FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company

Anthony Clark International Insurance Brokers Ltd. ("**Corporation**")
Suite 102, 7909 Flint Road SE
Calgary, AB, T2H 1G3
Phone: (403) 225-5107
Fax: (403) 225-5745

2. Date of Material Change

April 13, 2014 and April 14, 2014

3. News Release

A press release announcing the material change was issued through Canadian Newswire. A copy of the press release is attached hereto as Schedule "A".

4. Summary of Material Change

The Corporation announced that it had entered into a definitive share purchase agreement ("**SPA**") with Canada Brokerlink Inc. ("**Brokerlink**"), an arm's length party, pursuant to which the Corporation agreed to sell ("**Sale Transaction**") all of the shares of Anthony Clark Insurance Brokers Ltd. ("**Clark Insurance**"), held by the Corporation to Brokerlink. The Sale Transaction represents the sale of all or substantially all of the Corporation's assets.

The Corporation further announced that at the special meeting of shareholders (the "**Meeting**") held on April 14, 2014, the shareholders of the Corporation approved: (i) the Sale Transaction; (ii) the delisting of the Corporation from the TSX Venture Exchange ("**Exchange**") or in the alternative, the transfer of the listing of the Corporation's shares to the NEX Board of the Exchange ("**De-Listing**"); and (iii) the potential liquidation and dissolution of the Corporation (the "**Winding Up**").

5. Full Description of Material Change

The Corporation announced that it had entered into the SPA in respect of the Sale Transaction with Brokerlink, an arm's length party, pursuant to which the Corporation agreed to sell all of the shares of Clark Insurance held by the Corporation to Brokerlink for cash consideration of approximately CAN$13,000,000, subject to adjustment in certain circumstances. The Sale Transaction represents the sale of all or substantially all of the Corporation's assets. A copy of the SPA is attached hereto as Schedule "B".

The shareholders of the Corporation approved the Sale Transaction, the De-Listing and the Winding Up. The resolutions authorizing the Sale Transaction and Winding Up were each approved by a special resolution of greater than two-thirds of the votes cast by shareholders, present or represented by proxy, at the Meeting. The Sale Transaction and Winding Up were also each approved by a majority of votes cast by shareholders, present or represented by proxy at the Meeting, excluding the votes cast by certain interested parties. The resolutions authorizing the De-Listing were approved by an ordinary resolution of a majority of votes cast by shareholders, present or represented by proxy at the Meeting, excluding the votes of the Corporation's officers, directors and insiders, pursuant to the Exchange policies.

The closing of the Sale Transaction is expected to occur on May 1, 2014. The closing of the Sale Transaction, the De-Listing and the Winding Up remain subject to the conditions and risk factors described in Corporation's Management Information Circular dated March 17, 2014. It is anticipated that the initial distribution of the available proceeds from the Sale Transaction will be made to shareholders thirty (30) to sixty (60) days following the closing of the Sale Transaction whether or not the De-Listing or the Winding-Up are implemented.

Upon completion of the Sale Transaction, it is anticipated that the name of the Corporation will change to ACL International Ltd. With the closing of the Sale Transaction the Corporation will not have an operating business and as such will not meet the continued listing requirements of the Exchange. As a result, it is anticipated that the Corporation's listing will transfer to the NEX Board following the closing of the Sale Transaction and its trading symbol will change to ACL.H.

6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

Tony Consalvo
102, 7909 Flint Road SE
Calgary, Alberta, T2H 1G3
Phone: (403) 225-5100
Email: tony.consalvo@aclarkinsurance.com

9. Item 9: Date of Report

April 23, 2014

Schedule "A"

Press Release

ANTHONY CLARK INTERNATIONAL INSURANCE BROKERS LTD.
102, 7909 Flint Road S.E.
Calgary, Alberta T2H 1G3
Tel: (403) 278-8811 – Fax (403) 225-5745

ANTHONY CLARK - SHARE PURCHASE AGREEMENT AND SHAREHOLDER APPROVAL OF SALE TRANSACTION, POTENTIAL DELISTING AND WINDING UP

Calgary, Alberta, Canada, **April 16, 2014** - ANTHONY CLARK INTERNATIONAL INSURANCE BROKERS LTD. (TSX Venture Exchange: ACL) (the "**Corporation**") announces that further to previous press releases dated March 13, 2014 and April 8, 2014, the Corporation has entered into a share purchase agreement with Canada Brokerlink Inc. for the sale of all of the shares of Anthony Clark Insurance Brokers Ltd. held by the Corporation for cash consideration of approximately CAN$13,000,000 ("**Sale Transaction**"), subject to adjustment in certain circumstances. The shareholders of the Corporation have approved: (i) the Sale Transaction, which represents the sale of all or substantially all of the Corporation's assets; (ii) the delisting of the Corporation from the TSX Venture Exchange ("**Exchange**") or, in the alternative, the transfer of the listing of the Corporation's shares to the NEX Board of the Exchange ("**De-Listing**") and (iii) the potential liquidation and dissolution of the Corporation (the "**Winding Up**").

Further, the resolutions authorizing the Sale Transaction and Winding Up were each approved by a special resolution of more than two-thirds of the votes cast by shareholders present or represented by proxy at the special meeting of shareholders (the "**Meeting**") held on April 14, 2014. The Sale Transaction and Winding Up were also approved by a majority of votes cast by shareholders present or represented by proxy at the Meeting, excluding the votes cast by certain interested parties. The resolutions authorizing the De-Listing were approved by an ordinary resolution of a majority of votes cast by shareholders present or represented by proxy at the Meeting, excluding the votes of the Corporation's officers, directors and insiders, pursuant to the Exchange policies.

The closing of the Sale Transaction is expected to occur on May 1, 2014. The closing of the Sale Transaction, the De-Listing and the Winding Up remain subject to the conditions and risk factors described in Corporation's Management Information Circular dated March 17, 2014. The Sale Transaction also remains subject to final regulatory approval. It is anticipated that the initial distribution of the available proceeds from the Sale Transaction will be made to shareholders thirty (30) to sixty (60) days following the closing of the Sale Transaction whether or not the De-Listing or the Winding-Up are implemented. Further information regarding the De-Listing, Winding Up and the amount and timing of distributions to shareholders will be provided in subsequent press releases as such information becomes available.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

For further information please contact:
Anthony Clark International Insurance Brokers Ltd.
Mr. Tony Consalvo, President and CEO
Telephone: (403) 225-5100
Email: tony.consalvo@aclarkinsurance.com

Except for the historical information contained herein, this press release contains statements that constitute forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Factors that may cause or contribute to such differences include, among other things, the Corporation's ability to close the proposed transaction. Other risks and uncertainties include changes in business conditions and the economy in general, changes in governmental regulations, unforeseen litigation and other risk factors identified in the Corporation's public filings under "Risk Factors." The Corporation undertakes no obligation to update these forward-looking statements for revisions or changes after the date of this press release.

On behalf of

ANTHONY CLARK INTERNATIONAL INSURANCE BROKERS LTD.

"Tony Consalvo"

Tony Consalvo, CEO

Schedule "B"

Share Purchase Agreement

EXECUTION COPY

This Agreement made the 13th day of April, 2014.

Between:

CANADA BROKERLINK INC.
(the "Purchaser")

\- and -

ANTHONY CLARK INTERNATIONAL INSURANCE BROKERS LTD.
(the "Vendor")

\- and -

ANTHONY CLARK INSURANCE BROKERS LTD.
(the "Corporation")

RECITALS:

A. The Corporation is engaged in the business of a general insurance brokerage.

B. The Vendor is, as of the date of this Agreement, the registered and beneficial owner of 51 Class "A" Voting Common Shares in the capital of the Corporation, which represents 51% of the issued and outstanding shares in the capital of the Corporation,

C. Intact Insurance Company ("**Intact**") is, as of the date of this Agreement, the registered and beneficial owner of the remaining 49% of the issued and outstanding shares in the capital of the Corporation, namely 39 Class "A" Voting Common Shares and 10 Class "B" Voting Common Shares in the capital of the Corporation.

D. The Purchaser wishes to purchase, on the Closing Date, and the Vendor wishes to sell, on such date, all of the shares owned by the Vendor in the capital of the Corporation on the terms and conditions of this Agreement.

FOR VALUE RECEIVED, the parties agree as follows:

SECTION 1
INTERPRETATION

1.1 Definitions

In this Agreement:

"Affiliate" of a Person means any Person that directly or indirectly Controls, is Controlled by, or is under common Control with, that Person, and includes a Subsidiary.

"Agreement" means this agreement including the recitals and schedules, as amended, supplemented or restated from time to time.

"Annual Financial Statements" means the audited financial statements of the Corporation prepared on a consistent basis and in accordance with GAAP as at and for the fiscal period ended March 31, 2014, consisting of a balance sheet, statement of operations and comprehensive income, statement of shareholders' equity and statement of cash flows, together with the notes thereto, as reported on by the Corporation's Accountant. The Annual Financial Statements shall be delivered to the Purchaser at the latest concurrently with the Closing Financial Statements. The Annual Financial Statements shall record all accruals including but not limited to all fees of the Corporation's Accountant related to the audit and the preparation of tax returns for the period to March 31, 2014, together with the notes thereto and shall present fairly the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Corporation as at March 31, 2014.

"Applicable Law" in respect of any Person, property, transaction or event, means (i) any law, statute, regulation, ordinance, restriction, work order, treaty, judgment and decree in force from time to time, and (ii) whether or not having the force of law, any requirement, request, official directive, rule, consent, approval, authorization, guideline, order and policy of any Governmental Authority.

"Benefit Plans" has the meaning given to it in Section 3.1(12).

"Business" means the general insurance brokerage business conducted by the Corporation.

"Business Day" means a day on which banks are open for business in Calgary, Alberta but does not include a Saturday, Sunday and any other day which is a legal holiday in such city.

"Capital Lease" means any lease or other arrangement relating to property which is required to be accounted for as a capital lease on a balance sheet prepared in accordance with GAAP.

"Claim" means any act, omission or state of facts and any demand, action, suit, proceeding, claim, assessment, judgement or settlement or compromise relating thereto which may give rise to a right to indemnification under Sections 7.1 or 7.2.

"Closing" means the closing of the Purchase contemplated herein on the Closing Date.

"Closing Balance Sheet" means the balance sheet of the Corporation contained in the Closing Financial Statements.

"**Closing Commission Statement"** means the statement of Commission Income for the 12 month trailing period ending on the last day of the month immediately preceding the Closing Date.

"Closing Date" means May 1, 2014 or such other date as agreed to by the parties.

"Closing Time" or "Time of Closing" means 9:00 a.m. (Mountain Standard time) on the Closing Date.

"Closing Financial Statements" means the financial statements for the Corporation prepared on a consistent basis and in accordance with GAAP for the period commencing on April 1, 2014 and ending on the day immediately preceding the Closing Date, (or such other date as may be mutually agreed), accompanied by a review engagement report signed by the Corporation's Accountant, and delivered to the Purchaser within sixty (60) days following the Closing. The Closing Financial Statements shall record all accruals including but not limited to all fees of the Corporation's

Accountant related to the review engagement and the preparation of tax returns for the period to the Closing Date, together with the notes thereto and shall present fairly the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Corporation as at the day immediately preceding the Closing Date.

