

Simply Green Home Services Inc.

Notes to consolidated financial statements

September 30, 2019

1. Nature of operations

Simply Green Home Services Inc. [the "Company"] was incorporated on July 13, 2013 under the laws of the Province of Ontario for the purpose of direct sales, servicing and rental of heating, ventilation and air conditioning ["HVAC"] equipment and the sale, installation and retrofit of light-emitting diode ["LED"] lighting equipment, plus related operations.

2. Summary of significant accounting policies

Basis of presentation

The consolidated financial statements have been prepared in accordance with Canadian accounting standards for private enterprises ["ASPE"].

Use of significant accounting estimates

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of these consolidated financial statements and the reported amounts of revenue and expenses during the year. On an ongoing basis, management evaluates its judgments and estimates in relation to items that require accounting judgments and estimates. Management uses experience and other factors it believes to be reasonable as the basis for its judgments and estimates. Actual results could differ from those estimates. Revisions to accounting estimates are recognized in the period in which the estimate is revised if it affects current and future periods. Significant estimates include provision for doubtful accounts on accounts receivable and finance receivable, the useful life of rented equipment and long-lived assets, the recoverability of long-lived assets and goodwill, the provision for future equipment service costs and certain accrued liabilities and the fair value of stock options.

Principles of consolidation

The Company consolidates all its subsidiaries, which are entities over which it has the continuing power to determine the strategic operating, investing and financing policies without the co-operation of others. The consolidated financial statements include the accounts of the Company and the following subsidiaries:

Name	Ownership
Crown Crest Billing Corp.	100%
Crown Crest Capital Management Corp.	90%
Crown Crest Capital Trust	—
Crown Crest Capital II Trust	—
Crown Crest Financial Corp.	100%
Crown Crest Holding Corp.	100%
Simply LED Lighting Solutions Inc.	100%
Simply Metering Solutions Inc.	100%
Simply Green Home Services (BC) Inc.	100%
Simply Green Home Services (SK) Inc.	100%
Simply Green Home Services (MB) Inc.	100%

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Name	Ownership
Simply Green Home Services (Alberta) Inc.	100%
Simply Green Home Services (Ontario) Inc.	100%
Saveonhotwater.ca Inc.	100%
Simply Green Home Services Ltd.	100%
Simply Safire SPV Inc.	100%
Simply Green Home Services (RNC) Inc.	100% by Simply Green Home Services (Ontario) Inc.
Simply Green Home Services LLC.	100% by Simply Green Home Services Ltd.

The Company has control over Crown Crest Capital Trust and Crown Crest Capital II Trust by acting as their administrative agent and is entitled to receive any residual income.

All intercompany transactions and balances are eliminated upon consolidation.

Revenue recognition

HVAC sales are recognized at the inception of the contract as the present value of the minimum payments, computed at the interest rate implicit in the rental contract with the offsetting receivable recorded as finance receivable. A provision for equipment servicing is recognized as a long-term liability. Finance income is recorded over the life of the rental contract as the difference between the total contractual or estimated minimum payments, net of discounts at time of sale, and the aggregate of their present values.

LED service and installation revenue is recognized when the service is provided, the sales price is fixed or determinable and collection is reasonably assured. The Company follows the completed contract method, and any costs associated with unbilled work are recorded within prepaid expenses and other assets on the consolidated balance sheet. Deposits received in advance from customers for services yet to be performed are recognized as deferred revenue and amortized into income as services are provided.

Cash and cash equivalents

Cash equivalents include highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. An investment normally qualifies as a cash equivalent when it has a short maturity of approximately three months or less from the date of acquisition.

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost includes all costs incurred in bringing the inventory to its present location and condition and is determined on a specific item basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling. Inventory is considered for obsolescence based on current estimates of future sales and use.

Long-lived assets

Long-lived assets include property and equipment, prepaid warranty and intangible assets subject to amortization. Long-lived assets are measured and amortized as described in the applicable accounting policies.

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The Company performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate the carrying amount of an asset or group of assets may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. If the carrying amount is not recoverable, impairment is then measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using wholesale market values. Any impairment is included in net loss for the year.

Property and equipment

Property and equipment are initially recorded at cost less accumulated amortization. Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives as follows:

Rental equipment	15 years
Vehicles	10 years
Leasehold improvements	5 years
Furniture and fixtures	5 years
Computer equipment	4 years
Telephones	4 years

Prepaid warranty

As part of a prior financing agreement, whereby the Company sold the installed equipment leased by its customers to a consumer financing company, the Company was required to purchase equipment servicing warranties on the equipment. The purchased warranties are used to provide for the service of the underlying equipment. The warranties are amortized on a straight-line basis over 10 years, which represents the term of the warranty coverage.

Intangible assets

Definite-life intangible assets that have arisen through acquisitions are amortized on a straight-line basis over their estimated useful lives as follows:

Customer relationships – renewals	10 years
Customer relationships – builders	10 years
Warranty contracts	10 years
Brand	5 years
Software	3 years

Loans payable

Loans payable are initially measured at fair value, net of transaction costs and financing fees. They are subsequently measured at amortized cost. Transaction costs and financing fees are amortized on a straight-line basis. With respect to the convertible debentures, the Company has elected to allocate 100% of the proceeds, net of transaction costs and financing fees, to the liability component of the instrument.

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Income taxes

The Company accounts for income taxes using the taxes payable method. Under this method, only current income tax assets and liabilities are recorded to the extent they are unpaid or recoverable. In addition, the benefit relating to a tax loss incurred in the current year and carried back to prior years is recognized as a current asset. Current income tax assets and liabilities are measured using substantively enacted tax rates and laws expected to apply when the tax liabilities or assets are to be either settled or realized.

Financial instruments

The Company initially records a financial instrument at its fair value, except for a related party transaction, which is recorded at the carrying or exchange amount depending on the circumstances.

The Company recognizes its transaction costs in net loss in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

Subsequently, the Company measures all financial instruments at amortized cost.

The secured finance payable balance is amortized over a period of 15 years using a constant rate of return and is adjusted for early terminations of related finance receivable balances.

At each consolidated balance sheet date, the Company assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. If there is an indication of impairment, the Company determines if a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the asset. If there is a significant adverse change, then the Company reduces the carrying amount of the asset to the highest of the following:

- The present value of the cash flows expected to be generated by holding the asset, discounted using a current market rate of interest appropriate to the asset;
- The amount that could be realized by selling the asset at the consolidated balance sheet date; and
- The amount the Company expects to realize by exercising its right to any collateral held to secure repayment of the asset, net of all costs necessary to exercise those rights.

A previously recognized impairment loss is reversed to the extent that the improvement can be related to an event occurring after the impairment was recognized.

Goodwill

Goodwill is recorded at the excess of the purchase price of an acquired subsidiary over the fair value of the net assets acquired. Goodwill is not amortized.

