SHARE PURCHASE AGREEMENT

between

ROBERT GEORGE HAGGARTY

LINDA ANNE HAGGARTY

PAMELA LEE HAGGARTY

DIANNE L. HAGGARTY

TEENA MARIE CHAPMAN

JOREEN TRACY FISK

FREDERICK W. LABRASH

ERICA ANN METCALFE

ELMER BRENT WOODS

BROCK WAYNE WOODS

(Vendors)

- and -

TITANIUM TRANSPORTATION GROUP INC.

(Purchaser)

February 1, 2021

TABLE OF CONTENTS

SHARE PURCHASE AGREEMENT

THIS SHARE PURCHASE AGREEMENT is made and effective as of the 1st day of February, 2021

A M O N G:

ROBERT GEORGE HAGGARTY, of the City of Belleville in the Province of Ontario
(hereinafter called "**Robert**")

- and -

LINDA ANNE HAGGARTY, of the City of Belleville in the Province of Ontario
(hereinafter called "**Linda**")

- and -

PAMELA LEE HAGGARTY, of the City of Quinte West in the Province of Ontario
(hereinafter called "**Pamela**")

- and -

DIANNE L. HAGGARTY, of the City of Belleville in the Province of Ontario
(hereinafter called "**Dianne**")

- and -

TEENA MARIE CHAPMAN, of the City of Quinte West in the Province of Ontario
(hereinafter called "**Teena**")

- and -

JOREEN TRACY FISK, of the City of Belleville in the Province of Ontario
(hereinafter called "**Joreen**")

- and -

FREDERICK W. LABRASH, of the City of Trenton in the Province of Ontario
(hereinafter called "**Fred**")

- and -

ERICA ANN METCALFE, of the City of Toronto in the Province of Ontario
(hereinafter called "**Erica**")

- and -

ELMER BRENT WOODS, of the City of Belleville in the Province of Ontario
(hereinafter called "**Brent**")

- and -

BROCK WAYNE WOODS, of the City of Wheeling in the State of West Virginia in the United States of America
(hereinafter called "**Brock**")

- and -

TITANIUM TRANSPORTATION GROUP INC., a corporation amalgamated under the federal laws of Canada
(hereinafter called the "**Purchaser**")

WHEREAS:

A. The Vendors are the registered and beneficial owners of all of the issued and outstanding shares in the capital of Holdco.

B. Robert is the registered and beneficial owner of all of the issued and outstanding shares in the capital of Preferred.

C. Linda is the registered and beneficial owner of all of the issued and outstanding shares in the capital of MLRP.

D. The Vendors have agreed to sell to the Purchaser, and the Purchaser has agreed to purchase from the Vendors, the Purchased Shares (as hereinafter defined), upon the terms and conditions hereinafter set out.

E. All capitalized terms not otherwise defined shall have the meaning ascribed to them in Section 1.01 hereof.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the respective covenants herein contained, the parties agree as follows:

ARTICLE I. INTERPRETATION

Section 1.00 Definitions.

As used in this Agreement, the following words and phrases shall have the following meanings:

(a) "**Accountant**" means Wilkinson & Company LLP, the current external accountants of Target Companies;

(b) "**Accounting Records**" means, with respect to Target Companies, all of the books of account, accounting records and other financial data and information of Target Companies, and includes all records, data and information stored electronically, digitally or on computer related media;

(c) "**Accounts Receivable**" means, with respect to a Person, all accounts receivable, trade accounts, notes receivable and other book debts due or accruing due to such Person, and all other amounts receivable by such Person (including supplier discounts receivable and other receivables) and the full benefit of all securities, if any, for such accounts, receivables or debts;

(d) "**Act**" means the *Business Corporations Act* (Ontario);

(e) "**Adjustment Period**" shall have the meaning assigned thereto in Section 3.03(c);

(f) “**Affiliate**” (or “**affiliate**”) and “**Subsidiary**” (or “**subsidiary**”) shall have the meanings assigned to those terms in the Act;

(g) “**Agreement**” means this share purchase agreement and all schedules attached hereto, as the same may be amended from time to time in accordance with the provisions hereof;

(h) “**Annual Financial Statements**” means the unconsolidated financial statements of the Target Companies for the fiscal year ended April 30, 2020;

(i) “**Applicable Law**” means, in respect of any Person, property, transaction or event, any domestic or foreign statute, law (including common law), ordinance, regulation, treaty, regulatory policy, standard, or code, by-law (zoning or otherwise) or Order that applies in whole or in part to such Person, property, transaction or event;

(j) “**Balance Sheet**” means the consolidated balance sheet of the Target Companies forming part of the Annual Financial Statements;

(k) “**Belleville Property**” means the property municipally known as 107 Bellevue Drive, Quinte West, Ontario and legally described as Part Lot 32, Conc. 3 Sidney; Part 1 21R9609 except Parts 6, 7 and 8 21R9058; Quinte West being PIN 40430-0116 (LT) and Parts 1 & 2 21R25713; s/t an easement over Part 1, 21R25713 as in QR17809; City of Quinte West being PIN 40430-0331 (LT), including all structures and improvements thereon;

(l) “**Books and Records**” means, with respect to Target Companies, the Accounting Records of Target Companies and all books, records, books of account, sales and purchase records, lists of suppliers and customers, credit and pricing information, payroll records, inventory and accounts receivable data, business, engineering and consulting reports and research and development information and plans and projections of or relating to Target Companies or its business and all other documents, files, records, correspondence, and other data and information, financial or otherwise, which are relevant to Target Companies or its business, including all data and information stored electronically, digitally or on computer related media;

(m) “**buildings and structures**” shall have the meaning assigned thereto in Section 4.18;

(n) “**Business**” means the collective business of the Target Companies consisting of the provision of logistics and transportation services in Canada and transportation services between Canada and the United States, including less than truckload services, truckload services, and ancillary transportation services (such ancillary transportation services including logistics services and fleet safety, compliance and maintenance services);

(o) “**Business Day**” means a day which is not (i) a Saturday or a Sunday; or (ii) a day identified by the Bank of Canada as a holiday in the Province of Ontario;

(p) “**Claim**” means any act, omission or state of facts and any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto which may give rise to a right to indemnification under Section 8.01 or Section 8.02 hereof, as the case may be;

(q) "**Closing**" or "**Time of Closing**" means the time of execution and delivery of this Agreement by all the parties on the Closing Date to document the completion of the sale to, and purchase by, the Purchaser of the Purchased Shares, together with the execution and/or delivery of all other agreements and instruments to document the completion of all other transactions contemplated by this Agreement, which is expected to occur at 11:00 am on the Closing Date or such earlier or later time on the Closing Date as may be agreed to by the Vendors and the Purchaser and which shall be deemed to be effective as at the Effective Time;

(r) "**Closing Date**" means February 1, 2021;

(s) "**Closing Date Balance Sheet**" shall have the meaning assigned thereto in Section 3.03(a) hereof;

(t) "**Closing Date Financial Statements**" shall have the meaning assigned thereto in Section 3.03;

(u) "**Closing Date Net Working Capital**" means the amount, as at the Effective Time, of:

(i) the value, expressed in Canadian currency, of all current assets of Target Companies, determined in accordance with GAAP, consistently applied and consistent with prior practices, including, without duplication: (1) cash; (2) U.S. funds (based upon closing Bank of Canada rate); (3) cash equivalents; (4) Accounts Receivable (net of doubtful accounts and any accounts exceeding 90 days, without duplication, provided however that those accounts listed in Section 1.01(u)(i) of the Disclosure Schedules in the aggregate amount of $100,816.01 shall not be included in such allowance for doubtful accounts); (5) prepaid expenses; (6) prepaid deposits; (7) inventory; (8) owner operator receivables; and (9) all related party receivable balances; but (10) excluding, without duplication, future income tax assets;

less

(ii) the value, expressed in Canadian currency, of all current liabilities of Target Companies, determined in accordance with GAAP, consistently applied and consistent with prior practices, including, without duplication: (1) credit card debt; (2) the balance owing under the bank operating line; (3) accounts payable and accrued liabilities; (4) unearned revenue; (5) all related party payable balances; and (6) other accrued current liabilities as shown on the Closing Date Balance Sheet; but (7) excluding, without duplication, future income tax liabilities and Target Companies Indebtedness (for greater certainty, accrued but unpaid vacation pay for drivers shall be a liability but unpaid accrued vacation pay for all other Employees shall not be considered a liability).

(iii) For avoidance of doubt, any and all fees, costs and expenses incurred by any Target Company and/or the Vendors in connection with the transactions herein contemplated (including all legal fees, costs and expenses of the Vendors' Solicitor (applicable to Pre Closing Transactions only), and all fees and charges of the Accountant on account of its services in connection with the preparation and finalization of the Closing Date Balance Sheet and final determination of the Closing Date Net Working Capital as contemplated by Section 3.03) shall be accrued as part of Closing Date Net Working Capital and all other Vendors solicitor fees shall be paid by the Vendors.

(iv) For greater certainty, the calculation of the Closing Date Net Working Capital shall be prepared on a consistent basis with the calculation of net working capital of Target Companies as at September 30, 2020 attached hereto as Section 1.01(t) of the Disclosure Schedules (which example has been included to verify methodology without verification of the actual entries by the parties);

(v) "**Consent**" means any consent, approval, permit, waiver, ruling, exemption, or acknowledgement from a Person (other than a party hereto) under the terms of any Contract, Real Property Lease, or Equipment Lease issued to or for the benefit of any Target Company which is provided for or required pursuant to the terms of such Contract, Real Property Lease or Equipment Lease in connection with the sale of the Purchased Shares to the Purchaser and the completion of the other transactions contemplated herein;

(w) "**Contract**" means, with respect to a Person, any agreement, indenture, contract, lease, deed of trust, licence, option, instrument, obligation, undertaking or other commitment, whether written or oral, entered into by such Person;

(x) "**Cornwall Property**" means the property municipally known as 1331 Optimum Drive, Cornwall, Ontario and legally described as Part Lot D, Conc. 2 Cornwall; Part 1 52R1926 and Part 1 52R1495 N of Part 3 52R3165 being PIN 60143-0183 (LT); and Part 1 52R7506; City of Cornwall being PIN 60143-0257 (LT), including all structures and improvements thereon;

(y) "**Debt Instrument**" means any bond, debenture, promissory note or other instrument evidencing indebtedness for borrowed money, or other liability required to be reflected as debt (including long-term debt) for financial reporting purposes in accordance with GAAP, including without limitation all capital leases, but excluding any preference shares;

(z) "**Direct Claim**" shall have the meaning assigned thereto in Section 8.04;

(aa) "**Disclosure Schedules**" means those schedules listed in Section 1.12 and attached hereto;

(bb) "**Draft Deliveries**" shall have the meaning assigned thereto in Section 3.03(a);

(cc) "**Effective Date**" means February 1st, 2021;

(dd) "**Effective Time**" means at 12:01 a.m. on the Effective Date;

(ee) "**Environmental Laws**" means any Applicable Law relating to the environment, including the natural environment, including those pertaining to: (a) reporting, licensing, permitting, investigating, remediating and cleaning up in connection with any presence or Release, or the threat of the same, of Hazardous Substances, and (b) the generation, manufacture, processing, distribution, use, re-use, treatment, storage, disposal, transport, labelling, handling and the like of Hazardous Substances;

(ff) "**Environmental Permits**" means all Licenses required under Environmental Laws;

(gg) "**Employee**" means an individual who is employed by any Target Company, whether on a full-time or part-time basis;

(hh) "**Employee Benefit Plans**" means all compensation, bonus, deferred compensation, incentive compensation, share purchase, share appreciation, share option, severance or termination pay, vacation pay, hospitalization or other medical, health and welfare benefits, life or other insurance, dental, disability, salary continuation, supplemental unemployment benefits, profit-sharing, mortgage assistance, employee loan, employee discount, employee assistance, pension, retirement or supplemental retirement benefit plan, arrangement or agreement, including any defined benefit or defined contribution pension plan and any group registered retirement savings plan, and any other similar employee benefit plan, arrangement or agreement, whether oral or written, formal or informal, funded or unfunded, including written policies with respect to holidays, sick leave, vacations, expense reimbursements and automobile allowances and rights to company-provided automobiles, that are sponsored or maintained or contributed to or required to be contributed to, by Target Companies for the benefit of any of the Employees, former employees, shareholders, directors, officers, drivers or owner/operators of any Target Company, whether or not insured and whether or not subject to any Applicable Law, except that the term "**Employee Benefit Plans**" shall not include any statutory plans with which Target Companies is required to comply, including the Canada Pension Plan or plans administered pursuant to applicable provincial health tax, workers' compensation, workers' safety and insurance and employment insurance legislation, but excluding any individual contracts disclosed in Section 4.36 of the Disclosure Schedules which are governed by their terms;

(ii) "**Encumbrance**" means any mortgage, charge, easement, encroachment, lien, adverse claim, restrictive covenant, assignment by way of security, security interest of any nature, servitude, pledge, hypothecation, security agreement, title retention agreement, right of occupation, option or privilege or any agreement to create any of the foregoing;

(jj) "**Equipment Leases**" means all leases of personal property to which any Target Company is a party or under which it has rights, as listed in Section 4.22 of the Disclosure Schedules attached hereto;

(kk) "**Financial Statements**" means, collectively, the Annual Financial Statements and the Interim Financial Statements, true and complete copies of which are attached hereto as part of Section 4.29 of the Disclosure Schedules;

(ll) "**Financial Statement Date**" means April 30, 2020;

(mm) "**generally accepted accounting principles**" or "**GAAP**" means generally accepted accounting principles as set forth in the *CPA Canada Handbook – Accounting* for an entity that prepares its financial statements in accordance with Accounting Standards for Private Enterprises, at the relevant time, applied on a consistent basis;

(nn) "**Governmental Authority**" means any Canadian or United States government, whether federal, provincial, state, territorial, municipal or local; and any governmental agency, ministry, department, Tribunal, commission, bureau, board or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government;

(oo) “**Guarantee**” means any agreement, contract or commitment providing for the guarantee, indemnification, or any like commitment with respect to the obligations, liabilities (contingent or otherwise) or indebtedness of any Person;

(pp) “**Hazardous Substances**” means any pollutants, contaminants, dangerous substances, or toxic or hazardous wastes, materials or substances or other materials or substances defined as such, prohibited or regulated by any Environmental Laws;

(qq) “**Holdco**” means ITS Holdings Inc.

(rr) “**Indemnified Party**” shall have the meaning assigned thereto in Section 8.04 hereof;

(ss) “**Indemnifying Party**” shall have the meaning assigned thereto in Section 8.04 hereof;

(tt) “**Independent Auditor**” means such independent auditing firm as the Purchaser, on the one hand, and the Vendors, on the other hand, may agree, failing which, as may be appointed by a judge of the Ontario Superior Court of Justice upon application by either the Purchaser or the Vendors.

(uu) “**Intellectual Property**” means all intellectual property used in whole, or in part, by any Target Company for the carrying on of the Business, both domestic and foreign and whether or not registered, including:

(i) all trade-marks, trade names, slogans, logos, service marks, brand names, internet domain names and registrations and other commercial symbols and all applications therefor;

(ii) all patents (including divisions, reissues, renewals, re-examinations, continuations, continuations in part and extensions) and all applications therefor;

(iii) all copyrights, integrated circuit topographies, industrial designs and other industrial property rights and all applications therefor;

(iv) all know-how, trade secrets, including business methodologies and processes, confidential information and any licensed property or technology; and

(v) all computer systems and application software, and all documentation relating thereto, and the latest revisions of all related object and source codes therefor, owned or used by any Target Company, with the exception of any "shrink-wrap", "web-wrap", "click-wrap" or other similar generic licenses and similar generally commercially available software licensed to any Target Company through end-user licenses or such similar software owned by or licensed to any Target Company, including particulars of any registration thereof, details of all applications for registration in respect thereof and, where unregistered, the date of first use thereof,

and including those set forth in <u>Section 4.39</u> of the Disclosure Schedules attached hereto;

(vv) “**Intellectual Property Rights**” means:

(i) any and all proprietary rights anywhere in the world provided under:

1) patent law;

2) copyright law;

3) trademark law;

4) design patent or industrial design law;

5) semiconductor chip or mask work law;

6) trade secret law; or

7) any other statutory provision or common law principle applicable to rights to intellectual property which may provide a right in either:

   a) formulae, algorithms, inventions, technologies, software, data compilations, drawings, specifications, procedures or know-how generally, including trade secret; or

   b) the expression or use of such ideas, formulae, algorithms, concepts, inventions technologies, software, data compilations, drawings, specifications, confidential business information, procedures or know-how; and

(ii) any and all applications, registrations, licenses, sub-licenses, franchises, agreements or any other evidence of a right in any of the foregoing;

(ww) "**Interested Person**" means, with respect to a Person, any present or former officer, director, shareholder or employee of such Person or any Person with which such first Person does not deal at arm's length within the meaning of the ITA;

(xx) "**Interim Financial Statements**" means the unaudited unconsolidated financial statements of the Target Companies by entity, together with the consolidated financial statements of all Target Companies, all for the eight-month period ended December 31, 2020 all internally prepared by management;

(yy) "**International**" means International Truckload Services Inc.

(zz) "**IT Systems**" means all software and computer hardware, servers, networks, platforms, peripherals, data communication lines and other information technology equipment and related systems that are owned or used by any Target Company;

(aaa) "**ITA**" means, the *Income* Tax *Act* (Canada) and the regulations thereunder, as amended;

(bbb) "**Jachar**" means Jachar Developments LImited.

(ccc) "**Leased Assets**" means all the right, title and interest of any Target Company in and to the subject matter (whether real property or personal property) of the Real Property Leases and the Equipment Leases;

(ddd) "**Legal Proceeding**" means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review and any application for same;

(eee) "**Licence**" means any licence, permit, approval, authorization, certificate directive, order, variance, registration, right, privilege, concession or franchise issued, granted, conferred or otherwise created by any Governmental Authority;

(fff) "**Logistics**" means I.T.S. Logistics Inc.

(ggg) "**Losses**" means any and all losses, liabilities, damages, costs, expenses, charges, fines, penalties or assessments, resulting from or arising out of any Claim, including the costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto and all interest, punitive damages, fines and penalties and reasonable legal fees and expenses incurred in connection therewith,;

(hhh) "**Major Customers**" shall have the meaning assigned thereto in Section 4.35;

(iii) "**Material**" means an agreement, contract or commitment, written or oral, to which any Target Company is bound requiring payment of more than $35,000 in any twelve month period, or generating revenues of more than $100,000 in any twelve month period, as the case may be;

(jjj) "**Material Contract**" means any Contract that is Material;

(kkk) "**MLRP**" means MLRP Holdings Inc.;

(lll) "**Occupied Real Property**" shall have the meaning assigned thereto in Section 4.18;

(mmm) "**Order**" means any order, directive, decision, judgment, decree, award, execution or writ given or issued by or filed with any Tribunal;

(nnn) "**parties**" means, collectively, the Vendors and the Purchaser, and "**party**" means any one of them;

(ooo) "**Permitted Encumbrances**" means those Encumbrances listed in Section 1.01(ooo) of the Disclosure Schedules;

(ppp) "**Person**" means any individual (whether acting as an executor, administrator, legal representative or otherwise), partnership, limited partnership, corporation, unlimited liability company, joint venture, association, joint stock company, trust, unincorporated organization, a Governmental Authority and any other legal or business entity;

(qqq) "**Place of Closing**" means the offices of the Vendors' Solicitors;

(rrr) "**Pre-Closing Transactions**" means the transactions contemplated in Section 1.01(rrr) of the Disclosure Schedules;

(sss) "**Preferred**" means Preferred Delivery Systems Inc.

(ttt) "**Previous Real Property**" shall have the meaning ascribed thereto in Section 4.17;

(uuu) "**Purchase Price**" means the aggregate amount payable to the Vendors for the Purchased Shares pursuant to Section 3.01 hereof;

(vvv) "**Purchased Shares**" means all of the issued and outstanding shares in the capital of each of Holdco, Preferred, and MLRP;

(www) "**Purchaser**" means Titanium Transportation Group Inc.;

(xxx) "**Purchaser Indemnified Parties**" shall have the meaning assigned thereto in Section 8.01;

(yyy) "**Purchaser's Solicitors**" means Loopstra Nixon LLP;

(zzz) "**Real Property**" means real and immoveable property owned by any Target Company including the Belleville Property and the Cornwall Property and includes all plant, buildings, structures, erections, improvements, appurtenances and fixtures situate thereon or forming part thereof;

(aaaa) "**Real Property Leases**" means the leases and other rights of occupancy relating to real property to which any Target Company is a party or under which it has rights as lessee or sublessee;

(bbbb) "**Realco**" means Haggarty Real Estate Holdings Inc.

(cccc) "**Regulatory Approval**" means any approval, consent, ruling, authorization, permit or acknowledgement that may be required from any Person by Applicable Law, the terms of any Licence or the conditions of any Order pertaining or applicable to Target Companies or the Business which is required pursuant to such Applicable Law, Licence or Order in connection with the sale of the Purchased Shares to the Purchaser and the completion of the other transactions contemplated herein, including without limitation, approvals by the Ontario Securities Commission and/or the TSX Venture Exchange as may be applicable to the Purchaser;

(dddd) "**Release**" means any release or discharge of any Hazardous Substances, including any burial, incineration, spray, injection, inoculation, abandonment, deposit, spillage, leakage, seepage, percolating, pouring, emission, emptying, throwing, dumping, placing, exhausting, escape, leach, migration, dispersal, dispensing or disposal;

(eeee) "**Remedial Order**" means any administrative direction, order or sanction issued, filed or imposed any Governmental Authority pursuant to any Environmental Laws and includes any order requiring investigation, assessment or remediation of any site or Hazardous Substance, or requiring that any Release or any other activity be reduced, modified or eliminated or requiring any form of payment or co-operation be provided to any Governmental Authority;

(ffff) "**Shareholders Agreement**" means that memorandum of agreement made as of the 1st day of December, 2014 between Robert Maxwell Haggarty, Robert, Pamela, Linda and Holdco;

(gggg) "**Target Companies**" means, collectively, Holdco, International, Logistics, Jachar, Realco, Preferred and MLRP, and, if the context requires, any one of them;

(hhhh) "**Target Companies Indebtedness**" means the aggregate long-term debt of Target Companies including all encumbrances, loans, credit facilities, capital leases (net of interest not yet due), notes payable and the principal amount outstanding on the real property charge/mortgages extended to any Target Company as at the Effective Time, and also including without limitation, the current portion of any of the foregoing as shown on the Closing Date Balance Sheet but specifically excluding any Operating Leases and any liability included in the calculation of Closing Date Net Working Capital; for greater certainty, the calculation of the Target Companies Indebtedness shall be prepared on a consistent basis with the methodology of the calculation as at December 31, 2020 attached hereto as Section 1.01(hhhh) of the Disclosure Schedules(which example has been included to verify methodology without verification by the parties of the entries);

(iiii) "**Target Net Working Capital Amount**" means a positive net working capital of $5,600,000.00;

(jjjj) "**Tax Legislation**" means, collectively, the ITA and all Canadian (whether federal, territorial, provincial or municipal) and United States (whether federal, territorial, state or local) statutes and legislation imposing a tax (whether on income, payroll or otherwise), including all treaties, conventions, case law, interpretation bulletins, circulars and releases, rules, regulations, orders, and decrees of any jurisdiction;

(kkkk) "**Tax Returns**" means all reports, elections, returns, and other documents required to be filed under the provisions of any Tax Legislation and any tax forms required to be filed, whether in connection with a Tax Return or not, under any provisions of any applicable Tax Legislation;

(llll) "**Tax**" or "**Taxes**" means all taxes, charges, fees, levies, duties, imposts or other assessments of any nature including any United States (whether federal, territorial, state or local), Canadian (whether federal, territorial, provincial or municipal) or foreign income tax, alternative or add-on minimum tax, profits or excess profits tax, franchise tax, gross income, adjusted gross income or gross receipts tax, employment related tax (including employee withholding or employer payroll tax or employer health tax), capital tax, real or personal property tax or ad valorem tax, sales or use tax, excise tax, excise duty, stamp tax or duty, any withholding or back up withholding tax, value added tax, HST, severance tax, prohibited tax, premiums tax, occupation tax, customs and import duties, together with any interest, fines or penalties with respect thereto, imposed by any Governmental Authority responsible for the imposition of any such tax, and whether disputed or not;

(mmmm) "**Third Party**" shall have the meaning assigned thereto in Section 8.04 hereof;

(nnnn) "**Third Party Claim**" shall have the meaning assigned thereto in Section 8.04 hereof;

(oooo) "**Tribunal**" means any court (including a court of equity), arbitrator or arbitration panel and any other Governmental Authority, stock exchange, professional or business organization or association or other body exercising adjudicative, regulatory, judicial or quasi-judicial powers;

(pppp) "**Vendor Loan**" shall have the meaning assigned thereto in Section 3.02(a)(ii);

(qqqq) "**Vendor Payment Obligations**" shall have the meaning assigned thereto in Section 3.06;

(rrrr) "**Vendors**" means, collectively, Robert, Dianne, Linda, Pamela, Teena, Joreen, Fred, Erica, Brent and Brock, and "**Vendor**" means any one of them;

(ssss) "**Vendors' Representative**" shall have the meaning assigned thereto in Section 9.02;

(tttt) "**Vendors' Solicitor**" means Templeman LLP, or such other solicitor licensed to practice law in the Province of Ontario as may be designated by the Vendors from time to time;

(uuuu) "**WC Deficiency**" means the amount by which the finalized Closing Date Net Working Capital is less than the Target Net Working Capital Amount;

(vvvv) "**WC Excess**" means the amount by which the finalized Closing Date Net Working Capital is greater than the Target Net Working Capital Amount; and

(wwww) "**WC Statement**" shall have the meaning assigned thereto in Section 3.03(a).

Section 1.01 Recitals.

The parties acknowledge and declare that the recitals in this Agreement are true and correct.

Section 1.02 Governing Law; Attornment.

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

Section 1.03 Entire Agreement; Amendment.

This Agreement constitutes the entire agreement between the parties with respect to the transactions herein contemplated and cancels and supersedes any prior understandings, agreements, negotiations and discussions, written or oral, between the parties with respect thereto, including the letter of intent dated December 2, 2020 made on the Purchaser's behalf with Robert and Holdco. There are no representations, warranties, terms, conditions, undertakings or collateral agreements or understandings, express or implied, between the parties other than those expressly set forth in this Agreement. This Agreement may not be amended, supplemented or otherwise modified in any respect except by written instrument executed by the parties.

Section 1.04 Calculation of Time Periods.

Where a time period is expressed to begin or end at, on or with a specified day, or to continue to or until a specified day, the time period includes that day. Where a time period is expressed to begin after or to be from a specified day, the time period does not include that day. Where anything is to be done within a time period expressed after, from or before a specified day, the time period does not include that day. If the last day of a time period is not a Business Day, the time period shall end on the next Business Day.

Section 1.05 Performance on Holidays.

If any act (including the giving of notice) is otherwise required by the terms hereof to be performed on a day which is not a Business Day, such act shall be valid if performed on the next succeeding Business Day.

Section 1.06 Waiver of Rights.

Any waiver of, or consent to depart from, the requirements of any provision of this Agreement shall be 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 hereto to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

Section 1.07 Severability.

Any provision in this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction, and such provision shall be severed from the balance of this Agreement to said extent.

Section 1.08 Conflict.

In the event of any conflict or inconsistency between the terms and conditions in the body of this Agreement and those in any Schedule or any agreement entered into pursuant to this Agreement, the terms and conditions in the body of this Agreement shall govern and take precedence and the parties shall take such steps as may be required or desirable to conform the conflicting or inconsistent provisions thereof to this Agreement.

Section 1.09 Remedies Cumulative.

The rights, remedies, powers and privileges herein provided to a party hereto are cumulative and in addition to and not exclusive of or in substitution for any rights, remedies, powers and privileges otherwise available to such party.

Section 1.10 Knowledge.

Where any representation, warranty or other statement in this Agreement is expressed to be made "to the knowledge of" any or all of the Vendors (or words to that effect) or is otherwise expressed to be limited in scope to matters known to any Vendor or of which any Vendor has knowledge or is aware, it shall mean such knowledge as is actually known to, or which would have or should reasonably have come to the attention of, any Vendor or the directors, or officers or senior management of any Target Company who have overall responsibility for or knowledge of the matters relevant to such statement, and each of the Vendors hereby confirm that they have made appropriate inquiries of all such directors, officers and employees, as the case may be.

Section 1.11 Additional Rules of Interpretation.

(a) In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.

(b) The division of this Agreement into Articles, Sections, Subsections, Paragraphs, clauses, Schedules and other subdivisions, the inclusion of headings and the provision of a table of contents are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The headings in the Agreement are not intended to be full or precise descriptions of the text to which they refer.

(c) Unless something in the subject matter or context is inconsistent therewith, references herein to an Article, Section, Subsection, Paragraph, clause or Schedule are to the applicable article, section, subsection, paragraph, clause or schedule of this Agreement.

(d) Wherever the words "include", "includes" or "including" are used in this Agreement or in any closing document, they shall be deemed to be followed by the words "without limitation" and the words following "include", "includes" or "including" shall not be considered to set forth an exhaustive list.

(e) The words "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular section or portion of it.

(f) Unless otherwise specified, all dollar amounts in this Agreement, including the symbol "$", refer to Canadian currency.

(g) All accounting terms not specifically defined in this Agreement shall be construed in accordance with GAAP.

(h) Unless otherwise indicated, all references in this Agreement to any statute include the regulations thereunder and all applicable guidelines, bulletins or policies made in connection therewith and which are legally binding, in each case as amended, re-enacted, consolidated or replaced from time to time and in the case of any such amendment, re-enactment, consolidation or replacement, reference herein to a particular provision shall be read as referring to such amended, re-enacted, consolidated or replaced provision.

(i) All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules attached thereto.

(j) The term "ordinary course", when used in relation to Target Companies' conduct of the Business, or the conduct of business by any other Person, means any transaction which constitutes an ordinary day-to-day business activity, conducted in a commercially reasonable and businesslike manner, having no unusual or special features, and, in the case of Target Companies, consistent with prior practice and, in the case of any other Person, being such as a Person of similar nature and size and engaged in a similar business might reasonably be expected to carry out from time to time.

(k) Any reference herein that "no notice has been received" (or words of like effect) with respect to a particular matter shall mean no notice has been received with respect to such matter by any of the Vendors or Target Companies.

(l) Unless otherwise defined herein, words or abbreviations which have well-known trade meanings are used herein with those meanings.

(m) Each of the Vendors hereby acknowledges and agrees to and in favour of the Purchaser that the Vendors are jointly and severally liable for the due and punctual payment of all indebtedness of, and performance and discharge of all covenants, obligations, agreements and undertakings (including indemnity obligations) of the Vendors under or pursuant to this Agreement or in any agreement, document, certificate, affidavit, statutory declaration or other instrument executed and delivered pursuant to this Agreement.

Section 1.12 Disclosure Schedules.

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

Section 1.01 (t)	-	Closing Date Net Working Capital
Section 1.01 (u)(i)	-	Good Accounts Receivable
Section 1.01(ooo)	-	Permitted Encumbrances
Section 1.01(rrr)	-	Pre-Closing Transactions
Section 1.01(hhhh)	-	Example of Target Companies Indebtedness
Section 3.02(b)	-	Vendor Loan – Promissory Note
Section 3.03(d)	-	Older Receivables
Section 4.06	-	Licenses
Section 4.11	-	Regulatory Approvals
Section 4.13	-	Banking Information
Section 4.14	-	Powers of Attorney
Section 4.16	-	Legal Proceedings
Section 4.17	-	Previous Real Property
Section 4.18	-	Notices regarding Buildings and Structures
Section 4.19	-	Environmental Matters
Section 4.20	-	Real Property Leases
Section 4.21A	-	Assets at Closing
Section 4.21B	-	Excluded Assets
Section 4.22	-	Equipment Leases
Section 4.23	-	Debt Instruments
Section 4.24	-	Guarantees
Section 4.26	-	Insurance Matters
Section 4.27A	-	Consents
Section 4.27B	-	Qualifications re: Good Standing of Contracts

Section 4.27C	-	Material Contracts
Section 4.29	-	Financial Statements
Section 4.30	-	Adverse Changes
Section 4.31	-	Exceptions to Business Carried on in Ordinary Course
Section 4.33	-	Non-Arm's Length Transactions
Section 4.34	-	Qualifications re: Accounts Receivable
Section 4.35	-	Major Customers
Section 4.36	-	Employee Matters
Section 4.37	-	Employee Benefit Plans
Section 4.39	-	Intellectual Property
Section 4.41	-	Tax Matters
Section 7.02	-	Non-Competition and Non-Solicitation Agreement
Section 7.03	-	Full and Final Release - Linda
Section 7.05A	-	Employment Agreement (Robert)
Section 7.05B	-	Full and Final Release – Robert
Section 7.05C	-	Employment Agreement (Pamela)
Section 7.05D	-	Employment Agreement (Brent)
Section 7.06	-	Real Estate Mortgage

ARTICLE II. AGREEMENT TO PURCHASE

Section 2.01 Purchase and Sale.