"**Commission Income**" means collectively the Commission Income-Corporation and the Commission Income-**[Redacted: Commercially sensitive information]**

"Commission Income-Corporation" means (a) regular commission income earned on an in-force personal lines book of business and an in-force commercial lines book of business, in each case fully owned by the Corporation (excluding commission in respect of accounts receivable sixty (60) days old or more as at the Closing Date, overrides, contingent profit commission, profit sharing, bonuses, service charges, interest, commissions from life policies and other non-insurance commission related fees, and other accessory income), and (b) the agency fees (fees income to offset lower commissions exclusive to commercial clients) charged in addition to commission income associated with (a) above;

"Commission Income-[Redacted: Commercially sensitive information]" means (a) regular commission income earned on an in-force personal lines book of business and an in-force commercial lines book of business, in each case fully owned by **[Redacted: Commercially sensitive information]** and identified with the codes **[Redacted: Commercially sensitive information]** (excluding commission in respect of accounts receivable sixty (60) days old or more as at the Closing Date, overrides, contingent profit commission, profit sharing, bonuses, service charges, interest, commissions from life policies and other non-insurance commission related fees, and other accessory income), and (b) the agency fees (fees income to offset lower commissions exclusive to commercial clients) charged in addition to commission income associated with (a) above.

"Contaminant" means any substance, product, element, radiation, vibration or matter included in any definition of "hazardous product", "dangerous goods", "waste", "toxic substance", "contaminant", "pollutant", "deleterious substance" or words of similar import under any Environmental Law, or the presence of which in the environment is likely to affect adversely the quality of the environment in any way.

"Control" means the power, whether directly or indirectly, to direct management and policies, whether through ownership of securities, by contract or by any other means and "controlled by" and "under common control with" have corresponding meanings.

"Corporation's Accountant" means D+H Group LLP located at 10th Floor, 1333 West Broadway, Vancouver, B.C,. V6H 4C1.

"Corporation Total Value" has the meaning set out in Section 2.1 and is calculated in accordance with the formula set out in Schedule 2.1.

"CPC" means any contingent profit commission or profit sharing payable to the Corporation from insurers.

"Dispute Notice" has the meaning set out in Section 2.4(3).

"Encumbrance" (or "**Encumber**") means any charge, mortgage, lien, pledge, claim, restriction, security interest or other encumbrance created or arising by agreement, statute or otherwise, attaching to property, interests or rights and shall be widely construed and whether or not constituting specific or floating charges.

"Environmental Claim" means a claim, notice, administrative order, citation, complaint, summons, writ, proceeding or demand relating to remediation, investigation, monitoring, emergency response, decontamination, restoration or other action under any Environmental Law or any notice, claim, demand or other communication alleging or asserting liability, either direct or indirect, and either in whole or by way of contribution or indemnity, for investigation, monitoring or cleanup costs, Governmental Authority response costs, damages, personal injuries, fines, penalties or for other relief, and arising out of, based on or resulting from the presence, or Release into the environment, of any Contaminant, or any non-compliance or alleged non-compliance with any Environmental Law.

"Environmental Laws" means all applicable statutes, regulations, ordinances, by-laws, and codes and all international treaties and agreements, now or hereafter in existence in the Province of Alberta or Canada (and including municipal law, by-laws, codes and regulations) relating to the protection and preservation of the environment, occupational health and safety, product safety, product liability or Contaminant.

"Estimated Purchase Price" means the sum of Thirteen Million Sixty-Eight Thousand Dollars ($13,068,000)**,** as calculated in accordance with Schedule 2.1.

"Financial Statements" means collectively (i) audited financial statements of the Corporation prepared on a consistent basis and in accordance with GAAP as at and for the fiscal period ended March 31, 2013, consisting of a balance sheet, statement of operations and comprehensive income, statement of shareholders' equity and statement of cash flows, together with the notes thereto, as reported on by the Corporation's Accountant, and (ii) the internal interim financial statements of the Corporation prepared on a consistent basis and in accordance with GAAP for the period commencing on April 1, 2013 and ending December 31, 2013, consisting of a balance sheet, statement of operations and comprehensive income and statement of cash flows, copies of which are attached as Schedule 1.1;

"**GAAP**" means generally accepted accounting principles in effect in Canada at the relevant time (using International Financial Reporting Standards (IFRS)), including the accounting recommendations published in the Handbook of the Canadian Institute of Chartered Accountants.

"Good Standing", when used in reference to a corporation, denotes that such corporation has not been discontinued or dissolved under the laws of its incorporating jurisdiction, that no steps or proceedings have been taken to authorize or require such discontinuance or dissolution and that such corporation has submitted to the relevant authority all notices or returns of corporate information and all other filings required by Applicable Law to be submitted to such authority.

"Governmental Authority" means any domestic or foreign government, including any federal, provincial, state, territorial or municipal government, and any government agency, tribunal, commission or other authority exercising or purporting to exercise executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government.

"Guarantee" means any absolute or contingent liability under a guarantee, agreement, endorsement (other than for collection or deposit in the Ordinary Course of Business), discount with recourse or other obligation to pay, purchase, repurchase or otherwise be or become liable or obligated in respect of any Indebtedness of another Person including absolute or contingent obligations to (a) provide funds for the payment or purchase of any Indebtedness, (b) purchase, sell or lease (as lessee or lessor) property, assets, goods, services, materials or supplies primarily for the purpose of enabling another to make payment of Indebtedness or to assure the holder of the Indebtedness against loss, (c) indemnify another against losses, liabilities or damages, in circumstances intended to enable another to incur or pay any Indebtedness or to comply with any agreement relating thereto or otherwise to assure or protect creditors against loss in respect of the Indebtedness.

"Indebtedness" means without duplication, (i) debts and liabilities of a Person for borrowed money, (ii) Capital Leases, (iii) debts and liabilities representing the deferred acquisition cost of property and services; and (iv) Guarantees, but does not include short-term obligations payable to outside or inter-company suppliers incurred in the Ordinary Course of Business or deferred taxes.

"Intellectual Property" means, trademarks and trade mark applications, trade names, domain names, certification marks, patents and patent applications, copyrights, know-how, formulae, processes, inventions, technical expertise, research data, trade secrets, industrial designs and other similar property, whether registered or unregistered.

"**Interim Period**" means the period of time from and including the date of this Agreement to and including the Closing Date.

"Leased Premises" has the meaning given to it in Section 3.1(10)(c).

"Letter of Intent" means the letter of intent dated March 13, 2014 between the Purchaser, the Vendor, Tony Consalvo and the Corporation in respect of the Purchase.

"Loss" means any and all loss, liability, damage, cost or expense actually suffered or incurred by a party resulting from any Claim, including the costs and expenses of any action, suit, proceeding, demand, assessment, judgement, settlement or compromise relating thereto, but (i) excluding loss of profits and consequential damages and excluding any contingent liability until it becomes actual; (ii) reduced by any Tax benefit realized by the indemnified party; and (iii) reduced by the net after Tax recovery, settlement or otherwise under or pursuant to any insurance coverage, or pursuant to any claim, recovery, settlement or payment by or against any other Person;

"Notice" means any notice, approval, demand, direction, consent, designation, request, document, instrument, certificate or other communication required or permitted to be given under this Agreement.

"Ordinary Course of Business" means the ordinary and usual course of the routine daily affairs of the Business.

"Person" means any natural person, sole proprietorship, partnership, corporation, trust, joint venture, any Governmental Authority or any incorporated or unincorporated entity or association of any nature.

"Private Enterprise" means a profit-oriented entity that is not a publicly accountable enterprise as described by the Canadian Institute of Chartered Accountants.

"Purchase Price" has the meaning given to it in Section 2.1.

"Purchase" means the transaction of purchase and sale of the Shares contemplated by this Agreement.

"Real Property Leases" has the meaning given to it in Section 3.1(10)(c).

"Release" means any release, spill, leak, emission, pumping, injection, deposit, discharge, dispersal, leaching, migration, spraying, abandonment, pouring, emptying, throwing, dumping, placing or exhausting of a Contaminant, and when used as a verb has a like meaning.

"Shareholders' Equity" has the meaning as provided for under GAAP.

"Shares" means 51 Class "A" Voting Common Shares being sold by the Vendor and purchased by the Purchaser hereunder, which shall be all of the issued and outstanding shares held by the Vendor in the capital of the Corporation as at the Closing Date.

"Statement Date" means March 31, 2013, being the date of the annual audited financial statements for the period ended on March 31, 2013.

"Subsidiary" has the meaning ascribed to it in the *Business Corporations Act* (Alberta) and includes a Person under the direct or indirect Control of another Person.

"Support Agreements" means the voting and support agreements entered into, or to be entered into, between the Purchaser **[Redacted: Commercially sensitive information].**

"Tax" or "Taxes" includes all present and future taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, withholdings, dues and other charges of any nature imposed by any Governmental Authority, including income, capital (including large corporations), withholding, consumption, sales, use, transfer, goods and services or other value-added, excise, customs, anti-dumping, countervail, net worth, stamp, registration, franchise, payroll, employment, employee statutory deductions, health, education, business, school, property, local improvement, development, education development and occupation taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, withholdings, dues and charges, together with all fines, interest, penalties on or in respect of, or in lieu of or for non-collection of, those taxes, surtaxes, duties, levies, imposts, rates, fees, assessments, withholdings, dues and other charges.

"Vendor's Solicitors" means Demiantschuk Lequier Burke & Hoffinger LLP.

1.2 Currency

All references to currency or dollar amounts in this Agreement are to lawful currency of Canada.

1.3 Best Knowledge

Any reference in this Agreement to "knowledge of the Vendor" or "to the best of the Vendor's knowledge", shall be deemed to include Tony Consalvo's actual knowledge and also the knowledge of any fact or circumstance which is, or with ordinary diligence ought reasonably to be known by: (i) any person holding the office or position or fulfilling the function of a director, officer or senior manager of the Corporation or of the Vendor or (ii) any other employee or agent of the Corporation or of the Vendor who, having regard to his or her position, job description or responsibilities, should reasonably be expected to have knowledge or information relevant to the matter in question.

1.4 Schedules

The following are the schedules annexed to this Agreement and incorporated by reference and deemed to be part hereof:

[All Schedules Redacted: Commercially sensitive information]

SECTION 2
PURCHASE AND SALE

2.1 Purchase Price

The Vendor shall sell and the Purchaser shall purchase the Shares on the Closing Date, free from Encumbrances, on the terms of this Agreement. The Purchase Price (the "**Purchase Price"**) shall be equal to Fifty-One Percent (51%) of the Corporation Total Value, calculated as follows:

Corporation Total Value = **[Redacted: Commercially sensitive information]**

2.2 Payment of Estimated Purchase Price

The exact and final Purchase Price shall be calculated as set out in Section 2.4 using the Closing Financial Statements and the Closing Commission Statement and paid in accordance with Section 2.5. On Closing the Purchaser shall pay to the Vendor's Solicitors in trust by wire transfer or other mutually agreed, fund transmission method, or as they may otherwise direct, eighty-five percent (85%) of the Estimated Purchase Price. The remaining fifteen percent (15%) of the Estimated Purchase Price shall be retained by the Purchaser as a holdback (the "**Holdback**"). The Holdback, adjusted in accordance with Section 2.4, shall be paid within thirty (30) days after receipt of the Closing Financial Statements and the Closing Commission Statement mutually approved by the Vendor and the Purchaser as hereinafter set forth.

2.3 Allocation of Purchase Price

The Purchase Price shall be allocated among the Shares as determined by the Vendor. The Vendor and the Purchaser agree that the values so attributed to the Shares are the respective fair market values and agree to file in mutually agreeable form all returns and elections required or desirable under the *Income Tax Act* (Canada) in a manner consistent with such allocations.

2.4 Calculation and Payment of Final Purchase Price

(1) Annual Financial Statements. The Vendor shall prepare and deliver to the Purchaser a draft of the Annual Financial Statements within 30 days of Closing. The Purchaser may, within five (5) Business days of such receipt, ask questions and provide comments on such draft of the Annual Financial Statements. The Vendor agrees and undertakes to cooperate, and shall cause the Corporation's Accountant to cooperate, with the Purchaser in discussing and reviewing such questions and comments.

