 2019

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LICENCE AND ROYALTY AGREEMENT

This Licence and Royalty Agreement made as of •, 2019, between **NND ROYALTIES LIMITED PARTNERSHIP**, a limited partnership formed pursuant to the laws of British Columbia ("**Licensor**"), and **NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.**, a corporation formed pursuant to the laws of Canada ("**Licensee**").

WHEREAS Licensor is the owner of NND Rights (as hereinafter defined);

AND WHEREAS Licensor and Licensee have accepted certain standards (which form a part of the NND Mark Standards, as hereinafter defined) with respect to the character and quality of the Products and Services (as hereinafter defined) used in connection with the NND Marks;

AND WHEREAS Licensor is desirous of granting to Licensee, and Licensee is desirous of obtaining from Licensor, the rights and licences set forth herein in accordance with and subject to the terms and conditions hereinafter set out;

NOW THEREFORE, in consideration of the premises and mutual covenants and agreements herein set forth and other good and valuable consideration set out herein, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

(1) In this Agreement, unless the context otherwise requires, the following capitalized terms shall have the following meanings:

"**Accelerated Payment**" has the meaning ascribed thereto in Section 12.5(1).

"**Acquisition Agreement**" means the acquisition agreement dated •, 2019 among Licensee, Licensor, DIV and certain others with respect to the purchase and sale of certain trademarks and other intellectual property used in connection with the NND Business, as the same may be amended, restated or supplemented from time to time.

"**Additional Royalty**", on each date on which Licensee exchanges Exchangeable Securities for DIV Shares or cash pursuant to the Exchange Agreement, means the aggregate distributions paid or declared on the Exchangeable Securities exchanged on such date in respect of the 12 month period ending on the December 31st immediately preceding such date.

"**Adjustment Date**", with respect to a Reporting Period, means October 1st of such Reporting Period, commencing on October 1, 2020.

"**Agreement**" means this agreement, as the same may be amended, restated or supplemented from time to time.

"**ASPE**" means the Accounting Standards for Private Enterprises which are in effect from time to time in Canada, as published in Part II of the CPA Canada Handbook – Accounting by the Chartered Professional Accountants of Canada or any successor thereto.

"**Business Day**" means a day other than a Saturday, a Sunday or a statutory holiday when banks are not generally open in the city of Vancouver, British Columbia for the transaction of banking business.

"**Class A Preferential Return**" has the meaning ascribed thereto in the Partnership Agreement.

"**Contract**" means any agreement, indenture, mortgage, contract, lease, deed of trust, licence, option, instrument, collective agreement, accepted purchase order or other commitment, whether written or oral, having a binding effect on Licensee, including any Franchise Agreement.

"**Core NND Marks**" means, collectively, United States Trademark Registration No. 3685092 and Canadian Trademark Registration No. TMA740916.

"**DIV**" means Diversified Royalty Corp., a corporation governed by the laws of Canada.

"**DIV Shares**" means common shares in the capital of DIV.

"**Event of Insolvency**" means, with respect to Licensee, the occurrence of any one of the following events:

(a) if Licensee is wound up, dissolved, liquidated or otherwise has its existence terminated (either voluntarily or involuntarily), other than as permitted by this Agreement, the General Security Agreement or the Governance Agreement or unless Licensee has its existence immediately reinstated; or

(b) if Licensee makes a general assignment for the benefit of its creditors or a proposal under the *Bankruptcy and Insolvency Act* (Canada) or is adjudged bankrupt or insolvent or proposes a compromise or arrangement under the *Companies Creditors Arrangement Act* (Canada) or files any petition or answer seeking any reorganization, arrangement, composition, re-adjustment, liquidation or similar relief for itself under any present or future law relating to bankruptcy, insolvency, or other relief for or against debtors generally; or

(c) if a court of competent jurisdiction grants an order, judgment or decree sought in an action or proceeding filed against Licensee seeking any reorganization, arrangement, composition, readjustment, liquidation, winding up, dissolution, termination of existence, declaration of bankruptcy or insolvency or similar relief under any present or future Law relating to bankruptcy, insolvency or other relief for or against debtors generally and Licensee consents to or acquiesces in the pronouncement of such order, judgment or decree or such order, judgment or decree remains unvacated and unstayed for an aggregate of 10 days (whether or not consecutive) from the date of pronouncement thereof or if any trustee in bankruptcy, receiver, receiver and manager, liquidator or any other officer with similar powers is appointed for Licensee and Licensee consents to or acquiesces in such appointment or such appointment remains unvacated and unstayed for an aggregate of 10 days (whether or not consecutive).

"**Exchange Agreement**" means the agreement of even date herewith among Licensee, Licensor and DIV, among others, providing for the exchange of Exchangeable Securities into DIV Shares or cash, as amended, restated or supplemented from time to time.

"**Exchangeable Securities**" has the meaning ascribed thereto in the Exchange Agreement.

"**Franchise Agreement**" means a franchise agreement between, on the one hand, Licensee or a Subsidiary and, on the other hand, any other Person pursuant to which such Person is permitted to operate a Nurse Next Door Franchise subject to the terms and conditions contained therein.

"**Franchisee**" means a Person identified as the franchisee pursuant to a Franchise Agreement or Master Franchise Agreement.

"**General Security Agreement**" means the general security agreement of even date herewith between Licensee and Licensor, as amended, restated or supplemented from time to time, providing for, *inter alia*, security for the obligations of Licensee to Licensor pursuant to this Agreement.

"**Governance Agreement**" means the governance agreement of even date herewith between DIV, Licensee and Licensor, among others, as amended, restated or supplemented from time to time.

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

"**Gross Sales**", for any period, means the aggregate gross sales of all Nurse Next Door Franchises in Canada and the United States, including without limitation, the entire amount of the sale price, whether for cash, credit, payment in kind (valued at fair market value), or otherwise, of all sales from or in connection with the operation from all business conducted at or originating from such Nurse Next Door Franchises (including but not limited to the sale of goods and services and all other fees, charges, revenues, incomes, commissions and other consideration received or receivable by Nurse Next Door Franchises, directly or indirectly, in connection with a Nurse Next Door Franchise). No deductions shall be allowed for uncollected or uncollectible credit accounts and no allowances shall be made for bad debts. Notwithstanding the above, "Gross Sales" shall not include: (a) sums collected by such Nurse Next Door Franchise for any Governmental Authority on account of sales taxes, goods and services taxes or other taxes imposed directly upon the sale of goods or services (or both) from such Nurse Next Door Franchise, provided that the amount of any such tax has in fact been paid or otherwise accounted for by such Nurse Next Door Franchise to the appropriate Governmental Authority; and (b) the amount of any refund or credit given in respect of any goods or services provided to a customer of such Nurse Next Door Franchise for which a refund of the whole or part of the purchase price is made or for which a credit is given provided that the selling price thereof was included in Gross Sales. Where the operation of such Nurse Next Door Franchise has been interrupted or temporarily closed, all sales assumed to have been lost by such Nurse Next Door Franchise by virtue of such interruption or closure, for which a Nurse Next Door Franchise receives compensation pursuant to business interruption insurance, which insurance payment is calculated based on such interruption or closure, shall also be included in the calculation of "Gross Sales".

"**Holdings LP Permitted Indebtedness**", at any time, means Indebtedness (including indebtedness with respect to letters of credit, letters of guarantee or similar instruments issued by a financial institution incurred in and for the purpose of the ordinary course of business) of NND Holdings Limited Partnership in an aggregate principal amount outstanding at any time of not more than the greater of (A) $15,000,000 and (B) the dollar amount which is equal to 3.5 multiplied by 12 *times* the aggregate Class A Preferential Return in respect of the immediately preceding month.

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board applicable in Canada.

"**Indebtedness**" has the meaning ascribed thereto in the General Security Agreement.

"**Independent Accountants**" has the meaning ascribed thereto in Section 4.1.

"**Intellectual Property Rights**" mean any and all intellectual property and similar proprietary rights, including rights granted under license, provided under (i) patent law, (ii) copyright law, including database rights and all works of authorship, whether or not published, and moral rights relating to any of the foregoing (iii) trade-mark law, including trademarks, certification marks, trade names, trade dress (including the design, layout, unique colour schemes and any aspects thereof) rights and designations of origin and the goodwill associated therewith (iv) design patent or industrial design law, (v) semi-conductor chip or mask work law, (vi) trade secret law or confidential information or technical information law, (vii) all rights in internet addresses, uniform resource locators and domain names, or (viii) any other applicable statutory provision or common law principle, that may exist anywhere in the world, including, in the case of each of the foregoing, any and all applications, registrations, licenses, sub-licenses, franchises, agreements or any other evidence of a right in any of the foregoing, and including all past, present, and future causes of action, rights of recovery, and claims for damage, accounting for profits, royalties, or other relief relating, referring, or pertaining to any of the foregoing**.**

"**Law**" means any law (including common law and equity), constitution, statute, order, treaty, regulation or rule of any Governmental Authority.

"**Licensee Permitted Indebtedness**" means "Permitted Indebtedness", as such term is defined in the General Security Agreement.

"**Management Agreement**" means the management agreement dated on or about the date of this Agreement between DIV and Licensee, as amended, restated or supplemented from time to time, with respect to, *inter alia*, the provision of certain management and advisory services to Licensee by DIV.

"**Master Franchise Agreement**" means a master franchise agreement between, on the one hand, Licensee or a Subsidiary and, on the other hand, any other Person pursuant to which such Person is permitted to grant Nurse Next Door Franchises in a country outside of Canada and the United States subject to the terms and conditions contained therein.

"**Material Breach**" has the meaning ascribed thereto in Section 12.3.

"**Minimum Monthly Royalty Payment**", on the date hereof, means $401,167 and, thereafter, means the then-current Minimum Monthly Royalty Payment (determined on an ongoing basis) plus:

(a) on each date on which Licensee exchanges Exchangeable Securities for DIV Shares or cash pursuant to the Exchange Agreement, an amount equal to 1/12th of the Additional Royalty attributable to such exchange; and

(b) on each Adjustment Date, an amount equal to 2.0% of the Minimum Monthly Royalty Payment immediately prior to such Adjustment Date;

provided, however, that if the Minimum Monthly Royalty Payment for any Royalty Payment Period that is only a portion of a calendar month, the Minimum Monthly Royalty Payment for such period will equal the then-current Minimum Monthly Royalty Payment (determined on an ongoing basis) multiplied by a fraction, the numerator of which is the number of days in such Royalty Payment Period and the denominator of which is the number of days in such calendar month.

"**Net Present Value of all Royalty Payments**", at any date, means the present value of the Royalty Payments payable for the period from such date to the end of the Term calculated using a discount rate of 2.2% per annum, assuming that the aggregate Royalty Payments during each Royalty Payment Period after such date were due and owing at the times herein set out and were equal in amount to the Royalty Payments paid or payable by Licensee to Licensor for the period of 12 months immediately preceding such date, less the present value of amounts that Licensor could reasonably earn pursuant to alternative licensing arrangements available to Licensor, acting reasonably, if the licence herein granted were terminated and the NND Rights were licensed to a third party.

"**NND Business**" means the business of franchising, licensing and operating Nurse Next Door Franchises in the Territory.

"**NND Manuals**" has the meaning ascribed thereto in Section 5.3.

"**NND Mark Advertising**" means any and all signs, advertising, product packaging and labelling, promotional materials, uniforms, Products, electronic media and any other materials whatsoever bearing any of the NND Marks.

"**NND Mark Standards**" has the meaning ascribed thereto in Section 5.3 (and shall include, for the avoidance of doubt, any additional NND Mark Standards adopted pursuant to Section 7.4).

"**NND Marks**" means all registered and unregistered trade-marks (including service marks, logos, brand names, certification marks, trade names, trade dress (including the design, layout, unique colour schemes and any aspects thereof) rights and applications for registration) assigned by Licensee to Licensor pursuant to the Acquisition Agreement including, without limitation, the trade-marks and registrations and applications therefor listed on Schedule "A" as amended, restated or supplemented from time to time in accordance with Article 7.

"**NND Rights**" means all of Licensor's rights, title, and interest, including all Intellectual Property Rights, in and to the NND Marks and the NND Works.

"NND Works" mean all works protected by copyright assigned by Licensee to Licensor pursuant to the Acquisition Agreement.

"**Notice of Default**" has the meaning ascribed thereto in Section 12.3.

"**Nurse Next Door Franchise**" means:

(a) any franchise owned and operated by Licensee or one of its Subsidiaries that uses the NND Rights in connection with the operation of its business; and

(b) any franchise operated by a Franchisee or other sub-licensee of Licensee or one of its Subsidiaries that is permitted to use the NND Rights in connection with the operation of its business.

"**Operative Documents**" this Agreement, the Exchange Agreement, the Partnership Agreement, the Governance Agreement, the Management Agreement and the General Security Agreement.

"**Partnership Agreement**" means the amended and restated agreement of limited partnership governing Licensor among Licensee, NND Holdings Limited Partnership and Royalties GP dated on or about the date hereof, as amended, restated or supplemented from time to time.

"**Permanently Closed**", in respect of a Nurse Next Door Franchise, means that such Nurse Next Door Franchise has been permanently closed or terminated.

"**Permitted Liens**" has the meaning ascribed thereto in the General Security Agreement.

"**Person**" means any individual, partnership, firm, trust, body corporate, government, governmental body, agency or instrumentality, unincorporated body of persons or association.

"**Prime Rate**" means the rate of interest published from time to time by the Toronto Dominion Bank, or its successor, as its prime rate.

"**Products**" means all goods in association with which the NND Marks are registered from time to time or are used by Licensee in the operation of the NND Business as permitted by Section 7.2.

"**Reporting Period**" means the period from the date of this Agreement until September 30, 2020, and thereafter means the period commencing on first day following the end the immediately preceding Reporting Period and ending on September 30 of the immediately following calendar year.

"**Royalties GP**" means NND Royalties GP Inc., in its capacity as the general partner of Licensor.

“**Royalty Payment**” means, for any Royalty Payment Period, the greater of (a) 6% multiplied by the Gross Sales for such period and (b) the Minimum Monthly Royalty Payment.

“**Royalty Payment Period**” means each calendar month (it being understood, for the avoidance of doubt, that the first Royalty Payment Period shall commence on the date hereof and end on November 30, 2019).

“**Services**” means home care services, including nursing services and non-medical services, and other services as determined pursuant to Section 7.2.

“**Subsidiary**” means a corporation which is directly or indirectly controlled by Licensee, where “control” has the meaning attributed to such term in the *Canada Business Corporations Act*.

“**Term**” has the meaning ascribed thereto in Section 12.1.

“**Territory**” means worldwide.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into Articles, Sections and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof. Unless otherwise indicated, all references to an “Article” or “Section” followed by a number and/or a letter refer to the specified Article or Section of this Agreement. The terms “this Agreement”, “hereof”, “herein” and “hereunder” and similar expressions refer to this Agreement (including the Schedules hereto) and not to any particular Article, Section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto.

1.3 Accounting References

All accounting terms not expressly defined herein shall be construed in accordance with ASPE, except where the context otherwise requires.

1.4 Number, etc.

Unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing any gender shall include all genders.

1.5 Currency

All dollar amounts are stated and are to be paid in lawful currency of Canada.

1.6 Statutory References

Except as otherwise expressly provided in this Agreement, any references to a statute or regulation shall be construed a reference to such statute or regulation as it may be amended, re-enacted or superseded from time to time.

1.7 Date for Any Action

In the event that any date on which any action is required to be taken hereunder by any of the parties hereto is not a Business Day, such action shall be required to be taken on the next succeeding day that is a Business Day.

1.8 Schedules

Schedule “A” attached hereto is incorporated herein by reference and deemed to be a part hereof.

ARTICLE 2
LICENCE

2.1 Grant

Subject to the terms and conditions of this Agreement (including the provisions of Section 5.3), Licensor hereby grants to Licensee the exclusive right and licence throughout the Territory to:

(1) carry on the NND Business in association with the NND Marks;

(2) use the NND Rights in connection with the operation of Nurse Next Door Franchises;

(3) offer for sale, supply, sell and provide the Services and offer for sale, supply, sell, package, distribute, manufacture, have manufactured, have distributed, and otherwise provide the Products in association with the NND Marks in connection with the operation of the NND Business;

(4) use the NND Rights in the manufacture, distribution and sale to sub-licensees and Franchisees referred to in Section 2.2 of software applications, software tools, supplies, parts and other materials (including promotional and advertising materials) necessary in the uniform supply of the Services and the uniform delivery, distribution, provision and sale of Services and the Products in association with the NND Marks;

(5) use and display, including in connection with the NND Mark Advertising, the NND Marks and the NND Works in association with the Services and the Products;

(6) use the NND Marks in the corporate name, trade name, social media account name and domain name of Licensee and its Subsidiaries, subject to Section 2.3;

(7) use all copyright in the NND Marks and the NND Works as the same relate to the Services and the Products; and

(8) create, develop, test, and distribute the NND Mark Advertising and training materials for use by Licensee, Franchisees, and other licensees, including permitted sublicensees, in association with the NND Business,

all in accordance with the NND Mark Standards.

2.2 Right to Sub-license

Licensor hereby grants Licensee the right to grant sub-licences of the rights granted hereunder, being further rights and licences of equivalent or lesser scope to the rights and licences granted in Section 2.1 to Licensee pursuant to this Agreement, only as follows:

(1) the rights granted in Sections 2.1(2), 2.1(3) and 2.1(5) may be sub-licensed to Franchisees or Subsidiaries (with, where applicable, a right to further sub-licence such rights to Nurse Next Door Franchises);

(2) subject to Section 2.3, the rights granted in Section 2.1(6) may be sub-licensed to Franchisees or Subsidiaries (with, where applicable, a right to further sub-licence such rights to Nurse Next Door Franchises);

(3) the rights granted in Section 2.1(7), in respect of Services, and 2.1(8) may be sub-licensed to Franchisees or Subsidiaries (with, where applicable, a right to further sub-licence such rights to Nurse Next Door Franchises); and

(4) the right to use NND Marks granted in Section 2.1(5) may be sub-licensed to marketing partners and suppliers for use in the marketing and promotion of the NND Business.

Any further right or licence which Licensee grants pursuant to this Section 2.2 shall contain the same or substantially similar terms and conditions for the benefit of Licensee and Licensor in respect of use, display, control, ownership and protection of the NND Rights and with respect to indemnification and limitation of liability as are contained herein, provided, however, that all terms pertaining to compensation to be paid by the sub-licensee or Franchisee will be at the sole discretion of Licensee and may be amended without the consent of Licensor. In particular, but without limitation, any such right or licence shall require the sub-licensee or Franchisee to adhere to the NND Mark Standards and the other covenants, standards and responsibilities contained in Article 5. Licensee shall provide to Licensor copies of the standard-form sub-licence and/or Franchise Agreement which it intends to utilize in the exercise of its rights hereunder, as amended, restated or supplemented from time to time. Without limiting the generality of the foregoing, Licensee shall ensure that:

(5) all sub-licences and Franchise Agreements entered into after the date hereof identify Licensor as the owner of the NND Rights and Licensee as the franchisor or licensor (and not as Licensor's agent) under any such sub-licence or Franchise Agreements, provide an indemnity by the sub-licensee or Franchisee in favour of Licensor comparable to the indemnity provided in such agreement to Licensee, contain provisions comparable to the provisions of Section 5.2, and further provides assurances by such Franchisee or other sub-licensee to cooperate with Licensor in obtaining and maintaining registration of the NND Marks;

(6) all sub-licences and Franchise Agreements entered into after the date hereof require the sub-licensees or Franchisee in any NND Mark Advertising produced or otherwise conducted by it to include notice, where reasonable to do so, both of Licensor's ownership of the NND Marks and of the fact that such NND Marks are being used under licence;

(7) the provisions contained in all sub-licences and Franchise Agreements in respect of use, display, control, ownership and protection of the NND Rights and with respect to indemnification and limitation of liability as are contained herein are in a form acceptable to Licensor, acting reasonably; and

(8) all sub-licences that grant the right to grant further sub-licences contain similar covenants to obtain for the benefit of Licensor and Licensee similar covenants to those set out in this Section.

2.3 Use of NND Marks in the Corporate Names, Trade Names, Social Media Account Names, and Domain Names

Franchisees and Subsidiaries shall be permitted by Licensee to use the NND Marks in their corporate names, partnership names, trade names, social media account names and domain names only to the extent that any such Franchisees or Subsidiaries are (a) sub-licensed by Licensee to carry out any of the activities set out in Sections 2.1(2), 2.1(3), 2.1(5), 2.1(7) and 2.1(8), or (b) authorized to further sub-license the right to carry out such activities to a Nurse Next Door Franchise and, in each case, only in accordance with Section 2.2. Without limiting the foregoing, Licensee shall ensure that (a) any Franchisee or Subsidiary that uses any NND Mark in its corporate name, partnership name, trade name, social media account name or domain name may only further sub-license the rights granted in Section 2.1(6) to a Nurse Next Door Franchise that is further sub-licensed by such Franchisee or Subsidiary to carry out any of the activities set out in Sections 2.1(2), 2.1(3), 2.1(5), 2.1(7) and 2.1(8) and (b) any such Franchisee, Subsidiary or other Nurse Next Door Franchise shall agree for the benefit of the sublicensing party and Licensor to be bound by the terms of Article 5 and Section 12.7 as if such Franchisee, Subsidiary or other Nurse Next Door Franchise were Licensee hereunder. Licensor and Licensee acknowledge and agree that Licensor and its affiliates shall be permitted to use the words "NURSE NEXT DOOR" in its corporate name, partnership name, business name, social media account name, or other names.

ARTICLE 3
REMUNERATION

3.1 Royalty Payment

For each Royalty Payment Period, Licensee will pay Licensor (i) the Minimum Monthly Royalty Payment for such Royalty Payment Period on or before the 10^{th} day following the end of such Royalty Payment Period and (ii) the balance of the Royalty Payment for such Royalty Payment Period, if any, on or before the 25^{th} day following the end of such Royalty Payment Period. In addition, on or before the 25^{th} day following the end of such Royalty Payment Period, Licensee will deliver to Licensor a statement showing the determination of the amount of such Royalty Payment and the amount of the Gross Sales for such Royalty Payment Period, accompanied by a certificate of a senior officer of Licensee certifying, on behalf of Licensee, that the amount of the Royalty Payment for such Royalty Payment Period, as shown in such statement and paid to Licensor at the time such statement is delivered to Licensor, was determined in accordance with the terms of this Agreement. For the purpose of determining the Royalty Payment for any Royalty Payment Period, the Gross Sales of any Nurse Next Door Franchise earned in a currency other than Canadian dollars shall be converted into Canadian dollars using the noon rate of exchange published by the Bank of Canada for the last Business Day included in such Royalty Payment Period.

3.2 No Royalties on Certain Sales

For greater certainty, Licensee shall owe no remuneration to Licensor for the right to use and exploit the NND Rights in accordance with this Agreement except for the Royalty Payment set forth in Section 3.1.

3.3 Late Payments

Any payment by either party that is not paid on or before the date such payment is due under this Agreement shall bear interest at a rate per year equal to the lesser of:

(1) the Prime Rate plus two percent (2%); and

(2) the maximum rate permitted by law,

in each case calculated based on the number of days that payment is delinquent.

3.4 Payment for Partial Royalty Payment Periods

If a Royalty Payment Period is only a portion of a calendar month (a “**Partial Period**”), the Gross Sales for the Partial Period will be:

$$\frac{1}{\text{the number of days in the month}}$$

multiplied by the product of (i) the Gross Sales for such calendar month and (ii) the number of days in such Partial Period.

3.5 No Set-Off

Licensee shall not be entitled to set off against amounts payable by it under this Agreement any indebtedness or liability of any kind whatsoever of Licensor to Licensee.

3.6 Withholding

Licensee may deduct and withhold from any amount it is required to pay to Licensor pursuant to this Agreement such amount that Licensee is required to deduct and withhold therefrom for or due on account of any taxes (other than taxes imposed on or measured by net income) or similar governmental charge imposed by the government of Canada (or any political subdivision or taxing authority thereof or therein) upon or as a result of such payment to Licensor ("**Withholding Taxes**"). Licensee will provide Licensor a certificate evidencing payment of any Withholding Taxes hereunder within thirty (30) days of such payment (or when available from the applicable taxing authority) and will reasonably assist Licensor, at Licensor's expense, to obtain the benefit of any applicable tax treaty.

ARTICLE 4
ACCOUNTING AND RECORDS

4.1 Appointment of Independent Accountants

Licensee shall appoint and at all times retain a firm of independent accountants of recognized national reputation and reasonably acceptable to Licensor to serve as the independent accountants ("**Independent Accountants**") for purposes of preparing and delivering the reports required by Section 4.2 and 4.3. Licensee may not remove the Independent Accountants without first giving 60 days prior written notice to the Independent Accountants, with a copy of such notice also given concurrently to Licensor. Upon any resignation or removal of such firm, Licensee shall promptly appoint a successor thereto that shall also be a firm of independent accountants of recognized national reputation and reasonably acceptable to Licensor to serve as the Independent Accountants hereunder. If Licensee shall fail to appoint a successor to a firm of Independent Accountants which has resigned or been removed within 30 days after the effective date of such resignation or removal, Licensor shall be entitled to appoint a successor firm of independent accountants of recognized national reputation to serve as the Independent Accountants hereunder. The fees of such Independent Accountants and its successor shall be payable by Licensee.

4.2 Annual Accountants' Reports

Within 70 days after the end of each Reporting Period, Licensee shall deliver to Licensor an audited report of the Royalty Payments and the Gross Sales for such Reporting Period, examined by the Independent Accountants, together with a statement from the Independent Accountants that:

(1) such examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as the Independent Accountants considered necessary in the circumstances; and

(2) such examination included, if applicable, certain agreed-upon procedures in accordance with standards established by the Chartered Professional Accountants of Canada relating to the Gross Sales for such Reporting Period based on procedures determined by Licensee, so that the Royalty Payments for such Reporting Period could be computed in compliance with this Agreement.

4.3 Delivery of Financial Statements

Licensee will deliver to Licensor:

(1) as soon as available and in any event within 35 days after the end of each quarterly accounting period of Licensee, other than the final quarter in any Reporting Period, an unaudited consolidated balance sheet, cash flow statement and statement of earnings of Licensee as of the end of such quarterly accounting period, and an unaudited report of the aggregate Royalty Payments and the Gross Sales for such quarterly accounting period, prepared in accordance with ASPE; and

(2) as soon as available and in any event within 70 days after the end of each Reporting Period, a copy of the audited annual consolidated financial statements of Licensee for such Reporting Period prepared in accordance with ASPE consistently applied, together with a report and unqualified opinion thereon of the auditors of Licensee and including any management letters provided by the auditors in connection with such audit;

provided, however, that such statements shall be required to be prepared in accordance with IFRS if Licensor is required under applicable securities laws to file such statements with a securities commission or securities regulatory authority.

4.4 Records

Licensee shall retain all data (including, without limitation, computerized records) relating directly to, or maintained in connection with, the Franchise Agreements and the calculation of Royalty Payments at the address of Licensee set forth in Section 13.12 or, upon 30 days notice to Licensor, at such other place where the offices of Licensee are located, and shall give Licensor access to all such data at all reasonable times upon reasonable notice, and Licensee shall, on demand and at the expense of Licensor, deliver to Licensor a copy of all data in its possession or under the control of Licensee (including, without limitation, computerized records) relating to the Franchise Agreements and the calculation of Royalty Payments. The provisions of this Section 4.4 shall not require Licensee to transfer any proprietary material or computer programs unrelated to the Franchise Agreements and the calculation of Royalty Payments.

ARTICLE 5
USE AND DISPLAY OF TRADE-MARKS AND WORKS

5.1 Use

Licensee acknowledges that Licensor is the owner of the NND Rights and further acknowledges the obligation of Licensee to avoid any loss of distinctiveness in the NND Marks. Licensee shall use and display the NND Marks in a manner and form as registered or applied for or requested to be applied for in accordance with Section 7.4 and, except as permitted by this Agreement, shall not use or display any trade name or any other mark which is confusing with the NND Marks.

5.2 No Contest

Licensee shall not dispute or contest for any reason whatsoever, directly or indirectly, the ownership, distinctiveness (with respect to the NND Marks) or enforceability of the NND Rights or the validity of any application or registration therefor, nor directly or indirectly dilute or depreciate or attempt to dilute or depreciate the goodwill or the value of the benefits and advantages attaching to the NND Marks, nor directly or indirectly impair or attempt to impair the distinctiveness of the NND Marks, nor counsel, procure or assist anyone else to do any of such acts. Licensee acknowledges that all benefits and advantages associated with or arising out of the use of any of the NND Marks by Licensee itself, or any of its sub-licensees or Franchisees, including, without limitation, the whole of the advantage of the reputation identified with the use of the NND Marks, shall enure entirely to the benefit of Licensor. If, despite the foregoing, any right, title or interest in or to any of the NND Rights becomes vested in Licensee or any sub-licensee or Franchisee thereof, Licensee shall hold in trust for Licensor and/or acquire the same to be held in trust for Licensor, as applicable, and shall, at Licensor's request, forthwith unconditionally assign any such right, title or interest to Licensor. Licensee acknowledges and agrees that it has no right, title or interest in or to the NND Rights except the use of the same as set out in this Agreement, and that nothing in this Agreement shall be construed as an assignment or grant to Licensee of any right, title or interest in or to the NND Rights.

5.3 NND Mark Standards

Licensor hereby establishes, and from to time shall establish, as the "**NND Mark Standards**" standards with respect to the character and quality of the Products and Services used, sold or provided in association with the NND Marks. Licensee shall set forth such NND Mark Standards in Licensee's operating manuals as amended, restated or supplemented from time to time (the "**NND Manuals**"). Notwithstanding Licensor's right to establish the NND Mark Standards, the parties acknowledge and agree that the NND Mark Standards and the NND Manuals as of the date hereof are equivalent to those used by Licensee in the provision of the Services and the Products immediately prior to assignment of the NND Rights by Licensee to Licensor pursuant to the terms of the Acquisition Agreement. Licensee shall adhere to the NND Mark Standards. Licensee may make, from time to time, supplements and amendments to the NND Manuals, together with additional instructions and directions, and such supplements, amendments and additional instructions shall, provided that such supplements, amendments and additional instructions are reasonable, be deemed part of the NND Manuals for purposes of this Agreement. Licensee shall upon request of Licensor provide Licensor with most current version of the NND Manuals.

5.4 Franchise Support

Licensee shall continue to support Franchisees in a manner generally consistent with past practices. Licensee shall retain for inspection by Licensor representative samples of NND Mark Advertising upon execution of this Agreement and immediately following the implementation of any new marketing direction or strategy which renders the then currently provided NND Mark Advertising no longer reasonably representative. Licensee shall retain such samples for as long as Licensee deems necessary, but in any event for no less than six years from the date of implementation of such NND Mark Advertising, notwithstanding any termination of this Agreement.

5.5 No Depreciating Value

Licensee shall not take or permit any Subsidiary or other Franchisee to take any action, including any advertising or promotion, which has the effect of depreciating the value of, or bringing into disrepute or otherwise reflecting negatively on, the NND Business or the NND Marks.

5.6 Public Notice

Except as permitted by Licensor, Licensee shall, in any NND Mark Advertising produced or conducted by it, include notice, where reasonable to do so, both of Licensor's ownership of the NND Marks and of the fact that the NND Marks are being used under licence. Licensee shall not nor shall Licensee permit any of its Franchisees or other sub-licensees to indicate to the public that any Products or Services being provided by any of them are being provided as agents or on behalf of Licensor.

5.7 Inspection

Licensee shall, upon Licensor's request made not more frequently than two (2) times per calendar year and upon reasonable notice, allow Licensor or its duly authorized representative to inspect during business hours its premises or any other premises at which Products and Services sold in association with the NND Marks are manufactured or packaged or offered for sale or sold by or under the authority of Licensee to ensure that the nature, standard and quality of such Products and Services are in accordance with Sections 5.3 through 5.7, inclusive; provided however that if any such inspection reveals a breach of any of such provisions at a given business location, Licensor, acting reasonably, shall then have the right to conduct such number of additional inspections at such location as may be appropriate in order to give effect to its rights pursuant to this Agreement. The reasonable out-of-pocket costs of such inspections shall be borne by Licensee. Licensee will pay all invoices and/or accounts with respect to any of the foregoing inspections within thirty (30) days of receipt of same.

ARTICLE 6
MAINTENANCE OF TRADE-MARKS AND REGISTRATIONS

6.1 Registrations

Licensor shall apply for and use commercially reasonable efforts to prosecute all applications for registration of the NND Marks which have not become registrations as of the date hereof and all new NND Marks as requested by Licensee pursuant to Section 7.4. Further, Licensor shall make reasonable commercial efforts to register and maintain the registrations for the NND Marks still in use by Licensee, excepting only those NND Marks which Licensee has given notice to Licensor that Licensee has ceased to use pursuant to Section 7.6. Licensor shall use counsel acceptable to Licensee, acting reasonably, in the application, prosecution, registration and maintenance of the foregoing.

6.2 Costs

Licensee shall bear the reasonable out-of-pocket costs of the application for and prosecution, registration and maintenance of the NND Marks. Licensee will pay all invoices and/or accounts with respect to any of the foregoing costs within thirty (30) days of receipt of same.

6.3 Further Documents

Licensee shall execute all such documents and do all such things, and shall cause its sub-licensees and Franchisees to execute all such documents and do all such things, as are required to assist Licensor in obtaining and maintaining registration of the NND Marks.

ARTICLE 7
AMENDMENTS TO THE NND RIGHTS

7.1 Notice of New NND Marks or New Uses

Licensee will notify Licensor prior to the use by Licensee or any of its Franchisees or other sub-licensees of:

(1) any new trade-mark used in connection with a Nurse Next Door Franchise;

(2) a NND Mark for any goods or services in the Territory other than (i) the goods set out in the current registrations of such NND Mark or (ii) the Services; or

(3) any variation or extension of a NND Mark.

7.2 Consent to New NND Marks or New Uses

Any new use referred to in Section 7.1(2) and any variation or extension of a NND Mark referred to in Section 7.1(3) shall require the prior written consent of Licensor, which consent shall not be unreasonably withheld or delayed, and, in any event, if Licensor does not give notice in writing that it does not consent within thirty (30) days of its receipt of such notice, Licensor shall be deemed to have consented to such new use or new variation of a NND Mark, as applicable (it being understood that withholding such consent for the purpose of obtaining consideration is not reasonable). If Licensor advises Licensee that Licensor has been advised in writing by reputable trade-mark lawyer, mutually agreed upon by the parties, that such new use or new variation or extension of a NND Mark is likely to expose Licensor to liability for infringement or other misuse of another Person’s trade-mark or trade name, Licensee will cease such new use or new variation or extension of a NND Mark (as applicable).

7.3 NND Mark Standards for Certain New Products and Services

Where Licensee has adopted a new trade-mark in a Nurse Next Door Franchise, adopted a new use for a NND Mark or adopted a variation or extension of a NND Mark, in each case in accordance with the terms and conditions of this Agreement, Licensor shall, pursuant to Section 5.3, adopt standards for the control of the character and quality of such new trade-marks, uses, variations and extensions, and such standards shall, provided that such standards are reasonable and comply with the provisions of Article 5, be deemed part of the “NND Mark Standards” for purposes of this Agreement.

7.4 Applications in Respect of NND Marks

At the request of Licensee, and subject to Section 7.3, Licensor shall adopt NND Mark Standards for and shall apply for, prosecute and, if commercially feasible, have registered in the name of Licensor in the Territory:

(1) all new trade-marks to be used in the NND Business, whether such trade-marks consist of or include or are confusingly similar to the existing NND Marks;

(2) extensions or additions of wares and services in respect of existing NND Marks; and

(3) existing NND Marks.

Licensee shall bear the reasonable out-of-pocket costs of such applications and registrations. Licensor shall use counsel acceptable to Licensee, acting reasonably, in the application, prosecution, registration and maintenance of the foregoing.

7.5 Extension of License

Upon notice from Licensee to Licensor pursuant to Section 7.1, or upon the adoption of standards pursuant to Section 7.3 or upon the use of a new trade-mark, extension or variation by Licensee, Schedule "A" shall be deemed to include such trade-mark or extension or variation and same shall be deemed to be a NND Mark and to be licenced hereunder. To the extent such new trade-mark, extension or variation constitutes tangible works protected by copyright and was created by Licensee's employees or contractors for Licensee, Licensee shall use its best efforts to cause the authors of such tangible works to waive all moral rights respecting in and to such works.

7.6 Notice of Ceasing to Use NND Marks

Licensee shall provide written notice to Licensor in the event that Licensee ceases using any one or more NND Marks. Notwithstanding any cessation in the use of any such mark, such mark remains a NND Mark hereunder for the purposes of Section 7.7.

7.7 No Other Licenses

Licensor shall not assign any NND Rights or grant any other licence or rights to the NND Rights to any other Person, and shall make no use of or otherwise exploit in any manner the NND Rights, except as permitted by, and pursuant to the provisions of, this Agreement.

7.8 Preservation of NND Marks

If Licensor intends to abandon any application or permit any registration to be expunged, or fails to renew any registration, or otherwise restricts or limits any application or registration for any NND Mark, Licensor will first notify Licensee and permit Licensee to assume the prosecution or maintenance of such application or registration, but ownership of such NND Marks shall nonetheless remain with Licensor.

7.9 Applications in Respect of New IP Rights

At the request of Licensee, Licensor shall apply for, prosecute and, if commercially feasible, have registered in the Territory as Licensee may request, in the name of Licensor, all registrations or grants in Intellectual Property Rights, including copyright, patent, industrial design, and other non-trade-mark Intellectual Property Rights in and to the NND Works, as Licensee may specify (collectively, the "**New IP Rights**"). Licensee shall bear the reasonable out-of-pocket costs of such New IP Rights. Licensor shall use counsel acceptable to Licensee, acting reasonably, in the application, prosecution, registration and maintenance of the New IP Rights. From and after the date of such application or registration, any such application and registration will be licensed under this Agreement in the same manner as the NND Works that are licensed to Licensee pursuant to this Agreement.

7.10 Modifications to NND Works

Subject to Section 5.3, Licensee may, at any time, and from time to time, modify any or all standards, specifications, documentation, manuals, advertising materials, promotional materials, or other materials comprised within the NND Works, or create new standards, specifications, documentation, manuals, advertising materials, promotional materials, or other materials with respect to the NND Business (collectively, the "**NND Modifications and New Works**"). The NND Modifications and New Works will immediately, upon their creation, be deemed to be the property of Licensor and will be deemed to be part of the NND Works that is licensed to Licensee pursuant to this Agreement. Licensee will, from time to time, at the reasonable request of Licensor, disclose to Licensor any modifications made by Licensee to the NND Works.

ARTICLE 8
COMMERCIAL DILIGENCE

8.1 Business Standards

In addition to Licensee's obligations respecting compliance with the NND Mark Standards set out in Section 5.3, Licensee shall:

(1) operate and conduct the NND Business with the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, including overseeing the Franchisees and other sub-licensees (including Subsidiaries) in the manner of a competent and qualified franchisor;

(2) preserve and protect the business of Licensee and all goodwill associated therewith;

(3) monitor on behalf of Licensor and Licensee the compliance of Franchisees and all other sub-licensees (if any) with the trade-mark and character and quality standards set under the Franchise Agreements, or such other applicable agreements, including without limitation, those terms and conditions relating to the use, display, control and protection of the NND Marks and the compliance with the NND Mark Standards, and Licensee shall notify Licensor of any material breach of same and advise Licensor of the course of action Licensee will take in enforcing such obligations or terms;

(4) enforce the observance and performance of the sublicenses granted directly or indirectly pursuant to Section 2.2 including Franchise Agreements by Franchisees, sub-licenses by sub-licensees and further sub-licences by further sub-licencees in a manner that is consistent with good and prudent business practices; and

(5) obtain all permits, licences and approvals necessary for Licensee to carry on the NND Business, comply with all Laws applicable to the carrying on of the NND Business, and remain in good standing in each jurisdiction in the Territory where the character of its properties or the nature of its activities makes such qualification necessary.

8.2 Reports of Compliance

Annually, Licensee shall provide Licensor with:

(1) a written report detailing the use of the NND Rights by Licensee and its Subsidiaries, Franchisees or other permitted sub-licensees, including a list of all sub-licences of the NND Rights granted by Licensee to its Subsidiaries, Franchisees or other permitted sub-licensees since the last report; and

(2) a certificate from an officer of Licensee to the effect that Licensee is using the NND Rights in accordance with this Agreement.

8.3 Inspections

From time to time, but in no event more than once every 12 months, when requested by Licensor, acting reasonably, Licensor or Licensee may contract with a third party to inspect the use of the NND Marks by Licensee and by Licensee's Subsidiaries, Franchisees and sub-licensees to determine whether the NND Marks are being used in accordance with the standards prescribed by this Agreement, and Licensee shall and shall cause Licensee's Subsidiaries, Franchisees and sub-licensees to cooperate with such inspection. If, as a result of any inspection, a determination is made that the use of the NND Rights breaches the standards prescribed by this Agreement, Licensor may conduct or cause to be conducted additional inspections, until such breaches have been rectified to the satisfaction of Licensor, acting reasonably and Licensee shall and shall cause Licensee's Subsidiaries, Franchisees and sub-licensees to cooperate with such inspections. Licensee shall bear the reasonable out-of-pocket costs of all inspections by or on behalf of Licensor that are contemplated in this Section 8.3.

8.4 Franchisee Payments and Reporting Requirements

Subject to the right of Licensee to provide relief to Franchisee in the ordinary course of business consistent with past practice, Licensee shall use reasonable commercial efforts to collect or cause the collection of all payments called for under the terms and provisions of each Franchise Agreement and shall use reasonable commercial efforts to cause the Franchisees to comply with the reporting requirements of each Franchise Agreement and, in respect thereof, Licensee shall perform the following servicing and collection supervision activities:

(1) maintain, or cause to be maintained, accurate records with respect to the Franchise Agreements;

(2) keep Franchisees informed of the proper place and method for making payments with respect to the Franchise Agreements;

(3) contact Franchisees to effect collection and to discourage delinquencies in the payment of monies due under the Franchise Agreements, doing so by any lawful means, including, but not limited to, the following:

(a) transmittal of routine past due notices;

(b) preparing and mailing collection letters;

(c) contacting delinquent Franchisees by telephone to encourage payment;

(d) transmittal of reminder notices to delinquent Franchisees; and

(e) initiating and pursuing termination or enforcement actions deemed necessary by Licensee; and

(4) take such other action as may, in the reasonable discretion of Licensee, be necessary or appropriate to carry out the duties and obligations imposed upon Licensee pursuant to the terms of this Section 8.4.

8.5 Business Plans

Licensee will submit to Licensor annually before the first day of each Reporting Period an annual business plan or forecast in such form customarily prepared by Licensee in the ordinary course of its business, together with such other information as may be reasonably requested by Licensor to consider and assess the operations and plans of Licensee for such Reporting Period.

8.6 Use of the Core NND Marks

Except as expressly agreed to in writing by the parties, Licensee shall use the Core NND Marks in the NND Business.