Subject to the terms and conditions hereof, the Vendors agree to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase from the Vendors, the Purchased Shares effective as at the Effective Time.

Section 2.02 Effective Conveyance.

This Agreement is intended to be, and shall be and operate as, an immediate and effective transfer and assignment of the Purchased Shares by the Vendors to the Purchaser as at the Effective Time without any further act or formality being required.

ARTICLE III. PURCHASE PRICE, PAYMENT, WORKING CAPITAL ADJUSTMENT

Section 3.01 Purchase Price.

The purchase price payable by the Purchaser to the Vendors for the Purchased Shares (the "**Purchase Price**") shall be $33,500,000 subject to any and all adjustments provided for under this Agreement, including under this Article III and Section 7.10.

Section 3.02 Payment of Purchase Price.

Subject to the adjustments referred to in this Article III, the Purchase Price shall be paid and satisfied by the Purchaser at Closing as follows:

(a) $27,000,000 shall be paid by wire transfer of immediately available funds in accordance with the written direction of the Vendors;

(b) $6,500,000 shall be paid by the delivery of a promissory note payable in 16 equal quarterly installments; with the first quarterly payment being on the first day of the month following the later of finalization of the Closing Date Financial Statements in accordance with Section 3.03 or finalization of the final Tax Returns in accordance with Section 7.01); with interest at an annual rate of 2.0% calculated quarterly in arrears, and otherwise substantially in the form as attached here to as Section 3.02(b) of the Disclosure Schedules (the "**Vendor Loan**").

Section 3.03 Net Working Capital Adjustment.

(a) Draft Deliveries Post-Closing. Within ninety (90) days following the Closing Date and together with the final Tax Returns prepared and delivered in accordance with Section 7.01, the Vendors shall cause the Accountant to prepare and deliver to the Purchaser, for review and discussion purposes, in draft form, at the Vendors' expense (to be accrued in Closing Date Net Working Capital) and in accordance with the terms hereof and GAAP, financial statements as at the Closing Date for each of the Target Companies all of such financial statements to be prepared on a notice to reader basis except that such financial statements of International shall be audited and such financial statements of Preferred shall be prepared on a review engagement basis (the "**Closing Date Financial Statements**") and shall include balance sheets as at the Effective Time for each of the Target Companies as well as a consolidated balance sheet for all Target Companies prepared on a notice to reader basis, together with its report thereon and notes thereto (together, the "**Closing Date Balance Sheet**"). All assets and liabilities included in the draft Closing Date Financial Statements and Closing Date Balance Sheet will be valued at their then book values consistent with Target Companies' past practices and in accordance with GAAP. The Vendors will also deliver to the Purchaser with the draft Closing Date Balance Sheet: (i) a statement prepared by the Accountant setting forth the determination and calculation, in reasonable detail, of the Closing Date Net Working Capital (the "**WC Statement**") and the Target Companies Indebtedness (the "**Long Term Indebtedness Statement**"), which shall both be based on the draft Closing Date Balance Sheet and (ii) the Vendors' certification, together with the Accountant's written confirmation, that the draft Closing Date Financial Statements, the draft Closing Date Balance Sheet, the draft WC Statement and the draft Long Term Indebtedness Statement are being delivered in good faith pursuant to this Section 3.03(a) and fairly present the assets, liabilities and financial condition of Target Companies as of the Effective Time, including any outstanding Tax liabilities of Target Companies to any jurisdiction or Governmental Authority, and that the Closing Date Net Working Capital set out in the WC Statement complies with the requirements of this Agreement. For the purpose of preparing the draft Closing Date Financial Statements, the draft Closing Date Balance Sheet, the WC Statement and the draft Long Term Indebtedness Statement in accordance with this Agreement (collectively, the "**Draft Deliveries**"), the Vendors and the Accountant shall be afforded with full access to the Accounting Records and full support of the accounting staff of Target Companies.

(b) Finalization of Closing Date Balance Sheet and Closing Date Net Working Capital.

(i) The Purchaser shall have a period of fifteen (15) Business Days from the date on which the Draft Deliveries are received by it in which to review the same and to provide its written comments, submissions and representations thereon to the Vendors and the Accountant. To assist the Purchaser in that regard, the Vendors shall, and shall cause the Accountant to, permit the Purchaser and its authorized representatives to examine all working papers, schedules and other documentation used or prepared by the Accountant or the Vendors or any of their authorized representatives in preparing the Draft Deliveries.

(ii) If no written comments, submissions or representations on the Draft Deliveries are provided by the Purchaser within such fifteen (15) Business Day period, the Draft Deliveries shall be deemed to have been approved by all parties as of the last day of such period, and the Vendors shall cause the Accountant to issue the draft Closing Date Financial Statements and the draft Closing Date Balance Sheet delivered pursuant to Section 3.03(a) as the finalized Closing Date Financial Statements and the Closing Date Balance Sheet, and the same shall constitute the finalized Closing Date Financial Statements and Closing Date Balance Sheet hereunder, and the Closing Date Net Working Capital determination set out in the WC Statement delivered pursuant to Section 3.03(a) shall constitute the finalized Closing Date Net Working Capital hereunder, and such finalized Closing Date Financial Statements, finalized Closing Date Balance Sheet and finalized Closing Date Net Working Capital shall be final and binding on the parties, and no appeal shall be permitted therefrom.

(iii) If, however, the Purchaser issues any written comments, submissions or representations on the Draft Deliveries within such fifteen (15) Business Day period, the Vendors shall, and shall cause the Accountant to, consider and have due regard to such comments, submissions or representations of the Purchaser, and the parties shall, together with the assistance of the Accountant and representatives of the Purchaser, use their best efforts and act in good faith to resolve all matters raised in the Purchaser's written comments, submissions or representations as soon as possible, but in any event within twenty (20) days following the expiry of the fifteen (15) Business Day period. Thereafter, the Vendors shall cause the Accountant to make such modifications to the Draft Deliveries as are required to reflect the parties' resolution of any matters arising from the foregoing process. Any matters remaining unresolved as between the Vendors and the Purchaser upon the expiry of the twenty (20) day period shall be referred to the Independent Auditor for determination, and the Independent Auditor shall be instructed to render its determination within sixty (60) days after the referral to it of the unresolved matters, and such determination of the Independent Auditor shall be final and binding on the parties. The Accountant, subject to the direction by the Independent Auditor, if applicable, shall then issue to the Vendors and the Purchaser, as soon as possible and no later than within thirty (30) days of such direction, its final Closing Date Financial Statements, final Closing Date Balance Sheet and final WC Statement reflecting all such modifications and determinations, which shall, respectively, constitute the finalized Closing Date Financial Statements and Closing Date Balance Sheet hereunder and the finalized WC

Statement setting out the finalized Closing Date Net Working Capital hereunder, and the same shall be final and binding on the parties, and no appeal shall be permitted therefrom. The fees and expenses of the Independent Auditor in acting in accordance with this Section 3.03(b)(iii) shall be paid equally by the Vendors on the one hand, and the Purchaser on the other hand.

(c) Adjustment. No later than thirty (30) days following the determination of the finalized Closing Date Net Working Capital in accordance with the terms of Section 3.03(b) (the "**Adjustment Period**"):

(i) to the extent that there is a WC Excess, the Purchase Price shall be adjusted upward accordingly (on a dollar-for-dollar basis reflecting the amount equal to the WC Excess). The Purchaser shall pay to the Vendors (in accordance with their written direction) such WC Excess by certified cheque, bank draft or wire transfer of immediately available funds within thirty (30) day of the last day of the Adjustment Period. The Purchaser may, at its discretion, elect that up to 30% of the WC Excess be added to the Vendor Loan, in which event the payment by the Purchaser pursuant to this Section shall be reduced accordingly; and

(ii) to the extent that there is a WC Deficiency, the Purchaser shall be entitled to set-off the amount of the WC Deficiency on a dollar-for-dollar basis against the Vendor Loan, and the Purchase Price shall be adjusted downward accordingly (on a dollar-for-dollar basis reflecting the amount equal to the WC Deficiency). In the event the amount of the WC Deficiency exceeds the Vendor Loan or any balance thereof, the Vendors shall pay to the Purchaser the amount of the WC Deficiency or balance thereof by certified cheque, bank draft, or wire transfer of immediately available funds within thirty (30) days of the last day of the Adjustment Period.

(d) Collection of Receivables.

(i) All Accounts Receivable listed in Section 3.03(d) of the Disclosure Schedules (the "Other Receivables") that are collected on or before the end of the Adjustment Period, and not included in the calculation of the Closing Date Net Working Capital, shall be credited first against any Vendor Payment Obligations outstanding and any excess thereafter shall be paid to the Vendors as an adjustment to the Purchase Price; and

(ii) All Other Receivables that are collected after the end of the Adjustment Period and before the first anniversary of the Closing shall be paid to the Vendors as an adjustment to the Purchase Price.

Section 3.04 Allocation of Purchase Price.

Subject to the adjustments pursuant to this Article III, the Purchase Price shall be allocated as follows:

(a) $8,176,800 – purchase of preferred shares of Holdco at a rate of $1,000 per share;

(b) $1,500,000 – purchase of shares of Preferred;

(c) $23,823,199 – purchase of common shares of Holdco; and

(d) $1 – purchase of shares of MLRP.

Any adjustments to the Purchase Price contemplated in this Agreement shall be applied to the portion of the Purchase Price allocated to the common shares of Holdco as set out in subsection (c) above.

Section 3.05 Delivery of Share Certificates.

The Vendors shall transfer and deliver to the Purchaser at Closing share certificates representing the Purchased Shares duly endorsed in blank for transfer or accompanied by an irrevocable security transfer power of attorney duly executed in blank.

Section 3.06 Right of Set Off against Vendor Loan.

The Vendor Loan shall, from time to time, be subject to set-off rights of the Purchaser for:

(a) the payment by the Vendors to the Purchaser of amounts, if any, in accordance with and subject to Section 3.03(c);

(b) any liability of any Target Company for Target Companies Indebtedness in excess of $29,000,000.00;

(c) any liability for Taxes owing by Target Companies for or in respect of any period ending on or prior to the Effective Time to the extent such liability for Taxes was not accounted for in the finalized Closing Date Net Working Capital; and

(d) all amounts in respect of Claims of the Purchaser that have been determined by the parties' agreement on the matter or by a final, non-appealable Order by a Tribunal of competent jurisdiction to be a liability of the Vendors to be paid to the Purchaser pursuant to Section 8.01,

(collectively, the "**Vendor Payment Obligations**").

In the event of a set-off against the Vendor Loan as permitted hereunder, the Purchase Price shall each be adjusted downward accordingly (on a dollar-for-dollar basis) and each such set-off amount shall be applied against the principal (on a dollar-for-dollar basis) under the Vendor Loan promissory note delivered in accordance with Section 3.02(b) (as may be adjusted in accordance with this Agreement), provided that any such adjustments shall not change the maturity term of such promissory note and shall only result in an adjustment to the quarterly payments over the remainder of the term.

ARTICLE IV. REPRESENTATIONS AND WARRANTIES OF VENDORS

In addition to any other representations and warranties made by the Vendors herein, the Vendors jointly and severally hereby make the following representations and warranties to the Purchaser and acknowledge that the Purchaser is relying on such representations and warranties in entering into this Agreement and completing the purchase by it of the Purchased Shares:

Section 4.01 Authorizations.

(a) This Agreement has been, and all other agreements, documents, and other instruments to be delivered by the Vendors pursuant to this Agreement will be, as at the Closing Date, executed and delivered by the Vendors and constitute valid and binding obligations of the Vendors enforceable against the Vendors in accordance with their terms, except that the rights and remedies of the Purchaser hereunder and thereunder may be subject to and affected by the law relating to bankruptcy, insolvency, reorganization and creditors' rights generally and except that a court may or may not order an injunction, specific performance or other equitable remedies with respect to any particular provision of this Agreement and such other agreements, documents and other instruments.

(b) There is no Legal Proceeding in progress, pending or threatened against or affecting any Vendor's ability to enter into this Agreement or to perform its obligations hereunder or affecting the title of any Vendor to any of the Purchased Shares owned by it at law or in equity or before or by any Tribunal and, to the knowledge of the Vendors, there are no grounds on which any such Legal Proceeding might be commenced with any reasonable likelihood of success nor is there any Order outstanding against or affecting any Vendor which, in any such case, might adversely affect the ability of any Vendor to enter into this Agreement or to perform its obligations hereunder.

(c) No Vendor is insolvent, nor has any Vendor committed an act of bankruptcy, proposed a compromise or arrangement to its creditors generally, had any petition for a receiving order in bankruptcy filed against it, taken any proceeding with respect to a compromise or arrangement, taken any proceeding to have itself declared bankrupt, taken any proceeding to have a receiver appointed of any part of its assets, had any encumbrancer take possession of any of its material property, or had any execution or distress become enforceable or become levied upon any of its property.

(d) The name of each Vendor set out on the title page of this Agreement is the full legal name of such Vendor, as the case may be.

Section 4.02 Formation and Organization.

Each Target Company is a corporation duly incorporated, amalgamated or continued and organized, subsisting and in good standing under the laws of the Province of Ontario.

Section 4.03 Authorization of Sale.

The execution and delivery of this Agreement and the completion of the transactions herein contemplated have been duly and validly authorized by all necessary corporate action on behalf of the Vendors and each of the Target Companies.

Section 4.04 Conflicting Instruments.

Neither the entering into of this Agreement by the Vendors, nor the entering into of any agreement or other instrument contemplated hereby, nor the completion of the transactions herein contemplated, nor the performance by each Vendor of its obligations hereunder or in connection herewith will:

(a) conflict with, or result in the breach or violation of or default under, or cause the acceleration of any obligations of Target Companies, any Vendor under, any of the terms and provisions of (i) any Applicable Law, (ii) the constating documents or the by-laws of any Target Company or any resolution of the directors or shareholders of the Target Companies; or (iii) subject to obtaining any Consent or Regulatory Approval (as disclosed herein) which may be required thereunder in connection with the completion of the transactions herein contemplated, any Licence, Order or Material agreement, contract or commitment, written or oral to which any of Target Companies or any Vendor is a party or by which any of them is bound;

(b) subject to obtaining any Consent, relieve any other party to any Material Contract, Real Property Lease or Equipment Lease of that party's obligations thereunder or enable it to terminate its obligations thereunder;

(c) subject to obtaining any Consent, cause Target Companies to lose any rights under any Material Contract, Real Property Lease or Equipment Lease or any right to a government subsidy, grant or tax credit or refund; or

(d) result in the creation of any Encumbrance on any of the property or assets of any Target Company.

Section 4.05 Qualification of Target Companies to do Business.

Each of the Target Companies carries on the Business and has all requisite corporate power, authority and capacity to carry on the Business. Holdco does not carry on any business other than holding shares in the capital stock of International, Logistics, Jachar and Realco. The Target Companies have all requisite corporate power, authority and capacity to own, lease, use and operate the properties and assets now owned, leased, used and operated by it. The Target Companies are duly registered, licensed, or otherwise qualified to carry on their respective business, and is in good standing, in the Province of Ontario and all other jurisdictions in which the nature of the business as carried on by each Target Company, or the property or assets owned or leased or used by it, makes such qualification necessary.

Section 4.06 Licenses and Compliance with Laws.

Each of the Target Companies has been and is now conducting the Business in material compliance with all Applicable Laws (including applicable foreign and Canadian customs laws) and possesses all Licences required for the conduct of the Business and all such Licences are listed in Section 4.06 of the Disclosure Schedules. All Licences of Target Companies are valid and subsisting and in good standing and there is no default thereunder. None of such Licences:

(a) contains any term, provision, condition or limitation which has or could have an adverse effect on Target Companies or the Business; or

(b) except as specifically disclosed in this Agreement, requires any Regulatory Approval in connection with the completion of the transactions herein contemplated or in order to maintain such Licence in full force and effect and in good standing after the Effective Time.

Section 4.07 Title to Purchased Shares.

The Vendors are the registered and beneficial owners of the Purchased Shares as set forth in Section 4.09, with good and marketable title to such shares, free and clear of all Encumbrances. No Person, other than the Purchaser, has any agreement or option or any right capable of becoming an agreement for the purchase of any of the Purchased Shares, nor any agreement or option or any right capable of becoming an agreement for the purchase, subscription or issuance of any of the unissued shares in the capital of any Target Company. Other than as described at Section 4.16 of the Disclosure Schedules, no Legal Proceeding has been commenced which, if successful, would have the effect of causing an Encumbrance to attach to any of the issued and outstanding shares in the capital of any Target Company or any of the assets of Target Companies, or to divest title to such shares or such assets in any manner whatsoever, and none of the Vendors know of any such claim in connection with any of the foregoing.

Section 4.08 Authorized Capital.

The authorized capital of each of the Target Companies is as follows:

Target Company	**Authorized Capital**
Holdco	An unlimited number of Class "A" preference shares, Class "B" preference shares, Class "C" preference shares, Class "D" preference shares, Class "E" preference shares and Class "F" preference shares and an unlimited number of common shares.
International	An unlimited number of Class "A" preference shares, Class "B" preference shares, Class "C" preference shares and Class "D" preference shares and an unlimited number of common shares.

Logistics	An unlimited number of Class “A” preference shares and Class “B” preference shares and Class “A” common shares and Class “B” common shares.
Jachar	An unlimited number of Class “A” preference shares and Class “B” preference shares and Class “C” preference shares and an unlimited number of common shares.
Realco	An unlimited number of Class “A” preference shares, Class “B” preference shares and Class “C” preference shares and an unlimited number of common shares.
Preferred	An unlimited number of common shares.
MLRP	An unlimited number of Class “A” preference shares and Class “B” preference shares and an unlimited number of Class “A” common shares and Class “B” common shares.

Section 4.09 Issued Capital.

(a) The only issued and outstanding shares in the capital of each of the Target Companies is set out below, all of which are issued and outstanding as fully paid and non-assessable shares in the capital of subject Target Company, and constitute all of the issued and outstanding shares in the capital of each of the Target Companies, and are held beneficially and of record as follows:

Target Company	**Shareholder**	**Type and Number of Shares**
Holdco	Rob	*[Redacted as confidential]*
Holdco	Pamela	*[Redacted as confidential]*
Holdco	Brock	*[Redacted as confidential]*
Holdco	Brent	*[Redacted as confidential]*
Holdco	Erica	*[Redacted as confidential]*
Holdco	Dianne	*[Redacted as confidential]*
Holdco	Fred	*[Redacted as confidential]*

Holdco	Joreen	*[Redacted as confidential]*
Holdco	Teena	*[Redacted as confidential]*
Holdco	Linda	*[Redacted as confidential]*
International	Holdco	*[Redacted as confidential]*
Logistics	Holdco	*[Redacted as confidential]*
Jachar	Holdco	*[Redacted as confidential]*
Realco	Holdco	*[Redacted as confidential]*
Preferred	Robert	*[Redacted as confidential]*
MLRP	Linda	*[Redacted as confidential]*

(b) There are no other outstanding shares, warrants, rights, options, or securities convertible into shares of, or any other evidence whatsoever of an interest in, any of the Target Companies.

Section 4.10 Directors and Officers.

As of the date hereof, the directors and officers of the Target Companies are as follows:

Target Company	**Directors**	**Officers (Name, Title)**
Holdco	Robert Pamela	Robert, President & Secretary Pamela, Treasurer
International	Robert Pamela	Robert, President & Secretary Pamela, Treasurer Catherine Melanson, Other
Logistics	Robert	Robert, President & Secretary
Jachar	Robert	Robert, President & Secretary Catherine Melanson, Other
Realco	Linda Robert Pamela	Linda, President & Secretary & Vice-President Robert, President & Secretary Pamela, Treasurer
Preferred	Robert	Robert, President, Secretary & Treasurer Pamela, Other

MLRP	Robert	Robert, President, Secretary &

Section 4.11 Regulatory Approvals.

Except as set forth in Section 4.11 of the Disclosure Schedules, no Regulatory Approval or filing with, notice to, or waiver from any Governmental Authority or other Person is required to be obtained or made by any Vendor or any Target Company:

(a) in connection with the execution, delivery and performance by any Vendor of its obligations under this Agreement or any agreement, certificate, affidavit, statutory declaration or other document delivered or given pursuant to this Agreement or the consummation of the transactions contemplated hereby;

(b) to avoid the loss of any Licence relating to the Business; or

(c) to permit Target Companies to carry on the business after the Closing Date as such business is currently carried on by Target Companies.

Section 4.12 Corporate Records.

(a) The minute books of each Target Company provided to the Purchaser contain complete original copies of the constating documents and by-laws of such Target Company. The constating documents and by-laws contained in the minute books constitute all of the constating documents and by-laws of the Target Companies and are complete and accurate and in full force and effect.

(b) Other than the Shareholders Agreement, there are no shareholders' agreements, declarations or unanimous shareholders' agreements governing the affairs of any Target Company or the relationship, rights and duties of the shareholders of each Target Company, nor are there any voting trusts, pooling arrangements or other similar agreements with respect to the ownership or voting of any shares of any Target Company.

(c) There are no outstanding applications or filings which would alter in any way any of the constating documents of any Target Company or the corporate status of any Target Company.

(d) No material meetings, resolutions or by-laws have been held, passed, enacted, consented to or adopted by the directors or shareholder(s) of any Target Company, except those contained in the minute books.

(e) All by-laws and resolutions of each Target Company have been duly passed or enacted.

(f) The corporate records of each Target Company have been maintained in accordance with Applicable Laws and are complete and accurate in all material respects.

(g) The share certificate book, register of shareholders, register of transfers, register of shareholders and directors, as applicable, of each Target Company are in all material respects complete, accurate and current.

Section 4.13 Banking Information.

Attached hereto as Section 4.13 of the Disclosure Schedules is a true and complete list of the names and addresses of each bank, trust company or other institution in which any Target Company has an account (and the details of each such account) and the names of all Persons authorized to draw thereon or who have access thereto. No Target Company maintains, and has not previously maintained, a safety deposit box.

Section 4.14 Powers of Attorney.

Except as set forth in Section 4.14 of the Disclosure Schedules, there are no outstanding powers of attorney granted by any Target Company.

Section 4.15 Insolvency or Bankruptcy.

(a) No Target Company is insolvent, nor has any Target Company committed an act of bankruptcy, proposed a compromise or arrangement to its creditors generally, had any petition for a receiving order in bankruptcy filed against it, taken any proceeding with respect to a compromise or arrangement, taken any proceeding to have itself declared bankrupt or wound-up, taken any proceeding to have a receiver appointed of any part of its assets, had any encumbrancer take possession of any of its property, or had any execution or distress become enforceable or become levied upon any of its material property.

(b) No proceedings have been taken or authorized by any Vendor or any Target Company, to each Vendor's knowledge, by any other Person with respect to the bankruptcy, insolvency, liquidation, dissolution or winding up of any Target Company or with respect to any amalgamation, merger, consolidation, arrangement or reorganization of, or relating to, any Target Company which are uncompleted, other than the Pre-Closing Transactions.

Section 4.16 Legal Proceedings.

Except as set forth in Section 4.16 of the Disclosure Schedules, there is no Legal Proceeding (whether instituted against, or by or on behalf of, Target Companies, including by counter-claim) in progress or pending or, to each Vendor's knowledge, threatened against or affecting Target Companies before any Tribunal that expose any Target Company to potential liability in excess of $35,000. Except as set forth in Section 4.16 of the Disclosure Schedules, to each Vendor's knowledge, there are no grounds or facts on which any such Legal Proceeding might be commenced with any reasonable likelihood of success. Except as set forth in Section 4.16 of the Disclosure Schedules, there is no Order outstanding against or affecting Target Companies which might adversely affect the financial condition of Target Companies or its conduct of the Business.

Section 4.16.1 Subsidiaries; Investments.

Except as may be described in Section 4.09, no Target Company has any subsidiaries that are not Target Companies. Other than the shares in the capital stock of International, Logistics, Jachar and Realco each held by Holdco, and *[Redacted as prejudicial to the Reporting Issuer]*, no Target Company owns shares of any other corporation or any rights, options, warrants or other securities or other equity interest of any other corporation or other Person, and no Target Company is a party to any agreement for the purchase, subscription or issuance of any of the unissued shares in the capital of any other corporation or any securities or other equity interest in any other Person. No Target Company is subject to any obligation or requirement to provide funds to, or to make any investment in, any business or Person by way of loan, capital contribution or otherwise, except for advances to owner/operators in the ordinary course of business that do not exceed $20,000 in the aggregate.

Section 4.17 Real Property.

Except as set out in Section 4.17 of the Disclosure Schedules, no Target Company owns, or has, or had at any time (in the last 10 years), any interest in, or is or was a party to, bound by or subject to, any agreement, contract, commitment or option respecting, any real property, except for the Real Property and the Real Property Leases. For clarity and not limiting the generality of the foregoing, no Target Company previously occupied any real property other than the Real Property or the real property that are the subject of the Real Property Leases or the previously occupied real property (in the last 10 years) set out in Section 4.17 of the Disclosure Schedules (the "**Previous Real Property**").

With respect to all Real Property:

(a) There are no written or oral agreements, options, understandings or commitments, or any right or privilege capable of becoming such, to sell, transfer or otherwise dispose of any rights in or to any Real Property or which would restrict the ability of the Target Companies to use the Real Property in the same manner as used immediately prior to Closing.

(b) Realco is the absolute legal and beneficial owner of, and has good and marketable title in fee simple to, the Belleville Property, free and clear of any and all Encumbrances, except for the Permitted Encumbrances.

(c) Holdco is the absolute legal and beneficial owner of, and has good and marketable title in fee simple to, the Cornwall Property, free and clear of any and all Encumbrances, except for the Permitted Encumbrances.

Section 4.18 Buildings and Structures.

To the Vendors knowledge, all of the plant, buildings, structures, erections, improvements, appurtenances and fixtures (collectively, the "**buildings and structures**") situate on or forming part of the Real Property or the real property used by any Target Company pursuant to the Real Property Leases (collectively, the "**Occupied Real Property**") are in good operating condition in all material respects and in a state of good maintenance and repair (reasonable wear and tear excepted, and taking into account the age and use of the buildings and structures), are adequate and suitable for the purposes for which they are currently being used, and Target Companies have adequate rights of ingress and egress to and from all of the buildings and structures for the operation of the Business in the ordinary course. Except as set forth in Section 4.18 of the Disclosure Schedules, no notice has been received that any of the buildings and structures, or the operation or maintenance thereof, violates any restrictive covenant or any provision of any Applicable Law or encroaches on any property owned by others. Without limiting the generality of the foregoing:

(a) no notice has been received that any Occupied Real Property or the current use thereof by Target Companies does not comply in all respects with Applicable Law or is not legally nonconforming thereto;

(b) no alterations, repairs, improvements or other work have been ordered, directed or requested in writing under any Applicable Law by any Person with respect to any Occupied Real Property or the buildings and structures or with respect to any of the plumbing, heating, elevating, water, drainage or electrical systems, fixtures or works, which alteration, repair, improvement or other work has not been completed;

(c) all accounts for material, work and services ordered by Target Companies with respect to any Occupied Real Property (except for current accounts the payment dates of which have not yet passed or as reflected in the Closing Date Financial Statements) have been fully paid and satisfied and no person is entitled to claim a lien under the *Construction Act* (Ontario) or any similar applicable legislation in any other jurisdiction against such Occupied Real Property;

(d) there is nothing owing by Target Companies in respect of the supply to or the use by it of water, gas, electrical power or energy, steam or hot water, or other utilities (except for current accounts the payment due dates of which have not yet passed); and

(e) no notice has been received that any part of such Occupied Real Property has been, or is proposed to be, taken or expropriated by any Tribunal or other body having power of expropriation, nor, to the knowledge of the Vendors, has any Legal Proceeding or notice in respect of any such expropriation been commenced, given or is pending or threatened.

Section 4.19 Environmental Matters.

With respect to all Occupied Real Property and all Previous Real Property, except as otherwise set out in Section 4.19 of the Disclosure Schedules:

(a) Target Companies carry on the Business and operates and maintains the Occupied Real Property, and previously carried on the Business and operated and maintained the Previous Real Property, in compliance in all material respects with all Environmental Laws and, to each Vendor’s knowledge, there are no facts that could give rise to a notice of non-compliance by Target Companies under any Environmental Laws; and

(b) Target Companies have all Environmental Permits required for it to operate the Business and to own, use and operate the Occupied Real Property and previously had all Environmental Permits required for it to operate the Business and to own, use and operate the Previous Real Property. Each Environmental Permit held by Target Companies is valid, subsisting and in good standing, and it is not in default or breach of any such Environmental Permit and, to the knowledge of the Vendors, no proceeding is pending or threatened and no grounds exist to revoke or amend any such Environmental Permit.

(c) Target Companies have not used any of the facilities or any Occupied Real Property or any Previous Real Property, or permitted them to be used, to refine, treat, produce, process or Release any Hazardous Substances except in compliance in all material respects with all Environmental Laws and Environmental Permits held by Target Companies.

(d) Target Companies have not caused or permitted the Release of any Hazardous Substance at, on or under any Occupied Real Property or any Previous Real Property, or the Release of any Hazardous Substance off-site of the Occupied Real Property or any Previous Real Property, except in compliance with Environmental Laws and with Environmental Permits held by Target Companies. No part of the Occupied Real Property or any Previous Real Property has ever been used by Target Companies or, to each Vendor's knowledge, by any other Person as a waste disposal site or land fill. All Hazardous Substances and all other wastes used by Target Companies or resulting from the Business have been disposed of and stored (or caused to be stored) by Target Companies in compliance with Environmental Laws and Environmental Permits held by Target Companies and have not been disposed of by (d) Target Companies outside of Canada.

(e) Target Companies have not received written notice, nor does any Vendor have knowledge of any facts that could give rise to any notice, that any Target Company is potentially responsible for any remedial or other corrective action or any work, repairs, construction or capital expenditures to be made under any Environmental Law with respect to the Occupied Real Property or any Previous Real Property.

(f) The Vendors have provided the Purchaser with copies of all reports, studies and investigations pertaining to any environmental assessments or audits relating to the Occupied Real Property and/or the Previous Real Property that were obtained by, or are or with reasonable efforts could be in the possession or control of, any of the Vendors or Target Companies. Target Companies have no liability (direct or indirect, absolute or contingent) arising from its ownership, lease, occupancy or use of any Previous Real Property.

(g) No underground or above-ground storage tanks are or have been located on any Occupied Real Property or any Previous Real Property.

(h) No Vendor has caused any friable asbestos or polychlorinated biphenyls to be placed or installed in any building, structure, equipment or improvement owned, leased, occupied, or used by any Target Company.

(i) No Vendor has knowledge of any Hazardous Substance originating from any adjoining or neighbouring properties which has or is suspected to be migrating onto, into or under the Occupied Real Property or otherwise affecting the Business.

Section 4.20 Real Property Leases and Leased Assets.