(2) Closing Financial Statements and Closing Commission Statement. The Vendor shall cause the Corporation's Accountant to deliver to the Purchaser the Closing Financial Statements, and the Vendor shall provide to the Purchaser the Closing Commission Statement, in draft form within 60 days of Closing. The Purchaser may ask questions of and receive answers, data and information from the Corporation's Accountant and from the Vendor but shall be responsible for the Corporation's Accountant's fees and expenses relating to such inquiries.

(3) Objections. The Purchaser may dispute the draft Closing Financial Statements and/or the Closing Commission Statement by delivery of written notice to the other within 15 Business Days of receipt of the draft specifying the basis of its objection (the "**Dispute Notice**"). If a Dispute Notice is delivered the parties shall work diligently and reasonably to resolve the dispute within 10 Business Days of delivery of the Dispute Notice, failing which the dispute shall be submitted to a mutually acceptable independent nationally recognized accounting firm, or in the absence of agreement to Deloitte & Touche LLP or in the event of a conflict to one of Ernst & Young LLP, KPMG LLP or PricewaterhouseCoopers LLP, with a mandate to resolve the dispute within 14 Business Days. The parties shall share the costs of such accounting firm equally and its determination shall be final and binding upon them. Unless a Notice of Dispute is delivered within the time specified, the draft Closing Financial Statements and Closing Commission Statement shall be final and binding and the parties shall instruct the Corporation's Accountant to, and/or the Vendor shall, execute and deliver them in final form.

(4) Set-Off. From time to time after the Closing Date and with a five (5)-Business Day prior written notice, the Purchaser shall be entitled to set-off and deduct from the outstanding balance of the Purchase Price the aggregate amount of claims made by the Purchaser under Section 7.1 and any other amount owing to the Purchaser by the Vendor.

(5) Adjustments.

(i) The difference, if any, between the final purchase price calculated pursuant to the Closing Financial Statements and the Closing Commission Statement and the Estimated Purchase Price (the "**Purchase Price Adjustment**") shall be paid as set out in Section 2.4(6).

(ii) **[Redacted: Commercially sensitive information]**

(6) Payment of Final Purchase Price and Release of Holdback.

Within thirty (30) Business Days of receipt by the Purchaser of the final, executed Closing Financial Statements and the Closing Commission Statement:

(i) the Purchase Price Adjustment and the Receivables Adjustment (collectively the "**Adjustments**"), if in favour of the Purchaser shall be made first by reducing the amount of the Holdback and if the amount exceeds the Holdback by payment of any such excess by the Vendor to the Purchaser, or

(ii) the Adjustments, if in favour of the Vendor, to the extent that the amount exceeds the Holdback shall be made by payment of any such excess by the Purchaser to the Vendor together with payment of the Holdback.

2.5 [Redacted: Commercially sensitive information]

SECTION 3
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Vendor

The Vendor, hereby represents and warrants to the Purchaser as stated below and acknowledges that the Purchaser is relying on the accuracy of each such representation and warranty in entering into this Agreement and completing the Purchase.

(1) <u>Capacity, Authorization, Corporate Matters etc.</u>

(a) Enforceability. This Agreement has been duly and validly executed and delivered to the Vendor and the Corporation and is a valid, legal and binding obligation enforceable against each of the Vendor and the Corporation in accordance with its terms, subject only to bankruptcy, insolvency and other laws affecting creditors' rights generally and to general principles of equity.

(b) *Status and Capacity of the Corporation and the Vendor*. Each of the Corporation and the Vendor has been duly incorporated and organized under the laws of the Province of Alberta, is a subsisting corporation in Good Standing under the laws of the Province of Alberta and the Province of British Columbia, and has the corporate power and capacity and is duly qualified to own or lease its property and to carry on its business as now conducted in each jurisdiction in which it owns or leases property or carries on business.

(c) *Authorization***.** The execution and delivery of this Agreement and the consummation of the transactions contemplated by it have been duly and validly authorized by each of the Vendor and the Corporation; except for the shareholders' approval and the TSX Venture Exchange approval set forth in Sections 6.1(3) and 6.2(3) herein, no other corporate proceedings or approvals on the part of either of the Vendor or the Corporation or its shareholders are necessary to authorize this Agreement or completion of the transactions contemplated by it. The execution, delivery and performance of this Agreement and each of the other agreements contemplated or referred to herein by each of the Vendor Tony Consalvo and the Corporation and the completion of the transactions contemplated herein, will not constitute or result in a violation or breach of or default under, or cause the acceleration of any obligation of either of the Vendor or the Corporation under:

(i) any term or provision of any of the articles, by-laws or other constating documents of the *Corporation or of the Vendor*;

(ii) the terms of any agreement (written or oral), indenture, instrument or understanding or other obligation or restriction to which either of the Vendor, ***or the Corporation*** is a party or by which any of them is bound; or

(iii) any term or provision of any of the Vendor's or the Corporation's licenses or any order of any court, governmental authority or regulatory body or any law or regulation of any jurisdiction in which the Business is carried on.

(d) *Residence.* The Vendor is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).

(e) *Title to the Shares.* The Vendor legally and beneficially owns and controls all of the Shares with a good and marketable title thereto free of any Encumbrances, adverse claims or claims of others.

(f) *No Other Purchase Agreements*. **[Redacted: Commercially sensitive information]**, no Person has any agreement, option, understanding or commitment, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, option or commitment, including a right of conversion or exchange attached to convertible securities, warrants or convertible obligations of any nature, for the purchase from the Vendor of any of the Shares.

(g) *Investments.* The Corporation does not have any subsidiaries and the Corporation does not own, directly or indirectly, any shares or other equity securities of any corporation or any equity or ownership interest in any business or Person. The Corporation is not subject to any obligation or requirement to provide funds to or make any investment in any business or Person by way of loan, capital contribution or otherwise.

(h) *Corporate Records.* The corporate records and minute books of the Corporation**,** all of which have been provided to the Purchaser, contain complete and accurate minutes of all meetings of and corporate actions or written resolutions of the directors, committees of directors and shareholders of the Corporation, in all material respects, including all by-laws and resolutions passed by the directors, committees of directors and shareholders of the Corporation, since its formation. All such meetings were duly called and held, all such corporate actions and written resolutions were duly taken or validly signed and all such by-laws and resolutions were duly passed. The share certificate books, register of shareholders, register of transfers, register of directors and similar corporate records of the Corporation are complete, accurate and current in all material respects.

(i) *Transfer Taxes.* All exigible security transfer Taxes or similar Taxes payable in connection with the transfer of any securities of the Corporation have been duly paid.

(j) *Shareholders' Agreements, etc.* There are no shareholders' agreements, pooling agreements, voting trusts or other similar agreements with respect to the ownership or voting of any of the shares of the Corporation, except for the restated and amended unanimous shareholders' agreement of the Corporation made as of July 1, 2010 between the Vendor, Intact and the Corporation (as amended as of March 1, 2011).

(k) *Operations and Assets of the Corporation.* The operations of the Corporation are carried on only in the Province of Alberta and the Province of British Columbia and all of the Corporation's tangible assets owned or used by the Corporation are located in the Province of Alberta.

(l) *Registered Insurance Broker.* Each of the Vendor and the Corporation is a duly registered insurance broker (as a General Insurance Agency and/or an Accident & Sickness Agency) under the laws of the Province of Alberta (including the *Insurance Act* (Alberta)). The Corporation is registered as a General Agent Corporate/Partnership with the Insurance Council of British Columbia. The Corporation is not registered or licensed in any other Canadian provinces under any Applicable Law of such other provinces relating to insurance.

(2) <u>Share Capital and Shares of the Corporation</u>

(a) The authorized capital of the Corporation consists of an unlimited number of Class "A" Voting Common Shares, an unlimited number of Class "B" Voting Common Shares, an unlimited number of Class "C" Non-Voting Common Shares, an unlimited of Class "D" Non-Voting Common Shares and an unlimited number of Class "E" Non-Voting Preferred Shares of which only 90 Class "A" Voting Common Shares and 10 Class "B" Voting Common Shares (the "**Corporation Issued Shares**") have been duly issued, are outstanding as fully paid and non-assessable shares in the capital of the Corporation and are held by the Vendor and Intact as described in the recital of this Agreement. No shares or other securities of the Corporation have been issued in violation of any applicable Law, the articles of incorporation, by-laws or other constating documents of the Corporation or the terms of any shareholders' agreement or any agreement to which the Corporation is a party or by which it is bound. The Corporation has not issued or authorized the issue of any presently outstanding and issued shares except for the Corporation Issued Shares. The Corporation has not authorized the future issue of any shares or other securities of the Corporation.

(b) *No Other Purchase Agreements.* ***[Redacted: Commercially sensitive information],*** no Person has any agreement, option, understanding or commitment, right or privilege (whether legal, pre-emptive or contractual), capable of becoming an agreement, option or commitment (including a right of conversion or exchange attached to convertible securities, warrants or convertible obligations) of any nature, for:

(i) the purchase, subscription, allotment or issuance of, or conversion into, any of the unissued shares in the capital of the Corporation or any securities of the Corporation; or

(ii) the purchase or other acquisition from the Corporation of any of its undertakings, properties or assets, other than in the Ordinary Course of Business.

(c) *Dividends.* Except as specified in Schedule 3.1 (2)(c) since the date of the Financial Statements, the Corporation has not, directly or indirectly, authorized, declared or paid any dividends or declared or made any other distribution or return of capital in respect of any of its shares of any class and has not, directly or indirectly, redeemed, purchased or otherwise acquired any of its shares of any class or agreed to do so.

(d) *Contractual and Regulatory Approvals.* Except as specified in Schedule 3.1(2)(d) neither the Corporation nor the Vendor is under any obligation, contractual or otherwise, to request or obtain the consent or approval of any Person, and no permits, licences, certifications, registrations authorizations or approvals of, or notifications to or filings with, any Governmental Authority are required to be obtained by the Corporation or the Vendor:

(i) by virtue of or in connection with the execution, delivery or performance by either of the Vendor or the Corporation of this Agreement or of any other agreements contemplated or referred to herein or the completion of any of the transactions contemplated herein;

(ii) to avoid the loss of any licence, permit or other authorization or the violation, breach or termination of, or any default under, or the creation of any Encumbrance under the terms of, any Applicable Law; or

(iii) in order that the authority and ability of the Corporation to carry on the Business in the Ordinary Course of Business and in the same manner as presently conducted and to own or lease any of the property or assets utilized by the Corporation remains in good standing and in full force and effect as of and following the completion of the transactions contemplated by this Agreement.

Complete and correct copies of any agreements under which the Corporation or the Vendor are obligated to request or obtain any such consent or approval have been provided to the Purchaser.

(3) Financial Matters

(a) *Books and Records.* All material financial transactions of the Corporation have been properly recorded in its books and records, which have been maintained in accordance with GAAP and all other applicable legal and accounting requirements and good business practice. Such books and records:

(i) accurately reflect the basis for the financial condition and the revenues, expenses and results of operations of the Corporation shown in the Financial Statements; and

(ii) together with all disclosures made in this Agreement, present fairly the financial condition and the revenues, expenses and results of the operations of the Corporation as of and to the date hereof.

No information, records, systems, controls or data pertaining to or required for the operation or administration of the Corporation or the Business are recorded, stored, maintained by, or are otherwise dependent upon, any computerized or other system, program or device that is not exclusively owned and controlled by the Corporation and on the Closing Date the Corporation will have originals or copies of all such records, systems, controls or data in its possession or control, including where applicable, copies of all computer software and documentation relating thereto.

(b) *Financial Statements.* The Financial Statements have been prepared in accordance with GAAP applied on a basis consistent with financial statements of previous years and present fairly the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Corporation as at the applicable dates. Except as set forth in Schedule 1.1, the financial position of the Corporation is now and on the Closing Date will be at least as good as that shown by or reflected in the Annual Financial Statements. The Annual Financial Statements and Closing Financial Statements will be prepared in accordance with GAAP and will present fairly the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Corporation as at March 31, 2014 and as at the Closing Date respectively.