Management tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the reporting unit to which the goodwill is assigned may exceed its fair value. When the carrying amount of the reporting unit, including goodwill, exceeds its fair value, an impairment loss is recognized for this excess.

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Stock-based compensation

The Company has a stock option plan wherein stock options are granted to employees only. The fair value of stock options granted is determined at the grant date and is recognized as compensation expense over the vesting period. The Company estimates forfeitures by individual employees at the grant date of options in order to determine its compensation expense arising from stock-based awards. On the exercise of stock options, share capital is credited for consideration received and for the fair value amounts previously credited to contributed surplus. The Company uses the Black-Scholes option pricing model to estimate the fair value of stock-based compensation.

3. Inventory

The cost of inventory recognized as an expense and included in cost of sales is \$7,047,278 [2018 – \$11,524,574].

4. Finance receivable

	2019	2018
	\$	\$
Total minimum payments under finance receivable with an average implicit rate of 13.63% [2018 – 13.95%]	533,537,636	637,283,332
Interest	(276,625,734)	(328,034,185)
Impairment allowance	(2,968,659)	(2,189,122)
	253,943,243	307,060,025
Less current portion	4,915,097	5,699,235
	249,028,146	301,360,790

During the year, the Company recognized an accounting provision for the impairment of the finance receivable of \$2,837,385. [2018 – \$2,598,801].

5. Reserve receivable

The Company finances certain eligible rental contracts, for which the amount received by the Company is subject to a reserve ranging between 3%–4% of the outstanding balance. The reserve is available to lenders as security for any losses on finance receivables either pledged as described in note 9 or transferred as described in note 10. Any reserve exceeding 3%–4% of the amortized balance is released to the Company.

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6. Property and equipment

	2019		2018	
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Vehicles	202,912	85,422	117,490	115,911
Leasehold improvements	106,084	104,287	1,797	23,014
Furniture and fixtures	178,177	111,355	66,822	57,264
Computer equipment	425,791	184,249	241,542	145,402
Rental equipment	848,533	111,201	737,332	633,960
Telephones	7,770	6,275	1,495	—
	1,769,267	602,789	1,166,478	975,551

7. Intangible assets

	2019		2018	
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Customer relationships – renewals	830,430	228,368	602,062	685,105
Customer relationships – builders	177,000	48,675	128,325	146,025
Brand	600,000	330,000	270,000	390,000
Software	1,253,158	453,302	799,856	662,628
Warranty contracts	324,938	89,358	235,580	268,073
	3,185,526	1,149,703	2,035,823	2,151,831

8. Amounts due to and from shareholders

	2019	2018
	\$	\$
Due to shareholders of the Company, non-interest bearing, due on demand, unsecured	91,616	124,145
Due to shareholders of the Company, bearing interest at 10% per annum, due on demand, secured by a general security agreement over the assets of the Company that is subordinated to the creditors described in note 9	5,100,661	2,290,355
	5,192,277	2,414,500

The balances due from shareholders are non-interest bearing, unsecured and have no specified terms of repayment.

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The following is a summary of the related party transactions during the year ended September 30, 2019:

Commissions incurred with companies under control of shareholders of \$1,996,413 [2018 – \$2,223,590] are included in cost of sales.

Interest incurred on amounts due to shareholders amounted to \$241,976 [2018 – \$5,818,500] and are included in interest, financing fees and bank charges.

These transactions were conducted in the normal course of operations and measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

9. Loans payable

	2019	2018
	\$	\$
Peoples Trust Company warehouse line of credit #1 [i]	4,823,619	28,698,327
Peoples Trust Company warehouse line of credit #2 [ii]	23,037,732	—
Peoples Trust Company term loan [iii]	9,902,679	10,000,000
Peoples Trust Company convertible debenture [iv]	2,145,839	2,395,835
Greypoint Capital Inc. warehouse line of credit [v]	13,000,000	—
Bridging Finance Inc. loan #2	—	45,902,076
NELI Financial Inc. term loan	—	20,000,000
	52,909,869	106,996,238
Less financing fees	795,023	1,589,297
Less current portion	31,696,827	105,406,941
	20,418,019	—

[i] On December 1, 2016, the Company entered into a \$30,000,000 revolving line of credit pursuant to a Warehouse Line of Credit Agreement with Peoples Trust Company, which is secured by select finance receivables of the Company. The facility has an interest rate of Bank of Montreal ["BMO"] prime plus 5.3% per annum and matures April 15, 2020.

[ii] On May 29, 2019, the Company entered into a \$25,400,000 revolving line of credit pursuant to a Warehouse Line of Credit Agreement with Peoples Trust Company, which is secured by select finance receivables of the Company. The facility has an interest rate of Bank of Montreal prime plus 6.05% per annum and matures May 29, 2020.

[iii] On January 19, 2018, the Company issued a \$10,000,000 convertible debenture to Peoples Trust Company. The debenture has an interest rate of Bank of Montreal prime plus 5.3% per annum. The debenture may be converted to common shares of the Company at a conversion price equal to a 20% discount to the offering price per common share at the time of conversion. The debenture offered conversion rights which expired on June 30, 2019, at which point the debenture converted to a five-year term loan, with principal amortized over 10 years.

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- [iv] On March 16, 2018, the Company issued a \$2,500,000 convertible debenture to Peoples Trust Company. The debenture has an interest rate of Bank of Montreal prime plus 5.3% per annum. The debenture may be converted to common shares of the Company at a conversion price equal to a 20% discount to the offering price per common share at the time of conversion. If not converted by March 31, 2020, the debenture becomes payable in full.
- [v] On August 22, 2019, the Company entered into a \$15,000,000 revolving line of credit pursuant to a Warehouse Line of Credit Agreement with Greypoint Capital Inc., which is secured by select finance receivables of the Company. The facility has an interest rate equal to 7.25% plus the greater of [a] 1% or [b] Canadian Dollar Offer Rate ["CDOR"] and matures on August 22, 2021.

The above warehouse lines of credit are amortized over the term of the underlying receivables, to a maximum of 10 years.

Interest incurred on loans payable during the year amounted to \$9,785,240 [2018 – \$20,255,619] and are included in interest, financing fees and bank charges.