8.7 Trade Secrets Confidential

Licensee shall keep and use all of the trade secrets forming part of the NND Rights in confidence and will not, without Licensor's prior written consent, disclose any of such trade secrets to any Person or entity, except those of Licensee's directors, officers, employees, consultants, advisors, agents and assigns (including Franchisees or other sub-licensees and their respective directors, officers and employees) who require such trade secrets in conducting the business of Licensee or the Franchisees or other sub-licensees, as applicable, and who are bound for the benefit of Licensor and Licensee by similar obligations of confidentiality and limited use as set out herein. Licensee shall not use, either directly or indirectly, any of the trade secrets forming part of the NND Rights for any purpose, other than as contemplated herein, without Licensor's prior written consent.

ARTICLE 9
REPRESENTATIONS AND WARRANTIES OF LICENSEE

Licensee represents and warrants to Licensor, as of the date hereof, as follows:

9.1 Organization and Good Standing

Licensee has been duly incorporated and is validly existing as a corporation under the laws of Canada and has full power, authority and legal right to own its property, to carry on its business as presently conducted and to enter into and perform its obligations under this Agreement. Licensee is duly qualified or licensed to do business in each of the jurisdictions in which the character of its properties or the nature of its activities makes such qualification necessary and where failure to so qualify would have a material and adverse effect on its ability to perform its obligations hereunder.

9.2 Power and Authority; No Conflicts

The execution and delivery by Licensee of this Agreement and Licensee's performance of, and compliance with, the terms hereof are within the power of Licensee and have been duly authorized by all necessary action on the part of Licensee. Neither the execution and delivery of this Agreement, nor the consummation of the transactions herein contemplated to be consummated by Licensee, nor compliance with the provisions hereof, will conflict with or result in a material breach of, or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, any of the provisions of any Law applicable to Licensee or its properties or its constating documents, or any of the provisions of any contract or other instrument to which Licensee is a party or by which it or its property is bound or result in the creation or imposition of any material lien, charge or encumbrance upon any of its property pursuant to the terms of any such contract or other instrument.

9.3 Consents

Licensee is not required to obtain the consent of any other party or the consent, licence, approval or authorization, or registration or declaration with, any Governmental Authority, in connection with the execution, delivery or performance by Licensee of this Agreement, or the validity or enforceability of this Agreement against Licensee.

9.4 Due Execution and Delivery

This Agreement has been duly executed and delivered by Licensee and constitutes a legal, valid and binding instrument enforceable against Licensee in accordance with its terms (subject to applicable insolvency Laws and to general principles of equity).

9.5 No Litigation

Except as disclosed in writing by Licensee to Licensor prior to the date hereof, there is no action, suit, proceeding or investigation, at law or in equity, by any Person, nor any arbitration, administrative or other proceeding by or before any Governmental Authority pending, or, to the knowledge of Licensee, threatened in writing against or affecting Licensee or any of its respective properties or rights or any of its assets which would affect the consummation of the transactions contemplated herein or would have any effect or change that is or, as far as can be reasonably determined, is reasonably likely to be materially adverse to the results of operations, financial condition, assets, properties, or business of Licensee.

9.6 Due Qualification

Licensee has obtained or made all material licences, registrations, consents, approvals, waivers and notifications of creditors, lessors and other Persons, in each case, in connection with the execution and delivery of this Agreement by Licensee, and the consummation by Licensee of all the transactions herein contemplated to be consummated by Licensee and the performance of its obligations hereunder.

9.7 No Default

Licensee is not now in default under any Contract or other instrument to which Licensee is a party or by which it or its properties is or are bound, or with respect to any order of any court, administrative agency, arbitrator or Governmental Authority, which would have a material adverse effect on the obligations of Licensee, taken as a whole, contemplated hereunder; and no event has occurred which with notice or lapse of time or both would constitute such a material default with respect to any such Contract or other instrument or with respect to any such order of any court, administrative agency, arbitrator or Governmental Authority.

ARTICLE 10
REPRESENTATIONS AND WARRANTIES OF LICENSOR

Licensor represents and warrants to Licensee, as of the date hereof, as follows:

10.1 Organization and Good Standing

Licensor has been duly organized and is validly existing as a limited partnership under the laws of British Columbia and has full power, authority and legal right to own its property, to carry on its business as presently conducted and to enter into and perform its obligations under this Agreement.

10.2 Power and Authority; No Conflicts

The execution and delivery by Licensor of this Agreement and Licensor's performance of, and compliance with, the terms hereof are within the power of Licensor and have been duly authorized by all necessary action on the part of Licensor. Neither the execution and delivery of this Agreement, nor the consummation of the transactions herein contemplated to be consummated by Licensor, nor compliance with the provisions hereof, will conflict with or result in a material breach of, or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, any of the provisions of any Law applicable to Licensor or its properties or limited partnership agreement, or any of the provisions of any contract or other instrument to which Licensor is a party or by which it or its property is bound or result in the creation or imposition of any material lien, charge or encumbrance upon any of its property pursuant to the terms of any such contract or other instrument.

10.3 Consents

Licensor is not required to obtain the consent of any other party or the consent, licence, approval or authorization, or registration or declaration with, any Governmental Authority, in connection with the execution, delivery or performance by Licensor of this Agreement, or the validity or enforceability of this Agreement against Licensor.

10.4 Due Execution and Delivery

This Agreement has been duly executed and delivered by or on behalf of Licensor and constitutes a legal, valid and binding instrument enforceable against Licensor in accordance with its terms (subject to applicable insolvency Laws and to general principles of equity).

ARTICLE 11
INFRINGEMENT AND INDEMNIFICATION

11.1 Indemnity

Licensee agrees to indemnify and hold Licensor and its partners and their respective directors, officers, employees and agents harmless from and against any and all losses, liabilities, claims, demands, actions and causes of action (including all costs and legal fees in connection therewith) whatsoever that may be suffered or incurred by or threatened against any such indemnified party as a result of or arising in connection with:

(1) the use or display or exploitation by Licensee or Licensee's Subsidiaries or any Franchisee or other sub-licensee of any of the NND Marks or the use or exploitation by Licensee or Licensee's Subsidiaries or any Franchisee or other sub-licensee of any of the NND Works;

(2) any disclosure document required to be delivered or filed under applicable franchise legislation;

(3) any Franchise Agreement granted by Licensee or a Subsidiary of Licensee or any direct or indirect sub-licence granted by Licensee; and

(4) all other activities of Licensee pursuant to this Agreement.

11.2 Discussions in the Event of Infringement of Third Party Rights

Where Licensor has received notice that any of the NND Marks or any of the NND Works infringes the rights of any third party, Licensor shall notify Licensee of the same and, subject to Licensee's rights to conduct litigation set out in Section 11.4, the parties will discuss the appropriate course of action to be taken in respect of such NND Mark or NND Work, and only in the event that it is unlikely that that Licensee will be able to provide to Licensor the indemnification set out in Section 11.1, the parties will agree, acting reasonably, on the appropriate course of action to be taken in respect of such NND Mark or NND Work.

11.3 Insurance

During the Term, Licensee shall maintain with a reputable insurer insurance against such risks and to such limits as a prudent owner engaged in a similar business would carry. Such insurance shall name Licensor as an additional insured. Licensee, at the request of Licensor, shall submit to Licensor certificates of insurance showing compliance with the requirement set out in this Section and shall furnish to Licensor certificates, confirming the renewal of each of the said policies at least ten (10) days prior to the expiry of each such policy or renewal thereof. Licensor shall ensure that each such certificate states that the policy or policies referred to therein will not be cancelled or altered without at least thirty (30) days prior written notice to Licensor. If Licensor receives notice from any insurer regarding impending cancellation or lapse of any such policy due to the non-payment by Licensee of any premium instalments, Licensor may at its option pay the required premium instalments on behalf of and for the account of Licensee and Licensee agrees to promptly reimburse Licensor for all amounts so paid.

11.4 Infringement of NND Rights by a Third Party

In the event that Licensor or Licensee becomes aware of any actual or threatened infringement or violation of the NND Rights, that party shall promptly notify the other party in writing. Licensor shall, at Licensee's sole cost and expense, initiate and prosecute in Licensor's name all legal proceedings relating to the NND Rights and will take all steps in connection therewith as Licensee may reasonably direct. Licensee shall have the right to join in and participate in such action at its own expense. If Licensor fails to take such action within two months after being so called on, Licensee's sole remedy shall be that Licensee may institute proceedings for infringement in Licensee's own name as if Licensee were the owner, making Licensor a defendant. In any event, Licensor and Licensee shall assist one another and cooperate in any infringement or passing off or other litigation or opposition proceeding involving any NND Rights at the other's reasonable request without expense to the requesting party.

11.5 Expenses

Licensor and Licensee shall recover their respective actual out-of-pocket expenses, or equitable proportions thereof, associated with any litigation or settlement thereof from any recovery made by any party. All further amounts recovered shall be divided between the parties equitably, having regard to the relative harm done to each of them for which the recovery was made. If the parties cannot agree on the equitable division of such recoveries, either party may refer the matter to arbitration in accordance with Section 13.2.

11.6 Consultation

Licensor and Licensee shall keep each other informed of the status of their respective activities regarding any actual, pending or threatened litigation or settlement thereof concerning the NND Rights. In connection with the foregoing, each shall provide the other with copies of all correspondence, court documents, settlement agreements and all other relevant documents and agreements respecting the same. Neither party may settle any infringement or passing off action without the prior written consent of the other party, not to be unreasonably withheld or delayed.

ARTICLE 12
TERM AND REMEDIES

12.1 Term

This Agreement and the rights and licences hereby granted shall be effective from the date hereof and terminate 99 years after the date hereof (the "**Term**").

12.2 Right to Accelerate on Event of Insolvency

If an Event of Insolvency occurs, Licensor may terminate this Agreement and, whether or not Licensor terminates this Agreement, Licensee will immediately pay to Licensor, as a prepayment of all Royalty Payments, without demand therefor by Licensor, the Net Present Value of all Royalty Payments. The parties agree that:

(1) the Net Present Value of all Royalty Payments is a genuine pre-estimate of damages for loss of bargain and not a penalty, and is not expected to be greater than the amount Licensor would have received if Licensee had performed its obligations hereunder;

(2) if an Event of Insolvency occurs, such Event of Insolvency would give rise to a justifiable apprehension in Licensor that Royalty Payments would not be made;

(3) the NND Marks have a unique and distinctive character which has its greatest value in conjunction with the NND Business and may be of limited or minimal value if separated from the NND Business; and

(4) the parties have specifically considered, negotiated and agreed that, in the event the occurrence of an Event of Insolvency, it is just and appropriate that the Net Present Value of all Royalty Payments become immediately due and payable.

12.3 Declaration of Material Breach

Licensor may, at its option and in its sole discretion, declare Licensee to be in material breach ("**Material Breach**") of this Agreement immediately upon written notice to Licensee if (i) any one or more of the following events have occurred and (ii) the security interest granted pursuant to the General Security Agreement has become enforceable and Licensor has taken any step or proceeding to enforce the same (other than solely providing a notice of default):

(1) any resolution is passed, order made or other steps taken for the winding up, liquidation or other termination of the existence of Licensee other than permitted by this Agreement, the General Security Agreement or the Governance Agreement;

(2) Licensee ceases to carry on business; or

(3) Licensee defaults in the performance or observance of any of its covenants, agreements, terms, conditions or provisos hereof on Licensee's part to be kept, observed or performed and such default continues for a period of 60 days after Licensor delivers to Licensee a written notice of default ("**Notice of Default**") setting forth the nature of the default; provided however that if such

default is a non-monetary default that is capable of being cured but cannot reasonably be cured within such 60 day period, such 60 day period shall be extended to a maximum of 120 days if Licensee, within such 60 day period, submits to Licensor a written statement (*x*) stating that such default is capable of being cured but cannot reasonably be cured within such 60 day period and (*y*) setting forth the program or schedule (with an estimated completion date of no later than 120 days after delivery of the Notice of Default) that Licensee proposes to undertake in order that such default may be cured.

Notwithstanding the foregoing, any extension of the cure period pursuant to clause (3) shall not be effective or continue unless (i) Licensee shall thereafter diligently commence and continue diligently to carry out all acts necessary to cure such default until such default is cured, considering the nature of such default, and (ii) after the expiry of the initial 60 day period, there is no material impairment of the value of the assets of Licensee or Licensor or the security granted by Licensee to Licensor which, in each case, arises out of or results from such default. If after the expiry of such initial 60 day period Licensee shall fail to commence or diligently carry out such acts as required by (i) above or there is a material impairment as set out in (ii) above, Licensor may immediately declare Licensee in Material Breach without further or other notice of breach or opportunity to cure.

12.4 Prepayment upon Declaration of Material Breach

(1) In the event Licensor, acting reasonably, declares Licensee in Material Breach pursuant to Section 12.3, Licensor may terminate this Agreement and, whether or not Licensor terminates this Agreement, Licensee will immediately pay to Licensor, without demand therefor by Licensor, an amount equal to the total of the Royalty Payments payable by Licensee to Licensor for the 12 month period immediately preceding the date upon which Licensor declares a Material Breach to occur. Subject to Section 12.4(2) , such amount will be paid as a prepayment to be applied to the Royalty Payments payable to Licensor in respect of the last 12 months of the Term and shall be held without interest by Licensor until the last 12 months of the Term or until Licensor shall choose, in its discretion, to apply all or part of such amount towards Royalty Payments from time to time becoming due and owing hereunder. In the event Licensor chooses to apply all or part of such amount to Royalty Payments from time to time becoming due and owing hereunder, Licensee shall, upon Licensor's request, immediately pay an equal amount to Licensor so that Licensor shall always hold as a prepayment an amount equal to the total of the Royalty Payments payable by Licensee to Licensor for the 12 month period immediately preceding the date upon which Licensor declares Licensee in Material Breach. Licensor may, in its discretion, accept such deposit or prepayment by way of an unconditional letter of credit issued by a financial institution approved by, and in a form and on terms acceptable to, Licensor. Licensee shall be entitled to direct Licensor to apply the prepayment to current unpaid Royalty Payments if it makes corresponding payment to Licensor in an equal amount to maintain the prepayment.

(2) If Licensee ceases to be in Material Breach pursuant to Section 12.3, Licensor shall repay to Licensee the amount of Royalty Payments prepaid by the Licensee pursuant to this Section 12.4, such repayment to be made by Licensor within 14 days of Licensee no longer being in Material Breach pursuant to Section 12.3.

12.5 Subordination of the Accelerated Payment

(1) **Agreement to Subordinate**. Licensor agrees with Licensee that the payments to be made by Licensee to Licensor under Section 12.2 or Section 12.4 (each such payment herein called an "**Accelerated Payment**"), shall be, and is hereby made, subordinate and subject in right of payment, to the extent and in the manner hereinafter set forth in the following subsections of this Section 12.5, to the prior payment in full of all Licensee Permitted Indebtedness, whether now outstanding or hereafter incurred.

(2) **Distribution on Dissolution, etc.** Upon any distribution of the assets of Licensee upon any dissolution or winding-up or total liquidation of Licensee (whether in bankruptcy, insolvency or receivership proceedings or upon an assignment for the benefit of creditors of Licensee or otherwise), or upon any distribution of the assets of Licensee by a receiver or receiver-manager appointed by Licensor, any creditor of Licensee or by an order a court of competent jurisdiction, payments will be made in the following order, subject to the rights of holders of other prior ranking charges:

(a) principal, interest and costs of collection of Licensee Permitted Indebtedness that is secured by a Permitted Lien referred to in subsections (ix) or (x) of the definition of Permitted Lien, but in respect of such subsection (x), only liens renewing, extending or refunding a lien permitted by such subsection (ix);

(b) all Royalty Payments (but not any Accelerated Payments) that would have been due and unpaid to the date of the Event of Insolvency giving rise to the dissolution, winding-up or liquidation but for the application of Section 12.2 or Section 12.4, plus interest thereon and the costs incurred by Licensor in respect of collecting such Royalty Payments;

(c) all costs of Licensor arising from or related to the default of Licensee, including all costs provided for in the General Security Agreement but excluding the costs referred to in Section 12.5(2)(a) above; and

(d) any Accelerated Payment.

Subject to applicable law and the claims, if any, of other creditors of Licensee, any surplus will be paid to Licensee.

(3) **Payment on Delivery of Assets**. Any payment or distribution of assets of Licensee, whether in cash, property or securities, to which Licensor would be entitled except for the provisions of this Section 12.5, shall be paid or delivered by the trustee in bankruptcy, receiver, assignee for benefit of creditors or other liquidating agent making such payment or distribution, directly to the Persons entitled thereto or their representative or representatives, to the extent necessary to pay the amounts set out above in full after giving effect to any concurrent payment or distribution, or provision therefor, to the Persons entitled thereto.

(4) **Payments in Trust**. In the event that, notwithstanding the foregoing, any payment or distribution of assets of Licensee, whether in cash, property or securities, shall be received by any Person not entitled thereto as herein provided, such payment or distribution shall be held in trust for the benefit of, and shall be paid over or delivered to the Persons entitled thereto as herein provided.

(5) **Reliance on Certificate**. Upon any payment or distribution of assets of Licensee referred to in this Section 12.5, the parties hereto shall be entitled to rely upon a certificate of the trustee in bankruptcy, receiver, assignee for benefit of creditors or other liquidating agent making such payment or distribution, for the purpose of ascertaining the Persons entitled to participate in such distribution, the holders of Licensee Permitted Indebtedness and other indebtedness of Licensee, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Section 12.5.

(6) **Subrogation of the Accelerated Payment**. Subject to the payment in full of all Licensee Permitted Indebtedness, to the extent that Licensee, or the trustee in bankruptcy, receiver, assignee for benefit of creditors or other liquidating agent making such payment or distribution, has made any payment or distribution of assets to holders of Licensee Permitted Indebtedness pursuant to Section 12.5(2), Licensor shall be subrogated to the rights of the holders of Licensee Permitted Indebtedness to receive payments or distributions of assets of Licensee made on Licensee Permitted Indebtedness, until the Accelerated Payment shall be paid in full, and no such payments or distributions to the holders of Licensee Permitted Indebtedness, of cash, property or securities which otherwise would be payable or distributable to Licensor shall, as between Licensee, its creditors other than the holders of Licensee Permitted Indebtedness, and Licensor, be deemed to be a payment by Licensee to Licensor on account of the Accelerated Payment, it being understood that the provisions of this Section 12.5 are and are intended solely for the purpose of defining the relative rights of Licensor, on the one hand, and the holders of Licensee Permitted Indebtedness, on the other hand.

(7) **Rights of Licensor Reserved**. Except as specifically herein set out, nothing contained in this Section 12.5 is intended to or shall impair, as between Licensee and its creditors (other than the holders of Licensee

Permitted Indebtedness), the obligation of Licensee, which is unconditional and absolute, to pay to Licensor the Accelerated Payment, as and when the same shall become due and payable in accordance with the terms hereof, or affect the relative rights of Licensor and creditors of Licensee other than the holders of Licensee Permitted Indebtedness, nor shall anything herein or therein prevent Licensor from exercising all remedies under the General Security Agreement otherwise permitted by applicable law upon default under the General Security Agreement of this Agreement, subject to the rights, if any, under this Section 12.5 of the holders of Licensee Permitted Indebtedness in respect of cash, property or securities of Licensee received by Licensor upon the exercise of any such remedy.

(8) **Right to Payment of Royalty Payment Preserved**. Except as specifically herein set out, nothing contained in this Section 12.5, shall affect the obligation of Licensee to make, or prevent Licensee from making, at any time, the Royalty Payment or affect any payments of amounts equal to the Royalty Payments that are not paid.

(9) **No Knowledge without Notice**. Notwithstanding the provisions of this Section 12.5, Licensor shall be not be charged with knowledge of the existence of any Licensee Permitted Indebtedness or of any default in the payment thereof, unless and until Licensor shall have received written notice thereof from Licensee or from the holder of any Licensee Permitted Indebtedness or from the representative of any such holder.

(10) **Subordination Not to be Impaired**. No right of any present or future holder of any Licensee Permitted Indebtedness to enforce subordination as herein provided shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of Licensee or by any act or failure to act, in good faith, by any such holder, or by any non-compliance by Licensee with the terms, provisions and covenants of this Agreement, regardless of any knowledge thereof which any such holder may have or be otherwise charged with.

(11) **Agreement with holder of Licensee Permitted Indebtedness**. Licensor will enter into an agreement with a holder or holders of Licensee Permitted Indebtedness as requested by Licensee from time to time as may be necessary or appropriate to acknowledge and effectuate the subordination of the Accelerated Payment to the payment of Licensee Permitted Indebtedness as provided in this Section 12.5.

(12) **Right of Licensee to Create Additional Licensee Permitted Indebtedness**. Nothing contained in this Agreement shall be construed or interpreted as prohibiting, limiting or restricting the right of Licensee to create, assume or incur Licensee Permitted Indebtedness, from time to time hereafter or, subject to the terms of the General Security Agreement, from mortgaging, pledging, assigning, charging or in any way encumbering any or all of its properties to secure any Licensee Permitted Indebtedness, now existing or hereafter created, assumed or incurred by Licensee.

12.6 Remedies

Licensor and Licensee agree that, in the event of breach of this Agreement by Licensee, Licensor’s remedies shall include:

(1) a judgment for payment of any and all monetary amounts that are due and owing by Licensee to Licensor pursuant to this Agreement and enforcement of any such judgment;

(2) the remedies of Licensor under this Article 12;

(3) the remedies to which Licensor is entitled under the General Security Agreement;

(4) injunctive relief to enjoin further breach of this Agreement without a necessity to post a bond;

(5) specific performance by Licensee of Licensee’s obligations hereunder;

(6) damages if and to the extent the Royalty Payment is impaired as a result of the wilful misconduct of Licensee or a fraudulent or grossly negligent act or omission by Licensee; and

(7) recovery of costs associated with seeking and obtaining such judgement, injunctive relief, specific performance or damages.

The rights and remedies of Licensor pursuant to this Agreement are in addition to, without prejudice, and supplemental to and not in substitution for any other rights or remedies now held by or available to, or which may hereafter be held by or available to, Licensor at law or equity, including without limitation all rights and remedies of Licensor pursuant to the General Security Agreement, and Licensor may exercise the foregoing remedies concurrently and in addition to any other such remedies.

12.7 Rights and Obligations on Termination

Upon termination or expiration of this Agreement for any reason, Licensee shall have a reasonable time to cease all use of the NND Rights, not to exceed 180 days, and, unless Licensor agrees otherwise in writing, shall cause all Subsidiaries, Franchisees and sub-licensees to cease all use of the NND Rights within such period. Further, all amounts owing from either party to the other as of the date of any such termination or expiration shall become immediately due and payable. Within thirty (30) days of the expiration or termination of this Agreement, Licensee will effect and cause to be effected a change of the corporate names, partnership names, trade names and domain names of Licensee and its Subsidiaries and Franchisees and other Nurse Next Door Franchises to remove any name or term forming part of the NND Rights or any term confusingly similar thereto from any and all such names.

12.8 Licensee Right of First Refusal

Provided Licensee has not been in default of its obligations under any of the Operative Documents for a period of 45 days or longer and all Royalty Payments then due and owing by Licensee hereunder have been paid, Licensor will not, before or after termination or expiration of this Agreement for any reason whatsoever, enter into any transaction, to be effective upon or after the termination or expiration of this Agreement for any reason whatsoever, for the sale, transfer, license, grant, assignment or other disposition of all or any of the NND Rights or any right, title or interest therein except under the following conditions:

(1) Licensor shall give written notice (the “**Offer Notice**”) to Licensee describing the proposed sale, transfer, license, grant, assignment or other disposition of all or any of the NND Rights (the “**Proposed Transaction**”) and specifying the price, fees, royalties or other payments (the “**Payments**”) payable to Licensor under the Proposed Transaction and other terms and conditions of the Proposed Transaction (the “**Proposed Terms**”). All Payments shall be expressed in Canadian dollars, and where the Payments include any non-cash consideration, the description of such non-cash consideration shall include a Canadian dollar cash amount equal to the fair market value thereof. The Offer Notice shall also state whether Licensor proposes to enter into the Proposed Transaction with any particular person or persons and, if so, the names and addresses of those persons shall be specified in the Offer Notice. The Offer Notice shall constitute an offer by Licensor to Licensee to enter into the Proposed Transaction with Licensee and shall not be revocable.

(2) Licensee may accept the Offer Notice by written notice to Licensor within ninety (90) days after receipt by Licensee of the Offer Notice. If Licensee accepts the Offer Notice within that ninety (90) day period, Licensor and Licensee shall be bound to enter into the Proposed Transaction for the Payments and upon the Proposed Terms. If Licensee does not accept the Offer Notice within that ninety (90) day period, Licensor may within one hundred twenty (120) days thereafter enter into the Proposed Transaction with any other Person for the Payments and upon the Proposed Terms, but not for any other consideration or upon any other terms or conditions without first complying with Section 12.8(1) in respect of such other consideration, terms or conditions. If Licensor does not enter into the Proposed Transaction with that further one hundred twenty (120) day period, Licensor shall not thereafter enter into any Proposed Transaction without first complying with Section 12.8(1).

(3) Sections 12.8(1) and 12.8(2) shall not apply:

(a) if before the Proposed Transaction, Licensee waives its right to receive the Offer Notice; or

(b) if Licensee has been wound up, liquidated or dissolved or its existence has been otherwise terminated or it has ceased to carry on an active business.

Notwithstanding the above, Licensor may grant a security interest in all or any of the NND Rights or any right, title or interest therein as security for any guarantee granted by Licensor in respect of Holdings LP Permitted Indebtedness.

ARTICLE 13
MISCELLANEOUS

13.1 Force Majeure

If the performance of any part of this Agreement by either party, or of any obligation under this Agreement is prevented or delayed by reason of force majeure, the party affected may give written notice to the other containing reasonable particulars of the force majeure in question and the effect of such force majeure as it relates to the obligations of the affected party hereunder. Such force majeure will not constitute a default hereunder, provided that the party affected by the delay makes reasonable efforts to correct the reason for such delay and such force majeure does not harm or impair the NND Rights. “Force majeure” does not include the inability of either party to obtain financing or any other financial inability on the part of either party.

13.2 Efforts to Settle Disputes.

In the event any dispute, claim, question or difference (a “**Dispute**”) arises out of or with respect to this Agreement including its performance, enforcement, interpretation, construction, breach, termination or validity, the parties shall use reasonable commercial efforts to settle the Dispute. To this end, they shall consult and negotiate with each other, in good faith and understanding of their mutual interests, to reach a just and equitable solution satisfactory to both parties.

13.3 Arbitration

If the parties do not reach a solution pursuant to Section 13.2 within a period of 15 Business Days following the first notice of the Dispute by any party to the other, then upon written notice by any party to the other, the Dispute shall be finally settled by a single arbitrator in accordance with the provisions of the *Arbitration Act* (British Columbia), subject to the following:

(1) The arbitrator shall be instructed that time is of the essence in the arbitration proceeding and, in any event, the arbitration award must be made within 90 days of the submission of the Dispute to arbitration and within 15 days of the conclusion of any hearing, or, if none, written submissions.

(2) After written notice is given to refer any Dispute to arbitration, the parties will meet within 10 Business Days of delivery of the notice and will negotiate in good faith any changes in these arbitration provisions or the rules of arbitration which are herein adopted, in an effort to expedite the process and otherwise ensure that the process is appropriate given the nature of the Dispute and the values at risk;

(3) The arbitration shall take place in Vancouver, British Columbia and shall be conducted in the English language;

(4) The arbitration award shall be given in writing and shall be final and binding on the parties, and there shall be no appeal therefrom (including on a question of law). The award shall give reasons and shall deal with the question of costs of arbitration and all related matters; and

(5) The parties agree that the arbitration shall be kept confidential and that the existence of the proceeding and any element of it (including any pleadings, briefs or other documents submitted or exchanged, any testimony or other oral submissions and any awards) shall not be disclosed beyond the arbitrator, the parties, their counsel and any Person necessary to the conduct of the proceeding, except as may lawfully be required in judicial proceedings relating to the arbitration or otherwise.

(6) Notwithstanding this Section 13.3, Licensor shall be entitled to go directly to court, in the event the parties do not reach a solution pursuant to Section 13.1 within a period of 15 Business Days, to seek any injunctive or other equitable relief.

13.4 Assignment

Neither party shall assign its interest in this Agreement or any part hereof, and Licensor may not assign the NND Rights, without the prior written consent of the other party, except that:

(1) Licensor and Licensee (each, an "**Assignor**") may each assign this Agreement and all benefit thereof (and, in the case of Licensor, the NND Rights) as security for bona fide loans made by one or more institutional lenders (each, a "**Lender**"), provided that any such Lender has agreed by written instrument, in form and substance satisfactory to the other party to this Agreement, acting reasonably (such instrument to be delivered to such other party prior to the assignment as security becoming effective or attaching), that:

(a) the rights and interest of the Lender are subject to the rights and interests of the other party under this Agreement;

(b) prior to realizing on such security, the Lender will provide notice to such other party giving it a reasonable opportunity to cure the default given the nature of the default; and

(c) should such security be realized upon with the result that the interest of the Assignor is vested in an assignee, acquirer or other successor in interest, including the Lender (the "**Successor**"), then the Lender will cause such Successor to be bound by all the provisions of this Agreement in all respects and to the same extent as the Assignor was bound, and provided further that the Assignor will continue to be bound by all the provisions of this Agreement as if such transfer of interest had not occurred and will perform any obligations hereunder to the extent that the Successor fails to do so; and

(2) Licensee may assign this Agreement and all benefit thereof in conjunction with the sale or transfer of the whole (but not a part) of its business associated with the NND Rights, provided that:

(a) prior written notice of such assignment is given to Licensor; and

(b) Licensee has complied with its obligations under the Governance Agreement respecting DIV’s right of first offer at such time.

(3) Licensor may assign this Agreement and the NND Rights in conjunction with the sale of all, but not less than all, of the NND Rights, provided that:

(a) prior written notice is given to Licensee;

(b) the assignee agrees with Licensee to be bound by all provisions of this Agreement in all respects and to the same extent as Licensor was bound, and upon such assignee agreeing to be bound Licensor shall be released and under no further obligation or liability hereunder; and

(c) Licensor has complied with its obligations set out Section 12.8.

13.5 Entire Agreement

Except as otherwise set out herein, this Agreement constitutes the entire agreement between the parties relating to the licence of the NND Rights granted hereby and supersedes all previous writings and understandings. No term or provision of this Agreement shall be varied or modified by any prior or subsequent statement, conduct or act of either of the parties, except that the parties may amend this Agreement by written instrument specifically referring to and executed in the same manner as this Agreement.

13.6 No Partnership

Nothing in this Agreement shall be deemed or construed to constitute or create between the parties hereto a partnership, association, joint venture or agency.

13.7 Further Assurances

The parties agree that they will execute all necessary or desirable documents and generally provide such further assurances as may be required in order to enable compliance with all obligations hereunder.

13.8 Binding Effect

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their successors and permitted assigns.

13.9 Severability

If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect. The parties shall use all commercially reasonable efforts to promptly replace any severed provision with one of the same business purpose or effect.

13.10 Survival

The parties’ obligations under Section 5.2, Section 6.3, Section 11.1 and Section 12.7 shall survive the termination or expiration of this Agreement.

13.11 No Waiver

Any waiver of breach or failure by a party to require performance under this Agreement shall not constitute a waiver of any subsequent or further breach or prevent such party from requiring performance thereafter.

13.12 Notice

All notices, requests and other communications hereunder shall be in writing and shall be sent by first class mail, hand delivery or email:

if to Licensor, to:

NND Royalties Limited Partnership
902 - 510 Burrard Street
Vancouver, BC V6C 3A8

Attention: President and Chief Executive Officer
Email: sean@diversifiedroyaltycorp.com

if to Licensee, to:

Nurse Next Door Professional Homecare Services Inc.
Unit 300 – 1788 West 5th Avenue
Vancouver, BC V6J 1P2

Attention: Cathy Thorpe, President and Chief Executive Officer
Email: [Contact information redacted]

or to such other address or email address as may be provided by notice hereunder. Any notice required or permitted to be given concerning this Agreement shall be effective upon receipt by the party to whom it is addressed.

13.13 Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

13.14 Language

The parties have requested that this Agreement and all communications and documents relating to this Agreement be expressed in the English language. Les parties ont exige que la presente convention ainsi que tous communications et documents s'y rattachant soient rediges dans la langue anglaise.

13.15 Canadian Partnership

Licensor represents and warrants to Licensee that Licensor is a "Canadian partnership" for purposes of the *Income Tax Act* (Canada).

13.16 Execution and Delivery

This Agreement may be executed by the parties in counterparts and may be executed and delivered by facsimile or other similar electronic means and all such counterparts and facsimiles or other electronic copies shall together constitute one and the same agreement.

[signature page follows]

IN WITNESS WHEREOF the parties hereto have executed this Licence and Royalty Agreement as of the date first shown above.

NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.

By: ____
Authorized Signing Officer

NND ROYALTIES LIMITED PARTNERSHIP, by its general partner NND ROYALTIES GP INC.

By: ____
Authorized Signing Officer

SCHEDULE "A"

NND MARKS

	Trademark	Jurisdiction	Application No. or Registration No.
1.		Canada	1,968,489
2.	HAPPIER AGING	Canada	TMA941,817
3.	HAPPIER AGING	US	5,337,810
4.		Canada	1,968,487
5.	IT'S ABOUT CARING, NOT JUST HEALTH CARE	Canada	TMA838,995
6.	IT'S ABOUT CARING, NOT JUST HEALTH CARE	US	4,656,624
7.	MAKING LIVES BETTER	Canada	TMA746,162
8.	MAKING LIVES BETTER	US	3,735,778
9.	Making Lives Better One Visit At A Time	Canada	TMA687,039
10.	NURSE NEXT DOOR	Canada	TMA740,916
11.	NURSE NEXT DOOR	US	3,685,092
12.	Nurse Next Door home care services	Canada	TMA941,816
13.	Nurse Next Door home care services	US	3,334,997
14.	Nurse Next Door Professional Homecare Services	Canada	TMA698,842
15.	Nurse Next Door Home Healthcare Services	Canada	TMA698,827
16.	OUR TALENT IS CARING	Canada	TMA838,994
17.	OUR TALENT IS CARING	US	4,720,523
18.	CAREPRENEUR	Canada	TMA845,159
19.	CAREPRENEUR	US	4449761
20.	HAPPIER AGEING	Australia	1914232
21.	NURSE NEXT DOOR	Australia	1612899
22.	Nurse Next Door home care services	Australia	1612898

	Trademark	Jurisdiction	Application No. or Registration No.
23.	HAPPIER AGING	China	29642368
24.	Happier Aging	EU	017938799
25.	Nurse Next Door	EU	017926287
26.	HAPPIER AGEING	UK	UK00003414266
27.	HAPPIER AGING	UK	UK00003328722
28.	NURSE NEXT DOOR	UK	UK00003293723

EXHIBIT 2
Form of Governance Agreement

(see attached)

GOVERNANCE AGREEMENT

among

DIVERSIFIED ROYALTY CORP.

and

NND HOLDINGS LIMITED PARTNERSHIP

and

NND ROYALTIES LIMITED PARTNERSHIP

and

NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.

and

others

●, 2019

GOVERNANCE AGREEMENT

This Governance Agreement is made as of •, 2019 among **DIVERSIFIED ROYALTY CORP.**, a corporation incorporated under the laws of Canada ("**DIV**"), **NND HOLDINGS LIMITED PARTNERSHIP**, a limited partnership formed pursuant to the laws of British Columbia ("**Holdings LP**"), **NND HOLDINGS GP INC.**, a corporation incorporated under the laws of British Columbia and the general partner of Holdings LP ("**Holdings GP**"), **NND ROYALTIES LIMITED PARTNERSHIP**, a limited partnership formed pursuant to the laws of British Columbia ("**Royalties LP**"), **NND ROYALTIES GP INC.**, a corporation incorporated under the laws of British Columbia and the general partner of Royalties LP ("**Royalties GP**"), **NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.**, a corporation incorporated pursuant to the laws of Canada ("**Nurse Next Door**"), and **KEN SIM**, an individual residing in British Columbia ("**Ken**").

WHEREAS the authorized capital of Royalties GP consists of an unlimited number of Class A Common Shares and an unlimited number of Class B Common Shares, of which 100 Class A Common Shares are issued and outstanding and owned, as to 99 Class A Common Shares, by DIV and, as to 1 Class A Common Share, by Nurse Next Door.

AND WHEREAS Royalties GP is the general partner of Royalties LP.

AND WHEREAS Ken is a co-founder, significant indirect shareholder and director of Nurse Next Door and a primary reason for DIV deciding to the purchase the NND Rights pursuant to the Acquisition Agreement.

AND WHEREAS the parties desire to enter into this Agreement to provide *inter alia* for: (i) certain matters related to the conduct of the business and affairs of Royalties GP; (ii) certain restrictions on the transfer of Royalties LP Securities (as defined below); and (iii) certain other matters as provided for herein.

NOW THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt of which is hereby acknowledged by each of the parties hereto, the parties agree as follows.

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"**Acquisition Agreement**" means the acquisition agreement dated •, 2019 among Nurse Next Door, DIV and Royalties LP with respect to the purchase and sale of the NND Rights, as amended, restated or supplemented from time to time.

"**Affiliate**" means an "affiliate" within the meaning ascribed thereto in the Securities Act.

"**Agreement**" means this Governance Agreement, as the same may be amended, restated or supplemented from time to time.

"**Business Day**" means a day, other than a Saturday, a Sunday or a statutory holiday when banks are not generally open in the city of Vancouver, British Columbia for the transaction of banking business.

"**Buy-Out Notice**" has the meaning ascribed thereto in Section 9.5(1).

"**Buy-Out Option**" has the meaning ascribed thereto in Section 9.5(1).

"**Change of Control**" has the meaning ascribed thereto in Section 6.1.

"**Class A LP Units**" means the Class A limited partnership units of Royalties LP having the rights, privileges, restrictions and conditions set out in the Royalties LP Partnership Agreement.

"**Class A Preferential Return**" has the meaning ascribed thereto in the Royalties LP Partnership Agreement.

"**Class B LP Units**" means the Class B limited partnership units of Royalties LP having the rights, privileges, restrictions and conditions set out in the Royalties LP Partnership Agreement.

"**Closing**" has the meaning ascribed thereto in Section 9.5(3).

"**Closing Date**" has the meaning ascribed thereto in Section 9.5(3).

"**Common Shares**" means the Class A Common Shares and Class B Common Shares of Royalties GP and any shares into which such shares may be converted, exchanged, subdivided, consolidated or otherwise changed from time to time and any shares of any successor corporation to Royalties GP that such shares may become as a result of any amalgamation.

"**Current Market Price of a DIV Share**" has the meaning ascribed thereto in the Exchange Agreement.

"**DIV Enterprise Value**", as of any date, means the sum of (i) DIV's market capitalization as of such date (calculated with reference to the Current Market Price of a DIV Share as of such date) *plus* (ii) DIV's net debt (being the principal amount of DIV's debt outstanding at face value less cash and cash equivalents) as of such date calculated on a consolidated basis, subject to such adjustments as are, at such date, considered customary by investment bankers given then current accounting.

"**DIV Offer**" has the meaning ascribed thereto in Section 6.5(2).

"**DIV Pro Forma EBITDA**", as of any date, means DIV's EBITDA for the four most recently completed calendar quarters determined on a consolidated basis, adjusted to reflect any acquisition (or divestiture) of assets that are subject to license and royalty agreements during such period and to reflect any incremental adjustments to any royalty pools or royalty rates during such period, with the effect of adding (or deducting) royalty payments as if such assets had been owned (or divested) for the full four quarters.

"**DIV Run-Rate EV / EBITDA Multiple**", as of any date, means (i) the DIV Enterprise Value as of the date which is five Business Days prior to such date *divided* by (ii) DIV Pro Forma EBITDA for the four most recently completed calendar quarters.

"**DIV Share**" means a common share in the capital of DIV.

"**EBITDA**" means earnings before interest, taxes, depreciation and amortization.

"**Exchange Agreement**" means the agreement of even date herewith among Nurse Next Door, DIV, Holdings LP and Royalties LP providing for the exchange of Exchangeable Securities into DIV Shares or cash, as amended, restated or supplemented from time to time.

"**Exchange Date**" has the meaning ascribed thereto in the Exchange Agreement.

"**Exchange Procedure**" means the procedure for exchanging Exchangeable Securities for DIV Shares or cash set out in Schedule "A" to the Exchange Agreement.

"**Exchangeable Securities**" means the Class B LP Units issued and outstanding from time to time.

"**Franchisee**" has the meaning ascribed thereto in the Licence and Royalty Agreement.

"**General Security Agreement**" means the general security agreement dated of even date herewith between Nurse Next Door and Royalties LP, as amended, restated or supplemented from time to time, providing for, *inter alia*, security for the obligations of Nurse Next Door to Royalties LP pursuant to the License and Royalty Agreement.

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

"**IFRS**" means international financial reporting standards issued by the International Accounting Standards Board.

"**Licence and Royalty Agreement**" means the agreement dated of even date herewith between Royalties LP and Nurse Next Door, as amended, restated or supplemented from time to time.

"**Management Agreement**" means the management agreement dated on or about the date of this Agreement between DIV and Nurse Next Door, as amended, restated or supplemented from time to time, with respect to, *inter alia*, the provision of certain management and advisory services to Nurse Next Door by DIV.

"**Management Fee**" has the meaning ascribed thereto in the Management Agreement.

"**NND Business**" means the business of franchising, licensing and operating homecare service providers that use the NND Rights, and all activities related thereto.

"**NND Rights**" has the meaning ascribed thereto in the Acquisition Agreement.

"**Operative Documents**" means this Agreement, the Exchange Agreement, the Royalties LP Partnership Agreement, the Licence and Royalty Agreement, the Management Agreement, the General Security Agreement and the Subsidiary Guarantee Documents.

"**party**" means a party to this Agreement.

"**Person**" means any corporation, body corporate, partnership, joint venture, association, unincorporated organization, trust, union, governmental authority or other entity and any individual or the heirs, executors, administrators or other legal representatives of any individual.

"**Pro Forma Normalized EBITDA**", in respect of any period, means Nurse Next Door's consolidated EBITDA for such period, as adjusted by the following without duplication:

(1) deducting any licence fees, franchise fees, buy-out fees or other amounts paid or payable pursuant to the St. Joseph Master Licence Agreement;

(2) deducting any interest income earned during such period;

(3) adding back any Management Fees paid by Nurse Next Door to DIV in respect of such period;

(4) adding back any Royalties paid by Nurse Next Door to Royalties LP in respect of such period;

(5) deducting any distributions paid or declared on account of Exchangeable Securities in respect of such period;

(6) deducting any compensation paid to senior management of Nurse Next Door and its subsidiaries in respect of such period that has been capitalized; and

(7) such other adjustments as DIV and Nurse Next Door, acting reasonably, may agree in writing.

"**Pro Forma Release Condition**", at any time, means that A is less than or equal to B where:

(1) A equals the sum of (i) the pro forma aggregate annual distributions payable on the Class A LP Units issued and outstanding at such time over the next 12 months, and (ii) the aggregate Management Fee payable by Nurse Next Door to DIV over the next 12 months; and

(2) B equals 70% of Nurse Next Door's Pro Forma Normalized EBITDA for the most recently completed fiscal year of Nurse Next Door.