No Target Company is a party to or bound by or subject to, nor has any Target Company agreed or become bound to enter into, any real property lease or other right of occupancy relating to real property, whether as lessor or lessee, except for the Real Property Leases set forth in Section 4.20 of the Disclosure Schedules, in which are accurately specified the parties to and dates of each of the Real Property Leases, their expiry dates, particulars of any options to renew, the locations (including municipal addresses) of the Leased Assets demised thereunder, and the rent receivable or payable and any other payments required under the Real Property Leases. Each Real Property Lease is valid and subsisting and in good standing, to the Vendor's knowledge, there is no default thereunder, and to the Vendor's knowledge, there is no dispute between any Target Company and any landlord or tenant under any Real Property Lease. Target Companies are entitled to all rights and benefits under the Real Property Leases and, except as disclosed in Section 4.20 of the Disclosure Schedules, Target Companies have not sublet, assigned, licensed or otherwise conveyed any rights in the Real Property Leases or the Leased Assets subject thereto to any other Person. Except as disclosed in Section 4.20 of the Disclosure Schedule, Target Companies, as lessee on the one hand, and each of the lessors under the Real Property Leases, on the other hand, deal with each other at arm's length (as that term is used in the ITA). To the Vendors' knowledge, no party to any Real Property Lease is in breach of any of the provisions of their respective Real Property Lease and (subject to obtaining any Regulatory Approvals and Consents in respect of the change in control of Target Companies herein contemplated, as listed in Section 4.11 and Section 4.27A of the Disclosure Schedules, respectively) the completion of the transactions herein contemplated will not afford any of the parties to any Real Property Lease or any other Person the right to terminate any Real Property Lease, nor will the completion of the transactions herein contemplated result in any additional obligation on any Target Company under any Real Property Lease.

Section 4.21 Assets and Property.

(a) The Vendors, and have caused their respective affiliates and subsidiaries to, complete and give full effect to the Pre-Closing Transactions (including the filing of all elections required pursuant to Tax Legislation) and have caused the Target Companies to pay, or have made appropriate entries in the financial records of the Target Companies to pay, all Taxes relating to such transactions except to the extent recorded in the Closing Date Financial Statements.

(b) Except for any property leased by Target Companies, as disclosed herein, and except for the assets listed in Section 4.21B of the Disclosure Schedules and transferred to the Vendors pursuant to the Pre-Closing Transactions, each Target Company is the owner of all of its material respective property and assets as shown in the Financial Statements or used by it in connection with the Business (excluding inventory and equipment sold or otherwise disposed of in the ordinary course of the Business, but including all the assets listed in Section 4.21A of the Disclosure Schedules), with good and marketable title thereto, free and clear of any Encumbrances and of any rights or privileges capable of becoming a prior claim or an Encumbrance, except for Permitted Encumbrances.

Section 4.22 Equipment Leases.

The Equipment Leases set forth in Section 4.22 of the Disclosure Schedules are the only leases of personal property to which any Target Company is a party. All of the Equipment Leases are in full force and effect and no material default exists on the part of any Target Company, or, to any Vendor's knowledge, on the part of any of the other parties thereto. The entire interest of Target Companies under the Equipment Leases is held by Target Companies free and clear of any Encumbrances (other than as may be reflected in the Closing Date Balance Sheet or Target Companies Indebtedness), all payments due under the Equipment Leases have been duly and punctually paid, and all material obligations to be discharged or performed under the Equipment Leases have been fully discharged and performed in accordance with the terms of the Equipment Leases. With respect to those Equipment Leases that are not capital leases according to GAAP (collectively, the "**Operating Leases**"), the future obligation of the Target Companies pursuant to all such Operating Leases is not greater than $550,000 in the aggregate

Section 4.23 Debt Instruments.

Except as set forth in Section 4.23 of the Disclosure Schedules, no Target Company:

(a) is a party to or bound by or subject to any Debt Instrument or any agreement, contract or commitment to create, assume or issue any Debt Instrument and no Debt Instrument or Encumbrance which any Target Company is a party to or bound by or subject to is dependent upon the Guarantee of or any security provided by any other Person; and

(b) has any liabilities, directly or indirectly, with respect to subsequent debts, encumbrances, loans, capital leases and/or notes payable to any Vendor or any third party at the time of Closing except as may be disclosed in the Closing Date Financial Statements.

Section 4.24 Guarantee.

Except as set forth in Section 4.24 of the Disclosure Schedules, Target Companies has not given nor agreed to give, nor is it a party to or bound by or subject to, any Guarantee.

Section 4.25 Sufficiency of Assets.

The assets owned, licensed or leased by Target Companies constitute substantially all of the property and assets necessary to carry on the Business as it is currently carried on and include all proprietary rights, Intellectual Property Rights and other property and assets, tangible and intangible, used in connection with the Business. Substantially all tangible assets used in the Business (whether owned or leased) are free of material defects, in good operating condition and, having regard to age, in a state of good repair and maintenance, reasonable wear and tear excepted, and all trucks and trailers are roadworthy and related safeties are current. The Purchaser specifically acknowledges that there are approximately 350 storage trailers which are not roadworthy or in good condition.

Section 4.26 Insurance.

(a) Section 4.26 of the Disclosure Schedules sets forth all insurance policies currently maintained by Target Companies, including a brief description of the type of insurance, the name of the insurer, policy number, coverage limits, expiration date and annual premiums. Each of such insurance policies is valid and subsisting and in good standing, there is no default thereunder, and Target Companies is entitled to all rights and benefits thereunder.

(b) Section 4.26 of the Disclosure Schedules sets forth all pending claims under any of such insurance policies and identifies the most recent inspection reports, if any, received from insurance underwriters as to the condition or insurance value of the insured property and assets, copies of which have been provided to the Purchaser. Target Companies has not failed to give any notice or present any claim under any of such insurance policies in due and timely fashion. There are no circumstances that entitle Target Companies to make a claim under any of such insurance policies or that require Target Companies to notify the insurer other than as set out in Section 4.26 of the Disclosure Schedules and, other than as set forth in Section 4.26 of the Disclosure Schedules, no claim under any of such insurance policies has been made by Target Companies since the Financial Statement Date.

Section 4.27 Contracts.

No Target Company is a party to or bound by or subject to any Material Contract except for:

(a) the Real Property Leases;

(b) the Equipment Leases;

(c) the Debt Instruments and Guarantees set forth in Section 4.23 and Section 4.24 of the Disclosure Schedules, respectively;

(d) the insurance policies set forth in Section 4.26 of the Disclosure Schedules;

(e) the agreements and arrangements with respect to Employees and Employee Benefit Plans set forth in Section 4.36 and Section 4.37 of the Disclosure Schedules, respectively;

(f) the agreements and arrangements relating to licensed Intellectual Property set forth in Section 4.39 of the Disclosure Schedules;

(g) the agreements listed at Section 4.27C of the Disclosure Schedules, which shall include, without limitation, all written or verbal agreements with Major Customers and all written or verbal agreements with independent vehicle owner/operators and drivers services companies;

true copies of all of which have been provided to the Purchaser, and, except as disclosed in Section 4.27A of the Disclosure Schedules, no Consent is required nor is any notice required to be given under any such Material Contract from any party thereto or any other Person in connection with the completion of the transactions contemplated in this Agreement in order to maintain all rights of Target Companies under any such Material Contract. Except as disclosed in Section 4.27B of the Disclosure Schedules, the Material Contracts are all in good standing and in full force and effect with no amendments and Target Companies is entitled to all rights and benefits thereunder. The copies of all Material Contracts, including any amendments thereto or extensions thereof, provided to the Purchaser for inspection are true and complete copies of the originals and all of such Material Contracts and such amendments or extensions are valid and binding obligations of the parties thereto, enforceable against Target Companies as a party thereto in accordance with their respective terms. Target Companies has complied in all material respects with all terms of the Material Contracts to which it is a party, has paid all amounts due thereunder, and has not waived any rights thereunder. No default or breach exists in respect of the Material Contracts on the part of any of the parties thereto and, to the knowledge of the Vendors, no event has occurred which, after the giving of notice or the lapse of time or both, would constitute such a default or breach. All amounts payable to Target Companies under the Material Contracts to which it is a party are due and owing to Target Companies without any right of set-off other than liabilities disclosed in the Closing Date Financial Statements. Target Companies is not a party to any Material Contract which it does not have the capacity to perform, including the necessary personnel, equipment and supplies, other than a shortage of drivers that is currently common in the industry. To the knowledge of the Vendors, no purchase commitment of Target Companies is in excess of its normal business requirements or is not terminable by Target Companies without penalty on thirty (30) days' notice or less.

Section 4.28 Books and Records.

The Vendors have provided to the Purchaser all material Books and Records of Target Companies. The Books and Records have been kept in accordance with generally accepted accounting principles and all material financial transactions of Target Companies have been accurately recorded in the Accounting Records of Target Companies in accordance with customary business and financial practice, on a basis consistent with those of preceding accounting periods, and fairly and accurately set out and disclose in all respects the current financial position and the revenues, expenses and results of operations of Target Companies as of and to the date hereof. All vacation pay for hourly employees, bonuses, commissions and other emoluments relating to each of the Employees have been accrued to date in such books, save any except for vacation pay is not accrued on Financial Statements for any Employee that is not a driver. All such Books and Records are: (a) in the full possession and exclusive control of, and are owned exclusively by or licensed to, Target Companies; and (b) are dependent only upon any computerized or other system or device that is controlled by, or licensed to, Target Companies.

Section 4.29 Financial Statements.

(a) True and complete copies of the Financial Statements are attached hereto as Section 4.29 of the Disclosure Schedules.

(b) The Financial Statements:

(i) have been prepared in accordance with GAAP applied on a basis consistent with each Target Company's preceding fiscal year;

(ii) present fully, fairly and accurately the assets, liabilities (whether direct or indirect, absolute or contingent, accrued or otherwise) and financial condition of Target Companies as at the date thereof, and the results of its operations and the changes in its financial position for the period then ended;

(iii) are in accordance with the Accounting Records of Target Companies;

(iv) contain and reflect all necessary notes, disclosures and other information for a fair presentation of the results of operations and the financial condition of Target Companies for the period covered thereby; and

(v) contain and reflect adequate provision or allowance for all reasonably anticipated liabilities, expenses and losses of Target Companies.

Section 4.30 No Adverse Change.

Except as set out in Section 4.30 of the Disclosure Schedules, since the Financial Statement Date (and other than the removal of assets described in Section 4.21), there has been no material adverse change in the financial position or condition of Target Companies as indicated by the Financial Statements, nor has there been any material adverse change in the affairs, business, liabilities, assets or operations of any Target Company, financial or otherwise, including any such change arising as a result of any change in Applicable Law, revocation of any Licence or as a result of fire, explosion, accident, casualty, labour problem, flood, drought, riot, storm, act of God or otherwise, except for transactions with Interested Persons set forth in Section 4.33 of the Disclosure Schedules and changes occurring in the ordinary course of the Business and which, either individually or in the aggregate, have not materially adversely affected (and will not materially adversely affect) the Business or the operations, affairs, prospects or condition (financial or otherwise) of Target Companies.

Section 4.31 Business Carried on in Ordinary Course.

Except as set forth in Section 4.31 of the Disclosure Schedules, since the Financial Statement Date, each Target Company has carried on the Business in the ordinary course and, in particular and without limitation, has not:

(a) failed to pay any material liabilities or other obligations at such time or times consistent with past practices and, in any event, when due;

(b) transferred, assigned, sold or otherwise disposed of any of its material assets except in the ordinary course of the Business;

(c) incurred or assumed any obligation or liability (fixed or contingent) other than obligations or liabilities included in the Financial Statements and current liabilities incurred since the Financial Statement Date in the ordinary course of the Business or included in the Closing Date Financial Statements;

(d) settled any material liability or Legal Proceeding pending against it or any of its assets; discharged or satisfied any Encumbrance, or paid any obligation or liability (fixed or contingent) other than liabilities recorded in the Financial Statements and current liabilities incurred since the Financial Statement Date, in the ordinary course of the Business;

(e) suffered an operating loss or any extraordinary loss;

(f) made any material change in the method of billing customers or the credit terms made available to customers;

(g) made any material change with respect to any method of management operation or accounting in respect of the Business;

(h) waived, cancelled or written off, or agreed or become bound to waive, cancel or write off, any material accounts receivable other than in the ordinary course of the Business;

(i) increased the compensation paid or payable to its Employees or changed the benefits to which such Employees and former employees are entitled under any Employee Benefit Plan, created any new Employee Benefit Plan or modified, amended or terminated any existing Employee Benefit Plan for any such employees other than increases or changes made in the ordinary course of the Business consistent with past practice or made any amendment to, or terminated, any benefits to Employees;

(j) created or permitted to exist any Encumbrance on any of its assets, other than Permitted Encumbrances except for Target Companies Indebtedness;

(k) modified, amended or terminated any Material Contract or waived or released any right which it has or had, other than in the ordinary course of the Business;

(l) declared or paid any dividend or declared or made any other distribution or return of capital in respect of any of its shares (or been deemed under the ITA to have done so) or purchased, redeemed or otherwise acquired any of its shares or agreed to do so;

(m) entered into or become bound by any written or oral material contract, agreement or arrangement, or made or authorized any capital expenditure other than in the ordinary course of the Business;

(n) had a supplier terminate, or communicate to Target Companies the intention or threat to terminate, its relationship with Target Companies, or the intention to materially reduce the quantity of products or services it sells to Target Companies or the intention to increase in a material respect the prices it charges for goods or services it sells to Target Companies;

(o) had any Major Customer terminate, or communicate to Target Companies the intention or threat to terminate, its relationship with Target Companies, or the intention to reduce the quantity of products or services it purchases from Target Companies, or its dissatisfaction in a material respect with the products or services sold by Target Companies;

(o) except as set forth in Section 4.33 of the Disclosure Schedule**,** made any payment to any Interested Person, other than remuneration at normal rates in the ordinary course of the Business, consistent with past practices of Target Companies; or

(p) authorized or agreed or otherwise become committed to do any of the foregoing.

Section 4.32 No Liabilities.

No Target Company is subject to any liabilities or obligations, direct or indirect, absolute or contingent, other than: (i) the liabilities or obligations of such Target Company set forth in the respective Financial Statements; or (ii) the liabilities or obligations of such Target Company arising since the Financial Statement Date, in the ordinary course of the Business, none of which is materially adverse to such Target

Company, and all of which shall be reflected in the Closing Date Net Working Capital calculation delivered by the Vendors under Section 3.03 or the Target Companies Indebtedness. For the purposes of the foregoing, "obligations" shall refer to obligations required to be disclosed in financial statements according to GAAP.

Section 4.33 Non-Arm's Length Transactions. Except as disclosed in Section 4.33 of the Disclosure Schedules:

(a) No Interested Person is indebted to Target Companies nor is Target Companies indebted to any Interested Person, except, in respect of Target Companies, for usual employee reimbursements and compensation paid in the ordinary course of the Business.

(b) No Target Company has guaranteed or otherwise given financial assistance or security for, or agreed to guarantee or give financial assistance or security for, any liability, debt or obligation of any Interested Person.

(c) There are no amounts due to any Target Company from any Vendor or any related party or Interested Person of any Vendor, and there are no amounts due from any Target Companies to any Vendor or any related party or Interested Person of any Vendor.

(d) No Interested Person: (i) owns, directly or indirectly, in whole or in part, any property that any Target Company uses in the operation of the Business; or (ii) has any claim whatsoever against, or is owed any amount by any Target Company in connection with, the Business, except for any liabilities reflected in the Financial Statements and claims in the ordinary course of the Business such as for accrued expense reimbursements, vacation pay and benefits under the Employee Benefit Plans.

Section 4.34 Accounts Receivable.

Except as set forth in Section 4.34 of the Disclosure Schedules, the Accounts Receivable of Target Companies recorded on the Financial Statements and in the Accounting Records of Target Companies, which reflect a reserve in respect thereof for doubtful accounts calculated in accordance with GAAP consistently applied, have arisen in the ordinary course of the Business, are bona fide and good, valid, enforceable and collectible in full, free of all claims, Encumbrances and rights of set-off or counterclaim whatsoever.

Section 4.35 Customers.

Section 4.35 of the Disclosure Schedules attached hereto sets forth a list of the Target Companies' top customers by sales volume (the "**Major Customers**"). Except as set out in Section 4.30 of the Disclosure Schedules, there has been no reduction, termination or cancellation, or any discussions or negotiations with respect to any proposed or possible reduction, termination or cancellation, of the business relationship of any Target Company with any Major Customers. To the knowledge of the Vendors, there are no facts or circumstances which would prevent the Target Companies from continuing to have the benefits of its relationship with its Major Customers after the Closing Date in substantially the same manner and similar sales volumes as prior to the Closing Date.

Section 4.36 Employee Matters.

(a) Section 4.36 of the Disclosure Schedules contains a complete list and brief description of all contracts and arrangements between any Target Company and employees, agents and consultants of any Target Company, including:

(i) all written and oral agreements, contracts and arrangements for the employment of any such officer, employee, agent or consultant; and

(ii) a complete list of all such Employees of, and agents and consultants retained by, Target Companies, together with their salaries, wages, rates or other compensation, their positions, their length of service and particulars of any contracts, arrangements or understandings, written or oral, with them.

(b) No Target Company is bound by the terms of any collective agreement or any other similar agreement and, to the knowledge of the Vendors, no steps have been taken by the Employees of any Target Company in this regard, nor has any request for certification been undertaken by the Employees of any Target Company or any other individual.

(c) The list of officers, Employees, agents and consultants attached hereto as Section 4.36 of the Disclosure Schedules is complete and accurate in all respects and contains all of the officers, Employees, agents and consultants of any Target Company, including those that are presently on maternity, disability or sick leave.

(d) No Target Company has violated in any material way the *Employment Standards Act* (Ontario), the *Occupational Health and Safety Act* (Ontario), the *Human Rights Code* (Ontario), or any other similar legislative, regulatory or administrative provisions dealing with working conditions, labour standards or other employment matters, and no notice has been received of any complaints, claims or actions which have been filed or are pending or threatened against any Target Company in respect of employment matters, and there is no Order outstanding or pending against any Target Company regarding any employment matter, whether involving monetary condemnation or reinstatement, nor any appeals or reviews filed, or pending or threatened in respect of any such judgments or decisions.

(e) All amounts which any Target Company had an obligation to pay, collect, withhold, deduct or remit in respect of all Employees, agents, consultants and independent contractors of any Target Company and in connection with levies and assessments due to any Governmental Authority or in connection with income taxes, employer health taxes, the Canada Pension Plan, workers' safety and insurance, NAL insurance (if paid by any Target Company), and unemployment insurance, including all bonus, salary continuation, benefits, vacation, incentive and other similar compensation plans, have been duly paid, collected and remitted as at the date hereof or accrued in the Closing Date Financial Statements.

(f) No Vendor has any reason to believe that any Employee would terminate his or her employment as a result of or in anticipation of the transactions herein contemplated.

There is no present or, to each Vendor's knowledge, pending or threatened labour strike, dispute, slowdown or work stoppage.

(g) No Target Company has any Employee who cannot be dismissed on reasonable notice except as disclosed on section 4.36 of the Disclosure Schedule and is not liable to any Employee or former employee for any damages under any Applicable Law or any agreement or arrangement relating to any Employee Benefits Plans.

(h) If any Vendor were previously employees of any Target Company or had entered into employment, consulting or similar arrangements with any Target Company and have terminated such employment arrangements, the aggregate amount of all severance, termination or similar payments and/or benefits relating to the termination of such employment arrangements has been paid to such Vendor or has been waived by them.

Section 4.37 Employee Benefit Plans.

(a) Copies of (i) each written Employee Benefit Plan, as amended to the date hereof, as well as summary descriptions of the Employee Benefit Plans provided to Employees and former employees, (ii) the most recent actuarial reports, if any, annual information reports and investment reports (provided to any Vendor or Target Companies by the provider of the Employee Benefit Plan), and (iii) any Employee Benefit Plan financial statements and statements of investment policies and procedures have been provided to the Purchaser. There is no unwritten Employee Benefit Plan provided to Employees or former employees of any Target Company.There have been no promised improvements, increases or changes to the benefits provided under any Employee Benefit Plan.

(b) Section 4.37 of the Disclosure Schedules lists each Employee Benefit Plan that any or all Target Company provide.

(c) Each Employee Benefit Plan is, and has been, established, registered (where required), administered and invested, in compliance, in all material respects, with:

(i) the terms of such Employee Benefit Plan;

(ii) all Applicable Law;

(iii) every agreement (past or present) relating to the benefits provided under each such Employee Benefit Plan; and

(iv) all legally binding understandings, written or oral, between any Target Company and any of its predecessors, and the Employees and former employees of such Target Company.

(d) To the Vendors' knowledge, no fact or circumstance exists which would adversely affect the tax-exempt status of any Employee Benefit Plan, and no Vendor or Target Company or any agent of any of them, has received, in the last three (3) years, any notice from any Person questioning or challenging such compliance (other than in respect of any claim for benefit payments in the ordinary course related solely to such a Person who is an individual), and no Vendor or Target Company or any agent of any of them has any knowledge of any such notice from any Person questioning or challenging such compliance beyond the last three (3) years.

(e) To the Vendor's knowledge, all material obligations under the Employee Benefit Plans (whether pursuant to the terms thereof, Applicable Law or otherwise) have been satisfied, and no notice has been received of any outstanding defaults or violations thereunder by any Vendor or Target Company, nor, to the Vendors' knowledge, is there any outstanding defaults or violations by the administrator of any Employee Benefit Plan, or by any agent of any of them, that could result in or give rise to any liability to Target Companies. For greater clarity, to the Vendor's knowledge, all returns, filings, reports and disclosures relating to the Employee Benefit Plans required pursuant to the terms of the Employee Benefit Plans, Applicable Law or a Governmental Authority have been timely filed or distributed in accordance with all requirements.

(f) Where required by Applicable Law or pursuant to the Employee Benefit Plans, each Employee Benefit Plan has been fully funded or fully insured on both an on-going and solvency basis pursuant to actuarial assumptions and methodology appropriate to the Employees and former employees and the Business.

(g) All employer payments, contributions or premiums required to be remitted or paid to or in respect of each Employee Benefit Plan have been remitted and paid in a timely fashion in accordance with the terms thereof, all applicable actuarial reports and all Applicable Law, and no Taxes, penalties or fees are owing or exigible under or in respect of any Employee Benefit Plan.

(h) There is no investigation, examination, proceeding, action, suit or claim (other than routine claims for benefits) that exists or is pending or threatened involving any Employee Benefit Plan or its assets, and, to the Vendor's knowledge, no facts exist which presently or after notice or lapse of time or both could reasonably be expected to give rise to any such investigation, examination, proceeding, action, suit or claim (other than routine claims for benefits).

(i) To the knowledge of the Vendors, no event has occurred respecting any Employee Benefit Plan which would entitle any Person, including any Governmental Authority (without the consent of the Target Companies) to wind-up or terminate or require the wind-up or termination of any Employee Benefit Plan, in whole or in part.

(j) In respect of each Employee Benefit Plan that is funded, in whole or in part, by any Target Company, no Person has withdrawn any funds from any such Employee Benefit Plan, taken any contribution holidays in respect of any Employee Benefit Plan or paid any expenses from any Employee Benefit Plan except in accordance with the terms of such Employee Benefit Plan, the trusts or other funding media which govern such plan and Applicable Law.

(k) All data necessary to administer each Employee Benefit Plan in respect of any Target Company and their beneficiaries is in the possession of such Target Company, and is complete, accurate and in a form which is sufficient for the proper administration of the Employee Benefit Plans.

(l) None of the Employee Benefit Plans, other than pension plans, provides post-employment or post-retirement benefits to or in respect of the Employees or any former employees of any Target Company or to or in respect of the beneficiaries of such Employees and former employees.

(m) None of the Employee Benefit Plans requires or permits a retroactive increase in premiums or payments, and the level of insurance reserves, if any, under any insured or self-insured Employee Benefit Plan is reasonable and sufficient to provide for all incurred but unreported claims.

(n) To the knowledge of the Vendors, none of the Vendors and Target Companies, and no agent of any of them, is in breach of any contractual or fiduciary obligation with respect to the administration of the Employee Benefit Plans or the trusts or other funding media relating thereto.

(o) There exists no liability in connection with any former benefit plan relating to the Employees or former employees of any Target Company and their beneficiaries that has terminated and all procedures for termination of each such former benefit plan have been properly followed in accordance with the terms of such former benefit plan and Applicable Law.

(p) Neither the execution of this Agreement nor the consummation of any of the transactions contemplated in this Agreement will:

(i) result in any payment (including bonus, golden parachute, retirement, severance, unemployment compensation, or other benefit or enhanced benefit) becoming payable under any Employee Benefit Plan;

(ii) increase any benefits otherwise payable under any Employee Benefit Plan;

(iii) entitle any Employee to any job security or similar benefit or any enhanced benefits; or

(iv) result in the acceleration of the time of payment or vesting of any benefits otherwise payable under any Employee Benefit Plan, or result in any Employee Benefit Plan becoming terminable other than at the sole and unfettered discretion of Target Companies.

(q) The booklets, brochures, summaries, descriptions and manuals prepared for, and circulated to, the Employees and former employees of any Target Company and their beneficiaries concerning each Employee Benefit Plan, together with all written communications of a general nature provided to such Persons, accurately describe the benefits provided under each such Employee Benefit Plan referred to therein.

Section 4.38 IT Systems.

(a) The IT Systems are reasonably sufficient for the immediate and anticipated needs of the Business of the Target Companies. The IT Systems are in sufficiently good working condition to perform all information technology operations and include sufficient licensed capacity (whether in terms of authorized sites, units, users, seats or otherwise) for all software, in each case as necessary for the conduct of the Business of the Target Companies as currently conducted.

(b) To the Vendor's knowledge, in the last twenty-four (24) months, there has been no unauthorized access, use, intrusion or breach of security, or material failure, breakdown, performance reduction or other adverse event affecting any IT Systems, that has caused any: (i) substantial disruption of or interruption in or to the use of such IT Systems or the conduct of the Business of the Target Companies; (ii) material loss, destruction, damage or harm of or to any Target Company or its operations, personnel, property or other assets; or (iii) liability of any kind to any Target Company. The Target Companies have taken all reasonable actions, to protect the integrity and security of the IT Systems and the data and other information stored thereon.

(c) The Target Companies maintain commercially reasonable back-up and data recovery.

Section 4.39 Intellectual Property

Section 4.39 of the Disclosure Schedules is a complete and accurate list of all Intellectual Property and Intellectual Property Rights. Target Companies is the only owner of the Intellectual Property, except in the case of Intellectual Property licensed to Target Companies. Complete and accurate copies of all Material Contracts whereby any rights in respect of Intellectual Property have been granted or licensed to Target Companies have been provided to the Purchaser. Except as set forth in Section 4.39 of the Disclosure Schedules, and except for off the shelf software, Target Companies have the exclusive rights to use all of the Intellectual Property and has not granted any licence or other rights to any other Person in respect of the Intellectual Property. The Intellectual Property that is owned by Target Companies is free and clear of any Encumbrances other than the Permitted Encumbrances. Target Companies has not used or enforced, or failed to use or enforce, any of the Intellectual Property in any manner which could limit its validity or result in its invalidity. Except as set forth in Section 4.39 of the Disclosure Schedules, to the Vendor's knowledge, there has been no infringement or violation of Target Companies' rights in and to the Intellectual Property or any trade secrets or confidential information, nor any claim of adverse ownership, invalidity or other opposition to or conflict with any of the Intellectual Property. To the knowledge of the Vendors, Target Companies has not engaged in any activity that violates or infringes any Intellectual Property Rights of any other Person.

Section 4.40 Residence of Vendors.

Each Vendor is not a "non-resident" of Canada within the meaning of the ITA, except Brock who is a resident of the USA. In the event the Purchaser is required to pay any amounts to the Canada Revenue Agency on behalf of Brock or with respect to this section, the Purchaser may deduct all such amounts from the Vendor Loan.

Section 4.41 Tax Matters.

(a) Target Companies has made or prepared all Tax Returns required to be made or prepared by it under applicable Tax Legislation, has filed all Tax Returns required to be filed by it under applicable Tax Legislation, with the appropriate Governmental Authority, and has completely and accurately reported all income and all other amounts and information required to be reported thereon.

(b) Target Companies has never been required to file any Tax Return with, and has never been liable to pay any Taxes to, any Governmental Authority outside Canada other than with respect to those Tax Returns copies of which has been provided by the Vendors to the Purchaser prior to Closing. No request to file a Tax Return has ever been made by a Governmental Authority in a jurisdiction where Target Companies does not file Tax Returns.

(c) Except for the Taxes outstanding as set forth in Section 4.41 of the Disclosure Schedules, Target Companies has duly and timely paid all Taxes as provided in all Tax Returns filed by it in accordance with all applicable Tax Legislation, and, including all instalments on account of Taxes for the current year that are due and payable by it in accordance with applicable Tax Legislation whether or not assessed by the appropriate Governmental Authority. Provisions have been made on the Balance Sheet for Taxes owing by Target Companies that were not yet due and payable by the date of the Balance Sheet and that relate to periods ending on or prior to the date of the Balance Sheet in accordance with GAAP. Provision will be made on the Closing Date Balance Sheet for Taxes owing by Target Companies that will not be due and payable by the Closing and that relate to periods ending on or prior to the Closing in accordance with GAAP.

(d) Target Companies has not requested, offered to enter into or entered into any agreement or other arrangement, or executed any waiver, providing for any extension of time within which (i) to file any Tax Return covering any Taxes for which Target Companies is or may be liable; (ii) to file any elections, designations or similar filings relating to Taxes for which Target Companies is or may be liable; (iii) Target Companies is required to pay or remit any Taxes or amounts on account of Taxes; or (iv) any Governmental Authority may assess or collect Taxes for which Target Companies is or may be liable.

(e) Target Companies has not made, prepared and/or filed any elections, designations or similar filings relating to Taxes or entered into any agreement or other arrangement in respect of Taxes or Tax Returns that has effect for any period ending after the Closing Date other than the Pre Closing Transactions and deferred taxes.

(f) All Tax Returns required to be filed by Target Companies in accordance with applicable Tax Legislation for all taxation years or periods ending on or prior to and including the Financial Statement Date have been assessed by the relevant Governmental Authorities and notices of assessment have been issued to each such entity by the relevant Governmental Authorities.

(g) Except as set forth in Section 4.41 of the Disclosure Schedules, there are no proceedings, investigations or audits pending or threatened against Target Companies relating to any material amount of Taxes in respect of any period ending before the Closing. No event has occurred or circumstance exists which could reasonably be expected to give rise to or serve as a valid basis for the commencement of any such proceeding, investigation or audit. Except as set forth in Section 4.41 of the Disclosure Schedules, there are no matters under discussion, audit or appeal between any Vendor or Target Company or any of their advisors or accountants and any Governmental Authority relating to any material amount of Taxes in respect of any period ending before the Closing.

(h) Target Companies has duly and timely withheld all Taxes and other amounts required by Tax Legislation to be withheld by it (including Taxes and other amounts required to be withheld by it in respect of any amount paid or credited or deemed to be paid or credited by it to or for the account or benefit of any Person, including any Employee, officer or director and any non-resident Person), and has duly and timely remitted to the appropriate Governmental Authority such Taxes and other amounts required by Tax Legislation to be remitted by it.

(i) Target Companies has duly and timely collected all amounts on account of any sales or transfer taxes, including goods and services, harmonized sales and provincial or territorial sales taxes, required by Tax Legislation to be collected by it and has duly and timely remitted to the appropriate Governmental Authority any such amounts required by Tax Legislation to be remitted by it.

(j) Except pursuant to this Agreement, for purposes of the ITA or any other Tax Legislation, no Person or group of Persons, other than the Vendors, has ever acquired control of Target Companies.

(k) None of sections 78, 80, 80.01, 80.02, 80.03 or 80.04 of the ITA or any equivalent provision of any applicable Tax Legislation have applied or will apply to any Target Company for any period ending before the Closing.

(l) No Target Company has acquired property from a non-arm's length Person, within the meaning of the ITA, for consideration, the value of which is less than the fair market value of the property acquired in circumstances which could subject it to a liability under section 160 of the ITA.

(m) For all transactions between any Target Company and any non-resident Person with whom such Target Company was not dealing at arm's length during a taxation year commencing after 1998 and ending before the Closing, each Target Company has made or obtained records or documents that meet the requirements of sections 247(4)(a) and (b) of the ITA.

(n) No Target Company has received any requirement pursuant to section 224 of the ITA which remains unsatisfied in any respect.

(o) No circumstances exist and no transaction or event or series of transactions or events has occurred or commenced prior to the Closing which has resulted or could result in the application, either before, on or after the Closing of section 17 of the ITA to any Target Company.