Principal repayments on long-term debt until maturity are as follows:

	\$
2020	31,696,827
2021	12,641,302
2022	766,118
2023	841,116
2024	6,964,506
	<u>52,909,869</u>

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10. Secured finance payable

Secured finance payable represents liabilities assumed in the transfer of certain finance receivable contracts that did not qualify for derecognition as follows:

	2019	2018
	\$	\$
Concurrent leases repayable in blended monthly instalments based on the BMO prime rate in effect at the inception of the agreement [after five years, prime rate is updated to the rate in effect at that time] plus a spread dependent on the lessee's credit worthiness at inception of the agreement. Effective rates range between 4.75%–5.65%. If options to extend the lease agreement are exercised, interest rates will be based on the BMO prime rate at the time of exercise plus a spread dependent on the lessee's credit worthiness. These agreements are designed to have outstanding liabilities approach zero by the end of the lease term. However in the event that there is a balance outstanding by the end of the lease agreement, that balance is due the day immediately following the last scheduled payment date of the related lease.	296,846,473	202,727,127
EcoHome Financial Inc. concurrent loans repayable in blended month instalments at the 10-year Canada Bond rate plus 6.8%. Concurrent loans under this agreement are due 10 years from inception of the related lease.	9,318,666	10,972,125
	306,165,139	213,699,252
Less financing fees	9,681,516	643,365
Less current portion	14,774,549	24,530,301
	281,709,074	188,525,586

The secured finance payable is amortized on a systematic basis. Interest incurred on secured finance payable during the year amounted to \$12,667,571 [2018 – \$11,532,806] and is included in interest, financing fees and bank charges.

Included in finance receivable is \$211,170,200 [2018 – \$225,346,667] of transferred assets relating to the secured finance payable above. The related financed assets are included as security for the related payables. The Company is exposed to the risks and rewards of cash flows during the years 11 through 15 on the EcoHome Financial Inc. associated lease agreements.

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11. Capital stock

Authorized

On December 7, 2018, the Company filed Articles of Amendment to authorize an unlimited number of shares of the following new classes: Class A common [non-voting], Class B common [non-voting], Class A special [voting] and Class B special [voting].

Issued

	2019 \$	2018 \$
767,568 [2018 – 1,996,102] common shares	1,978,824	10,205,751
106,770 [2018 – nil] Class A common shares	1	—
142,227 [2018 – nil] Class B common shares	1	—
	<u>1,978,826</u>	<u>10,205,751</u>

During the year ended September 30, 2019, the Company undertook the following share transactions:

- [i] Articles of amendment were filed during the year to authorize an unlimited number of shares of the following new classes: Class A common [non-voting], Class B common [non-voting], Class A special [voting] and Class B special [voting].
- [ii] The Company issued 231,591 common shares for proceeds of \$5,000,000.
- [iii] 635,953 common shares were redeemed for \$21,968,161, of which \$17,627,283 represented a premium on redemption recorded in deficit.
- [iv] 327,861 common shares were repurchased for cancellation for \$3,907,307, of which \$1,669,399 represented a premium on repurchase recorded in deficit.
- [v] Certain shareholders of the Company entered into agreement to exchange 1,263,879 common shares for the following:
 - [a] 767,568 common shares
 - [b] 128,624 Class A common shares
 - [c] 142,227 Class B common shares
 - [d] 1,263,879 Class A special shares
- [vi] 1,263,879 Class A special shares were repurchased for \$27,600,000, of which \$27,089,697 represented a premium on redemption recorded in deficit.
- [vii] 21,854 Class A common shares were repurchased for \$384,240, of which \$384,239 represented a premium on redemption recorded in deficit.
- [viii] The Company reduced the stated capital of Class A special shares by \$8,116,662 and transferred the amount to deficit.

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12. Stock-based compensation

The Company operates a stock option plan to grant options to purchase common shares of the Company to certain employees of the Company. The options normally have a contractual life of seven years and vest over three years. All outstanding options were repurchased or exercised during the year.

During the year ended September 30, 2019, employees of the Company exercised 112,141 [2018 – \$nil] stock options at an exercise price of \$0.01 [2018 – \$nil] per option. The cash consideration of \$1,121 [2018 – \$nil], was recognized as an increase to share capital.

During the year ended September 30, 2019, the Company repurchased 103,374 stock options [2018 – \$nil] for cash consideration of \$1,850,173.

The total charged to stock option expense is \$1,567,614.

A summary of the status of the stock options plan as at September 30, 2019 is as follows:

	Number of options #	Weighted average exercise price \$
Outstanding, beginning of year	216,515	7.04
Options exercised	(112,141)	0.01
Options repurchased	(104,374)	(7.49)
Outstanding, end of year	—	—

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13. Income taxes

The income tax recovery amount on pre-tax losses differs from the income tax recovery amount that would arise using the combined Canadian federal and provincial statutory tax rate of 26.5%, as a result of the following items:

	2019	2018
	\$	\$
Taxes at the combined federal and provincial tax rate	6,189,730	(1,583,660)
Adjustment to income tax resulting from		
Non-deductible expenses	257,882	—
Taxable income arising from intercompany dividends	6,577,301	—
Utilization of non-capital loss not previously recognized	(7,897,805)	—
Other	(938,610)	—
Provision for income taxes	4,188,498	—

The Company has \$8,618,457 [2018 – \$23,563,037] in non-capital loss carryforwards available at September 30, 2019. The losses may be carried forward to reduce taxable income in future years. The non-capital losses expire between 2035 and 2039.

14. Contingencies

During the normal course of business, various proceedings and threats of claims are instituted by and against the Company. Management believes that any claims or settlements will not have a significant effect on the consolidated balance sheet or on the consolidated statement of income (loss) for the year of the Company. In management's opinion, if a settlement is likely and measurable, the estimated amount has been accrued in these consolidated financial statements. If the Company incurs any additional losses as a result of these claims, that loss would be recorded in the year it is probable and estimable.

15. Financial instruments and risk management

The following table shows the carrying amounts of the indicated financial assets:

	2019	2018
	\$	\$
Financial assets measured at amortized cost		
Cash and cash equivalents	24,887,725	10,908,168
Accounts receivable	14,802,131	7,915,450
Receivable from sale of portfolio	2,081,500	—
Finance receivable	253,943,243	307,060,025
Reserve receivable	1,970,952	9,477,948
	297,685,551	335,361,591

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Risks and uncertainties

The Company is exposed to risks of varying degrees of significance that could affect its ability to achieve its strategic objectives for growth. The main objectives of the Company's risk management process are to ensure that risks are properly identified and the capital base is adequate in relation to these risks. The principal financial risks to which the Company is exposed are described below:

Credit risk

The Company is exposed to credit risk in the event of non-payment by its customers for their accounts receivable, finance receivable and reserve receivable. The Company believes the risk is mitigated by the diversification of its customer base and its credit-granting procedures.

Interest rate risk

The Company is exposed to interest rate risk on finance receivable, loans payable and certain amounts due to related parties.

Liquidity risk

The Company is subject to liquidity risk. The Company's objective in managing liquidity risk is to maintain sufficient readily available sources of funding in order to meet its liquidity requirements at any point in time. The Company attempts to achieve this through managing cash from operations and through the availability of funding from committed credit facilities.

16. Portfolio disposition

On August 2, 2019, the company disposed of a lease portfolio for the amount of \$104,871,537, which resulted in a gain of 32,482,196. Of the proceeds, \$2,081,500 remains as a receivable on the consolidated balance sheet. In connection with this disposition, the Company repaid proceeds of \$48,727,108 from concurrent lease agreements, and the remainder was received in cash.