"**Proposed Change of Control Transaction**" has the meaning ascribed thereto in Section 6.5(1).

"**Qualified IPO**" means the first public offering or initial listing of Nurse Next Door's common shares that results in (i) the listing and quotation of Nurse Next Door's common shares on a "designated stock exchange" within the meaning of subsection 248(1) of the Tax Act and (ii) Nurse Next Door having a public float of at least $25 million (including any going public transaction, such as a reverse takeover, with a similar economic effect).

"**Related Party**" means any Person which is any one or more of the following:

(1) Ken;

(2) an Affiliate of Nurse Next Door or Ken; and

(3) a Person which is not at arm's length (within the meaning of the Income Tax Act (Canada)) to Nurse Next Door or Ken.

"**Repurchase Amount**", as of any date, means the amount equal to the greater of:

(1) 105% of the DIV Run-Rate EV/EBITDA Multiple as of such date multiplied by the sum of (A) the aggregate Class A Preferential Return payable on Class A LP Units in respect of the calendar month immediately preceding the Closing Date multiplied by 12 and (B) the monthly Management Fee payable by Nurse Next Door to DIV in respect of the calendar month immediately preceding the Closing Date multiplied by 12; and

(2) 10.9 multiplied by the sum of (A) the aggregate Class A Preferential Return payable on Class A LP Units in respect of the calendar month immediately preceding the Closing Date multiplied by 12 and (B) the monthly Management Fee payable by Nurse Next Door to DIV in respect of the calendar month immediately preceding the Closing Date multiplied by 12.

"**ROFO Notice**" has the meaning ascribed thereto in Section 6.5(1).

"**Royalties LP Partnership Agreement**" means the amended and restated agreement of limited partnership dated on or about the date hereof governing Royalties LP among Nurse Next Door, Holdings LP and Royalties GP, as amended, restated or supplemented from time to time.

"**Royalties LP Securities**" means any units in Royalties LP issued in accordance with the Royalties LP Partnership Agreement.

"**Royalty**" means the royalty payable by Nurse Next Door to Royalties LP pursuant to the Licence and Royalty Agreement.

"**Securities Act**" means the *Securities Act* (British Columbia) and the rules, regulations and policies made thereunder.

"**Security Interest**" means any security interest, mortgage, deed of trust, pledge, hypothecation, assignment, charge or deposit arrangement, encumbrance, lien (statutory or other) or preferential arrangement of any kind or nature whatsoever in respect of any property (including those created by, arising under or evidenced by any conditional sale or other title retention agreement, the interest of a lessor or analogous party under a capital lease or similar transaction, any financing lease having substantially the same economic effect as any of the foregoing, or the filing of any financing statement naming the owner or conditional purchaser of assets to which a lien relates as debtor, under the *Personal Property Security Act* (British Columbia) or any comparable law, but not including the interest of a lessor under an operating lease.

"**Seller**" has the meaning ascribed thereto in Section 6.5(1).

"**St. Joseph**" means St. Joseph Health Personal Care Services, LLC.

"**St. Joseph Master Licence Agreement**" means the Master License Agreement dated September 7, 2018 between Nurse Next Door Home Healthcare Services (USA) Inc. and St. Joseph, as amended, restated or supplemented from time to time.

"**Subject Property**" has the meaning ascribed thereto in Section 6.5(2).

"**Subsidiary**" means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and shall include any body corporate, partnership, joint venture or other entity over which it exercises direction or control or which is in a like relation to a subsidiary.

"**Subsidiary Guarantee Documents**" means, in respect of each Subsidiary of Nurse Next Door, (i) a guarantee in favour of Royalties LP, pursuant to which such Subsidiary will guarantee the obligations of Nurse Next Door under the Licence and Royalty Agreement and (ii) a general security agreement between such Subsidiary and Royalties LP providing for, *inter alia*, security for the obligations of such Subsidiary pursuant to such guarantee, in each case as amended, restated or supplemented from time to time.

"**Successor**" has the meaning ascribed thereto in Section 7.1(a).

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder.

"**Tender Offer**" has the meaning ascribed thereto in Section 5.4.

"**Transaction**" has the meaning ascribed thereto in Section 5.4.

"**Transfer**", in respect of any property, means any sale, exchange, transfer, assignment, gift, pledge, encumbrance, hypothecation, alienation or other transaction, whether voluntary, involuntary or by operation of law, by which the registered or beneficial ownership of such property, or any interest in such property, passes from one Person to another, whether or not for value (other than, in any such case, as a result of the transmission of securities from a deceased or incompetent Person to a legal representative of such Person for so long as such property continues to be held by such legal representative).

1.2 Currency

All dollar amounts herein are in Canadian dollars, unless otherwise stated.

1.3 Including

The words “include”, “includes” and “including” shall be deemed to be followed by the words “without limitation”.

1.4 Exchangeable Securities

Any reference in this Agreement to the number of DIV Shares which would, at any time, be issuable upon the exchange of Exchangeable Securities for DIV Shares is a reference to the number of DIV Shares that would, at such time, be issuable by DIV to Nurse Next Door if the then-issued and outstanding Exchangeable Securities were exchanged for DIV Shares pursuant to the Exchange Procedure (subject to the limitations set forth in Section 2.1(1) of the Exchange Agreement).

1.5 Interpretation Not Affected by Headings, etc.

The division of this Agreement into Articles, Sections and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof. Unless otherwise indicated, all references to an “Article” or “Section” followed by a number and/or a letter refer to the specified Article or Section of this Agreement. The terms “this Agreement”, “hereof”, “herein” and “hereunder” and similar expressions refer to this Agreement (including the Schedules hereto) and not to any particular Article, Section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto.

1.6 Number, etc.

Unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing any gender shall include all genders.

1.7 Statutory References

Except as otherwise expressly provided in this Agreement, any references to a statute or regulation shall be construed as a reference to such statute or regulation as it may be amended, re-enacted or superseded from time to time.

1.8 Date for Any Action

In the event that any date on which any action is required to be taken hereunder by any of the parties hereto is not a Business Day, such action shall be required to be taken on the next succeeding day that is a Business Day.

ARTICLE 2
GOVERNANCE MATTERS – ROYALTIES GP

2.1 Scope and Purpose

The purpose of this Article 2 is to regulate the rights and obligations of the shareholders of Royalties GP, as such, among themselves and between themselves and the other parties hereto.

2.2 Covenants of DIV and Nurse Next Door

DIV and Nurse Next Door covenant and agree:

(a) (i) to vote or cause to be voted all Common Shares held by each of them respectively, or provide consent where necessary, to accomplish, give effect to and fully implement the terms and conditions of this Agreement; and (ii) not to vote or cause to be voted any Common Shares held by each of them respectively, or refuse consent where such consent is necessary, or exercise rights hereunder or as a shareholder in any manner which would result in a breach by DIV or Nurse Next Door of any of their obligations under this Agreement or any of the Operative Documents;

(b) that, in the event of any conflict between the provisions of this Agreement and the constating documents of Royalties GP, the provisions of this Agreement shall govern, and to vote or cause to be voted all Common Shares registered in their names, or consent where required, so as to cause the constating documents of Royalties GP to be amended to resolve any such conflict in favour of the provisions of this Agreement; and

(c) not to vote or cause to be voted any Common Shares so as to alter in any way the constating documents of Royalties GP (including without limitation an alteration that would change the number of Directors fixed for Royalties GP) in any manner contrary to the terms of this Agreement.

2.3 Acknowledgement

Each of the parties hereto acknowledges that it has actual notice of the terms of this Agreement, consents hereto and covenants and agrees with each other and with the other parties hereto that it will at all times during the term of this Agreement be governed by the terms and provisions hereof in carrying out its affairs and shall give or cause to be given such notices and execute or cause to be executed such documents and do or cause to be done such acts, matters and things as may from time to time be necessary or required to carry out the terms and intent hereof and conduct its affairs so that it is able to comply with and observe the terms and conditions of this Agreement and the other Operative Documents.

2.4 Appointment of Auditors

DIV and Nurse Next Door, in their capacity as shareholders of Royalties GP, will vote their respective Common Shares to appoint as auditors for Royalties GP that firm of independent chartered accountants as are from time to time appointed as auditors of DIV.

2.5 Transfers of Common Shares

Neither Nurse Next Door nor DIV shall Transfer any of its Common Shares without the consent of the other party.

ARTICLE 3
COVENANTS OF NURSE NEXT DOOR

3.1 Carry on Business

Nurse Next Door shall only carry on the NND Business, and shall not, and shall not permit any of its Subsidiaries to, directly or indirectly, in any manner whatsoever including, without limitation, either individually, or in partnership, jointly or in conjunction with any other Person, or as principal, agent or shareholder:

(a) be engaged in any business;

(b) have any financial or other interest (including an interest by way of royalty or other compensation arrangements) in or in respect of any business of any Person; or

(c) advise, lend money to or guarantee the debts or obligations of any Person in respect of any business, unless otherwise agreed by DIV, other than the NND Business without the prior written consent of DIV, such consent not to be unreasonably withheld, conditioned or delayed. Nurse Next Door shall, if requested by DIV, obtain the covenant set out above from any of its Subsidiaries, and shall, if requested by DIV, assign all rights in respect of such covenant to DIV. Notwithstanding the foregoing, nothing in this Section 3.1 shall prevent Nurse Next Door or any of its Subsidiaries from (i) owning not more than 9.9% of the issued shares of a corporation or other corporate entity, the shares or other securities of which are listed on a recognized stock exchange or traded in the over-the-counter market in Canada, which carries on a business which is the same as or substantially similar to or which competes with or would compete with the NND Business, or (ii) providing such financial or other support to Franchisees in the ordinary course of business consistent with past practice.

3.2 Non-Arm's Length Transactions

Nurse Next Door shall not enter into any contract, agreement or transaction whatsoever, including for the sale, purchase, lease or other dealing in any property or the provision of any services with any Related Party except upon fair and reasonable terms, which terms are not less favourable to Nurse Next Door than it would obtain in an arm's length transaction and, if applicable, for consideration which equals the fair market value of such property or at a fair market rental as regards leased property. For the avoidance of doubt, nothing in this Section 3.2 shall prevent Nurse Next Door or any of its Subsidiaries from providing financial or other support to Franchisees in the ordinary course of business consistent with past practice

ARTICLE 4
TAX MATTERS

4.1 Withholding Rights

DIV and Royalties LP shall be entitled to deduct and withhold from any consideration otherwise payable under this Agreement to Nurse Next Door such amounts as DIV or Royalties LP is required or permitted to deduct and withhold with respect to such payment under the Tax Act or any provision of provincial, state, local or foreign tax law, in each case as amended or succeeded or would be permitted to withhold if an equal amount were remitted to the appropriate taxing authority. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes as having been paid to the holder of the securities in respect of which such deduction and withholding was made, provided that such withheld amounts (or equivalent amounts, if applicable) are actually remitted to the appropriate taxing authority. To the extent that the amount so required or permitted or which would be permitted to be deducted or withheld from any payment to a holder exceeds the cash portion of the consideration otherwise payable to Nurse Next Door, DIV and Royalties LP are hereby authorized to sell or otherwise dispose of such portion of the consideration as is necessary to provide sufficient funds to DIV or Royalties LP, as the case may be, to enable it to comply with such deduction or withholding requirement and DIV or Royalties LP shall notify Nurse Next Door thereof and remit to Nurse Next Door any unapplied balance of the net proceeds of such sale.

4.2 Adjustment to Royalty and Class A Preferential Return

If any competent taxing authority makes a determination or there is a change in tax legislation that would reduce or eliminate the deductibility of the Royalty paid by Nurse Next Door to Royalties LP, the parties shall amend the Operative Documents as necessary to adjust the Royalty payable by Nurse Next Door and the Class A Preferential Return as is necessary to ensure that Nurse Next Door is kept whole as to the after-tax cost of such Royalty, using corporate tax rates then applicable to Nurse Next Door, if and to the extent that such adjustment in the Royalty and Class A Preferential Return would not be detrimental to DIV's net after-tax cash flow, taking into account the impact of such determination or change in tax legislation (for example, if the Royalty or Class A Preferential Return was no longer required to be recognized as income as a result of such determination or change in tax legislation).

ARTICLE 5
COVENANTS OF DIV AND ROYALTIES LP

5.1 Reservation of DIV Shares

DIV hereby represents, warrants and covenants in favour of Nurse Next Door that DIV has reserved for issuance and will, at all times while any Exchangeable Securities (other than Exchangeable Securities held by DIV or its Affiliates) are outstanding, keep available, free from pre-emptive and other rights, out of its authorized and unissued DIV Shares such number of DIV Shares (or other securities into which DIV Shares may be reclassified or changed) as are now and may hereafter be required to enable and permit DIV to meet its obligations under this Agreement and under any other security or commitment pursuant to which DIV may now or hereafter be required to issue DIV Shares.

5.2 Notification of Certain Events

In order to assist DIV to comply with its obligations hereunder, Royalties LP will notify DIV and each holder of Exchangeable Securities of each of the following events at the time set forth below:

(a) in the event of any determination by the partners of Royalties LP to institute the liquidation or dissolution of Royalties LP pursuant to the Royalties LP Partnership Agreement or to effect any other distribution of the assets of Royalties LP among its partners for the purpose of winding up its affairs, at least 14 days prior to the proposed effective date of such liquidation, dissolution, winding-up or other distribution; and

(b) promptly, upon the earlier of receipt by Royalties LP or Royalties GP of notice of or Royalties LP or Royalties GP otherwise becoming aware of any threatened or instituted claim, suit, petition or other proceedings with respect to the involuntary liquidation, dissolution or winding-up of Royalties LP or to effect any other distribution of the assets of Royalties LP among its partners for the purpose of winding up its affairs.

5.3 Listing of DIV Shares

DIV will, at its sole cost and expense, in good faith expeditiously take all such actions and do all such things as are reasonably necessary or desirable to cause all DIV Shares (or any other securities into which such DIV Shares may be reclassified or changed as contemplated by Section 2.4 of the Exchange Agreement) to be delivered hereunder or under the Exchange Agreement to be listed, quoted or posted for trading on all stock exchanges and quotation systems on which outstanding DIV Shares (or such other securities) have been listed by DIV and remain listed and are quoted or posted for trading at such time.

5.4 Tender Offers

If a tender offer, share exchange offer, issuer bid, take-over bid or similar transaction with respect to DIV Shares (a "**Tender Offer**"), or an amalgamation, plan of arrangement or other business combination or reorganization involving all or substantially all of Royalties LP Securities, or all or substantially all of the DIV Shares or assets of DIV (any such transaction, or any Tender Offer, a "**Transaction**") is proposed by DIV or is proposed to DIV or its shareholders, DIV will use its reasonable efforts expeditiously and in good faith to take all such actions and do all such things as are reasonably necessary or desirable to enable and permit the holders of Exchangeable Securities that are, at such time, exchangeable for DIV Shares to participate in such Transaction to the same extent and on an economically equivalent basis as the holders of DIV Shares, without discrimination. Without limiting the generality of the foregoing, DIV will expeditiously and in good faith take all such actions and do all such things as are reasonably necessary or desirable to ensure that holders of such Exchangeable Securities may participate in each such Transaction without being required to effect the Exchange Procedure (or, if so required, to ensure that any such Exchange Procedure, shall be effective only upon, and shall be conditional upon, the closing of such Transaction and only to the extent necessary to tender or deposit to the Transaction).

5.5 Ordinary Market Purchases

For certainty, nothing contained in this Agreement shall limit the ability of DIV (or any of its Subsidiaries including, without limitation, Holdings LP, Holdings GP, Royalties LP or Royalties GP) or Nurse Next Door or any of their respective Affiliates to make ordinary market purchases of DIV Shares in accordance with applicable laws and regulatory or stock exchange requirements.

5.6 Holdings LP Permitted Indebtedness

(a) Royalties LP shall not (i) incur any Indebtedness (as such term is defined in the General Security Agreement) or (ii) guarantee the indebtedness of any third party other than or in excess of Holdings LP Permitted Indebtedness (as such term is defined in the Licence and Royalty Agreement), in each case without the prior written approval of Nurse Next Door.

(b) Holdings LP shall not make any distributions or return any capital to its partners if and to the extent that, at the time of such distribution or return of capital, any Holdings LP Permitted Indebtedness is in default.

ARTICLE 6
RESTRICTIONS OF TRANSFERS

6.1 Definition of Change of Control

For the purposes of this Article 6 "Change of Control" means:

(a) the direct or indirect acquisition by any Person or Persons (other than one or more Related Parties), acting jointly or in concert, of beneficial ownership ("acting jointly or in concert" and "beneficial ownership" within the meaning of National Instrument 62-104 (Take-over Bids and Issuer Bids) as of January 1, 2019) of fifty percent (50%) or more of the combined voting power of Nurse Next Door's then outstanding voting shares; or

(b) the approval by the shareholders of Nurse Next Door of (i) an amalgamation involving Nurse Next Door or (ii) a complete liquidation or dissolution of Nurse Next Door or the sale or other disposition of all or substantially all of the assets of Nurse Next Door, if immediately after the completion of a transaction referred to in (i) or (ii) the Related Parties do not own, directly or indirectly, more than fifty percent (50%) of the combined voting power of the then outstanding voting securities of the entity resulting from such amalgamation or the Person that then owns the assets and undertaking previously owned by Nurse Next Door, as the case may be.

Notwithstanding the foregoing, a Change of Control shall not be deemed to occur solely because fifty percent (50%) or more of the combined voting power of Nurse Next Door's then outstanding voting securities are acquired by: (i) a Related Party; (ii) a trustee or other fiduciary holding securities for the benefit of a Related Party or the estate of a deceased Related Party or the transmission by the estate of a deceased Related Party to the beneficiaries of such estate; or (iii) any corporation which, immediately prior to such acquisition, is owned directly or indirectly by the Related Parties in the same proportion as their ownership of the shares of Nurse Next Door immediately prior to such acquisition, provided that such acquiree becomes a party to this Agreement as a Related Party as contemplated by Section 6.3.

6.2 Restrictions on Issuance and Transfer of Securities

Except as permitted or required by this Agreement, the Royalties LP Partnership Agreement or the Exchange Agreement, without prior written consent of DIV and Nurse Next Door first being obtained:

(a) Royalties LP will not issue any Royalties LP Securities;

(b) neither Nurse Next Door nor the Related Parties will enter into any agreement which, if completed, would result in a Change of Control of Nurse Next Door;

(c) Royalties GP will not issue any shares of any class of Royalties GP;

(d) Nurse Next Door will not Transfer any of its Royalties LP Securities except:

(i) to DIV or Royalties LP in accordance with the Operating Documents;

(ii) in the event of a Tender Offer, amalgamation, plan of arrangement or other business combination or reorganization involving all or substantially all of Royalties LP Securities or all or substantially all of Royalties LP's assets, or all or substantially all of the DIV Shares or DIV's assets, in which event Nurse Next Door will have the right (but not the obligation) to Transfer any of its Royalties LP Securities, in accordance with such Tender Offer, amalgamation, plan of arrangement or business combination or reorganization;

(iii) by the creation of a Security Interest, as security for bona fide indebtedness for or in respect of borrowed money of Nurse Next Door or a Subsidiary of Nurse Next Door, to a bank or other financial institution, provided that no grant of a Security Interest shall be made pursuant to this subsection until the holder of such Security Interest enters into an agreement with DIV and Royalties LP agreeing to be bound by and observe, and to bind any Person who may acquire any Exchangeable Securities in a realization proceeding to become a party to and to observe, the terms and provisions of this Agreement and that, upon any realization upon the Exchangeable Securities, the Exchangeable Securities will be exchanged pursuant to the Exchange Procedure; or

(iv) to a Related Party pursuant to Section 6.3; and

(e) Holdings LP will not Transfer any of Royalties LP Securities held by Holdings LP except by the creation of a Security Interest, as security for bona fide indebtedness for or in respect of borrowed money of DIV or Holdings LP to a bank or other financial institution, provided that the holder of such Security Interest agrees in writing prior to any realization of such Security Interest to be bound by and observe, and to bind any Person who may acquire any interest in all or any of Royalties LP Securities held by DIV in a realization proceeding to become a party to and to observe, the terms and provisions of the Operative Documents to which DIV is a party.

6.3 Transfers to a Related Party

Notwithstanding the provisions of Section 6.2, but subject to Section 6.4, Nurse Next Door may at any time Transfer any of its Royalties LP Securities to a Related Party, provided that in the case of such Transfer to a Related Party that is not party to this Agreement (whether as an original signatory hereof or pursuant to an agreement entered into pursuant to this proviso), at or prior to the time of such Transfer:

(a) such Related Party enters into an agreement in writing with the other parties herein in form satisfactory to them, acting reasonably, whereby such Related Party will be party to this Agreement and bound by Nurse Next Door's obligations under this Agreement, the Exchange Agreement and the Royalties LP Partnership Agreement, and Nurse Next Door and such Related Party will continue to comply with Section 6.2; and

(b) the other parties hereto receive evidence satisfactory to them, acting reasonably, confirming that the transferee is a Related Party, and that the agreement referred to in subsection 6.3(a) is a legal, valid and binding obligation of such Related Party.

6.4 Signatories Jointly and Severally Liable

Nurse Next Door will at all times be and remain jointly and severally liable with each Related Party referred to in Section 6.3 who is party to this Agreement (whether as an original signatory hereof or pursuant to an agreement entered into pursuant to in Section 6.3 for the observance and performance of the obligations under this Agreement, the Royalties LP Partnership Agreement and the Exchange Agreement), and Nurse Next Door will indemnify the other parties hereto against any loss, liability, damage, cost or expense incurred as a result of any failure by such Related Party to comply with the provisions of this Agreement, the Royalties LP Partnership Agreement or the Exchange Agreement. If Nurse Next Door and one or more Related Parties hold Royalties LP Securities, or two or more Related Parties hold Royalties LP Securities, such holders will take all actions, deliver all notices and give or withhold all approvals to be taken, delivered or given hereunder and under the Royalties LP Partnership Agreement and the Exchange Agreement as a single party.

6.5 DIV's Right of First Offer

(1) If Nurse Next Door or any of the Related Parties ("**Seller**", as the case may be) desires or proposes to enter into an agreement which, if completed, would result in a Change of Control, Seller, before entering into such an agreement (a "**Proposed Change of Control Transaction**"), will give DIV and Royalties LP notice in writing of such desire or proposal (a "**ROFO Notice**") and provide DIV and Royalties LP with the first opportunity to make an offer to purchase all of the shares of Nurse Next Door held directly and indirectly by the Related Parties or all of the assets and undertaking of Nurse Next Door, including for greater certainty the Class B LP Units held by Nurse Next Door.

(2) Within 45 days of receiving a ROFO Notice, DIV and/or Royalties LP may make an offer to Seller (the "**DIV Offer**") to purchase all of the shares of Nurse Next Door held directly and indirectly by the Related Parties or all of the assets and undertaking of Nurse Next Door (such shares or such assets to be purchased are referred to as the "**Subject Property**") and setting forth the purchase price and all of the material terms related to such purchase and sale. Notwithstanding the foregoing, DIV and Royalties LP each acknowledge and agree that they will not make a DIV Offer if completion of the Proposed Change of Control Transaction, as determined by DIV acting in good faith, would not reasonably be expected to have a material adverse impact on Royalties LP.

(3) If neither DIV nor Royalties LP makes a DIV Offer within such 45 day period, Seller shall have 12 months from the expiry of such 45 day period to enter into an agreement with a third party to sell the Subject Property. If DIV and/or Royalties LP makes a DIV Offer and Seller does not accept the DIV Offer or the parties are unable to close the transaction contemplated by the DIV Offer, Seller shall have 12 months from the date of the DIV Offer to enter into an agreement with a third party to sell the Subject Property, provided the terms of such agreement are no more favourable to the third party than the terms set out in the DIV Offer. If Seller does not enter into such an agreement within 12 months from the date of the DIV Offer, Seller shall not enter into an agreement which, if completed, would result in a Change of Control or the sale of the Subject Property unless all of the requirements of this Section 6.5 are again complied with, and Seller will continue to be bound by the provisions of this Section 6.5.

(4) If Seller has complied with its obligations under this Section 6.5, then Royalties LP and DIV, acting in good faith, will, upon the request of Seller, confirm to Seller or to such other Person or Persons as may be designated by Seller, that Seller has complied with the provisions of this Section 6.5 and that DIV and Royalties LP have no rights with respect to the sale of the Subject Property.

(5) Notwithstanding the above, the terms of this Section 6.5 shall not apply to a Qualified IPO, the exercise of the Buy-Out Option or any transactions related to the direct or indirect repurchase or purchase of any shares of Nurse Next Door by Nurse Next Door, Ken or any of their respective Affiliates.

ARTICLE 7
DIV SUCCESSORS

7.1 Certain Requirements in Respect of Combination, etc.

As long as any outstanding Royalties LP Securities are owned by any Person other than DIV, Holdings LP, Royalties GP or any of their Affiliates, DIV shall not consummate any transaction (whether by way of reconstruction, reorganization, consolidation, arrangement, merger, transfer, sale, lease or otherwise) whereby all or substantially all of its undertaking, property and assets would become the property of any other Person or, in the case of a merger, of the continuing entity resulting therefrom, unless:

(a) such other Person or continuing corporation (the "**Successor**") by operation of law, becomes, without more, bound by the terms and provisions of this Agreement or, if not so bound, executes, prior to or contemporaneously with the consummation of such transaction, an agreement supplemental hereto and such other instruments (if any) as are reasonably necessary or advisable to evidence the assumption by the Successor of liability for all moneys payable and property deliverable hereunder and the covenant of such Successor to pay and deliver or cause to be delivered the same and its agreement to observe and perform all the covenants and obligations of DIV under this Agreement; and

(b) such transaction shall be upon such terms and conditions as substantially to preserve and not to impair in any material respect any of the rights, duties, powers and authorities of the other parties hereunder or the holders of the Exchangeable Securities.

7.2 Vesting of Powers in Successor

Whenever the conditions of Section 7.1 have been duly observed and performed, the parties, if required by Section 7.1, shall execute and deliver the supplemental agreement provided for in Section 7.1(a) and thereupon the Successor shall possess and from time to time may exercise each and every right and power of DIV under this Agreement in the name of DIV or otherwise and any act or proceeding by any provision of this Agreement required to be done or performed by the board of directors of DIV may be done and performed with like force and effect by the board of directors of such Successor.

ARTICLE 8
REPRESENTATIONS AND WARRANTIES

8.1 General Representation and Warranties

Each party to this Agreement represents and warrants as follows and acknowledges that each other party is relying upon such representations and warranties in connection with the transactions contemplated hereby and by the other Operative Documents:

(a) if applicable, it is validly subsisting under the laws of its jurisdiction of incorporation or formation and is duly registered to carry on business in each jurisdiction where the failure to be so registered could reasonably be expected to have a material adverse effect on its business, properties or condition (financial or otherwise) or its ability to consummate the transactions contemplated hereby;

(b) it has all requisite power and authority to conduct its business as is presently being conducted and to execute, deliver and perform this Agreement and the other Operative Documents to which it is or is to be a party;

(c) the execution, delivery and performance by it of this Agreement have been duly authorized by all necessary corporate or other action and do not require the consent or approval of any other Person;

(d) this Agreement has been duly executed and delivered by it and constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms, except as such enforceability may be affected by bankruptcy, insolvency, arrangement, moratorium or other laws affecting the enforcement of creditors' rights generally and the availability of equitable remedies may be limited by equitable principles of general applicability;

(e) the execution and delivery by it of this Agreement and the performance by it of its obligations hereunder do not require any authorization under any applicable law and are not inconsistent with and do not contravene any provision of or constitute a default under (i) its constating documents or by-laws, as applicable; (ii) any judgment, injunction, decree or order applicable to it or any of its properties; (iii) any applicable law or authorization applicable to it or any of its properties; or (iv) any indenture, mortgage, contract or other instrument to which it is a party or by which it or its property may be bound or affected; except (in each case) such authorizations as are required pursuant to applicable laws regarding the issuance of securities;

(f) neither the execution and delivery by it of this Agreement nor the performance by it of its obligations hereunder will subject any of its property or assets to any Security Interest;

(g) it is a resident of Canada for the purposes of the Tax Act and is not a non-Canadian for the purposes of the *Investment Canada Act*; and

(h) there is no action, suit, investigation or proceeding pending (or, to its knowledge, threatened) against it before any Governmental Authority which, individually or in the aggregate, if determined adversely to its interests, could reasonably be expected to adversely affect the consummation of the transactions contemplated hereby or by the Operative Documents to which it is a party or the performance by it of its obligations hereunder or thereunder, nor is it in default with respect to any order of any Governmental Authority which default could reasonably be expected to adversely affect the consummation of the transactions contemplated hereby or by the Operative Documents to which it is a party or the performance by it of its obligations hereunder or thereunder.

8.2 Survival

The representations and warranties of the parties contained in this Agreement or any document or certificate given pursuant hereto shall continue in full force and effect for a period of twelve months. No action may be brought for any misrepresentation contained herein after twelve months from the date of this Agreement.

ARTICLE 9
ADDITIONAL PROVISIONS

9.1 DIV Observer Rights

DIV shall be entitled to appoint a nominee (the "**Observer**") to act as an observer to the board of directors of Nurse Next Door and to receive notice of and attend meetings of the board of directors of Nurse Next Door, subject to execution and delivery of customary confidentiality agreements and the right of the directors of Nurse Next Door to exercise their fiduciary duties and to exclude the Observer where the subject matter of such board of directors' meeting is a matter in which DIV has a material interest in conflict with Nurse Next Door. The Observer shall be entitled to receive copies of all materials or other information provided to members of the board of directors of Nurse Next Door, in their capacity as such, other than materials or other information which relates to a matter in which DIV has a material interest in conflict with Nurse Next Door. The initial Observer appointed by DIV shall be Sean Morrison. Thereafter, each individual selected by DIV to act as the Observer, other than Sean Morrison and Greg Gutmanis, shall be subject to Nurse Next Door's approval, which shall not be unreasonably withheld or delayed.

9.2 Information

Each of Royalties LP and Nurse Next Door acknowledge that DIV is a reporting issuer under applicable laws regarding securities and in that regard has continuous and other disclosure obligations. Each of Royalties LP and Nurse Next Door shall provide to DIV on a timely basis all information required by DIV to comply with its disclosure obligations under applicable securities laws, as determined by DIV acting reasonably, including, without limitation, information related to Nurse Next Door's business and its operations, results of operations and condition (financial or otherwise) and events which may reasonably be expected to have a significant effect on the value or price of the DIV Shares so as to enable DIV to comply with such obligations, including, without limitation all financial statements, management discussion and analysis, material change reports and such other information and documentation, in each case, as may be reasonably requested by DIV or any Governmental Authority (including any securities regulatory authority). DIV acknowledges and agrees that it will use commercially reasonable efforts to disclose such information only if and to the extent required by applicable securities laws.

Nurse Next Door will, if and to the extent required by applicable securities laws, (i) file "insider trading reports" and (ii) obtain undertakings from its directors and senior officers to file "insider trading reports" in respect of trades in DIV Shares.

In addition to the foregoing, Nurse Next Door will reasonably cooperate in any future debt or equity financing contemplated by DIV, including by: (i) providing to DIV, its underwriters, legal counsel, bankers and advisors all information regarding Nurse Next Door, its affiliates, and the NND Business reasonably requested by such parties in connection with such financing or otherwise required by applicable laws to complete such financing, (ii) using commercially reasonable efforts to cause its management, auditors and other advisors to participate in due diligence sessions for such financings upon the reasonable request of DIV, its underwriters or lenders, and (iii) providing, or using commercially reasonable efforts to cause its auditors or other advisors to provide, as applicable, any and all such certificates, opinions and other documents as may be reasonably requested by DIV and/or its underwriters and lenders in connection with such financings. DIV will promptly reimburse Nurse Next Door for all reasonable third party expenses incurred by Nurse Next Door in connection with the foregoing.

9.3 Further Assurances

Each party shall (i) do and execute all such things and documents as may be necessary or advisable in connection with the implementation of the transactions contemplated by this Agreement and the other Operative Documents; (ii) use reasonable efforts to take all such actions as may be necessary or desirable in order to obtain any authorizations which may be required in connection with the consummation of the transactions contemplated by this Agreement and the other Operative Documents; and (iii) with reasonable promptness notify each of the other parties hereto and their counsel of the occurrence of any fact or event which may reasonably be expected to hinder or prevent the consummation of the transactions contemplated hereby and by the other Operative Documents, provided that nothing contained in this Section 9.3 shall obligate a party to do or execute any such thing or document which would require it to assume any greater obligations or forego any benefit to which it may be entitled under the Operative Documents.

9.4 Compliance

Each holder of Royalties LP Securities who is an insider of DIV pursuant to applicable securities laws covenants and agrees to file insider trading reports with respect to the ownership of and trading in securities of DIV and Royalties LP.

9.5 Buy-Out Option

(1) Subject to Section 9.5(7)(7), at any time after the seventh anniversary of the date of this Agreement, Nurse Next Door shall have the option (the "**Buy-Out Option**) to either:

(a) purchase the NND Rights from Royalties LP for an aggregate purchase price equal to the sum of: (i) the Repurchase Amount plus (ii) an amount equal to the value of the Class B LP Units as determined by Royalties LP and Nurse Next Door; or

(b) purchase all of DIV’s and Holdings LP’s interests in Royalties LP and Royalties GP for an aggregate cash payment equal to the Repurchase Amount.

Nurse Next Door may exercise the Buy-Out Option by delivering written notice (the “**Buy-Out Notice**”) to DIV and Royalties LP advising DIV and Royalties LP that it is exercising the Buy-Out Option and setting forth which option set forth above Nurse Next Door is exercising.

(2) The exercise of the Buy-Out Option as provided in Section 9.5(1) will constitute a binding contract of sale and purchase between Nurse Next Door, on the one hand, and Royalties LP or DIV and Holdings LP, on the other hand, in respect of the assets or interests to be purchased, free and clear of all encumbrances, at the price and on the terms and conditions set forth in this Section 9.5.

(3) The purchase and sale effected as a result of the exercise of the Buy-Out Option (in Section 9.5, a "**Closing**") will occur on the date (in this Section 9.5, the "**Closing Date**") that is (i) three (3) months after the date of delivery of the Buy-Out Notice or (ii) such earlier or later day as may be agreed between Nurse Next Door and DIV. If Nurse Next Door elects to acquire the NND Rights pursuant to the exercise of the Buy-Out Option, Nurse Next Door and Royalties LP shall, at the election of Nurse Next Door, jointly elect for the transfer occur on a partially tax-deferred basis at an elected-amount determined by Nurse Next Door.

(4) If Nurse Next Door exercises its Buy-Out Option pursuant to Section 9.5(1)(a), Nurse Next Door shall pay the aggregate purchase price payable in respect of the NND Rights as follows on the Closing Date:

(a) an amount equal to the Repurchase Amount shall be paid to Royalties LP in immediately available funds on the Closing Date; and

(b) the balance shall be satisfied on the Closing Date by (i) the surrender of the Class B LP Units held by Nurse Next Door to Royalties LP, or (ii) the transfer of shares of Nurse Next Door or such other securities or property having a value equal to the Class B LP Units outstanding on the Closing Date.

(5) If Nurse Next Door exercises its Buy-Out Option pursuant to Section 9.5(1)(b), Nurse Next Door shall pay the aggregate purchase price payable in respect of DIV’s and Holdings LP’s interests in Royalties LP and Royalties GP in immediately available funds on the Closing Date.

(6) Following a purchase of the NND Rights by Nurse Next Door pursuant to Section 9.5(1)(a): (a) the Royalties LP Partnership Agreement shall be amended to allow for the allocation of taxable income as contemplated in (d) below; (b) Royalties LP will redeem any of the interests in Royalties LP held by Holdings LP for an aggregate amount equal to the Repurchase Amount; (c) DIV shall transfer any of its interests in Royalties GP to Nurse Next Door or as Nurse Next Door may direct for nominal consideration; and (d) notwithstanding the usual monthly income allocations from Royalties LP to Holdings LP and Nurse Next Door, until Royalties LP redeems all of its units held by Holdings LP, any taxable capital gain and recaptured depreciation arising from the purchase of the NND Rights, not exceeding the amount of such taxable capital gain and recaptured depreciation that would arise on a disposition by Royalties LP of the NND Rights for proceeds of disposition equal to the Repurchase Amount, will be allocated from Royalties LP to Holdings LP.

(7) Notwithstanding Section 9.5(1), if the DIV Shares are not listed on a Stock Exchange on any given Exchange Date and DIV is unable to pay cash for any Exchangeable Securities exchanged by Nurse Next Door in accordance with the Exchange Agreement within 90 days of such Exchange Date, Nurse Next Door may exercise the Buy-Out Option at any time within three (3) months following the end of such 90 day period even if the Buy-Out Notice is delivered prior to the seventh anniversary of the date of this Agreement.

9.6 Banking

The parties agree to act in good faith to ensure that Nurse Next Door and Holdings LP have the flexibility to change lenders after the date hereof. Further, the parties agree to act in good faith and to use commercially reasonable efforts to cause any lender to DIV or Holdings LP having security over the NND Rights and/or the Royalty to enter into a priority agreement with Nurse Next Door and Nurse Next Door's lender that so long as all amounts payable in respect of the Class A Preferential Return have been paid by Royalties LP: (a) Royalties LP may continue to declare and pay distributions on Class B LP Units; (b) it has no interest in any cash held by Royalties LP which represents unpaid but declared distributions on Class B LP Units; and (c) that to the extent it receives any such cash (whether by security enforcement or otherwise), it will pay such cash over to Nurse Next Door in accordance with its rights as the holder of the Class B LP Units.

9.7 St. Joseph's Hospital

If (i) St. Joseph exercises its right to buy-out its obligations under the St. Joseph Master License Agreement pursuant to Section 15 of the St. Joseph's Master License Agreement and (ii) as a result of such buy-out, Nurse Next Door would not satisfy the Pro Forma Release Condition at such time, then, until such time as Nurse Next Door is able to satisfy the Pro Forma Release Condition determined at the end of each month following the date of termination of the St. Joseph's Master License Agreement, Nurse Next Door shall retain and hold the one-time buy-out payment paid by St. Joseph to Nurse Next Door or any of its subsidiaries in a segregated bank account.

ARTICLE 10
GENERAL

10.1 Term

This Agreement shall come into force and be effective as of the date hereof and shall terminate and be of no further force and effect at such time as no Royalties LP Securities (or securities or rights convertible into or exchangeable for or carrying rights to acquire Royalties LP Securities) are held by any Person other than DIV, Holdings LP, Royalties GP and any of their Affiliates.

Notwithstanding the termination of this Agreement, Article 3 shall survive and continue in full force and effect until the termination Licence and Royalty Agreement in accordance with its terms and cannot be waived, amended or terminated without the approval of DIV.

10.2 Changes in Capital of DIV and Royalties LP

At all times after the occurrence of any event contemplated pursuant to Section 4.1 of the Exchange Agreement or otherwise, as a result of which either the DIV Shares or the Exchangeable Securities or both are in any way changed, this Agreement shall forthwith be amended and modified as necessary in order that it shall apply with full force and effect, *mutatis mutandis*, to all new securities into which DIV Shares or the Exchangeable Securities or both are so changed and the parties hereto shall execute and deliver an agreement in writing giving effect to and evidencing such necessary amendments and modifications.

10.3 Legend

Certificates representing Royalties LP Securities issued to Nurse Next Door shall bear the following legend:

> "The securities represented by this certificate are subject to the provisions of the Governance Agreement and the Amended and Restated Agreement of Limited Partnership dated •, 2019 which contain restrictions on the sale, transfer or other disposition of the securities represented by this certificate and provisions relating to the management of NND ROYALTIES LIMITED PARTNERSHIP and are entitled to the benefits of the Exchange Agreement dated •, 2019."

10.4 Severability

If any term or other provision of this agreement is invalid, illegal or incapable of being enforced by any rule or law, or public policy, all other conditions and provisions of this agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

10.5 Amendments, Modifications

(1) Subject to Section 10.1, Section 10.2 and Section 10.7, this Agreement may not be amended or modified except by agreement in writing executed by all of the parties hereto.

(2) No amendment or modification or waiver of any of the provisions of this Agreement otherwise permitted hereunder shall be effective unless made in writing and signed by all of the parties hereto.

10.6 Parties to this Agreement

If Nurse Next Door, being permitted to do so, Transfers any Exchangeable Securities, assigns any of its rights and benefits under this Agreement to any Person or Persons or, such Person or Persons shall execute and deliver a counterpart copy of this Agreement in form and substance satisfactory to the other parties hereto agreeing to be bound by the terms and conditions of this Agreement other than a Transfer by the creation of a Security Interest as contemplated in Section 6.2(d)(iii) and any reference in this Agreement to "Nurse Next Door" or to a "holder of Exchangeable Securities" (other than DIV and its Affiliate) in this Agreement shall be deemed to be a reference to such Person or Persons.

10.7 Enurement

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns.

10.8 Notices to Parties

(1) All notices and other communications between the parties to this Agreement shall be in writing and shall be deemed to have been given if delivered personally or by confirmed email to the parties at the following addresses (or at such other address for any such party as shall be specified in like notice):

(a) If to DIV, Holdings LP, Holdings GP, Royalties LP or Royalties GP at:

Diversified Royalty Corp.
902 - 510 Burrard Street
Vancouver, BC V6C 3A8
Attention: Chief Executive Officer
Email: sean@diversifiedroyaltycorp.com

(b) If to Nurse Next Door at:

Nurse Next Door Professional Homecare Services Inc.
#300 – 1788 West 5th Avenue
Vancouver, BC V6J 1P2
Attention: Cathy Thorpe, President and Chief Executive Officer
Email: [Contact information redacted]

(2) Any notice or other communication given personally shall be deemed to have been given and received upon delivery thereof and if given by telecopy shall be deemed to have been given and received on the date of confirmed receipt thereof unless such day is not a Business Day, in which case it shall be deemed to have been given and received upon the immediately following Business Day.

10.9 Counterparts

This Agreement may be executed by the parties in counterparts and may be executed and delivered by facsimile or other similar electronic means and all such counterparts and facsimiles or other electronic copies shall together constitute one and the same agreement.

10.10 Governing Law

This Agreement shall be construed and enforced in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

10.11 Attornment

Each of the parties hereto agrees that any action or proceeding arising out of or relating to this Agreement may be instituted in the courts of British Columbia or British Columbia, waives any objection which it may have now or hereafter to the venue of any such action or proceeding, irrevocably submits to the jurisdiction of the said courts in any such action or proceeding, agrees to be bound by any judgment of the said courts and not to seek, and hereby waives, any review of the merits of any such judgment by the courts of any other jurisdiction.

10.12 Authorship

The parties hereto agree that the terms and language of this Agreement and all agreements contemplated hereby were the result of negotiations between the parties and, as a result, there shall be no presumption that any ambiguity in this Agreement shall be resolved against either party.

10.13 Waiver

The failure of any party to insist on the strict performance of any provision of this Agreement or to exercise any right, power or remedy upon a breach hereof shall not constitute a waiver of the provision or limit the party's rights thereafter to enforce any provision or exercise any right, power or remedy. No waiver of any of the provisions of this Agreement shall be deemed to be or shall constitute a waiver of any other provision, nor shall any such waiver constitute a continuing waiver unless otherwise expressly stated.