(c) *Net Tangible Working Capital.* The net Tangible working capital of the Corporation (e.g. working assets as described under GAAP (cash, accounts receivable, etc. related to the Business) less current liabilities (e.g. trade and company payables, and excluding the current portion of long-term debt and leasehold improvements) as determined by the Purchaser related to the Corporation's Business ("Net Tangible Working Capital") shall be as at the Closing Date a minimum of zero and accounts receivable of the Corporation used to determine the Net Tangible Working Capital shall consist only of accounts 60 days old or less.

(d) *Liabilities.* Except as set out in Schedule 3.1(3)(d), there are no liabilities (contingent or otherwise) of the Corporation of any kind whatsoever, and there is no basis for any assertion against the Corporation of any liabilities of any kind, other than:

(i) the liabilities disclosed, reflected in or provided for in the Financial Statements;

(ii) liabilities incurred since the Statement Date which were incurred in the Ordinary Course of Business and, in the aggregate, are not materially adverse to the Business in accordance with GAAP; and

(iii) other liabilities disclosed in this Agreement.

(e) *Agreements and Commitments.* The Corporation is not a party to or bound by any outstanding or executory agreement, contract or commitment, whether written or oral, except for:

(i) any contract, lease or agreement made in the Ordinary Course of Business under which the Corporation has a financial obligation of less than $15,000 and which can be terminated by the Corporation without payment of any damages, penalty or other amount by giving not more than 30 days' notice; and

(ii) the contracts, leases and agreements described in Schedule 3.1(3)(e) in this Agreement or in any other Schedule to this Agreement.

Complete and correct copies of each of the contracts, leases and agreements described in Schedule 3.1(3)(e) have been provided to the Purchaser.

(f) *Accounts Receivable.* All accounts receivable, book debts and other debts owing to the Corporation reflected in the Financial Statements and all accounts receivable of the Corporation arising since the Statement Date arose from *bona fide* transactions in the Ordinary Course of Business and are good, valid, enforceable and fully collectible at the aggregate recorded amounts thereof (subject to a reasonable allowance, consistent with past practice, for doubtful accounts as reflected in the Financial Statements). Such accounts receivable are not subject to any defence, set-off or counterclaim.

(g) *Debt Obligations.* Except as disclosed in the Financial Statements or in this Agreement or in a Schedule to this Agreement, the Corporation does not have outstanding any bond, debenture, mortgage, promissory note, loan agreement or other contract for the borrowing of money or any Capital Lease or other Indebtedness, the Corporation is not under any obligation to create or issue any bonds, debentures, mortgages, promissory notes or other Indebtedness, and the Corporation is not a party to or bound by any agreement of guarantee, indemnification, assumption or endorsement or any other like commitment of the obligations, liabilities (contingent or otherwise) or Indebtedness of any Person.

(h) *Indebtedness of Shareholders, Directors etc.* All Indebtedness to the Corporation of shareholders, directors, officers and employees of the Corporation or the Vendor and any Person, firm or corporation not dealing at arm's length with any of the foregoing within the meaning of the *Income Tax Act* (Canada) for advances or other amounts shall have been paid in full by the Closing Date.

(i) *Shareholders' Equity.* On Closing the Shareholders' Equity will not be materially different from the Shareholders' Equity shown on the Financial Statements.

(j) *Absence of Certain Changes or Events.* Except as specified in Schedule 3.1(3)(j), since the Statement Date, the Corporation has not:

(i) incurred any obligation or liability (fixed or contingent) or Indebtedness, except normal trade or business obligations incurred in the Ordinary Course of Business, none of which is materially adverse to the Corporation or to the Business;

(ii) paid or satisfied any obligations or liability (fixed or contingent), except current liabilities included in the Financial Statements, current liabilities incurred since the Statement Date in the Ordinary Course of Business; and scheduled payments pursuant to obligations under loan agreements or other contracts or commitments described in this

Agreement;

(iii) created any Encumbrance upon any of its properties or assets, except as described in this Agreement or in the schedules hereto;

(iv) sold, assigned, transferred, leased or otherwise disposed of any of its properties or assets, except in the Ordinary Course of Business;

(v) purchased, leased or otherwise acquired any properties or assets, except in the Ordinary Course of Business;

(vi) waived, cancelled or written off any rights, claims, accounts receivable or any amounts payable to the Corporation, except in the Ordinary Course of Business;

(vii) entered into any transaction, contract, agreement or commitment, except in the Ordinary Course of Business;

(viii) terminated, discontinued, closed or disposed of any business operation;

(ix) had a supplier terminate, or communicate to the Corporation the intention or threat to terminate, its relationship with the Corporation, or the intention to reduce substantially the quantity of products or services it sells to the Corporation, except in the case of suppliers whose sales to the Corporations are not, in the aggregate, material to the Business or the financial condition of the Corporation and except in the case of suppliers that are insurance companies;

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

(xi) suffered any damage, destruction or loss (whether or not covered by insurance) which has materially adversely affected or could materially adversely affect the Business or the financial condition of the Corporation;

(xii) increased any form of compensation or other benefits payable or to become payable to any of the employees of the Corporation, except increases made in the Ordinary Course of Business which do not exceed 5%, in the aggregate, of the amount of the aggregate salary compensation payable to all of the Corporation’s employees prior to such increase;

(xiii) suffered any extraordinary loss relating to the Business;

(xiv) made or incurred any material change in, or become aware of any event or condition which is likely to result in a material change in, the Business or condition of the Corporation or its relationships with their respective customers, suppliers or employees; or

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

(4) Tax Matters.

(a) *Tax Returns, Filings.* The Corporation has duly and on a timely basis prepared and filed all tax returns and other documents required to be filed by it in respect of all Taxes, and such returns and documents are complete and correct. Complete and correct copies of all such returns and other documents filed in respect of the three fiscal years of the Corporation ending prior to the date hereof have been provided to the Purchaser.

(b) *Collection, Remittance.* Except as set forth in Schedule 3.1(4)(b), the Corporation has paid, collected and remitted all Taxes which are due and payable, collectible or remittable, as applicable, by it on or before the date hereof. Adequate provision has been made in the Financial Statements for all Taxes for the periods covered by the Financial Statements, respectively. The Corporation has no liability for Taxes other than those provided for in the Financial Statements and those arising in the Ordinary Course of Business since the Statement Date.

(c) *Assessments.* Canadian federal and provincial income tax assessments have been issued to the Corporation covering all past periods up to and including the fiscal year ended March 31, 2013, except for the 2013 Alberta provincial assessment notice. There are no actions, suits, proceedings, investigations, enquiries or claims now pending or made or, to the best of the Vendor's knowledge, threatened against the Corporation in respect of Taxes.

(d) *Waivers, Extensions.* There are no agreements, waivers or other arrangements providing for any extension of time with respect to the filing of any Tax return or other document or the payment of any Taxes by the Corporation or the period for any assessment or reassessment of Taxes.

(e) *Deductions.* The Corporation has withheld from each amount paid or credited to any Person the amount of Taxes required to be withheld therefrom and has remitted such Taxes to the proper Tax or other Governmental Authorities within the time required under Applicable Law.

(5) Bank Accounts and Authorizations. Attached as Schedule 3.1(5) is a list of all safe deposit boxes and bank accounts of the Corporation and the names of all Persons having access or signing authority and of all powers of attorney given by the Corporation.

(6) Insurance. Attached as Schedule 3.1(6) is a list of all insurance policies (including the name of the insurer, policy number, amount of coverage, type of insurance, expiry date and details of pending claims) maintained by the Corporation in respect of its assets, business operations, directors, officers and employees. To the best of the Vendor's knowledge, all such insurance policies are valid and enforceable and in full force and effect, are underwritten by unaffiliated and reputable insurers, are sufficient for all applicable requirements of law and provide insurance, including liability and product liability insurance, in such amounts and against such risks as is customary for corporations engaged in businesses similar to that carried on by the Corporation to protect the employees, properties, assets, Business and operations of the Corporation. The Corporation is not in default with respect to the payment of any premium or compliance with any of the provisions contained in any such insurance policy and the Corporation has not failed to give any notice or present any claim within the appropriate time therefor. To the best of the Vendor's knowledge, there are no circumstances under which the Corporation would be required to, or in order to maintain its coverage, should give any notice to the insurers under any such insurance policy which has not been given. The Corporation has not received notice from any of the insurers regarding cancellation of such insurance policy or denying any claims. The Corporation has not taken and will not take any action to amend limits, deductibles, expiry dates, to activate the

extended reporting period or to terminate the policies and the Vendor will on Closing deliver to the Purchaser a copy of a letter delivered by the Vendor to the manager of the Corporation's errors and omissions program advising it of the sale, authorizing it to take directions from the Purchaser (Corporate Risk Manager) after Closing and requesting it to notify the Corporation's insurers accordingly.

(7) Capital Expenditures. Except as set forth in Section 3.1(3)(j), the Corporation is not committed to make any capital expenditures, nor have any capital expenditures been authorized by the Corporation at any time since the Statement Date, except for capital expenditures made in the Ordinary Course of Business which, in the aggregate, do not exceed $15,000**.**

(8) Non-Arm's Length Matters. Except as set out in Schedule 3.1(8), the Corporation is not party to or bound by any agreement with, is indebted to, and no amount is owing to the Corporation by, either of the Vendor or any officers, former officers, directors, former directors, shareholders, former shareholders, employees or former employees of the Corporation or of the Vendor or any Person not dealing at arm's length with any of the foregoing within the meaning of the *Income Tax Act* (Canada). Since the Statement Date, the Corporation has not made or authorized any payments to either of the Vendor or any officers, former officers, directors, former directors, shareholders, former shareholders, employees or former employees of the Corporation or of the Vendor or to any Person not dealing at arm's length with any of the foregoing within the meaning of the *Income Tax Act* (Canada) except for salaries and other employment compensation payable to employees of the Corporation in the Ordinary Course of Business and at the regular rates payable to them and except as otherwise agreed to in writing by the Purchaser**.**

(9) Amounts Receivable. No amount is owing to the Corporation by any shareholder, director, officer or employee of the Corporation or of the Vendor or any Person, firm or corporation not dealing at arm's length with any of the foregoing within the meaning of the *Income Tax Act* (Canada).

(10) Property of Corporation

(a) *Assets.* The Corporation is the owner of and has good and marketable title to its assets (including its book of business) free from Encumbrance, except for the Encumbrances disclosed in the Financial Statements or set out in Schedule 3.1(10)(a) and liens for Taxes not yet due and payable. The Corporation has not disposed of any assets since the Statement Date other than in the Ordinary Course of Business. No Person other than the Corporation owns any assets which are used in the Business, except for the Leased Premises and the personal property described in Schedule 3.1(20)(f), which is leased by the Corporation. There are no agreements or commitments to purchase property or assets by the Corporation, other than in the Ordinary Course of Business **[Redacted: Commercially sensitive information]**.

(b) *Real Property.* The Corporation does not own any real property except for the Corporation's leasehold interests in the Leased Premises.

(c) *Real Property Leases*. Schedule 3.1(10)(c) accurately describes real property leases/agreements to lease (the "**Real Property Leases**") pertaining to the Corporation, as tenant (including names, term, rent and renewal options). Complete and correct copies of the Real Property Leases have been provided to the Purchaser. The Corporation is exclusively entitled to all rights and benefits under the Real Property Leases and has not sublet, assigned, licensed its rights in the leased premises (the "**Leased Premises**") or in the Real Property Leases. All rent and other obligations have been made and performed and the Corporation is not in default. To the best of the

Vendor's knowledge, no landlord is in default under the Real Property Leases. The Vendor will obtain the consent of the landlord for the transaction contemplated by this Agreement as required by the Real Property Leases. The Real Property Leases will not be affected by, nor will any of the Real Property Leases be in default as a result of, the completion of the transactions contemplated by this Agreement.