17. Subsequent events

On February 14th, 2020, the Company acquired certain equipment rental contracts from Green Planet Home Services Inc. for a total consideration of \$22,613,780 [after purchase price adjustments]. Of this purchase price, \$2,000,000 is contingent upon certain aspects of the portfolio's performance. The consideration was funded by Peoples Trust Company through a concurrent lease agreement in the amount of \$25,494,994. The facility has a funding cost of Bank of Montreal prime plus 1.3% per annum.

18. Comparative figures

Certain reclassifications of 2018 amounts have been made to facilitate comparison with the current year. These reclassifications have no effect on net income (loss) for the year.

Schedule 2.19
Customers and Suppliers

Suppliers

1. Wolseley Canada Inc.
2. EMCO Corporation
3. Desco Plumbing and Heating Supply Inc.
4. Glow Brand
5. TML Supply Company
6. Lennox Industries (Canada) Ltd
7. National Energy Equipment Inc

****There are no other suppliers.***

Customers

1. HOMES NEW WAVE
2. NYX 2365 DIXIE INC
3. HALTON CONDOMINIUM CORP NO. 215
4. 77 LELAND INC
5. 8338159 CANADA CORPORTATION
6. 792140 ONTARIO INC
7. DIAMOND CANADA HOSPITALITY INC.
8. INC YCC # 375 c/o Comfort Property Management
9. MEAFORD MOTEL AND RESTAURANT
10. REITTER MANAGEMENT CORP ZIP PREOPERTIES C/O
11. NING HUANG
12. MOONSTONE CO-OPERATIVE HOMES INC.
13. CARRUTHERS ROAD CO-OPERATIVE HOMES INC.
14. RAP HOLDINGS INC.
15. ROBERT E DAY

Schedule 2.20(a)
Intellectual Property

IP Registrations or Applications

None.

Domain Names

1. mysimplygreen.co
2. mysimplycares.com
3. mysimplycares.ca
4. mysimplygroup.ca
5. mysimplygroup.com
6. simplycares.ca
7. crowncrestcapital.com
8. crowncrestclients.com
9. endlesshotwater.ca
10. mysg.ca
11. mysimplygreen.com
12. mysimplyportal.com
13. mysimplygreen.ca
14. mysimplygroup.com
15. Sandpipenergysolutions.ca

Unregistered Trademarks

1. CROWN CREST CAPITAL
2. SIMPLY GREEN HOME SERVICES
3. SIMPLY GROUP
4. SIMPLY CARES
5. SIMPLY GREEN ADVANTAGE

6.



7.



8.



9.



10.



Unregistered Copyrights

- All employee manuals and all documents relating to operational and compliance process, policies and methodologies used in the Business.
- All marketing and advertising materials used in the Business.
- All website content for all websites used in the Business.

Schedule 2.20(c)
Software Applications

Licensed Software

1. Master Services Agreement between ONX Managed Services Inc. and Simply Green Home Services dated February 9, 2017, which includes:
 - Microsoft E3
 - Microsoft Dynamics 365
 - Microsoft Dynamics GP
 - Microsoft 365 Audio Conferencing
 - Microsoft Communication Credits
 - Microsoft Visio
2. BroadConnect Telecom Agreement between Simply Green Home Services and BroadConnect Telecom dated June 20, 2016.
3. Software Licence Agreement between NGUTech Inc. and Crown Crest Corporation dated December 31, 2017
4. TCN Agreement between TCN and Crown Crest Capital dated March 25, 2019
5. Adobe Pro Agreement
6. Jira Software Agreement
7. Smartsheet Agreement
8. Formstack Master Services Agreement
9. Formstack Documents
10. DocuSign eSignature Agreement between DocuSign and Crown Crest Capital dated June 5, 2020
11. Uber Conference Agreement
12. Datto RMM Software License Agreement
13. G Suite (Online) Agreement
14. Apple Cloud Services Agreement

Schedule 2.21(g)
Employees/ Independent Contractors/ Consultants

Employees

<u>Job Title Description</u>	<u>Hire Date</u>	<u>Department</u>	<u>Type</u>	<u>Province</u>	<u>On Leave</u>	<u>Written Agreement (Y/N)</u>	<u>Hourly Base Salary</u>	<u>Annual Base Rate</u>	<u>Annualized Consulting Fee</u>	<u>Vacation Allowance</u>	<u>Vacation Balance (Days)</u>	<u>Benefits</u>	<u>Other Earnings</u>
Senior Customer Experience Consultant	21/10/2019	Customer Experience	Full Time	ON	N	Y	\$16.00			2 Weeks	9.32	Eligible	
Project Manager	21/08/2019	Project Management	Full Time	ON	N	Y		85,000		3 Weeks	4.00	Eligible	20% Discretionary Bonus
Dispatch Coordinator	29/10/2018	Dispatch	Full Time	ON	N	Y		40,100		2 Weeks	12.42	Eligible	Dispatch Weekly Bonus
Accounts Payable Analyst	19/07/2018	Accounting	Full Time	ON	N	Y		44,000		2 Weeks	6.00	Eligible	
Funding Specialist	09/09/2019	Customer Experience	Part Time	ON	N	Y		39,500		2 Weeks	6.85	Eligible	
Collections Specialist	09/12/2019	Collections	Full Time	ON	N	Y		37,440		2 Weeks	7.75	Eligible	Collections Bonus Program
Dispatch Coordinator	30/09/2020	Dispatch	Full Time	ON	N	Y		40,000		2 Weeks	-	Eligible	
Dispatch Coordinator	19/03/2019	Dispatch	Full Time	ON	N	Y		42,200		2 Weeks	(8.23)	Eligible	Dispatch Weekly Bonus
Collections Specialist	16/09/2020	Collections	Full Time	ON	N	Y		35,360		2 Weeks	0.38	Eligible	Collections Bonus Program
Customer Communication Consultant	20/01/2020	Customer Experience	Full Time	ON	N	Y		39,000		2 Weeks	5.61	Eligible	
Collections Specialist	03/06/2019	Collections	Full Time	ON	N	Y		41,520		2 Weeks	-	Eligible	Collections Bonus Program