10.14 Remedies

Each party acknowledges that its failure to observe or perform its covenants and agreements herein contained will result in damages to another party which could not be adequately compensated for by a monetary award and accordingly each party hereto agrees that in addition to all other remedies available to a party at law or in equity in the event another party fails to observe or perform its covenants herein, a party will be entitled as a matter of right to apply to a court of competent jurisdiction for such relief by way of restraining order, injunction, decree of specific performance or otherwise, as may be appropriate to ensure compliance by each party with this Agreement.

10.15 Time of Essence

Time shall be of the essence in respect of this Agreement.

10.16 Entire Agreement

This Agreement constitutes the entire agreement between the parties relating to the subject matter hereof and supersedes all previous writings and understandings.

[Signature page follows]

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

DIVERSIFIED ROYALTY CORP.

By: ______________________________
Authorized Signing Officer

NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.

By: ______________________________
Authorized Signing Officer

NND HOLDINGS LIMITED PARTNERSHIP, by its general partner **NND HOLDINGS GP INC.**

By: ______________________________
Authorized Signing Officer

NND ROYALTIES LIMITED PARTNERSHIP, by its general partner **NND ROYALTIES GP INC.**

By: ______________________________
Authorized Signing Officer

NND ROYALTIES GP INC.

By: ______________________________
Authorized Signing Officer

____
KEN SIM

EXHIBIT 3
Form of Exchange Agreement

(see attached)

EXCHANGE AGREEMENT

among

NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.

and

NND ROYALTIES LIMITED PARTNERSHIP

and

NND HOLDINGS LIMITED PARTNERSHIP

and

DIVERSIFIED ROYALTY CORP.

●, 2019

EXCHANGE AGREEMENT

THIS AGREEMENT is made as of •, 2019 among **NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.**, a corporation formed pursuant to the laws of Canada ("**Nurse Next Door**"), **NND ROYALTIES LIMITED PARTNERSHIP**, a limited partnership formed pursuant to the laws of British Columbia ("**Royalties LP**"), **NND HOLDINGS LIMITED PARTNERSHIP**, a limited partnership formed pursuant to the laws of British Columbia ("**Holdings LP**"), and **DIVERSIFIED ROYALTY CORP.**, a corporation incorporated under the laws of Canada ("**DIV**").

WHEREAS Nurse Next Door holds Exchangeable Units (as hereafter defined);

AND WHEREAS the parties wish to provide the holders of Exchangeable Units with the right to exchange Exchangeable Units for DIV Shares or cash subject to the terms and conditions set forth herein;

NOW THEREFORE, in consideration of the premises and the covenants and agreements herein contained, the parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement, unless something in the subject matter or context is inconsistent therewith:

"**Agreement**" means this agreement, including the recitals and schedules hereto, as amended, restated or supplemented from time to time.

"**Business Day**" means a day other than a Saturday, a Sunday or a statutory holiday when banks are not generally open in the city of Vancouver, British Columbia for the transaction of banking business.

"**Class A LP Units**" means the Class A limited partner units of Royalties LP having the rights, privileges, restrictions and conditions set out in the Royalties LP Partnership Agreement.

"**Class A Preferential Return**" has the same meaning as set forth in the Royalties LP Partnership Agreement.

"**Class B LP Units**" means the Class B limited partner units of Royalties LP having the rights, privileges, restrictions and conditions set out in the Royalties LP Partnership Agreement.

"**Current Market Price of a DIV Share**" means, as at any date or at the end of any period, the weighted average price per DIV Share at which DIV Shares have traded on a Stock Exchange during the period of 20 consecutive trading days ending on the fifth trading day before such date or the end of such period.

"**Dispute**" has the meaning ascribed thereto in Section 8.1.

"**DIV Shares**" means the common shares in the capital of DIV.

"**EBITDA**" means earnings before interest, taxes, depreciation and amortization.

"**Exchange Amount**", in respect of any Exchangeable Units to be exchanged for DIV Shares or cash on an Exchange Date, means the amount determined by the following formula:

$$\frac{92.5\% \times DP \times (1 - TR)}{AY}$$

where:

(a) DP is the aggregate distributions paid or declared on the Class B LP Units to be exchanged on an Exchange Date in respect of the 12 month period ending on the December 31 immediately preceding such Exchange Date;

(b) AY is the pro forma annual yield paid on a DIV Share determined by dividing (i) 12 times the aggregate amount of dividends paid or declared on a DIV Share in respect of the December immediately preceding such Exchange Date by (ii) the Current Market Price of a DIV Share as of the December 31 immediately preceding such Exchange Date; and

(c) TR is the highest combined federal and British Columbia corporate income tax rate on such Exchange Date, expressed as a decimal and determined by the Independent Accountant;

provided, however, that if the DIV Shares are not then listed on a Stock Exchange, the “Exchange Amount”, in respect of such exchange, means the amount determined by the formula DP x 10.

“**Exchange Date**” means February 1 of each year commencing on February 1, 2021 (or, if any such date is not a Business Day, the next succeeding date that is a Business Day).

“**Exchange Procedure**” means the procedure set out in Schedule “A” for exchanging Exchangeable Units for DIV Shares or cash.

“**Exchangeable Units**” means the Class B LP Units.

“**Fiscal Year**”, in respect of the fiscal year ending on September 30, 2020, means the period commencing on the date hereof and ending on September 30, 2020 and, in respect of each subsequent fiscal year, means the period commencing on October 1 and ending on September 30 of the following year.

“**Governance Agreement**” means the governance agreement dated on or about the date hereof among DIV, Holdings LP, Royalties LP, Nurse Next Door and certain others, as amended, restated or supplemented from time to time.

“**Governmental Authority**” means any (i) multinational, foreign, domestic, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign; (ii) subdivision, agent, commission, board, or authority of any of the foregoing; or (iii) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing.

“**Independent Accountant**” has the meaning ascribed to such term in the Licence and Royalty Agreement.

“**Licence and Royalty Agreement**” means the licence and royalty agreement dated on or about the date hereof between Royalties LP and Nurse Next Door, as amended, restated or supplemented from time to time.

“**Liens**” means any encumbrance or title defect of whatever kind or nature, regardless of form, whether or not registered or registrable and whether or not consensual or arising by law (statutory or otherwise), including any mortgage, lien, charge, pledge or security interest, whether fixed or floating, or any assignment, lease, option, right of pre-emption, privilege, encumbrance, easement, servitude, right of way, restrictive covenant, right of use or any other right or claim of any kind or nature whatever which affects ownership or possession of, or title to, or any interest in or the right to use or occupy such property or assets.

“**Management Agreement**” means the management agreement dated on or about the date hereof between Nurse Next Door and DIV pursuant to which DIV shall provide certain management services to Nurse Next Door, as amended, restated or supplemented from time to time.

"**Management Fee**" has the meaning ascribed thereto in the Management Agreement.

"**Normalized EBITDA**", in connection with any proposed exchange of Exchangeable Units for DIV Shares or cash on an Exchange Date, means Nurse Next Door's consolidated EBITDA for the most recently completed Fiscal Year, as adjusted by the following without duplication:

(a) deducting any interest income earned during such Fiscal Year;

(b) adding back any Management Fees paid by Nurse Next Door to DIV in respect of such Fiscal Year;

(c) adding back any Royalties paid by Nurse Next Door to Royalties LP in respect of such Fiscal Year pursuant to the Licence and Royalty Agreement;

(d) deducting any distributions paid or declared in respect of such Fiscal Year on account of Exchangeable Units;

(e) deducting any compensation paid to senior management of Nurse Next Door and its subsidiaries in respect of such Fiscal Year that has been capitalized; and

(f) such other adjustments as the parties, acting reasonably, may agree in writing.

"**Nurse Next Door Exchange Right**" has the meaning ascribed thereto in Section 2.1(1).

"**Pro Forma Exchange Condition**", in connection with any proposed exchange of Exchangeable Units on an Exchange Date, means that immediately following such proposed exchange that A shall be less than or equal to B where:

(a) A equals the sum of (i) the aggregate cumulative Class A Preferential Return payable on the issued and outstanding Class A LP Units in respect of the 12 month period commencing on such Exchange Date (taking into account any additional Class A LP Units issued or to be issued in connection with such exchange) and (ii) the aggregate Management Fee payable by Nurse Next Door to DIV in respect of the 12 month period commencing on such Exchange Date; and

(b) B equals 70% of Normalized EBITDA for the most recently completed Fiscal Year.

"**Related Party**" has the same meaning as set forth in the Governance Agreement.

"**Royalties LP Partnership Agreement**" means the amended and restated agreement of limited partnership dated on or about the date hereof, governing Royalties LP among Nurse Next Door, Holdings LP and NND Royalties GP Inc., as amended, restated or supplemented from time to time.

"**Royalties LP Unit Certificate**" means a certificate evidencing one or more securities in Royalties LP, issued and certified in accordance with the Royalties LP Partnership Agreement.

"**Stock Exchange**" means any stock exchange recognized by the British Columbia Securities Commission for such purposes and, where the DIV Shares have traded on more than one Stock Exchange during the relevant period, means the Stock Exchange on which the greatest volume of DIV Shares traded during such period.

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder.

"**weighted average price**", for any period, means the amount obtained by dividing the aggregate sale price of all DIV Shares traded on the relevant Stock Exchange during such period by the total number of DIV Shares so traded.

1.2 Headings

The division of this Agreement into Articles and Sections and the insertion of a table of contents and headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. The terms "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles and Sections are to Articles and Sections of this Agreement.

1.3 Extended Meanings

In this Agreement, words importing the singular number only include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and governmental authorities. The term "including" means "including without limitation".

1.4 Currency

All references to currency herein are to lawful money of Canada.

1.5 Statutory References

Except as otherwise expressly provided in this Agreement, any references to a statute or regulation shall be construed as a reference to such statute or regulation as it may be amended, re-enacted or superseded from time to time.

1.6 Date for Any Action

In the event that any date on which any action is required to be taken hereunder by any of the parties hereto is not a Business Day, such action shall be required to be taken on the next succeeding day that is a Business Day.

1.7 Withholding Rights

DIV shall be entitled to deduct and withhold from any consideration otherwise payable under this Agreement to any holder of Exchangeable Units such amounts as DIV is required to deduct and withhold with respect to such payment under the *Income Tax Act* (Canada) or any provision of provincial, state, local or foreign tax law. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes as having been paid to the holder of the securities in respect of which such deduction and withholding was made, provided that such withheld amounts (or equivalent amounts, if applicable) are actually remitted to the appropriate taxing authority. To the extent that the amount so required to be deducted or withheld from any payment to a holder exceeds the cash portion of the consideration otherwise payable to the holder, DIV is hereby authorized to sell or otherwise dispose of such portion of the consideration as is necessary to provide sufficient funds to DIV to enable it to comply with such deduction or withholding requirement and DIV shall notify the holder thereof and remit to such holder any unapplied balance of the net proceeds of such sale.

ARTICLE 2
EXCHANGE RIGHT

2.1 Exchange of Exchangeable Units

(1) Subject to compliance with the provisions hereof, Nurse Next Door shall have the right (the "**Nurse Next Door Exchange Right**") on each Exchange Date to exchange some or all of the Exchangeable Units held by Nurse Next Door at such time for DIV Shares or cash in accordance with the Exchange Procedure; provided that:

(a) the Exchange Amount in respect of the Exchangeable Units proposed to be exchanged on such Exchange Date is equal to or greater than $2,500,000; and

(b) the Pro Forma Exchange Condition with respect to such exchange has been satisfied in accordance with Section 2.1(2).

(2) In order to exercise the Nurse Next Door Exchange Right, Nurse Next Door must deliver to DIV and Royalties LP, on or before December 31st immediately preceding the applicable Exchange Date, a certificate of signed by a senior officer of Nurse Next Door:

(a) setting forth (i) the number of Exchangeable Units that it wishes to exchange for DIV Shares or cash on such Exchange Date and (ii) the Exchange Amount applicable to such Exchangeable Units;

(b) specifying in reasonable detail the basis for Nurse Next Door's determination that the Pro Forma Exchange Condition has been satisfied with respect to the proposed exchange of such Exchangeable Units for DIV Shares or cash on such Exchange Date; and

(c) certifying that the calculations contained therein are correct in all material respects,

together with a report of the Independent Accountant addressed to DIV, Royalties LP and Nurse Next Door to the effect that the Pro Forma Exchange Condition has been satisfied with respect to the proposed exchange of such Exchangeable Units for DIV Shares or cash on such Exchange Date. Upon receipt of such officer's certificate and report, DIV and Royalties LP shall have 15 days to review the books and records of Nurse Next Door to confirm that the Pro Forma Exchange Condition with respect to the proposed exchange of such Exchangeable Units for DIV Shares or cash on such Exchange Date has been satisfied. DIV and Royalties LP will be deemed to have confirmed that the Pro Forma Exchange Condition with respect to the proposed exchange of such Exchangeable Units for DIV Shares or cash on such Exchange Date has been satisfied unless, within 15 days of receiving such certificate and report, DIV or Royalties LP delivers to Nurse Next Door a written notice of dispute specifying the basis on which it has determined that the Pro Forma Exchange Condition has not been satisfied with respect to the proposed exchange of such Exchangeable Units for DIV Shares or cash. Any disputes between the parties with respect to whether the Pro Forma Exchange Condition with respect to the proposed exchange of such Exchangeable Units for DIV Shares or cash has been satisfied shall be resolved pursuant to Sections 8.1 and 8.2.

(3) The purchase price of an Exchangeable Unit exchanged pursuant to the Exchange Procedure and transferred to DIV on an Exchange Date shall be equal to (a) the Exchange Amount attributable to all Exchangeable Units exchanged for DIV Shares or cash on such Exchange Date *divided* by (b) the number of Exchangeable Units exchanged for DIV Shares or cash on such Exchange Date.

(4) Each exchange of Exchangeable Units shall occur in accordance with the Exchange Procedure. Subject to compliance with the provisions hereof, the delivery to Royalties LP, as escrow agent, of the Royalties LP Unit Certificate representing the Exchangeable Units to be exchanged for DIV Shares or cash on the applicable Exchange Date will be deemed to constitute a contract between Nurse Next Door and DIV for the purchase, on such Exchange Date, of that number of Exchangeable Units set forth in the certificate provided to DIV and Royalties LP pursuant to Section 2.1(2) or as otherwise agreed or resolved by the parties.

(5) In the event of any exercise of the Nurse Next Door Exchange Right in respect of any Exchangeable Units, DIV will have the option to issue DIV Shares or pay cash to Nurse Next Door in exchange for the Exchangeable Units to be exchanged on the applicable Exchange Date. No later than five (5) Business Days prior to such Exchange Date, DIV will notify Nurse Next Door in writing if it has elected to issue DIV Shares or pay cash to Nurse Next Door in exchange for the Exchangeable Units to be exchanged on such Exchange Date. If DIV does not make such election by 5:00 p.m. (Vancouver time) on the fifth Business Day prior to an Exchange Date, DIV will be deemed to have elected to issue DIV Shares to Nurse Next Door in exchange for the Exchangeable Units to be exchanged on such Exchange Date. If the DIV Shares are not listed on a Stock Exchange on the applicable Exchange Date, DIV will be deemed to have elected to pay cash to Nurse Next Door in exchange for the Exchangeable Units to be exchanged on such Exchange Date.

(6) The purchase price of an Exchangeable Unit transferred to DIV on an Exchange Date shall be satisfied (a) in the event that DIV elects (or is deemed to have elected) to issue DIV Shares to Nurse Next Door in

exchange for the Exchangeable Units to be exchanged on the applicable Exchange Date, by the delivery to Nurse Next Door of the number of DIV Shares determined in accordance with the Exchange Procedure on the applicable Exchange Date or (b) in the event that DIV elects (or is deemed to have elected) to pay cash to Nurse Next Door in exchange for the Exchangeable Units to be exchanged on the applicable Exchange Date, by the payment of cash in an amount equal to the purchase price of such Exchangeable Units on the applicable Exchange Date.

(7) All DIV Shares delivered to Nurse Next Door pursuant to the Exchange Procedure will be duly authorized and validly issued by DIV as fully paid and non-assessable and will be free and clear of any Liens. Unless Nurse Next Door otherwise instructs Royalties LP and DIV in writing at least three (3) Business Days before the applicable Exchange Date, all DIV Shares issued pursuant to this Agreement will be registered in the name of Nurse Next Door.

(8) An exchange of Exchangeable Units for DIV Shares or cash completed as provided in Section 2.1(6) will be deemed to have been effected immediately prior to the close of business on the Exchange Date and at such time, among other things, (a) Nurse Next Door will have no further rights or obligations in respect of such Exchangeable Units and (b) if applicable, the person in whose name the certificate for the DIV Shares issued in exchange therefor is registered will be and be deemed to have become the holder of record of the DIV Shares represented thereby.

(9) Upon the surrender of any Royalties LP Unit Certificate for Exchangeable Units which are to be exchanged in part only, the holder thereof will be entitled to receive, without expense to such holder, a new Royalties LP Unit Certificate for the unexchanged portion of the Exchangeable Units represented thereby.

(10) For greater certainty, any exchange of Exchangeable Units for DIV Shares pursuant to the Exchange Procedure shall occur on a taxable basis and neither DIV nor Nurse Next Door will file a joint election to defer any income taxes on such exchange.

2.2 Compliance

Subject to compliance with all governmental and regulatory requirements, each of DIV, Royalties LP and Nurse Next Door will execute all documents and take all other actions necessary or desirable to effect the exchanges contemplated pursuant to Section 2.1 hereof.

2.3 Qualification of DIV Shares

DIV covenants that if any DIV Shares to be issued and delivered pursuant to this Agreement require registration or qualification with or approval of or the filing of any document, including any prospectus or similar document, or the taking of any proceeding with or the obtaining of any order, ruling or consent from any governmental or regulatory authority under any Canadian provincial or other law or regulation or pursuant to the rules and regulations of any securities or other regulatory authority or the fulfilment of any other Canadian or provincial legal requirement before such DIV Shares may be issued and delivered by DIV to the initial holder thereof (other than any restrictions of general application on transfers of securities by reason of a holder being a “control person” for purposes of Canadian provincial securities laws or restrictions arising because of any action or thing deemed undertaken by the holder of the exchange right) or in order that such DIV Shares will be listed and posted for trading on any stock exchange or other market on which DIV Shares trade, DIV, in good faith, will expeditiously take all such actions and do all such things as are necessary or desirable to cause all DIV Shares to be delivered hereunder to comply with any such requirements, and thereafter to be and remain listed and posted for trading upon such stock exchange.

2.4 Economic Equivalence

(1) DIV will not, without the prior consent of Nurse Next Door acting reasonably:

(a) issue or distribute DIV Shares (or securities exchangeable for or convertible into or carrying rights to acquire DIV Shares) to the holders of all or substantially all of the then outstanding DIV Shares by way of distribution (other than the issue of DIV Shares to the holders of DIV Shares as a distribution in lieu of a cash distribution);

(b) issue or distribute rights, options or warrants to the holders of all or substantially all of the then outstanding DIV Shares entitling them to subscribe for or to purchase DIV Shares (or securities exchangeable for or convertible into or carrying rights to acquire DIV Shares); or

(c) issue or distribute to the holders of all or substantially all of the then outstanding DIV Shares (i) evidences of indebtedness of DIV or (ii) assets of DIV except in accordance with the redemption provisions of DIV Shares according to their terms (excluding, for greater certainty, ordinary course cash dividends paid to the holders of DIV Shares provided that, as of the applicable record date, the holders of Exchangeable Units have received from Royalties LP all distributions payable to such holders in respect of their Exchangeable Units up to and including such date pursuant to Section 6.2 of the Royalties LP Partnership Agreement),

unless the economic equivalent (as determined by Nurse Next Door and DIV as contemplated in Section 2.4(3)) of such rights, options, securities, evidences of indebtedness or other assets is issued or distributed simultaneously to the holders of Exchangeable Units.

(2) DIV will not, without the prior consent of Nurse Next Door acting reasonably:

(a) subdivide, redivide or change the then outstanding DIV Shares into a greater number of DIV Shares;

(b) reduce, combine, consolidate or change the then outstanding DIV Shares into a lesser number of DIV Shares; or

(c) reclassify, amend the terms of, or otherwise change DIV Shares or effect an amalgamation, merger, reorganization or other transaction affecting DIV Shares,

unless the same or an economically equivalent change (as determined by Nurse Next Door and DIV as contemplated in Section 2.4(3)) is made simultaneously to the rights of the holders of Exchangeable Units.

(3) Nurse Next Door and DIV, each acting reasonably, will jointly determine the economic equivalence for the purposes of any event referred to in Section 2.4(1) or (2) and each such determination will be conclusive and binding on the parties hereto. In making each such determination, Nurse Next Door and DIV will consider, without excluding other factors determined by Nurse Next Door and DIV to be relevant, the following factors:

(a) for the avoidance of doubt, the number of DIV Shares that may be issued at such time in exchange for Exchangeable Units;

(b) in the case of any distribution payable in DIV Shares, the number of such shares issued in proportion to the number of DIV Shares previously outstanding;

(c) in the case of the issuance or distribution of any rights, options or warrants to subscribe for or purchase DIV Shares (or securities exchangeable for or convertible into or carrying rights to acquire DIV Shares), the relationship between the exercise price of each such right, option or warrant and the Current Market Price of a DIV Share;

(d) in the case of the issuance or distribution of any other form of property (including any shares of DIV of any class, any rights, options or warrants other than those referred to in Section 2.4(3)(c), any evidence of indebtedness of DIV or any assets of DIV), the relationship between the fair market value (as determined by Nurse Next Door and DIV, each acting reasonably) of such property to be issued or distributed with respect to each outstanding DIV Share and the Current Market Price of a DIV Share;

(e) in the case of any subdivision, redivision or change of the then outstanding DIV Shares into a greater number of DIV Shares or the reduction, combination, consolidation or change of the then outstanding DIV Shares into a lesser number of DIV Shares or any amalgamation, merger, reorganization or other transaction affecting DIV Shares, the effect thereof upon the then outstanding DIV Shares; and

(f) in all such cases, the general taxation consequences of the relevant event to holders of the Exchangeable Units to the extent that such consequences may differ from taxation consequences to the holders of DIV Shares generally, except for any differing consequences arising as a result of differing marginal taxation rates and without regard to the individual circumstances of holders of Exchangeable Units.

(4) DIV will ensure, in the case of any event referred to in Section 2.4(1) or (2), that the record date or, if no record date is applicable for such event, the effective date for any such event is not less than five (5) Business Days after the date on which such event is declared or announced by DIV (with contemporaneous notification thereof by DIV to Nurse Next Door).

ARTICLE 3
DIV SUCCESSORS

3.1 DIV Successor

(1) Subject to Section 3.1(3), DIV will not consummate any transaction (whether by way of reconstruction, reorganization, consolidation, merger, amalgamation, arrangement, transfer, sale, lease or otherwise) whereby all or substantially all of its undertaking, property and assets would become the property of any other person or, in the case of a merger or amalgamation, of the continuing person resulting therefrom unless:

(a) such other person ("**DIV Successor**"), by operation of law, becomes bound by the terms and provisions of this Agreement or, if not so bound, executes, prior to or contemporaneously with the consummation of such transaction, an agreement supplemental hereto and such other instruments (if any) as are reasonably necessary or advisable to evidence the assumption by DIV Successor of liability for all amounts payable and property deliverable hereunder and the covenant of such DIV Successor to pay and deliver or cause to be delivered the same and its agreement to observe and perform all the covenants and obligations of DIV under this Agreement; and

(b) such transaction is upon such terms and conditions as substantially to preserve and not to impair in any material respect any of the rights, duties, powers and authorities of the other parties hereunder or of the holders of Exchangeable Units.

(2) Whenever the conditions of Section 3.1(1) have been duly observed and performed, Nurse Next Door and, if required by Section 3.1(1), DIV Successor and the other parties hereto will execute and deliver the supplemental agreement provided for herein and thereupon DIV Successor will possess and from time to time may exercise each and every right and power and will be subject to each and every obligation of DIV under this Agreement in the name of DIV or otherwise and any act or proceeding under any provision of this Agreement required to be done or performed by DIV or any officer of DIV may be done and performed with like force and effect by or on behalf of DIV Successor.

(3) Nothing herein will be construed as preventing the merger or similar transaction of any wholly-owned direct or indirect subsidiary of DIV with or into DIV or the winding-up, liquidation or dissolution of any wholly-owned subsidiary of DIV provided that all of the assets of such subsidiary are transferred to DIV or another wholly-owned direct or indirect subsidiary of DIV.

ARTICLE 4
AMENDMENTS AND SUPPLEMENTAL AGREEMENTS

4.1 Changes in Capital of DIV and Royalties LP

At all times after the occurrence of any event the result of which is that either DIV Shares or the Exchangeable Units or both are in any way changed, this Agreement will forthwith be amended and modified as necessary in order that it will apply with full force and effect, with appropriate changes, to all new securities into which DIV Shares or the Exchangeable Units or both are so changed and the parties will execute and deliver a supplemental agreement giving effect to and evidencing such necessary amendments and modifications.

4.2 Execution of Supplemental Agreements

No amendment to or waiver of any of the provisions of this Agreement otherwise permitted hereunder will be effective unless made in writing and signed by all of the parties. From time to time, the parties may, subject to the provisions of these presents, and they will, when so directed by these presents, execute and deliver by their proper officers agreements or other instruments supplemental hereto, which thereafter will form part hereof, for any one or more of the following purposes:

(a) evidencing the succession of DIV Successors and the covenants of and obligations assumed by each such DIV Successor in accordance with the provisions of Article 3;

(b) making any additions to, deletions from or alterations of the provisions of this Agreement to incorporate, reflect or comply with any legislation, rules or policies the provisions of which apply to any of the parties or this Agreement and which, in the opinion of Nurse Next Door, will not be prejudicial to the interests of the holders of Exchangeable Units and which, in the opinion of DIV, will not be prejudicial to DIV; and

(c) for any other purposes not inconsistent with the provisions of this Agreement, including to make or evidence any amendment to this Agreement as contemplated hereby, provided that, in the opinion of Nurse Next Door, the interests of the holders of Exchangeable Units will not be prejudiced thereby and provided further that, in the opinion of DIV, the interests of DIV will not be prejudiced thereby.

ARTICLE 5
COVENANTS OF DIV

5.1 Covenants Regarding Exchangeable Units

So long as Nurse Next Door or any Related Party owns any Exchangeable Units, each of DIV, Holdings LP and Royalties LP will take all such actions and do all such things as shall be necessary or advisable to perform and comply with and to ensure performance and compliance by DIV, Holdings LP and Royalties LP with all provisions of this Agreement applicable to DIV, Holdings LP and Royalties LP, respectively, in accordance with the terms thereof including taking all such actions and doing all such things as shall be necessary or advisable to enforce to the fullest extent possible for the direct benefit of the holders of Exchangeable Units all rights and benefits in favour of the holders of Exchangeable Units under or pursuant hereto.

5.2 Reservation and Issuance of DIV Shares

DIV hereby represents, warrants and covenants in favour of Nurse Next Door that (a) DIV has reserved for issuance and will, at all times while any Exchangeable Units are outstanding, keep available, free from pre-emptive and other rights, out of its authorized and unissued share capital such number of DIV Shares as are now and may hereafter be required to enable and permit DIV to meet its obligations under this Agreement and under any other security or commitment pursuant to which DIV may now or hereafter be required to issue DIV Shares and (b) the DIV

Shares issued pursuant hereto will be duly authorized and validly issued as fully paid and shall be free and clear of any Liens.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES

6.1 General Representation and Warranties

Each party to this Agreement represents and warrants as follows and acknowledges that each other party is relying upon such representations and warranties in connection with the transactions contemplated hereby:

(a) it is validly subsisting under the laws of its jurisdiction of incorporation or formation and has all requisite power and authority to execute, deliver and perform this Agreement;

(b) the execution, delivery and performance by it of this Agreement have been duly authorized by all necessary corporate or other action and do not require the consent or approval of any other person;

(c) this Agreement has been duly executed and delivered by it and constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms, except as such enforceability may be affected by bankruptcy, insolvency, arrangement, moratorium or other laws affecting the enforcement of creditors' rights generally and the availability of equitable remedies may be limited by equitable principles of general applicability;

(d) the execution and delivery by it of this Agreement and the performance by it of its obligations hereunder do not require any authorization under any applicable law and are not inconsistent with and do not contravene any provision of or constitute a default under:

(i) its constating documents or by-laws, as applicable;

(ii) any judgment, injunction, decree or order applicable to it or any of its properties;

(iii) any applicable law or authorization applicable to it or any of its properties; or

(iv) any indenture, mortgage, contract or other instrument to which it is a party or by which it or its property may be bound or affected;

(e) neither the execution and delivery by it of this Agreement nor the performance by it of its obligations hereunder will subject any of its property or assets to any Lien;

(f) it is a resident of Canada for the purposes of the *Income Tax Act* (Canada) and is not a non-Canadian for the purposes of the *Investment Canada Act* (Canada);

(g) in the case of Nurse Next Door, that any Exchangeable Units delivered to Royalties LP pursuant to the Exchange Procedure shall be free and clear of any Liens; and

(h) except as disclosed in writing by Nurse Next Door and DIV prior to the date hereof, there is no action, suit, investigation or proceeding pending (or, to its knowledge, threatened in writing) against it before any Governmental Authority which, individually or in the aggregate, if determined adversely to its interests, could reasonably be expected to adversely affect the consummation of the transactions contemplated hereby or the performance by it of its obligations hereunder, nor it is in default with respect to any order of any Governmental Authority which default could reasonably be expected to adversely affect the consummation of the transactions contemplated hereby to which it is a party or the performance by it of its obligations hereunder or thereunder.

6.2 Survival

The representations and warranties of the parties contained in this Agreement or any document or certificate given pursuant hereto shall survive the Closing and shall continue in full force and effect for a period of 12 months. No action may be brought for any misrepresentation contained herein after 12 months from the Closing.

ARTICLE 7
TERMINATION

7.1 Term

The term of this Agreement will continue until the earliest to occur of the following events:

(a) the Royalties LP Partnership Agreement is terminated;

(b) the Licence and Royalty Agreement is terminated; or

(c) each of the parties hereto elects in writing to terminate this Agreement.

ARTICLE 8
GENERAL

8.1 Efforts to Settle Disputes.

In the event any dispute, claim, question or difference (a "**Dispute**") arises out of or with respect to this Agreement, including its performance, enforcement, interpretation, construction, breach, termination or validity, the parties shall use reasonable commercial efforts to settle the Dispute. To this end, the parties shall consult and negotiate with each other, in good faith, to reach a just and equitable solution to the Dispute satisfactory to each party.

8.2 Arbitration

If the parties do not reach a solution pursuant to Section 8.1 within a period of 15 Business Days following the first notice of the Dispute by any party to the other, then upon written notice by any party to the other, the Dispute shall be finally settled by a single arbitrator in accordance with the provisions of the *Arbitration Act* (British Columbia), subject to the following:

(1) The arbitrator shall be instructed that time is of the essence in the arbitration proceeding and, in any event, the arbitration award must be made within 90 days of the submission of the Dispute to arbitration and within 15 Business Days of the conclusion of any hearing, or, if none, written submissions.

(2) After written notice is given to refer any Dispute to arbitration, the parties will meet within 10 Business Days of delivery of the notice and will negotiate in good faith any changes in these arbitration provisions or the rules of arbitration which are herein adopted, in an effort to expedite the process and otherwise ensure that the process is appropriate given the nature of the Dispute and the values at risk;

(3) The arbitration shall take place in Vancouver, British Columbia and shall be conducted in the English language;

(4) The arbitration award shall be given in writing and shall be final and binding on the parties, and there shall be no appeal therefrom (including on a question of law). The award shall give reasons and shall deal with the question of costs of arbitration and all related matters;

(5) The parties agree that the arbitration shall be kept confidential and that the existence of the proceeding and any element of it (including any pleadings, briefs or other documents submitted or exchanged, any testimony or other oral submissions and any awards) shall not be disclosed beyond the arbitrator, the parties, their counsel and any person necessary to the conduct of the proceeding, except as may lawfully be required in judicial proceedings relating to the arbitration or otherwise; and

(6) Notwithstanding this Section 8.2, any party shall be entitled to go directly to Court, in the event the parties do not reach a solution pursuant to Section 8.1 within a period of 15 Business Days, to seek preliminary injunctive relief during the pendency of the arbitration.

8.3 Assignment

This Agreement cannot be assigned by any of DIV, Holdings LP or Royalties LP without the prior written consent of Nurse Next Door but may be assigned by Nurse Next Door or a Related Party in conjunction with an assignment of Exchangeable Units which is permitted under the terms of the Governance Agreement and the Royalties LP Partnership Agreement.

8.4 Severability

The provisions of this Agreement are severable. In the event of the unenforceability or invalidity of any one or more of the terms, covenants, conditions or provisions of this Agreement under applicable law, such unenforceability or invalidity will not render any of the other terms, covenants, conditions or provisions hereof unenforceable or invalid; and the parties agree that this Agreement will be construed as if such an unenforceable or invalid term, covenant or condition was never contained herein.

8.5 Notices

Any notice, consent or approval required or permitted to be given in connection with this Agreement (referred to in this Section 8.5 as a "**Notice**") shall be in writing and shall be sufficiently given if delivered (whether in person, by courier service or other personal method of delivery), or if transmitted by email:

(a) If to DIV, Holdings LP or Royalties LP at:

c/o Diversified Royalty Corp.
902 – 510 Burrard Street
Vancouver, BC V6C 3A8
Attention: President and Chief Executive Officer
Email: sean@diversifiedroyaltycorp.com

(b) If to Nurse Next Door at:

Nurse Next Door Professional Homecare Services Inc.
#300 – 1788 West 5th Avenue
Vancouver, BC V6J 1P2
Attention: Cathy Thorpe, President and Chief Executive Officer
Email: [Contact information redacted]

Any Notice delivered or transmitted to a party as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if the Notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a Business Day then the Notice shall be deemed to have been given and received on the next Business Day. Any party may, from time to time, change its address by giving Notice to the other parties in accordance with the provisions of this Section 8.5.

8.6 Counterparts

This Agreement may be executed by the parties in counterparts and may be executed and delivered by facsimile or other similar electronic means and all such counterparts and facsimiles or other electronic copies shall together constitute one and the same agreement.

8.7 Governing Law

The provisions of this Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable thereon.

8.8 Attornment

Each of the parties hereto agrees that any action or proceeding arising out of or relating to this Agreement may be instituted in the courts of British Columbia, waives any objection which it may have now or hereafter to the venue of any such action or proceeding, irrevocably submits to the jurisdiction of the said courts in any such action or proceeding, agrees to be bound by any judgment of the said courts and not to seek, and hereby waives, any review of the merits of any such judgment by the courts of any other jurisdiction.

8.9 Authorship

The parties hereto agree that the terms and language of this Agreement and all agreements contemplated hereby were the result of negotiations between the parties and, as a result, there shall be no presumption that any ambiguity in this Agreement shall be resolved against either party.

8.10 Waiver

The failure of any party to insist on the strict performance of any provision of this Agreement or to exercise any right, power or remedy upon a breach hereof shall not constitute a waiver of the provision or limit the party's rights thereafter to enforce any provision or exercise any right, power or remedy. No waiver of any of the provisions of this Agreement shall be deemed to be or shall constitute a waiver of any other provision, nor shall any such waiver constitute a continuing waiver unless otherwise expressly stated.

8.11 Remedies

Each party acknowledges that its failure to observe or perform its covenants and agreements herein contained will result in damages to another party which could not be adequately compensated for by a monetary award and accordingly each party hereto agrees that in addition to all other remedies available to a party at law or in equity in the event another party fails to observe or perform its covenants herein, a party will be entitled as a matter of right to apply to a court of competent jurisdiction for such relief by way of restraining order, injunction, decree of specific performance or otherwise, as may be appropriate to ensure compliance by each party with this Agreement.

8.12 Further Assurances

Each party shall:

(a) do and execute all such things and documents as may be necessary or advisable in connection with the implementation of the transactions contemplated by this Agreement;

(b) use reasonable efforts to take all such actions as may be necessary or desirable in order to obtain any authorizations which may be required in connection with the consummation of the transactions contemplated by this Agreement; and

(c) with reasonable promptness notify each of the other parties hereto and their counsel of the occurrence of any fact or event which may reasonably be expected to hinder or prevent the consummation of the transactions contemplated hereby.

8.13 Time of the Essence

Time is of the essence in respect of this Agreement.

8.14 Enurement

This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

[signature page follows]

IN WITNESS WHEREOF the parties hereto have executed this Exchange Agreement as of the date first shown above.

NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.

By: ______________________________
Authorized Signatory

NND ROYALTIES LIMITED PARTNERSHIP by its general partner NND ROYALTIES GP INC.

By: ______________________________
Authorized Signatory

NND HOLDINGS LIMITED PARTNERSHIP by its general partner NND HOLDINGS GP INC.

By: ______________________________
Authorized Signatory

DIVERSIFIED ROYALTY CORP.

By: ______________________________
Authorized Signatory

SCHEDULE "A"

EXCHANGE PROCEDURE

1. In order to effect the exchange of Exchangeable Units for DIV Shares or cash as contemplated by the Agreement, the holder or holders of the Exchangeable Units to be exchanged (the "**Exchanged Units**") shall deliver to Royalties LP, as escrow agent, the Royalties LP Unit Certificates representing the Exchanged Units, duly endorsed in blank for transfer, on or before the applicable Exchange Date.

2. Unless DIV elects (or is deemed to have elected) to pay cash to Nurse Next Door in exchange for the Exchanged Units, on the applicable Exchange Date, DIV will issue and deliver to Royalties LP, as escrow agent, a certificate (the "**Share Certificate**") representing that number of DIV Shares which is equal to the Exchange Amount attributable to such Exchanged Units divided by the Current Market Price of a DIV Share on such Exchange Date. Upon receipt of a Share Certificate in accordance with this paragraph 2, Royalties LP will deliver such Share Certificate to Nurse Next Door or as Nurse Next Door may otherwise instruct DIV and Royalties LP. Notwithstanding any other provision of this Agreement, DIV shall not be required to issue and deliver fractional DIV shares to Nurse Next Door. If DIV would otherwise be required to issue and deliver a fractional share to Nurse Next Door, DIV shall make a cash payment to Nurse Next Door determined with reference to the Current Market Price of a DIV Share on the applicable Exchange Date; provided, however, that DIV will not be required to make a cash payment pursuant to this paragraph 2 in an amount of $10.00 or less.

3. If DIV elects (or is deemed to have elected) to pay cash to Nurse Next Door in exchange for the Exchanged Units, DIV will, on the applicable Exchange Date, pay that amount of cash which is equal to the Exchange Amount attributable to such Exchanged Units, such amount to be paid by wire transfer of immediately available funds to an account specified in writing by Nurse Next Door.

4. Concurrent with any exchange of Exchanged Units in accordance with paragraph 2 or 3:

    (a) DIV will dispose of the Exchanged Units to Holdings LP in consideration for limited partnership units of Holdings LP;

    (b) Holdings LP will then dispose of the Exchanged Units to Royalties LP for that number of Class A LP Units equal to the number determined by the formula DP/CAPR (rounded down to the nearest whole number), where:

        (i) DP equals the aggregate distributions paid or declared on the Exchanged Units in respect of the 12 month period ending on the December 31 immediately preceding the applicable Exchange Date; and

        (ii) CAPR equals the Class A Preferential Return as of the applicable Exchange Date multiplied by 12.

    Each of Holdings LP and Royalties LP shall cause such unit certificates to be issued to DIV and Holdings LP, respectively, as set forth above in consideration for the various exchanges.

5. At the request of the transferors in paragraph 4, the transferor and transferee may jointly file an election under subsection 97(2) of the Tax Act, in the prescribed form and within the time prescribed for doing so, in respect of the property disposed of, and elect therein that the agreed amount, as defined in the Tax Act, shall be equal to the amount determined by the transferor, in its sole discretion, in accordance with the Tax Act.

EXHIBIT 4
Form of Limited Partnership Agreement

(see attached)

NND ROYALTIES LIMITED PARTNERSHIP

AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP

among

NND ROYALTIES GP INC.
as General Partner

and

NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.
as a Limited Partner

and

NND HOLDINGS LIMITED PARTNERSHIP
as a Limited Partner

•, 2019

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AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP

THIS AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP is dated as of •, 2019 among **NND ROYALTIES GP INC.**, as general partner, **NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.**, as a limited partner, and **NND HOLDINGS LIMITED PARTNERSHIP,** as a limited partner, and amends and restates the Limited Partnership Agreement made as of •, 2019 governing NND Royalties Limited Partnership, as amended, supplemented and in effect on the date hereof.

NOW THEREFORE THIS AGREEMENT WITNESSES THAT, in consideration of the covenants contained in this Agreement, the parties agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

"**Acquisition Agreement**" means the acquisition agreement dated •, 2019, as amended, restated or supplemented from time to time, between DIV, the Partnership and Nurse Next Door in respect of the acquisition by the Partnership of the NND Rights.

"**Act**" means the *Partnership Act* (British Columbia).

"**Adjustment Date**" means October 1st of each year, commencing on October 1, 2020.

"**Affiliate**" means an "affiliate" within the meaning of the *Securities Act* (British Columbia).

"**Affiliated Entity**" means any Affiliate of the General Partner.

"**Arbitration Act**" has the meaning ascribed thereto in Section 15.2.

"**ASPE**" means the Accounting Standards for Private Enterprises which are in effect from time to time in Canada, as published in Part II of the CPA Canada Handbook – Accounting by the Chartered Professional Accountants of Canada or any successor thereto.

"**Available Cash**", at any time, means the amount, if any, which the General Partner determines to be the amount by which the aggregate of the cash and cash equivalents of the Partnership at such time exceeds the aggregate of amounts set aside as Reserves at such time.

"**Board of Directors**" means the board of directors from time to time of the General Partner and "**director**" means any member of the Board of Directors.

"**Business Day**" means a day other than a Saturday, a Sunday or a statutory holiday when banks are not generally open in the City of Vancouver, British Columbia for the transaction of banking business.

"**Certificate**" means the Certificate of Limited Partnership in respect of the Partnership filed pursuant to the Act on •, 2019 and, where applicable, includes amendments thereto.

"**Charge**" means any interest in any property, assets or undertaking, or the income or profits therefrom, securing an obligation owed to, or a claim by, a person other than the owner (which for the purposes hereof will include a possessor under a title retention agreement and a lessee under a lease hereinbelow described) of such property, assets or undertaking, whether such interest is based on law, statute or contract, and including, but not limited to, any security interest, mortgage, pledge, lien, charge, transfer, assignment, encumbrance or analogous instrument in, of, or on any property, asset or undertaking, or the income or profits therefrom, securing such obligation or claim, as well as a title retention agreement and a lessor's interest under a lease which in accordance with ASPE would be capitalized on a balance sheet of the owner of such property, asset or undertaking.

"**Class A Dissolution Entitlement**" means 10.9 multiplied by the sum of (A) the aggregate Class A Preferential Return payable on Class A LP Units issued and outstanding on the day immediately preceding the date the net proceeds from the liquidation of the Partnership are distributed in accordance with Section 10.5 multiplied by 12 and (B) the monthly Management Fee payable in respect of the calendar month immediately preceding the date the net proceeds from the liquidation of the Partnership are distributed in accordance with Section 10.5 multiplied by 12.