(p) Each Target Company is duly registered under subdivision (d) of Division V of Part IX of the *Excise Tax Act* (Canada) with respect to the goods and services tax and harmonized sales tax and its registration number is as follows:

Target Company	**HST Registration Number**
Holdco	*[Redacted as prejudicial to the Reporting Issuer]*
International	*[Redacted as prejudicial to the Reporting Issuer]*
Logistics	*[Redacted as prejudicial to the Reporting Issuer]*
Jachar	*[Redacted as prejudicial to the Reporting Issuer]*
Realco	*[Redacted as prejudicial to the Reporting Issuer]*
Preferred	*[Redacted as prejudicial to the Reporting Issuer]*
MLRP	None

(q) Target Companies has not claimed any reserve for Tax purposes in respect of any period ending before the Closing that would result in any material amount being included in its income for a taxation year ending after the Closing, except for deferred taxes. Target Companies has not made any payment, nor is it obligated to make any payment, and is not a party to any agreement under which it could be obligated to make any payment, that may result in a material amount not being deductible by virtue of section 67 of the ITA in respect of any period ending before the Closing.

(r) The Purchaser has been provided with copies of all Tax Returns and all assessments and reassessments disclosed in Section 4.41 of the Disclosure Schedules issued by any Governmental Authority relating to Taxes of Target Companies for the taxation years ended in 2018, 2019 and 2020.

(s) No shareholder of Target Companies has ever been a trust that is a non-resident of Canada (with the meaning of the ITA).

Section 4.42 Brokers' and Finders' Fees.

No Target Company has incurred, nor will it incur, directly or indirectly, any liability for brokerage or finders' fees or agents' commissions, consultation fees or investment bankers' fees or any similar charges in connection with this Agreement or any transaction contemplated hereby. The Vendors have no responsibility for Left Lane Associates.

Section 4.43 Disclosure.

The representations and warranties of the Vendors contained in this Agreement and in any agreement, certificate, affidavit, statutory declaration or other document delivered or given pursuant to this Agreement are true and correct and do not contain any untrue statement of a material fact or omit to state a material fact known to any Vendor that is necessary to make the statements contained in such representations and warranties not misleading to the Purchaser or a prospective purchaser of the Purchased Shares. Notwithstanding anything contained in this Agreement, the parties agree and acknowledge that the representations and warranties contained in this Section 4.43 are given or made in favour of the Purchaser by the Vendors.

Section 4.44 No Waiver of Representations and Warranties.

The representations and warranties of the Vendors contained herein shall in no way be abridged, reduced, waived, considered fulfilled or otherwise affected by any examination or inspection made by the Purchaser at any time.

ARTICLE V. REPRESENTATIONS AND WARRANTIES OF PURCHASER

In addition to its other representations and warranties contained herein, the Purchaser hereby represents and warrants as follows and hereby acknowledges and confirms that the Vendors are relying on such representations and warranties in connection with the sale by the Vendors of the Purchased Shares:

Section 5.01 Formation and Corporate Power.

The Purchaser is a corporation amalgamated, organized and subsisting under the laws of the jurisdiction of its incorporation. The Purchaser has the corporate power, authority and capacity to execute and deliver this Agreement and all other agreements and instruments to be executed by it as contemplated herein and to perform its obligations under this Agreement and under all such other agreements and instruments.

Section 5.02 Authorization by Purchaser.

The execution and delivery of this Agreement and all other agreements and instruments to be executed by it as contemplated herein and the completion of the transactions contemplated by this Agreement, including all such other agreements and instruments have been duly authorized by all necessary corporate action on the part of the Purchaser.

Section 5.03 Enforceability of Obligations.

This Agreement constitutes a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms. There is no Legal Proceeding in progress or, to the knowledge of the Purchaser, pending or threatened against or affecting the Purchaser, and there are no grounds on which any such Legal Proceeding might be commenced and there is no Order outstanding against or affecting the Purchaser which, in any such case, affects adversely or might affect adversely the ability of the Purchaser to enter into this Agreement or to perform its obligations hereunder, except that the rights and remedies of the Vendors may be subject to and affected by the law relating to bankruptcy, insolvency, reorganization and creditors' rights generally and except that a court may or may not order an injunction, specific performance or other equitable remedies with respect to any particular provision of this Agreement and such other agreements and other instruments.

Section 5.04 Conflicting Instruments.

Neither the entering into of this Agreement by the Purchaser, nor the entering into of any agreement or other instrument contemplated hereby, nor the completion of the transactions herein contemplated, nor the performance by the Purchaser of its obligations hereunder or in connection herewith, will conflict with, result in the breach or violation of or default under, any of the terms and provisions of (i) its constating documents or the by-laws of the purchaser or any resolution of the directors or shareholders of the Purchaser; or (ii) any agreement, contract or commitment to which the Purchaser is a party or by which it is bound.

Section 5.05 Residence of Purchaser.

The Purchaser is not a "non-Canadian" within the meaning of the *Investment Canada Act* (Canada).

Section 5.06 Competition Act; Investment Canada Act.

There exist no facts about the Purchaser which would require the transactions contemplated herein to be subject to approval or notification under the *Competition Act* (Canada) or under the *Investment Canada Act*.

Section 5.07 Consents.

Except with respect to the approvals required from the TSX Venture Exchange, there is no requirement for the Purchaser to make any filing with, give any notice to or obtain any Consent from any Regulatory Authority as a condition to the lawful consummation of the transactions contemplated herein.

ARTICLE VI. SURVIVAL OF REPRESENTATIONS AND WARRANTIES

Section 6.01 Survival of Representations and Warranties of Vendors.

The representations and warranties of the Vendors contained in this Agreement and in any agreement, certificate, affidavit, statutory declaration or other document delivered or given pursuant to this Agreement shall survive the Closing and, notwithstanding the Closing or any investigation made by or on behalf of the Purchaser with respect thereto, shall continue in full force and effect for the benefit of the Purchaser provided, however, that no claim in respect thereof shall be valid unless it is made within the following time periods:

(a) in the case of a claim in respect of the representations or warranties based on fraud (including a claim relating to any Tax liability of any Target Company based on any misrepresentation made or fraud committed in filing a Tax Return or supplying information for purposes of any applicable Tax Legislation) or under Section 4.01 (a), Section 4.02, Section 4.03, Section 4.07, Section 4.08, Section 4.09, Section 4.17, or

Section 4.40 hereof, there shall be no time limit within which such a claim may be made other than the applicable statutory limitation period if any;

(b) in the case of a claim in respect of a representation or warranty relating to a Tax matter (other than a claim in respect of a misrepresentation made or fraud committed in filing a Tax Return or supplying information for the purposes of any applicable Tax Legislation for which no limitation on time shall apply to the making of a claim), including a claim under Section 4.41, within a period commencing on the Closing Date and ending on the date which is the later of: (A) the sixtieth (60^{th}) day after the expiry of the last applicable limitation period for assessment or reassessment of Taxes (including all periods of extensions) under any applicable Tax Legislation; and (B) the date of the issuance of a final and unappealable decision of a court or settlement of the matter under dispute, in each case, with respect to any taxation year which is relevant in determining any liability under this Agreement of any Vendor with respect to Tax matters; and

(c) in the case of a claim in respect of any other representation or warranty, within a period of four (4) years from the Closing Date;

and any such claim as aforesaid shall be made in accordance with the provisions set forth in Article VIII and, upon the expiry of the relevant limitation period referred to in clauses (b) and (c) of this Section 6.01, the Vendors shall have no further liability to the Purchaser with respect to the representations or warranties referred to in such clauses, respectively, except in respect of claims which have theretofore been made in accordance with the provisions set forth above.

Section 6.02 Survival of Representations and Warranties of Purchaser.

The representations and warranties of the Purchaser contained in this Agreement and in any agreement, certificate, affidavit, statutory declaration or other document delivered or given pursuant to this Agreement shall survive the Closing and, notwithstanding the Closing or any investigation made by or on behalf of the Vendors with respect thereto, shall continue in full force and effect for the benefit of the Vendors provided, however, that no claim in respect thereof shall be valid unless it is made within the following time periods:

(a) in the case of a claim in respect of the representations or warranties based on fraud or under Section 5.01, Section 5.02, Section 5.03 or Section 5.05 hereof, there shall be no time limit within which such a claim may be made; and

(b) in the case of a claim in respect of any other representation and warranty, within a period of four (4) years from the Closing Date;

and any such claim shall be made in accordance with the provisions set forth in Article VIII and, upon the expiry of the relevant limitation period referred to in clause (b) of this Section 6.02, the Purchaser shall have no further liability to any Vendor with respect to any of such representations or warranties, except with respect to claims which have been properly made in accordance with the provisions set forth above.

Section 6.03 Acknowledgment.

The parties hereby acknowledge that if notice in accordance with Section 8.04 regarding any matter contemplated in this Article VI is given by any party hereto, acting in good faith, to any other party or parties within the relevant time period specified in this Article VI, and if before such matter has been fully dealt with pursuant to this Agreement the relevant time period would expire, the time period in question shall be deemed to be extended (with respect to such matter only) until such matter has been fully dealt with pursuant to this Agreement.

ARTICLE VII. ADDITIONAL COVENANTS

Section 7.01 Final Tax Return.

The Vendors hereby agree that they prepare, or cause to be prepared, all final Tax Returns (prepared on a consistent basis with Tax Returns for prior recent years) in respect of the taxation year of all Target Companies ended on or before the Closing Date, and shall provide the Purchaser with drafts of all such Tax Returns within ninety (90) days following the Closing Date, in order to provide the Purchaser with an opportunity to review such Tax Returns and provide its comments to the Vendors in respect thereof. After giving such comments of the Purchaser full consideration, the Vendors shall then finalize such Tax Return and, upon approval of same by the Purchaser (which approval shall not be unreasonably withheld or delayed), the Vendors shall file the final Tax Returns in the prescribed manner and within the prescribed time. The Vendors shall provide the Purchaser with a copy of the final Tax Returns, as filed. For greater certainty: (i) all costs and expenses relating to the preparation of such Tax Returns shall be accrued in the Closing Date Financial Statements ; and (ii) all Taxes payable shall be paid by Target Companies forthwith when due and included as current liabilities of Target Companies for the purposes of the Closing Date Financial Statements and the WC Statement). Any dispute as to the finalization of such Tax Returns and approval of same by the Purchaser not resolved within a reasonable period of time following communication by the Vendors shall be referred forthwith to the Independent Auditor for determination, and the Independent Auditor shall be instructed to render its determination within thirty (30) days after the referral to it of the unresolved matter, and such determination of the Independent Auditor shall be final and binding on the parties.

Section 7.02 Non-Competition and Non-Solicitation.

Robert and Linda hereby covenant and agree to execute and deliver non-competition and non-solicitation agreements substantially in the form as attached hereto as Section 7.02 of the Disclosure Schedules.

Section 7.03 Resignations and Releases.

Linda hereby covenants and agrees to execute and deliver a resignation and full and final release to the Target Companies substantially in the form as attached hereto as Section 7.03 of the Disclosure Schedules.

Section 7.04 Termination of Shareholders Agreement.

Each of the Vendors hereby covenants and agrees to take such actions as necessary to terminate the Shareholders Agreement at Closing.

Section 7.05 Employment Agreements.

(a) The Purchaser and Robert hereby covenant and agree to execute and deliver an employment agreement substantially in the form as attached hereto as Section 7.05A of the Disclosure Schedules. The Purchaser shall have the option to cause International or one of its other Affiliates acceptable to Robert to enter such employment agreement in satisfaction of this obligation. Robert hereby covenants and agree to execute and deliver a full and final release to the Target Companies for any matters related to, or arising from, any time prior to Closing, such release to be substantially in the form attached hereto as Section 7.05B of the Disclosure Schedules.

(b) The Purchaser and Pamela hereby covenant and agree to execute and deliver an employment agreement substantially in the form as attached hereto as Section 7.05C of the Disclosure Schedules. The Purchaser shall have the option to cause International or one of its other Affiliates acceptable to Pamela to enter such employment agreement in satisfaction of this obligation.

(c) The Purchaser and Brent hereby covenant and agree to execute and deliver an employment agreement substantially in the form as attached hereto as Section 7.05D of the Disclosure Schedules. The Purchaser shall have the option to cause International or one of its other Affiliates acceptable to Brent to enter such employment agreement in satisfaction of this obligation.

Section 7.06 Vendor Loan Security.

At Closing, the Purchaser shall cause the following security to be granted in favour of the Vendors:

(a) a first charge/mortgage over the Real Property containing normal commercial terms including a receivership clause and in the form attached hereto as Section 7.06 of the Disclosure Schedules.

The Vendors covenant and agree to act in good faith not to withhold or delay any partial discharges and/or other documentation any Target Company may require to sell, transfer, assign or otherwise divest any personal property in the ordinary course.

Section 7.07 Closing Deliverables.

At Closing, the parties shall execute and deliver, or cause to be executed and delivered, as applicable, such documents as may be reasonably requested by the Purchaser or the Purchaser's Solicitors.

Section 7.08 Corporate Records.

At Closing, the Vendors shall deliver and cause to be delivered to the Purchaser (i) the Books and Records of Target Companies, and (ii) the corporate seals, the minute books, share certificates, share certificate books, share transfers, share register books, shareholders', directors' and officers' registers and all other corporate records of Target Companies.

Section 7.09 Confidentiality.

(a) After the Closing:

(i) each of the Vendors shall keep confidential all information in their possession or under their control relating to the Purchaser (and its Affiliates, direct or indirect shareholders, and their respective businesses, operations, assets, liabilities, plans, prospects, properties, affairs, directors, officers or employees) and Target Companies and the Business, except for information that is or becomes generally available to the public other than as a result of a disclosure in violation of this Agreement, and except for information required to be disclosed under Applicable Law; and

(ii) the Purchaser shall keep confidential all information in its possession or under its control relating to the Vendors and their Affiliates, except as, and to the extent and for the duration that, use or disclosure of such information is reasonably required in the operation of the Business or in connection with the use of any Real Property or Leased Assets, and except for information required to be disclosed under Applicable Law or that is or becomes generally available to the public other than as a result of a disclosure in violation of this Agreement.

(b) Each party shall cause its Affiliates and their respective directors, officers, employees, agents, consultants, advisors, and representatives to abide by the confidentiality restrictions set forth in Section 7.09(a) and shall be responsible for any breach of confidentiality by its Affiliates and their respective directors, officers, employees, agents, consultants, advisors, and representatives.

(c) The Vendors’ covenants in this Section 7.09 are for the benefit of the Purchaser as well as for the benefit of the Purchaser's Affiliates and their respective directors, officers, employees, agents, consultants, advisors, and representatives and for the benefit of the Target Companies, and each of the Vendors acknowledges to each of such beneficiaries of its direct rights against the Vendors. To the extent required by Applicable Law to give full effect to these direct rights, each of the Vendors agrees and acknowledges that the Purchaser is acting as agent and/or as trustee of such beneficiaries in respect of such rights.

Section 7.10 *[Redacted as prejudicial to the Reporting Issuer]*

Section 7.11 *[Redacted as prejudicial to the Reporting Issuer]*

Section 7.12 Further Assurances.

The Vendors hereby jointly and severally covenant that, subsequent to the Closing Date, the Vendors shall execute and deliver such reasonable additional conveyances, transfers and other assurances as may be required to carry out the intent of this Agreement, to transfer the Purchased Shares to the Purchaser, and to complete all other transactions contemplated hereunder.

ARTICLE VIII. INDEMNIFICATION

Section 8.01 Indemnification by Vendors.

Subject to the limitation expressly set forth in Section 8.03, the Vendors jointly and severally, will indemnify and hold harmless the Purchaser and each of Target Companies (collectively, the "**Purchaser Indemnified Parties**") from and against all Losses suffered or incurred by any of the Purchaser Indemnified Parties as a result of or arising out of or in connection with and only to the extent not included in the Closing Date Net Working Capital or Target Companies Indebtedness:

(a) any breach by the Vendors of or any inaccuracy in any representation and warranty of the Vendors contained in this Agreement or in any agreement, document, certificate, affidavit, statutory declaration or other instrument executed and delivered pursuant to this Agreement in connection with the completion of the transactions contemplated herein;

(b) any breach or non-performance by the Vendors of any covenant or obligation to be performed or fulfilled by the Vendors that is contained in this Agreement or in any document, certificate, affidavit, statutory declaration or other document executed and delivered pursuant to this Agreement in connection with the completion of the transactions contemplated herein;

(c) any liabilities, indebtedness or other obligations of Target Companies arising from or relating to any period prior to (and including) the Effective Time that are not reflected and recorded in the Closing Date Balance Sheet and the finalized Closing Date Net Working Capital calculation or Target Companies Indebtedness, including: (i) any liability for any repayment of any subsidy, guarantee, or any other financial assistance whatsoever received by any or all Target Companies prior to Closing from, directly or indirectly, any Government Authority; and (ii) any liability relating to any Governmental Authority challenging any Target Company's characterization of any drivers or owner/operators as not employees of such Target Company; and (iii) any liability for Taxes that is not the result of any amendment to or refiling of Tax Returns by Target Companies caused to be effected by the Purchaser after the Closing, unless such amendment or refiling is required to comply with any Tax Legislation in which case such liability shall be indemnified by the Vendors under this Section 8.01; and (iv) any liability related to any transaction between any Target Company and any Interested Person including the purchase or sale of any property or services of a material nature;

(d) all Legal Proceedings and Orders affecting Target Companies that are existing or pending as at the Closing Date, including those disclosed in Section 4.16 of the Disclosure Schedules, and any Claims (whether or not disclosed herein) or state of facts affecting or relating to Target Companies which arose within any period ending on or prior to the Closing Date that result in a Legal Proceeding;

(e) (i) *[Redacted as prejudicial to the Reporting Issuer]*

(ii) one hundred percent (100%) of all insurance deductibles not included in the Closing Date Financial Statements with respect to any events that occurred prior to (and including) the Effective Time (whether known or unknown);

(f) any Claims brought by any Employees of Target Companies that were terminated prior to the Closing Date;

(g) the Vendor Payment Obligations;

(h) the Pre-Closing Transactions or any act or omission of the Vendors or the Target Companies in connection with, relating to or in the context of the Pre-Closing Transactions, including without limitation the payment of (or failure to pay) any Taxes and/or the filing of (or the failure to file) any Tax Returns regarding any such Pre-Closing Transactions; and

(i) all liabilities (whether absolute or contingent, direct or indirect, known or unknown) of Target Companies arising within or from or relating to any period prior to or ending on and including the Closing Date other than liabilities disclosed in the Closing Date Financial Statements.

The Vendors covenant and agree that the Purchaser may seek indemnity pursuant to this Article VIII on behalf of any Target Company that may have suffered or incurred any Losses for which the Vendors have indemnified the Purchaser hereunder.

Section 8.02 Indemnification by Purchaser.

The Purchaser will indemnify and hold harmless the Vendors from and against all Losses suffered or incurred by the Vendors as a result of or arising out of or in connection with:

(a) any breach by the Purchaser of or any inaccuracy in any representation or warranty contained in this Agreement or in any agreement, document, certificate, affidavit, statutory declaration or other instrument executed and delivered pursuant to this Agreement in connection with the completion of the transactions contemplated herein; and

(b) any breach or non-performance by the Purchaser of any covenant or obligation to be performed or fulfilled by it that is contained in this Agreement or in any document, certificate, affidavit, statutory declaration or other document executed and delivered pursuant to this Agreement in connection with the completion of the transactions contemplated herein.

Section 8.03 Limitations.

Notwithstanding anything to the contrary contained in this Agreement:

(a) the maximum liability and obligations of an Indemnifying Party (other than Robert) under this Article VIII as a result of any misrepresentation or any breach or untruth of any representation and warranty or covenant made or given by such Indemnifying Party (whether severally or jointly) in this Agreement or in any document, certificate, affidavit, statutory declaration or other instrument executed and delivered pursuant to this Agreement shall be limited to an aggregate maximum amount equal to the aggregate amount of the Purchase Price allocated to all Purchased Shares held by such Indemnifying Party in accordance with Section 3.04 for those Indemnifying Parties who are selling shares;

(b) subject to subsection (c) below, the total liability of all Vendors pursuant to this Agreement whether for breach of or arising out of this Agreement including the breach of any covenant or warranty and representation shall not exceed $10,000,000, provided that it is expressly agreed that the foregoing limitation shall not apply to any misrepresentation or any breach or untruth of any representation and warranty made or given by such Indemnifying Party based on fraud (including, with respect to the Vendors, a Claim relating to any Tax liability of Target Companies based on any misrepresentation made or fraud committed in filing a Tax Return or supplying information for purposes of any applicable Tax Legislation); and

(c) an Indemnifying Party has no obligation to make any payment for indemnification or otherwise pursuant to this Article 8 until the aggregate of all Claims against all Indemnifying Parties exceeds $50,000 (the "**Payment Threshold**"). For certainty, the Purchaser acknowledges and agrees that it shall have no set-off rights against the Vendor Loan or otherwise until such Payment Threshold amount is reached in the aggregate. After the aggregate amount of all Claims exceeds the Payment Threshold, the Indemnifying Party shall be obligated to make payment of all Claims, subject to the limitations set out in subsections (a) through (b) above.

(d) Notwithstanding anything contained elsewhere in this Agreement, the Vendors, other than Robert, liability arising out of this Agreement including as a result of the breach of any covenant, or warranty and representation shall be limited to Claims arising out of the breach of the warranties and representations contained in Sections 4.01, 4.02, 4.03, 4.04, 4.07 and 4.40.

Section 8.04 Notice of Claim.

In the event that a party (the "**Indemnified Party**") shall become aware of any Claim, the Indemnified Party shall promptly give written notice thereof to the other party (the "**Indemnifying Party**"). Such notice shall specify whether the Claim arises as a result of a claim by a third party Person (the "**Third Party**") against the Indemnified Party (a "**Third Party Claim**") or whether the Claim arises as a result of a claim by the Indemnified Party directly against the Indemnifying Party (a "**Direct Claim**"), and shall also specify with reasonable particularity (to the extent that the information is available):

(a) the factual basis for the Claim; and

(b) the amount of the Claim, if known.

For greater certainty, any Claim arising under this Article VIII shall be brought by the Purchaser against all Vendors simultaneously. If, through the fault of the Indemnified Party, the Indemnifying Party does not receive notice of any Claim in time to effectively contest the denomination of any liability susceptible of being contested, the Indemnifying Party shall be entitled to set off against the amount claimed by the Indemnified Party the amount of any Losses incurred by the Indemnifying Party resulting from the Indemnified Party's failure to give such notice on a timely basis.

Section 8.05 Investigation by Indemnifying Party.

With respect to any Direct Claim, following receipt of notice from the Indemnified Party of the Claim, the Indemnifying Party shall have sixty (60) days to make such investigation of the Claim as is considered necessary or desirable. For the purpose of such investigation, the Indemnified Party shall make available to the Indemnifying Party the information relied upon by the Indemnified Party to substantiate the Claim, together with all such other information as the Indemnifying Party may reasonably request. If both parties agree at or prior to the expiration of such sixty (60) day period (or any mutually agreed upon extension thereof) to the validity and amount of such Claim, the Indemnifying Party shall immediately pay to the Indemnified Party the full agreed upon amount of the Claim.

Section 8.06 Management of Claim.

With respect to any Third Party Claim, the Indemnified Party shall not have the exclusive right to contest, settle or pay the amount claimed under such Claim, and the Indemnifying Party shall have the right, at its expense, to participate in the negotiation, settlement or defence of the Claim. If any Third Party Claim is of a nature such that the Indemnified Party is required by Applicable Law to make a payment to the Third Party with respect to the Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnified Party may make such payment and the Indemnifying Party shall, forthwith after demand by the Indemnified Party, reimburse the Indemnified Party for such payment. If the amount of any liability of the Indemnified Party under the Third Party Claim in respect of which such a payment was made, as finally determined, is less than the amount that was paid by the Indemnifying Party to the Indemnified Party, the Indemnified Party shall, forthwith after receipt of the difference from the Third Party, pay the amount of such difference to the Indemnifying Party.

Section 8.07 Co-operation.

The Indemnified Party and the Indemnifying Party shall consult and co-operate fully with each other on a timely basis with respect to Third Party Claims and shall keep each other fully advised with respect thereto (including supplying copies of all relevant documentation promptly as it becomes available). The Indemnified Party shall make available to the Indemnifying Party or its representatives, on a timely basis, all documents, records and other materials in the possession of the Indemnified Party which are reasonably required by the Indemnifying Party for its use in connection herewith.

Section 8.08 Scope of Indemnification.

The provisions of this Article VIII shall apply to any Claim, including any Claim for breach of any covenant, representation, warranty or other provision of this Agreement or any agreement, certificate, affidavit, statutory declaration or other document delivered pursuant to this Agreement (other than a claim for specific performance or injunctive relief) with the intent that all such Claims shall be subject to the provisions contained in this Article VIII. Further, the obligations of an Indemnifying Party hereunder to indemnify the Indemnified Party in respect of any breach or inaccuracy of any representation or warranty are subject to and conditional upon the Indemnified Party providing notice to the Indemnifying Party of a Claim in accordance with Section 9.03 below on or prior to the expiration of the applicable time period related to such representation and warranty as set out in Section 6.01 or Section 6.02 above. Any Claim which is covered by insurance shall be reduced by any recovery received by the Indemnified Party under such insurance policy relating to the substance of such Claim.

Section 8.09 Tax Effect.

If any payment received by an Indemnified Party pursuant to this Article VIII would constitute taxable income to the Indemnified Party, the Indemnifying Party shall pay to the Indemnified Party at the same time and on the same terms, as to interest and otherwise, as such indemnification payment an additional amount sufficient to place the Indemnified Party in the same after-Tax position as it would have been if such indemnification payment had been received tax-free. If any payment received by the Indemnified Party reduces the taxes payable by such Indemnified Party, then such reduction shall reduce the amount payable by the Indemnifying Party

Section 8.10 Payment and Interest.

Any payment received by an Indemnified Party pursuant to this Article VIII shall constitute an adjustment to the Purchase Price. All Losses shall bear interest at a rate equal to two per cent (2%) per annum, calculated and payable quarterly, both before and after judgment, with interest on overdue interest at the same rate, from the date that is ninety (90) days after the Indemnified Party delivered notice of the Claim relating to such Loss in accordance with Section 8.04, to the date of actual payment by the Indemnifying Party to the Indemnified Party.

Section 8.11 Change of Control of the Purchaser.

Upon the completion of any transaction whereby all of the voting shares of the Purchaser are acquired by any third party (a "**Change of Control**") the balance of the Vendor Loan, if any, shall become immediately due and payable.

ARTICLE IX. GENERAL CONTRACT PROVISIONS

Section 9.01 Arbitration.

Any disputes or differences between the parties arising out of this Agreement or the transactions contemplated hereby, including any dispute between an Indemnified Party and an Indemnifying Party under Article VIII, which the parties are unable to resolve themselves shall be submitted to and resolved by arbitration as herein provided. Such arbitration shall be conducted by the appointment of one (1) arbitrator. Within ten (10) Business Days after expiration of the sixty (60) day period referred to in Section 8.05, the Indemnifying Party and the Indemnified Party agree and designate one (1) arbitrator. If the Indemnifying Party and the Indemnified Party cannot agree on an arbitrator, the arbitrator shall be appointed by a Judge of the Superior Court of Justice as soon as practicable upon application by either the Indemnifying Party or the Indemnified Party.

(a) The arbitrator shall consider the dispute at issue at Toronto, Ontario at a mutually agreed upon time within thirty (30) days (or such longer period as may be acceptable to the Indemnifying Party and the Indemnified Party) of the designation of the arbitrator. The arbitration proceeding shall be held in accordance with the provisions of the *Arbitrations Act, 1991* (Ontario), S.O. 1991, c. 17 in effect on the date of the initial request by the relevant Indemnified Party or the Indemnifying Party, as the case may be, that gave rise to the dispute to be arbitrated. Notwithstanding the foregoing, the Indemnifying Party and the Indemnified Party shall attempt, and they and the arbitrator shall use their commercially reasonable best efforts in that attempt, to conclude the arbitration proceeding and have a final decision from the arbitrator within ninety (90) days from the date of selection of the arbitrator; provided, however, that the arbitrator shall be entitled to extend such ninety (90)-day period one or more times to the extent necessary for such arbitrator to place a dollar value on any claim that may be unliquidated. The arbitrator shall immediately deliver a decision with respect to the dispute to each of the parties, who shall promptly act in accordance therewith. The Indemnifying Party and the Indemnified Party to such arbitration agree that any decision of the arbitrator shall be final, conclusive and binding and no appeal shall lie therefrom. It is specifically understood and agreed that any party may enforce any award rendered pursuant to the arbitration provisions of this Section 9.01 by bringing suit in any court of competent jurisdiction.

(b) All fees, costs and expenses (including attorneys' fees and expenses) incurred by the party that prevails in any such arbitration commenced pursuant to this Section 9.01 or any judicial action or proceeding seeking to enforce the agreement to arbitrate disputes as set forth in this Section 9.01 or seeking to enforce any order or award of any arbitration commenced pursuant to this Section 9.01 may be assessed against the party or parties that do not prevail in such arbitration in such manner as the arbitrator or the court in such judicial action, as the case may be, may determine to be appropriate under the circumstances. All costs and expenses attributable to the arbitrator shall be allocated among the parties to the arbitration in such manner as the arbitrator shall determine to be appropriate under the circumstances.

Section 9.02 Vendors' Representative.

Notwithstanding any other provision of this Agreement, Vendors hereby designate **Robert** as their representative (the "**Vendors' Representative**"): (i) to make all decisions on behalf of Vendors relating to any rights, obligations, liabilities, actions or inactions, payment or collection of funds, any certifications or releases, granted by or permissible under or required by this Agreement; (ii) to pursue, defend or settle any claims or disputes for which Vendors may be required to indemnify Purchaser pursuant this Agreement; and (iii) to grant any partial or full discharges of any security in favour of the Vendors granted by Purchaser or any or all Target Companies in accordance with this Agreement. All decisions and actions by Vendors' Representative shall be binding upon and enure to the benefit of all of Vendors and no Vendor shall have the right to object, dissent, protest or otherwise contest the same. Vendors agree that: (a) Purchaser and the Target Companies shall be able to rely conclusively on the instructions and decisions of the Vendors' Representative as to the determination of any aspect mentioned in this Section, and no party shall have any cause of action against Purchaser or any Target Company for any action taken by Purchaser, or Purchase causes any Target Company to take, in reliance upon the instructions or decisions of the Vendors' Representative; and (b) all actions, decisions and instructions of the Vendors' Representative shall be conclusive and binding upon and enure to the benefit of all Vendors and no Vendor shall have any cause of action against the Vendors' Representative for any action taken, decision made or instruction given by the Vendors' Representative under this Agreement, except for fraud or willful breach of this Agreement by the Vendors' Representative. In the event the Vendors' Representative is deceased or not legally competent, then the Vendors shall promptly appoint a new Vendors' Representative by delivering written notice to Purchaser.

Section 9.03 Closing.

The Closing shall take place at the Place of Closing or at such other place as may be agreed to in writing by the parties.

Section 9.04 Notices.

All notices, requests, demands or other communications by the terms hereof required or permitted to be given by one party to another shall be given in writing by personal delivery or by facsimile transmission or email addressed to such other party or delivered to such other party as follows:

(a) to the Vendors as follows:

Vendor	Contact Information
Robert	*[Redacted as confidential]*
Linda	*[Redacted as confidential]*
Pamela	*[Redacted as confidential]*
Dianne	*[Redacted as confidential]*
Teena	*[Redacted as confidential]*
Joreen	*[Redacted as confidential]*
Fred	*[Redacted as confidential]*
Erica	*[Redacted as confidential]*
Brent	*[Redacted as confidential]*
Brock	*[Redacted as confidential]*

With a copy to Templeman LLP
205 Dundas Street East
Suite 200
Belleville, ON K8N 5A2

Attn: *[Redacted as confidential]*

Email: *[Redacted as confidential]*

(b) to the Purchaser, at:

32 Simpson Road
Bolton, ON L7E 1G9

Attention: *[Redacted as confidential]*
Email: *[Redacted as confidential]*

with a copy (which shall not constitute notice) to:

Loopstra Nixon LLP
135 Queens Plate Drive, Suite 600
Toronto, ON M9W 6V7

Attention: *[Redacted as confidential]*
Email: *[Redacted as confidential]*

or at such other address as may be given by any of them to the others in writing from time to time and such notices, requests, demands or other communications shall be deemed to have been received when delivered, or, if sent by facsimile transmission or email, on the date of transmission unless sent on a day which is not a Business Day or after 5:00 p.m. (local time) on a Business Day, in which case it shall be deemed to have been received on the next Business Day following the day of such transmission.