Quality Excellence Analyst	29/10/2018	Customer Experience	Full Time	ON	N	Y	\$18.00			2 Weeks	4.00	Eligible	
Collections Specialist	16/09/2020	Collections	Full Time	ON	N	Y		35,360		2 Weeks	0.38	Eligible	Collections Bonus Program
Customer Experience Consultant	06/08/2020	Customer Experience	Full Time	ON	N	Y	\$16.00			2 Weeks	1.52	Eligible	
Manager, Business Development	04/11/2019	RNC	Full Time	ON	N	Y		50,000		2 Weeks	8.71	Eligible	RNC Commissions: \$100/unit, LED Commissions: 10% of gross profit, Submetering Commissions: \$45/electricity or thermal meter + \$30/water meter
Manager, Collections	12/02/2018	Collections	Full Time	ON	N	Y		60,000		3 Weeks	13.00	Eligible	Collections Bonus Program
EVP, Risk & Business Intelligence	13/08/2018	Risk	Full Time	ON	N	Y		180,000		4 Weeks	10.94	Eligible	40% Discretionary Bonus
Office of the President	09/04/2019	Customer Experience	Full Time	ON	N	Y		75,000		2 Weeks	5.44	Eligible	
Customer Communication Consultant	06/07/2020	Sales	Full Time	ON	N	Y		39,000		2 Weeks	2.31	Eligible	Inside Sales Commission
Customer Experience Consultant	03/02/2020	Customer Experience	Full Time	ON	N	Y	\$15.50			2 Weeks	6.44	Eligible	
Accounts Payable Analyst	03/09/2019	Accounting	Full Time	ON	N	Y		44,000		2 Weeks	1.41	Eligible	
Accountant	09/10/2018	Accounting	Full Time	ON	N	Y		65,000		2 Weeks	4.12	Eligible	

Senior Accountant	10/04/2019	Accounting	Full Time	ON	N	Y		70,000		3 Weeks	7.00	Eligible	10% Discretionary Bonus
Retail Credit Underwriter	02/09/2020	Customer Experience	Full Time	ON	N	Y		64,000		3 Weeks	1.16	Eligible	10% Discretionary Bonus
Dispatch Coordinator	29/10/2018	Dispatch	Full Time	ON	N	Y		40,100		2 Weeks	13.17	Eligible	Dispatch Weekly Bonus
Dispatch Team Lead	13/08/2019	Dispatch	Full Time	ON	N	Y		51,000		2 Weeks	2.99	Eligible	Dispatch Weekly Bonus + Discretionary 10% Bonus
Billing Analyst	12/08/2019	RNC	Full Time	ON	N	Y		40,000		2 Weeks	7.01	Eligible	Discretionary 5% Bonus
Senior Manager, Financial Reporting	13/04/2015	Accounting	Full Time	ON	N	Y		100,000		4 Weeks	13.21	Eligible	Discretionary 75% Bonus + \$300/month Vehicle Allowance
Director, Business Integration	21/09/2020	Operations	Full Time	ON	N	Y		156,000		4 Weeks	0.38	Eligible	25% Discretionary Bonus
Sales Trainer	16/09/2019	Sales	Full Time	ON	N	Y		52,000		2 Weeks	10.38	Eligible	Inside Sales Commission
Customer Relations Consultant, Disputes	19/03/2019	Customer Experience	Full Time	ON	N	Y		40,000		2 Weeks	0.20	Eligible	
Accountant	24/10/2019	Accounting	Full Time	ON	N	Y		50,000		2 Weeks	7.01	Eligible	
Collections Specialist	01/06/2020	Collections	Full Time	ON	N	Y		33,280		2 Weeks	3.42	Eligible	Collections Bonus Program
Relationship Manager	24/06/2019	Customer Experience	Full Time	ON	N	Y		50,000		2 Weeks	8.00	Eligible	
Graphic Designer	04/11/2019	Marketing	Full Time	ON	N	Y		54,999		3 Weeks	8.25	Eligible	10% Discretionary Bonus
Collections Specialist	07/10/2019	Collections	Full Time	ON	N	Y		35,360		2 Weeks	9.48	Eligible	Collections Bonus Program

VP, Sales	09/09/2019	Sales	Full Time	ON	N	Y		100,000		4 Weeks	11.96	Eligible	\$50/Inside Sales unit installed
Office Coordinator	25/02/2019	HR	Full Time	ON	N	Y		43,000		2 Weeks	6.53	Eligible	
Program Director	13/08/2019	Operations	Full Time	ON	N	Y		159,000		4 Weeks	14.44	Eligible	25% Discretionary Bonus
Financial Analyst	21/05/2019	Finance	Full Time	ON	N	Y		80,000		3 Weeks	7.11	Eligible	Discretionary 15% Bonus
Director of Finance	24/12/2018	Finance	Full Time	ON	N	Y		175,000		4 Weeks	18.00	Eligible	Discretionary Bonus
Customer Relations Consultant, Escalations	06/05/2019	Customer Experience	Full Time	ON	N	Y		45,000		2 Weeks	5.00	Eligible	
Graphic Designer	16/09/2019	Marketing	Full Time	ON	N	Y		54,999		3 Weeks	11.00	Eligible	10% Discretionary Bonus
Customer Experience Consultant	18/02/2019	Customer Experience	Part Time	ON	N	Y	\$18.50			2 Weeks	8.82	Eligible	
Funding Specialist	06/06/2016	Funding	Full Time	ON	N	Y		43,000		2 Weeks	4.12	Eligible	
Administrative Director, Finance	24/07/2017	Operations	Full Time	ON	N	Y		50,000		3 Weeks	8.86	Eligible	
Logistics Analyst	18/11/2019	RNC	Full Time	ON	N	Y		40,000		2 Weeks	7.33	Eligible	Discretionary 5% Bonus
Customer Communication Team Lead	10/04/2017	Customer Experience	Full Time	ON	N	Y		42,500		2 Weeks	10.00	Eligible	
IT Systems Administrator	09/03/2020	IT	Full Time	ON	N	Y		50,000		2 Weeks	5.47	Eligible	Discretionary 10% Bonus
Senior Sales Manager, Retail Credit	02/09/2020	Sales	Full Time	ON	N	Y		81,500		3 Weeks	1.16	Eligible	13% Discretionary Bonus
Accounting Administrator	15/05/2017	Billing	Full Time	ON	N	Y		46,000		3 Weeks	3.86	Eligible	
Collections Specialist	15/10/2019	Collections	Full Time	ON	N	Y		38,480		2 Weeks	2.99	Eligible	Collections Bonus Program