(d) *Status of Property.* To the best of the Vendor's knowledge, the use by the Corporation of the Leased Premises is not in breach of any building, zoning or other statute, by-law, ordinance, regulation, covenant, restriction or official plan, and the Corporation has adequate rights of ingress and egress for the operation of the Business in the ordinary course and, specifically (i) the Corporation is not in breach of any Applicable Law, (ii) its rights under the Real Property Leases are sufficient for the operation of the Business in the Ordinary Course, (iii) no Person is entitled to claim a lien under the builder's or construction lien legislation against the Leased Premises, (iv) all real property taxes and payments to public utilities owing by the Corporation have been made and all accounts for work and services performed and materials furnished in respect of the Leased Premises at the request of the Corporation have been paid, (v) no part of the Leased Premises has been taken or expropriated by any Governmental Authority nor has any notice or proceeding in respect thereof been given or commenced to or against the Corporation, and (vi) to the best of the Vendor's knowledge, the utility systems and structural components of the Leased Premises and all machinery, equipment, tools, furniture, furnishings and materials used in the Business are in good working order and free from defect, and (vii) no alteration, repair, improvement or other work that has not been completed has been ordered, directed or requested in writing by any competent Governmental Authority to be done in respect of the Leased Premises or any of the plumbing, heating, elevating, water, drainage or electrical systems, fixtures or works;

(e) *Environmental Matters.* To the Vendor's knowledge, the Corporation, the Business, the Leased Premises and all operations thereon have been and are in compliance with all applicable Environmental Laws. The Corporation has not received any notice of non-compliance and has never been prosecuted for or convicted of an offence for non-compliance with any Environmental Laws or been fined or otherwise sentenced or settled any allegation of non-compliance prior to prosecution or conviction and to the best of the Vendor's knowledge, there is no pending or threatened Environmental Claim against the Corporation, in each case with respect to the Leased Premises.

(f) *Personal Property.* The Corporation is not the lessee of any personal or movable property or is a party to any conditional sale or other title retention agreement except as set out in <u>Schedule 3.1(10)(f)</u>.

(g) *Computer Systems.* To the Vendor's knowledge: (i) the computer systems used in the Business and owned or leased by the Corporation, including hardware and software, are free from viruses and disabling codes and devices, (ii) the Vendor has taken, and will continue to take, all steps and implement all procedures necessary to ensure, so far as reasonably possible, that such systems are free from viruses and disabling codes and devices and will remain so until the Closing Date, (iii) the Corporation has in place, or is taking steps to put in place, appropriate disaster recovery plans, procedures and facilities and has taken all reasonable steps and implemented all reasonable procedures to safeguard its computer systems and restrict unauthorized access thereto, and (iv) there are no source codes for proprietary software (other than off-the-shelf applications software) used in the Corporation's computer systems. The Vendor has provided to the Purchaser a copy of all off-the-shelf software used in connection with the Business. For clarity, the broker management system used for the operations of the Corporation is licensed to the Corporation and such license is and will be in force at the Closing Date; the records, systems, controls or data managed by and recorded on this system are in possession or control of the Corporation and the integrity of the data is adequately backed up in accordance with good business practices.

(h) *Intellectual Property*. Schedule 3.1(10)(h) is a list of (i) all registrations in respect of Intellectual Property which is used by the Corporation in the Business and the offices (if any) in which the same is registered and the applicable expiry dates of any registrations, and (ii) all unregistered Intellectual Property currently used by the Corporation in the Business. The Intellectual Property listed therein constitute all Intellectual Property used by the Corporation in the Business and is owned by the Corporation free from Encumbrance except as noted in Schedule 3.1(10)(a). The Corporation has the exclusive right to use such Intellectual Property and there are no restrictions on the ability of the Corporation or any successor to or assignee of the Corporation to use or exploit all rights in the Intellectual Property. To the Vendor's knowledge, the conduct of the Business does not infringe the Intellectual Property of any person.

(11) Conduct of Business.

(a) *No Material Adverse Change.* Since the Statement Date, there has been no material change in the affairs, prospects, operations, assets or financial condition of the Business or the Corporation other than changes in the Ordinary Course of Business, none of which has been materially adverse; nor any damage, destruction or loss or other event, development or condition of any character (whether or not covered by insurance) materially and adversely affecting the business, assets or properties of the Business or the Corporation.

(b) *No Changes, No Payments, No Dividends and No Redemptions* . Since the Statement Date, there has not been any change in any written or oral agreements between the Corporation and any of its employees, officers or consultants nor the payment or accrual of any bonuses (except for changes and payments paid in accordance with the Corporation's employee benefit plans disclosed in Schedule 3.1(12)), nor the declaration or payment of any dividends other than those dividends that have been previously in Schedule 3.1(2)(c), or the authorizing or payment of any distributions in respect of any of the Corporation's shares nor the redemption or otherwise purchase of any of their shares.

(c) *Ordinary Course.* The Business has been carried on in the Ordinary Course of Business since the Statement Date, and will be carried on in the Ordinary Course of Business after the date of this Agreement and up to the Closing Date.

(d) *Clients.* The Vendor has previously delivered to the Purchaser a substantially true and complete list of all clients of the Business as of the date hereof. The Corporation is the sole and exclusive owner of, and has the sole, exclusive, unrestricted right to use, such client list and all books of business of the Corporation and no Person has any agreement or option or any right capable of becoming an agreement or option to acquire all or part of such client list or books of business. There has been no termination or cancellation of, and no modification or change in, the business relationship of the Corporation with any major customer or group of major customers. **[Redacted: Commercially sensitive information].** Neither the client list nor any information relating to the clients of the Business have at any time prior to the date of this Agreement, been made available to any Person other than the Purchaser and the employees of the Corporation (as part of the commissions statements provided to them). **[Redacted: Commercially sensitive information].**

(e) *Necessary Assets.* The assets owned, leased or licensed by the Corporation are adequate for the conduct of the Business as usually conducted and include all proprietary rights, trade secrets and other property and assets, tangible and intangible, applicable to or used in connection with the Business. Neither of the Vendor nor any other Person owns any assets which are being used in or are reasonably necessary to carry on the business or operations of the Corporation in the normal course except assets leased or licensed to the Corporation as disclosed in this Agreement.

(f) *Restrictions on Doing Business.*

(i) The Corporation is not party to or bound by any agreement or commitment which would restrict or limit its rights to carry on or compete in any business or activity or to solicit business from any Person or in any geographical area or otherwise to conduct the Business as currently conducted and as proposed to be conducted. The Corporation is not subject to any legislation or any judgment, order or requirement of any court or Governmental Authority which is not of general application to Persons carrying on a business similar to the Business. To the best of the Vendor's knowledge, there are no facts or circumstances which could materially adversely affect the ability of the Corporation to continue to operate the Business as presently conducted following the completion of the Purchase.

(ii) [Redacted**: Commercially sensitive information]**.

(g) *Status of Contracts.* The Corporation has in all material respects, performed all of the obligations required to be performed by it, and is entitled to all benefits under, and is not in default or alleged to be in default in respect of, all contracts to which it is a party and none of such contracts is dependent upon the guarantee of or any security provided by a third party. All of such contracts are in good standing and in full force and effect, and there exists no state of facts which after notice or lapse of time or both would constitute a default or breach thereunder and, to the best of the Vendor's knowledge, none of the other parties to such contracts is in material default thereunder.

(h) *Ownership and Accuracy of Account Information, etc***.** Subject to the terms of the existing broker agreements and subject to use by Governmental Authorities, no third party (other than the Purchaser) has the right to use the account and commission information, underwriting and rating information, data regarding claims experience and loss ratios for the Corporation, except that underwriting manuals and rating tables may be owned by the issuing insurance company. Neither the Corporation nor the Vendor has given to any Person authorization to use the account and commission information, underwriting and rating information, data regarding claims experience and loss ratios and renewal and application records of the Corporation. Further, such information concerning the account and commission information, underwriting and rating information, data regarding claims experience and loss ratios and renewal and application records of the Corporation is complete and accurate. The Corporation has not received any notice of default or a dispute between it and any other party in respect of a broker agreement or agency agreement.

(i) *Compliance with Insurance Laws.* Except as disclosed in Schedule 3.1(13)(d), the Corporation and its officers, directors and employees are in good standing and up-to-date with their filings with all applicable regulatory authorities, including under the *Insurance Act* (Alberta) any other Governmental Authorities specifically involved in the regulation of the Business (collectively, the "**Insurance Regulatory Authorities**"), have complied in all material respects with all requirements of and regulations under Applicable Law during the operation of the Business and are not under investigation by the Insurance Regulatory Authorities. Schedule 3.1(13)(d), there have been no complaints laid against the Corporation or its officers, directors or employees by the Insurance Regulatory Authorities, and to the best of the Vendor's knowledge, there are no facts which would cause the Corporation or its officers, directors or employees to be in contravention of any Insurance Regulatory Authorities or any rules or applicable regulations promulgated by any Insurance Regulatory Authorities.

12. Employment Matters

(a) *Employees.* **[Redacted: Commercially sensitive information].** Complete copies of employment contracts pertaining to each employee have been provided to the Purchaser.

(b) *Remuneration.* Since the Statement Date, no payments have been made or authorized to directors, officers or employees of the Corporation, except at regular rates of remuneration and except for bonuses paid in accordance with the Corporation's employee benefit plans disclosed in Schedule 3.1(12).

(c) *Labour Matters and Employee Contracts.* The Corporation is not a party to or bound by any collective agreement or employment agreement, nor is it currently conducting negotiations with any labour union or employee association. Except as disclosed in Schedule 3.1(12), there is no employment agreement with any employee which cannot be terminated on reasonable notice and without penalty. The agreements and practices relating to the payment of management, consulting, service or other fee or bonus or pension, share of profits or retirement allowance are listed in Schedule 3.1(12). There are no existing or, to the best of the Vendor's knowledge, threatened, labour strikes or labour disputes, grievances, controversies or other labour troubles affecting the Corporation or the Business.

(d) *Employee Legislation.* The Corporation has complied in all material respects, with all Applicable Laws, rules, regulations and orders applicable to it relating to employment, including those relating to wages, hours, collective bargaining, occupational health and safety, workers' hazardous materials, employment standards, pay equity, workers' compensation and statutory deductions. The Corporation has no notice of any outstanding charges or complaints against the Corporation relating to unfair labour practices or discrimination or under any legislation relating to employees. The Corporation has paid in full all amounts owing under any applicable provincial workplace safety and insurance legislation, and there are no circumstances that would permit a penalty reassessment under such legislation. The Corporation has no notice of any charges or orders requiring the Corporation to comply outstanding under all provincial occupational health and safety legislation.

(e) *Employee Benefit Plans.*

(i) Except as listed in Schedule 3.1(12), the Corporation is not subject to any present or future obligation or liability under, any pension plan, deferred compensation plan, retirement income plan, stock option or stock purchase plan, profit sharing plan, bonus plan or policy, employee group insurance plan, hospitalization plan, disability plan or other employee benefit plan, program, policy or practice, formal or informal, with respect to any of its employees, other than pursuant to the *Canada Pension Plan Act* and all Alberta health insurance legislation and all other similar health plans established pursuant to statute.

(ii) Schedule 3.(1)(12) also lists the general policies, procedures and work-related rules in effect with respect to employees of the Corporation, whether written or oral, including but not limited to policies regarding holiday, sick leave, vacation, disability and death benefits, termination and severance pay, automobile allowances and rights to company-provided automobiles and expense reimbursements (the "**Benefit Plans**"). Complete and correct copies of all documentation establishing or relating to the Benefit Plans listed in

Schedule 3.1(12) or, where such Benefit Plans are oral commitments, written summaries of the terms thereof, and the most recent financial statements and actuarial reports related thereto and all reports and returns in respect thereof filed with any regulatory agency within three years prior to the date hereof have been provided to the Purchaser.