Section 9.05 Vendors.

Any rights hereunder or under any other agreement, document or instrument delivered pursuant to this Agreement that may be exercised by the Vendors jointly as a collective, and any obligations of the Vendors hereunder and thereunder that are to be performed by them collectively, shall be exercised and performed, as the case may be, as if the Vendors were a single Person.

Section 9.06 Tender.

Any tender of documents or money hereunder may be made upon the Vendors or the Vendors' Solicitor, or upon the Purchaser or the Purchaser's Solicitor, as the case may be, and money shall be tendered by official bank draft drawn upon a Canadian chartered bank, by negotiable cheque payable in Canadian funds and certified by a Canadian bank listed in Schedule 1 to the *Bank Act* (Canada), or by wire transfer of immediately available funds.

Section 9.07 Further Assurances.

The parties covenant and agree to sign such other papers, cause such meetings to be held, resolutions passed and bylaws enacted, exercise their vote and influence, do and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part hereof.

Section 9.08 Costs and Expenses.

Except as specifically referred to herein, all costs and expenses (including the fees and disbursements of legal counsel) incurred in connection with this Agreement and the transactions herein contemplated shall be paid by the party incurring such costs and expenses. Target Companies shall not pay for or be responsible for any such costs and expenses, whether incurred by the Vendors or the Purchaser or otherwise. For clarity and without limiting the generality of the foregoing, all fees, costs and expenses relating to the preparation of the Closing Date Net Working Capital (as contemplated by Section 3.03) and the preparation of the final Tax Returns (as contemplated by Section 7.01) shall be accrued in the Closing Date Financial Statements.

Section 9.09 Use of Reasonable or Best Efforts.

No obligation of any party pursuant to this Agreement to use reasonable efforts, best efforts or to attempt to obtain a consent, approval or waiver, shall obligate such party to make any payment to any Person or pay an increased rental (except as provided for herein) or other charge or fee or make or incur any additional payment, guarantee or financial contribution or arrangement or to institute legal or arbitration or other proceedings in connection therewith.

Section 9.10 Time of the Essence.

Time shall be of the essence of this Agreement and of every part hereof, and no extension or variation of this Agreement shall operate as a waiver of this provision.

Section 9.11 Assignment; Enurement.

No party hereto may assign this Agreement or any part hereof without the prior written consent of the other parties. Subject to the foregoing, this Agreement shall enure to the benefit of and be binding upon the parties and their respective heirs, executors, administrators, successors and assigns.

Section 9.12 Public Announcement.

The parties shall consult with each other before issuing any press release or making any other public announcement with respect to this Agreement or the transactions contemplated hereby and, except as required by any Applicable Law, none of them shall issue any such press release or make any such public announcement without the prior written consent of the others, which consent shall not be unreasonably withheld or delayed.

Section 9.13 No Disclosure.

Except for any public announcements of the transactions contemplated hereby pursuant to Section 9.12 above, no party shall disclose this Agreement or any aspects of such transactions except to its board of directors, its senior management, its legal, accounting, financial or other professional advisors, any financial institutions contacted by it with respect to any financing required in connection with such transactions and counsel to such institutions, or as may be required by any Applicable Law or stock exchange having jurisdiction.

Section 9.14 Counterparts; Facsimile.

This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall constitute one and the same agreement and notwithstanding their date of execution shall be deemed to be executed on the date first written above. The delivery of an executed counterpart copy of this Agreement by facsimile or email shall be deemed to be the equivalent of the delivery of an original executed copy thereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the parties have duly executed and delivered this Agreement on the date first written above.

"Robert George Haggarty"

Witness signature

Name:
(please print)

Address:

ROBERT GEORGE HAGGARTY

"Linda Ann Haggarty"

Witness signature

Name:
(please print)

Address:

LINDA ANNE HAGGARTY

"Pamela Lee Haggarty"

Witness signature

Name:
(please print)

Address:

PAMELA LEE HAGGARTY

"Dianne L. Haggarty"

Witness signature

DIANNE L. HAGGARTY

Name:
(please print)

Address:

"Teena Marie Chapman"

Witness signature

TEENA MARIE CHAPMAN

Name:
(please print)

Address:

"Joreen Tracy Fisk"

Witness signature

JOREEN TRACY FISK

Name:
(please print)

Address:

"Frederick W. Labrash"

Witness signature

FREDERICK W. LABRASH

Name:
(please print)

Address:

"Erica Ann Metcalfe"

Witness signature

ERICA ANN METCALFE

Name:
(please print)

Address:

"Elmer Brent Wood"

Witness signature

ELMER BRENT WOODS

Name:
(please print)

Address:

"Brock Wayne Woods"

Witness signature

BROCK WAYNE WOODS

Name:
(please print)

Address:

TITANIUM TRANSPORTATION GROUP INC.

By: "*Ted Daniel*"

Name: Theodor Daniel
Title: President

SCHEDULE 1.01(T) CLOSING DATE NET WORKING CAPITAL

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 1.01(U)(I) – GOOD ACCOUNTS RECEIVABLE

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 1.01(OOO)   PERMITTED ENCUMBRANCES

107 Bellevue Drive Bellville ON

- Charge registered as instrument QR669797 in favour of the Bank of Nova Scotia
- Assignment General registered as instrument QR669798 in favour of the Bank of Nova Scotia
- Airport zoning regulations registered as instrument QR548568
- Transfer easement in favour of Trans-northern Pipe Line Company registered as instrument QR17809
- Bylaw registered as QR126644
- Notice of Claim registered as QR470187
- Notice in favour of the Corporation of the City of Quinte West registered as HT276482

Boundary Road & Optimum Drive Cornwall ON (1331 Optimum Dr.)

- Draft Site Plan Agreement dated September 30, 2020 between International Truckload Services Inc. and the Corporation of the City of Cornwall
- Expropriation Plan registered as 5191353

Personal Property Security Act Registrations Against ITS Holdings Inc.

File #	Registration #
738984897	20180503 1934 1531 8085

Personal Property Security Act Registrations Against Preferred Delivery Systems Inc.

File #	Registration #
719087463	20160729 1004 1462 7933
721187163	20161003 1432 8077 7975
890223039	20021218 1818 1531 0926

Personal Property Security Act Registrations Against Haggarty Real Estate Holdings Inc.

File #	Registration #
087712974	20060912 1450 0002 8570
627750072	20060804 1943 1531 6500

Personal Property Security Act Registrations Against I.T.S. Logistics Inc.

File #	Registration #
700643601	20141014 0843 1219 9977

Personal Property Security Act Registrations Against International Truckload Services Inc.

File #	Registration #
767450232	20201105140214627045
765160407	20200827100114621409
762797358	20200617170214627844
762164532	20200527140414620914
761738886	20200505161850643038
761695128	20200501144780778578
	20200506162380778755
	20200506162380778756
761678514	20200430170414623620
760878396	20200312170614629792
	20200401140214625516
760141917	20200214143280775559
758718207	20191219102780772722
758718216	20191219102780772723
755882937	20190926143680778173
755087058	20190904103480776915
754558767	20190820103680776130
754263369	20190809103580775675
754231383	20190808143615302002
754231392	20190808143615302003
754192593	20190807181450648050
	20190809135650648079
753887088	20190730103460775117
753911955	20190730170514629285
753393717	20190716103280774363
751897251	20190603173350646679
751900455	20190603180150646696
	20190604160850646724
	20190807180550648049
751467321	20190522170019016813
751335291	20190517104215299878
750803238	20190502143480770506
	20190503143480770585
749027052	20190312143780777629
747551259	20190114140814626149
747356211	20190107103380774407
747356229	20190107103380774408

747356238	20190107103380774409
745906896	20181115160950642546
745392402	20181031162850642097
744711867	20181011150615329463
	2021011592515328609
743686758	20180912164580779148
743618997	20180911122750640823
743621229	2018091112455064828
743045301	20180824143280778336
740077731	20180604103680774196
739986138	20180531143880774039
739351611	20180514163380773060
739081026	20180507143980772675
	20201120103380778291
739042335	20180504163380772614
	20180508104280772713
738371709	20180418101750646385
736033374	20180129143580776638
735617376	20180112100350642669
732846492	20171012094250648675
728782902	20170615132350643462
728369226	20170605131115323302
728286642	20170601143315305863
727755003	20170517151917935654
727594434	20170512140850641866
726823854	20170421134515325865
726776613	20170420111616165218
726128226	20170331121415323003
725647473	20170315194650648728
723904983	20170106150619011485
721155078	20160930162880777882
719235099	20160803143880773870
	20200922103380775430
719235135	20160803143880773874
718575273	20160713141950644660
	20170112145450645560
	20180525131150647525
717884613	20160621193915318120
	20210118104615298166
717265323	20160602143480779240
716430168	20160506144280776822
	20160510163880777113
716080491	20160427194715312419

713612754	20160127103280779448
	20180514163380773062
711972801	20151120194715318716
711972819	20151120194715318717
711810747	20151116143780774422
701980776	20141201161415328505
	20160822144215305546
	20191101103615299093
701485686	20141112103380777333
	20190918102680777703
	20191104103080770164
	20201127103480778604
	20200903162980774617
697590144	20140630170214622091
685816515	20130404164580771967
	20140509143380772482
653357268	20090511162560053018
	20140620143280776185
	20160613143780770232
	20160613143780770268
627750063	20060804194315316521
	20060823104915291284
	20110704115915293769
	20120823144815308356
	20160704103715293936
890223039	20021218181815310926
	20030103102115294904
	20031009194915318167
	20060512145215309161
	20071119144315303603
	20121119104415294184
	20160914144415305909
	20161004143915307026
	20161005104115298509
	20161020103915290162
	20171120103815298729
825235623	19960927191915292799
	19980227180615319388
	20010917183015312603
	20040126194615317546
	20060811145415301600
	20070614144815302661
	20110804194615319221

	20160425194715318012
	20160722144315301978

Personal Property Security Act Registrations Against Jachar Developments Limited.

File #	Registration #
767174832	20201028193315314764
	20201105194015316894
762797349	20200617170214627843
761870745	20200513142680779086
761678505	20200430170414623619
761465178	20200414103180777937
760281066	20200221114715322096
	20200224143915301067
759563766	20200124115415326368
755087058	20190904103480776915
754263369	20190809103580775675
754192593	20190807181450648050
	20190809135650648079
753393717	20190716103280774363
751897251	20190603173350646679
751900455	20190603180150646696
	20190604160850646724
	20190807180550648049
751508433	20190523140514622999
745906896	20181115160950642546
745392402	20181031162850642097
740077731	20180604103680774196
739042335	20180504163380772614
	20180508104280772713
738371709	20180418101750646385
735617376	20180112100350642669
732846492	20171012094250648675
728782902	20170615132350643462
727783137	20170518103515291128
727594434	20170512140850641866
725868216	20170323141314621885
724339287	20170125134750646353
717265323	20160602143480779240
714149397	20160218163380771186
711810747	20151116143780774422
711271215	20151028170814627702
	20151103140314629558
	20160216100114624352
711271215	20201124170714623893
710935956	20151016192415324214
709508646	20150901090715328811
	20200911193615311458
709392096	20150827143080779266
709338402	20150826130215328179
	20200911145115304883
704595861	20150327125015328693
700485705	20141007100414620280

	20160216100114624351
	20191030170914623112
	20210107140114627353
696213576	20140516103415292778
	20190416144715308912
	20161004143915307015
693318366	20140122142480774084
	20190716143380774390
681886116	20121002164480778793
890223039	2002121818181531926
	20030103102115294904
	20031009194915318167
	20060512145215309161
	20071119144315303603
	20121119104415294184
	20160914144415305909
	20161004143915307026
	20161005104115298509
	20161020103915290162
	20171120103815298729

SCHEDULE 1.01(RRR) PRE-CLOSING TRANSACTIONS

[Redacted as confidential]

SCHEDULE 1.01(HHHH) EXAMPLE OF TARGET COMPANIES INDEBTEDNESS

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 3.02(B) VENDOR LOAN – PROMISSORY NOTE

See attached.

PROMISSORY NOTE

$6,500,000.00 Due: February 1st, 2025

Toronto, Ontario
February 1st, 2021

The undersigned, TITANIUM TRANSPORTATION GROUP INC. (the **"Debtor")** hereby promises to pay to or to the order of ROBERT GEORGE HAGGARTY (the "**Secured Party**") the principal sum of Six Million Five Hundred Thousand ($6,500,000.00) Dollars in lawful money of Canada, payable in sixteen (16) equal quarterly instalments together with interest thereon at the rate of 2.0% per annum calculated quarterly in arrears on the first day of every quarter commencing May 1, 2021, subject to extension if the Closing Date Financial Statements are not finalized by such date, as provided for in the Agreement (as defined below), and any balance of principal and accrued interest shall be due February 1, 2025:

This Note is provided as part of the share purchase agreement made between the Debtor and the Secured Party, Linda Anne Haggarty, Pamela Lee Haggarty, Dianne L. Haggarty, Teena Marie Chapman, Joreen Tracy Fisk, Frederick W. LaBrash, Erica Ann Metcalfe, Elmer Brent Woods and Brock Wayne Woods dated as of February 1st, 2021 (the "**Agreement**"). Capitalized terms are as per the terms of the Agreement.

FOR VALUE RECEIVED, without relief under any exemption or insolvency law.

Time is and shall be in all respects of the essence hereof.

This Promissory Note has been made and issued in Canada and shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

The undersigned may pay off the amount owing hereunder at any time without notice or bonus, in part or in whole.

This Promissory Note is subject to adjustments in the principal amount and set off as provided for in the Agreement.

All monies owing pursuant to this Promissory Note shall become forthwith due and payable, and all the rights and remedies hereby conferred shall become immediately enforceable and any and all additional and collateral securities for payment of this Promissory Note shall become immediately enforceable upon the happening of any of the following events:

a. if the Debtor, International Truckload Services Inc., Haggarty Real Estate Holdings Inc., or ITS Holdings Inc. commits any act of bankruptcy as defined in the *Bankruptcy Act (Canada)* or becomes an "insolvent person" within the meaning of the said Act;

b. if any proposal is made or any petition is filed by the Debtor, International Truckload Services Inc., Haggarty Real Estate Holdings Inc., or ITS Holdings Inc. under any law having for its purpose the extension of time for payment, composition or compromise of the liabilities of the Debtor, International Truckload Services Inc., Haggarty Real Estate Holdings Inc., or ITS Holdings Inc.

c. if any receiver, administrator or manager of the assets or undertaking of the Debtor, International Truckload Services Inc., Haggarty Real Estate Holdings Inc., or ITS Holdings Inc. is appointed pursuant to the terms of any trust deed, trust indenture, debenture or similar instrument or by or under any judgment or order of any court;

d. if any encumbrance, execution, distress or process of any court becomes enforceable against any of the property of the Debtor, International Truckload Services Inc., Haggarty Real Estate Holdings Inc., or ITS Holdings Inc. or a distress or like process is levied upon any of such property;

e. If the Debtor fails to make any interest or principal payment under this Promissory Note when due and such failure continues after written demand therefor is delivered by the Secured Party to the Debtor by prepaid registered post addressed to the Guarantor as follows: ITS Holdings Inc. c/o Titanium Transportation Group Inc. 32 Simpson Road Bolton Ontario L7E 1G9. Any such demand mailed by registered post shall be deemed to have been delivered on the fifth (5th) day following the posting thereof.

TITANIUM TRANSPORTATION GROUP INC.

Per: Ted Daniel, President

SCHEDULE 3.03(D) OLDER RECEIVABLES

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.06 LICENSES

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.11 REGULATORY APPROVALS

Nil.

SCHEDULE 4.13 BANKING INFORMATION

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.14 POWER OF ATTORNEYS

nil

SCHEDULE 4.16 LEGAL PROCEEDINGS

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.17 PREVIOUS REAL PROPERTY

Tenant	Location	Owned/rented	Description	Date Vacated
ITS	50 Glen Miller Road, Units 6 7 8, Trenton ON	Rental	Main Administration	November 2003.
	Highway 2 West, Trenton ON	Rental	Main Garage	November 2003.
	68 Harwood Ave S, Unit 4, Ajax, ON	Rental	Ajax Administration	May 2016
	148 Mohawk, Brantford, ON	Rental	Brantford location at time of purchase	April 2015
ITS Logistics	556 O'Connor Drive, Unit 123A, Kingston, ON	Rental	Administration	Sept 2016

SCHEDULE 4.18 NOTICES REGARDING BUILDINGS AND STRUCTURES

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.19 ENVIRONMENTAL MATTERS

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.20 REAL PROPERTY LEASES & LEASED ASSETS

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.21A ASSETS AT CLOSING

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.21B EXCLUDED ASSETS

[Redacted as confidential]

SCHEDULE 4.22 EQUIPMENT LEASES

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.23 DEBT INSTRUMENTS

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.24 GUARANTEES

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.26 INSURANCE MATTERS

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.27A CONSENTS AND NOTICES REQUIRED

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.27B QUALIFICATIONS RE: GOOD STANDING OF CONTRACTS

The Target Companies are in good standing of all Material Contracts. There are no known defaults under Material Contracts.

SCHEDULE 4.27C MATERIAL CONTRACTS

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.29 FINANCIAL STATEMENTS

[Redacted as confidential]

SCHEDULE 4.30 ADVERSE CHANGES

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.31 EXCEPTIONS TO BUSINESS CARRIED ON IN ORDINARY COURSE

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.33 NON-ARM'S LENGTH TRANSACTIONS

[Redacted as confidential]

SCHEDULE 4.34 QUALIFICATIONS RE: ACCOUNTS RECEIVABLE

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.35 MAJOR CUSTOMERS

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.36 EMPLOYEE MATTERS

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.37 EMPLOYEE BENEFIT PLANS

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 4.39 INTELLECTUAL PROPERTY

ITS & Design — Trademark Registration Number TMA679501 file No

The corporate names of the Target Companies

SCHEDULE 4.41 TAX MATTERS

Nil.

SCHEDULE 7.02 NON-COMPETITION AND NON-SOLICITATION AGREEMENT

See attached.

NON-COMPETITION AND NON-SOLICITATION AGREEMENT

This Non-Competition and Non-Solicitation Agreement, dated as of the 1st day of February, 2021 (this "**Agreement**"), is entered into between:

> **ROBERT GEORGE HAGGARTY**, of the City of Belleville in the Province of Ontario ("**Vendor**"),
>
> and
>
> **TITANIUM TRANSPORTATION GROUP INC.**, a corporation subsisting under the federal laws of Canada ("**Purchaser**").

RECITALS

WHEREAS, Vendor, Linda Anne Haggarty, Pamela Lee Haggarty, Dianne L. Haggarty, Teena Marie Chapman, Joreen Tracy Fisk, Frederick W. Labrash, Erica Ann Metcalfe, Elmer Brent Woods, Brock Wayne Woods (collectively, the "**Shareholders**") and Purchaser have entered into that certain share purchase agreement dated as of the 1st day of February, 2021 (the "**Purchase Agreement**") pursuant to which the Shareholders have agreed to sell to Purchaser, and Purchaser has agreed to purchase from the Shareholders, all of the Shareholders' respective right, title and interest in those issued and outstanding shares (the "**Purchased Shares**") in the capital of ITS Holdings Inc., Preferred Delivery Systems Inc. and MLRP Holdings Inc. (the "**Corporations**"); and

WHEREAS, ITS Holdings Inc. is the sole shareholder of each of International Truckload Services Inc., Jachar Developments Limited, I.T.S. Logistics Inc., and Haggarty Real Estate Holdings Inc. (the "**Subsidiaries**", and together with the Corporations, the "**Target Companies**"); and

WHEREAS, the obligations of Purchaser under the Purchase Agreement are subject to the condition that Vendor execute and deliver this Agreement; and

WHEREAS, Vendor and Purchaser agree that this Agreement is necessary in order that Purchaser receives the full benefit of the goodwill of the Business and to maintain and preserve the fair market value ("**FMV**") of all of the Purchased Shares and, therefore, Vendor is willing to enter into this Agreement to protect that goodwill and maintain or preserve that FMV; and

WHEREAS, Vendor acknowledges that this Agreement is an integral part of the transaction contemplated by the Purchase Agreement under which Vendor shall receive significant benefit and that Purchaser is relying on the covenants and acknowledgements given herein by Vendor in connection with its purchase of the Purchased Shares; and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meaning ascribed to such terms in the Purchase Agreement.

NOW, THEREFORE, in consideration of the mutual agreements and covenants hereinafter set forth, the parties hereby agree with each other as follows:

ARTICLE I
Definitions and Interpretation

Section 1.01 Definitions

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

"**Agreement**" has the meaning set forth in the preamble, as it may be amended or supplemented from time to time.

"**Business**" means the collective business of the Target Companies consisting of the provision of logistics and transportation services in Canada and transportation services between Canada and the United States, including less than truckload services, truckload services, and ancillary transportation services (such ancillary transportation services including logistics services and fleet safety, compliance and maintenance services).

"**Closing Date**" means the date of this Agreement.

"**FMV**" has the meaning set forth in the recitals.

"**Person**" means an individual, corporation, company, limited liability company, body corporate, partnership, joint venture, regulatory body or agency, government or governmental agency or authority, unincorporated organization, trust, association or other entity.

"**Purchase Agreement**" has the meaning set forth in the recitals.

"**Purchased Shares**" has the meaning set forth in the recitals.

"**Purchaser**" has the meaning set forth in the preamble.

"**Restrictive Covenants**" has the meaning set forth in Section 4.01.

"**Target Companies**" has the meaning set forth in the recitals.

"**Tax Act**" means the *Income Tax Act* (Canada).

"**Territory**" means Canada and the United States of America (excluding Alaska and Hawaii).

"**Vendor**" has the meaning set forth in the preamble.

Section 1.02 Interpretation. For purposes of this Agreement: (a) the words "include", "includes" and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein", "hereof", "hereby", "hereto" and "hereunder" refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections and Exhibits mean the Articles and Sections of, and Exhibits, if any, attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

ARTICLE II
Non-Competition

Section 2.01 Non-Competition. Subject to Section 2.02, Vendor shall not, for a period of five (5) years from the Closing Date, directly or indirectly, in any manner whatsoever, including either individually, in partnership, jointly or in conjunction with any other Person, as a principal, agent, director, officer, employee, consultant or shareholder:

(a) carry on or be engaged in any business undertaking or activity;

(b) have any financial or other interest (including an interest by way of any compensation arrangement) in or in respect of the business of any Person that carries on or is engaged in a business; or

(c) advise, assist, invest in, lend money to, guarantee the debts or obligations of, or permit the use of either Vendor's name or trade name or any part thereof by, any Person that carries on a business;

in the Territory that is the same as, or substantially similar to, or that competes with or would compete with the Business as presently carried on as of the Closing Date.

Section 2.02 Exceptions. Nothing herein shall prevent Vendor or any Affiliate of Vendor from acquiring not more than five percent (5%) of any class or series of shares or other securities of a Person that are listed and posted for trading on any stock exchange in or outside Canada or that are traded in any over-the-counter market in Canada.

Section 2.03 Restrictions are Reasonable. Vendor acknowledges and agrees:

(a) the Target Companies carry on the Business throughout the Territory in a highly competitive environment; and

(b) Vendor has received FMV from Purchaser for the Purchased Shares sold by Vendor to Purchaser pursuant to the Purchase Agreement; and

(c) Purchaser requires the entirety of the five (5) year period set out in this Article to preserve the goodwill associated with the Business; and

(d) Any breach by Vendor of the restrictions set out in this Article would damage the goodwill of the Business and impair, lessen or damage the value of the Purchased Shares sold by Vendor to Purchaser pursuant to the Purchase Agreement.

As such, Vendor hereby recognizes, acknowledges, and agrees that the restrictions and limitations set forth in this Article are legitimate, fair, reasonable and necessary to protect the lawful interests and reasonable expectations of the Purchaser.

ARTICLE III
Non-Solicitation

Section 3.01 Employees. Vendor shall not, for a period of five (5) years from the Closing Date, directly or indirectly solicit for employment, hire or otherwise contract for the services of, or aid in the solicitation, hiring or contracting for, the services of any employee of any Target Company; *provided that* nothing in this Section 3.01 shall prohibit Vendor from making general solicitation advertisements that are not targeted at any employee of any Target Company and from hiring any such employee that responds to a general solicitation advertisement or whose employment has been terminated by any Target Company.

Section 3.02 Customers. Subject to Section 2.02, Vendor shall not, for a period of five (5) years from the Closing Date, directly or indirectly, solicit or contract with any Person who was a customer or client of the Business at any time during the one-year period preceding the date hereof for the purpose of selling to those customers or clients any products or services in the Territory that are the same as, substantially similar to, or in any way competitive with the products or services of the Business as presently carried on as of the Closing Date.

Section 3.03 Restrictions are Reasonable. Vendor acknowledges and agrees:

(a) the relationships between the Target Companies and each of its employees are a significant component of the goodwill of the Business; and

(b) the relationships between the Target Companies and each of its customers and clients is a significant component of the goodwill of the Business; and

(c) Vendor is aware of all the Persons who were customers or clients of the Business as contemplated in Section 3.02 above; and

(d) Vendor has received FMV from Purchaser for the Purchased Shares sold by Vendor to Purchaser pursuant to the Purchase Agreement; and

(e) Purchaser requires the entirety of the five (5) year periods set out in this Article to preserve the goodwill associated with the Business; and

(f) Any breach by Vendor of the restrictions set out in this Article would damage the goodwill of the Business and impair, lessen or damage the value of the Purchased Shares sold by Vendor to Purchaser pursuant to the Purchase Agreement.

As such, Vendor hereby recognizes, acknowledges, and agrees that the restrictions and limitations set forth in this Article are legitimate, fair, reasonable and necessary to protect the lawful interests and reasonable expectations of the Purchaser.

ARTICLE IV
Restrictive Covenant

Section 4.01 Restrictive Covenant. The parties hereto intend that the conditions set forth in section 56.4(7) of the Tax Act have been satisfied such that section 56.4(5) of the Tax Act applies to any "restrictive covenants" (as defined in section 56.4(1) of the Tax Act) granted by Vendor under this Agreement with respect to the Business carried on by the Target Companies (collectively, the "**Restrictive Covenants**"). Accordingly, the parties hereto acknowledge and agree that:

(a) no proceeds shall be received or receivable by Vendor for granting the Restrictive Covenants for purposes of section 56.4(7)(d) of the Tax Act; and

(b) the Restrictive Covenants are integral to the Purchase Agreement and have been granted to maintain or preserve the FMV of the Purchased Shares.

ARTICLE V
Miscellaneous

Section 5.01 Equitable Remedies. Vendor acknowledges that a breach or threatened breach by Vendor of any provision of this Agreement will result in Purchaser suffering irreparable harm that cannot be calculated fully or adequately by recovery of damages alone. Accordingly, Vendor agrees that, in addition to any other relief to which Purchaser may become entitled, Purchaser shall be entitled to interim and permanent injunctive relief, specific performance and other equitable remedies.

Section 5.02 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 5.03 Reasonableness; Severability. Vendor acknowledges that the restrictions contained in this Agreement are reasonable and necessary to protect the legitimate interests of Purchaser and constitute a material inducement to Purchaser's entering into the Purchase Agreement and consummating the transactions contemplated therein. The covenants contained in this Agreement and each provision hereof are severable and distinct covenants and provisions. The invalidity or unenforceability of any such covenant or provision as written shall not invalidate or render unenforceable the remaining covenants or provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such covenant or provision in any other jurisdiction.

Section 5.04 Successors and Assigns. This Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned, in whole or in part, by Vendor without the prior written consent of Purchaser. Purchaser may assign its rights under this Agreement to a non-Affiliate acquirer of all or substantially all of the assets relating to the Business (whether by asset sale or an acquisition of control of Target Companies or Purchaser by way of sale of shares or under a plan of arrangement or similar acquisition transaction).

Section 5.05 Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 5.06 Governing Law; Forum

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

(b) Any action or proceeding arising out of or based upon this Agreement may be brought in the courts of the Province of Ontario, and each party irrevocably submits and agrees to attorn to the jurisdiction of that court in any such action or proceeding. Each of the parties irrevocably and unconditionally waives any objection to the venue of any action or proceeding in that court and irrevocably waives and agrees not to plead or claim in that court that such action or proceeding has been brought in an inconvenient forum.

Section 5.07 Acknowledgment. Vendor acknowledges that: (i) he has had sufficient time to review this Agreement thoroughly; (ii) he has read and understands the terms of this Agreement and the obligations hereunder; (iii) he has been given an opportunity to obtain independent legal advice concerning the interpretation and effect of this Agreement; and (iv) he has received a fully executed counterpart copy of this Agreement.

Section 5.08 Counterparts. This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall constitute one and the same agreement and notwithstanding their date of execution shall be deemed to be executed on the date first written above. The delivery of an executed counterpart copy of this Agreement by facsimile or email shall be deemed to be the equivalent of the delivery of an original executed copy thereof.

[Signature page follows]

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

______________________________	____________________________________
Witness	**ROBERT GEORGE HAGGARTY**

TITANIUM TRANSPORTATION GROUP INC.

Per:________________________________
Name: Ted Daniel
Title: President
I have authority to bind the corporation

NON-COMPETITION AND NON-SOLICITATION AGREEMENT

This Non-Competition and Non-Solicitation Agreement, dated as of the 1st day of February, 2021 (this "**Agreement**"), is entered into between:

LINDA ANNE HAGGARTY, of the City of Belleville in the Province of Ontario ("**Vendor**"),

and

TITANIUM TRANSPORTATION GROUP INC., a corporation subsisting under the federal laws of Canada ("**Purchaser**").

RECITALS

WHEREAS, Vendor, Robert George Haggarty, Pamela Lee Haggarty, Dianne L. Haggarty, Teena Marie Chapman, Joreen Tracy Fisk, Frederick W. Labrash, Erica Ann Metcalfe, Elmer Brent Woods, Brock Wayne Woods (collectively, the "**Shareholders**") and Purchaser have entered into that certain share purchase agreement dated as of the 1st day of February, 2021 (the "**Purchase Agreement**") pursuant to which the Shareholders have agreed to sell to Purchaser, and Purchaser has agreed to purchase from the Shareholders, all of the Shareholders' respective right, title and interest in those issued and outstanding shares (the "**Purchased Shares**") in the capital of ITS Holdings Inc., Preferred Delivery Systems Inc. and MLRP Holdings Inc. (the "**Corporations**"); and

WHEREAS, ITS Holdings Inc. is the sole shareholder of each of International Truckload Services Inc., Jachar Developments Limited, I.T.S. Logistics Inc., and Haggarty Real Estate Holdings Inc. (the "**Subsidiaries**", and together with the Corporations, the "**Target Companies**"); and

WHEREAS, the obligations of Purchaser under the Purchase Agreement are subject to the condition that Vendor execute and deliver this Agreement; and

WHEREAS, Vendor and Purchaser agree that this Agreement is necessary in order that Purchaser receives the full benefit of the goodwill of the Business and to maintain and preserve the fair market value ("**FMV**") of all of the Purchased Shares and, therefore, Vendor is willing to enter into this Agreement to protect that goodwill and maintain or preserve that FMV; and

WHEREAS, Vendor acknowledges that this Agreement is an integral part of the transaction contemplated by the Purchase Agreement under which Vendor shall receive significant benefit and that Purchaser is relying on the covenants and acknowledgements given herein by Vendor in connection with its purchase of the Purchased Shares; and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meaning ascribed to such terms in the Purchase Agreement.

NOW, THEREFORE, in consideration of the mutual agreements and covenants hereinafter set forth, the parties hereby agree with each other as follows:

ARTICLE I
Definitions and Interpretation

Section 1.01 Definitions

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

"**Agreement**" has the meaning set forth in the preamble, as it may be amended or supplemented from time to time.