Show Director	07/10/2019	GLS	Full Time	ON	N	Y		100,000		4 Weeks	14.88	Eligible	Discretionary Bonus
Dispatch Coordinator	02/12/2019	Dispatch	Full Time	ON	N	Y		40,100		2 Weeks	5.04	Eligible	Dispatch Weekly Bonus
Dispatch Team Lead	04/02/2019	Dispatch	Full Time	ON	N	Y		50,000		2 Weeks	6.16	Eligible	Dispatch Weekly Bonus + Discretionary 10% Bonus
Manager, Collections	06/06/2016	Collections	Full Time	ON	N	Y		52,840		2 Weeks	5.27	Eligible	Collections Bonus Program
VP, Collections & Recovery	27/11/2017	Collections	Full Time	ON	N	Y		160,000		4 Weeks	11.72	Eligible	\$10k/Quarter Discretionary Bonus
Senior Sales Manager, Retail Credit	02/09/2020	Sales	Full Time	AB	N	Y		94,500		3 Weeks	1.16	Eligible	10% Discretionary Bonus
Senior Manager, Financial Reporting	30/03/2015	Accounting	Full Time	ON	N	Y		100,000		4 Weeks	7.81	Eligible	Discretionary 20% Bonus
Manager, Business Development	09/02/2015	SLED	Full Time	ON	N	Y		60,000		2 Weeks	0.95	Eligible	\$100 on sales up to \$49K, \$200 on sales 50-99K, \$300 on sales 100-249K, \$500 on sales 250K+
Billing Analyst	22/07/2019	Billing	Full Time	ON	N	Y		46,000		2 Weeks	4.59	Eligible	
Customer Communication Consultant	14/09/2020	Sales	Full Time	ON	N	Y		39,000		2 Weeks	-	Eligible	
DISPATCH	23/03/2020	Dispatch	Full Time	ON	N	Y		41,000		2 Weeks	5.19	Eligible	Dispatch Weekly Bonus
Dispatch Coordinator	09/12/2019	Dispatch	Full Time	ON	N	Y		40,100		2 Weeks	5.79	Eligible	Dispatch Weekly Bonus
Quality Excellence Team Leader	08/05/2019	Customer Experience	Full Time	ON	N	Y		50,000		2 Weeks	2.70	Eligible	Discretionary 10% Bonus
Manager of Accounting	31/10/2016	Billing	Full Time	ON	N	Y		75,000		3 Weeks	4.56	Eligible	Discretionary 10% Bonus

Operations Analyst, Learning & Development	04/02/2019	Project Management	Full Time	ON	N	Y		44,998		2 Weeks	3.19	Eligible	20% Discretionary Bonus
Customer Experience Consultant	21/10/2019	Customer Experience	Full Time	ON	N	Y	\$15.50			2 Weeks	2.37	Eligible	
Accountant	11/02/2019	Billing	Full Time	ON	N	Y		45,000		2 Weeks	1.00	Eligible	
Manager, Data & Analytics	25/02/2019	Risk	Full Time	ON	N	Y		95,000		4 Weeks	3.21	Eligible	20% Discretionary Bonus
Reporting Analyst	10/06/2019	Risk	Full Time	ON	N	Y		60,000		4 Weeks	11.95	Eligible	10% Discretionary Bonus
Senior Manager, Process	02/07/2014	Project Management	Full Time	ON	N	Y		80,000		3 Weeks	6.86	Eligible	
EVP, Sales	03/10/2013	Sales	Employee	ON	N	Y		750,000		4 Weeks	15.00	Eligible	\$1,000/month car allowance + Volume-based bonuses
Chief Executive Officer	17/07/2013	Leadership	Full Time	ON	N	Y		1,200,000		5 Weeks	25.00	Eligible	1,000/month car allowance, Volume-based bonus schedule
Book Keeper	31/03/2014	Accounting	Full Time	ON	N	Y		85,000		4 Weeks	12.22	Eligible	
Executive Director, Strategic Projects	01/02/2016	Project Management	Full Time	ON	N	Y		100,000		4 Weeks	12.72	Eligible	20% Discretionary Bonus
Director, Customer Experience	22/10/2018	Customer Experience	Full Time	ON	N	Y		130,000		4 Weeks	6.61	Eligible	Guaranteed 25% Bonus + Discretionary 25% Bonus
Territory Manager	28/09/2020	RNC	Full Time	ON	N	Y		52,000		3 Weeks	0.29	Eligible	Contractor Program Commissions

Customer Relations Consultant, Escalations	06/05/2019	Customer Experience	Full Time	ON	N	Y		44,998		2 Weeks	4.70	Eligible	
Financial Analyst	22/07/2019	Finance	Full Time	ON	N	Y		65,000		3 Weeks	7.56	Eligible	Discretionary 10% Bonus
Program Director	13/08/2019	Operations	Full Time	ON	N	Y		131,000		3 Weeks	8.31	Eligible	20% Discretionary Bonus
Manager, Marketing	10/09/2018	Marketing	Full Time	ON	N	Y		70,000		3 Weeks	8.51	Eligible	10% Discretionary Bonus
DISPATCH	02/03/2020	Dispatch	Full Time	ON	N	Y		39,000		2 Weeks	1.33	Eligible	Dispatch Weekly Bonus
Human Resources Coordinator	28/09/2020	HR	Full Time	ON	N	Y		40,000		2 Weeks	0.19	Eligible	
Manager, People & Culture	19/08/2019	HR	Full Time	ON	N	Y		106,000		4 Weeks	6.61	Eligible	Discretionary 15% Bonus
Territory Manager	08/09/2020	RNC	Full Time	NB	N	Y		50,000		3 Weeks	0.87	Eligible	Contractor Program Commissions
Customer Experience Consultant	02/03/2020	Customer Experience	Full Time	ON	N	Y	\$15.50			2 Weeks	0.32	Eligible	
Chief Financial Officer	11/06/2018	Leadership	Full Time	ON	N	Y		400,000		5 Weeks	18.03	Eligible	1,000/month car allowance, Discretionary bonus up to 500% of base salary
Dispatch Coordinator	14/08/2019	Dispatch	Full Time	ON	N	Y	\$18.80			2 Weeks	3.23	Eligible	Dispatch Weekly Bonus
Director of Sales, Retail Credit	02/09/2020	Sales	Full Time	ON	N	Y		117,500		4 Weeks	1.56	Eligible	15% Discretionary Bonus
Manager, Collections	12/11/2018	Collections	Full Time	ON	N	Y		57,000		2 Weeks	11.12	Eligible	Collections Bonus Program

Collections Specialist	31/08/2020	Collections	Full Time	ON	N	Y		35,360		2 Weeks	0.95	Eligible	Collections Bonus Program
Manager, Residential New Construction	03/04/2017	RNC	Full Time	ON	N	Y		57,000		2 Weeks	2.12	Eligible	\$2 per installed and billing RNC unit
Customer Experience Consultant	06/08/2020	Customer Experience	Full Time	ON	N	Y	\$15.50			2 Weeks	1.52	Eligible	
Recruiter	17/08/2020	Sales	Full Time	ON	N	Y		42,000		2 Weeks	1.33	Eligible	Recruiting Commissions
Senior Manager, Field Operations	18/11/2019	Dispatch	Full Time	ON	N	Y		125,000		4 Weeks	0.13	Eligible	Discretionary 20% Bonus, paid quarterly
Customer Experience Consultant	02/03/2020	Customer Experience	Full Time	ON	N	Y	\$15.50			2 Weeks	4.22	Eligible	
DISPATCH	23/03/2020	Dispatch	Full Time	ON	N	Y		38,000		2 Weeks	5.19	Eligible	Dispatch Weekly Bonus
Chief Operating Officer	22/07/2019	Leadership	Full Time	ON	N	Y		400,000		5 Weeks	17.94	Eligible	Discretionary 50% bonus
Quality Excellence Analyst	08/01/2019	Customer Experience	Full Time	ON	N	Y	\$19.00			2 Weeks	3.41	Eligible	
Collections Specialist	07/10/2019	Collections	Full Time	ON	N	Y		37,440		2 Weeks	5.48	Eligible	Collections Bonus Program
Collections Specialist	28/10/2019	Collections	Full Time	ON	N	Y		34,320		2 Weeks	6.90	Eligible	Collections Bonus Program
Dispatch Coordinator	04/02/2019	Dispatch	Full Time	ON	N	Y		40,100		2 Weeks	5.00	Eligible	Dispatch Weekly Bonus
Project Manager	13/04/2015	SLED	Full Time	ON	N	Y		52,000		2 Weeks	0.95	Eligible	
VP, Strategy and Operational Effectiveness	19/11/2018	Project Management	Full Time	ON	N	Y		175,000		4 Weeks	13.00	Eligible	30% Discretionary Bonus