(iii) The Corporation does not have any pension plans.

(iv) There are no pending claims by any employee covered under the Benefit Plans or by any other Person which allege a breach of fiduciary duties or violation of Applicable Law or which may result in liability to the Corporation and there is no known basis for such a claim. There are no employees or former employees of the Corporation who are receiving from the Corporation any pension or retirement payments, or who are entitled to receive any such payments, not covered by a pension plan to which the Corporation is a party.

(f) *No Claims*.

(i) To the best of the Vendor's knowledge after due inquiry, and except as disclosed in Schedule 3.(1)(12), no present or former employee of the Corporation has any claim against the Corporation (whether under federal or provincial law, under an employment agreement or otherwise) on account of or for: overtime pay, wages or salary for any period, other than current payroll; vacation, time off or pay in lieu of vacation or time off, other than vacation or time off (or pay in lieu thereof) earned in respect of the current fiscal year; or any violation of any statute, ordinance or regulation relating to minimum wage or maximum hours of work.

(ii) The Corporation is not in arrears in the payment of any vacation pay, bonuses, commissions, social security payments, and other payments with respect to employees whether arising by operation of law, by contract or by past custom and all payments and necessary accruals required to be made by the Corporation have been made, will be made in the Closing Financial Statements or will be an adjustment to the purchase price.

13. General Matters

(a) *Compliance with Laws.* The Corporation is carrying on the Business in compliance with all Applicable Law and is not in violation of any Applicable Law relating to, without limitation, its operations, products, advertising, sales or employment practices, wages and hours or human rights, the protection and preservation of the environment, occupational health and safety, product safety or product liability.

(b) *Litigation.* Except for the matters referred to in Schedule 3.1(13)(b), there are no actions, suits or proceedings, judicial or administrative (whether or not purportedly on behalf of the Corporation or the Vendor) pending or, to the best of the Vendor's knowledge, threatened, by or against or affecting the Corporation at law or in equity, or before or by any court or any federal, provincial, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign which might result in any material adverse change in the Business, affairs or prospects of the Corporation, financial or other or which might adversely affect the ability of the Vendor to enter into this Agreement or to consummate the Purchase. Except for the matters referred to in Schedule 3.1(13)(b), there are no grounds on which any such action, suit or proceeding might be commenced with any reasonable likelihood of success. For clarity and **[Redacted: Commercially sensitive information]**, no Person (in Canada, the United States or elsewhere) has Encumbered or has any rights against or litigation pending against the Vendor or the Corporation that could Encumber the assets or shares of the Corporation or materially adversely affect the business, operations or condition of the Corporation.

(c) *Copies of Documents.* To the best knowledge of the Vendor after due inquiry, true and complete copies of all contracts, leases, collective agreements, pension plans, benefit plans, policies of insurance and other documents identified in any schedule to this Agreement have been delivered to the Purchaser.

(d) *Disclosure.* The representations and warranties of the Vendor contained in this Agreement and in any certificate or other material delivered under this Agreement are accurate and complete, do not contain any untrue statement of a material fact or, considered in the context in which presented, omit to state a material fact necessary in order to make the statements and information contained herein or therein not misleading. Without restricting the generality of the foregoing, there are no facts known to the Vendor which should be disclosed to the Purchaser in order to make any of the representations and warranties contained in this Agreement not misleading or which, if known to the Purchaser, might reasonably be expected to deter the Purchaser from completing the Purchase.

3.2 Representations and Warranties of the Purchaser

The Purchaser represents and warrants to the Vendor as stated below and acknowledges that the Vendor is relying on the accuracy of each such representation and warranty in entering into this Agreement.

(1) Status. The Purchaser is a subsisting corporation in Good Standing under the laws of Alberta and has full corporate power and authority to execute and deliver this Agreement and to consummate the Purchase.

(2) Due Authorization. The execution and delivery of this Agreement and the consummation of the Purchase have been duly and validly authorized by the Purchaser and no other corporate proceedings on the part of the Purchaser are necessary to authorize this Agreement or the Purchase.

(3) Enforceability. This Agreement has been duly and validly executed and delivered by the Purchaser and is a valid and legally binding agreement of the Purchaser enforceable against the Purchaser in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency and other laws affecting creditors' rights generally and to general principles of equity.

3.3 Survival of Representations and Warranties

The representations and warranties contained in this Agreement and in documents delivered pursuant to it shall survive Closing for a period of thirty-six (36) months except that:

> (i) *Title Matters.* The representations and warranties with respect to title to shares and no other purchase agreements contained in Section 3.1(1)(e) and Section 3.1(1)(f) and with respect to title to assets contained in Section 3.1(10) and Section 3.1(11)(d) shall survive and continue in full force and effect without limitation of time.
>
> (ii) *Tax Matters.* The representations and warranties with respect to tax matters contained in Section 3.1(4) shall survive and continue in full force and effect until 120 days following the expiration of the period, if any, during which an assessment, reassessment or other form of recognized document assessing liability for tax, interest or penalties under

applicable tax legislation in respect of any taxation year to which such representations and warranties extend could be issued under applicable tax legislation to the Corporation, provided the Corporation did not file any waiver or other document extending such period.

(iii) *Breach of Representation*. A *claim* for any breach of any of the representations and warranties contained in this Agreement or in any agreement, instrument, certificate or other document executed or delivered pursuant hereto (i) involving fraud or fraudulent misrepresentation may be made at any time following the Closing Date, or (ii) involving any environmental claim may be made at any time following the Closing Date subject only to applicable limitation periods imposed by law.

SECTION 4
ACCESS AND CONFIDENTIALITY AND COVENANTS AND PROSPECTUS EXEMPTION

4.1 Access

The Purchaser and its auditors, counsel and other representatives shall be afforded immediate and continuous access at all reasonable times to all premises of, corporate, financial and other books and records of, and all policies of insurance, contracts, leases, deeds and other documents in the possession or control of, and the employees of the Corporation and the Vendor to enable the Purchaser to investigate the affairs of the Business, and the Vendor shall furnish to the Purchaser or its representatives such information with respect to the Business and its affairs as the Purchaser may reasonably request, but no such investigation shall prejudice the rights of the Purchaser under this Agreement.

4.2 Confidentiality

Notwithstanding anything contained in this Agreement, if the Purchase is not completed for any reason, the Corporation, the Vendor and the Purchaser shall each hold in strict confidence, and shall not disclose to any Person or use any confidential information obtained with respect to the other parties and their affairs. Upon completion of the Purchase, the Vendor shall hold in strict confidence and shall not disclose to any Person (other than the Purchaser) or use any confidential information of the Business.

Any breach of this Section 4.2 would cause irreparable harm for which the harmed party would not have an adequate remedy. Accordingly, each of the parties shall be entitled to seek injunctive relief to prevent breaches of these terms and to specifically enforce these terms, in addition to any other remedy to which it may be entitled.

4.3 Covenants of the Vendor

(1) <u>Interim Period.</u> Except as contemplated by or disclosed in this Agreement or with the prior written consent of the Purchaser, during the Interim Period, the Vendor shall, and shall cause the Corporation to, as applicable:

(i) operate the Business only in the Ordinary Course of Business;

(ii) use best efforts to maintain a level of Net Tangible Working Capital of zero;

(iii) pay, satisfy and discharge all non-arm's length receivables and payables such that none exist as of the Closing Time;

(iv) pay, satisfy and discharge when due all liabilities of the Corporation in the Ordinary Course of Business, except those contested in good faith by the Corporation;

(v) not make any payments of whatsoever nature outside of the Ordinary Course of Business to the Vendor or any Affiliates or non-arm's length parties thereof;

(vi) not make or commit to make any capital expenditures;

(vii) promptly advise the Purchaser in writing of any facts that come to their attention that would cause any of the representations and warranties made by them herein to be untrue or inaccurate in any respect;

(viii) take all action to preserve the Business and the goodwill of the Corporation and its relationships with clients, suppliers, lessors and others having business dealings with it, to keep available the services of its present officers and employees and to maintain in full force and effect all contracts to which the Corporation is a party and take all other action reasonably requested by the Purchaser in order that the Business and the financial condition of the Corporation is or will not be impaired during the Interim Period;

(ix) maintain all policies of insurance on the Corporation and its assets in the Ordinary Course of Business;

(x) promptly advise the Purchaser in writing of any material adverse change in the Business or the financial condition of the Corporation that occurs during the Interim Period;

(xi) maintain all of the tangible properties and assets of the Corporation in the same condition as they now exist, ordinary wear and tear excepted;

(xii) maintain the books, records and accounts of the Corporation in the Ordinary Course of Business and record all transactions on a basis consistent with past practice;

(xiii) ensure that the Corporation does not create, incur or assume any Indebtedness (including obligations in respect of leases) or create any Encumbrance upon any of its properties or assets or Guarantee or otherwise become liable for the obligations of any other Person or make any loans or advances to any Person **[Redacted: Commercially sensitive information]**;

(xiv) ensure that the Corporation does not sell or otherwise dispose of any of its properties or assets, except in the Ordinary Course of Business;

(xv) take all actions within their control to ensure that the Corporation performs all of its obligations falling due during the Interim Period under all contracts to which the Corporation is a party or by which it is bound;

(xvi) ensure that the Corporation does not enter into any contract (including without limitation any independent contractor agreements, agent agreements or other similar agreements), other than contracts made in the Ordinary Course of Business under which the Corporation has a financial obligation of less than $15,000 and which can be terminated by the Corporation without payment of any damages, penalty or other amount by giving not more than 30 days' notice;

(xvii) ensure that the Corporation does not declare or pay any dividends, redeem or repurchase any securities in its share capital or make any other distributions or return of capital in respect of its shares;

(xviii) ensure that no action be taken with respect to (i) any merger, amalgamation, plan of arrangement, reorganization or other business combination or similar transaction involving the Corporation (including the acquisition of all or a material portion of the shares, assets or business of any Person); (ii) the split, combination or reclassification of any shares of the Corporation's share capital or the allotment, reservation, setting aside, issuance, Encumbrance, transfer, sale or disposition of any shares of the Corporation or any of its securities; it is understood that the Corporation may acquire prior to Closing the book of business owned by **[Redacted: Name]** and that such acquisition shall be completed in collaboration with the Purchaser, with all documentation and terms and conditions relating to such acquisition being subject to prior review and approval by the Purchaser;

(xix) ensure that the Corporation does not increase, in any manner, the compensation or benefits of any of its directors, officers or employees, or pay or agree to pay to any of its directors, officers or employees any pension, severance or termination amount or other employee benefit not required by any of the Benefit Plans; and

(xx) to use reasonable best efforts to have key shareholders of the Corporation (in addition to the Persons mentioned in Section 6.1(17) hereof) sign, before the date of the shareholders' meeting of the Vendor to be held to approve among others the Purchase, Support Agreements with the Purchaser in a form satisfactory to the Purchaser.

(2) Change and use of Name. The Vendor shall:

(i) at Closing, file all documents required in order to change its name for a name which shall not contain the words "Anthony Clark" or any other word or component which is included in the Intellectual Property used by the Corporation;

(ii) as soon as practical following Closing but in any event no later than 30 days following Closing, cease using in its business or otherwise (either as a trade name, trademark or otherwise) the words "Anthony Clark" or any other word or component which is included in the Intellectual Property used by the Corporation; without limiting the generality of the foregoing, the Vendor shall change all websites, email addresses, domain names and letterheads accordingly).