"**Business**" means the collective business of the Target Companies consisting of the provision of logistics and transportation services in Canada and transportation services between Canada and the United States, including less than truckload services, truckload services, and ancillary transportation services (such ancillary transportation services including logistics services and fleet safety, compliance and maintenance services).

"**Closing Date**" means the date of this Agreement.

"**FMV**" has the meaning set forth in the recitals.

"**Person**" means an individual, corporation, company, limited liability company, body corporate, partnership, joint venture, regulatory body or agency, government or governmental agency or authority, unincorporated organization, trust, association or other entity.

"**Purchase Agreement**" has the meaning set forth in the recitals.

"**Purchased Shares**" has the meaning set forth in the recitals.

"**Purchaser**" has the meaning set forth in the preamble.

"**Restrictive Covenants**" has the meaning set forth in Section 4.01.

"**Target Companies**" has the meaning set forth in the recitals.

"**Tax Act**" means the *Income Tax Act* (Canada).

"**Territory**" means Canada and the United States of America (excluding Alaska and Hawaii).

"**Vendor**" has the meaning set forth in the preamble.

Section 1.02 Interpretation. For purposes of this Agreement: (a) the words "include", "includes" and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein", "hereof", "hereby", "hereto" and "hereunder" refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections and Exhibits mean the Articles and Sections of, and Exhibits, if any, attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

ARTICLE II
Non-Competition

Section 2.01 Non-Competition. Subject to Section 2.02, Vendor shall not, for a period of five (5) years from the Closing Date, directly or indirectly, in any manner whatsoever, including either individually, in partnership, jointly or in conjunction with any other Person, as a principal, agent, director, officer, employee, consultant or shareholder:

(a) carry on or be engaged in any business undertaking or activity;

(b) have any financial or other interest (including an interest by way of any compensation arrangement) in or in respect of the business of any Person that carries on or is engaged in a business; or

(c) advise, assist, invest in, lend money to, guarantee the debts or obligations of, or permit the use of either Vendor's name or trade name or any part thereof by, any Person that carries on a business;

in the Territory that is the same as, or substantially similar to, or that competes with or would compete with the Business as presently carried on as of the Closing Date.

Section 2.02 Exceptions. Nothing herein shall prevent Vendor or any Affiliate of Vendor from acquiring not more than five percent (5%) of any class or series of shares or other securities of a Person that are listed and posted for trading on any stock exchange in or outside Canada or that are traded in any over-the-counter market in Canada.

Section 2.03 Restrictions are Reasonable. Vendor acknowledges and agrees:

(a) the Target Companies carry on the Business throughout the Territory in a highly competitive environment; and

(b) Vendor has received FMV from Purchaser for the Purchased Shares sold by Vendor to Purchaser pursuant to the Purchase Agreement; and

(c) Purchaser requires the entirety of the five (5) year period set out in this Article to preserve the goodwill associated with the Business; and

(d) Any breach by Vendor of the restrictions set out in this Article would damage the goodwill of the Business and impair, lessen or damage the value of the Purchased Shares sold by Vendor to Purchaser pursuant to the Purchase Agreement.

As such, Vendor hereby recognizes, acknowledges, and agrees that the restrictions and limitations set forth in this Article are legitimate, fair, reasonable and necessary to protect the lawful interests and reasonable expectations of the Purchaser.

ARTICLE III
Non-Solicitation

Section 3.01 Employees. Vendor shall not, for a period of five (5) years from the Closing Date, directly or indirectly solicit for employment, hire or otherwise contract for the services of, or aid in the solicitation, hiring or contracting for, the services of any employee of any Target Company; *provided that* nothing in this Section 3.01 shall prohibit Vendor from making general solicitation advertisements that are not targeted at any employee of any Target Company and from hiring any such employee that responds to a general solicitation advertisement or whose employment has been terminated by any Target Company.

Section 3.02 Customers. Subject to Section 2.02, Vendor shall not, for a period of five (5) years from the Closing Date, directly or indirectly, solicit or contract with any Person who was a customer or client of the Business at any time during the one-year period preceding the date hereof for the purpose of selling to those customers or clients any products or services in the Territory that are the same as, substantially similar to, or in any way competitive with the products or services of the Business as presently carried on as of the Closing Date.

Section 3.03 Restrictions are Reasonable. Vendor acknowledges and agrees:

(a) the relationships between the Target Companies and each of its employees are a significant component of the goodwill of the Business; and

(b) the relationships between the Target Companies and each of its customers and clients is a significant component of the goodwill of the Business; and

(c) Vendor is aware of all the Persons who were customers or clients of the Business as contemplated in Section 3.02 above; and

(d) Vendor has received FMV from Purchaser for the Purchased Shares sold by Vendor to Purchaser pursuant to the Purchase Agreement; and

(e) Purchaser requires the entirety of the five (5) year periods set out in this Article to preserve the goodwill associated with the Business; and

(f) Any breach by Vendor of the restrictions set out in this Article would damage the goodwill of the Business and impair, lessen or damage the value of the Purchased Shares sold by Vendor to Purchaser pursuant to the Purchase Agreement.

As such, Vendor hereby recognizes, acknowledges, and agrees that the restrictions and limitations set forth in this Article are legitimate, fair, reasonable and necessary to protect the lawful interests and reasonable expectations of the Purchaser.

ARTICLE IV
Restrictive Covenant

Section 4.01 Restrictive Covenant. The parties hereto intend that the conditions set forth in section 56.4(7) of the Tax Act have been satisfied such that section 56.4(5) of the Tax Act applies to any "restrictive covenants" (as defined in section 56.4(1) of the Tax Act) granted by Vendor under this Agreement with respect to the Business carried on by the Target Companies (collectively, the "**Restrictive Covenants**"). Accordingly, the parties hereto acknowledge and agree that:

(a) no proceeds shall be received or receivable by Vendor for granting the Restrictive Covenants for purposes of section 56.4(7)(d) of the Tax Act; and

(b) the Restrictive Covenants are integral to the Purchase Agreement and have been granted to maintain or preserve the FMV of the Purchased Shares.

ARTICLE V
Miscellaneous

Section 5.01 Equitable Remedies. Vendor acknowledges that a breach or threatened breach by Vendor of any provision of this Agreement will result in Purchaser suffering irreparable harm that cannot be calculated fully or adequately by recovery of damages alone. Accordingly, Vendor agrees that, in addition to any other relief to which Purchaser may become entitled, Purchaser shall be entitled to interim and permanent injunctive relief, specific performance and other equitable remedies.

Section 5.02 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 5.03 Reasonableness; Severability. Vendor acknowledges that the restrictions contained in this Agreement are reasonable and necessary to protect the legitimate interests of Purchaser and constitute a material inducement to Purchaser's entering into the Purchase Agreement and consummating the transactions contemplated therein. The covenants contained in this Agreement and each provision hereof are severable and distinct covenants and provisions. The invalidity or unenforceability of any such covenant or provision as written shall not invalidate or render unenforceable the remaining covenants or provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such covenant or provision in any other jurisdiction.

Section 5.04 Successors and Assigns. This Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement may not be assigned, in whole or in part, by Vendor without the prior written consent of Purchaser. Purchaser may assign its rights under this Agreement to a non-Affiliate acquirer of all or substantially all of the assets relating to the Business (whether by asset sale or an acquisition of control of Target Companies or Purchaser by way of sale of shares or under a plan of arrangement or similar acquisition transaction).

Section 5.05 Amendment and Modification; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 5.06 Governing Law; Forum

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

(b) Any action or proceeding arising out of or based upon this Agreement may be brought in the courts of the Province of Ontario, and each party irrevocably submits and agrees to attorn to the jurisdiction of that court in any such action or proceeding. Each of the parties irrevocably and unconditionally waives any objection to the venue of any action or proceeding in that court and irrevocably waives and agrees not to plead or claim in that court that such action or proceeding has been brought in an inconvenient forum.

Section 5.07 Acknowledgment. Vendor acknowledges that: (i) he has had sufficient time to review this Agreement thoroughly; (ii) he has read and understands the terms of this Agreement and the obligations hereunder; (iii) he has been given an opportunity to obtain independent legal advice concerning the interpretation and effect of this Agreement; and (iv) he has received a fully executed counterpart copy of this Agreement.

Section 5.08 Counterparts. This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall constitute one and the same agreement and notwithstanding their date of execution shall be deemed to be executed on the date first written above. The delivery of an executed counterpart copy of this Agreement by facsimile or email shall be deemed to be the equivalent of the delivery of an original executed copy thereof.

[Signature page follows]

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

______________________________ ______________________________

Witness

LINDA ANNE HAGGARTY

TITANIUM TRANSPORTATION GROUP INC.

Per:______________________________
Name: Ted Daniel
Title: President
I have authority to bind the corporation

SCHEDULE 7.03 FULL AND FINAL RELEASE – LINDA

See attached.

FULL AND FINAL RELEASE

TO: **ITS HOLDINGS INC.**
PREFERRED DELIVERY SYSTEMS INC.
MLRP HOLDINGS INC.
(collectively, the "**Corporations**")

AND TO: **INTERNATIONAL TRUCKLOAD SERVICES INC.**
JACHAR DEVELOPMENTS LIMITED
I.T.S. LOGISTICS INC.
HAGGARTY REAL ESTATE HOLDINGS INC.
(collectively, the "**Subsidiaries",** and with the Corporations, the **"Target Companies**")

WHEREAS the undersigned, along with Robert George Haggarty, Pamela Lee Haggarty, Dianne Haggarty, Teena Chapman, Joreen Fisk, Fred Labrash, Erica Metcalfe, Brent Woods, and Brock Woods, has entered into a share purchase agreement with Titanium Transportation Group Inc. (the "**Purchaser**") dated as of the 1st day of February, 2021, whereby the Purchaser shall purchase all the shares in the capital stock of the Corporations held by the Vendors (the "**Share Purchase Agreement**");

AND WHEREAS, ITS Holdings Inc. is the sole shareholder of each of the Subsidiaries;

AND WHEREAS the undersigned is, or has been, a shareholder, director, officer and employee of one or more of the Target Companies;

AND WHEREAS pursuant to the terms of the Share Purchase Agreement, the undersigned has agreed to provide a release of all claims against the Target Companies and parties related thereto;

NOW THEREFORE in consideration of the Purchaser entering into the Share Purchase Agreement and carrying out the transactions contemplated therein, and for the Target Companies approving the transfer of shares as contemplated in the Share Purchase Agreement, and for other good and valuable consideration (the sufficiency of which is hereby acknowledged), the undersigned hereby releases, acquits and forever discharges each of the Target Companies and its respective subsidiaries, predecessors, successors, agents, employees, officers, directors and assigns (hereinafter collectively referred to as the "**Releasees**") from all manner of actions, causes of action, suits, debts, dues, accounts, bonds, covenants, contracts, complaints, proceedings, applications, claims, demands, monies, losses, indemnity, costs, interest, injuries and all damages whatsoever and wheresoever at law or at equity, whether presently known or unknown, arising out of or in any way related to:

(a) the employment and/or any contractual relationship of the undersigned with any of the Target Companies or the termination or cessation thereof, including, but not limited to all claims for unpaid wages, overtime, vacation pay, severance, notice of termination or payment in lieu thereof, wrongful dismissal or breach of contract or claims arising to the date hereof under or in connection with the ***Employment Standards Act*** *2000* (Ontario) (the "**ESA**"), the ***Ontario Human Rights Code*** (the "**Code**"), the ***Occupational Health & Safety Act*** (Ontario) (the "**OHSA**") or the ***Workplace Safety and Insurance Act*** (Ontario) (the "**WSIA**"), or at common law, and including all loss for damage not now known or anticipated but which may arise in the future, and all effects and consequences thereof; or

(b) in any way relating to loss of or cessation of benefits or insurance (including Short or Long Term Disability) with regard to any benefit(s) or insurance maintained for the undersigned while employed but which have discontinued due to the termination or cessation of her employment; or

(c) any cause, matter or thing whatsoever existing up to the date hereof and relating to the undersigned being or having been a director, officer or shareholder of any of the Target Companies or any predecessor thereof; or

(d) any other matter whatsoever, including without limitation, all loss for damage not now known or anticipated but which may arise in the future, and all effects and consequences thereof;

save and except the enforcement of any rights, claims, demands, suits, proceedings or causes of action which may arise from, or be in any way connected with, or arising from the Share Purchase Agreement or any ancillary agreements or documents delivered pursuant thereto.

THE UNDERSIGNED HEREBY CONFIRMS that she has been afforded an opportunity to obtain independent legal advice with respect to any potential claim pursuant to the *Code* or the *WSIA*, *OHSA* or the *ESA* concerning her employment and her cessation of employment. After canvassing all of the issues surrounding her employment and her termination or cessation from employment, she explicitly recognizes that she has no claims and further is withdrawing any and all such claims and/or allegations concerning such alleged violations, and that she is releasing all of her rights pursuant to the *Code*, the *WSIA,* the *OHSA* and the *ESA* in exchange for the aforementioned consideration. She further undertakes that any actions or events arising from or relating to her employment and/or termination of employment by the Releasees will not become the subject of any legal proceedings commenced by her or caused to be commenced by her at common law or under the *Code*, the *WSIA*, OHSA or the *ESA*. She has reached this understanding and position voluntarily and following an explanation of her rights and of the provisions of the *Code*, the *WSIA,* the *OHSA* and the *ESA* and will not proceed to make any claim whatsoever against the Releasees to the Human Rights Tribunal or the Workers' Compensation Board, the Workplace Safety and Insurance Tribunal, the Ontario Labour Relations Board, or the Employment Practices Branch of the Ministry of Labour or at common law.

AND IT IS FURTHER UNDERSTOOD AND AGREED that the undersigned is voluntarily resigning from her employment with any and all Target Companies as of the date hereof and that she has not been dismissed, discharged or had her employment otherwise involuntarily terminated.

AND FOR THE SAID CONSIDERATION it is agreed and understood that the undersigned will not to make any claim or take any proceedings against any other person or corporation, who might claim, in any manner or forum, contribution or indemnity in common law or in equity, or under the provisions of any statute or regulation, including the *Negligence Act* (Ontario) and any amendments thereto, and/or under any successor legislation thereto, and/or under the Rules of Civil Procedure from the Releasees discharged by this Full and Final Release, in connection with the matters outlined above.

AND IT IS FURTHER UNDERSTOOD AND AGREED that if the undersigned makes such a claim, or take such proceedings, and the Releasees, or any of them, are added to such proceeding in any manner whatsoever, whether justified in law or not, the undersigned will immediately discontinue the proceedings and/or claims, and the undersigned will be liable to the Releasees for the legal costs incurred in such proceeding, on a solicitor and client scale. This Release shall operate conclusively as an estoppel in the event of any claim, action, complaint or proceeding which might be brought in the future by the undersigned with respect to the matters covered by this Release. This Release may be pleaded in the event any such claim, action, complaint or proceeding is brought, as a complete defence and reply, and may be relied upon in any proceeding to dismiss the claim, action, complaint or proceeding on a summary basis and no objection will be raised by the undersigned in any subsequent action that the other parties in the subsequent action were not privy to formation of this Release.

AND FOR THE SAID CONSIDERATION the undersigned hereby irrevocably and unconditionally covenant and agree to indemnify each of the Releasees from and against any liability, damages, costs and expenses suffered or incurred by any of the Releasees as a result of any claim made or proceedings taken (an "**Other Claim**") by the undersigned against any other person or entity who claims, or whose representatives, successors or assigns claim, contribution or indemnity from any of the Releasees in respect of such Other Claim if such Other Claim relates to a matter which the undersigned is releasing herein.

AND FOR THE SAID CONSIDERATION, the undersigned hereby represents and warrants that she has not assigned to any person, firm, or corporation, any of the actions, causes of action, claims, debts, suits or demands of any nature or kind which she has released by this Release, and that she has full authority and capacity to release her rights as against the Releasees, to the fullest extent allowed at law.

THE PROVISIONS hereof shall enure to the benefit of the each of the Target Companies, the Releasees and their respective heirs, executors, administrators, legal personal representatives, successors and permitted assigns and shall be binding upon the undersigned and her respective successors and assigns.

IN WITNESS WHEREOF the undersigned has hereunto set her hand as of the ___ day of February, 2021.

SIGNED IN THE PRESENCE OF	)	
	)	
	)	
	)	
______________________________	)	____________________________________
Witness	)	**LINDA HAGGARTY**

SCHEDULE 7.05A EMPLOYMENT AGREEMENT (ROBERT)

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 7.05B FULL AND FINAL RELEASE (ROBERT)

See attached.

<u>FULL AND FINAL RELEASE</u>

TO: **ITS HOLDINGS INC.**
PREFERRED DELIVERY SYSTEMS INC.
MLRP HOLDINGS INC.
(collectively, the "**Corporations**")

AND TO: **INTERNATIONAL TRUCKLOAD SERVICES INC.**
JACHAR DEVELOPMENTS LIMITED
I.T.S. LOGISTICS INC.
HAGGARTY REAL ESTATE HOLDINGS INC.
(collectively, the "**Subsidiaries",** and with the Corporations, the **"Target Companies**")

WHEREAS the undersigned, along with Linda Anne Haggarty, Pamela Lee Haggarty, Dianne L. Haggarty, Teena Marie Chapman, Joreen Tracy Fisk, Frederick W. Labrash, Erica Ann Metcalfe, Elmer Brent Woods, and Brock Wayne Woods, has entered into a share purchase agreement with Titanium Transportation Group Inc. (the "**Purchaser**") dated as of the 1st day of February, 2021, whereby the Purchaser shall purchase all the shares in the capital stock of the Corporations held by the Vendors (the "**Share Purchase Agreement**");

AND WHEREAS, ITS Holdings Inc. is the sole shareholder of each of the Subsidiaries;

AND WHEREAS the undersigned is, or has been, a shareholder, director, officer and employee of one or more of the Target Companies;

AND WHEREAS pursuant to the terms of the Share Purchase Agreement, the undersigned has agreed to provide a release of all claims against the Target Companies and parties related thereto;

NOW THEREFORE in consideration of the Purchaser entering into the Share Purchase Agreement and carrying out the transactions contemplated therein, and for the Target Companies approving the transfer of shares as contemplated in the Share Purchase Agreement, and for other good and valuable consideration (the sufficiency of which is hereby acknowledged), the undersigned hereby releases, acquits and forever discharges each of the Target Companies and its respective subsidiaries, predecessors, successors, agents, employees, officers, directors and assigns (hereinafter collectively referred to as the "**Releasees**") from all manner of actions, causes of action, suits, debts, dues, accounts, bonds, covenants, contracts, complaints, proceedings, applications, claims, demands, monies, losses, indemnity, costs, interest, injuries and all damages whatsoever and wheresoever at law or at equity, whether presently known or unknown, arising out of or in any way related to:

(a) the employment and/or any contractual relationship of the undersigned with any of the Target Companies or the termination or cessation thereof, including, but not limited to all claims for unpaid wages, overtime, vacation pay, severance, notice of termination or payment in lieu thereof, wrongful dismissal or breach of contract or claims arising to the date hereof under or in connection with the ***Employment Standards Act*** *2000* (Ontario) (the "**ESA**"), the ***Ontario Human Rights Code*** (the "**Code**"), the ***Occupational Health & Safety Act*** (Ontario) (the "**OHSA**") or the ***Workplace Safety and Insurance Act*** (Ontario) (the "**WSIA**"), or at common law, and including all loss for damage not now known or anticipated but which may arise in the future, and all effects and consequences thereof; or

(b) in any way relating to loss of or cessation of benefits or insurance (including Short or Long Term Disability) with regard to any benefit(s) or insurance maintained for the undersigned while employed but which have discontinued due to the termination or cessation of his employment; or

(c) any cause, matter or thing whatsoever existing up to the date hereof and relating to the undersigned being or having been a director, officer or shareholder of any of the Target Companies or any predecessor thereof; or

(d) any other matter whatsoever, including without limitation, all loss for damage not now known or anticipated but which may arise in the future, and all effects and consequences thereof;

save and except the enforcement of any rights, claims, demands, suits, proceedings or causes of action which may arise from, or be in any way connected with, or arising from the Share Purchase Agreement or any ancillary agreements or documents delivered pursuant thereto.

THE UNDERSIGNED HEREBY CONFIRMS that he has been afforded an opportunity to obtain independent legal advice with respect to any potential claim pursuant to the *Code* or the *WSIA*, *OHSA* or the *ESA* concerning his employment and his cessation of employment. After canvassing all of the issues surrounding his employment and his termination or cessation from employment, he explicitly recognizes that he has no claims and further is withdrawing any and all such claims and/or allegations concerning such alleged violations, and that he is releasing all of his rights pursuant to the *Code*, the *WSIA,* the *OHSA* and the *ESA* in exchange for the aforementioned consideration. He further undertakes that any actions or events arising from or relating to his employment and/or termination of employment by the Releasees will not become the subject of any legal proceedings commenced by him or caused to be commenced by him at common law or under the *Code*, the *WSIA*, OHSA or the *ESA*. He has reached this understanding and position voluntarily and following an explanation of his rights and of the provisions of the *Code*, the *WSIA,* the *OHSA* and the *ESA* and will not proceed to make any claim whatsoever against the Releasees to the Human Rights Tribunal or the Workers' Compensation Board, the Workplace Safety and Insurance Tribunal, the Ontario Labour Relations Board, or the Employment Practices Branch of the Ministry of Labour or at common law.

AND IT IS FURTHER UNDERSTOOD AND AGREED that the undersigned is voluntarily resigning from his employment with any and all Target Companies as of the date hereof and that he has not been dismissed, discharged or had his employment otherwise involuntarily terminated.

AND FOR THE SAID CONSIDERATION it is agreed and understood that the undersigned will not to make any claim or take any proceedings against any other person or corporation, who might claim, in any manner or forum, contribution or indemnity in common law or in equity, or under the provisions of any statute or regulation, including the *Negligence Act* (Ontario) and any amendments thereto, and/or under any successor legislation thereto, and/or under the Rules of Civil Procedure from the Releasees discharged by this Full and Final Release, in connection with the matters outlined above.

AND IT IS FURTHER UNDERSTOOD AND AGREED that if the undersigned makes such a claim, or take such proceedings, and the Releasees, or any of them, are added to such proceeding in any manner whatsoever, whether justified in law or not, the undersigned will immediately discontinue the proceedings and/or claims, and the undersigned will be liable to the Releasees for the legal costs incurred in such proceeding, on a solicitor and client scale. This Release shall operate conclusively as an estoppel in the event of any claim, action, complaint or proceeding which might be brought in the future by the undersigned with respect to the matters covered by this Release. This Release may be pleaded in the event any such claim, action, complaint or proceeding is brought, as a complete defence and reply, and may be relied upon in any proceeding to dismiss the claim, action, complaint or proceeding on a summary basis and no objection will be raised by the undersigned in any subsequent action that the other parties in the subsequent action were not privy to formation of this Release.

AND FOR THE SAID CONSIDERATION the undersigned hereby irrevocably and unconditionally covenant and agree to indemnify each of the Releasees from and against any liability, damages, costs and expenses suffered or incurred by any of the Releasees as a result of any claim made or proceedings taken (an "**Other Claim**") by the undersigned against any other person or entity who claims, or whose representatives, successors or assigns claim, contribution or indemnity from any of the Releasees in respect of such Other Claim if such Other Claim relates to a matter which the undersigned is releasing herein.

AND FOR THE SAID CONSIDERATION, the undersigned hereby represents and warrants that he has not assigned to any person, firm, or corporation, any of the actions, causes of action, claims, debts, suits or demands of any nature or kind which he has released by this Release, and that he has full authority and capacity to release his rights as against the Releasees, to the fullest extent allowed at law.

THE PROVISIONS hereof shall enure to the benefit of the each of the Target Companies, the Releasees and their respective heirs, executors, administrators, legal personal representatives, successors and permitted assigns and shall be binding upon the undersigned and his respective successors and assigns.

IN WITNESS WHEREOF the undersigned has hereunto set his hand as of the 1st day of February, 2021.

SIGNED IN THE PRESENCE OF	)	
	)	
	)	
	)	
_____________________________	)	_________________________________
Witness	)	**ROBERT GEORGE HAGGARTY**

SCHEDULE 7.05C EMPLOYMENT AGREEMENT (PAMELA)

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 7.05D EMPLOYMENT AGREEMENT (BRENT)

[Redacted as prejudicial to the Reporting Issuer]

SCHEDULE 7.06 REAL ESTATE MORTGAGE

See attached.

GUARANTEE

IN CONSIDERATION of the sum of Two ($2.00) Dollars and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the undersigned, **ITS Holdings Inc**., (hereinafter referred to as (the "Guarantor") hereby covenants and agrees with **Robert George Haggarty** (hereinafter referred to as the "Creditor"), as follows:

1. The Guarantor hereby guarantees the obligations of **Titanium Transportation Group Inc.** (the "Debtor") under the terms of a Promissory Note dated February 1, 2021 in the principal amount of Six Million Five Hundred Thousand ($6,500,000) Dollars (the "Promissory Note") including any interest owed or accrued thereon delivered by the Debtor to the Creditor pursuant to a share purchase agreement dated February 1, 2021 between the Creditor, Linda Anne Haggarty, Pamela Lee Haggarty, Dianne L, Haggarty, Teena Marie Chapman, Joreen Tracy Fisk, Frederick W. Labrash, Erica Ann Metcalfe, Elmer Brent Woods, and Brock Wayne Woods as Vendors and the Debtor as Purchaser.

2. This guarantee shall be a continuing guarantee and shall secure any ultimate balance due or remaining unpaid to the Creditor pursuant to the Promissory Note.

3. The Guarantor's obligation to make payment under this guarantee shall arise forthwith after written demand for payment upon the Guarantor. Any demand may be personally delivered or mailed by prepaid registered post addressed to the Guarantor as follows:

   ITS Holdings Inc.
   c/o Titanium Transportation Group Inc. 32 Simpson Road Bolton Ontario L7E 1G9

   Any such demand mailed by registered post shall be deemed to have been delivered on the fifth (5th) day following the posting thereof.

4. This guarantee is irrevocable, absolute and unconditional and the obligation of the Guarantor hereunder shall not be released, discharged, mitigated, impaired or affected by:

   (a) any grant of time, renewals, extensions, indulgences, releases, discharges or modifications which the Creditor may extend to or make with the Debtor, the Guarantor or any other person, firm or corporation;

   (b) any waiver by the Creditor or failure of the Creditor to enforce any of the terms, covenants, conditions or provisions of any agreement between the Creditor and the Debtor or the Guarantor;

   (c) taking of security or securities from the Debtor or any other person, firm or corporation and the release or discharge of such securities, including the failure to take such security or securities, or the failure to protect and keep protected such security or securities;

   (d) the acceptance of compositions from the Debtor, the release or discharge of the Debtor or the Guarantor by operation of law or otherwise;

(e) any change in the name, objects, structure or constitution of the Debtor or sale of the Debtor's business or any part thereof;

(f) the application by the Creditor of any monies received from the Debtor or the Guarantor or any other person, firm or corporation in such manner and on account of such part of the indebtedness as the Creditor deems best;

(g) any loss, diminution of value or unenforceability of any security or securities from the Debtor or any other person, firm or corporation;

(h) the death, incapacity or bankruptcy of any one of the Debtor or the Guarantor.

5. The Guarantor hereby expressly waive notice of non-performance, non-payment or non-observance on the part of the Debtor of any of the terms, covenants, conditions or provisions of any agreement between the Debtor and the Creditor.

6. The Guarantor hereby expressly waive any right to require the Creditor to:

(a) initiate or exhaust any rights, remedies or recourses against the Debtor, the Guarantor or any other person, firm or corporation;

(b) value, realize on or dispose of any security or securities of the Debtor or any other person, firm or corporation;

(c) initiate or exhaust any other remedy which the Creditor may have in law or equity;

before requiring or becoming entitled to demand payment from the Guarantor under this guarantee.

7. The liability of the Guarantor under this guarantee shall not be waived, released, discharged, mitigated, impaired or affected by the receivership, bankruptcy, insolvency, dissolution or distribution of the assets of the Debtor and upon the occurrence of any such events, all amounts owing to the Creditor by the Debtor shall thereupon be immediately due and payable.

8. All advances, renewals, credits, loans, invoices for products delivered, made or granted by the Creditor to or on behalf of the Debtor shall be deemed to form part of the indebtedness and liabilities of the Debtor hereby guaranteed notwithstanding any lack or limitation of power, capacity or disability of the Debtor or any of its Directors, Officers or Agents.

9. This guarantee shall be in addition to and not in substitution for any other guarantees or other securities which the Creditor may now or hereafter hold in respect of the indebtedness.

10. No failure to exercise and no delay in exercising on the part of the Creditor any right, power or privilege hereunder shall operate as a waiver thereof, nor shall it exclude any other or further exercise of any rights, powers or privileges which the Creditor may have as the rights and remedies herein are cumulative.

11. No modification of this guarantee shall be effective unless it is in writing and signed by both the Guarantor and the Creditor.

12. This guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario. This guarantee shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns.

13. Any term, covenant or provision of this guarantee which is invalid or unenforceable and so determined by any court of competent jurisdiction, shall be severed from the remainder of this guarantee and the remainder of this guarantee shall to the fullest extent permitted by law be valid and enforceable.

14. The Guarantor hereby acknowledges receipt of a copy of this guarantee.

THE GUARANTOR has executed this guarantee as of the 1st day of February 2021.

SIGNED, SEALED & DELIVERED	)	
	)	ITS HOLDINGS INC.
	)	
	)	
	)	______________________________
	)	Per: Ted Daniel*
	)	*I have the authority to bind the Corporation

GUARANTEE

IN CONSIDERATION of the sum of Two ($2.00) Dollars and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the undersigned, **Haggarty Real Estate Holdings Inc**., (hereinafter referred to as (the "Guarantor") hereby covenants and agrees with **Robert George Haggarty** (hereinafter referred to as the "Creditor"), as follows:

1. The Guarantor hereby guarantees the obligations of **Titanium Transportation Group Inc.** (the "Debtor") under the terms of a Promissory Note dated February 1, 2021 in the principal amount of Six Million Five Hundred Thousand ($6,500,000) Dollars (the "Promissory Note″) including any interest owed or accrued thereon delivered by the Debtor to the Creditor pursuant to a share purchase agreement dated February 1, 2021 between the Creditor, Linda Anne Haggarty, Pamela Lee Haggarty, Dianne L, Haggarty, Teena Marie Chapman, Joreen Tracy Fisk, Frederick W. Labrash, Erica Ann Metcalfe, Elmer Brent Woods, and Brock Wayne Woods as Vendors and the Debtor as Purchaser.

2. This guarantee shall be a continuing guarantee and shall secure any ultimate balance due or remaining unpaid to the Creditor pursuant to the Promissory Note.

3. The Guarantor's obligation to make payment under this guarantee shall arise forthwith after written demand for payment upon the Guarantor. Any demand may be personally delivered or mailed by prepaid registered post addressed to the Guarantor as follows:

   ITS Holdings Inc.
   c/o Titanium Transportation Group Inc. 32 Simpson Road Bolton Ontario L7E 1G9

   Any such demand mailed by registered post shall be deemed to have been delivered on the fifth (5th) day following the posting thereof.

4. This guarantee is irrevocable, absolute and unconditional and the obligation of the Guarantor hereunder shall not be released, discharged, mitigated, impaired or affected by:

   (a) any grant of time, renewals, extensions, indulgences, releases, discharges or modifications which the Creditor may extend to or make with the Debtor, the Guarantor or any other person, firm or corporation;

   (b) any waiver by the Creditor or failure of the Creditor to enforce any of the terms, covenants, conditions or provisions of any agreement between the Creditor and the Debtor or the Guarantor;

   (c) taking of security or securities from the Debtor or any other person, firm or corporation and the release or discharge of such securities, including the failure to take such security or securities, or the failure to protect and keep protected such security or securities;

   (d) the acceptance of compositions from the Debtor, the release or discharge of the Debtor or the Guarantor by operation of law or otherwise;

(e) any change in the name, objects, structure or constitution of the Debtor or sale of the Debtor's business or any part thereof;

(f) the application by the Creditor of any monies received from the Debtor or the Guarantor or any other person, firm or corporation in such manner and on account of such part of the indebtedness as the Creditor deems best;

(g) any loss, diminution of value or unenforceability of any security or securities from the Debtor or any other person, firm or corporation;

(h) the death, incapacity or bankruptcy of any one of the Debtor or the Guarantor.