Collections Specialist	13/05/2019	Collections	Full Time	ON	N	Y		35,360		2 Weeks	5.00	Eligible	Collections Bonus Program
Dispatch Coordinator	30/09/2019	Dispatch	Full Time	ON	N	Y	\$21.00			2 Weeks	6.35	Eligible	Dispatch Weekly Bonus
Collections Specialist	07/10/2019	Collections	Full Time	ON	N	Y		37,440		2 Weeks	4.48	Eligible	Collections Bonus Program
Paralegal	20/01/2020	Legal	Full Time	ON	N	Y		67,000		4 Weeks	13.65	Eligible	Discretionary 10% Bonus
Manager, Finance	13/08/2018	Finance	Full Time	ON	N	Y		85,000		3 Weeks	12.00	Eligible	Discretionary 20% Bonus
Dispatch Coordinator	05/05/2018	Dispatch	Full Time	ON	N	Y		40,100		2 Weeks	10.00	Eligible	Dispatch Weekly Bonus
Manager, IT	08/01/2019	IT	Full Time	ON	N	Y		65,000		2 Weeks	6.93	Eligible	Discretionary 10% Bonus
Customer Communication Consultant	19/03/2019	Customer Experience	Full Time	ON	N	Y		39,000		2 Weeks	4.01	Eligible	
Manager, Customer Care	10/06/2019	Customer Experience	Full Time	ON	N	Y		70,000		3 Weeks	4.29	Eligible	Discretionary 10% Bonus
General Counsel	21/05/2019	Legal	Full Time	ON	N	Y		180,000		4 Weeks	8.04	Eligible	Discretionary 20% Bonus
Account Manager	02/10/2015	SLED	Full Time	ON	N	Y		47,500		2 Weeks	2.66	Eligible	
Quality Excellence Analyst	02/07/2019	Customer Experience	Full Time	ON	N	Y	\$18.00			2 Weeks	8.00	Eligible	
Senior Customer Experience Consultant	15/10/2019	Customer Experience	Full Time	ON	N	Y	\$16.00			2 Weeks	9.66	Eligible	
Digital Marketing Specialist	10/10/2019	Marketing	Full Time	ON	N	Y		62,000		2 Weeks	8.40	Eligible	10% Discretionary Bonus
Dispatch Coordinator	05/11/2018	Dispatch	Full Time	ON	N	Y		42,200		2 Weeks	5.04	Eligible	Dispatch Weekly Bonus
Senior Vice President, Sales	01/06/2020	Sales	Full Time	ON	N	Y		200,000		4 Weeks	4.02	Eligible	50% Discretionary Bonus

Customer Experience Team Leader	07/08/2018	Customer Experience	Full Time	ON	N	Y		50,000		2 Weeks	7.41	Eligible	
Executive Assistant	28/09/2020	Operations	Full Time	ON	N	Y		90,000		4 Weeks	0.39	Eligible	10% Discretionary Bonus
Recruiter	27/06/2019	HR	Full Time	ON	N	Y		42,000		2 Weeks	10.00	Eligible	Sales Recruiting commission: \$50 for first signed agreement, \$100 for first install on each new hire
Dispatch Coordinator	14/09/2020	Dispatch	Full Time	ON	N	Y		42,000		2 Weeks	0.57	Eligible	Dispatch Weekly Bonus
Quality Excellence Analyst	19/03/2019	Customer Experience	Full Time	ON	N	Y	\$18.00			2 Weeks	4.10	Eligible	
Customer Relations Consultant, Escalations	26/08/2020	Customer Experience	Full Time	ON	N	Y		45,000		2 Weeks	0.95	Eligible	
VP, Marketing	13/01/2020	Marketing	Full Time	ON	N	Y		180,000		4 Weeks	4.05	Eligible	40% Discretionary Bonus
Funding Specialist	07/08/2018	Funding	Full Time	ON	N	Y		43,000		2 Weeks	(0.85)	Eligible	
Senior Manager, Digital Marketing	10/08/2020	Marketing	Full Time	ON	N	Y		100,000		4 Weeks	3.12	Eligible	15% Discretionary Bonus
Customer Relations Consultant, Disputes	07/03/2016	Customer Experience	Full Time	ON	N	Y		41,000		2 Weeks	1.12	Eligible	

Independent Contractors

<u>Job Title Description</u>	<u>Hire Date</u>	<u>Department</u>	<u>Type</u>	<u>Province</u>	<u>On Leave</u>	<u>Written Agreement (Y/N)</u>	<u>Hourly Base Salary</u>	<u>Annual Base Rate</u>	<u>Annualized Consulting Fee</u>	<u>Vacation Allowance</u>	<u>Vacation Balance (Days)</u>	<u>Benefits</u>	<u>Other Earnings</u>
Home Services Consultant	28/09/2020	Sales	Contractor	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	17/08/2020	Sales	Contractor	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	17/08/2020	Sales	Contractor	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	26/08/2020	Sales	Contractor	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	27/07/2020	Sales	Contractor	ON	N	Y						Eligible	Inside Sales Commission
Team Leader, Retentions	26/02/2020	Sales	Contractor	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	17/08/2020	Sales	Contractor	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	28/09/2020	Sales	Contractor	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	14/09/2020	Sales	Contractor	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	06/07/2020	Sales	Contractor	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	28/09/2020	Sales	Contractor	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	26/08/2020	Sales	Contractor	ON	N	Y						Eligible	Inside Sales Commission
Team Leader, Inside Sales	20/01/2020	Sales	Contractor	ON	N	Y						Eligible	Inside Sales Commission
President	01/01/2015	SLED	Contractor	ON	N	Y			150,000			Eligible	SLED Commission s dependent on project profitability