"**Class A LP Units**" means Class A limited partner units of the Partnership.

"**Class A Preferential Return**", in respect of any month, means the cumulative preferential cash return per Class A LP Unit outstanding of $0.0077155 per Class A LP Unit, which amount shall increase by 2.0% per annum on a compounded basis on each Adjustment Date.

"**Class B LP Units**" means Class B limited partner units of the Partnership.

"**Class C LP Units**" means Class C limited partner units of the Partnership.

"**Current Accounts**" means the accounts established pursuant to Section 5.5.

"**Designated Capital**", at any time, means, in respect of each Partnership Unit, the amount of the Subscription Price that has been paid in cash or contributed in property to the Partnership in respect of such Partnership Unit plus the amount of any subsequent contribution of capital or property to the Partnership in respect of such Partnership Unit at or prior to such time less the amount of cash or the agreed value of property which has been paid or distributed in respect of such Partnership Unit pursuant to Section 6.3 at or prior to such time.

"**Designated Capital Accounts**" means the accounts established pursuant to Section 5.1.

"**Dispute**" has the meaning ascribed thereto in Section 15.1.

"**DIV**" means Diversified Royalty Corp., a corporation incorporated under the laws of Canada.

"**DIV Shares**" means common shares in the capital of DIV.

"**Exchange Agreement**" means the exchange agreement dated on or about the date hereof among Nurse Next Door, the Partnership, Holdings LP and DIV, s amended, restated or supplemented from time to time.

"**Financing**" means any credit facility granted or extended to, or investment by way of debt (or the purchase of debt) in, the Partnership whereby or pursuant to which money, credit or other financial accommodation has been or may be provided, made available or extended to the Partnership by way of borrowed money, the purchase of debt instruments or securities, bankers acceptances, letters of credit, overdraft or other forms of credit and financial accommodation, and includes any and all trust deeds, indentures, mortgages, bonds or debentures (whether issued and delivered as security or sold to a purchaser), security agreements and other deeds, instruments or documents in respect thereof.

"**Fiscal Year**", in respect of the fiscal year ending on December 31, 2019, means the period commencing on •, 2019 and ending on December 31, 2019 and, in respect of each subsequent fiscal year, means the period commencing on January 1 of such year and ending on December 31 of such year.

"**General Partner**" initially means Royalties GP, in its capacity as general partner of the Partnership, and at any time thereafter means any other person who is admitted to the Partnership as general partner in replacement of Royalties GP (whereupon all references to Royalties GP in this definition will be read as references to such person).

"**General Partner Unit**" means a GP Unit or a general partner unit of any other class as may be issued pursuant to this Agreement and "**General Partner Units**" means, collectively, the GP Units and the general partner units of any other class as may be issued pursuant to this Agreement.

"**General Security Agreement**" means the general security agreement dated on or about the date hereof between Nurse Next Door and the Partnership, as amended, restated or supplemented from time to time, providing for, *inter alia*, security for the obligations of Nurse Next Door to the Partnership pursuant to the License and Royalty Agreement.

"**Governance Agreement**" means the governance agreement dated on or about the date hereof among DIV, Holdings LP, the Partnership and Nurse Next Door, as amended, restated or supplemented from time to time.

"**GP Unit**" means an ordinary general partner unit of the Partnership.

"**Holdings LP**" means NND Holdings Limited Partnership, a limited partnership formed pursuant to the laws of British Columbia.

"**ITA**" means the *Income Tax Act* (Canada), as amended.

"**Licence and Royalty Agreement**" means the licence and royalty agreement dated on or about the date hereof between the Partnership and Nurse Next Door, as amended, restated or supplemented from time to time.

"**Limited Partner**" initially means each of Holdings LP and Nurse Next Door, in their capacity as limited partners of the Partnership, and at any time thereafter means any person who is shown on the Register as a limited partner of the Partnership at such time.

"**Limited Partner Unit**" means a Class A LP Unit, a Class B LP Unit, a Class C LP Unit or a limited partner unit of any other class as may be issued pursuant to this Agreement and "**Limited Partner Units**" means, collectively, the Class A LP Units, the Class B LP Units, the Class C LP Units and limited partner units of any other class as may be issued pursuant to this Agreement.

"**Management Agreement**" means the management agreement dated on or about the date hereof between Nurse Next Door and DIV pursuant to which DIV shall provide certain management services to Nurse Next Door, as amended, restated or supplemented from time to time.

"**Management Fee**" has the meaning ascribed thereto in the Management Agreement.

"**Net Income**" or "**Net Loss**", in respect of any period, means, respectively, the net income or net loss (including the amount of the gain or loss of the Partnership from the disposition of any of the property, assets and undertaking of the Partnership) of the Partnership in respect of such period determined in accordance with ASPE (except that depreciation and amortization will be disregarded in the determination thereof).

"**NND Rights**" means the trademarks and other intellectual property rights acquired by the Partnership pursuant to the Acquisition Agreement, and defined as the "NND Rights" in such agreement.

"**Non-Competition Agreements**" means the confidentiality, non-solicitation and non-competition agreements executed and delivered pursuant to the Acquisition Agreement.

“**Nurse Next Door**” means Nurse Next Door Professional Homecare Services Inc., a corporation formed under the laws of Canada.

“**Operative Documents**” means this Agreement, the Exchange Agreement, the Governance Agreement, the Licence and Royalty Agreement, the Management Agreement, the General Security Agreement, and the Non-Competition Agreements.

“**Partners**” means the General Partner and the Limited Partners and “**Partner**” means any one of the Partners.

“**Partnership**” means the limited partnership subsisting pursuant to the laws of the Province of British Columbia under the firm name and style of “NND Royalties Limited Partnership” formed by the filing of the Certificate pursuant to the Act.

“**Partnership Units**” means, collectively, General Partner Units and Limited Partner Units.

“**person**” means an individual, body corporate with or without share capital, partnership, joint venture, unincorporated association, syndicate, sole proprietorship, trust, pension fund, union, governmental agency, board, tribunal, ministry, commission or department and the heirs, beneficiaries, executors, legal representatives or administrators of an individual.

“Record Date” has the meaning ascribed thereto in Section 6.2.

“**Register**” means the register maintained by the General Partner to record the names and addresses of each limited partner and general partner of the Partnership, the number and type of Limited Partner Units held by each limited partner of the Partnership, the number and type of General Partner Units held by the General Partner, and particulars of the registration and assignment of Limited Partner Units and General Partner Units.

“**Reserves**” means reasonable reserves which the General Partner determines are necessary or desirable to withhold from any distribution to Partners having regard to the current and anticipated cash requirements of the Partnership, including such reserves as are necessary for payment of operating expenses, payments in respect of any Financing or any other commitments and obligations of the Partnership and such reserves as are necessary to ensure compliance with the agreements to which the Partnership is subject (including in connection with any Financing) and to ensure that monthly distributions during any Fiscal Year pursuant to Section 6.2 are approximately the same and not subject to seasonal fluctuation.

“**Royalties GP**” means NND Royalties GP Inc., a corporation incorporated under the laws of British Columbia.

“**Royalty**” means the royalty and other amounts payable by Nurse Next Door under the Licence and Royalty Agreement.

“**Special Resolution**” means a resolution of the Board of Directors that is consented to by each of Nurse Next Door and DIV.

“**Specified Deductions**”, for any Fiscal Year, means the amount of any deductions permitted by the ITA in respect of certain assets, including the NND Rights acquired by the Partnership pursuant to the Acquisition Agreement.

“**Subscription Price**”, in respect of a Partnership Unit, means the amount of cash to be paid or the agreed value of property to be contributed to the Partnership in respect of such unit.

“**Taxable Income**” or “**Tax Loss**”, in respect of any fiscal period, means, respectively, the amount of income or loss of the Partnership for such period as determined by the General Partner in accordance with the provisions of the ITA (including the amount of the taxable capital gain or allowable capital loss from the disposition of each capital property of the Partnership as determined by the General Partner in accordance with the provisions of the ITA).

"**Unit Certificate**" means:

(a) a certificate substantially in the form set out in Schedule "C" hereto evidencing ownership by a person of one or more Limited Partner Units; or

(b) a certificate substantially in the form set out in Schedule "D" hereto evidencing ownership by the General Partner of one or more General Partner Units.

1.2 Interpretation

For all purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires:

(1) "this Agreement" means this amended and restated agreement of limited partnership as it may from time to time be amended and in effect, and includes the Schedules attached hereto;

(2) any reference in this Agreement to a designated "Article", "Section" or other portion is a reference to the designated Article, Section or other portion of this Agreement;

(3) the terms "herein", "hereof", "hereunder" and other similar expressions refer to this Agreement as a whole and not to any particular Article, Section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto;

(4) the headings are for convenience or reference only and will not affect the construction or interpretation hereof;

(5) words importing the singular will include the plural, and vice versa, and words importing the use of any gender will include all genders and, where applicable, a corporation, the word "or" is not exclusive and the word "including" is not limiting whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto;

(6) any references to a statute or regulation includes and is a reference to such statute or regulation in effect on the date of this Agreement as it may be amended, re-enacted, or superseded from time to time;

(7) all accounting terms not otherwise defined herein have the meanings assigned to them, and all calculations to be made hereunder are to be made, in accordance with ASPE, unless otherwise noted;

(8) all dollar amounts are stated and are to be paid in lawful currency of Canada;

(9) persons are not dealing at "arm's length" with one another if they would not be dealing at "arm's length" with one another for purposes of the ITA in effect on the date of this agreement; and

(10) where the time for doing an act falls or expires on a day which is not a Business Day, the time for doing such act is extended to the first day immediately following such date which is a Business Day.

1.3 Governing Law

This Agreement and all matters arising hereunder will be governed by and construed in accordance with the laws of the Province of British Columbia and, except as otherwise provided herein, all disputes and claims, whether for specific performance, injunction, declaration or otherwise howsoever arising, both at law and in equity, out of or in any way connected with this Agreement, will be referred to the courts of the Province of British Columbia and, by execution and delivery of this Agreement, each party hereto irrevocably submits to such jurisdiction.

1.4 Incorporation of Schedules

The following Schedules are attached to this Agreement and form an integral part of this Agreement:

Schedule "A"	-	Form of Subscription
Schedule "B"	-	Form of Power of Attorney
Schedule "C"	-	Form of Limited Partner Unit Certificate
Schedule "D"	-	Form of General Partner Unit Certificate
Schedule "E"	-	Form of Assignment

ARTICLE 2
GENERAL

2.1 Amendment and Restatement

Effective on the date hereof, the terms, conditions and provisions of this Agreement amend, restate and supersede in their entirety the terms, conditions and provisions of the Limited Partnership Agreement made as of • , 2019 governing the Partnership as in effect on the date hereof and this Agreement will govern the Partnership.

2.2 Formation

The Partnership was formed on •, 2019 by filing a certificate of limited partnership pursuant to the Act.

2.3 Name

The Partnership will carry on business under the name "**NND Royalties Limited Partnership**" or such other name or names as the General Partner may determine from time to time.

2.4 Business

The business purpose of the Partnership is the ownership of the NND Rights, the taking of actions consistent with the Licence and Royalty Agreement to exploit, to the fullest extent possible, the use of the NND Rights by Nurse Next Door, the collection of the Royalty payable by Nurse Next Door to the Partnership under the Licence and Royalty Agreement, and any and all activities incidental or related to the foregoing.

2.5 Registered Office and Principal Place of Business

The registered office of the Partnership will be located at Suite 2500, 700 West Georgia Street, Vancouver, British Columbia, V7Y 1B3 or any other address in Vancouver, British Columbia as the General Partner may designate in writing from time to time to the other Partners. The principal place of business of the Partnership will be in Vancouver, British Columbia unless and until changed in the sole discretion of the General Partner. The General Partner will notify all other Partners of any change of the principal place of business of the Partnership within 30 days after the effective date thereof.

2.6 Fiscal Year

The admission or retirement of any Partner will not result in the alteration or termination of the fiscal period, notwithstanding that adjustments may be made to, or affect, the Designated Capital Account or Current Account of any Partner in respect of any such admission or retirement, subject to the provisions of the ITA.

2.7 Filing of Amendments to Certificate

The General Partner will execute and file an amendment to the Certificate from time to time when required under the Act (including to reflect any return of Designated Capital of any Partner provided for herein), and any other certificate, document or instrument required under the laws of the Province of British Columbia. The General Partner, and each Limited Partner at the request of the General Partner, will execute and deliver as promptly as possible any document that may be necessary or desirable to comply with any law or regulation of the Province of British Columbia or any other jurisdiction for the continuation, good standing and business of the Partnership. The General Partner will take all necessary action on the basis of information available to them in order to maintain the status of the Partnership as a limited partnership.

2.8 Term

The Partnership will continue until it is dissolved in accordance with the provisions of Article 10.

ARTICLE 3
RELATIONSHIP BETWEEN PARTNERS

3.1 Status of General Partner

The General Partner represents and warrants to and covenants with each other Partner that the General Partner:

(1) is and will continue to be a corporation incorporated and existing under the laws of Canada or a province thereof and is and will be qualified to carry on business in, the Province of British Columbia and such other jurisdictions in which such qualification may be necessary;

(2) has and will continue to have the corporate capacity to act as the General Partner and to perform its obligations under this Agreement and that such obligations do not and will not conflict with or constitute a default under its constating documents; and

(3) is not and will not be a “non-resident” of Canada within the meaning of the ITA; and

(4) is not and will not be a “non-Canadian” within the meaning of the *Investment Canada Act*.

3.2 Status of Each Limited Partner

Each Limited Partner represents and warrants to and covenants with each other Partner that such Limited Partner:

(1) has and will continue to have the capacity and competency to enter into and be bound by this Agreement and will, at the request of the General Partner, provide such evidence of compliance with such representation, warranty and covenant as the General Partner may request; and

(2) is not and will not be a “non-resident” of Canada within the meaning of the ITA or, if a partnership, is and will be a “Canadian partnership” within the meaning of the ITA;

(3) is not and will not be a “non-Canadian” within the meaning of the *Investment Canada Act*;

(4) is not and will not be a person or partnership, an interest in which would be a “tax shelter investment” (as defined in the ITA) or which is acquiring Partnership Units as a “tax shelter investment”;

(5) has not undertaken and will not undertake any action (including the acquisition of Partnership Units) that will cause the Partnership to be, or create a substantial risk that the Partnership will be, a “SIFT partnership” as defined in subsection 197(1) of the ITA, including any action that could

cause the Partnership Units to be listed or traded on a stock exchange or other "public market" within the meaning of the ITA; and

(6) is not and will not be a "financial institution" within the meaning of subsection 142.2(1) of the ITA.

3.3 Limitations on Authority of Limited Partners

No Limited Partner (except a Limited Partner who is also the General Partner) will or will be entitled to:

(1) take part in the administration, operation, management or control of the business of the Partnership;

(2) transact any business on behalf of the Partnership or make any commitment on behalf of, or otherwise obligate or bind, the Partnership;

(3) execute any document which binds or purports to bind the Partnership or any other Partner;

(4) purport to have the power or authority to bind the Partnership or any other Partner;

(5) have any authority to undertake any obligation or responsibility on behalf of the Partnership;

(6) bring any action for partition or sale or otherwise in connection with any interest in any of the property and assets of the Partnership, whether real or personal, or file or register or permit to be filed or registered or remain undischarged, against any of the property and assets of the Partnership, any Charge in respect of the interest of such Partner in the Partnership; or

(7) compel a partition, judicial or otherwise, of any of the property and assets of the Partnership distributed to the Partners in kind.

3.4 Unlimited Liability of General Partner

The General Partner will have unlimited liability for the indebtedness, liabilities and obligations of the Partnership.

3.5 Limited Liability of Limited Partners

Subject to the provisions of the Act, the liability of a Limited Partner for the indebtedness, liabilities and obligations of the Partnership will be limited to the amount of property such Limited Partners has contributed or agreed to contribute to the Partnership and, except as set out in Section 3.6(2), a Limited Partner will not be liable for any further claims, assessments or contributions to the Partnership. The Partnership will operate in a manner as to ensure to the greatest extent possible the limited liability of the Limited Partners.

3.6 Indemnity of and by Limited Partners

(1) The General Partner will indemnify and hold harmless each Limited Partner from any costs, damages, liabilities or expenses suffered or incurred by such Limited Partner because the liability of such Limited Partner is not limited in the manner provided in Section 3.5 unless the liability of such Limited Partner is not so limited as a result of, or arising out of, any act or omission of such Limited Partner.

(2) Each Limited Partner shall indemnify and hold harmless the Partnership, the General Partner and each other Limited Partner from and against all losses, liabilities, expenses and damages suffered or incurred by the Partnership, the General Partner or any other Limited Partner by reason of a misrepresentation or breach of any of the warranties or covenants of such Limited Partner as set out in Section 3.2.

3.7 Exercise of Powers and Discharge of Duties

The General Partner will exercise its powers and discharge its duties under this Agreement honestly, in good faith and in the best interests of the Partnership and, in connection therewith, will exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

3.8 Limitation on Liability of General Partner

Subject to Section 3.6, the General Partner will not be liable to a Limited Partner for any act, omission or error in judgment taken or made hereunder by the General Partner honestly and in good faith in the conduct of the business of the Partnership. The General Partner may rely and act upon and will be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture or other document or instrument believed by it to be genuine and to have been signed or presented by the proper party. The General Partner may rely and act upon any statement, report or opinion prepared by, or any advice received from, the legal counsel, accountants, investment bankers, experts or other professional advisors of it or the Partnership and, provided it exercised reasonable care in selecting such advisors, the General Partner will not be responsible or held liable for any loss or damage resulting from so relying or acting if it reasonably believed the advice to be within the area of professional competence of the person from whom it was received and it acted honestly and in good faith in relying thereon.

3.9 Indemnity of General Partner

The Partnership will indemnify and hold harmless the General Partner and its respective directors, officers, shareholders, employees and agents, from any costs, damages, liabilities or resulting from or arising out of any act or omission or error of judgment of the General Partner, or any of its directors, officers, shareholders, employees and agents, on behalf of the Partnership or in furtherance of the business of the Partnership unless, in the case of any such person, such costs, damages, liabilities or expenses result from or arise out of any act or omission or error of judgment as a result of which, in the case of the General Partner, such person is adjudged by a court of competent jurisdiction to have been guilty of gross negligence or wilful misconduct or to have failed to act honestly and in good faith or to have breached a fiduciary duty to the Limited Partners or, in the case of any of their directors, officers, shareholders, employees and agents, such person has failed to act honestly, in good faith and in the best interests of the Partnership. This indemnity is in addition to and not a limitation of any other obligation of the Partnership to the General Partner including the obligation of the Partnership to reimburse or repay the General Partner on account of costs, outlays, disbursements and expenditures incurred by or on behalf of the General Partner, but this indemnity will not be in derogation of the provisions of Section 3.5.

3.10 Other Activities of Limited Partners

A Limited Partner may engage in, or hold an interest in, any other business, venture, investment or activity whether or not similar to or competitive with the business of the Partnership.

3.11 Other Activities of General Partner

The General Partner will not be required to devote its efforts or that of any of its officers or employees exclusively to or for the benefit of the Partnership and may, directly or indirectly (either alone or with others), acquire, carry on or engage in such other businesses, ventures and activities as it considers appropriate whether or not similar to or competitive with the business of the Partnership and neither the Partnership nor any Partner will have any right by virtue of this Agreement or the partnership relation created hereby in relation to such other businesses, ventures or activities or to any income, proceeds or profits derived therefrom, and the pursuit of such other businesses, ventures or activities, even if similar to or competitive with the business of the Partnership, will not be wrongful or improper. The General Partner will not be required to offer or make available to the Partnership any property or asset or business or investment opportunity which it may determine to acquire, carry on or engage in for its separate account.

ARTICLE 4
PARTNERSHIP UNITS

4.1 Number of Units in Partnership

The interests in the Partnership of the General Partner are divided into and represented by GP Units of which 100 GP Units have been issued to the General Partner for subscription proceeds of $10.

The interests in the Partnership of the Limited Partners are divided into and represented by Class A LP Units, Class B LP Units and Class C LP Units. As of the date hereof, (i) 51,994,800 Class A LP Units have been issued to Holdings LP for a total subscription price of $51,994,800, and (ii) 1,000,000,000 Class B LP Units have been issued to Nurse Next Door for aggregate consideration of $23,000,000, and (iii) 5,200 Class C LP Units have been issued to Holdings LP for aggregate consideration of $5,200.

Except pursuant to the Exchange Agreement and the Governance Agreement, no Partnership Units in addition to those referred to in this Section 4.1 will be issued without the consent of all Partners.

Each General Partner Unit and each Limited Partner Unit is a security for the purposes of the *Securities Transfer Act* (British Columbia) and any other similar legislation in any other province or territory of Canada.

4.2 Entitlement to Allocations and Distributions

The General Partner and each Limited Partner will have the right to allocations of Net Income, Net Loss, Taxable Income and Tax Loss and distributions from the Partnership in respect of each General Partner Unit or Limited Partner Unit held by such Partner as is set forth in this Agreement.

4.3 Unit Certificates

A Partner is entitled, without charge, to a Unit Certificate or Unit Certificates evidencing the Partnership Units held by such Partner.

4.4 Subscription Form

A person may subscribe for Partnership Units by delivering to the General Partner or to such other person or persons at such address as the General Partner may prescribe a subscription in the form set out in Schedule “A” hereto or such other form as may be prescribed or accepted by the General Partner (either in respect of such person or otherwise), in each case completed and executed in a manner acceptable to the General Partner, and such other instruments and documents as the General Partner may require in connection with such subscription; provided that no subscription may be accepted that does not include representations, warranties and covenants of the subscriber to the effect set out in Section 3.1 and 3.2, as applicable.

4.5 Subscription for Partnership Units

Subject to Section 4.6, no subscription may be made or will be accepted for a fraction of a Partnership Unit. Except as required to comply with the terms of the Exchange Agreement and the Governance Agreement, the General Partner will not accept any subscription for Partnership Units without the consent of all Partners. If, for any reason, a subscription for Partnership Units is not accepted or such subscription is accepted but the subscriber is not entered on the Register as a limited partner of the Partnership, the General Partner will cause the Partnership to refund to the subscriber the Subscription Price paid by such subscriber for such Partnership Units. The General Partner will be deemed to have accepted a subscription for Partnership Units when a Unit Certificate in the name of such subscriber representing the number and class of Partnership Units for which such subscriber has subscribed is delivered to such subscriber. Upon the acceptance of such subscription by the General Partner, the General Partner will amend the Register to show the name of such subscriber as a partner of the Partnership and the number and class of Partnership Units held by such subscriber as a result of such subscription.

4.6 Fractional Units

Notwithstanding Sections 4.5 or 4.9, in order to effect an exchange of Limited Partner Units as contemplated in the Exchange Agreement, fractional Limited Partner Units may be tendered for exchange by Nurse Next Door and fractional Limited Partner Units (and Unit Certificates representing the same) may be issued by the Partnership as a result of such exchange.

4.7 Delivery of Unit Certificate

Upon entering a subscriber for Partnership Units on the Register, the General Partner will deliver to such subscriber a Unit Certificate specifying the number and class of Partnership Units subscribed for.

4.8 Register and Other Records

The General Partner will:

(1) maintain a registered office for the Partnership;

(2) maintain the Register;

(3) maintain such other records in respect of the Partnership as may be required by law;

(4) make on behalf of the Partnership all recordings or filings with any governmental authority that are required to be made by the Partnership; and

(5) keep:

(a) a copy of the Certificate; and

(b) a copy of this Agreement.

The General Partner will be authorized to make such rules and regulations as the General Partner may from time to time consider necessary or desirable in connection with the foregoing, including the form and content of the Register, the times when the Register may be closed, the establishment of record dates and the documentation required to record assignments of Partnership Units and other matters.

4.9 Assignment of Partnership Units

Except as expressly permitted or required pursuant to the Exchange Agreement or the Governance Agreement, a Partnership Unit may not be assigned to any person (in this Section 4.9 called an "**Assignee**"), and no Assignee will be entitled to be admitted to the Partnership as a Partner in respect of any Partnership Unit pursuant to an assignment thereof:

(1) except with the written consent of the General Partner (which consent the General Partner will be entitled to withhold in its sole discretion); and

(2) unless:

(a) the Assignee has delivered to the General Partner an assignment in respect of such Partnership Unit in the form attached hereto as Schedule "E", completed and executed in a manner acceptable to the General Partner, the Unit Certificate representing such Partnership Unit and such other instruments and documents as the General Partner may request in connection with such assignment; and

(b) the provisions of this Section 4.9 have been complied with in respect of such assignment.

When, pursuant to the provisions hereof, any Partnership Units are assigned, the General Partner will immediately thereafter, and in all cases prior to the end of the Fiscal Year, record such assignment by amending the Register to show the name of the Assignee as a partner of the Partnership in respect of such Partnership Units and deliver to the Assignee a Unit Certificate in the name of the Assignee specifying the number and class of Partnership Units assigned and the General Partner will be authorized to admit the Assignee to the Partnership as a partner and the Partners hereby consent to the admission of the Assignee to the Partnership as a partner without any further consent or authorization of any Partner. No assignment of a Partnership Unit will be effective until such assignment is recorded on the Register. No assignment of a fraction of a Partnership Unit may be made or will be recognized or recorded on the Register. Upon any assignment of Partnership Units becoming effective, the Assignee will be subject to the obligations and entitled to the rights of a Partner under this Agreement, including any obligation to make contributions required to be made in respect of such Partnership Units. Except with the prior written consent of the General Partner (which consent the General Partner will be entitled to withhold in its sole discretion), the assignment of any Partnership Units will not release the assignor thereof or any other person from any obligations under this Partnership Agreement, including any obligation to make contributions required to be made in respect of such Partnership Units.

4.10 Death, Mental Incompetence, Bankruptcy or Insolvency; Renunciation of Interest

Where a person becomes entitled to a Partnership Unit on the death, mental incompetence, bankruptcy or insolvency of a Partner, or otherwise by operation of law, such entitlement will not be recognized or entered in the Register and such person will not become a Partner except with the written consent of the General Partner (which consent the General Partner will be entitled to withhold in its sole discretion). The only right of such person will be to receive the allocations and distributions (including any return of such Partner's contribution to the capital of the Partnership) to which such Partner would otherwise be entitled hereunder in respect of such Partnership Unit and such person will not be entitled to receive interest on such Partner's contribution to the capital of the Partnership or share of the other property and assets of the Partnership. Notwithstanding the renunciation by a Partner of any interest in the profits or other compensation by way of income from the business of the Partnership, such Partner will only be entitled to a return of such Partner's contribution to the capital of the Partnership at the times and in the amounts provided for in this Agreement and such Partner will not be entitled to receive interest on the amount of such Partner's contribution to the capital of the Partnership or share of the other property and assets of the Partnership.

4.11 Parties Not Bound to See to Trust, Charge or Equity

The General Partner will not be bound to see to the execution of any trust (whether express, implied or constructive), Charge or equity to which any Partnership Unit or any interest therein is subject, nor to ascertain or inquire whether any sale or assignment of any Partnership Unit or any interest therein by any Partner is authorized by such trust, Charge or equity, nor to recognize any person as having an interest in any Partnership Unit except for the person in whose name such Partnership Unit is recorded on the Register as the holder of such Partnership Unit. The receipt by the person in whose name any Partnership Unit is recorded on the Register will be a sufficient discharge for all monies, securities and other property payable, issuable or deliverable in respect of such Partnership Unit and from all liability therefor. The Partnership and the General Partner are entitled to treat the person in whose name any Unit Certificate is registered as the absolute owner thereof.

ARTICLE 5
CAPITAL CONTRIBUTIONS AND ACCOUNTS

5.1 Capital Accounts

The General Partner will establish an account (a "**Designated Capital Account**") on the books of the Partnership for each Partner showing the aggregate Designated Capital that is attributable to the Partnership Units held by such Partner on a class-by-class basis.

5.2 Contributions – General Partner Units

A cash contribution to the capital of the Partnership of $10 has been made by the General Partner in respect of the 100 GP Units issued to the General Partner on the date of this Agreement.

5.3 Contributions – Limited Partner Units

Pursuant to the Acquisition Agreement, Nurse Next Door has transferred to the Partnership the NND Rights having an aggregate value of $75,000,000, of which $23,000,000 shall be considered as a contribution to the capital of the Partnership in consideration for the issuance of 1,000,000,000 Class B LP Units.

A cash contribution to the capital of the Partnership of $52,000,000 has been made by Holdings LP in respect of the 51,994,800 Class A LP Units and the 5,200 Class C LP Units issued to Holdings LP on the date hereof.

5.4 Exchange Agreement – Designated Capital

In the event any Class A LP Unit is issued to Holdings LP in connection with the exchange of Class B LP Units for DIV Shares or cash pursuant to the Exchange Agreement, the Designated Capital attributable to such Class A LP Unit will be equal to the Designated Capital attributable at such time to the Limited Partner Unit in respect of which such Class A LP Unit is issued at such time.

5.5 Current Accounts

The General Partner will establish an account (a "**Current Account**") on the books of the Partnership for each Partner to which the Net Income allocated to such Partner will be credited and to which the Net Loss and all distributions allocated or made to such Partner will be charged.

5.6 No Right to Withdraw Amounts

No Partner will have any right to withdraw any amount or receive any distribution from the Partnership except as expressly provided for in this Agreement and no distribution to any Partner will be deemed a return or withdrawal of amounts contributed to the capital of the Partnership except as expressly provided in this Agreement.

5.7 No Interest Payable on Capital or Current Accounts

No Partner will have the right to receive interest on any capital or any credit balance in the Designated Capital Account or Current Account of such Partner.

5.8 Negative Balance in Capital or Current Accounts

Except as expressly provided for in this Agreement, the interest of a Partner in the Partnership will not terminate by reason of the return of amounts contributed to the capital of the Partnership or a negative balance in the Designated Capital Account or Current Account of such Partner. No Partner will be liable to pay interest to the Partnership on any capital or Designated Capital returned to such Partner or on any authorized negative balance in the Designated Capital Account or Current Account of such Partner.

ARTICLE 6
ALLOCATIONS AND DISTRIBUTIONS

6.1 Allocation of Net Income/Net Loss and Taxable Income/Tax Loss

The Net Loss or Net Income, if any, for a particular Fiscal Year, and the Taxable Income or Tax Loss, if any, for a particular Fiscal Year, will be allocated to the holders of the Partnership Units in the following order of priority:

(1) first, to the holders of Class A LP Units, an amount not exceeding the Available Cash distributed or distributable to the holders thereof in the Fiscal Year less the amount claimed in the Fiscal Year by the Partnership in respect of Specified Deductions;

(2) second, to the holders of GP Units, if any, an amount not exceeding the Available Cash distributed or distributable to the holders thereof in the Fiscal Year;

(3) third, to the holders of Class C LP Units, an amount not exceeding the Available Cash distributed or distributable to the holders thereof in the Fiscal Year; and

(4) thereafter, to the holders of Class B LP Units.

Notwithstanding the foregoing, Net Income and Taxable Income of the Partnership, if any, for a particular Fiscal Year will first be allocated to the Partners of record at the end of the Fiscal Year to the extent that aggregate Net Loss and Tax Loss in respect of prior Fiscal Years which have been allocated to such Partner (or any predecessor in interest to such Partner) exceeds the aggregate Net Income and Taxable Income in respect of prior Fiscal Years which have been allocated to such Partner (or any predecessor in interest to such Partner); provided that, if the amount available for allocation is not sufficient to make such allocation in full, such amount will be allocated to the Partners in proportion to the amount they would be allocated if such amount were sufficient for such purpose.

The Net Loss and Tax Loss of the Partnership, if any, for a particular Fiscal Year will be allocated to the Partners of record at the end of the Fiscal Year in the proportion to the Available Cash of the Partnership distributed to such holders in respect of such Fiscal Year pursuant to Section 6.2 (or, if applicable, loaned to such Partner pursuant to Section 6.5).

For greater certainty, in determining the allocation of Net Income, Taxable Income, Net Loss and Tax Loss for a particular Fiscal Year, the General Partner may include in the above calculation of amounts distributed, amounts that are not yet distributed to Partners in respect of such Fiscal Year pursuant Section 6.2 (including amounts loaned to such Partner pursuant to Section 6.5) but that the General Partner, acting reasonably, expects to make in relation to such Fiscal Year.

6.2 Distributions of Available Cash

Subject to Section 6.5, in respect of each month commencing from and after the date of this Agreement, the General Partner shall distribute all Available Cash determined by the General Partner to be available for distribution on the last day of such month to the Partners listed on the Register on the last day of such month (the "**Record Date**"), any such distribution to be made in the following order of priority:

(1) first, to pay any amounts owing and unpaid to the holders of Class A LP Units issued and outstanding on such Record Date in respect of the Class A Preferential Return;

(2) second, if any, to the holders of the GP Units issued and outstanding on such Record Date, the sum of $5.00 pro rata in accordance with the number of GP Units held by each such holder;

(3) third, if any, to the holders of Class A LP Units issued and outstanding on such Record Date, an amount equal to the following, pro rata in accordance with the number of Class A LP Units held by each such holder

(a) the Class A Preferential Return on such Record Date multiplied by the number of Class A LP Units issued and outstanding on such Record Date; less

(b) any expenses of the Partnership incurred in such month; and less

(c) any Reserves set aside by the General Partner in respect of such month; and

(4) thereafter, all remaining Available Cash, if any, as follows:

(a) 99.99% to the holders of the Class B LP Units issued and outstanding on such Record Date pro rata in accordance with the number of Class B LP Units held by each such holder; and

(b) 0.01% to the holders of the Class C LP Units issued and outstanding on such Record Date pro rata in accordance with the number of Class C LP Units held by each such holder.

All distributions in respect of a month shall be paid on or before the third Business Day immediately prior to the end of the immediately following month.

Notwithstanding the foregoing, the General Partner will not make any such distribution if and to the extent such distribution would be contrary to any provision of any agreement to which the Partnership is a party or by which the Partnership is bound (including any Financing) or to any applicable law.

6.3 General Partner's Discretion to Return Designated Capital

Subject to Section 10.5, the General Partner may, in its discretion, distribute Available Cash that would otherwise have been distributed to the holders of Class A LP Units, Class B LP Units and Class C LP Units in accordance with Section 6.2 as a return of Designated Capital (and, to the extent of the balance thereof, as a return of amounts contributed to the capital of the Partnership) on the same basis as set forth in Section 6.2; provided that the General Partner may not make any such distribution if and to the extent that:

(1) the Available Cash distributed to a Partner as a return of Designated Capital would exceed the Designated Capital of the Partnership Units held by such Partner; or

(2) such distribution would be contrary to any provision of any agreement to which the Partnership is a party or by which the Partnership is bound (including any Financing) or to any applicable law.

6.4 Determination of Taxable Income and Tax Loss

For the purpose of determining Taxable Income or Tax Loss in respect of any fiscal period, the General Partner will claim capital cost allowances in respect of the property of the Partnership and other discretionary deductions and reserves in the maximum amounts permitted by the ITA.

6.5 Borrowings by Limited Partners

Notwithstanding the provisions of Section 6.2, each Limited Partner shall be entitled, upon written request therefor to the General Partner made prior to any Record Date, to borrow from the Partnership an amount up to but not exceeding the amount of the cash distribution such Limited Partner is entitled to receive pursuant to Section 6.2 in respect of such Record Date. In the event a Limited Partner has made such a request and the Partnership loans to such Limited Partner an amount in accordance with this Section 6.5, the amount of the cash distribution otherwise receivable by such Limited Partner in accordance with Section 6.2 in respect of such Record Date will be reduced by an amount equal to the principal amount of such loan. The amount of the distribution equal to the principal amount of such loan shall be paid to the Limited Partner as a distribution on the first Business Day of the following Fiscal Year provided the loan has been fully repaid by such Limited Partner or such Limited Partner has made the election set out in subsection (3) below to repay the loan in full. The loan shall be made on the following terms and conditions:

(1) the loan shall be interest free;

(2) the loan shall be repaid in full on the first Business Day of the Fiscal Year following the year in which the loan was made;

(3) the Limited Partner may elect to repay the loan by requesting that the Partnership set-off against the Limited Partner's entitlement to receive the cash distribution on the first Business Day of the Fiscal Year following the year in which the loan was made as provided for in this Section 6.5; and

(4) the loan shall be evidenced by a full recourse grid promissory note.

6.6 Repayment of Excess Distribution

If, as determined by the General Partner, any person has received a distribution which exceeds the entitlement of such person, such person will forthwith repay to the Partnership the amount of such excess upon receipt of notice to such effect from the General Partner and, if such amount is not then repaid, the General Partner may deduct such amount from any subsequent distribution to such person. Any amount repaid or to be repaid pursuant to this Section 6.5 will not be included in the amount of the distributions to such person for purposes of applying Section 6.1.

6.7 Right of Set-Off

The General Partner may, in its sole discretion, set-off and apply any sums otherwise payable to a Partner as a distribution hereunder against any amounts due to the Partnership from such Partner.

ARTICLE 7
MANAGEMENT OF THE PARTNERSHIP

7.1 Authority of General Partner

The General Partner is authorized to carry on the business of the Partnership, with full power and authority to administer, manage, control and operate the business of the Partnership as set forth herein. The General Partner will have all power and authority to do any act, take any proceeding, make any decision and execute and deliver any agreement, instrument, deed or other document necessary for or incidental to carrying out the business of the Partnership for and on behalf of and in the name of the Partnership and no person dealing with the Partnership will be required to inquire into the authority of the General Partner to do any act, take any proceeding, make any decision or execute and deliver any agreement, instrument, deed or other document for and on behalf of and in the name of the Partnership.

7.2 Powers of the General Partner

The General Partner will have full power and authority for and on behalf of and in the name of the Partnership to carry out any and all of the business purposes of the Partnership set forth in Section 2.4 and to perform all acts and enter into and perform all contracts, undertakings and other obligations which it may deem necessary, advisable or incidental thereto, including without limiting the generality of the foregoing, the full power and authority:

(1) to acquire assets and property, both real and personal, of any description;

(2) to incur, assume or become liable under or in respect of any Financing from time to time, and without limit as to the amount, cost or terms of payment thereof (including payments which may be calculated by reference to cash flow, income, revenue or like amounts) upon the credit of the Partnership and to incur and to assume and covenant to pay indebtedness, liabilities and obligations of all kinds, to guarantee obligations of, co-covenant with and join in the covenants of, others, whether in respect of the indebtedness, liabilities or obligations of the Partnership or of others, and to raise or secure the repayment thereof, in such manner, upon such terms and conditions, and in all respects as the General Partner thinks fit, and in particular may, without limiting the generality of the foregoing (a) draw, make, accept, endorse, execute, negotiate, issue and deliver bills of exchange, promissory notes, cheques, drafts, orders for payment or delivery of money, receipts, directions, evidences of indebtedness, other negotiable and non-negotiable instruments and bonds, debentures, debenture stock and other debt obligations either outright or as security for any indebtedness, liabilities or obligations of the Partnership or of any other person, (b) grant, create, incur or assume any security interest, mortgage, pledge, lien, charge, whether by way of specific or floating charge, or give other security on the undertaking and on the whole or any part of the property and assets of the Partnership (both present and future) and (c) execute and deliver all agreements, instruments, deeds and other documents relative to the foregoing;

(3) to provide guarantees, indemnities and other forms of assurance to third parties in respect of the indebtedness, liabilities or obligations of the Partnership or of any other person in the ordinary course of the business of the Partnership;

(4) to incur and pay or cause or approve the payment of all costs, outlays, disbursements and expenditures of the Partnership;

(5) to engage or cause to be engaged managers, lawyers, accountants, financial advisors and other consultants or such other persons as the General Partner may deem necessary or advisable;

(6) to open, maintain and close on behalf of and in the name of the Partnership bank accounts and appoint signing officers from time to time and to make deposits and draw cheques and other orders for the payment of monies and to invest or cause to be invested funds of the Partnership not immediately required for the business of the Partnership;

(7) to commence or defend or cause to be commenced or defended any legal proceeding in connection with the Partnership or its business, property or assets and to take all action in connection therewith, including consenting to a judgment against the Partnership, and to agree to any compromise or arrangement by the Partnership with any creditor or creditors or class or classes of creditors of the Partnership;

(8) to file or cause to be filed returns required by any governmental authority and make or cause to be made remittances and other payments and claim refunds in connection therewith;

(9) to make or cause to be made any election, designation or determination that may be made under the ITA or any other fiscal legislation of Canada or any province;

(10) subject to compliance with Section 7.3, to sell, exchange or otherwise dispose of the property, assets and undertaking of the Partnership as an entirety or substantially as an entirety or any part thereof or interest therein;

(11) to lease or license all or any part of the property, assets or undertaking of the Partnership at such time, in such manner and on such terms as the General Partner considers appropriate;

(12) to enter into any agreement for the management or operation of the business, property and assets of the Partnership or any part thereof;

(13) to acquire and maintain or cause to be acquired and maintained such insurance coverage as the General Partner may deem necessary or advisable for protection of the Partnership against claims, liabilities and losses arising from the conduct of its business or the ownership or leasing of its property and assets and to administer all claims or proceedings covered by insurance maintained by the Partnership;

(14) to employ, supervise, manage and terminate, or cause to be employed, supervised, managed and terminated, employees in the conduct of the business, affairs and undertaking of the Partnership and to incur and pay or cause to be paid all remuneration and other costs and expenses of the Partnership in connection with their employment;

(15) to execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, any and all agreements, instruments, deeds and other documents to effect any and all of the foregoing; and

(16) to do all other acts and things necessary, incidental or advisable in connection with or for the furtherance of the business of the Partnership.

All material contracts, undertakings and transactions involving the Partnership (other than the Acquisition Agreement and the Operative Documents) must be approved by the Board of Directors and in the case of contracts, undertakings and transactions with the General Partner or any Affiliate of the General Partner, must be approved by a Special Resolution.

7.3 Power of General Partner to Sell Undertaking

The General Partner shall not dissolve the Partnership or sell, exchange or otherwise dispose of all or substantially all of the property, assets and undertaking of the Partnership unless such sale, exchange or disposition is approved by Special Resolution (other than in conjunction with a bona fide internal reorganization of the Partnership's structure and business).

7.4 Execution of Documents

Any and all powers of the General Partner may be exercised by the execution and delivery by the General Partner or an agent or employee of the Partnership designated by it for and on behalf of and in the name of the Partnership, and under seal or otherwise, of agreements, instruments, deeds or other documents in such forms as the General Partner, agent or employee may deem sufficient.

7.5 Reliance by Third Parties

Third parties dealing with the Partnership are entitled to rely conclusively upon the power and authority of the General Partner as herein set forth. The power of the General Partner to represent the Partnership in dealings with third parties is unrestricted insofar as third parties are concerned.

7.6 Delegation

The General Partner may contract with any person (including any Affiliated Entity) to carry out any of the duties of the General Partner and may delegate to such person any power and authority of the General Partner hereunder, but no such contract or delegation will relieve the General Partner of any of its obligations hereunder, including its obligations in connection with the control of the business, affairs and undertaking of the Partnership.