5. The Guarantor hereby expressly waive notice of non-performance, non-payment or non-observance on the part of the Debtor of any of the terms, covenants, conditions or provisions of any agreement between the Debtor and the Creditor.

6. The Guarantor hereby expressly waive any right to require the Creditor to:

(a) initiate or exhaust any rights, remedies or recourses against the Debtor, the Guarantor or any other person, firm or corporation;

(b) value, realize on or dispose of any security or securities of the Debtor or any other person, firm or corporation;

(c) initiate or exhaust any other remedy which the Creditor may have in law or equity;

before requiring or becoming entitled to demand payment from the Guarantor under this guarantee.

7. The liability of the Guarantor under this guarantee shall not be waived, released, discharged, mitigated, impaired or affected by the receivership, bankruptcy, insolvency, dissolution or distribution of the assets of the Debtor and upon the occurrence of any such events, all amounts owing to the Creditor by the Debtor shall thereupon be immediately due and payable.

8. All advances, renewals, credits, loans, invoices for products delivered, made or granted by the Creditor to or on behalf of the Debtor shall be deemed to form part of the indebtedness and liabilities of the Debtor hereby guaranteed notwithstanding any lack or limitation of power, capacity or disability of the Debtor or any of its Directors, Officers or Agents.

9. This guarantee shall be in addition to and not in substitution for any other guarantees or other securities which the Creditor may now or hereafter hold in respect of the indebtedness.

10. No failure to exercise and no delay in exercising on the part of the Creditor any right, power or privilege hereunder shall operate as a waiver thereof, nor shall it exclude any other or further exercise of any rights, powers or privileges which the Creditor may have as the rights and remedies herein are cumulative.

11. No modification of this guarantee shall be effective unless it is in writing and signed by both the Guarantor and the Creditor.

12. This guarantee shall be governed by and construed in accordance with the laws of the Province of Ontario. This guarantee shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns.

13. Any term, covenant or provision of this guarantee which is invalid or unenforceable and so determined by any court of competent jurisdiction, shall be severed from the remainder of this guarantee and the remainder of this guarantee shall to the fullest extent permitted by law be valid and enforceable.

14. The Guarantor hereby acknowledges receipt of a copy of this guarantee.

THE GUARANTOR has executed this guarantee as of the 1st day of February 2021.

SIGNED, SEALED & DELIVERED	)	
	)	Haggarty Real Estate Holdings Inc.
	)	
	)	
	)	______________________________
	)	Per: Ted Daniel*
	)	*I have the authority to bind the Corporation

A C K N O W L E D G M E N T

TO: Robert George Haggarty

RE: Haggarty Real Estate Holdings Inc. first mortgage to Robert George Haggarty
107 Bellevue Drive Belleville Ontario PIN 40430-0333(LT)
Mortgage Reference Number: 914034

I the undersigned, being the authorized signing officer of the mortgagor in the above transaction, hereby acknowledge on behalf of the mortgagor receiving a copy of Standard Charge Terms No. 200033 before signing the above charge or mortgage, and I understand that the said Standard Charge Terms are incorporated by reference into such charge or mortgage.

DATED at Belleville, Ontario this day of February 2021

Haggarty Real Estate Holdings Inc.

____
Per. Ted Daniel*
*Authorized Signing Officer

DYE & DURHAM CO. INC.
Form No. 300E

Land Registration Reform Act

SET OF STANDARD CHARGE TERMS

(Electronic Filing)

Filed by
Dye & Durham Co. Inc.

Filing Date: November 3, 2000

Filing number: 200033

The following Set of Standard Charge Terms shall be applicable to documents registered in electronic format under Part III of the Land Registration Reform Act, R.S.O. 1990, c. L.4 as amended (the " Land Registration Reform Act") and shall be deemed to be included in every electronically registered charge in which this Set of Standard Charge Terms is referred to by its filing number, as provided in Section 9 of the Land Registration Reform Act, except to the extent that the provisions of this Set of Standard Charge Terms are modified by additions, amendments or deletions in the schedule. Any charge in an electronic format of which this Set of Standard Charge Terms forms a part by reference to the above-noted filing number in such charge shall hereinafter be referred to as the "Charge".

Exclusion of Statutory Covenants

1. The implied covenants deemed to be included in a charge under subsection 7(1) of the *Land Registration Reform Act* as amended or re-enacted are excluded from the Charge.

Right to Charge the Land

2. The Chargor now has good right, full power and lawful and absolute authority to charge the land and to give the Charge to the Chargee upon the covenants contained in the Charge.

No Act to Encumber

3. The Chargor has not done, committed, executed or wilfully or knowingly suffered any act, deed, matter or thing whatsoever whereby or by means whereof the land, or any part or parcel thereof, is or shall or may be in any way impeached, charged, affected or encumbered in title, estate or otherwise, except as the records of the land registry office disclose.

Good Title in Fee Simple

4. The Chargor, at the time of the delivery for registration of the Charge, is, and stands solely, rightfully and lawfully seized of a good, sure, perfect, absolute and indefeasible estate of inheritance, in fee simple, of and in the land and the premises described in the Charge and in every part and parcel thereof without any manner of trusts, reservations, limitations, provisos, conditions or any other matter or thing to alter, charge, change, encumber or defeat the same, except those contained in the original grant thereof from the Crown.

Promise to Pay and Perform

5. The Chargor will pay or cause to be paid to the Chargee the full principal amount and interest secured by the Charge in the manner of payment provided by the Charge, without any deduction or abatement, and shall do, observe, perform, fulfill and keep all the provisions, covenants, agreements and stipulations contained in the Charge and shall pay as they fall due all taxes, rates, levies, charges, assessments, utility and heating charges, municipal, local, parliamentary and otherwise which now are or may hereafter be imposed, charged or levied upon the land and when required shall produce for the Chargee receipts evidencing payment of the same.

Interest After Default

6. In case default shall be made in payment of any sum to become due for interest at the time provided for payment in the Charge, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, and both before and after default and judgement, shall bear interest at the rate provided for in the Charge. In case the interest and compound interest are not paid within the interest calculation period provided in the Charge from the time of default a rest shall be made, and compound interest at the rate provided for in the Charge shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be a charge upon the land.

No Obligation to Advance

7. Neither the preparation, execution or registration of the Charge shall bind the Chargee to advance the principal amount secured, nor shall the advance of a part of the principal amount secured bind the Chargee to advance any unadvanced portion thereof, but nevertheless the security in the land shall take effect forthwith upon delivery for registration of the Charge by the Chargor. The expenses of the examination of the title and of the Charge and valuation are to be secured by the Charge in the event of the whole or any balance of the principal amount not being advanced, the same to be charged hereby upon the land, and shall be, without demand therefor, payable forthwith with interest at the rate provided for in the Charge, and in default the Chargee's power of sale hereby given, and all other remedies hereunder, shall be exercisable.

Costs Added to Principal

8. The Chargee may pay all premiums of insurance and all taxes, rates, levies, charges, assessments, utility and heating charges which shall from time to time fall due and be unpaid in respect of the land, and that such payments, together with all costs, charges, legal fees (as between solicitor and client) and expenses which may be incurred in taking, recovering and keeping possession of the land and of negotiating the Charge, investigating title, and registering the Charge and other necessary deeds, and generally in any other proceedings taken in connection with or to realize upon the security given in the Charge (including legal fees and real estate commissions and other costs incurred in leasing or selling the land or in exercising the power of entering, lease and sale contained in the Charge) shall be, with interest at the rate provided for in the Charge, a charge upon the land in favour of the Chargee pursuant to the terms of the Charge and the Chargee may pay or satisfy any lien, charge or encumbrance now existing or hereafter created or claimed upon the land, which payments with interest at the rate provided for in the Charge shall likewise be a charge upon the land in favour of the Chargee. Provided, and it is hereby further agreed, that all amounts paid by the Chargee as aforesaid shall be added to the principal amount secured by the Charge and shall be payable forthwith with interest at the rate provided for in the Charge, and on default all sums secured by the Charge shall immediately become due and payable at the option of the Chargee, and all powers in the Charge conferred shall become exercisable.

Power of Sale

9. The Chargee on default of payment for at least fifteen (15) days may, on at least thirty-five (35) days' notice in writing given to the Chargor, enter on and lease the land or sell the land. Such notice shall be given to such persons and in such manner and form and within such time as provided in the *Mortgages Act*. In the event that the giving of such notice shall not be required by law or to the extent that such requirements shall not be applicable, it is agreed that notice may be effectually given by leaving it with a grown-up person on the land, if occupied, or by placing it on the land if unoccupied, or at the option of the Chargee, by mailing it in a registered letter addressed to the Chargor at his last known address, or by publishing it once in a newspaper published in the county or district in which the land is situate; and such notice shall be sufficient although not addressed to any person or persons by name or designation; and notwithstanding that any person to be affected thereby may be unknown, unascertained or under disability. Provided further, that in case default be made in the payment of the principal amount or interest or any part thereof and such default continues for two months after any payment of either falls due then the Chargee may exercise the foregoing powers of entering, leasing or selling or any of them without any notice, it being understood and agreed, however, that if the giving of notice by the Chargee shall be required by law then notice shall be given to such persons and in such manner and form and within such time as so required by law. It is hereby further agreed that the whole or any part or parts of the land may be sold by public auction or private contract, or partly

one or partly the other; and that the proceeds of any sale hereunder may be applied first in payment of any costs, charges and expenses incurred in taking, recovering or keeping possession of the land or by reason of non-payment or procuring payment of monies, secured by the Charge or otherwise, and secondly in payment of all amounts of principal and interest owing under the Charge; and if any surplus shall remain after fully satisfying the claims of the Chargee as aforesaid same shall be paid as required by law. The Chargee may sell any of the land on such terms as to credit and otherwise as shall appear to him most advantageous and for such prices as can reasonably be obtained therefor and may make any stipulations as to title or evidence or commencement of title or otherwise which he shall deem proper, and may buy in or rescind or vary any contract for the sale of the whole or any part of the land and resell without being answerable for loss occasioned thereby, and in the case of a sale on credit the Chargee shall be bound to pay the Chargor only such monies as have been actually received from purchasers after the satisfaction of the claims of the Chargee and for any of said purposes may make and execute all agreements and assurances as he shall think fit. Any purchaser or lessee shall not be bound to see to the propriety or regularity of any sale or lease or be affected by express notice that any sale or lease is improper and no want of notice or publication when required hereby shall invalidate any sale or lease hereunder.

Quiet Possession

10. Upon default in payment of principal and interest under the Charge or in performance of any of the terms or conditions hereof, the Chargee may enter into and take possession of the land hereby charged and where the Chargee so enters on and takes possession or enters on and takes possession of the land on default as described in paragraph 9 herein the Chargee shall enter into, have, hold, use, occupy, possess and enjoy the land without the let, suit, hindrance, interruption or denial of the Chargor or any other person or persons whomsoever.

Right to Distrain

11. If the Chargor shall make default in payment of any part of the interest payable under the Charge at any of the dates or times fixed for the payment thereof, it shall be lawful for the Chargee to distrain therefor upon the land or any part thereof, and by distress warrant, to recover by way of rent reserved, as in the case of a demise of the land, so much of such interest as shall, from time to time, be or remain in arrears and unpaid, together with all costs, charges and expenses attending such levy or distress, as in like cases of distress for rent. Provided that the Chargee may distrain for arrears of principal in the same manner as if the same were arrears of interest.

Further Assurances

12. From and after default in the payment of the principal amount secured by the Charge or the interest thereon or any part of such principal or interest or in the doing, observing, performing, fulfilling or keeping of some one or more of the covenants set forth in the Charge then and in every such case the Chargor and all and every other person whosoever having, or lawfully claiming, or who shall have or lawfully claim any estate, right, title, interest or trust of, in, to or out of the land shall, from time to time, and at all times thereafter, at the proper costs and charges of the Chargor make, do, suffer, execute, deliver, authorize and register, or cause or procure to be made, done, suffered, executed, delivered, authorized and registered, all and every such further and other reasonable act or acts, deed or deeds, devises, conveyances and assurances in the law for the further, better and more perfectly and absolutely conveying and assuring the land unto the Chargee as by the Chargee or his solicitor shall or may be lawfully and reasonably devised, advised or required.

Acceleration of Principal and Interest

13. In default of the payment of the interest secured by the Charge the principal amount secured by the Charge shall, at the option of the Chargee, immediately become payable, and upon default of payment of instalments of principal promptly as the same mature, the balance of the principal and interest secured by the Charge shall, at the option of the Chargee, immediately become due and payable. The Chargee may in writing at any time or times after default waive such default and any such waiver shall apply only to the particular default waived and shall not operate as a waiver of any other or future default.

nique

Unapproved Sale

14. If the Chargor sells, transfers, disposes of, leases or otherwise deals with the land, the principal amount secured by the Charge shall, at the option of the Chargee, immediately become due and payable.

Partial Releases

15. The Chargee may at his discretion at all times release any part or parts of the land or any other security or any surety for the money secured under the Charge either with or without any sufficient consideration therefor, without responsibility therefor, and without thereby releasing any other part of the land or any person from the Charge or from any of the covenants contained in the Charge and without being accountable to the Chargor for the value thereof, or for any monies except those actually received by the Chargee. It is agreed that every part or lot into which the land is or may hereafter be divided does and shall stand charged with the whole money secured under the Charge and no person shall have the right to require the mortgage monies to be apportioned.

Obligation to Insure

16. The Chargor will immediately insure, unless already insured, and during the continuance of the Charge keep insured against loss or damage by fire, in such proportions upon each building as may be required by the Chargee, the buildings on the land to the amount of not less than their full insurable value on a replacement cost basis in dollars of lawful money of Canada. Such insurance shall be placed with a company approved by the Chargee. Buildings shall include all buildings whether now or hereafter erected on the land, and such insurance shall include not only insurance against loss or damage by fire but also insurance against loss or damage by explosion, tempest, tornado, cyclone, lightning and all other extended perils customarily provided in insurance policies including "all risks" insurance. The covenant to insure shall also include where appropriate or if required by the Chargee, boiler, plate glass, rental and public liability insurance in amounts and on terms satisfactory to the Chargee. Evidence of continuation of all such insurance having been effected shall be produced to the Chargee at least fifteen (15) days before the expiration thereof; otherwise the Chargee may provide therefor and charge the premium paid and interest thereon at the rate provided for in the Charge to the Chargor and the same shall be payable forthwith and shall also be a charge upon the land. It is further agreed that the Chargee may at any time require any insurance of the buildings to be cancelled and new insurance effected in a company to be named by the Chargee and also of his own accord may effect or maintain any insurance herein provided for, and any amount paid by the Chargee therefor shall be payable forthwith by the Chargor with interest at the rate provided for in the Charge and shall also be a charge upon the land. Policies of insurance herein required shall provide that loss, if any, shall be payable to the Chargee as his interest may appear, subject to the standard form of mortgage clause approved by the Insurance Bureau of Canada which shall be attached to the policy of insurance.

Obligation to Repair

17. The Chargor will keep the land and the buildings, erections and improvements thereon, in good condition and repair according to the nature and description thereof respectively, and the Chargee may, whenever he deems necessary, by his agent enter upon and inspect the land and make such repairs as he deems necessary, and the reasonable cost of such inspection and repairs with interest at the rate provided for in the Charge shall be added to the principal amount and be payable forthwith and be a charge upon the land prior to all claims thereon subsequent to the Charge. If the Chargor shall neglect to keep the buildings, erections and improvements in good condition and repair, or commits or permits any act of waste on the land (as to which the Chargee shall be sole judge) or makes default as to any of the covenants, provisos, agreements or conditions contained in the Charge or in any charge to which this Charge is subject, all monies secured by the Charge shall, at the option of the Chargee, forthwith become due and payable, and in default of payment of same with interest as in the case of payment

before maturity the powers of entering upon and leasing or selling hereby given and all other remedies herein contained may be exercised forthwith.

Building Charge

18. If any of the principal amount to be advanced under the Charge is to be used to finance an improvement on the land, the Chargor must so inform the Chargee in writing immediately and before any advances are made under the Charge. The Chargor must also provide the Chargee immediately with copies of all contracts and subcontracts relating to the improvement and any amendments to them. The Chargor agrees that any improvement shall be made only according to contracts, plans and specifications approved in writing by the Chargee. The Chargor shall complete all such improvements as quickly as possible and provide the Chargee with proof of payment of all contracts from time to time as the Chargee requires. The Chargee shall make advances (part payments of the principal amount) to the Chargor based on the progress of the improvement, until either completion and occupation or sale of the land. The Chargee shall determine whether or not any advances will be made and when they will be made. Whatever the purpose of the Charge may be, the Chargee may at its option hold back funds from advances until the Chargee is satisfied that the Chargor has complied with the holdback provisions of the *Construction Lien Act* as amended or re-enacted. The Chargor authorizes the Chargee to provide information about the Charge to any person claiming a construction lien on the land.

Extensions not to Prejudice

19. No extension of time given by the Chargee to the Chargor or anyone claiming under him, or any other dealing by the Chargee with the owner of the land or of any part thereof, shall in any way affect or prejudice the rights of the Chargee against the Chargor or any other person liable for the payment of the money secured by the Charge, and the Charge may be renewed by an agreement in writing at maturity for any term with or without an increased rate of interest notwithstanding that there may be subsequent encumbrances. It shall not be necessary to deliver for registration any such agreement in order to retain priority for the Charge so altered over any instrument delivered for registration subsequent to the Charge. Provided that nothing contained in this paragraph shall confer any right of renewal upon the Chargor.

No Merger of Covenants

20. The taking of a judgment or judgments on any of the covenants herein shall not operate as a merger of the covenants or affect the Chargee's right to interest at the rate and times provided for in the Charge; and further that any judgment shall provide that interest thereon shall be computed at the same rate and in the same manner as provided in the Charge until the judgment shall have been fully paid and satisfied.

Change in Status

21. Immediately after any change or happening affecting any of the following, namely: *(a)* the spousal status of the Chargor, *(b)* the qualification of the land as a family residence within the meaning of Part II of the *Family Law Act,* and *(c)* the legal title or beneficial ownership of the land, the Chargor will advise the Chargee accordingly and furnish the Chargee with full particulars thereof, the intention being that the Chargee shall be kept fully informed of the names and addresses of the owner or owners for the time being of the land and of any spouse who is not an owner but who has a right of possession in the land by virtue of Section 19 of the *Family Law Act.* In furtherance of such intention, the Chargor covenants and agrees to furnish the Chargee with such evidence in connection with any of *(a)*, *(b)* and *(c)* above as the Chargee may from time to time request.

Condominium Provisions

22. If the Charge is of land within a condominium registered pursuant to the *Condominium Act* (the "Act") the following provisions shall apply. The Chargor will comply with the Act, and with the declaration, by-laws and rules of the condominium corporation (the "corporation") relating to the Chargor's unit (the "unit") and provide the Chargee with proof of compliance from time to time as the Chargee may request. The Chargor will pay the common expenses for the unit to the corporation on the due dates. If the Chargee decides to collect the Chargor's contribution towards the common expenses from the Chargor, the Chargor will pay the same to the Chargee upon being so notified. The Chargee is authorized to accept a statement which appears to be issued by the corporation as conclusive evidence for the purpose of establishing the amounts of the common expenses and the dates those amounts are due. The Chargor, upon notice from the Chargee, will forward to the Chargee any notices, assessments, by-laws, rules and financial statements of the corporation that the Chargor receives or is entitled to receive from the corporation. The Chargor will maintain all improvements made to the unit and repair them after damage. In addition to the insurance which the corporation must obtain, the Chargor shall insure the unit against destruction or damage by fire and other perils usually covered in fire insurance policies and against such other perils as the Chargee requires for its full replacement cost (the maximum amount for which it can be insured). The insurance company and the terms of the policy shall be reasonably satisfactory to the Chargee. This provision supersedes the provisions of paragraph 16 herein. The Chargor irrevocably authorizes the Chargee to exercise the Chargor's rights under the Act to vote, consent and dissent.

Discharge

23. The Chargee shall have a reasonable time after payment in full of the amounts secured by the Charge to deliver for registration a discharge or if so requested and if required by law to do so, an assignment of the Charge and all legal and other expenses for preparation, execution and registration, as applicable to such discharge or assignment shall be paid by the Chargor.

Guarantee

24. Each party named in the Charge as a Guarantor hereby agrees with the Chargee as follows:

(a) In consideration of the Chargee advancing all or part of the Principal Amount to the Chargor, and in consideration of the sum of TWO DOLLARS ($2.00) of lawful money of Canada now paid by the Chargee to the Guarantor (the receipt and sufficiency whereof are hereby acknowledged), the Guarantor does hereby absolutely and unconditionally guarantee to the Chargee, and its successors, the due and punctual payment of all principal moneys, interest and other moneys owing on the security of the Charge and observance and performance of the covenants, agreements, terms and conditions herein contained by the Chargor, and the Guarantor, for himself and his successors, covenants with the Chargee that, if the Chargor shall at any time make default in the due and punctual payment of any moneys payable hereunder, the Guarantor will pay all such moneys to the Chargee without any demand being required to be made.

(b) Although as between the Guarantor and the Chargor, the Guarantor is only surety for the payment by the Chargor of the moneys hereby guaranteed, as between the Guarantor and the Chargee, the Guarantor shall be considered as primarily liable therefor and it is hereby further expressly declared that no release or releases of any portion or portions of the land; no indulgence shown by the Chargee in respect of any default by the Chargor or any successor thereof which may arise under the Charge; no extension or extensions granted by the Chargee to the Chargor or any successor thereof for payment of the moneys hereby secured or for the doing, observing or performing of any covenant, agreement, term or condition herein contained to be done, observed or performed by the Chargor or any successor thereof; no variation in or departure from the provisions of the Charge; no release of the Chargor or any other thing whatsoever whereby the Guarantor as surety only would or might have been released shall in any way modify, alter, vary or in any way prejudice the Chargee or affect the liability of the Guarantor in any way under this covenant, which shall continue and be binding on the Guarantor, and as well after as before maturity of the Charge and both before and after default and judgment, until the said moneys are fully paid and satisfied.

(c) Any payment by the Guarantor of any moneys under this guarantee shall not in any event be taken to affect

DYE & DURHAM CO. INC.
Form No. 300E

the liability of the Chargor for payment thereof but such liability shall remain unimpaired and enforceable by the Guarantor against the Chargor and the Guarantor shall, to the extent of any such payments made by him, in addition to all other remedies, be subrogated as against the Chargor to all the rights, privileges and powers to which the Chargee was entitled prior to payment by the Guarantor; provided, nevertheless, that the Guarantor shall not be entitled in any event to rank for payment against the lands in competition with the Chargee and shall not, unless and until the whole of the principal, interest and other moneys owing on the security of the Charge shall have been paid, be entitled to any rights or remedies whatsoever in subrogation to the Chargee.

(d) All covenants, liabilities and obligations entered into or imposed hereunder upon the Guarantor shall be equally binding upon his successors. Where more than one party is named as a Guarantor all such covenants, liabilities and obligations shall be joint and several.

(e) The Chargee may vary any agreement or arrangement with or release the Guarantor, or any one or more of the Guarantors if more than one party is named as Guarantor, and grant extensions of time or otherwise deal with the Guarantor and his successors without any consent on the part of the Chargor or any other Guarantor or any successor thereof.

Severability

25. It is agreed that in the event that at any time any provision of the Charge is illegal or invalid under or inconsistent with provisions of any applicable statute, regulation thereunder or other applicable law or would by reason of the provisions of any such statute, regulation or other applicable law render the Chargee unable to collect the amount of any loss sustained by it as a result of making the loan secured by the Charge which it would otherwise be able to collect under such statute, regulation or other applicable law then, such provision shall not apply and shall be construed so as not to apply to the extent that it is so illegal, invalid or inconsistent or would so render the Chargee unable to collect the amount of any such loss.

Interpretation

26. In construing these covenants the words "Charge", "Chargee", "Chargor", "land" and "successor" shall have the meanings assigned to them in Section 1 of the *Land Registration Reform Act* and the words "Chargor" and "Chargee" and the personal pronouns "he" and "his" relating thereto and used therewith, shall be read and construed as "Chargor" or "Chargors", "Chargee" or "Chargees", and "he", "she", "they" or "it", "his", "her", "their" or "its", respectively, as the number and gender of the parties referred to in each case require, and the number of the verb agreeing therewith shall be construed as agreeing with the said word or pronoun so substituted. And that all rights, advantages, privileges, immunities, powers and things hereby secured to the Chargor or Chargors, Chargee or Chargees, shall be equally secured to and exercisable by his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be. The word "successor" shall also include successors and assigns of corporations including amalgamated and continuing corporations. And that all covenants, liabilities and obligations entered into or imposed hereunder upon the Chargor or Chargors, Chargee or Chargees, shall be equally binding upon his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be, and that all such covenants and liabilities and obligations shall be joint and several.

Paragraph headings

27. The paragraph headings in these standard charge terms are inserted for convenience of reference only and are deemed not to form part of the Charge and are not to be considered in the construction or interpretation of the Charge or any part thereof.

Date of Charge

28. The Charge, unless otherwise specifically provided, shall be deemed to be dated as of the date of delivery for registration of the Charge.

Effect of Delivery of Charge

29. The delivery of the Charge for registration by direct electronic transfer shall have the same effect for all purposes as if such Charge were in written form, signed by the parties thereto and delivered to the Chargee. Each of the Chargor and, if applicable, the spouse of the Chargor and other party to the Charge agrees not to raise in any proceeding by the Chargee to enforce the Charge any want or lack of authority on the part of the person delivering the Charge for registration to do so.

DATED this day of ,
(year)

ACKNOWLEDGEMENT AND DIRECTION

TO: Harold Van Winssen
(Insert lawyer's name)

AND TO: TEMPLEMAN LLP
(Insert firm name)

RE: Collateral Mortgage Haggarty Real Estate Holdings Inc. to Haggarty ("the transaction")
(Insert brief description of transaction)

This will confirm that:

- I/We have reviewed the information set out in this Acknowledgement and Direction and in the documents described below (the "Documents"), and that this information is accurate;
- You, your agent or employee are authorized and directed to sign, deliver, and/or register electronically, on my/our behalf the Documents in the form attached.
- The effect of the Documents has been fully explained to me/us, and I/we understand that I/we are parties to and bound by the terms and provisions of the Documents to the same extent as if I/we had signed them; and
- I/we are in fact the parties named in the Documents and I/we have not misrepresented our identities to you.

DESCRIPTION OF ELECTRONIC DOCUMENTS

The Document(s) described in the Acknowledgement and Direction are the document(s) selected below which are attached hereto as "Document in Preparation" and are:

☐ A Transfer of the land described above.

X A Charge of the land described above.

☐ Other documents set out in Schedule "B" attached hereto.

☐

☐

Dated at Belleville this ________________ day of February , 2021 .

WITNESS

(As to all signatures, if required)

HAGGARTY REAL ESTATE HOLDINGS INC.

Per:

TED DANIEL
I have authority to bind the Corporation

Properties

PIN 40430 - 0333 LT *Interest/Estate* Fee Simple

Description PT LT 32 CON 3 SIDNEY, PART 1 PLAN 21R9609 EXCEPT PARTS 6, 7 AND 8 PLAN 21R9058; PART LOT 32 CONCESSION 3 SIDNEY, PARTS 1 & 2 PLAN 21R25713; SUBJECT TO AN EASEMENT OVER PART 1, PLAN 21R25713 AS IN QR17809; CITY OF QUINTE WEST

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name HAGGARTY REAL ESTATE HOLDINGS INC.

Acting as a company

Address for Service 32 Simpson Road, Bolton, Ontario L7E 1G9

I, Ted Daniel, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Chargee(s) *Capacity* *Share*

Name HAGGARTY, ROBERT GEORGE

Acting as an individual

Address for Service 64 South Front Street, Belleville, Ontario K8N 2Y3

Statements

Schedule: See Schedules

Provisions

Principal	$6,500,000.00	*Currency*	CDN
Calculation Period	quarterly in arrears		
Balance Due Date	On Demand		
Interest Rate	2% per annum		
Payments			
Interest Adjustment Date			
Payment Date			
First Payment Date			
Last Payment Date			
Standard Charge Terms	200033		
Insurance Amount	Full insurable value		
Guarantor			

Additional Provisions

This charge is given as collateral security for a guarantee dated February 1st, 2021 from the Chargor of a promissory note dated February 1st, 2021 in the principal sum of six million, five hundred thousand dollars given by Titanium Transportation Group Inc. in favour of the Chargee (the "Note"). This charge shall immediately be discharged upon repayment in full of the Note

File Number

Chargor Client File Number : 914034

Chargee Client File Number : 914034

SCHEDULE

1. The Chargor hereby covenants and agrees that it will give immediate notice in writing to the Chargee of any damage caused by fire, or any other casualty to the premises or the Chargor.

2. The Chargor covenants and agrees that the Mortgaged Property will be kept at all times in good and proper repair and in a state of good operating efficiency.

3. Provided that the herein described mortgage together with the principal sum secured hereunder and all accrued interest shall immediately become due and payable in full at the exclusive option of the Chargee if the Mortgaged Property or any part thereof or interest therein is sold, transferred, conveyed, foreclosed, exchanged, assigned, mortgaged or otherwise disposed of or any building thereon is destroyed (other than the removal of ancillary buildings) or the Chargor enters into an agreement to effect of the foregoing whether by registered or unregistered instrument and whether for valuable or nominal consideration, provided that the Chargor may transfer the Mortgaged Property to an "Affiliate (or "affiliate") or Subsidiary (or "subsidiary") within the meaning of the Business Corporations Act without the consent of the Chargee provided further that the Chargor gives prior written notice of the transfer to the Chargee.

4. If the Chargor defaults in the performance or observance of any covenant, term or proviso herein including the obligation to make payments following demand on the guarantee by the Chargee relating to the February 1, 2021 Promissory Note given by Titanium Transportation Group Inc. to the Chargee (the "Promissory Note") or to guarantee the obligations of Titanium Transportation Group Inc. under the Promissory Note, then the Chargee may at his option, declare the whole of the principal hereby secured to be forthwith due and payable together with accrued interest thereon.

5. All monies owing pursuant to this mortgage shall, at the option of the Chargee become forthwith due and payable, and all the rights and remedies hereby conferred in respect of the Mortgaged Property shall become immediately enforceable and any and all additional and collateral securities for payment of this mortgage shall become immediately enforceable upon the happening of any of the following events:

   (a) if the Chargor, International Truckload Services Inc., or Titanium Transportation Group Inc. commits any act of bankruptcy as defined in the Bankruptcy Act (Canada) or becomes an "insolvent person" within the meaning of the said Act;

   (b) if any proposal is made or any petition is filed by the Chargor, International Truckload Services Inc., or Titanium Transportation Group Inc. under any law having for its purpose the extension of time for payment, composition or compromise of the liabilities of the Chargor, International Truckload Services Inc., or Titanium Transportation Group Inc.;

   (c) if any receiver, administrator or manager of the Mortgaged Property, assets or undertaking of the Chargor, International Truckload Services Inc., or Titanium Transportation Group Inc. is appointed pursuant to the terms of any trust deed, trust indenture, debenture or similar instrument or by or under any judgment or order of any court;

(d) if any encumbrance affecting the property becomes enforceable thereon, any execution, distress or other process of any court becomes enforceable against any of the property of the Chargor, International Truckload Services Inc., or Titanium Transportation Group Inc. or a distress or like process is levied upon any of such property;

(e) the failure of Titanium Transportation Group Inc. or the Chargor to pay any interest or principal under the Promissory Note when due;

(f) the failure of the Chargor or Titanium Transportation Group Inc. to fully comply with and perform any and all terms, covenants and agreements of this Mortgage or the Promissory Note.

6. The Chargor agrees that upon default hereunder the Chargee may appoint a receiver of the Mortgaged Property and of the rents and profits therefrom and in making such appointment the Chargee shall be deemed to be acting as the attorney for the Chargor.