4.4 Prospectus Exemption

The Vendor, the Purchaser and the Corporation hereby agree and acknowledge that the Purchase is completed in accordance with the exemptions set forth in Section 2.3 of the *National Instrument 45-106 Prospectus and Registration exemptions*.

SECTION 5
EMPLOYEES
NON-SOLICITATION/NON-COMPETITION AGREEMENTS

5.1 Employees

(a) *Assumption of Employees*. All of the employees of the Corporation and all of the obligations, benefits and other obligations of the Corporation owed to them as at the time of Closing shall continue to be owed to them and if not paid or accrued in the Closing Financial Statement will be treated as an adjustment to the Purchase Price.

5.2 Non-Solicitation and Non-Competition Agreements

On Closing, the Vendor shall, and the Vendor shall cause Tony Consalvo to, enter into a Non-Solicitation/Non-Service Agreement and a Non-Competition Agreement substantially in the form attached as Schedule 5.2.

5.3 [Redacted: Commercially sensitive information]

5.4 Resignations and Releases

All directors and officers of the Corporation **[Redacted: Commercially sensitive information]** as of the Closing Date shall resign as such capacity and, in their capacity as officer, director, shareholder and employee will release the Corporation and the Purchaser from liability. As well, the Vendor, in its capacity as shareholder will release the Corporation and the Purchaser from liability.

SECTION 6
CONDITIONS OF CLOSING

6.1 Purchaser's Conditions

The Purchaser's obligation to complete the transactions contemplated in this Agreement are subject to satisfaction of the conditions stated below, which are for the exclusive benefit of the Purchaser, and may be waived by it in its discretion. The Vendor shall cause the conditions within their control to be satisfied by Closing:

(1) ***Verification.*** All representations and warranties contained in this Agreement shall be true and correct as of the Closing Date with the same effect as though made on and as of that date and the Vendor shall have delivered to the Purchaser evidence satisfactory to the Purchaser to the foregoing effect dated the Closing Date, but the acceptance of such evidence and the closing of the transaction hereby contemplated shall not be a waiver of such representations and warranties.

(2) ***Vendor's Obligations.*** The Vendor shall have performed all obligations and delivered all documents required or reasonably requested by the Purchaser to complete the transactions contemplated by this Agreement.

(3) ***Approvals*****.** The Seller shall have received all necessary regulatory, board and shareholder approvals to complete the transactions contemplated by this Agreement.

(4) ***Adverse Proceedings.*** No action or proceeding shall be pending or threatened which could reasonably be expected to materially impair the Corporation or impair or prohibit the completion of the transactions contemplated by this Agreement.

(5) ***Material Adverse Change.*** No damage to or destruction of a material part of the property, plant or equipment of the Corporation shall have occurred and no change shall have occurred in the operations, condition, affairs or prospects of the Corporation, financial or other, other than changes in the Ordinary Course of Business which, in the reasonable business judgment of the Purchaser, are not expected to be materially adverse to the Corporation.

(6) ***Concurrent Transactions.*** Concurrently with the completion of the transactions contemplated by this Agreement the Vendor and Tony Consalvo shall have entered into a non-competition agreement and a non-solicitation and non-service agreement with the Purchaser and the Corporation substantially in the form set out in Schedule 5.2.

(7) ***Indebtedness of Shareholders, Directors etc.*** All Indebtedness to the Corporation of shareholders, directors, officers and employees and any Person not dealing at arm's length with any of the foregoing within the meaning of the *Income Tax Act* (Canada) for advances or other amounts shall have been paid in full.

(8) ***Indebtedness of the Corporation. All*** indebtedness of the Vendor to Intact shall have been repaid on Closing.

(9) ***Intercompany Debt.*** All intercompany receivables and payables of the Corporation, shall have been collected or repaid.

(10) ***Intercompany Agreements.*** All intercompany agreements or arrangements between the Vendor and Corporation (including the management service agreement effective as of April 30, 2008) shall have been terminated to the satisfaction of the Purchaser.

(11) ***Releases and Resignations.*** The Vendor and all directors and officers of the Corporation shall have delivered to the Purchaser releases and resignations as directors **[Redacted: Commercially sensitive information]**, officers, shareholders and/or employees, as applicable, in form acceptable to the Purchaser as of the Closing Date.

(12) ***Corporate Action –Corporation.*** All appropriate action of the directors, shareholders and officers of the Corporation shall have been taken and all requisite consents, approvals and resignations shall have been obtained to transfer the Shares to the Purchaser. The Shares shall have been delivered to the Purchaser free and clear of all Encumbrances.

(13) **[Redacted: Commercially sensitive information];**

(14) ***Approvals, Consents, etc.*** Any approval, consent, ruling, exemption or authorization from any Person that may be necessary or appropriate in respect of the transactions contemplated hereby shall have been received and shall be absolute or on terms reasonably acceptable to the Purchaser.

(15) ***Approval of Counsel and Opinions.*** The status of the Corporation, all documents delivered hereunder, and the form and legality of all corporate action and all other matters which in the reasonable opinion of counsel for the Purchaser are material shall be subject to the approval of such counsel, who may rely to such extent and with respect to such matters as such counsel consider appropriate on the opinions of the counsel for the Vendor and the counsel for the Vendor shall have delivered to the Purchaser such legal opinions as the Purchaser may reasonably request for the purposes of the foregoing including an opinion in the form and content of <u>Schedule 6.1(15).</u>

(16) ***Support Agreements.*** **[Redacted: Commercially sensitive information].**

(17) ***Errors & Omissions Insurance.*** The Vendor shall have delivered to the Purchaser the Corporation's errors and omissions insurance policy with no changes to any of its terms or conditions from the policy previously reviewed by the Purchaser.

(18) **[Redacted: Commercially sensitive information]**

6.2 Vendor's Conditions

The Vendor's obligation to complete the transactions contemplated in this Agreement is subject to satisfaction of the conditions stated below, which are for the exclusive benefit of the Vendor, and may be waived by it in its discretion. The Purchaser shall cause the conditions within its control to be satisfied by Closing.

(1) <u>Purchaser's Obligations</u>. On the Closing Date, all representations and warranties of the Purchaser shall be true and correct, the Purchaser shall have performed all obligations and delivered all documents required or reasonably requested by the Vendor to complete the transactions contemplated by this Agreement.

(2) <u>Approvals</u>: The Vendor shall have received all necessary regulatory, board and shareholder approvals to complete the transactions contemplated by this Agreement.

6.3 Termination

This Agreement may be terminated, by Notice given prior to or at the completion of the Purchase as follows:

(1) by the Purchaser, (i) if any condition contained in Section 6.1 is not satisfied by June 1, 2014 to the satisfaction of the Purchaser acting reasonably, or (ii) in the event of a default under any of the Support Agreements;

(2) by the Vendor, if any condition contained in Section 6.2 is not satisfied by June 1, 2014 to the satisfaction of the Vendor acting reasonably;

(3) by written agreement of the Purchaser and the Vendor.

In the case of any termination of this Agreement pursuant to this Section 6.3, this Agreement shall be of no further force and effect except for Sections 6.2 (Confidentiality), 9.2 (Disclosure), 9.3 (Brokers), 9.4 (Fees) and 9.5 (Notices) which shall continue in full force and effect, and provided that no termination of this Agreement shall relieve any party from liability for any breach of this Agreement.

6.3 Closing

The Closing shall take place remotely via the exchange of PDF documents or as otherwise agreed by the parties at the Closing Time on the Closing Date, at which time the Vendor shall deliver to the Purchaser all documents required or reasonably requested by the Purchaser to complete the transactions contemplated by this Agreement including certificates for the Shares duly endorsed in blank for transfer and the Purchaser shall pay to the Vendor that portion of the Estimated Purchase Price payable on Closing in accordance with Section 2.1.

SECTION 7
INDEMNITIES

7.1 Indemnification by Vendor

(1) Indemnity by the Vendor. The Vendor hereby indemnifies and saves harmless the Purchaser and the Corporation from and against any and all Loss suffered or incurred by the Purchaser and/or the Corporation, as a result of:

(i) any breach of or inaccuracy in any representation or warranty of the Vendor contained in this Agreement or in any agreement, certificate or other document delivered pursuant hereto;

(ii) any breach or non-performance by the Vendor of any covenant or obligation to be observed or performed under this Agreement, in any agreement, certificate or other document delivered pursuant hereto;

(iii) all claims, demands, actions, causes of action, damage, loss, cost, liability or expense arising out of matters that are to remain the obligation of the Vendor pursuant to the terms of this Agreement;

(iv) all claims, demands, actions, causes of action, damage, loss, cost, liability or expense relating to the Corporation arising out of or related to any period prior to the Closing Time;

(v) Encumbrance upon or any defect in the title of the Shares;

(vi) debts or liabilities of the Corporation for any Taxes existing at the Closing of the transaction of purchase and sale in question, or any reassessment for any Taxes for any period ending on or before such time for which no adequate reserve has been provided for in the accounts of the Corporation; and

(vii) all claims, demands, costs and expenses, including legal fees, in respect of the foregoing.

(2) Limitation on Indemnity. Subject to paragraph (3) below, the Purchaser and the Corporation shall have no right to be indemnified by the Vendor and the Vendor shall have no obligation to indemnify the Purchaser and the Corporation in respect of any Claim for any Loss relating to:

(i) any Tax liability of the Corporation, the Notice of Claim for which is given more than 120 days after the expiration of the last to expire of any time within which an assessment, reassessment or similar document may be issued under any applicable legislation provided the Corporation did not file any waiver or other document extending such period;

(ii) any other Loss, the Notice of Claim for which is given more than three years after the Closing Date; or

(ii) any Environmental Claim made after the applicable limitation periods imposed by law.

(3) Exceptions to Limitation. The limitations on the indemnity of the Vendor set out in paragraph (2) above do not apply to any Claim for any Loss relating to:

(i) any Tax liability assessed against the Corporation where the assessment, reassessment or similar document relating thereto has been issued after the expiry of the otherwise applicable reassessment period by reason of misrepresentation or fraud on the part of the Corporation or the Vendor;

(ii) fraud or fraudulent misrepresentation on the part of any of the Vendor; or

(iii) any misrepresentation or breach of warranty with respect to representations and warranties as to title to the Shares or to the assets (including without limitation, the book of business) of the Corporation.

and a Notice of Claim in respect of any such Loss may be validly given at any time after the Loss is discovered, notwithstanding any provision hereof .

(4) Amount of Indemnity. The Vendor shall indemnify the Purchaser and the Corporation with respect to the Vendor's representations, warranties and covenants on the basis set out below:

(i) the Vendor's aggregate liability shall be limited to fifty-one percent (51%) of Losses suffered by the Purchaser and/or the Corporation as a result of the breach of any representations and warranties relating to the Corporation, except however in the event of any fraud or fraudulent misrepresentation on the part of the Vendor in which case such liability shall not be limited and shall therefore be one hundred percent (100%) of the Losses ; and

(ii) the Vendor shall be liable for one hundred percent (100%) of the Losses suffered by the Purchaser and/or the Corporation as a result of the breach of any representations and warranties relating to the Shares (including Encumbrances thereof) or the Vendor's share ownership in the Corporation.

7.2 Indemnification by the Purchaser

(1) Indemnification by Purchaser. The Purchaser indemnifies and saves harmless the Vendor from and against Losses actually suffered by the Vendor as a result of:

(i) *Breach of Representation:* a breach of or inaccuracy in any representation or warranty of the Purchaser; and

(ii) *Breach of Covenant:* a breach or non-performance by the Purchaser of any covenant or obligation;

(2) Limitation to Purchaser's Indemnity. The Vendor is not indemnified by the Purchaser in respect of any Losses if the written notice of claim has been given by the Vendor to the Purchaser more than three (3) years after the Closing Date other than Losses arising out of fraud or fraudulent misrepresentation on the part of the Purchaser, in which case the Vendor may give written notice of claim and be entitled to indemnity at any time without limitation.