7.7 Title to Property

The General Partner will hold the property of the Partnership in its name as nominee for the Partnership and for the use and benefit of the Partners in accordance with the terms hereof and may from time to time execute one or more declarations of trust or beneficial ownership in favour of the Partnership in respect of all or any of such property thereby confirming that such property is held as "partnership property" and not as the separate property of the General Partner alone. All partnership property must be held and applied by the Partners exclusively for the purposes of the Partnership and in accordance with this Agreement and as provided by the Act.

7.8 Transactions with General Partner and Affiliated Entities

Subject to Section 7.2, the Partnership may, directly or indirectly, enter into contracts or undertakings with, and carry out transactions with the General Partner or any Affiliated Entity (including contracts for the provision of supplies or services (including management, operating, consulting or financial services) to the Partnership, the purchase, lease, license or other acquisition of property or assets or any interest therein from, or the sale, transfer, assignment, lease, licence or other disposition of property or assets or any interest therein to, any such person, the provision of any financial accommodation to, or the obtaining of Financing from, any such person, and any other kind of contract, undertaking or transaction in connection with the business, property or assets of the Partnership), provided that such contract, undertaking or transaction:

(1) does not result in the Partnership guaranteeing or becoming liable for, directly or indirectly, any of the separate indebtedness, liabilities or obligations of any such person;

(2) does not involve the Partnership lending any funds of the Partnership to any such person;

(3) is not for the purchase or acquisition of any shares or other securities of any such person; or

(4) is on terms, and at a cost or for a price or consideration to the Partnership, which are no less advantageous to the Partnership, taken as a whole, than would generally be obtainable by the Partnership from bona fide arm's length parties.

Compliance with Sections 7.8(1) to (4), inclusive, will not be required in the case of the Acquisition Agreement or any of the Operative Documents.

7.9 Reimbursement of General Partner

The General Partner will be reimbursed by the Partnership for all out-of-pocket costs, outlays, disbursements and expenditures actually paid or incurred by the General Partner in the performance of its duties hereunder (including costs directly incurred for the benefit of the Partnership) with the approval of the General Partner, but the General Partner will not be entitled to any fee for the performance of such duties.

7.10 Commingling of Funds

The funds and other assets of the Partnership will not be commingled with the funds or other assets of the General Partner or any Affiliated Entity.

ARTICLE 8
SPECIAL RESOLUTIONS

8.1 Voting Rights

Except as expressly provided for in this Agreement, Partnership Units of any type or class will not be entitled to vote.

8.2 Powers Exercisable by Special Resolution

The following may be effected through the enactment of a Special Resolution:

(1) the waiver of any default on the part of the General Partner, on such terms as may be specified in such Special Resolution, and the release of the General Partner from any claims in respect thereof;

(2) agreement to any compromise or arrangement by the Partnership with the holders of any shares or securities of the General Partner or any Affiliated Entity;

(3) requiring the General Partner on behalf of the Partnership to enforce any obligation or covenant on the part of any Limited Partner; and

(4) the waiver of any rights of the Partners under this Agreement.

ARTICLE 9
CHANGE OF GENERAL PARTNER

9.1 Withdrawal by General Partner

The General Partner may retire on not less than 180 days written notice thereof to the other Partners. Such retirement will be effective upon the earlier of (i) 180 days after such notice is given and (ii) approval by Special Resolution of the admission of a new General Partner to the Partnership in replacement of the retiring General Partner. The representations and warranties of the General Partner provided in Section 3.1 must be true and correct in respect of the new General Partner upon being admitted to the Partnership. Notwithstanding any of the foregoing, the General Partner may not retire if the effect of such retirement would be to dissolve the Partnership.

9.2 Bankruptcy or Dissolution of General Partner

The General Partner, by agreeing to be bound by this Agreement, will be deemed to retire in the event the shareholders or directors of the General Partner pass a resolution authorizing or commencing the bankruptcy, winding-up, liquidation or dissolution of the General Partner or any proceeding in connection therewith is not contested in good faith by the General Partner or the appointment of a trustee, receiver or receiver-manager of the affairs of the General Partner, but such retirement will not be effective until the admission of a new General Partner to the Partnership in replacement of the retiring General Partner is approved by Special Resolution. The representations and warranties of the General Partner provided in Section 3.1 must be true and correct in respect of the new General Partner upon being admitted to the Partnership. The retiring General Partner will not have any right to withdraw any amount or receive any distribution from the Partnership which the General Partner would not have had the right to withdraw or receive if the General Partner were not retiring except as expressly provided for in this Agreement.

9.3 Removal of General Partner

The General Partner may be removed only by Special Resolution, and only if such Special Resolution also admits a new General Partner to the Partnership as a replacement to the General Partner being removed. The representations and warranties of the General Partner provided in Section 3.1 must be true and correct in respect of the new General Partner upon being admitted to the Partnership. The removed General Partner will not have any right to withdraw any amount or receive any distribution from the Partnership which the General Partner would not have had the right to withdraw or receive if the General Partner were not removed except as expressly provided for in this Agreement.

9.4 Release

On the retirement or removal of the General Partner, the Partnership will release and hold harmless the retired or removed General Partner, from all costs, damages, liabilities or expenses suffered or incurred by it as a result of or arising out of events occurring after such retirement or removal, as the case may be, other than as a result of or arising out of any wilful act by the retired or removed General Partner in relation to the Partnership occurring after such retirement or removal, as the case may be.

9.5 Transfer of Title and Management

On the admission of a new General Partner to the Partnership to replace a retiring or removed General Partner, the retiring or removed General Partner will transfer legal title to any property of the Partnership held in its name to the new General Partner (who will hold such legal title pursuant to Section 7.7) and execute and deliver all deeds, certificates, assurances and other documents necessary or desirable to effect such transfer and the retiring or removed General Partner will do all things and take all steps to transfer the administration, management and operation of the business, affairs and undertaking of the Partnership and the books, records and accounts of the Partnership to the new General Partner and will execute and deliver all deeds, certificates, declarations and other documents necessary or desirable therefor.

9.6 New General Partner

A new General Partner will, upon admission to the Partnership, execute a counterpart of this Agreement, the Governance Agreement and the Exchange Agreement and thereby become a party to such agreements and will agree to be bound by all of the provisions hereof and of the Governance Agreement and the Exchange Agreement, and will assume the obligations, duties and liabilities hereunder and thereunder of the General Partner. Any new General Partner will be required to have a board of directors and share ownership structure constituted in accordance with the Governance Agreement.

9.7 Continuity of Partnership

In the event of the bankruptcy, dissolution, retirement or removal of the General Partner, the business of the Partnership will be continued by a new general partner appointed by the Limited Partners by Special Resolution.

ARTICLE 10
DISSOLUTION OF PARTNERSHIP

10.1 Events of Dissolution

The Partnership will be dissolved on the earliest of:

(1) the authorization of such dissolution by Special Resolution; and

(2) the end of the Fiscal Year in which all of the property and assets of the Partnership have been disposed of.

10.2 Events Not Causing Dissolution

The Partnership will not be dissolved or terminated by the bankruptcy, retirement, death, mental incompetence, dissolution, removal, insolvency, liquidation, winding up, receivership, reorganization, admission or retirement of, or an assignment for the benefit of creditors by, any Partner, except that the Partnership will be dissolved by the bankruptcy, dissolution, retirement or removal of the General Partner unless there is a remaining general partner of the Partnership to continue the business of the Partnership, but a bankrupt General Partner will not be entitled to exercise the powers and authority of the General Partner.

10.3 No Further Business

Following the dissolution of the Partnership, the Partnership will not engage in any further business other than as contemplated in Section 10.4 in connection with the winding up of the business of the Partnership.

10.4 Liquidation

On dissolution of the Partnership, the General Partner will act as receiver (the "receiver") of the Partnership. The receiver will prepare or cause to be prepared a statement of financial position of the Partnership, a copy of which will be forwarded to each person shown on the Register as a partner of the Partnership at the date of dissolution and the receiver will wind up the affairs of the Partnership and all property and assets of the Partnership will be liquidated in an orderly manner and, in connection therewith, the receiver will manage and operate the business of the Partnership and have all powers and authority of the General Partner. The receiver will be paid its reasonable fees and disbursements incurred in carrying out such duties. Net Income or Net Loss and Taxable Income or Tax Loss (and all other items relevant in computing the "taxable income" (as defined in the ITA) of any Partner or the tax payable by any Partner pursuant to the ITA arising during such period) for the period of winding up will be determined as at the end of such period in accordance with the provisions of this Agreement and will be allocated to the Partners in the same manner as if there were no dissolution, liquidation and termination except that the Partnership will also allocate to the holders of the Class A LP Units, prior to the allocation of any income to the holders of the Class B LP Units under Section 6.1(4), an amount equal to the recaptured depreciation income earned in such period and taxable capital gains realized in such period, if any, no greater than the recaptured depreciation and the taxable capital gain that would have been realized by Royalty LP on a disposition of the NND Rights if the disposition were to occur at an amount equal to the Class A Dissolution Entitlement.

10.5 Distribution after Dissolution

Unless the parties agree on alternative steps in order to implement dissolution on a tax-deferred basis, the receiver will distribute the net proceeds from liquidation of the Partnership, as follows:

(1) firstly, to pay the expenses of liquidation and the debts, liabilities and obligations of the Partnership to its creditors or to make due provision for payment thereof;

(2) secondly, to provide reserves the receiver considers necessary for any contingent or unforeseen liability or obligation of the Partnership, which reserves will be paid to an escrow agent to be held for payment of liabilities and obligations of the Partnership; and

(3) thirdly, to the Partners (to the extent of any balance thereof, as a return of capital) as follows:

(a) first, to the holders of the Class A LP Units, the amount of any accumulated and unpaid amounts in respect of the Class A Preferential Return pro rata in accordance with the aggregate number of Class A LP Units held by such holder;

(b) second, to the holders of the GP Units, the sum of $100 pro rata in accordance with the number of GP Units held by each such holder;

(c) third, to the holders of the Class A LP Units pro rata in accordance with the aggregate number of Class A LP Units held by such holder, an amount equal to the Class A Dissolution Entitlement; and

(d) thereafter, as follows:

(i) 99.99% to the holders of the Class B LP Units pro rata in accordance with the number of Class B LP Units held by each such holder; and

(ii) 0.01% to the holders of the Class C LP Units pro rata in accordance with the number of Class C LP Units held by each such holder.

10.6 Return of Capital

No Partner will have the right to demand or receive a return of capital in form other than cash, but nothing herein will prohibit a return of capital in a form other than cash.

10.7 Termination of Partnership

The Partnership will terminate when all of its net assets have been distributed as provided in this Article 10.

ARTICLE 11
BOOKS AND RECORDS AND OTHER INFORMATION

11.1 Books and Records

The General Partner will keep and maintain, or cause to be kept and maintained, at the principal office of the Partnership, full, complete and accurate books of account and records of the business of the Partnership.

11.2 Annual Report and Income Tax Information

Within 120 days of the end of each Fiscal Year, the General Partner will forward to each person who is shown on the Register as a Partner during such Fiscal Year:

(1) audited financial statements of DIV as at the end of, and for, such Fiscal Year containing a supplemental schedule detailing the following items for the Partnership: (a) a balance sheet; (b) a statement of income; (c) a statement of cash flows; and (d) a statement of changes in capital;

(2) a report on the supplementary matters (including matters related to the Partnership) arising from the audit on the financial statements referred to in Section 11.2(1);

(3) a report on allocations and distributions to Partners, including credits and charges to Designated Capital Accounts and Current Accounts;

(4) such other information as, in the opinion of the General Partner, is material to the business of the Partnership; and

(5) information concerning the amount of Taxable Income or Tax Loss and such other matters as may be necessary or required to enable a Partner to file returns under the relevant Canadian fiscal legislation.

11.3 Interim Financial Statements

The General Partner will forward, within 60 days after the end of each of the first, second and third three month periods during each Fiscal Year, to each person who is shown on the Register as a Partners during such three month period, an unaudited statement of operations and changes in financial position of the Partnership for such three month period.

11.4 Accounting Policies

The General Partner is authorized to establish, from time to time, accounting policies with respect to the financial statements of the Partnership and to change, from time to time, any policy that has been so established so long as such policies are consistent with the provisions of this Agreement.

ARTICLE 12
AMENDMENTS

12.1 Amendment

Subject to Sections 12.2 and 12.3, this Agreement may only be amended by a written instrument signed by each the Partners.

12.2 Change of Partners

Provided that such amendment does not adversely affect the rights or obligations of any Partner, this Agreement may be amended by the General Partner without notice to or the consent of any other Partners to reflect the admission, retirement or removal of any Partner, or the assignment by any Partner of the whole or any part of its interest in the Partnership, under or pursuant to the terms of this Agreement or the Act.

12.3 Amendment by General Partner

The Partnership Agreement may be amended by the General Partner to reflect:

(1) a change in the name of the Partnership or the location of the registered office or principal place of business of the Partnership;

(2) a change that, as determined by the General Partner, acting reasonably, is reasonable and necessary or appropriate to qualify or continue the qualification of the Partnership as a limited partnership in which the Limited Partners have limited liability under the applicable laws;

(3) a change that, as determined by the General Partner, acting reasonably, is reasonable, necessary or appropriate to enable the Partnership to take advantage of, or not be detrimentally affected by, changes in the ITA or other taxation laws or fiscal laws of Canada, any province of Canada or any other jurisdiction; or

(4) a change that, as determined by the General Partner, acting reasonably, is reasonable, necessary or appropriate to cure any ambiguity in this Agreement or to correct or supplement any provisions contained in this Agreement that may be defective or inconsistent with any other provisions contained in this Agreement,

provided that all Partners will be notified of the full details of any amendment to this Agreement under this Section 12.3 promptly and, in any event, no later than 30 days after the effective date of such amendment.

ARTICLE 13
NOTICES

13.1 Notices

Any notice, communication, demand or payment required or permitted to be given or made to a Partner hereunder will be sufficiently given or made for all purposes if delivered personally to the address in Canada of such Partner as it appears on the Register or, in the case of a notice, communication or demand, if sent by facsimile transmission or other means of electronic communication (and confirmed by personal delivery as soon as practicable thereafter) to such address or sent by registered mail within Canada, postage prepaid, to such address. Any such notice, communication or demand that is sent by mail will be deemed to have been received on the sixth day after the date on which the same is deposited in a regularly maintained receptacle for the deposit of mail, addressed and sent as aforesaid. In the event of any disruption, strike or interruption in the Canadian postal service after mailing and prior to receipt and deemed receipt of any such notice, communication or demand will be deemed to have been received on the sixth day following full resumption of the postal service. Any Partner may change its address to another address in Canada by giving written notice of such change to the General Partner pursuant to this Section 13.1. Accidental failure to give any notice, communication or demand required or permitted to be given or made hereunder to any Partner in accordance with the provisions hereof will not affect the validity of such notice, communication or demand unless such Partner shall have been materially and adversely affected by such failure.

ARTICLE 14
POWER OF ATTORNEY

14.1 Power of Attorney

Each Limited Partner hereby irrevocably nominates, constitutes and appoints the General Partner, with full power of substitution, as its agent and true and lawful attorney to act on its behalf with full power and authority in its name, place and stead to:

(1) execute, swear to, acknowledge, deliver, make and record or file when, as and where required and under seal or otherwise:

(a) this Agreement, the Certificate, any amendment to this Agreement or the Certificate made in accordance with the terms of this Agreement and any other instrument required to qualify, continue and keep in good standing the Partnership as a limited partnership under the laws of the Province of British Columbia or otherwise to comply with the laws of any jurisdiction in which the Partnership may carry on business or own or lease property or assets in order to establish or maintain the limited liability of the Limited Partners and to comply with the applicable laws of such jurisdiction;

(b) any instrument, and any amendment to the Certificate, necessary to reflect this Agreement or any amendment to this Agreement made in accordance with the terms of this Agreement;

(c) any instrument required in connection with the dissolution or termination of the Partnership in accordance with the terms of this Agreement;

(d) any agreement, instrument, deed or other document executed in connection with the administration, management, control and operation of the business, affairs and undertaking of the Partnership pursuant to the terms of this Agreement and of the Act;

(e) subject to compliance with Section 7.3, any agreement, instrument, deed or other document executed in connection with the sale, exchange or other disposition of the property, assets and undertaking of the Partnership as an entirety or substantially as an entirety or any part thereof or interest therein;

(f) all elections, determinations or designations under the ITA or any other taxation laws or other fiscal laws of Canada, any province of Canada or any other jurisdiction in respect of the affairs of the Partnership, the dissolution of the Partnership or a Partner's interest in the Partnership;

(g) any agreement, instrument, deed or document in connection with any legal proceeding by or against the Partnership in connection with its business, property or assets, including any consent to any judgment against the Partnership; and

(h) any instrument required by any governmental authority in connection with the Partnership or its business, property or assets; and

(2) to make any application for and receive any amount of credit or grant under any incentive program of Canada, any province of Canada or any other jurisdiction.

The power of attorney granted herein is coupled with an interest and is irrevocable and will survive the disability or legal incapacity of a Limited Partner or the assignment by a Limited Partner of the whole or any part of its interest in the Partnership and extends to and is binding upon the heirs, executors, administrators and other legal representatives and successors and assigns of such Limited Partner and, if such Limited Partner is a natural person, will survive the death or disability of such Limited Partner until notice of such death or disability is given to the General Partner and may be exercised by the General Partner on behalf of each Limited Partner in executing any agreement, instrument, deed or other document by listing all the Limited Partners thereon and executing such agreement, instrument, deed or other document with a single signature as attorney and agent for all of them or by executing such agreement, instrument, deed or other document on behalf of the Partnership as General Partner. Each Limited Partner agrees to be bound by any representation or action made or taken by the General Partner pursuant to the power of attorney granted herein and hereby waives any and all defences which may be available to contest, negate or disaffirm the action of the General Partner taken in good faith under such power of attorney.

14.2 Incapacity and Continuing Power of Attorney

In accordance with the *Power of Attorney Act* (British Columbia), the *Powers of Attorney Act* (Alberta), the *Substitute Decisions Act*, 1992 (Ontario) and the *Civil Code of Quebec* and any similar legislation governing a power of attorney, each Limited Partner declares that the power of attorney granted herein may be exercised during any legal incapacity, mental incapacity or infirmity, or mental incompetence on its part. The power of attorney granted herein is intended to be a continuing power of attorney within the meaning of the *Substitute Decisions Act*, 1992 (Ontario), exercisable during a Limited Partner's incapacity to manage property, or any similar power of attorney under equivalent legislation in any province or territory of Canada, including, without limiting the generality of the foregoing, an enduring power of attorney and a mandate in anticipation of incapacity under the *Civil Code of Quebec* (a "**CPOA**"). The power of attorney granted herein will not revoke or terminate any CPOA granted previously and will not be revoked or terminated by the execution in the future of a CPOA and each Limited Partner hereby declares that it may have multiple CPOAs. Each Limited Partner hereby agrees not to take any action in future which results in the revocation or termination of the power of attorney granted hereby. The General Partner may require, in connection with any subscription for, or assignment of, Limited Partner Units that the form of subscription or assignment, if any, be accompanied by the explanatory notes set out in the *Powers of Attorney Act* (Alberta) and a certificate of legal advice signed by a lawyer who is not the attorney or the attorney's spouse.

14.3 Delivery of Power of Attorney

To evidence the foregoing provisions of this Article 14, each Limited Partner will execute and deliver a power of attorney in the form attached hereto as Schedule "B" or in such other form as may be accepted by the General Partner.

ARTICLE 15
MISCELLANEOUS

15.1 Efforts to Settle Disputes.

In the event any dispute, claim, question or difference (a "**Dispute**") arises out of or with respect to this Agreement, including its performance, enforcement, interpretation, construction, breach, termination or validity, the parties shall use reasonable commercial efforts to settle the Dispute. To this end, the parties shall consult and negotiate with each other, in good faith, to reach a just and equitable solution to the Dispute satisfactory to each party.

15.2 Arbitration

If the parties do not reach a solution pursuant to Section 15.1 within a period of 15 Business Days following the first notice of the Dispute by any party to the other, then upon written notice by any party to the other, the Dispute shall be finally settled by a single arbitrator in accordance with the provisions of the *Arbitration Act* (British Columbia) (the "**Arbitration Act**"), subject to the following:

(a) The arbitrator shall be instructed that time is of the essence in the arbitration proceeding and, in any event, the arbitration award must be made within 90 days of the submission of the Dispute to arbitration and within 15 Business Days of the conclusion of any hearing, or, if none, written submissions.

(b) After written notice is given to refer any Dispute to arbitration, the parties will meet within 10 Business Days of delivery of the notice and will negotiate in good faith any changes in these arbitration provisions or the rules of arbitration which are herein adopted, in an effort to expedite the process and otherwise ensure that the process is appropriate given the nature of the Dispute and the values at risk;

(c) The arbitration shall take place in Vancouver, British Columbia and shall be conducted in the English language;

(d) The arbitration award shall be given in writing and shall be final and binding on the parties, and there shall be no appeal therefrom (including on a question of law). The award shall give reasons and shall deal with the question of costs of arbitration and all related matters;

(e) The parties agree that the arbitration shall be kept confidential and that the existence of the proceeding and any element of it (including any pleadings, briefs or other documents submitted or exchanged, any testimony or other oral submissions and any awards) shall not be disclosed beyond the arbitrator, the parties, their counsel and any person necessary to the conduct of the proceeding, except as may lawfully be required in judicial proceedings relating to the arbitration or otherwise; and

(f) Notwithstanding this Section 15.2, any party shall be entitled to go directly to Court, in the event the parties do not reach a solution pursuant to Section 15.1 within a period of 15 Business Days, to seek preliminary injunctive relief during the pendency of the arbitration.

15.3 Strict Performance of Covenants

The failure of any party to seek redress for a violation of or to insist upon strict performance of any provision hereof will not prevent a subsequent act which would have originally constituted a violation of such provision or any other provision hereof from having the effect of an original violation of such provision or any other provision hereof.

15.4 Severability

If any provision of this Agreement or portion thereof or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable: (a) the remainder of this Agreement or the application of such provision or portion thereof to any other person or circumstance shall be not affected thereby; and (b) the Partners will negotiate in good faith to amend this Agreement to implement the intentions set forth herein. Each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

15.5 Limited Partner Not a General Partner

If any provision of this Agreement has the effect of imposing upon any Limited Partner (in its capacity as such) any of the liabilities or obligations of a general partner such provision will be of no force or effect.

15.6 Counterparts

This Agreement may be executed in several counterparts (including counterparts by facsimile) each of which once signed shall be deemed to be an original. This Agreement may also be adopted in any subscription form or similar instrument signed by a Limited Partner with the same effect as if such Limited Partner had executed a counterpart of this Agreement. All counterparts and adopting instruments taken together will constitute one and the same instrument.

15.7 Time of the Essence

Time will be of the essence of each provision of this Agreement. Any extensions, waiver or variation of any provision of this Agreement shall not be deemed to affect this provision and there shall be no implied waiver of this provision.

15.8 Further Assurances

The parties hereto agree to execute such further and other agreements, instruments, deeds and documents, cause such resolutions to be passed, exercise their influence, do and perform and cause to be done and performed such further and other acts and things that may be necessary or desirable in order to give full effect to this Agreement and every part hereof. Without limiting the generality of the foregoing, the Limited Partners agree to execute such confirmations and acknowledgements as may be requested by the General Partner for purposes of confirming to third parties the power and authority of the General Partner as herein set forth.

15.9 Binding Effect

This Agreement will be binding upon and enure to the benefit of the parties hereto (including each person who subscribes for Partnership Units by delivering a subscription in accordance with Section 4.4, upon acceptance of such subscription by the General Partner), their respective heirs, executors, administrators and other legal representatives and, to the extent permitted hereunder, their respective successors and assigns.

[*signature page to follow*]

IN WITNESS WHEREOF this Amended and Restated Agreement of Limited Partnership is executed as of the date and year first written above.

NND ROYALTIES GP INC.

By: ______________________________
Authorized Signatory

NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.

By: ______________________________
Authorized Signatory

NND HOLDINGS LIMITED PARTNERSHIP, by its general partner, **NND HOLDINGS GP INC.**

By: ______________________________
Authorized Signatory

SCHEDULE "A"

FORM OF SUBSCRIPTION

NND ROYALTIES LIMITED PARTNERSHIP

SUBSCRIPTION [AND JOINDER*]

TO: NND ROYALTIES GP INC., the General Partner

The undersigned hereby tenders this subscription and subscribes for ______ ____ Units in NND ROYALTIES LIMITED PARTNERSHIP (the "Partnership") at a Subscription Price of $______ per unit [and agrees to become a Limited Partner*]. The undersigned hereby acknowledges receipt of a copy of the Amended and Restated Agreement of Limited Partnership dated for reference •, 2019 between NND Royalties GP Inc., Nurse Next Door Professional Homecare Services Inc. and NND Holdings Limited Partnership (the "Partnership Agreement") and specifically accepts and adopts each and every provision of the Partnership Agreement and agrees to be bound thereby [and hereby joins in the Partnership Agreement as a party thereto and the execution hereof is execution by the undersigned of the Partnership Agreement*]. Without limiting the generality of the foregoing, the undersigned hereby represents and warrants to and covenants with the Partnership that the undersigned:

(A) has and will continue to have the capacity and competency to enter into and be bound by this Agreement and will, at the request of the General Partner, provide such evidence of compliance with such representation, warranty and covenant as the General Partner may request;

(B) is not and will not be a "non-resident" of Canada within the meaning of the ITA or, if a partnership, is and will be a "Canadian partnership" within the meaning of the ITA;

(C) is not and will not be a "non-Canadian" within the meaning of the *Investment Canada Act*;

(D) is not and will not be a person or partnership, an interest in which would be a "tax shelter investment" (as defined in the ITA) or which is acquiring Partnership Units as a "tax shelter investment";

(E) has not undertaken and will not undertake any action (including the acquisition of Partnership Units) that will cause the Partnership to be, or create a substantial risk that the Partnership will be, a "SIFT partnership" as defined in subsection 197(1) of the ITA, including any action that could cause the Partnership Units to be listed or traded on a stock exchange or other "public market" within the meaning of the ITA; and

(F) is not and will not be a "financial institution" within the meaning of subsection 142.2(1) of the ITA.

After acceptance of this subscription the undersigned agrees to tender the aggregate Subscription Price [insert description of the time or times when the Subscription Price is to be paid].

The address of the undersigned to be shown on the Register is:

____

____

(Address)______________________________

Facsimile No.: __________________________

All capitalized terms used herein will have the meaning given thereto in the Partnership Agreement.

DATED the _______ day of ______________________, _________.

If a corporation:

[NAME OF SUBSCRIBER]

By:____
Title: C/S

If an individual:

SIGNED, SEALED AND DELIVERED by)

[NAME OF SUBSCRIBER] in the presence of:)

____)
(Name)
____) ___________________________________ [seal]

____) Print Name:
(Address)

If other:

[NAME OF SUBSCRIBER]
By: ____
Title:

Accepted this _____ day of ____________________, _________.
NND ROYALTIES GP INC., as General Partner of NND
ROYALTIES LIMITED PARTNERSHIP

By: ____

Title: ____

* Include if subscriber is not already a Limited Partner.

SCHEDULE "B"

FORM OF POWER OF ATTORNEY

The undersigned, a limited partner of **NND ROYALTIES LIMITED PARTNERSHIP** (the "Partnership"), hereby irrevocably nominates, constitutes and appoints under seal the General Partner, with full power of substitution, as its agent and true and lawful attorney to act on behalf of the undersigned with full power and authority in its name, place and stead to:

(1) execute, swear to, acknowledge, deliver, make and record or file when, as and where required and under seal or otherwise:

(a) any amendment to the Amended and Restated Agreement of Limited Partnership dated for reference •, 2019 between NND Royalties GP Inc., Nurse Next Door Professional Homecare Services Inc. and NND Holdings Limited Partnership, as amended, restated or supplemented from time to time (the "Partnership Agreement"), the Certificate, any amendment to the Partnership Agreement or the Certificate made in accordance with the terms of this Agreement and any other instrument required to qualify, continue and keep in good standing the Partnership as a limited partnership under the laws of the Province of British Columbia or otherwise to comply with the laws of any jurisdiction in which the Partnership may carry on business or own or lease property or assets in order to establish or maintain the limited liability of the Limited Partners and to comply with the applicable laws of such jurisdiction;

(b) any instrument, and any amendment to the Certificate, necessary to reflect the Partnership Agreement or any amendment to the Partnership Agreement made in accordance with the terms of the Partnership Agreement;

(c) any instrument required in connection with the dissolution or termination of the Partnership in accordance with the terms of the Partnership Agreement;

(d) any agreement, instrument, deed or other document executed in connection with the business, affairs and undertaking of the Partnership pursuant to the terms of the Partnership Agreement or the Act;

(e) subject to compliance with Section 7.3 of the Partnership Agreement, any agreement, instrument, deed or other document executed in connection with the sale, exchange or other disposition of the property, assets and undertaking of the Partnership as an entirety or substantially as an entirety or any part thereof or interest therein;

(f) all elections, determinations or designations under the ITA or any other taxation laws or other fiscal laws of Canada, any province of Canada or any other jurisdiction in respect of the affairs of the Partnership, the dissolution of the Partnership or a Partner's interest in the Partnership;

(g) any agreement, instrument, deed or document in connection with any legal proceeding by or against the Partnership in connection with its business, property or assets, including any consent to any judgment against the Partnership; and

(h) any instrument required by any governmental authority in connection with the Partnership or its business, property or assets; and

(2) to make any application for and receive any amount of credit or grant under any incentive program of Canada, any province of Canada or any other jurisdiction.

This power of attorney is coupled with an interest and is irrevocable and will survive the disability or legal incapacity of the undersigned or the assignment by the undersigned of the whole or any part of the interest of the undersigned in the Partnership and extends to and is binding upon the heirs, executors, administrators and other legal representatives and successors and assigns of the undersigned and, if the undersigned is a natural person, will survive the death or disability of the undersigned until notice of such death or disability is given to the General Partner. This power of attorney may be exercised by the General Partner on behalf of the undersigned in executing any agreement, instrument, deed or other document by listing all the Limited Partners thereon and executing such agreement, instrument, deed or document with a single signature as attorney and agent for all of them or by executing such agreement, instrument, deed or other document on behalf of the Partnership as General Partner.

The undersigned agrees to be bound by any representation or action made or taken by the General Partner pursuant to this power of attorney and hereby waives any and all defences which may be available to contest, negate or disaffirm the action of the General Partner taken in good faith under this power of attorney.

In accordance with the *Power of Attorney Act* (British Columbia), the *Powers of Attorney Act* (Alberta), the *Substitute Decisions Act*, 1992 (Ontario) and the *Civil Code of Quebec* and any similar legislation governing a power of attorney, the undersigned hereby declares that this power of attorney may be exercised during any legal incapacity, mental incapacity or infirmity, or mental incompetence on the part of the undersigned. This power of attorney is intended to be a continuing power of attorney within the meaning of the *Substitute Decisions Act*, 1992 (Ontario), exercisable during the undersigned's incapacity to manage property, or any similar power of attorney under equivalent legislation in any province of territory of Canada, including, without limiting the generality of the foregoing, an enduring power of attorney and a mandate in anticipation of incapacity under the *Civil Code of Quebec* (a "CPOA"). This power of attorney will not revoke or terminate any CPOA granted previously and will not be revoked or terminated by the execution in the future of a CPOA and the undersigned hereby declares that the undersigned may have multiple CPOAs. The undersigned hereby agrees not to take any action in future which results in the revocation or termination of this power of attorney. The General Partner may require, in connection with any subscription or assignment, if any, be accompanied by the explanatory notes set out in the *Powers of Attorney Act* (Alberta) and a certificate of legal advice signed by a lawyer who is not the attorney or the attorney's spouse.

All capitalized terms in this power of attorney which are not defined herein will have the meanings assigned to them in the Partnership Agreement.

This power of attorney will be governed by and construed in accordance with the laws of the Province of British Columbia.

IN WITNESS WHEREOF the undersigned has executed and delivered this power of attorney under seal as of this day of ________________________, _________.

If a corporation:

[NAME OF LIMITED PARTNER]

C/S

By: ____

Title:

If an individual:

SIGNED, SEALED AND DELIVERED by)

[NAME OF LIMITED PARTNER] in the presence of:)

______________________________)
(Name)

______________________________) ______________________________ [seal]

______________________________) Print Name:
(Address)

)

If other:

[NAME OF LIMITED PARTNER]

C/S

By: ______________________________

Title:

Error! Unknown document property name.

SCHEDULE "C"

FORM OF LIMITED PARTNER UNIT CERTIFICATE

No. ___________ _____________ [Class ●] Limited Partner Units

UNIT CERTIFICATE

NND ROYALTIES LIMITED PARTNERSHIP

(a limited partnership formed under the
laws of the Province of British Columbia)

THIS IS TO CERTIFY that ______________________________ is the owner of _______ [Class ●] Limited Partner Units in NND ROYALTIES LIMITED PARTNERSHIP and, as such, is entitled to all of the rights and privileges in respect of the [Class ●] Limited Partner Units represented hereby set forth in the Amended and Restated Agreement of Limited Partnership dated for reference •, 2019 between NND Royalties GP Inc., Nurse Next Door Professional Homecare Services Inc. and NND Holdings Limited Partnership as amended and in effect from time to time (the "Partnership Agreement").

This Certificate and the Limited Partner Units represented hereby are held subject to the conditions and restrictions contained in the Partnership Agreement.

DATED the _____ day of ____________________, _______.

This Certificate is not valid unless signed on behalf of NND ROYALTIES LIMITED PARTNERSHIP by an authorized representative of NND ROYALTIES GP INC. as General Partner

NND ROYALTIES GP INC., as General Partner of
NND ROYALTIES LIMITED PARTNERSHIP

By: ____
Title:

SCHEDULE "D"

FORM OF GENERAL PARTNER UNIT CERTIFICATE

No. ___________ ___________ General Partner Units

UNIT CERTIFICATE

NND ROYALTIES LIMITED PARTNERSHIP

(a limited partnership formed under the
laws of the Province of British Columbia)

THIS IS TO CERTIFY that _________________________________ is the owner of ___________ General Partner Units in NND ROYALTIES LIMITED PARTNERSHIP and, as such, is entitled to all of the rights and privileges in respect of the General Partner Units represented hereby set forth in the Amended and Restated Agreement of Limited Partnership dated for reference •, 2019 between NND Royalties GP Inc., Nurse Next Door Professional Homecare Services Inc. and NND Holdings Limited Partnership, as amended, restated or supplemented from time to time (the "Partnership Agreement").

This Certificate and the General Partner Units represented hereby are held subject to the conditions and restrictions contained in the Partnership Agreement.

DATED the _____ day of ____________________, _______.

This Certificate is not valid unless signed on behalf of NND ROYALTIES LIMITED PARTNERSHIP by an authorized representative of NND ROYALTIES GP INC. as General Partner

NND ROYALTIES GP INC. , as General Partner of
NND ROYALTIES LIMITED PARTNERSHIP

By: ____
Title:

SCHEDULE "E"

ASSIGNMENT OF PARTNERSHIP UNITS IN

NND ROYALTIES LIMITED PARTNERSHIP

The undersigned, a partner of NND ROYALTIES LIMITED PARTNERSHIP (the "Partnership"), hereby transfers to

____

(Name of Assignee)

(the "Assignee") all of the undersigned's right, title and interest in and to ____________ Units (the "Assigned Units") in the Partnership and assigns to the Assignee all of the interest of the undersigned in the Partnership that is represented thereby. The undersigned agrees to furnish to the General Partner of the Partnership (the "General Partner") such certificates, assurances, instruments and other documents as the General Partner may require to effect this transfer and assignment. The undersigned agrees that this transfer and assignment will not be effective until all such certificates, assurances, instruments and other documents have been furnished to the General Partner as aforesaid and the name of the Assignee is shown on the Register (as defined in the Amended and Restated Agreement of Limited Partnership dated for reference •, 2019 between NND Royalties GP Inc., Nurse Next Door Professional Homecare Services Inc. and NND Holdings Limited Partnership, as amended, restated or supplemented from time to time (the "Partnership Agreement")) as the holder of the Assigned Units.

Dated the ______ day of _________________________, ________.

If a corporation:

[NAME OF PARTNER]

By: ____________________________________

Title: C/S

If an individual:

SIGNED, SEALED AND DELIVERED by	)	
[NAME OF PARTNER] in the presence of:	)	
____________________________________	)	
(Name)		
____________________________________	)	____________________________ [seal]
____________________________________	)	Print Name:
(Address)	)	

If other:

[NAME OF SUBSCRIBER]

By: ____
Title:

The Assignee hereby accepts the above transfer and assignment and agrees to be bound as a party to the Partnership Agreement. Without limiting the generality of the foregoing, the Assignee hereby represents and warrants to and covenants with the Partnership that the Assignee:

(A) has and will continue to have the capacity and competency to enter into and be bound by this Agreement and will, at the request of the General Partner, provide such evidence of compliance with such representation, warranty and covenant as the General Partner may request; and

(B) is not and will not be a “non-resident” of Canada within the meaning of the ITA or, if a partnership, is and will be a “Canadian partnership” within the meaning of the ITA;

(C) is not and will not be a “non-Canadian” within the meaning of the *Investment Canada Act*;

(D) is not and will not be a person or partnership, an interest in which would be a “tax shelter investment” (as defined in the ITA) or which is acquiring Partnership Units as a “tax shelter investment”;

(E) has not undertaken and will not undertake any action (including the acquisition of Partnership Units) that will cause the Partnership to be, or create a substantial risk that the Partnership will be, a “SIFT partnership” as defined in subsection 197(1) of the ITA, including any action that could cause the Partnership Units to be listed or traded on a stock exchange or other “public market” within the meaning of the ITA; and

(F) is not and will not be a “financial institution” within the meaning of subsection 142.2(1) of the ITA.

The address of the Assignee is:

____

____
(Address)

____

Facsimile No.: ________________________________

Dated the _______ day of _______________,_____.

If a corporation:

[NAME OF ASSIGNEE]

By: ______________________________________
Title: C/S

If an individual:

SIGNED, SEALED AND DELIVERED by)

[NAME OF ASSIGNEE] in the presence of:)

____)
(Name)
____) ______________________________ [seal]

____) Print Name:
(Address)
)

If other:

[NAME OF ASSIGNEE]

By: ______________________________________
Title:

EXHIBIT 5
Form of General Security Agreement

(see attached)

GENERAL SECURITY AGREEMENT

between

NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.

and

NND ROYALTIES LIMITED PARTNERSHIP

●, 2019

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GENERAL SECURITY AGREEMENT

THIS AGREEMENT is made as of •, 2019 between **NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.**, a corporation incorporated pursuant to the laws of Canada ("**Nurse Next Door**"), and **NND ROYALTIES LIMITED PARTNERSHIP**, a limited partnership formed pursuant to the laws of the Province of British Columbia (the "**Secured Party**").

WHEREAS:

A. The Secured Party and Nurse Next Door have entered into a licence and royalty agreement (the "**Licence and Royalty Agreement**") of even date herewith, pursuant to which the Secured Party has granted to Nurse Next Door the exclusive right to use the NND Rights (as defined in the Licence and Royalty Agreement) throughout the world for a period of 99 years, in consideration for the payment of a royalty (the "**Royalty**"), all on the terms and conditions, and subject to the exclusions, more specifically set out in the Licence and Royalty Agreement; and

B. Nurse Next Door has agreed to execute and deliver this Agreement to the Secured Party as security for the Obligations, including, without limitation, the obligation of Nurse Next Door to pay the Royalty to the Secured Party.

NOW THEREFORE in consideration of the sum of $10 now paid by the Secured Party to Nurse Next Door and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by Nurse Next Door), the parties hereto covenant and agree as follows:

1. Defined Terms

In this Agreement, the following terms have the following meanings:

(a) "**Accounts**" has the meaning set out in Section 2(b) of this Agreement;

(b) "**Acquisition Agreement**" means the acquisition agreement dated •, 2019 between Nurse Next Door, the Secured Party and certain others with respect to the purchase and sale of the NND Rights, as amended, restated or supplemented from time to time;

(c) "**affiliate**" has the meaning ascribed thereto by the *Canada Business Corporations Act* as of the date hereof;

(d) "**ASPE**" means the Accounting Standards for Private Enterprises which are in effect from time to time in Canada, as published in Part II of the CPA Canada Handbook – Accounting by the Chartered Professional Accountants of Canada or any successor thereto;

(e) "**Business Day**" means a day, other than a Saturday, Sunday or statutory holiday, when banks are not generally open in the city of Vancouver, British Columbia, for the transaction of banking business;

(f) "**Collateral**" means all of the assets and undertaking of Nurse Next Door described in Sections 2, 3 and 4 of this Agreement, but subject to the exceptions and exclusions set out therein and in Section 5 of this Agreement;

(g) "**DIV**" means Diversified Royalty Corp., a corporation formed under the laws of Canada;

(h) "**EBITDA**", in respect of any period, means total consolidated earnings of Nurse Next Door (as defined in Nurse Next Door's financial statements prepared in accordance with ASPE) before interest expense, income taxes, depreciation, amortization and extraordinary/unusual nonrecurring items (such latter items as agreed upon by the financial institution that is lender under Nurse Next Door's operating credit facility or, in the absence of any such lender, as agreed upon by the Secured Party, acting reasonably) and, for greater certainty, EBITDA will include any distributions received on Nurse Next Door's Class B limited partnership units in the capital of the Secured Party and will be net of any Royalty paid or payable by Nurse Next Door pursuant to the Licence and Royalty Agreement and any management fee paid or payable by Nurse Next Door pursuant to the Management Agreement;

(i) "**Environmental Laws**" means all applicable Laws, Governmental Approvals and guidelines or requirements of any Governmental Authority (whether or not having the force of Law, and including consent decrees as to which Nurse Next Door is a party or otherwise subject, and administrative orders which may affect Nurse Next Door) relating to public or occupational health and safety, protection of the environment, or the release of Hazardous Materials.