7. The receiver may be vested with any of the powers of the Chargee, and the Chargee may fix the remuneration of the receiver and direct the payment thereof out of the money arising from the sale, leasing or other dealing with the Mortgaged Property. The receiver shall be deemed the agent of the Chargor and not the agent of the Chargee. All money received by the receiver shall be disbursed by him as follows:

(a) In discharge of all taxes, insurance premiums and accounts payable affecting the Mortgaged Property;

(b) In payment of his fee and expenses;

(c) In payment of the amounts due hereunder and the balance, if any, shall be paid to the Chargor.

8. In addition to the Standard Charge Terms adopted hereunder the Chargor and Chargee agree that the following shall apply:

Upon Default in payment of principal or interest under the Promissory Note or in performance of any of the terms and conditions hereof or the Promissory Note, Chargee may enter into and take possession of the Mortgaged Property free from all manner of former conveyances, mortgages, changes or encumbrances without the let, suit, hinderance, interruption or denial of the Chargor or any other person whatsoever.

9. As additional security, the Chargor hereby assigns to the Chargee, all leases and contracts already in existence and to be created in the future, together with all rents to become due under existing or future leases and, upon an event of default as hereunder

provided, confers upon the Chargee herein the exclusive power, to be used or not used in its sole discretion, to act as agent, or to appoint a third person to act as agent for the Chargor, with power to take possession of and collect all rents and profits arising from the mortgaged premises and to apply such rents and profits at the option of the Chargee to the payment of the mortgage debt, interest, insurance, taxes, cost of maintenance and operation, repairs and other expenses similar to the foregoing in such order of priority as the Chargee may in its sole discretion determine.

A C K N O W L E D G M E N T

TO: Robert George Haggarty

RE: ITS Holdings Inc. first mortgage to Robert George Haggarty
1331 Optimum Drive Cornwall Ontario PIN 60143-0183 (LT) and PIN 60143-0257 (LT)
Mortgage Reference Number: 914034

I the undersigned, being the authorized signing officer of the mortgagor in the above transaction, hereby acknowledge on behalf of the mortgagor receiving a copy of Standard Charge Terms No. 200033 before signing the above charge or mortgage, and I understand that the said Standard Charge Terms are incorporated by reference into such charge or mortgage.

DATED at Belleville, Ontario this day of February 2021

ITS Holdings Inc.

Per. Ted Daniel*
*Authorized Signing Officer

Land Registration Reform Act

SET OF STANDARD CHARGE TERMS

(Electronic Filing)

DYE & DURHAM CO. INC.
Form No. 300E

Filed by
Dye & Durham Co. Inc.

Filing Date: November 3, 2000

Filing number: 200033

The following Set of Standard Charge Terms shall be applicable to documents registered in electronic format under Part III of the Land Registration Reform Act, R.S.O. 1990, c. L.4 as amended (the " Land Registration Reform Act") and shall be deemed to be included in every electronically registered charge in which this Set of Standard Charge Terms is referred to by its filing number, as provided in Section 9 of the Land Registration Reform Act, except to the extent that the provisions of this Set of Standard Charge Terms are modified by additions, amendments or deletions in the schedule. Any charge in an electronic format of which this Set of Standard Charge Terms forms a part by reference to the above-noted filing number in such charge shall hereinafter be referred to as the "Charge".

Exclusion of Statutory Covenants

1. The implied covenants deemed to be included in a charge under subsection 7(1) of the *Land Registration Reform Act* as amended or re-enacted are excluded from the Charge.

Right to Charge the Land

2. The Chargor now has good right, full power and lawful and absolute authority to charge the land and to give the Charge to the Chargee upon the covenants contained in the Charge.

No Act to Encumber

3. The Chargor has not done, committed, executed or wilfully or knowingly suffered any act, deed, matter or thing whatsoever whereby or by means whereof the land, or any part or parcel thereof, is or shall or may be in any way impeached, charged, affected or encumbered in title, estate or otherwise, except as the records of the land registry office disclose.

Good Title in Fee Simple

4. The Chargor, at the time of the delivery for registration of the Charge, is, and stands solely, rightfully and lawfully seized of a good, sure, perfect, absolute and indefeasible estate of inheritance, in fee simple, of and in the land and the premises described in the Charge and in every part and parcel thereof without any manner of trusts, reservations, limitations, provisos, conditions or any other matter or thing to alter, charge, change, encumber or defeat the same, except those contained in the original grant thereof from the Crown.

Promise to Pay and Perform

5. The Chargor will pay or cause to be paid to the Chargee the full principal amount and interest secured by the Charge in the manner of payment provided by the Charge, without any deduction or abatement, and shall do, observe, perform, fulfill and keep all the provisions, covenants, agreements and stipulations contained in the Charge and shall pay as they fall due all taxes, rates, levies, charges, assessments, utility and heating charges, municipal, local, parliamentary and otherwise which now are or may hereafter be imposed, charged or levied upon the land and when required shall produce for the Chargee receipts evidencing payment of the same.

Interest After Default

6. In case default shall be made in payment of any sum to become due for interest at the time provided for payment in the Charge, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, and both before and after default and judgement, shall bear interest at the rate provided for in the Charge. In case the interest and compound interest are not paid within the interest calculation period provided in the Charge from the time of default a rest shall be made, and compound interest at the rate provided for in the Charge shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be a charge upon the land.

No Obligation to Advance

7. Neither the preparation, execution or registration of the Charge shall bind the Chargee to advance the principal amount secured, nor shall the advance of a part of the principal amount secured bind the Chargee to advance any unadvanced portion thereof, but nevertheless the security in the land shall take effect forthwith upon delivery for registration of the Charge by the Chargor. The expenses of the examination of the title and of the Charge and valuation are to be secured by the Charge in the event of the whole or any balance of the principal amount not being advanced, the same to be charged hereby upon the land, and shall be, without demand therefor, payable forthwith with interest at the rate provided for in the Charge, and in default the Chargee's power of sale hereby given, and all other remedies hereunder, shall be exercisable.

Costs Added to Principal

8. The Chargee may pay all premiums of insurance and all taxes, rates, levies, charges, assessments, utility and heating charges which shall from time to time fall due and be unpaid in respect of the land, and that such payments, together with all costs, charges, legal fees (as between solicitor and client) and expenses which may be incurred in taking, recovering and keeping possession of the land and of negotiating the Charge, investigating title, and registering the Charge and other necessary deeds, and generally in any other proceedings taken in connection with or to realize upon the security given in the Charge (including legal fees and real estate commissions and other costs incurred in leasing or selling the land or in exercising the power of entering, lease and sale contained in the Charge) shall be, with interest at the rate provided for in the Charge, a charge upon the land in favour of the Chargee pursuant to the terms of the Charge and the Chargee may pay or satisfy any lien, charge or encumbrance now existing or hereafter created or claimed upon the land, which payments with interest at the rate provided for in the Charge shall likewise be a charge upon the land in favour of the Chargee. Provided, and it is hereby further agreed, that all amounts paid by the Chargee as aforesaid shall be added to the principal amount secured by the Charge and shall be payable forthwith with interest at the rate provided for in the Charge, and on default all sums secured by the Charge shall immediately become due and payable at the option of the Chargee, and all powers in the Charge conferred shall become exercisable.

Power of Sale

9. The Chargee on default of payment for at least fifteen (15) days may, on at least thirty-five (35) days' notice in writing given to the Chargor, enter on and lease the land or sell the land. Such notice shall be given to such persons and in such manner and form and within such time as provided in the *Mortgages Act*. In the event that the giving of such notice shall not be required by law or to the extent that such requirements shall not be applicable, it is agreed that notice may be effectually given by leaving it with a grown-up person on the land, if occupied, or by placing it on the land if unoccupied, or at the option of the Chargee, by mailing it in a registered letter addressed to the Chargor at his last known address, or by publishing it once in a newspaper published in the county or district in which the land is situate; and such notice shall be sufficient although not addressed to any person or persons by name or designation; and notwithstanding that any person to be affected thereby may be unknown, unascertained or under disability. Provided further, that in case default be made in the payment of the principal amount or interest or any part thereof and such default continues for two months after any payment of either falls due then the Chargee may exercise the foregoing powers of entering, leasing or selling or any of them without any notice, it being understood and agreed, however, that if the giving of notice by the Chargee shall be required by law then notice shall be given to such persons and in such manner and form and within such time as so required by law. It is hereby further agreed that the whole or any part or parts of the land may be sold by public auction or private contract, or partly

one or partly the other; and that the proceeds of any sale hereunder may be applied first in payment of any costs, charges and expenses incurred in taking, recovering or keeping possession of the land or by reason of non-payment or procuring payment of monies, secured by the Charge or otherwise, and secondly in payment of all amounts of principal and interest owing under the Charge; and if any surplus shall remain after fully satisfying the claims of the Chargee as aforesaid same shall be paid as required by law. The Chargee may sell any of the land on such terms as to credit and otherwise as shall appear to him most advantageous and for such prices as can reasonably be obtained therefor and may make any stipulations as to title or evidence or commencement of title or otherwise which he shall deem proper, and may buy in or rescind or vary any contract for the sale of the whole or any part of the land and resell without being answerable for loss occasioned thereby, and in the case of a sale on credit the Chargee shall be bound to pay the Chargor only such monies as have been actually received from purchasers after the satisfaction of the claims of the Chargee and for any of said purposes may make and execute all agreements and assurances as he shall think fit. Any purchaser or lessee shall not be bound to see to the propriety or regularity of any sale or lease or be affected by express notice that any sale or lease is improper and no want of notice or publication when required hereby shall invalidate any sale or lease hereunder.

Quiet Possession

10. Upon default in payment of principal and interest under the Charge or in performance of any of the terms or conditions hereof, the Chargee may enter into and take possession of the land hereby charged and where the Chargee so enters on and takes possession or enters on and takes possession of the land on default as described in paragraph 9 herein the Chargee shall enter into, have, hold, use, occupy, possess and enjoy the land without the let, suit, hindrance, interruption or denial of the Chargor or any other person or persons whomsoever.

Right to Distrain

11. If the Chargor shall make default in payment of any part of the interest payable under the Charge at any of the dates or times fixed for the payment thereof, it shall be lawful for the Chargee to distrain therefor upon the land or any part thereof, and by distress warrant, to recover by way of rent reserved, as in the case of a demise of the land, so much of such interest as shall, from time to time, be or remain in arrears and unpaid, together with all costs, charges and expenses attending such levy or distress, as in like cases of distress for rent. Provided that the Chargee may distrain for arrears of principal in the same manner as if the same were arrears of interest.

Further Assurances

12. From and after default in the payment of the principal amount secured by the Charge or the interest thereon or any part of such principal or interest or in the doing, observing, performing, fulfilling or keeping of some one or more of the covenants set forth in the Charge then and in every such case the Chargor and all and every other person whosoever having, or lawfully claiming, or who shall have or lawfully claim any estate, right, title, interest or trust of, in, to or out of the land shall, from time to time, and at all times thereafter, at the proper costs and charges of the Chargor make, do, suffer, execute, deliver, authorize and register, or cause or procure to be made, done, suffered, executed, delivered, authorized and registered, all and every such further and other reasonable act or acts, deed or deeds, devises, conveyances and assurances in the law for the further, better and more perfectly and absolutely conveying and assuring the land unto the Chargee as by the Chargee or his solicitor shall or may be lawfully and reasonably devised, advised or required.

Acceleration of Principal and Interest

13. In default of the payment of the interest secured by the Charge the principal amount secured by the Charge shall, at the option of the Chargee, immediately become payable, and upon default of payment of instalments of principal promptly as the same mature, the balance of the principal and interest secured by the Charge shall, at the option of the Chargee, immediately become due and payable. The Chargee may in writing at any time or times after default waive such default and any such waiver shall apply only to the particular default waived and shall not operate as a waiver of any other or future default.

nique

Unapproved Sale

14. If the Chargor sells, transfers, disposes of, leases or otherwise deals with the land, the principal amount secured by the Charge shall, at the option of the Chargee, immediately become due and payable.

Partial Releases

15. The Chargee may at his discretion at all times release any part or parts of the land or any other security or any surety for the money secured under the Charge either with or without any sufficient consideration therefor, without responsibility therefor, and without thereby releasing any other part of the land or any person from the Charge or from any of the covenants contained in the Charge and without being accountable to the Chargor for the value thereof, or for any monies except those actually received by the Chargee. It is agreed that every part or lot into which the land is or may hereafter be divided does and shall stand charged with the whole money secured under the Charge and no person shall have the right to require the mortgage monies to be apportioned.

Obligation to Insure

16. The Chargor will immediately insure, unless already insured, and during the continuance of the Charge keep insured against loss or damage by fire, in such proportions upon each building as may be required by the Chargee, the buildings on the land to the amount of not less than their full insurable value on a replacement cost basis in dollars of lawful money of Canada. Such insurance shall be placed with a company approved by the Chargee. Buildings shall include all buildings whether now or hereafter erected on the land, and such insurance shall include not only insurance against loss or damage by fire but also insurance against loss or damage by explosion, tempest, tornado, cyclone, lightning and all other extended perils customarily provided in insurance policies including "all risks" insurance. The covenant to insure shall also include where appropriate or if required by the Chargee, boiler, plate glass, rental and public liability insurance in amounts and on terms satisfactory to the Chargee. Evidence of continuation of all such insurance having been effected shall be produced to the Chargee at least fifteen (15) days before the expiration thereof; otherwise the Chargee may provide therefor and charge the premium paid and interest thereon at the rate provided for in the Charge to the Chargor and the same shall be payable forthwith and shall also be a charge upon the land. It is further agreed that the Chargee may at any time require any insurance of the buildings to be cancelled and new insurance effected in a company to be named by the Chargee and also of his own accord may effect or maintain any insurance herein provided for, and any amount paid by the Chargee therefor shall be payable forthwith by the Chargor with interest at the rate provided for in the Charge and shall also be a charge upon the land. Policies of insurance herein required shall provide that loss, if any, shall be payable to the Chargee as his interest may appear, subject to the standard form of mortgage clause approved by the Insurance Bureau of Canada which shall be attached to the policy of insurance.

Obligation to Repair

17. The Chargor will keep the land and the buildings, erections and improvements thereon, in good condition and repair according to the nature and description thereof respectively, and the Chargee may, whenever he deems necessary, by his agent enter upon and inspect the land and make such repairs as he deems necessary, and the reasonable cost of such inspection and repairs with interest at the rate provided for in the Charge shall be added to the principal amount and be payable forthwith and be a charge upon the land prior to all claims thereon subsequent to the Charge. If the Chargor shall neglect to keep the buildings, erections and improvements in good condition and repair, or commits or permits any act of waste on the land (as to which the Chargee shall be sole judge) or makes default as to any of the covenants, provisos, agreements or conditions contained in the Charge or in any charge to which this Charge is subject, all monies secured by the Charge shall, at the option of the Chargee, forthwith become due and payable, and in default of payment of same with interest as in the case of payment

before maturity the powers of entering upon and leasing or selling hereby given and all other remedies herein contained may be exercised forthwith.

Building Charge

18. If any of the principal amount to be advanced under the Charge is to be used to finance an improvement on the land, the Chargor must so inform the Chargee in writing immediately and before any advances are made under the Charge. The Chargor must also provide the Chargee immediately with copies of all contracts and subcontracts relating to the improvement and any amendments to them. The Chargor agrees that any improvement shall be made only according to contracts, plans and specifications approved in writing by the Chargee. The Chargor shall complete all such improvements as quickly as possible and provide the Chargee with proof of payment of all contracts from time to time as the Chargee requires. The Chargee shall make advances (part payments of the principal amount) to the Chargor based on the progress of the improvement, until either completion and occupation or sale of the land. The Chargee shall determine whether or not any advances will be made and when they will be made. Whatever the purpose of the Charge may be, the Chargee may at its option hold back funds from advances until the Chargee is satisfied that the Chargor has complied with the holdback provisions of the *Construction Lien Act* as amended or re-enacted. The Chargor authorizes the Chargee to provide information about the Charge to any person claiming a construction lien on the land.

Extensions not to Prejudice

19. No extension of time given by the Chargee to the Chargor or anyone claiming under him, or any other dealing by the Chargee with the owner of the land or of any part thereof, shall in any way affect or prejudice the rights of the Chargee against the Chargor or any other person liable for the payment of the money secured by the Charge, and the Charge may be renewed by an agreement in writing at maturity for any term with or without an increased rate of interest notwithstanding that there may be subsequent encumbrances. It shall not be necessary to deliver for registration any such agreement in order to retain priority for the Charge so altered over any instrument delivered for registration subsequent to the Charge. Provided that nothing contained in this paragraph shall confer any right of renewal upon the Chargor.

No Merger of Covenants

20. The taking of a judgment or judgments on any of the covenants herein shall not operate as a merger of the covenants or affect the Chargee's right to interest at the rate and times provided for in the Charge; and further that any judgment shall provide that interest thereon shall be computed at the same rate and in the same manner as provided in the Charge until the judgment shall have been fully paid and satisfied.

Change in Status

21. Immediately after any change or happening affecting any of the following, namely: *(a)* the spousal status of the Chargor, *(b)* the qualification of the land as a family residence within the meaning of Part II of the *Family Law Act,* and *(c)* the legal title or beneficial ownership of the land, the Chargor will advise the Chargee accordingly and furnish the Chargee with full particulars thereof, the intention being that the Chargee shall be kept fully informed of the names and addresses of the owner or owners for the time being of the land and of any spouse who is not an owner but who has a right of possession in the land by virtue of Section 19 of the *Family Law Act.* In furtherance of such intention, the Chargor covenants and agrees to furnish the Chargee with such evidence in connection with any of *(a)*, *(b)* and *(c)* above as the Chargee may from time to time request.

Condominium Provisions

22. If the Charge is of land within a condominium registered pursuant to the *Condominium Act* (the "Act") the following provisions shall apply. The Chargor will comply with the Act, and with the declaration, by-laws and rules of the condominium corporation (the "corporation") relating to the Chargor's unit (the "unit") and provide the Chargee with proof of compliance from time to time as the Chargee may request. The Chargor will pay the common expenses for the unit to the corporation on the due dates. If the Chargee decides to collect the Chargor's contribution towards the common expenses from the Chargor, the Chargor will pay the same to the Chargee upon being so notified. The Chargee is authorized to accept a statement which appears to be issued by the corporation as conclusive evidence for the purpose of establishing the amounts of the common expenses and the dates those amounts are due. The Chargor, upon notice from the Chargee, will forward to the Chargee any notices, assessments, by-laws, rules and financial statements of the corporation that the Chargor receives or is entitled to receive from the corporation. The Chargor will maintain all improvements made to the unit and repair them after damage. In addition to the insurance which the corporation must obtain, the Chargor shall insure the unit against destruction or damage by fire and other perils usually covered in fire insurance policies and against such other perils as the Chargee requires for its full replacement cost (the maximum amount for which it can be insured). The insurance company and the terms of the policy shall be reasonably satisfactory to the Chargee. This provision supersedes the provisions of paragraph 16 herein. The Chargor irrevocably authorizes the Chargee to exercise the Chargor's rights under the Act to vote, consent and dissent.

Discharge

23. The Chargee shall have a reasonable time after payment in full of the amounts secured by the Charge to deliver for registration a discharge or if so requested and if required by law to do so, an assignment of the Charge and all legal and other expenses for preparation, execution and registration, as applicable to such discharge or assignment shall be paid by the Chargor.

Guarantee

24. Each party named in the Charge as a Guarantor hereby agrees with the Chargee as follows:

(a) In consideration of the Chargee advancing all or part of the Principal Amount to the Chargor, and in consideration of the sum of TWO DOLLARS ($2.00) of lawful money of Canada now paid by the Chargee to the Guarantor (the receipt and sufficiency whereof are hereby acknowledged), the Guarantor does hereby absolutely and unconditionally guarantee to the Chargee, and its successors, the due and punctual payment of all principal moneys, interest and other moneys owing on the security of the Charge and observance and performance of the covenants, agreements, terms and conditions herein contained by the Chargor, and the Guarantor, for himself and his successors, covenants with the Chargee that, if the Chargor shall at any time make default in the due and punctual payment of any moneys payable hereunder, the Guarantor will pay all such moneys to the Chargee without any demand being required to be made.

(b) Although as between the Guarantor and the Chargor, the Guarantor is only surety for the payment by the Chargor of the moneys hereby guaranteed, as between the Guarantor and the Chargee, the Guarantor shall be considered as primarily liable therefor and it is hereby further expressly declared that no release or releases of any portion or portions of the land; no indulgence shown by the Chargee in respect of any default by the Chargor or any successor thereof which may arise under the Charge; no extension or extensions granted by the Chargee to the Chargor or any successor thereof for payment of the moneys hereby secured or for the doing, observing or performing of any covenant, agreement, term or condition herein contained to be done, observed or performed by the Chargor or any successor thereof; no variation in or departure from the provisions of the Charge; no release of the Chargor or any other thing whatsoever whereby the Guarantor as surety only would or might have been released shall in any way modify, alter, vary or in any way prejudice the Chargee or affect the liability of the Guarantor in any way under this covenant, which shall continue and be binding on the Guarantor, and as well after as before maturity of the Charge and both before and after default and judgment, until the said moneys are fully paid and satisfied.

(c) Any payment by the Guarantor of any moneys under this guarantee shall not in any event be taken to affect the liability of the Chargor for payment thereof but such liability shall remain unimpaired and enforceable by the Guarantor against the Chargor and the Guarantor shall, to the extent of any such payments made by him, in addition to all other remedies, be subrogated as against the Chargor to all the rights, privileges and powers to which the Chargee was entitled prior to payment by the Guarantor; provided, nevertheless, that the Guarantor shall not be entitled in any event to rank for payment against the lands in competition with the Chargee and shall not, unless and until the whole of the principal, interest and other moneys owing on the security of the Charge shall have been paid, be entitled to any rights or remedies whatsoever in subrogation to the Chargee.

(d) All covenants, liabilities and obligations entered into or imposed hereunder upon the Guarantor shall be equally binding upon his successors. Where more than one party is named as a Guarantor all such covenants, liabilities and obligations shall be joint and several.

(e) The Chargee may vary any agreement or arrangement with or release the Guarantor, or any one or more of the Guarantors if more than one party is named as Guarantor, and grant extensions of time or otherwise deal with the Guarantor and his successors without any consent on the part of the Chargor or any other Guarantor or any successor thereof.

Severability

25. It is agreed that in the event that at any time any provision of the Charge is illegal or invalid under or inconsistent with provisions of any applicable statute, regulation thereunder or other applicable law or would by reason of the provisions of any such statute, regulation or other applicable law render the Chargee unable to collect the amount of any loss sustained by it as a result of making the loan secured by the Charge which it would otherwise be able to collect under such statute, regulation or other applicable law then, such provision shall not apply and shall be construed so as not to apply to the extent that it is so illegal, invalid or inconsistent or would so render the Chargee unable to collect the amount of any such loss.

Interpretation

26. In construing these covenants the words "Charge", "Chargee", "Chargor", "land" and "successor" shall have the meanings assigned to them in Section 1 of the *Land Registration Reform Act* and the words "Chargor" and "Chargee" and the personal pronouns "he" and "his" relating thereto and used therewith, shall be read and construed as "Chargor" or "Chargors", "Chargee" or "Chargees", and "he", "she", "they" or "it", "his", "her", "their" or "its", respectively, as the number and gender of the parties referred to in each case require, and the number of the verb agreeing therewith shall be construed as agreeing with the said word or pronoun so substituted. And that all rights, advantages, privileges, immunities, powers and things hereby secured to the Chargor or Chargors, Chargee or Chargees, shall be equally secured to and exercisable by his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be. The word "successor" shall also include successors and assigns of corporations including amalgamated and continuing corporations. And that all covenants, liabilities and obligations entered into or imposed hereunder upon the Chargor or Chargors, Chargee or Chargees, shall be equally binding upon his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be, and that all such covenants and liabilities and obligations shall be joint and several.

Paragraph headings

27. The paragraph headings in these standard charge terms are inserted for convenience of reference only and are deemed not to form part of the Charge and are not to be considered in the construction or interpretation of the Charge or any part thereof.

Date of Charge

28. The Charge, unless otherwise specifically provided, shall be deemed to be dated as of the date of delivery for registration of the Charge.

Effect of Delivery of Charge

29. The delivery of the Charge for registration by direct electronic transfer shall have the same effect for all purposes as if such Charge were in written form, signed by the parties thereto and delivered to the Chargee. Each of the Chargor and, if applicable, the spouse of the Chargor and other party to the Charge agrees not to raise in any proceeding by the Chargee to enforce the Charge any want or lack of authority on the part of the person delivering the Charge for registration to do so.

DATED this day of ,
(year)

ACKNOWLEDGEMENT AND DIRECTION

TO: Harold Van Winssen
(Insert lawyer's name)

AND TO: TEMPLEMAN LLP
(Insert firm name)

RE: Collateral Mortgage ITS Holdings Inc. to Haggarty ("the transaction")
(Insert brief description of transaction)

This will confirm that:

- I/We have reviewed the information set out in this Acknowledgement and Direction and in the documents described below (the "Documents"), and that this information is accurate;
- You, your agent or employee are authorized and directed to sign, deliver, and/or register electronically, on my/our behalf the Documents in the form attached.
- The effect of the Documents has been fully explained to me/us, and I/we understand that I/we are parties to and bound by the terms and provisions of the Documents to the same extent as if I/we had signed them; and
- I/we are in fact the parties named in the Documents and I/we have not misrepresented our identities to you.

DESCRIPTION OF ELECTRONIC DOCUMENTS

The Document(s) described in the Acknowledgement and Direction are the document(s) selected below which are attached hereto as "Document in Preparation" and are:

☐ A Transfer of the land described above.

x A Charge of the land described above.

☐ Other documents set out in Schedule "B" attached hereto.

☐

Dated at Belleville this ________________ day of February , 2021 .

WITNESS

(As to all signatures, if required)

ITS HOLDINGS INC.

Per:

TED DANIEL
I have authority to bind the Corporation

Properties

PIN	60143 - 0183 LT	*Interest/Estate*	Fee Simple
Description	PT LT D CON 2 CORNWALL PT 1 52R1926 & PT 1 52R1495 N OF PT 3 52R3165; CORNWALL		
Address	1300 BOUNDARY RD CORNWALL		
PIN	60143 - 0257 LT	*Interest/Estate*	Fee Simple
Description	PT LT D CON 2 CORNWALL PT 1 52R7506; CITY OF CORNWALL		
Address	CORNWALL		

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name ITS HOLDINGS INC.
Acting as a company
Address for Service 32 Simpson Road, Bolton, Ontario L7E 1G9

I, Ted Daniel, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Chargee(s) *Capacity* *Share*

Name HAGGARTY, ROBERT GEORGE
Acting as an individual
Address for Service 64 South Front Street, Belleville, Ontario K8N 2Y3

Statements

Schedule: See Schedules

Provisions

Principal	$6,500,000.00	*Currency*	CDN
Calculation Period	quarterly in advance		
Balance Due Date	On Demand		
Interest Rate	2% per annum		
Payments			
Interest Adjustment Date			
Payment Date			
First Payment Date			
Last Payment Date			
Standard Charge Terms	20033		
Insurance Amount	Full insurable value		
Guarantor			

Additional Provisions

This charge is given as collateral security for a guarantee dated February 1st, 2021 from the Chargor of a promissory note dated February 1st, 2021 in the principal sum of six million, five hundred thousand dollars given by Titanium Transportation Group Inc. in favour of the Chargee (the "Note"). This charge shall immediately be discharged upon repayment in full of the Note

SCHEDULE

1. The Chargor hereby covenants and agrees that it will give immediate notice in writing to the Chargee of any damage caused by fire, or any other casualty to the premises or the Chargor.

2. The Chargor covenants and agrees that the Mortgaged Property will be kept at all times in good and proper repair and in a state of good operating efficiency.

3. Provided that the herein described mortgage together with the principal sum secured hereunder and all accrued interest shall immediately become due and payable in full at the exclusive option of the Chargee if the Mortgaged Property or any part thereof or interest therein is sold, transferred, conveyed, foreclosed, exchanged, assigned, mortgaged or otherwise disposed of or any building thereon is destroyed (other than the removal of ancillary buildings) or the Chargor enters into an agreement to effect of the foregoing whether by registered or unregistered instrument and whether for valuable or nominal consideration, provided that the Chargor may transfer the Mortgaged Property to an “Affiliate (or “affiliate”) or Subsidiary (or “subsidiary”) within the meaning of the Business Corporations Act without the consent of the Chargee provided further that the Chargor gives prior written notice of the transfer to the Chargee.

4. If the Chargor defaults in the performance or observance of any covenant, term or proviso herein including the obligation to make payments following demand on the guarantee by the Chargee relating to the February 1, 2021 Promissory Note given by Titanium Transportation Group Inc. to the Chargee (the “Promissory Note”) or to guarantee the obligations of Titanium Transportation Group Inc. under the Promissory Note, then the Chargee may at his option, declare the whole of the principal hereby secured to be forthwith due and payable together with accrued interest thereon.

5. All monies owing pursuant to this mortgage shall, at the option of the Chargee become forthwith due and payable, and all the rights and remedies hereby conferred in respect of the Mortgaged Property shall become immediately enforceable and any and all additional and collateral securities for payment of this mortgage shall become immediately enforceable upon the happening of any of the following events:

   (a) if the Chargor, International Truckload Services Inc., or Titanium Transportation Group Inc. commits any act of bankruptcy as defined in the Bankruptcy Act (Canada) or becomes an "insolvent person" within the meaning of the said Act;

   (b) if any proposal is made or any petition is filed by the Chargor, International Truckload Services Inc., or Titanium Transportation Group Inc. under any law having for its purpose the extension of time for payment, composition or compromise of the liabilities of the Chargor, International Truckload Services Inc., or Titanium Transportation Group Inc.;

   (c) if any receiver, administrator or manager of the Mortgaged Property, assets or undertaking of the Chargor, International Truckload Services Inc., or Titanium Transportation Group Inc. is appointed pursuant to the terms of any trust deed, trust indenture, debenture or similar instrument or by or under any judgment or order of any court;

(d) if any encumbrance affecting the property becomes enforceable thereon, any execution, distress or other process of any court becomes enforceable against any of the property of the Chargor, International Truckload Services Inc., or Titanium Transportation Group Inc. or a distress or like process is levied upon any of such property;

(e) the failure of Titanium Transportation Group Inc. or the Chargor to pay any interest or principal under the Promissory Note when due;

(f) the failure of the Chargor or Titanium Transportation Group Inc. to fully comply with and perform any and all terms, covenants and agreements of this Mortgage or the Promissory Note.

6. The Chargor agrees that upon default hereunder the Chargee may appoint a receiver of the Mortgaged Property and of the rents and profits therefrom and in making such appointment the Chargee shall be deemed to be acting as the attorney for the Chargor.

7. The receiver may be vested with any of the powers of the Chargee, and the Chargee may fix the remuneration of the receiver and direct the payment thereof out of the money arising from the sale, leasing or other dealing with the Mortgaged Property. The receiver shall be deemed the agent of the Chargor and not the agent of the Chargee. All money received by the receiver shall be disbursed by him as follows:

(a) In discharge of all taxes, insurance premiums and accounts payable affecting the Mortgaged Property;

(b) In payment of his fee and expenses;

(c) In payment of the amounts due hereunder and the balance, if any, shall be paid to the Chargor.

8. In addition to the Standard Charge Terms adopted hereunder the Chargor and Chargee agree that the following shall apply:

Upon Default in payment of principal or interest under the Promissory Note or in performance of any of the terms and conditions hereof or the Promissory Note, Chargee may enter into and take possession of the Mortgaged Property free from all manner of former conveyances, mortgages, changes or encumbrances without the let, suit, hinderance, interruption or denial of the Chargor or any other person whatsoever.

9. As additional security, the Chargor hereby assigns to the Chargee, all leases and contracts already in existence and to be created in the future, together with all rents to become due under existing or future leases and, upon an event of default as hereunder

provided, confers upon the Chargee herein the exclusive power, to be used or not used in its sole discretion, to act as agent, or to appoint a third person to act as agent for the Chargor, with power to take possession of and collect all rents and profits arising from the mortgaged premises and to apply such rents and profits at the option of the Chargee to the payment of the mortgage debt, interest, insurance, taxes, cost of maintenance and operation, repairs and other expenses similar to the foregoing in such order of priority as the Chargee may in its sole discretion determine.