7.3 Threshold

Notwithstanding the provisions of Sections 7.1 and 7.2 but subject to the paragraph immediately following, the Vendor and the Purchaser, as the case may be, as indemnified parties (in each case, an "**Indemnified Party"**) are not entitled to indemnity from the other (the "**Indemnifier"**) until the aggregate amount of all Losses actually suffered or incurred by the Indemnified Party net of all Losses actually suffered by the Indemnifier (the "**Net Losses**") is equal to or exceeds **[Redacted: Commercially sensitive information],** in which case the Indemnifier shall be liable for and shall pay to the Indemnified Party all Losses actually suffered by the Indemnified Party, and the Indemnifier's liability shall not limited to the Net Losses.

The immediately preceding paragraph shall have no application and no minimum amount of damages shall be required for bringing indemnity claims in respect of breach of representations and warranties relating to title to shares, title to assets, tax matters, environmental matters or those resulting from fraudulent misrepresentation.

7.4 Notice of and Defence of Third Party Claims

The Indemnified Party shall give the Indemnifier written notice of a claim by a Third Party, which for purposes of this Agreement, is a Person who is not a Party to this Agreement or an affiliate of such Party (the "**Third Party Claim**"), within 30 days after receipt, providing details of the Third Party Claim and an estimate of the amount of Losses for which the Indemnifier will be liable. The Indemnifier has the right either to assume the defence of or to participate in a Third Party Claim at the Indemnifier's expense and by the Indemnifier's own counsel by giving written notice to the Indemnified Party within 30 days of receipt of the notice of Third Party Claim from the Indemnified Party and subject to the rights of any insurer or other third party having potential liability for the Losses. The Indemnified Party shall not be entitled to settle or compromise any Third Party Claim without the prior written consent of the Indemnifier.

7.5 Assistance for Third Party Claims

The Indemnifier and the Indemnified Party shall use all reasonable efforts to make available to the party which is responsible for the defence of any Third Party Claim:

(i) the employees whose assistance, testimony or presence is necessary to assist such party in evaluating and in defending the Third Party Claim, and

(ii) all documents, records and other materials in the possession of such party reasonably required for use in defending the Third Party Claim,

and shall otherwise co-operate with the party defending the Third Party Claim. The Indemnifier shall be responsible for all reasonable expenses associated with making such documents, records and materials available and for all reasonable expenses of any employees made available by the Indemnified Party hereunder, which expense shall be mutually agreed upon but shall not exceed the actual direct out-of-pocket cost to the Indemnified Party associated with such employees.

7.6 Settlement of Third Party Claims

If an Indemnifier elects to assume the defence of a Third Party Claim, the Indemnifier shall not be liable for any legal expenses subsequently incurred by the Indemnified Party in connection with the defence of the Third Party Claim. However, if the Indemnifier fails to take reasonable steps necessary to defend diligently such Third Party Claim within 30 days after receiving written notice of the Third Party Claim from the Indemnified Party that the Indemnified Party *bona fide* believes on reasonable grounds that the Indemnifier has failed to take such steps, the Indemnified Party may, at its option, assume the defence of and compromise or settle the Third Party Claim assisted by counsel of its own choosing and the Indemnifier shall be liable for all reasonable costs and expenses paid or incurred in connection therewith. Without the prior written consent of the Indemnified Party, such consent not to be unreasonably withheld, the Indemnifier shall not thereafter enter into any compromise or settlement of any Third Party Claim.

7.7 Direct Claims

Any claim by the Indemnified Party against the Indemnifier which does not result from a Third Party Claim (a "**Direct Claim**") shall be asserted by giving the Indemnifier reasonably prompt written notice thereof, but in any event not later than 30 days after the Indemnified Party becomes aware of the matter giving rise to the Direct Claim. The Indemnifier shall have 30 days to respond in writing to such Direct Claim, failing which, the Indemnifier shall be deemed to have rejected the Direct Claim and the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party.

7.8 Failure to Give Timely Notice

Failure to give timely notice as required in this Section 7 shall not affect the rights or obligations of any party except and only to the extent that:

(i) the Indemnified Party's right to be indemnified has been extinguished; or

(ii) as a result of such failure, any party that was entitled to receive such notice of claim was deprived of its right to recover payment under its applicable insurance coverage or is otherwise directly and materially damaged as a result of such failure.

7.9 Interest

All amounts to be paid by an Indemnifier hereunder shall bear interest at a rate per annum equal to the rate of interest expressed as a rate per annum that Royal Bank of Canada establishes at its head office in Toronto, Ontario as a reference rate of interest that it will charge on that day for Canadian Dollar demand loans to its corporate customers in Canada and which is at present referred to as its "Prime Rate", calculated and payable monthly, both before and after judgement, with interest on overdue interest at the same rate, from the date that the Indemnified Party disbursed funds, suffered damages or losses or incurred a Loss to the date of payment by the Indemnifier to the Indemnified Party.

SECTION 8
ARBITRATION

8.1 Scope and Limitation Period

Disputes in connection with this Agreement, whether arising before or after Closing, shall be referred to arbitration under the applicable provincial statute governing arbitrations in effect at the time of the arbitration provided that the matter is submitted to arbitration within 2 years from the date at which the facts giving rise to the subject matter proposed to be arbitrated were known or ought to have been known with reasonable diligence by the party seeking to invoke the arbitration or seeking the remedy.

8.2 Appointment of Arbitrator

A party desiring arbitration shall give written notice to the other party describing the matter submitted for arbitration ("**Notice of Arbitration**"). Within 10 days thereafter, the parties shall jointly appoint a single arbitrator (the "**Arbitrator**"), failing which an Arbitrator shall be designated by a judge of the Alberta court with appropriate jurisdiction upon application by either party.

8.3 Powers of Arbitrator

The Arbitrator may determine all questions of law, fact and jurisdiction and may grant legal and equitable relief (including injunctive relief), award costs (including legal fees and the costs of the arbitration), and award interest.

8.4 Arbitration Procedure

The arbitration shall take place in the City of Calgary at such place therein and time as the Arbitrator may fix. Within 20 days of the appointment of the Arbitrator, the parties shall either agree on the procedure or the Arbitrator shall determine the appropriate procedure. The arbitration and all matters arising directly or indirectly (including all documents exchanged, the evidence and the award) shall be kept strictly confidential by the parties and shall not be disclosed to any third party except as may be compelled by law.

8.5 Arbitrator's Decision

No later than 20 Business Days after hearing the representations and evidence of the parties, the Arbitrator shall make his/ her determination (including awarding costs) in writing and deliver one copy to each of the parties. Except as hereinafter provided, the decision of the Arbitrator shall be final and binding upon the parties in respect of all matters relating to the arbitration, the conduct of the parties during the proceedings, and the final determination of the issues in the arbitration.

8.6 Awards and Appeal

There shall be no appeal from the determination of the Arbitrator to any court. Judgment upon any award rendered by the Arbitrator may be entered in any court having jurisdiction thereof.

8.7 Condition Precedent

Submission to arbitration under this Section is intended by the parties to preclude any action in matters, which may be arbitrated hereunder, save and except for enforcement of any arbitral award hereunder.

SECTION 9
MISCELLANEOUS

9.1 Further Assurances

Each party shall from time to time promptly execute and deliver all further documents and take all further action necessary or appropriate to give effect to the provisions and intent of this Agreement and to complete the Purchase.

9.2 Disclosure

No disclosure (including public announcements) with respect to the transactions contemplated by this Agreement shall be made by any party to suppliers, customers or employees of the Corporation or to any other Person without the prior approval of the other party (such approval not to be unreasonably withheld).

9.3 Brokers

Each of the parties represents to the other that it has not employed any broker, finder, investment banker or other intermediary in connection with the transactions contemplated by this Agreement who might be entitled to a fee from the other or from the Corporation or any commission upon consummation of the transaction.

9.4 Legal Fees and Independent Legal Advice

The Vendor and the Purchaser shall be responsible for their own costs and expenses regardless of whether the Purchase is completed. The Vendor has obtained independent legal advice (i.e. independent from the Purchaser) relative to this Agreement and all concurrent, ancillary or related transactions contemplated in this Agreement.

9.5 Notice

Notices may be delivered by courier, sent by prepaid registered mail, or sent electronically and addressed to:

(a) the Purchaser (and the Corporation after Closing) at:
48 Yonge Street
Toronto, Ontario
M5E 1G6
Attention: **[Redacted: Name]**
Email: **[Redacted: Email address]**
with a copy to:

Law Department
Intact Financial Corporation
700 University Avenue, Suite 1500-A
Toronto, Ontario
M5G 0A1
Attention: **[Redacted: Name]**
Fax No.: **[Redacted: Fax number]**

(b) the Vendor (and the Corporation after Closing) at:

c/o Anthony Clark Insurance International Insurance Brokers Ltd.
102-7909 Flint Road S.E.
Calgary, Alberta
T2H 1G3
Attention: **[Redacted: Name]**
Email: **[Redacted: Email address]**

with a copy to:

[Redacted: Name]
Demiantschuk Lequier Burke & Hoffinger LLP
1200, 1015 – 4th Street S.W.
Calgary, AL T2R 1J4
Email: **[Redacted: Email address]**

Any party may change its address by written Notice to the other parties. Notices shall be deemed to be received: (i) on the date delivered or sent, if delivered or sent electronically on a Business Day, otherwise on the next Business Day, and (ii) on the third Business Day following mailing if mailed. In the event of a mail strike or postal interruption Notices shall be delivered by courier or electronically.

9.6 Time

Time shall be of the essence of this Agreement.

9.7 Governing Law

This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Alberta, and each of the parties irrevocably attorns to the exclusive jurisdiction of the courts of the Province of Alberta.

9.8 Entire Agreement

This Agreement and the attached Schedules constitute the entire agreement between the parties with respect to the subject matter and supersede all prior negotiations and understandings including, without limitation, the Letter of Intent. No provision may be amended or waived except in writing. Notwithstanding the foregoing, Section 18 of the Letter of Intent (Exclusivity) shall continue to be in full force and effect until the earlier of the Closing Date or the termination of this Agreement as set forth in Section 6.3.

9.9 Severability

Any provision of this Agreement which is invalid or unenforceable shall not affect any other provision and shall be deemed to be severable.

9.10 Assignment, Enurement and Non-Merger

Except as expressly provided in this Agreement**,** no party may assign this Agreement without the prior written consent of the other parties. This Agreement enures to the benefit of and binds the parties and their respective heirs, estate trustees, personal and legal representatives, successors and permitted assigns.

Except as otherwise specified in this Agreement (including at Section 6.3), each party hereby agrees that all provisions of this Agreement shall not merge on, and shall survive, the execution and delivery of this Agreement and the completion of the Purchase.

9.11 Counterparts

This Agreement and all ancillary documents may be executed and delivered in counterparts and by electronic transmission, each of which is an original and all of which taken together constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

The parties have executed this Agreement.

CANADA BROKERLINK INC.

By: ___________________________
Name:
Title:
I have the authority to bind the corporation

ANTHONY CLARK INTERNATIONAL INSURANCE BROKERS LTD
By: ___________________________
Name:
Title:
I have the authority to bind the corporation

ANTHONY CLARK INSURANCE BROKERS LTD.

By: ___________________________
Name:
Title:
I have the authority to bind the corporation

The undersigned, Tony Consalvo, recognizes having read this Agreement, declares being satisfied with it and agrees to be bound by the terms and conditions that apply to him. The undersigned further agrees to be bound by the terms and conditions of Section 4.2 (Confidentiality).

SIGNED, SEALED AND DELIVERED	)	
in the presence of:	)	
	)	
________________________________	)	________________________________
Witness	)	**TONY CONSALVO**

[All Schedules Redacted: Commercially sensitive information]