(j) "**Equipment**" has the meaning set out in Section 2(d) of this Agreement;

(k) "**Event of Default**" has the meaning set out in Section 11 of this Agreement;

(l) "**Franchise Agreements**" means, collectively, all franchise agreements between Nurse Next Door and any other Person pursuant to which such Person is permitted to operate a Nurse Next Door Location subject to the terms and conditions contained therein;

(m) "**Franchisee**" means the Person identified as the franchisee pursuant to a Franchise Agreement;

(n) "**Governance Agreement**" means the governance agreement made of even date herewith among DIV, NND Holdings Limited Partnership, Nurse Next Door, the Secured Party and certain others, as amended, restated or supplemented from time to time;

(o) "**Governmental Approval**" means any permit, licence, approval, consent, order, right, certificate, judgment, writ, injunction, award, determination, direction, decree, authorization, franchise, privilege, grant, waiver, exemption and other similar concession or by-law, rule or regulation, whether or not having the force of Law, of, by or from any Governmental Authority;

(p) "**Governmental Authority**" means the Government of Canada or the United States or a province, state or other political subdivision thereof and any court or other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government in Canada or the United States or any province, state or other political subdivision thereof;

(q) "**Hazardous Materials**" means:

(i) any oil, flammable substances, explosives, radioactive materials, hazardous wastes or substances, toxic wastes or substances or any other wastes, contaminates, materials or pollutants which:

(A) pose a hazard to any real property, or to Persons on or about any real property; or

(B) cause any real property to be in violation of any Law;

(ii) asbestos in any form which is or could become friable, urea formaldehyde foam insulation, transformers or other equipment which contain dielectric fluid containing levels of polychlorinated biphenyls in excess of limits prescribed by Law, or radon gas;

(iii) any chemical, material or substance defined as or included in the definition of "dangerous goods", "deleterious substance", "hazardous substances", "hazardous wastes", "hazardous materials", "extremely hazardous wastes", "restricted hazardous waste", "toxic substances", "waste" or words of similar import under any Law, including the *Canadian Environmental Protection Act* (Canada), *Fisheries Act* (Canada), *Transportation of Dangerous Goods Act* (Canada), *Canada Water Act* (Canada) and any applicable provincial legislation; and

(iv) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any Governmental Authority or which may or could pose a hazard to the occupants of any real property or any other Person coming upon any real property or adjacent or surrounding property;

and references to a "release" of Hazardous Materials include spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, disposing, dumping or other form of release, or permitting any of the foregoing to occur;

(r) "**Indebtedness**" of a Person means:

(i) an obligation of such Person for borrowed money;

(ii) an obligation of such Person evidenced by a note, bond, debenture or other similar instrument;

(iii) an obligation of such Person for the deferred purchase price of property or services, excluding trade payables, the endorsement for deposit with a financial institution of negotiable instruments and other accrued current liabilities incurred in the ordinary course of business in accordance with customary commercial terms;

(iv) a capitalized lease obligation of such Person;

(v) a guarantee, indemnity, or financial support obligation of such Person, determined in accordance with ASPE;

(vi) an obligation of such Person or of any other Person secured by a Lien on any property of such Person, even though such Person has not otherwise assumed or become liable for the payment of such obligation;

(vii) an obligation arising in connection with an acceptance facility or letter of credit issued for the account of such Person;

(viii) all obligations of such Person arising under hedging agreements (including without limitation (A) interest rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions; and (B) transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement for the purpose of hedging exposure to fluctuations in interest or exchange rates, or loan, credit exchange, security or currency valuations) and any other amounts owed under any hedge agreements upon termination of such hedge agreements, including without limitation net settlement amounts payable upon maturity and termination payments payable upon termination or early termination, which are not paid when due; or

(ix) a share in the capital of such Person that is redeemable by such Person either at a fixed time or on demand by the holder of such share (valued at the maximum purchase price at which such Person may be required to redeem, repurchase or otherwise acquire such share);

(s) "**Inventory**" has the meaning set out in Section 2(a) of this Agreement;

(t) "**Lands**" means any lands owned or occupied by Nurse Next Door or any lands used in connection with the business of Nurse Next Door (other than Lands owned or occupied by a Franchisee);

(u) "**Law**" means any law (including common law and equity), constitution, statute, order, treaty, regulation or rule of any Governmental Authority;

(v) "**Leases**" means, collectively, all leases, agreements to lease, offers to lease, licences, rights of use or occupancy and tenancies now in effect or hereafter entered into by or on behalf of Nurse Next Door (whether as tenant or landlord, lessee or lessor) in respect of or in connection with any portion of the Lands;

(w) "**Licence and Royalty Agreement**" has the meaning set out in Recital A, as same may be amended, restated or supplemented from time to time;

(x) "**Lien**", with respect to a Person, means:

(i) any mortgage, lien, pledge, hypothecation, adverse claim, security interest or other encumbrance or charge, any right of set-off (arising other than by operation of Law) over any assets or property of such Person;

(ii) any interest or title of any vendor, lessor, lender or other secured party over any assets or property of such Person under any conditional sale or other title retention agreement or capital lease;

(iii) any deposit of money by such Person pursuant to any agreement whereby such monies may be withdrawn only upon fulfilment of any condition or obligation to any creditor;

(iv) any arrangement of such Person with any creditor to have the claims of such creditor satisfied prior to the claims of other creditors or with or from the proceeds of any property, asset or revenue of any kind now owned or later acquired;

(v) the signing or filing of a financing statement by a duly authorized Person which names such Person as debtor; or

(vi) the execution and delivery by such Person of any security agreement authorizing any other Person as the secured party to file such security agreement;

(y) "**Management Agreement**" means the management agreement made of even date herewith between DIV and Nurse Next Door, as amended, restated or supplemented from time to time;

(z) "**Material Adverse Effect**" means a material adverse effect on the property, assets, business or condition, financial or otherwise, of Nurse Next Door and its Subsidiaries, taken as a whole;

(aa) "**Nurse Next Door Location**" means:

(i) any location owned and operated by Nurse Next Door or one of its Subsidiaries that uses the NND Rights in connection with the operation of its business; and

(ii) any location operated by a Franchisee or other Sub-licencee of Nurse Next Door or one of its Subsidiaries that is permitted to use the NND Rights in connection with the operation of its business.

(bb) "**NND Rights**" has the meaning set out in the Licence and Royalty Agreement;

(cc) "**Obligations**" means all obligations and liabilities of Nurse Next Door to the Secured Party pursuant to:

(i) the Licence and Royalty Agreement, including, without limitation, the payment of the Royalty; and

(ii) this Agreement, including, without limitation, the amounts described under Section 14(a) of this Agreement;

(dd) "**Partnership Agreement**" means the amended and restated agreement of limited partnership dated on or about the date hereof, governing the Secured Party among Nurse Next Door, NND Holdings Limited Partnership and Royalties GP, as amended, restated or supplemented from time to time;

(ee) "**Permitted Indebtedness**" means Indebtedness of Nurse Next Door or its Subsdiaries permitted pursuant to Section 10(b)(ii) or 10(b)(iii) of this Agreement;

(ff) "**Permitted Liens**" means:

(i) carriers', warehousemen's, builders' and mechanics' and other like Liens arising in the ordinary course of business or by operation of law and other Liens resulting from judgments or awards the time for the appeal or petition for re-hearing of which shall not have expired or in respect of which Nurse Next Door or any of its Subsidiaries shall in good faith be prosecuting an appeal or proceeding for review and in respect of which a stay of execution pending such appeal or proceeding for review shall have been obtained;

(ii) Liens or trusts for taxes, assessments and other governmental charges either not yet due and payable or in respect of which enforcement proceedings shall have been effectively stayed;

(iii) pledges or deposits made under workers' compensation laws or similar legislation or good faith deposits or bonds or similar instruments to secure the performance of bids, tenders, leases, contracts (other than for the payment of Indebtedness) or expropriation proceedings, or deposits to secure surety and appeal bonds or deposits as security for contested taxes or export or import duties, levies, charges or surcharges;

(iv) the right reserved to or vested in any Governmental Authority by the terms of any lease, franchise, tenure, contract, grant or permit, or by any statutory provisions, to terminate any such lease, licence, franchise, tenure, contract, grant or permit (provided that such right is not then being exercised), or to require annual or other periodic payments or the performance of obligations or imposition of conditions, as a condition of the continuance thereof;

(v) security given to a public utility or to any Governmental Authority when required by such public utility or Governmental Authority in connection with operations in the ordinary course of business of Nurse Next Door or any of its Subsidiaries;

(vi) the reservations, limitations, provisos and conditions, if any, expressed in any grants from the Crown in the right of Canada or in the right of any Province or Territory thereof;

(vii) minor survey exceptions, minor encumbrances, leases, rights or options to repurchase, restrictions, easements or reservations of or rights of others for rights of way, sewers, electric lines, telegraph and telephone lines and other similar purposes, title defects or irregularities or zoning or other restrictions as to the use of real properties or Liens incidental to the conduct of business or the ownership of properties which were not incurred in connection with the incurrence of Indebtedness or other extensions of credit and which do not in the aggregate materially detract from the value of such properties or materially impair their use in the operation of the business of Nurse Next Door and its Subsidiaries, taken as a whole;

(viii) Purchase Money Mortgages;

(ix) Liens granted to the lender of any Permitted Indebtedness;

(x) any Lien renewing, extending or refunding any Lien permitted by paragraphs (i) through (ix); provided that

(A) the principal amount of Indebtedness secured by such Lien immediately prior to such extension, renewal or refunding is not materially increased or the maturity thereof materially reduced;

(B) such Lien is not extended to any other property; and

(C) immediately after such extension, renewal or refunding no Event of Default would exist; and

(xi) any other Liens which by their terms rank subsequent in priority to the Security Interests;

(gg) "**Person**" includes any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, body corporate with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority and the Crown;

(hh) "**PPSA**" means the *Personal Property Security Act* (British Columbia), as from time to time amended;

(ii) "**Purchase Money Mortgages**" means:

(i) a Lien existing upon assets at the time of their acquisition by Nurse Next Door or a Subsidiary, or at the time of acquisition by Nurse Next Door or a Subsidiary of any business entity then owning such assets, whether or not such existing Lien was given to secure the purchase price of the assets which are subject to such Lien, provided that no additional property of Nurse Next Door or any of its Subsidiaries is encumbered thereby; and

(ii) a Lien created by Nurse Next Door or a Subsidiary to secure all or any part of the unpaid purchase price, or to secure Indebtedness incurred solely for the purpose of financing all or any part of the purchase price or cost of construction, of property or any improvement to property acquired or constructed by Nurse Next Door or a Subsidiary, provided such security relates exclusively to such property and the Indebtedness so secured is not in excess of the cost of the property or improvement so acquired or constructed, and is created within 120 days after the acquisition or completion of construction of such property, and further provided in each case that the creditor has no additional recourse against Nurse Next Door or a Subsidiary other than to the general corporate covenant of Nurse Next Door or any of its Subsidiaries;

(jj) "**Receiver**" has the meaning set out in Section 13(a) of this Agreement;

(kk) "**Representatives**" of a Person means, collectively, the directors, officers, employees, agents, advisors and other legal representatives of such Person;

(ll) "**Royalties GP**" means NND Royalties GP Inc., a corporation incorporated under the laws of British Columbia;

(mm) "**Royalty**" has the meaning set out in Recital A;

(nn) "**Security Interests**" means, collectively, each security interest, mortgage, charge, assignment or transfer in or of Collateral granted or created by Nurse Next Door under this Agreement;

(oo) "**Sub-licencee**" means any sub-licencee under a Sub-licence;

(pp) "**Sub-licences**" means, collectively, all sub-licences by Nurse Next Door of any part of the NND Rights to any Person, in accordance with the Licence and Royalty Agreement; and

(qq) "**Subsidiary**" means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class of classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and shall include any body corporate, partnership, joint venture or other entity over which it exercises similar direction or control or with which it is in a similar relation; and

(rr) "**Vendor Disclosure Letter**" has the meaning set out in the Acquisition Agreement.

2. Security Interests

As general and continuing security for the payment and performance of the Obligations, Nurse Next Door hereby mortgages, charges, assigns and transfers to the Secured Party, and grants in favour of the Secured Party, a security interest in all Nurse Next Door's right, title and interest in and to all presently owned or held and hereafter acquired or held personal property, assets and undertakings of Nurse Next Door (including such as may be returned to or repossessed by Nurse Next Door), of whatsoever nature or kind and wheresoever situate and all proceeds thereof, substitutions therefor and accretions thereto, including, without limiting the generality of the foregoing:

(a) **Inventory** - all goods and chattels now or hereafter forming the inventory of Nurse Next Door, of whatsoever kind and wheresoever located and including, without limiting the generality of the foregoing, all goods, merchandise, raw materials, work in progress, finished goods and chattels held (whether such goods are in the possession of Nurse Next Door or of a bailee or other Person for sale, lease, storage, transit, processing, use or otherwise and whether consisting of whole goods, spare parts, components, supplies, materials or returned or repossessed goods) for sale, lease or resale, or furnished or to be furnished under contracts for service or used or consumed in the business of Nurse Next Door, goods used in or procured for packing or packaging, and all documents of title relating thereto (collectively, the "**Inventory**");

(b) **Accounts** - all debts, accounts, choses in action, claims, demands and moneys now due or owing or accruing due or which may hereafter become due or owing to Nurse Next Door, including, without limiting the generality of the foregoing, claims against the Crown in right of Canada or of any Province, moneys which may become payable under any policy of insurance in respect of any loss of Inventory by fire or other cause which has been or may be incurred by Nurse Next Door and under any policy of insurance insuring against non-payment of accounts receivable of Nurse Next Door (collectively, the "**Book Debts**"), together with all chattel paper, instruments, documents of title, money, contracts, securities, bills, notes, lien notes, judgments, chattel mortgages, mortgages and all other rights, benefits and documents now or hereafter taken, vested in or held by Nurse Next Door in respect of or as security for the Book Debts hereby assigned or intended so to be or any part thereof and the full benefit and advantage thereof, and all rights of action, claim or demand which Nurse Next Door now has or may at any time hereafter have against any Person or Persons, firm or corporation in respect thereof; and all of Nurse Next Door's deeds, documents, writings, papers, books of account and other books relating to or being records of debts, chattel paper or documents of title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable (collectively, "**Accounts**");

(c) **Intangibles** - all contractual rights and insurance claims, patents, trademarks, trade names, goodwill, copyrights and other industrial property of Nurse Next Door, all other choses in action of Nurse Next Door of every kind, which now are, or which may at any time hereafter be, due or owing to or owned by Nurse Next Door and all other intangible property of Nurse Next Door;

(d) **Equipment** - all equipment, including, without limiting the generality of the foregoing, machinery, tools, fixtures, furniture, furnishings, chattels, motor vehicles, vessels, livestock and other tangible personal property that is not Inventory, and all parts, components, attachments, accessories, accessions, replacements, substitutions, additions and improvements to any of the foregoing (collectively, "**Equipment**");

(e) **Books, Records, Etc.** - all books, papers, books of account, invoices, documents, electronically stored data, the medium of storage and programs with respect to access thereto and other records in any form evidencing or relating to any of the Collateral, all codes, passwords and security devices in respect thereof and all contracts and other rights and benefits in respect thereof; and

(f) **Proceeds** - all of the property of Nurse Next Door in any form derived directly or indirectly from any use or dealing with Collateral, including, without limiting the generality of the foregoing, accounts receivable, bills of exchange, insurance proceeds, chattel paper, intangibles, motor vehicles, and all other after-acquired property constituting proceeds or that indemnifies or compensates for Collateral destroyed or damaged.

3. Specific Assignment of Franchise Agreements and Sub-licences

As further general and collateral security for the payment and performance of the Obligations, Nurse Next Door hereby grants to the Secured Party a continuing and specific security interest in, and hereby grants, assigns, transfers and sets over unto the Secured Party all of its right, title and interest in and to:

(a) the Franchise Agreements and all benefits and advantages to be derived therefrom and the benefit of any and all representations, warranties, conditions, terms and covenants on the part of all other parties to such Franchise Agreements therein or implied or expressed by law in relation thereto; and

(b) the Sub-licences and all benefits and advantages to be derived therefrom and the benefit of any and all representations, warranties, conditions, terms and covenants on the part of all other parties to such Sub-licences therein or implied or expressed by law in relation thereto,

with full power and authority to enforce performance of such terms or covenants, or to demand, sue for and collect damages in connection with any misrepresentation, breach of warranty or breach of covenant either in the name of and as agent for Nurse Next Door, or in the name of the Secured Party, to have and to hold unto the Secured Party until all monies owing under and all of the Obligations have been fully paid and fulfilled; provided that, in the event the interest of Nurse Next Door under any of the Franchise Agreements and Sub-licences is vested in the Secured

Party pursuant to such enforcement, the Secured Party agrees to maintain such Franchise Agreements and Sub-licences in full force and effect and to be bound by all provisions of such Franchise Agreements and Sub-licences after the date any such Franchise Agreement or Sub-licence is so vested in the Secured Party in all respects and to the same extent as Nurse Next Door was bound.

4. Floating Charge

As further general and continuing security for the payment and performance of the Obligations, Nurse Next Door hereby grants, mortgages, assigns and transfers to the Secured Party, as and by way of a floating charge:

(a) **Real Property** - all real and immoveable property, including without limiting the generality of the foregoing, both freehold and leasehold, now or hereafter owned or acquired by Nurse Next Door, together with all buildings, erections, improvements and fixtures situate thereon or used in connection therewith, including any lease, verbal or written, or any agreement therefor (collectively, "**Real Property**"), provided, however, that the last day of any term of any such lease, verbal or written, or any agreement therefor now held or hereafter held by Nurse Next Door, is excepted out of the Real Property charged by this Agreement, but should the security constituted by this Agreement become enforceable Nurse Next Door shall thereafter stand possessed of any such reversion upon trust to assign and dispose thereof as the Secured Party may direct; and

(b) **Other Property** - the undertaking and all other property and assets of Nurse Next Door for the time being of whatsoever nature and kind, both present and future, including without limiting the generality of the foregoing, uncalled capital, monies, rights, franchises, negotiable and non-negotiable instruments, judgments and securities, other than that which is at any time and all times validly subject to any other Security Interests created hereunder.

The floating charge hereby created will become a fixed charge on the property, assets, effects and undertaking of Nurse Next Door charged thereby upon the earlier of (a) if an Event of Default has occurred and is continuing, the Secured Party giving written notice to Nurse Next Door that such floating charge has become a fixed charge on the property, assets, effects and undertaking of Nurse Next Door charged thereby, and (b) the occurrence of any other event which by operation of law would result in such floating charge becoming a fixed charge on the property, assets, effects and undertaking of Nurse Next Door charged thereby.

5. Exceptions

Notwithstanding anything to the contrary contained in this Agreement, the following are excluded from the Security Interests hereby created:

(a) any contract, licence or lease of Nurse Next Door, the charging or assignment of which requires the consent or approval of any other party unless and until such consent or approval has been obtained, but should the security constituted by this Agreement become enforceable Nurse Next Door shall thereafter stand possessed of any such contract, licence or lease upon trust to deal with the same as the Secured Party may direct; and

(b) any consumer goods of Nurse Next Door.

Notwithstanding anything to the contrary contained in this Agreement, the Secured Party hereby covenants and agrees to subordinate and postpone the Security Interests to any Permitted Liens described under Section 1(ff)(ix) of this Agreement.

6. Attachment

Nurse Next Door acknowledges that the Security Interests hereby created attach upon the execution of this Agreement (or in the case of any after-acquired property, upon the date of acquisition by Nurse Next Door of any interest therein), that value has been given, and that Nurse Next Door has, or in the case of after-acquired property will have, rights in the Collateral.

7. Securities

Following the occurrence of an Event of Default that is continuing, Nurse Next Door authorizes the Secured Party to, subject to the rights of lenders under Permitted Liens, transfer any securities that form part of the Collateral or any part thereof into its own name or that of its nominee so that the Secured Party or its nominee may appear on record as the sole owner thereof. During the continuance of an Event of Default, Nurse Next Door waives all rights to receive any notices or communications received by the Secured Party or its nominee as such registered owner and agrees that no proxy issued by the Secured Party to Nurse Next Door or its order shall thereafter be effective and that the Secured Party will be entitled to, subject to the rights of lenders under Permitted Liens, vote any or all securities (whether or not transferred into the name of the Secured Party) and exercise all other rights (including, without limitation, any conversion, exchange or subscription rights) and powers and perform all acts of ownership in respect thereof as the registered holder might do.

8. Representations and Warranties

Nurse Next Door hereby represents and warrants to the Secured Party as follows:

(a) **Organization and Qualification**. Nurse Next Door is a corporation duly incorporated and validly existing under the laws of Canada, and is duly registered to carry on business in each jurisdiction where the failure to be so registered could reasonably be expected to have a Material Adverse Effect.

(b) **Corporate Power**. Nurse Next Door has all requisite corporate power and authority to conduct its business as is presently being conducted and to execute, deliver and perform this Agreement and the Licence and Royalty Agreement.

(c) **Authorization**. The execution, delivery and performance by Nurse Next Door of this Agreement and the Licence and Royalty Agreement have been duly authorized by all necessary corporate action and do not require the consent or approval of any other Person.

(d) **Execution and Binding Obligation**. This Agreement and the Licence and Royalty Agreement have been duly executed and delivered by Nurse Next Door and constitute its legal, valid and binding obligations, enforceable against Nurse Next Door in accordance with their respective terms, except as such enforceability may be affected by bankruptcy, insolvency, arrangement, moratorium or other Laws affecting the enforcement of creditors' rights generally and except that the availability of equitable remedies may be limited by equitable principles of general applicability.

(e) **Conflict with Other Instruments**. The execution and delivery by Nurse Next Door of this Agreement and the Licence and Royalty Agreement and the performance by Nurse Next Door of its obligations hereunder and thereunder do not require any authorization under any applicable Law and are not inconsistent with and do not contravene any provision of or constitute a default under:

(i) Nurse Next Door's constating documents;

(ii) any judgment, injunction, decree or order applicable to Nurse Next Door or any of its properties;

(iii) any applicable Law or authorization applicable to Nurse Next Door or any of its properties; or

(iv) any indenture, mortgage, contract or other instrument to which Nurse Next Door is a party or by which Nurse Next Door or Nurse Next Door's property may be bound or affected,

and, except as disclosed in the Acquisition Agreement and the Vendor Disclosure Letter contemplated thereby, the grant of the Security Interests, and the assignment, transfer and setting over the right, title and interest of Nurse Next Door in and to the Franchise Agreements and Sub-licenses pursuant to Section 3 of this Agreement does not require the consent or approval of any other party.

(f) **No Liens or Acceleration**. The execution and delivery by Nurse Next Door of this Agreement and the Licence and Royalty Agreement and the performance by Nurse Next Door of its obligations hereunder and thereunder do not and will not result in, or require or permit:

(i) the imposition of any Lien on or with respect to the Collateral; or

(ii) the acceleration of the maturity of any Indebtedness of Nurse Next Door or a Subsidiary under any contractual provision binding on or affecting it.

(g) **Litigation**. Except as disclosed in the Acquisition Agreement and the Vendor Disclosure Letter contemplated thereby, there is no action, suit, investigation or proceeding pending (or, to the knowledge of Nurse Next Door, threatened) against Nurse Next Door before any Governmental Authority which, individually or in the aggregate, if determined adversely to its interests, could reasonably be expected to adversely affect the consummation of the transactions contemplated by this Agreement or the Licence and Royalty Agreement or the performance by Nurse Next Door of its obligations hereunder or thereunder, nor is it in default with respect to any order of any Governmental Authority which default could reasonably be expected to adversely affect the consummation of the transactions contemplated by this Agreement or the Licence and Royalty Agreement or the performance by Nurse Next Door of its obligations hereunder or thereunder.

(h) **Mailing Address**. The full mailing address of the chief executive office of Nurse Next Door and of the office where it keeps its records respecting the Accounts is, and for the past 60 days has been #300 – 1788 West 5th Avenue, Vancouver, BC, V6J 1P2.

(i) **Name**. The name set out for Nurse Next Door on the first page of this Agreement is Nurse Next Door's full and exact legal name, and Nurse Next Door does not currently use or carry on business under any legal name or trade name other than the names specified in Schedule "A" hereto.

(j) **Location**. The goods of Nurse Next Door, including the Inventory and Equipment, the instruments, securities, documents of title, money and chattel paper are located, for the past 60 days have been located, and for the next 30 days will be located, only at those locations described in Schedule "B" hereto.

(k) **Title to Assets**. Nurse Next Door has, or respecting Collateral acquired after the date hereof will have, good and marketable title to the Collateral free and clear from any Liens ranking in priority to the Security Interests, other than Permitted Liens and Liens consented to in writing by the Secured Party.

(l) **Insurance**. Such insurance as is required pursuant to Section 9(i) of this Agreement has been placed and is in full force and effect.

(m) **Material Contracts**.

(i) Nurse Next Door has the corporate power and capacity to enter into the Franchise Agreements, the Sub-licences and the Leases.

(ii) Except as disclosed in the Vendor Disclosure Letter, as of the date hereof, each of the Franchise Agreements, the Sub-licences and the Leases is in full force and effect.

(iii) As of the date hereof, Nurse Next Door is not and, to the knowledge of Nurse Next Door, each counterparty of Nurse Next Door to the Franchise Agreements, the Sub-licences or the Leases is not in default in respect of the Franchise Agreements, the Sub-licences or the Leases, where, in each case, such default would have a Material Adverse Effect.

9. Positive Covenants

Until the Obligations have been paid and satisfied in full and this Agreement has been terminated, Nurse Next Door covenants with the Secured Party that, unless the Secured Party otherwise consents:

(a) **Notification**. Nurse Next Door will notify the Secured Party promptly in writing of:

(i) any Event of Default or the occurrence, to the knowledge of Nurse Next Door, of any event which with notice or lapse of time would constitute an Event of Default;

(ii) the occurrence, to the knowledge of Nurse Next Door, of any event, including, without limitation, any third party claim or liability, any actual or probable litigation, action, claim or process, or any action by any Governmental Authority, which has or would reasonably be expected to have a Material Adverse Effect;

(iii) any change in the information contained herein relating to Nurse Next Door, its address, its business, its name or Collateral, including any change in the location of any material part of the Collateral;

(iv) the details of any material acquisition of, loss or damage to Collateral;

(v) any default by any account debtor in payment or other performance of his, her or its obligations to Nurse Next Door with respect to any Account, where such default has a Material Adverse Effect; and

(vi) the return to or repossession by Nurse Next Door of Collateral where such return or repossession of Collateral has a Material Adverse Effect.

(b) **Maintain Security Interests**. Nurse Next Door will do, observe and perform all of its obligations and all matters and things necessary or expedient to be done, observed or performed by virtue of any Law, for the purpose of creating, perfecting, maintaining and keeping maintained this Agreement as a valid and effective mortgage, pledge, charge and security interest on and in the Collateral and performing the obligations of Nurse Next Door herein contained; record, file, enter or register this Agreement, all modifications hereto and all other documents of further assurance in respect hereof without delay wherever in the reasonable opinion of the Secured Party it would be of material advantage in preserving, protecting or perfecting the security of this Agreement; renew such recordings, filings, entries or registrations from time to time as and when required; and otherwise fully and effectually maintain and keep maintained the mortgage, pledge, charge and security interest hereby created upon any of the Collateral valid and effective at all times until all Obligations of Nurse Next Door are fully performed.

(c) **Defend Title to Collateral**. Nurse Next Door will defend the title to the Collateral for the benefit of the Secured Party against the claims and demands of all Persons.

(d) **Payment of Taxes**. Nurse Next Door will punctually pay and discharge, before the imposition of any fine, interest or penalty for the late payment thereof, all assessments, levies, rates and taxes and every other obligation incurred by, or imposed upon, Nurse Next Door or the Collateral, or any part thereof, by virtue of any Law, or any agreement, contract, franchise, lease, permit or otherwise, the failure to pay or discharge of which could result in any Lien or charge or any right of distress, forfeiture, sale or termination or any other remedy being enforced against Nurse Next Door or the Collateral, or any part thereof, and furnish to the Secured Party when required evidence establishing such payments; provided that Nurse Next Door may with the prior written consent of the Secured Party refrain from paying and discharging any such assessment, levy, rate, tax or other obligation if Nurse Next Door diligently and in good faith contests its liability therefor and, if the Secured Party so requires, gives security to the Secured Party in such form, substance and amount as the Secured Party in its sole discretion may require.

(e) **Maintenance of Corporate Existence**. Nurse Next Door will do all things necessary to maintain its corporate existence and qualification to do business in all jurisdictions in which Collateral is located or its business is carried on.

(f) **Compliance with Laws**. Nurse Next Door will comply with all applicable Laws, if and to the extent non-compliance with such Laws would or would reasonably be expected to have a Material Adverse Effect.

(g) **Payment of Costs and Expenses**. Nurse Next Door will pay to the Secured Party and indemnify it for all reasonable out-of-pocket costs, including reasonable legal fees and disbursements, which may be incurred by the Secured Party after the date hereof in:

(i) inspecting Collateral;

(ii) perfecting and registering this Agreement;

(iii) investigating title to Collateral and the status thereof;

(iv) taking, recovering, keeping possession of, insuring and repairing the Collateral or otherwise protecting the Collateral;

(v) all other actions and proceedings, judicial or otherwise, taken in connection with the preservation of the Collateral or this Agreement (including, without limitation, an application to court to maintain the registration of any financing statement registered by the Secured Party in respect of Nurse Next Door) and the enforcement of this Agreement; and

(vi) discharging any registrations against Nurse Next Door,

provided in each case that the Secured Party acts in a commercially reasonable manner in initiating any such action or proceedings, and all such costs shall bear interest, commencing on the 30th day following written notice thereof from the Secured Party to Nurse Next Door, at the rate applicable to unpaid Obligations pursuant to the Licence and Royalty Agreement.

(h) **Preservation of Collateral**. Nurse Next Door will care for, protect, preserve and keep in good order, condition and repair the Collateral and not permit its value to be impaired, and will prevent Collateral, other than Inventory sold, leased, or otherwise disposed of as permitted herein, from being or becoming an accession to other property not covered by this Agreement.

(i) **Maintenance of Insurance**. Nurse Next Door will insure and keep insured its property which is of an insurable nature against such risks, in such amount and in such manner as is customary and prudent in the industry in which Nurse Next Door operates and with such reputable insurance companies or associations as it may select.

(j) **Maintain Records**. Nurse Next Door will keep and maintain:

(i) proper books of record and account, in which full and correct entries will be made of all financial transactions and its assets and business in accordance with ASPE; and

(ii) satisfactory and complete records of the Collateral.

(k) **Inspection of Properties and Books**. Nurse Next Door will permit the Secured Party and its Representatives, at all reasonable times, to have access to all its property, assets and undertakings and to all its books of account and records for the purpose of inspection, including, without limitation, the inspection of Collateral wherever located and the making of enquiries and tests concerning Collateral, and will render all assistance necessary for such inspection and, in the event that use of a computer system is required to access such information, allow the Secured Party the use of Nurse Next Door's computer system for such purposes and provide assistance in that regard, and, if for any reason such information cannot be accessed and retrieved at Nurse Next Door's premises, permit the Secured Party to remove the medium in which such information is or may be stored from Nurse Next Door's premises to any other place which has a computer system that will give the Secured Party the opportunity to retrieve, record and copy such information and to reproduce and retain a copy of any such information in any format whatsoever.

(l) **Delivery of Other Information**. Nurse Next Door will deliver to the Secured Party from time to time, promptly upon receipt of a reasonable commercial request from the Secured Party therefor:

(i) any documents of title, instruments, securities and chattel paper constituting, representing or relating to Collateral;

(ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting or auditing the same;

(iii) all policies and certificates of insurance relating to Collateral; and

(iv) such other information concerning Collateral, Nurse Next Door and the business, affairs and operations, financial or otherwise, of Nurse Next Door as the Secured Party may reasonably require from time to time.

(m) **Performance of Material Contracts**. Nurse Next Door will comply with all material obligations under the Franchise Agreements, the Sub-licences and the Leases to be performed by Nurse Next Door (after allowing for all applicable grace periods in such contracts), and take all appropriate steps to enforce or secure the performance, within a reasonable time, of each and every material obligation, covenant, condition and agreement contained in such contracts by the other parties thereto to be performed (including, without limitation, the prompt billing and collecting of receivables), where the failure to comply, enforce or secure would have a Material Adverse Effect.

(n) **Franchise Agreements**. Nurse Next Door will enter only into those Franchise Agreements which are, in all material respects, but subject to any such changes as may be required in the best interests of Nurse Next Door, similar to the standard Franchise Agreement adopted by Nurse Next Door for use at such time, and which contain provisions to permit the assignment of all benefits and obligations thereunder by Nurse Next Door without the consent of the Franchisee.

(o) **Sub-Licences.** All Sub-licences will contain provisions to permit the assignment of all benefits and obligations thereunder by Nurse Next Door without the consent of the Sub-licencee.

(p) **Leases**. Nurse Next Door will use commercially reasonable efforts to enter only into those Leases which contain provisions to permit the assignment of all benefit and obligation thereunder by Nurse Next Door without the consent of the landlord thereunder.

(q) **Environmental Matters**.

(i) Nurse Next Door will comply with all Environmental Laws and will permit the Secured Party to conduct reasonable investigations and appraisals of all or any of Nurse Next Door's records, businesses and assets at any time and from time to time to ensure such compliance.

(ii) Nurse Next Door will notify the Secured Party in writing with particulars of any claims against Nurse Next Door or any Person lawfully occupying the Lands relating to Hazardous Materials or Environmental Laws or of any occurrence or condition at the Lands or any adjacent property which could likely contaminate the Lands or likely subject Nurse Next Door or the Lands to any claims under Environmental Laws or have a Material Adverse Effect, in each case, upon Nurse Next Door receiving notice of the same, and shall as soon as reasonably practicable provide the Secured Party with copies of all material communications received by it concerning any such claims or effects.

(iii) Nurse Next Door shall, when required by any applicable Governmental Authority or Environmental Law, in compliance with all applicable Laws, remediate in accordance with applicable legal standards any contamination of the Lands and any adjacent properties resulting from such contamination of the Lands. Nurse Next Door shall notify the Secured Party of any proposed environmental remedial work on the Lands prior to undertaking such work and shall provide the Secured Party with any information the Secured Party reasonably requests with respect to any such remedial work. All environmental remedial work conducted by Nurse Next Door will be conducted in such a manner as to minimize any impairment to the Lands.

(iv) If Nurse Next Door fails to perform any obligation under this paragraph (q), the Secured Party shall have the right, but not the obligation, after providing written notice to Nurse Next Door, to perform such obligation on behalf of Nurse Next Door and Nurse Next Door shall provide the Secured Party and its consultants and representatives with access to the Lands for such purpose. Nurse Next Door shall, on demand, pay to the Secured Party all out-of-pocket costs reasonably incurred and paid by the Secured Party in the performance of such obligations.

(v) Nurse Next Door shall protect, indemnify and hold harmless the Secured Party, its limited partners and general partners, and their respective directors, officers, securityholders, employees, agents and representatives from and against all claims, liabilities, damages, losses, fines, penalties, orders, actions, judgements, awards, costs and reasonable expenses (including, without limitation, the full amount of reasonable legal fees and expenses, all consultants' fees and expenses, the cost of removal, treatment, storage and disposal of Hazardous Materials and remediation of the Lands and adjacent properties, the cost of defending or counterclaiming or claiming over against third parties in respect of any action or matter and any cost, liability or damage arising out of the settlement of any action entered into by the Secured Party with the consent of Nurse Next Door) which are reasonably suffered or incurred and which arise out of or relate in any way directly or indirectly to:

(A) any breach of this paragraph (q) or any failure by Nurse Next Door to perform any obligation specified hereunder;

(B) any material and unremediated violation of Environmental Laws by Nurse Next Door at the Lands; or

(C) any use, handling, production, generation, manufacture, transportation, storage, handling, disposal or release of any Hazardous Materials by Nurse Next Door on, under, about or from the Lands.

Nurse Next Door agrees that the foregoing indemnity obligations shall survive the exercise of the Secured Party's rights hereunder, the release of this Agreement and the payment and satisfaction of the Obligations and shall continue in full force and effect for a period of five years following the payment and satisfaction of all of the Obligations.

(vi) Nurse Next Door waives the right to assert any statute of limitations as a bar to the enforcement of this paragraph (q) or to any action brought to enforce this paragraph (q). This paragraph (q) shall not affect, impair or waive any rights or remedies of the Secured Party or any obligations of Nurse Next Door under Environmental Laws.

(r) **Further Assurances**. Nurse Next Door will, forthwith at any time and from time to time at the request of the Secured Party and at the cost of Nurse Next Door, execute and deliver to the Secured Party all deeds and documents and do all acts and things which the Secured Party may reasonably require for the purpose of granting a mortgage, pledge and charge against, and security interest in, and assuring, confirming, mortgaging, pledging, transferring to the Secured Party, the Collateral and carrying into effect the purposes of this Agreement.

10. Negative Covenants

Until the Obligations have been paid and satisfied in full and this Agreement has been terminated, Nurse Next Door covenants with the Secured Party that, unless the Secured Party otherwise consents:

(a) **Restriction on Liens**. Nurse Next Door will not grant, create, assume or permit to exist any Lien upon any of the Collateral, other than the Security Interests and Permitted Liens.

(b) **Restriction on Indebtedness**. Nurse Next Door will not assume, create, incur, permit to exist or otherwise become liable upon (and will not permit any Subsidiary to assume, create, incure, permit to exist or otherweise become liable upon) any Indebtedness other than:

(i) the Obligations;

(ii) Indebtedness (including indebtedness with respect to letters of credit, letters of guarantee or similar instruments issued by a financial institution incurred in and for the purpose of the ordinary course of business) of Nurse Next Door and its Subsidiaries on a consolidated basis in an aggregate principal amount outstanding at any time of not more than the aggregate of:

(A) the dollar amount which is equal to 2.50 multiplied by EBITDA for the most recently completed four quarterly accounting periods of Nurse Next Door prior to such time pursuant to an operating credit facility granted by a financial institution; and

(B) the dollar amount which is equal to 1.50 multiplied by any EBITDA in excess of $5.0 million for the most recently completed four quarterly accounting periods of Nurse Next Door prior to such time provided all Indebtedness permitted pursuant to this paragraph (ii) ranks *pari passu* and any necessary priority agreements have been negotiated with the Secured Party's lender;

(iii) Indebtedness of up $250,000 incurred pursuant to credit card facilities in and for the purpose of the ordinary course of business;

(iv) Indebtedness which has the benefit of a Permitted Lien securing the payment thereof (but only to the extent of such Permitted Lien); and

(v) unsecured Indebtedness to shareholders of Nurse Next Door.

(c) **Restriction on Guarantees**. Nurse Next Door will not enter into any guarantee of, or an indemnity or suretyship arrangement relating to, or any other transaction intended to assure the repayment or satisfaction of, any Indebtedness or other liabilities or obligations of any other Person or otherwise become liable in respect of the obligations of another Person, other than (i) indemnities and guarantees contained in any operating lease of land entered into by Nurse Next Door or any Franchisee in the ordinary course of business (but excluding any agreement relating to Indebtedness for borrowed money) and (ii) indemnities and guarantees relating to the Indebtedness of any direct or indirect wholly-owned Subsidiary of Nurse Next Door.

(d) **Restriction on Reorganizations**. Except as permitted under the Governance Agreement, the Licence and Royalty Agreement or the Partnership Agreement, Nurse Next Door will not directly or indirectly, consolidate, amalgamate or merge with, or sell, lease or otherwise dispose of all or substantially all of its assets (whether now owned or hereafter acquired) whether in one transaction or a series of transactions, or alter its capital structure, or enter into any arrangement or reorganization having a similar effect.

(e) **Restriction on Dispositions**. Nurse Next Door will not directly or indirectly, sell, lease, assign, transfer, abandon, convey or otherwise dispose of (any such action being herein called a "**Disposition**") any of its assets (including any capital stock of any corporation, any accounts receivable or Indebtedness owed to Nurse Next Door and any leasehold interest), except for:

(i) dispositions to direct or indirect wholly-owned Subsidiaries of Nurse Next Door;

(ii) dispositions permitted by the Governance Agreement, the Licence and Royalty Agreement or the Partnership Agreement; and

(iii) other Dispositions as follows:

(A) Nurse Next Door may, in the ordinary course of business, sell any Inventory or other assets that are customarily sold by Nurse Next Door as part of the normal operation of its business; or

(B) Nurse Next Door may, in the ordinary course of business, sell equipment, fixtures, materials or supplies that are no longer required in the business of Nurse Next Door or that are worn-out or obsolete.

(f) **Restriction on Distributions**. Nurse Next Door will not pay any dividends or redeem or repurchase any of its shares or otherwise make, directly or indirectly, any loan or other distribution (whether by dividend, distribution of property, repurchase of shares, bonus, extraordinary payment or other distribution of any kind whatsoever, other than regular compensation) to any of its direct or indirect shareholders unless at the time of such payment, redemption, repurchase, loan or other distribution (i) no Event of Default has occurred and is continuing and (ii) all amounts of the Royalty then due and owing by Nurse Next Door under the Licence and Royalty Agreement, at the time of such payment, redemption, repurchase, loan or other distribution, have been paid.

(g) **No Removal of Collateral**. Nurse Next Door will not remove any of the Collateral from the locations at which it is presently situate other than in the ordinary day-to-day course of business of Nurse Next Door.

(h) **No Amendment of Material Contracts**. Nurse Next Door will not amend, supplement, modify, extend, renew or replace any Franchise Agreement or Lease which would have a Material Adverse Effect, provided that the Franchise Agreements may be amended as long as those provisions which are amended are consistent with the applicable provisions of the standard Franchise Agreement which has been adopted for use by Nurse Next Door as at the date of such amendment.

11. Events of Default

Upon the occurrence of one or more of the following events of default (collectively, "**Events of Default**" and each an "**Event of Default**") the Obligations will become immediately payable and the Security Interests will become enforceable:

(a) **Failure to Pay Royalty**. Nurse Next Door fails to make any payment of the Royalty when due pursuant to the Licence and Royalty Agreement, and such failure remains unremedied for a period of ten Business Days after notice thereof is given by the Secured Party to Nurse Next Door;

(b) **Failure to Observe Other Covenants**. Nurse Next Door fails to perform or observe any other term, covenant or agreement contained in the Licence and Royalty Agreement, the Management Agreement or this Agreement and such failure shall remain unremedied for 30 days after notice thereof is given by the Secured Party to Nurse Next Door, or if such failure is not reasonably capable of being remedied within 30 days, Nurse Next Door has not commenced all reasonable steps to remedy the default within the 30 days and has not diligently pursued such steps until remedy of such failure has been achieved;

(c) **Incorrect Representation or Warranty**. Any representation or warranty made by Nurse Next Door in this Agreement or in the Management Agreement or Licence and Royalty Agreement proves to be false or incorrect in any material respect when made or deemed to have been made and, except with respect to any such failure which constitutes an Event of Default under any other subsection of this Section 11, such failure shall remain unremedied for a period of 30 days after notice thereof is given by the Secured Party to Nurse Next Door;

(d) **Cross-Acceleration**. There shall occur and be continuing any acceleration of any Indebtedness of Nurse Next Door, provided that any right of Nurse Next Door or Subsidiary of Nurse Next Door to cure the event or circumstances giving rise to such acceleration shall have expired;

(e) **Dissolution Proceedings**. Proceedings are commenced for the dissolution, liquidation or winding-up of Nurse Next Door (other than a dissolution, liquidation or winding-up required in connection with an arrangement or reorganization of Nurse Next Door permitted under this Agreement), unless such proceedings are being actively and diligently contested in good faith by Nurse Next Door and such proceedings are stayed within 30 days of being commenced;

(f) **Bankruptcy or Insolvency**. Nurse Next Door is adjudged or declared bankrupt or becomes insolvent or makes an assignment for the benefit of creditors, or admits in writing its inability to pay its debts generally as they become due, or petitions or applies to any tribunal for the appointment of a receiver or trustee for it or for any substantial part of the Collateral, or commences any proceedings relating to it under any reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction whether now or hereafter in effect, or by any act indicates its consent to, approval of, or acquiescence in, any such proceeding for it or for any substantial part of the Collateral;

(g) **Appointment of Receiver**. A receiver, receiver and manager, receiver-manager, custodian, liquidator or trustee (or any Person with like powers) shall be appointed for all or any substantial part of the property of Nurse Next Door, provided that such appointment shall not constitute an Event of Default if and for so long as:

(i) Nurse Next Door obtains within two Business Days of such appointment an order of a court of competent jurisdiction staying such appointment and such order (or a replacement thereof to similar effect) remains in full force and effect; or

(ii) Nurse Next Door forthwith bona fide disputes and continues to dispute such appointment and provides or causes to be provided such security to the Secured Party as the Secured Party may reasonably require, and such appointment is stayed or vacated within 30 days;

(h) **Issuance of Execution**. A writ, execution or attachment or similar process is issued or levied against all or a substantial portion of the Collateral in connection with any judgment against Nurse Next Door in any amount which materially affects the Collateral, unless being actively and diligently contested by Nurse Next Door in good faith and Nurse Next Door has provided such security to the Secured Party as the Secured Party may reasonably require and such writ, execution, attachment or similar process is released, bonded, satisfied, discharged, vacated or stayed within 60 days after its entry, commencement or levy;

(i) **Action by Encumbrancer**. An encumbrancer or lienor takes possession of any substantial part of the Collateral, unless Nurse Next Door disputes and continues to dispute such possession in good faith and provides such security to the Secured Party as the Secured Party may reasonably require for the payment of such encumbrance or lien;

(j) **Expropriation**. An order is made or legislation enacted by any competent body having authority for the expropriation, confiscation, forfeiture, escheating, other taking or compulsory divestiture, whether or not with compensation, of all or a significant portion of the Collateral and such order or legislation remains in effect and has not been stayed by a court of competent jurisdiction for a period of more than 30 days from the date of pronouncement of the order or enactment of the legislation, as the case may be;

(k) **Unenforceable Obligation**. Any material obligation or other provision of Nurse Next Door in this Agreement or in the Licence and Royalty Agreement terminates or ceases to be or is declared by a court of competent jurisdiction not to be a legally binding or enforceable obligation of Nurse Next Door; or

(l) **Ceasing to Carry on Business**. Nurse Next Door shall cease to carry on business,

and the Secured Party shall have all rights and remedies under applicable Law as well as any other rights and remedies provided by this Agreement.

12. Waiver by the Secured Party

Any breach by Nurse Next Door of any of the provisions contained in this Agreement or any default by Nurse Next Door in the observance or performance of any covenant or condition required to be observed or performed by Nurse Next Door hereunder may only be waived by the Secured Party in writing, provided that no such waiver by the Secured Party shall extend to or be taken in any manner to affect any subsequent breach or default or the rights resulting therefrom. No delay or omission by the Secured Party in exercising any right or remedy herein or with respect to the Obligations shall operate as a waiver thereof.

13. Enforcement

Upon the occurrence and during the continuance of any Event of Default, the Security Interests will immediately become enforceable. To enforce and realize on the Security Interests, the Secured Party may take any action permitted by Law, as it may deem expedient, and in particular, without limiting the generality of the foregoing, may do any of the following:

(a) appoint, by instrument, a receiver, receiver and manager or receiver-manager (a "**Receiver**") of Collateral, with or without bond, as the Secured Party may determine, and from time to time in its absolute discretion remove such Receiver and appoint another in its stead. A Receiver so appointed, in addition to all powers conferred on it by Law, and without limiting the generality of the foregoing, shall have the following powers:

(i) to take possession, custody and control of, collect and get in the Collateral or any part thereof, and for that purpose to take any proceedings in the name of Nurse Next Door or otherwise;

(ii) to carry on or concur in carrying on the business of Nurse Next Door, and for that purpose to raise money on the Collateral in priority to this Agreement or otherwise;

(iii) to sell or concur in selling or otherwise dispose of any of the Collateral, including by lease, option or by deferred payment; and

(iv) to make any arrangement or compromise in respect of the Collateral which the Receiver shall think expedient in the interest of the Secured Party, including any deferral of payment for Collateral upon disposition;

(b) take possession of Collateral or enter upon any premises of Nurse Next Door and take possession of Collateral with power to exclude Nurse Next Door, its agents and its servants therefrom, without becoming liable as a mortgagee in possession;

(c) preserve, protect and maintain Collateral and make such replacements thereof and repairs and additions thereto as the Secured Party may deem advisable;

(d) sell, lease or otherwise dispose of all or any part of Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained therefor and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Secured Party may seem reasonable, provided that if any sale is on credit, Nurse Next Door will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the moneys therefor are actually received;

(e) exercise all of the rights and remedies of a secured party under the PPSA in respect of the Collateral;

(f) dispose of any of the Collateral in the condition which it was in at the date possession of it was taken, or after any commercially reasonable repair, processing or preparation thereof for disposition;

(g) borrow money for the purpose of carrying on the business of Nurse Next Door or improving, maintaining, managing, operating, repairing, renewing, replacing or restoring the Collateral or otherwise in such amount and in such manner as will, in the opinion of the Receiver, be sufficient for obtaining upon the security of the Collateral or part thereof the amounts from time to time required, and in so doing the Receiver may issue certificates ("**Receiver's Certificates**") which may be payable at such time or times as the Receiver may think expedient and may bear interest as shall be stated therein and the amounts from time to time payable by virtue of such Receiver's Certificates shall form a security interest and charge upon the Collateral in priority to this Agreement;

(h) make any arrangement or compromise which the Receiver considers expedient in the interests of the Secured Party, assent on behalf of Nurse Next Door to any modification of this Agreement, change in priority or release in whole or in part the Collateral and exchange any part or parts of the

Collateral for any other property upon such terms as the Receiver considers expedient, either with or without payment of money for equality of exchange or otherwise;

(i) institute and prosecute all suits, proceedings and actions in the name of Nurse Next Door or otherwise, defend all suits, proceedings and actions against Nurse Next Door or the Receiver, appear in and conduct the prosecution and defence of any suit, proceeding or action then pending or thereafter instituted and appeal any suit, proceeding or action which the Receiver considers necessary for the reasonable and proper protection of the Collateral; and

(j) engage and retain accountants, agents, appraisers, assistants, lawyers and managers.

Any Receiver so appointed shall be deemed to be an agent of Nurse Next Door, and Nurse Next Door shall be solely responsible for the Receiver's acts or defaults and for the Receiver's remuneration and expenses, and the Secured Party shall not be, in any way, responsible for any misconduct or negligence on the part of the Receiver. The rights and powers conferred under this Section 13 are in supplement of and not in substitution for any other rights that the Secured Party may have from time to time.

14. Proceeds of Enforcement

Subject to the claims, if any, of the creditors of Nurse Next Door ranking in priority to the Security Interests, all amounts realized from the disposition of Collateral pursuant to this Agreement will be applied as follows:

(a) first, in payment of all costs, charges and expenses (including legal fees and disbursements as between solicitor and own client) incurred by the Secured Party in connection with or incidental to the exercise by the Secured Party of all or any of the powers granted to them pursuant to this Agreement, including the expenses of seizing, repossessing, holding, repairing, processing or preparing for disposition and disposing of Collateral and the appointment of the Receiver and the exercise by the Receiver of all or any of the powers granted to it pursuant to this Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver; and

(b) second, in or toward payment of all other Obligations to the Secured Party; and

(c) third, subject to applicable law and the claims, if any, of other creditors of Nurse Next Door, to Nurse Next Door.

15. Persons Dealing with Company or Receiver

Nurse Next Door agrees that no Person dealing with the Secured Party or its agents or the Receiver shall be required to enquire (a) whether the Security Interests have become enforceable, (b) whether the powers which the Secured Party or the Receiver are purporting to exercise have become exercisable, (c) whether any amount remains owing in respect of the Obligations, (d) as to the necessity or expediency of the stipulations and conditions subject to which any sale or lease is to be made or (e) as to the propriety or regularity of any sale or lease or of any other dealing by the Secured Party or the Receiver with the Collateral or any part thereof, or to see to the application of any amount paid to the Secured Party, and Nurse Next Door hereby waives each and every claim it may have against any Person dealing with the Secured Party, its agents or the Receiver.

16. Surrender by the Debtor

Following the occurrence of an Event of Default, Nurse Next Door will yield up possession of the Collateral to the Secured Party or to any Receiver appointed by the Secured Party or, at any time, to any court upon demand in writing, and agrees to put no obstacle in the way of, but to facilitate by all means, the actions of the Secured Party hereunder, and not to interfere with the carrying out of the powers hereby granted to the Secured Party and, if an Event of Default occurs, Nurse Next Door will and hereby does consent to the appointment of the

Receiver with such powers as the Secured Party is hereby vested with if so required by the Secured Party. Nurse Next Door hereby binds itself in the event of such appointment to consent to any petition or application presented to the court by the Secured Party in order to effect the intent of this Agreement, and Nurse Next Door shall not, after receiving due notice from the Secured Party that it has taken possession of the Collateral, continue in possession thereof, unless with the express written consent and authority of the Secured Party, and shall forthwith, by and through the directors and officers of Nurse Next Door, execute such documents and transfers (including, without limitation, share transfers) as may be necessary to place the Secured Party in legal possession of the Collateral. After receipt of such notice, all the rights, powers, privileges and functions of each of the directors and officers of Nurse Next Door shall cease and determine with respect to the Collateral unless specifically continued in writing by the Secured Party or unless the same shall have been restored to Nurse Next Door.

17. Legal Proceedings

At any time upon and after the occurrence of an Event of Default, the Secured Party shall have the right to institute and prosecute all suits, proceedings and actions which the Secured Party may consider necessary or advisable for the proper protection of the Collateral, and to defend all suits, proceedings and actions against Nurse Next Door or the Collateral, and to appear in and conduct the prosecution and defence of any suit, proceeding or action then pending or thereafter instituted, and to appeal any suit, proceeding or action.

18. Arrangements

At any time upon and after the occurrence of an Event of Default, the Secured Party shall have the right to enter into any extension, reorganization, deposit, merger or consolidation agreement in any way relating to or affecting the Collateral, and in connection therewith may deposit, exchange or surrender control of the Collateral and accept other property upon such terms as the Secured Party may consider appropriate, and either with or without payment or exchange of money or equality of exchange or otherwise.

19. Additional Powers

In addition to the rights and powers provided herein and under the PPSA, the Secured Party and the Receiver, as the case may be, shall, upon and during the continuance of an Event of Default, have the following rights and powers upon the security constituted hereby becoming enforceable:

(a) to demand, sue for and receive any Accounts with or without notice to Nurse Next Door, give effectual receipts and discharges therefor, compromise any which may seem bad or doubtful to the Secured Party and give time for payment thereof with or without security;

(b) to take control of Collateral and any proceeds arising from the Security Interest;

(c) to apply any money taken as Collateral to the satisfaction of the Obligations as the Secured Party may deem appropriate; and

(d) to hold as additional security any increase, profits or moneys resulting from Collateral, and apply any such increase, profits or money to the Obligations.

Nurse Next Door acknowledges that, to the extent the Secured Party or the Receiver has a legal duty to use reasonable care in the custody and preservation of any Collateral in its possession, that duty shall not include, in the case of chattel paper, a security or an instrument, taking any steps to preserve rights against other Persons.

In the event that the Security Interests become enforceable, all moneys or any other form of payment received by Nurse Next Door in payment of any Account or any payment on or other proceeds of Collateral received by Nurse Next Door, whether before or after notice of any Security Interests created hereby is given to account debtors, shall be received and held by Nurse Next Door in trust for the Secured Party and shall be turned over to the Secured Party upon request.

20. Notice of Disposition

Nurse Next Door shall be entitled to notice of any intended disposition of Collateral, such notice to be given in accordance with the provisions of the PPSA, except that notice is not required to be given where:

(a) Collateral is perishable;

(b) the Secured Party believes on reasonable grounds that Collateral will decline substantially in value if not disposed of immediately;

(c) the cost of care and storage of Collateral is disproportionately large relative to its value;

(d) a court so orders; or

(e) upon and after an Event of Default, every Person entitled to receive notice consents to the disposition of the Collateral without notice.

21. Dealing with Security Interests

After an Event of Default, the Secured Party may grant extensions of time and other indulgences, take and give up any of the Security Interests, or modify or abstain from perfecting or taking advantage of any of the Security Interests, accept compositions, grant releases and discharges thereof and otherwise deal with Nurse Next Door, debtors of Nurse Next Door, sureties and others and with any of the Security Interests as the Secured Party may see fit without prejudice to the liability of Nurse Next Door or the right of the Secured Party to hold and realize upon any of the Security Interests. The Secured Party shall not be accountable to Nurse Next Door for the value of any of the Security Interests released except for any moneys actually received by the Secured Party.

22. Destruction of Collateral

The loss, injury or destruction of Collateral shall not operate in any manner to release Nurse Next Door from its liability to the Secured Party.

23. Confidentiality

The Secured Party will treat as confidential all information furnished by Nurse Next Door or any of its Representatives, whether furnished before or after the date hereof, orally, visually or in writing, or whether gathered by inspection by the Secured Party, and regardless of whether specifically identified as "confidential", in connection with the obligations of Nurse Next Door or any of its Subsidiaries under or relating to this Agreement, subject to the Secured Party's exercise of its rights pursuant to Sections 13, 17, 18 and 19 of this Agreement.

24. Severability

In the event any provisions of this Agreement shall be deemed invalid or void by any court of competent jurisdiction, the remaining terms and provisions of this Agreement shall remain in full force and effect.

25. Remedies Not Exclusive

All rights and remedies of the Secured Party set out in this Agreement are cumulative and no right or remedy contained herein is intended to be exclusive but each will be in addition to every other right or remedy contained herein or now or hereafter existing at Law or pursuant to any other agreement between Nurse Next Door and the Secured Party that may be in effect from time to time.

26. Non-Substitution

The Security Interests granted or created under this Agreement are in addition to and not in substitution for any other security now or hereafter held by the Secured Party.

27. Governing Law

This Agreement shall be governed by and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

28. Jurisdiction

Nurse Next Door irrevocably agrees that any legal action or proceeding with respect to this Agreement may be brought in the courts of the Province of British Columbia or in such other court or courts as the Secured Party may elect, acting reasonably, and, by execution and delivery of this Agreement, Nurse Next Door irrevocably submits to each such jurisdiction.

29. Terms Defined by the PPSA

Unless there is something in the context or subject matter inconsistent therewith, words and phrases not otherwise defined herein or in the General Security Agreement that are defined in the PPSA shall have the meanings ascribed thereto respectively by the PPSA.

30. Notice

Notice may be given to either party in accordance with the Licence and Royalty Agreement.

31. Deficiency

If the amounts realized from the disposition of Collateral are not sufficient to pay the Obligations in full, Nurse Next Door will immediately pay to the Secured Party the amount of any such deficiency.

32. Appointment of Attorney

Nurse Next Door hereby irrevocably appoints the Secured Party and any of its managers or acting managers or the Receiver, as the case may be, with full power of substitution for the Secured Party, at its option, wherever and whenever during the continuance of an Event of Default it may deem necessary or expedient, to be the true and lawful attorney of Nurse Next Door for and in the name of Nurse Next Door to sign, endorse or execute under seal or otherwise any deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that Nurse Next Door is obliged to sign, endorse or execute and generally to use the name of Nurse Next Door and to do all things as may be necessary or incidental to the exercise of all or any of the powers conferred on the Secured Party or the Receiver, as the case may be, pursuant to this Agreement and to file such financing statements and other documents and do such acts, matters and things as the Secured Party may deem appropriate to perfect and continue the Security Interests, to protect and preserve Collateral and to realize upon the Security Interests. The power of attorney hereby granted is coupled with an interest.

33. Set-Off

Without limiting any other right of the Secured Party, whenever the security constituted hereby has become enforceable the Secured Party may, in its sole discretion, set off against the Obligations any and all moneys then owed to Nurse Next Door by the Secured Party in any capacity, whether or not due, and the Secured Party shall be deemed to have exercised such right to set-off immediately at the time of making its decision to do so even though any charge therefor is made or entered on the records of the Secured Party subsequent thereto.

34. No Merger

This Agreement shall not operate so as to create any merger or discharge of any of the Obligations, or any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security interest of any form held or which may hereafter be held by the Secured Party from Nurse Next Door or from any other Person whomsoever. The taking of a judgment with respect to any of the Obligations will not operate as a merger of any of the covenants contained in this Agreement.

35. Assignment

Neither party shall assign its interest in this Agreement or any part hereof without the prior written consent of the other party, except that:

(a) the Secured Party and Nurse Next Door (each, an "**Assignor**") may each assign this Agreement and all benefit thereof as security for bona fide loans or as security for guarantees of bona fide loans made by one or more institutional lenders (each, a "**Lender**"), provided that any such Lender has agreed by written instrument, in form and substance satisfactory to the other party to this Agreement, acting reasonably (such instrument to be delivered to such other party prior to the assignment as security becoming effective or attaching) that:

(i) the rights and interest of the Lender are subject to the rights and interests of the other party under this Agreement;

(ii) prior to realizing on such security, the Lender will provide notice to such other party giving it a reasonable opportunity to cure the default given the nature of the default; and

(iii) should such security be realized upon with the result that the interest of the Assignor is vested in an assignee, acquirer or other successor in interest, including the Lender (the "**Successor**"), then the Lender will cause such Successor to be bound by all the provisions of this Agreement in all respects and to the same extent as the Assignor was bound, and provided further that the Assignor will continue to be bound by all the provisions of this Agreement as if such transfer of interest had not occurred and will perform any obligations hereunder to the extent that the Successor fails to do so; and

(b) Nurse Next Door may assign this Agreement and all benefit thereof in conjunction with the sale or transfer of the whole (but not a part) of its business associated with the NND Rights, provided that:

(i) prior written notice of such assignment is given to the Secured Party; and

(ii) Nurse Next Door has complied with its obligations under the Licence and Royalty Agreement and the Governance Agreement respecting the Secured Party's right of first offer at such time.

36. Satisfaction and Discharge

Any partial payment or satisfaction of the Obligations, or any ceasing by Nurse Next Door to be indebted to the Secured Party, shall be deemed not to be a redemption or discharge of this Agreement. Nurse Next Door shall be entitled to a release and discharge of this Agreement upon full payment and satisfaction of all Obligations and upon written request by Nurse Next Door and payment to the Secured Party of all reasonable discharge fees, costs, charges, expenses and legal fees and disbursements incurred by the Secured Party in connection with the Obligations and such release and discharge. This Agreement shall be a continuing agreement in every respect for the payment of the Obligations and it shall remain in full force and effect until such time as Nurse Next Door is entitled to a release and discharge of this Agreement in accordance with this Section 36.

37. Liability of the Secured Party

Subject to applicable Law, the Secured Party shall not be responsible or liable for any debts contracted by it, for damages to Persons or property or for salaries or non-fulfilment of contracts during any period when the Secured Party shall manage Collateral upon entry as herein provided, nor shall the Secured Party be liable to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. The Secured Party shall not be bound to do, observe or perform or to see to the observance or performance by Nurse Next Door of any obligations or covenants imposed upon Nurse Next Door nor shall the Secured Party, in the case of securities, instruments or chattel paper, be obliged to preserve rights against other Persons, nor shall the Secured Party be obliged to keep any of the Collateral identifiable.

38. Enurement

This Agreement shall enure to the benefit of the Secured Party and its successors and permitted assigns, and shall be binding upon the successors and permitted assigns of Nurse Next Door.

39. Deed

This Agreement is intended by all parties hereto to be, and to be effective as, a deed.

40. Time of the Essence

Time shall be of the essence of the obligations of Nurse Next Door under this Agreement. Any extension waiver or variation of any provision of this Agreement shall not be deemed to affect this provision and there shall be no implied waiver of this provision.

41. Acknowledgement

Nurse Next Door hereby acknowledges receiving a copy of this Agreement.

[signature page follows]

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

NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.

By: ____

Authorized signatory

NND ROYALTIES LIMITED PARTNERSHIP, by its general partner, NND ROYALTIES GP INC.

By: ____

Authorized signatory

SCHEDULE “A”

NAMES

Nurse Next Door Professional Homecare Services Inc.

Nurse Next Door

[to be completed]

SCHEDULE “B”

LOCATIONS OF COLLATERAL

<u>CORPORATE OFFICE</u>

[to be completed]

<u>OTHER LOCATIONS</u>

[to be completed]

EXHIBIT 6
Form of Management Agreement

(see attached)

MANAGEMENT AGREEMENT

This Management Agreement made as of •, 2019, between **DIVERSIFIED ROYALTY CORP.**, a corporation formed under the laws of Canada ("**DIV**"), and **NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.**, a corporation formed pursuant to the laws of Canada ("**Nurse Next Door**").

WHEREAS pursuant to an Acquisition Agreement dated •, 2019, by and among Nurse Next Door, NND Royalties Limited Partnership (the "**Partnership**") and DIV, the Partnership acquired the NND Rights (as such term is defined in the Acquisition Agreement) from Nurse Next Door;

AND WHEREAS following the acquisition of the NND Rights, the Partnership will licence the NND Rights to Nurse Next Door for use in its business pursuant to a Licence and Royalty Agreement of even date herewith between the Partnership and Nurse Next Door (the "**Licence and Royalty Agreement**");

AND WHEREAS DIV has experienced management personnel available to assist Nurse Next Door in the strategic planning of its business;

AND WHEREAS it is a condition of the Acquisition Agreement that Nurse Next Door enter into this Agreement with DIV to maintain and protect the value of the NND Rights acquired by the Partnership pursuant to the Acquisition Agreement;

AND WHEREAS Nurse Next Door wishes to retain the services of DIV in accordance with and subject to the terms and conditions hereinafter set out.

NOW THEREFORE, in consideration of the premises and mutual covenants and agreements herein set forth and other good and valuable consideration set out herein, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties hereto agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

(1) In this Agreement, unless the context otherwise requires, any capitalized words not otherwise defined below shall have the meanings ascribed to such terms in the Licence and Royalty Agreement:

"**Agreement**" means this agreement, as the same may be amended, restated or supplemented from time to time.

"**Collateral**" has the meaning set forth in Section 5.1.

"**General Security Agreement**" means the general security agreement dated on or about the date hereof between Nurse Next Door and the Partnership, as amended, restated or supplemented from time to time.

"**Management Services**" has the meaning set forth in Section 2.1.

"**NND Business**" means the business of franchising, licensing and operating home care service providers that use the NND Rights.

"**Permitted Lien**" means a "Permitted Lien" described Section 1(ee)(ix) of the General Security Agreement.

"**Reporting Period**" has the meaning given to it in the Licence and Royalty Agreement.

"**Royalty Payment Period**" has the meaning set forth in the Licence and Royalty Agreement.

"**Term**" has the meaning set forth in Section 3.1.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into Articles, Sections and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof. Unless otherwise indicated, all references to an "Article" or "Section" followed by a number and/or a letter refer to the specified Article or Section of this Agreement. The terms "this Agreement", "hereof", "herein" and "hereunder" and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement or instrument supplementary or ancillary hereto.

1.3 Number, etc.

Unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing any gender shall include all genders.

1.4 Statutory References

Except as otherwise expressly provided in this Agreement, any references to a statute or regulation shall be construed a reference to such statute or regulation as it may be amended, re-enacted or superseded from time to time.

ARTICLE 2
MANAGEMENT SERVICES AND FEES

2.1 Scope of Management Services

DIV hereby agrees to provide to Nurse Next Door the following services (the "**Management Services**"):

(1) *Strategic and Planning Services* including formulating and devising strategic plans to enhance the efficiency and productivity of the NND Business and the profitability of Nurse Next Door;

(2) *Financial Analysis* including assisting with the creation, analysis and evaluation of various financial models related to the NND Business*;* and

(3) *Additional Services* as may be agreed to from time to time between DIV and Nurse Next Door.

2.2 Management Fees

In consideration for the Management Services, Nurse Next Door will pay a management fee (the "**Management Fee**") equal to $75,000 (plus applicable taxes) per Reporting Period to DIV (pro-rated in the case of a Reporting Period that is less than 365 days). The Management Fee will increase by 2.0% on October 1st of each year during the Term, commencing October 1, 2020, on a compounding basis.

2.3 Payment of Management Fee

During the Term, the Management Fee will be payable in equal installments in respect of each Royalty Payment Period, with the payment for each Royalty Payment Period payable in arrears on or before the 10th day of the end of each such Royalty Payment Period, pro-rated for any partial Royalty Payment Periods.

ARTICLE 3
TERM

3.1 Term

This Agreement and the rights hereby granted shall be effective from the date hereof and terminate on termination or expiration of the Licence and Royalty Agreement (the "**Term**").

ARTICLE 4
COVENANTS, REPRESENTATIONS AND WARRANTIES

4.1 Nurse Next Door' Covenants

Nurse Next Door hereby covenants with DIV that it will throughout the Term, at its sole expense, obtain and maintain all permits and licenses which may be required under any applicable federal, provincial or local law, rule, regulation or ordinance to perform its obligations pursuant to this Agreement.

4.2 DIV's Covenants

DIV hereby covenants with Nurse Next Door that it will throughout the Term, at its sole expense:

(1) comply with any and all applicable federal, provincial and local law rules, regulations and ordinances applicable to DIV, its employees and agents relating to DIV's obligations pursuant to the Agreement;

(2) maintain, at its sole expense, any and all insurance and/or bonds that may be required under the laws, ordinances and regulations of any governmental authority or which a prudent company engaged in DIV's business would maintain with respect to DIV's performance of the Management Services; and

(3) maintain in good order and repair all facilities, equipment and systems necessary for the proper performance of the Management Services.

4.3 Representations and Warranties

Each party hereby represents and warrants to the other that it has the requisite power and legal authority to perform its obligations hereunder and the execution of this Agreement and performance of its obligations hereunder does not and will not violate any law or result in the breach or default under the terms of any contract or agreement by which it is bound.

ARTICLE 5
SECURITY

5.1 Security Interest

Nurse Next Door hereby grants to DIV a security interest in all of Nurse Next Door's present and after acquired personal property (the "**Collateral**") as security for the payment of all monies owing to DIV by Nurse Next Door and performance of all obligations of Nurse Next Door under this Agreement, including without limitation payment of the Management Fee. Nurse Next Door waives all rights to receive from DIV a copy of any financing statement, financing change statement, or verification statement filed at any time under *Personal Property Security Act* (British Columbia) or any similar legislation in respect of this Agreement. In the event of default of this Agreement or in the payment of any sums due to DIV, DIV has the right to realize on the Collateral in any manner permitted by the *Personal Property Security Act* (British Columbia) or other applicable law, and Nurse Next Door shall be liable to the extent permitted by such legislation for all expenses incurred by reason thereof, including all reasonable legal fees incurred by DIV.

Notwithstanding anything to the contrary contained in this Agreement, DIV hereby covenants and agrees to subordinate and postpone the security interests granted to any Permitted Liens.

ARTICLE 6
MISCELLANEOUS

6.1 Force Majeure

If the performance of any part of this Agreement by either party, or of any obligation under this Agreement is prevented or delayed by reason of force majeure, the party affected may give written notice to the other containing reasonable particulars of the force majeure in question and the effect of such force majeure as it relates to the obligations of the affected party hereunder. Such force majeure will not constitute a default hereunder, provided that the party affected by the delay makes reasonable efforts to correct the reason for such delay. "Force majeure" does not include the inability of either party to obtain financing or any other financial inability on the part of either party.

6.2 Efforts to Settle Disputes

In the event any dispute, claim, question or difference (a "**Dispute**") arises out of or with respect to this Agreement including its performance, enforcement, interpretation, construction, breach, termination or validity, the parties shall use reasonable commercial efforts to settle the Dispute. To this end, they shall consult and negotiate with each other, in good faith and understanding of their mutual interests, to reach a just and equitable solution satisfactory to both parties.

6.3 Assignment

DIV may assign this Agreement in conjunction with the sale of all, but not less than all, of the NND Rights, provided that:

(a) prior written notice is given to Nurse Next Door;

(b) Nurse Next Door, acting reasonably, has agreed that the proposed assignee is capable of providing the Management Services on a similar basis as DIV; and

(c) the assignee agrees with Nurse Next Door to be bound by all provisions of this Agreement in all respects and to the same extent as DIV was bound, and upon such assignee agreeing to be bound DIV shall be released and under no further obligation or liability hereunder.

6.4 Entire Agreement

Except as otherwise set out herein, this Agreement constitutes the entire agreement between the parties relating to the provision of the Management Services and payment of the Management Fee and it supersedes all previous writings and understandings. No term or provision of this Agreement shall be varied or modified by any prior or subsequent statement, conduct or act of either of the parties, except that the parties may amend this Agreement by written instrument specifically referring to and executed in the same manner as this Agreement.

6.5 No Partnership

Nothing in this Agreement shall be deemed or construed to constitute or create between the parties hereto a partnership, association, joint venture or agency.

6.6 Further Assurances

The parties agree that they will execute all necessary or desirable documents and generally provide such further assurances as may be required in order to enable compliance with all obligations hereunder.

6.7 Binding Effect

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their successors and permitted assigns.

6.8 Severability

If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect. The parties shall use all commercially reasonable efforts to promptly replace any severed provision with one of the same business purpose or effect.

6.9 No Waiver

Any waiver of breach or failure by a party to require performance under this Agreement shall not constitute a waiver of any subsequent or further breach or prevent such party from requiring performance thereafter.

6.10 Notice

All notices, requests and other communications hereunder shall be in writing and shall be sent by first class mail, hand delivery or email:

if to DIV, to:

Diversified Royalty Corp.
902 - 510 Burrard Street
Vancouver, BC V6C 3A8

Attention: President and Chief Executive Officer
Email: sean@diversifiedroyaltycorp.com

if to Nurse Next Door, to:

Nurse Next Door Professional Homecare Services Inc.
#300 – 1788 West 5th Avenue
Vancouver, BC V6J 1P2

Attention: Cathy Thorpe, President and Chief Executive Officer
Email: [Contact information redacted]

or to such other address or email address as may be provided by notice hereunder. Any notice required or permitted to be given concerning this Agreement shall be effective upon receipt by the party to whom it is addressed.

6.11 Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

6.12 Language

The parties have requested that this Agreement and all communications and documents relating to this Agreement be expressed in the English language. Les parties ont exige que la presente convention ainsi que tous communications et documents s'y rattachant soient rediges dans la langue anglaise.

6.13 Execution and Delivery

This Agreement may be executed by the parties in counterparts and may be executed and delivered by facsimile or other similar electronic means and all such counterparts and facsimiles or other electronic copies shall together constitute one and the same agreement.

[signature page follows]

IN WITNESS WHEREOF the parties have caused this Management Agreement to be executed by their duly authorized officers.

DIVERSIFIED ROYALTY CORP.

By: ____
Authorized Signing Officer

NURSE NEXT DOOR PROFESSIONAL HOMECARE SERVICES INC.

By: ____
Authorized Signing Officer

EXHIBIT 7
Form of Non-Competition Agreement

(see attached)

CONFIDENTIALITY, NON-COMPETITION AND NON-SOLICITATION AGREEMENT

This Confidentiality, Non-Competition and Non-Solicitation Agreement made as of •, 2019 among **[NAME OF PRINCIPAL]** (“**Principal**”), an individual residing in •, British Columbia, **DIVERSIFIED ROYALTY CORP.** (“**DIV**”), a corporation formed under the laws of Canada, and **NND ROYALTIES LIMITED PARTNERSHIP** (“**Royalties LP**”), a limited partnership formed under the laws of the Province of British Columbia.

WHEREAS pursuant to an Acquisition Agreement dated •, 2019 (the “**Acquisition Agreement**”) by and among DIV, Royalties LP and Nurse Next Door Professional Homecare Services Inc. (“**Nurse Next Door**”), Royalties LP acquired the NND Rights (as such term is defined in the Acquisition Agreement) from Nurse Next Door;

AND WHEREAS following the acquisition of the NND Rights, Royalties LP will licence the NND Rights to Nurse Next Door for use in its business pursuant to a Licence and Royalty Agreement of even date herewith between Royalties LP and Nurse Next Door;

AND WHEREAS Principal is [**a co-founder, indirect shareholder and director]** of Nurse Next Door and will derive a financial benefit from the transactions contemplated by the Acquisition Agreement; and

AND WHEREAS it is a condition of the Acquisition Agreement that Principal enter into this Agreement with DIV and Royalties LP to maintain and protect the value of the NND Rights acquired by Royalties LP pursuant to the Acquisition Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the completion of the acquisition of the NND Rights pursuant to the Acquisition Agreement, and in order to induce DIV and Royalties LP to complete the transactions contemplated by the Acquisition Agreement, Principal covenants and agrees with DIV and Royalties LP as follows:

1. Definitions

In this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms will have the following meanings:

(a) “**Affiliate**”, with respect to a Person, means another Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first Person, where “control” has the meaning attributed to such term in the *Canada Business Corporations Act*;

(b) “**Competing Business**” means any business that is competitive with the Nurse Next Door Business;

(c) “**Licence and Royalty Agreement**” means the licence and royalty agreement dated of even date herewith between Royalties LP and Nurse Next Door, as amended, restated or supplemented from time to time;

(d) “**Nurse Next Door Business**” means the business of franchising, licensing and operating home health care service providers in the Territory that use the NND Rights, and all activities related thereto;

(e) “**Person”** means an individual, partnership, limited partnership, corporation (including a business trust), joint stock company, trust, unincorporated association, joint venture, governmental entity, or other entity;

(f) “**Subsidiary**” means a corporation which is directly or indirectly controlled by Nurse Next Door, where “control” has the meaning attributed to such term in the *Canada Business Corporations Act*; and

(g) “**Territory**” means Canada and the United States, including its territories and possessions.

2. Non-Competition and Non-Solicitation

Principal covenants, undertakes and agrees with DIV and Royalties LP that from and including the date hereof to and including the date that is two (2) years following the date on which Principal ceases to hold (directly or indirectly) at least 5% of the outstanding shares of Nurse Next Door (the “**Restricted Period**”), Principal will not, on his own behalf or on behalf of any Person, whether directly or indirectly, in any capacity whatsoever including, without limitation, as an employer, employee, principal, agent, joint venturer, partner, shareholder or other equity holder, independent contractor, licensor, licensee, franchisor, distributor, consultant, supplier, trustee or alone, through or in connection with any Person:

(a) carry on or be engaged in, invest in, lend money to or guarantee the debts or obligations of, or permit his name to be used in connection with, any Competing Business in the Territory, except as may be expressly permitted in writing by DIV and Royalties LP;

(b) solicit the employment of or otherwise entice away any individual who is employed by Nurse Next Door or any Subsidiary of Nurse Next Door, provided that this provision shall not restrict Principal from making general solicitations of employment that are not specifically directed at the personnel of Nurse Next Door;

(c) canvass or solicit any customer, supplier or distributor of Nurse Next Door or any Subsidiary of Nurse Next Door, or procure or assist in the canvassing or soliciting of any customer, supplier or distributor of Nurse Next Door or any Subsidiary of Nurse Next Door, in each case for the purpose of reducing such Person’s business with Nurse Next Door or any Subsidiary of Nurse Next Door; or

(d) persuade or attempt to persuade any customer, supplier, employee, agent or distributor of Nurse Next Door or any Subsidiary of Nurse Next Door to discontinue or adversely alter such Person’s relationship with Nurse Next Door or any Subsidiary of Nurse Next Door.

Notwithstanding the above, nothing in this Agreement shall prevent or restrict (i) any individual who is employed by Nurse Next Door or a Subsidiary of Nurse Next Door from being employed by or providing services to an Affiliate of Nurse Next Door or (ii) Principal from owning, directly or indirectly:

(e) shares in the capital of DIV;

(f) shares in the capital of any franchisee of Nurse Next Door (or otherwise participating in the management thereof); or

(g) securities of any other Person that are traded on any recognized North American stock exchange or any recognized electronic trading system if Principal and his respective Affiliates (A) are not a controlling Person of, or a member of a group that controls, such Person and (B) do not, directly or indirectly, own 9.9% or more of any class of securities of such Person.

3. Confidentiality

Principal acknowledges that, in the course of his involvement with the Nurse Next Door Business, Principal has received confidential and proprietary information related to the Nurse Next Door Business, including but not limited to information, whether or not marked or otherwise designated as confidential, regarding its business plans, marketing and sales data and plans, pricing information, suppliers, customer lists and information, equipment data, operational data, personnel information, concepts, techniques, processes, methods and technology (collectively, “**Confidential Information**”). Accordingly, Principal will not at any time during the Restricted Period, directly, indirectly or otherwise, use, communicate, disclose, disseminate, lecture upon or publish articles relating to the Confidential Information without the prior written consent of DIV and Royalties LP [**or in connection with the operation of the Nurse Next Door Business]**. If Principal has any questions as to what comprises Confidential Information, Principal will consult with DIV and Royalties LP. These rights of DIV and Royalties LP hereunder are in addition to and without limitation to those rights and remedies available under common law for protection of the types of such confidential information that constitute trade secrets as construed under applicable law.

The term "Confidential Information" shall not include any such information that (a) is or may become generally available to the public other than as a result of disclosure by Principal, (b) is hereafter independently developed by Principal without the use of Confidential Information, or (c) becomes available to Principal on a non-confidential basis from a source other than Nurse Next Door who is not, to Principal's knowledge after enquiry, under any obligation of confidentiality to Nurse Next Door.

Principal and his advisors and consultants, as applicable, may disclose Confidential Information if legally required to do so, provided that Principal, to the extent permitted by law, promptly provides DIV and Royalties LP with written notice thereof so that DIV and Royalties LP may seek a protective order or other appropriate remedy, and at the expense of DIV, co-operate, and cause Principal's advisors or consultants, if any and as applicable, to cooperate with the other parties in any effort undertaken to obtain a protective order or other remedy. Principal further covenants and agrees that, in the event that such protective order or remedy is not obtained, to furnish, and to cause his agents and consultants, if any and as applicable, to furnish only that portion of the Confidential Information which it, he is legally required to furnish, and to use commercially reasonable efforts, and to cause his advisors and consultants, if any and as applicable, to use their commercially reasonable efforts, to obtain to the extent permitted by law, an assurance from the recipient of any of the aforesaid Confidential Information that confidential treatment will be accorded to such information.

4. Acknowledgements

Principal acknowledges and confirms:

(a) that all restrictions contained in this Agreement are reasonable, necessary and valid, including, without limitation, the length of the Restricted Period;

(b) that any violation of any of the terms of this Agreement may cause irreparable damage or injury to the other parties, the exact amount of which may be impossible to ascertain and would not be adequately remedied by monetary damages, and that, for such reason, among others, the parties will be entitled, in addition to all other remedies available to the parties at law or in equity, to apply to a court for relief by way of a restraining order, injunction restraining any further violations of such term, decrees or otherwise, as may be appropriate to ensure compliance with the provisions of this Agreement;

(c) receipt of good and sufficient consideration in return for the covenants set out herein; and

(d) that the covenants set out herein have been agreed to following review thereof by the legal advisors of the parties after full consideration thereof by the parties.

5. Remedies

If Principal has breached any of the provisions of this Agreement, DIV and Royalties LP shall provide written notice thereof to Principal. Principal shall have 15 days from receipt of the notice to cure that breach or, if that breach is not reasonably curable within that 15 day period, to commence and thereafter diligently undertake such actions as are necessary to remedy that breach. At the end of the 15 day period, if Principal has not cured or undertaken to cure the breach, DIV and Royalties LP shall be entitled to temporary and permanent injunctions (or their functional equivalents) to prevent any such breach or to compel specific performance under this Agreement or both by any court having jurisdiction, it being acknowledged and agreed in paragraph 4(b) of this Agreement that such breach may, if proven, cause irreparable injury to DIV and Royalties LP and that monetary damages may not provide an adequate remedy to DIV and Royalties LP. The rights and remedies in this Agreement shall be in addition to, and not in lieu of, other rights and remedies available to DIV and Royalties LP under law or in equity.

6. Tax Election

Each of DIV and Royalties LP hereby agrees to make a joint election with Nurse Next Door (each, a "**56.4 Election**") under subsection 56.4(7) of the *Income Tax Act* (Canada) (the "**Tax Act**") to apply subsection 56.4(5) of the Tax Act in respect of the transactions contemplated by the Acquisition Agreement and the covenants of Principal contained herein. The parties to each such 56.4 Election will make such 56.4 Election in prescribed form (or, if a prescribed form is not available, in such other manner as is acceptable to the Canada Revenue Agency) and provide such form, duly executed by such parties, to Principal for filing with the Canada Revenue Agency on a timely basis pursuant to subsection 56.4(13) of the Tax Act. If any relevant Canadian provincial taxing authority proposes or enacts any provisions similar to section 56.4 of the Tax Act, then DIV and Royalties LP hereby agree to make any such similar provincial elections if Nurse Next Door or Principal so requests.

7. Time

Time shall be of the essence in this Agreement.

8. Successors and Assigns

This Agreement shall enure to the benefit of each of the parties and it successors and assigns, and shall be binding upon the parties and their respective heirs, executors, administrators, successors and permitted assigns.

9. Assignment

The benefits of this Agreement may not be assigned by any party without the consent of the other parties.

10. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, without reference to the conflict of laws provisions thereof.

11. Notices

All notices, requests and other communications hereunder shall be in writing and shall be sent by first class mail, hand delivery or email:

if to Principal:

[address]

email: •

If to DIV and Royalties LP:

Diversified Royalty Corp
902 - 510 Burrard Street
Vancouver, BC V6C 3A8

Attention: President and Chief Executive Officer
email: sean@diversifiedroyaltycorp.com

or to such other address or email address as may be provided by notice hereunder. Any notice required or permitted to be given concerning this Agreement shall be effective upon receipt by the party to whom it is addressed.

12. Entire Agreement

This Agreement contains the entire understanding of the parties hereto with respect to the subject matter contained herein.

13. Amendments

No alterations, modification, amendment or change of this Agreement shall be effective or binding upon any parties hereto unless the alteration, modification, amendment or change is in writing, and is executed by all parties.

14. Waiver

The failure of any party hereto to enforce at any time any of the provisions of this Agreement shall in no way be construed to be a waiver of any such provision, not in any way to affect the validity of this Agreement or any part thereof or the right of any part thereafter to enforce each and every such provision.

15. Headings

The headings used in this Agreement are for reference purposes only and shall not in any way be deemed to effect the meaning or interpretation of this Agreement.

16. Costs of Dispute

Prevailing parties shall be entitled to all solicitors' fees and costs of any dispute arising out of or relating to this Agreement.

17. Counterparts

This Agreement may be signed in counterparts and each such counterpart will constitute an original document and such counterparts, taken together, will constitute one and the same instrument. The signature of any of the parties to this Agreement may be evidenced by facsimile, scanned email or internet transmission copy of this Agreement bearing such signature.

18. Severability

If any provision of this Agreement or any part thereof shall for any reason be held to be invalid or unenforceable in any respect, then such invalid or unenforceable provision or part shall be severable and severed from this Agreement and the other provisions of this Agreement shall remain in effect and be construed as if such invalid or unenforceable provision or part had never been contained herein.

[*The remainder of the page is intentionally left blank. The signature page follows.*]

IN WITNESS WHEREOF this Confidentiality, Non-Competition and Non-Solicitation Agreement has been executed by the parties hereto as of the day, month and year first above written.

DIVERSIFIED ROYALTY CORP.

Per: ______________________________
Authorized Signatory

NND ROYALTIES LIMITED PARTNERSHIP, by its general partner NND ROYALTIES GP INC.

Per: ______________________________
Authorized Signatory

SIGNED, SEALED and DELIVERED by **[NAME OF PRINCIPAL]** in the presence of:

____
Name
____
Address
____

____
Occupation

____
[NAME OF PRINCIPAL]