Home Services Consultant	<u>26/08/2020</u>	Sales	Contract or	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	<u>14/09/2020</u>	Sales	Contract or	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	<u>28/09/2020</u>	Sales	Contract or	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	<u>28/09/2020</u>	Sales	Contract or	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	<u>14/09/2020</u>	Sales	Contract or	ON	N	Y						Eligible	Inside Sales Commission
Manager, Business Development	<u>05/02/2020</u>	Sales	Contract or	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	<u>26/08/2020</u>	Sales	Contract or	ON	N	Y						Eligible	Inside Sales Commission
Team Leader, Inside Sales	<u>06/01/2020</u>	Sales	Contract or	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	<u>14/09/2020</u>	Sales	Contract or	ON	N	Y						Eligible	Inside Sales Commission
President	<u>03/10/2013</u>	GLS	Contract or	ON	N	Y				100,000		Eligible	Discretionary Bonus
Home Services Consultant	<u>28/09/2020</u>	Sales	Contract or	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	<u>28/09/2020</u>	Sales	Contract or	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	<u>28/09/2020</u>	Sales	Contract or	ON	N	Y						Eligible	Inside Sales Commission
Home Services Consultant	<u>17/08/2020</u>	Sales	Contract or	ON	N	Y						Eligible	Inside Sales Commission
Director, Mergers and Acquisitions	<u>17/08/2020</u>	Finance	Contract or	ON	N	Y						Eligible	Up to \$15,000/month, based on services rendered. Discretionary \$15,000

													<u>milestone bonus</u>
<u>Home Services Consultant</u>	<u>25/05/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>							<u>Eligible</u> <u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>28/09/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>							<u>Eligible</u> <u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>27/07/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>							<u>Eligible</u> <u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>27/07/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>							<u>Eligible</u> <u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>22/06/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>							<u>Eligible</u> <u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>14/09/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>							<u>Eligible</u> <u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>17/08/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>							<u>Eligible</u> <u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>02/10/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>							<u>Eligible</u> <u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>06/07/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>							<u>Eligible</u> <u>Inside Sales Commission</u>
<u>Inside Sales Trainer - Incubator</u>	<u>25/08/2014</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>							<u>Eligible</u> <u>Inside Sales Commission</u>
<u>Team Leader, Inside Sales</u>	<u>01/05/2018</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>							<u>Eligible</u> <u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>17/08/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>							<u>Eligible</u> <u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>06/07/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>							<u>Eligible</u> <u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>24/02/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>							<u>Eligible</u> <u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>17/08/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>							<u>Eligible</u> <u>Inside Sales Commission</u>

<u>Home Services Consultant</u>	<u>28/09/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>						<u>Eligible</u>	<u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>14/09/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>						<u>Eligible</u>	<u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>26/08/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>						<u>Eligible</u>	<u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>14/09/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>						<u>Eligible</u>	<u>Inside Sales Commission</u>
<u>Director, New Home Division</u>	<u>03/10/2013</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>			<u>75,000</u>			<u>Eligible</u>	<u>\$100-200/RNC Unit Installed</u>
<u>VP, Simply Metering</u>	<u>09/02/2015</u>	<u>SLED</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>			<u>80,000</u>			<u>Eligible</u>	<u>SLED Commission dependent on project profitability</u>
<u>Home Services Consultant</u>	<u>14/09/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>						<u>Eligible</u>	<u>Inside Sales Commission</u>
<u>Manager, Business Development</u>	<u>18/09/2014</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>			<u>60,000</u>			<u>Eligible</u>	<u>\$25-100/Contractor Program Unit Installed</u>
<u>VP, M&A and Decision Support</u>	<u>27/02/2017</u>	<u>Finance</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>						<u>Eligible</u>	<u>\$2,101.25 weekly retainer + \$131.33 hourly rate thereafter</u>
<u>Home Services Consultant</u>	<u>18/10/2017</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>						<u>Eligible</u>	<u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>22/06/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>						<u>Eligible</u>	<u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>17/08/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>						<u>Eligible</u>	<u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>14/09/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>						<u>Eligible</u>	<u>Inside Sales Commission</u>
<u>Home Services Consultant</u>	<u>26/08/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>						<u>Eligible</u>	<u>Inside Sales Commission</u>

<u>Home Services Consultant</u>	<u>26/08/2020</u>	<u>Sales</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>						<u>Eligible</u>	<u>Inside Sales Commission</u>
<u>Director, Partnerships</u>	<u>03/10/2013</u>	<u>RNC</u>	<u>Contract or</u>	<u>ON</u>	<u>N</u>	<u>Y</u>			<u>100,000</u>			<u>Eligible</u>	<u>\$10/HVAC unit, \$3/Tank, \$5/Other units installed, paid weekly</u>

Schedule 2.21(g)
Severance Agreement

Jerome Peeters – 6 months Base Compensation, plus 1 week of Base Compensation for every completed year of service, to a maximum of 1 year, payable by monthly compensation continuation (as such term is defined in his employment agreement dated April 29, 2019).

Sean Milne – 6 months Base Salary in lieu of notice of termination (as such term is defined in his employment agreement dated June 4, 2018).

Lawrence Krimker – 12 months' Annual Total Compensation (as such term is defined in his employment agreement dated October 12, 2020).

Joseph Krimker – 12 months' Annual Total Compensation (as such term is defined in his employment agreement dated October 12, 2020).

Schedule 2.21(g)
Work Permit

Employee	Expiry Date of Work Permit	Attempts to renew – Y/N
Employee 1	03/22/2021	N
Employee 2	11/05/2022	N
Employee 3	09/19/2021	N
Employee 4	07/06/2021	N
Employee 5	02/24/2022	Y
Employee 6	06/22/2022	N
Employee 7	01/29/2022	N
Employee 8	09/19/2022	N
Employee 9	09/23/2021	N
Employee 10	04/04/2021	N
Employee 11	12/13/2022	N

Schedule 2.21(m)
Employee Plans

1. Empire Life Health Benefit Plan; and
2. Second Amended and Restated Stock Option Plan of Vendor, effective as of January 1, 2019.

Schedule 2.22(a)
Acquired and Excluded Subsidiaries

Acquired Subsidiaries:

See Schedule 1.01(1) above.

Excluded Subsidiaries:

1. Crown Crest Capital Management Corp.;
2. Crown Crest Capital Corp.;
3. Crown Crest Holding Corp.;
(a) Crown Crest Financial Corp.;
4. Saveonhotwater.ca Inc.;
5. Simply Safire SPV;
(a) Crown Crest Billing Corp.;
6. Simply Green Home Services (Ontario) Inc.;
(a) Simply Green Home Services (RNC) Inc.;
7. Simply Metering Solutions Inc.;
8. Simply Green Home Services Ltd.;
(a) Simply Green Home Services, LLC;
9. SimplyLED Lighting Solutions Inc.;
10. 2773442 Ontario Inc.;
(a) Simply Group Financial Corp.;
11. 2493260 Ontario Inc.;
(a) Crown Crest Funding Corp., as trustee for Crown Crest Capital Trust;
(b) 2551406 Ontario Inc., as trustee for Crown Crest Capital II Trust; and
12. Crown Crest Capital Trust;
13. Crown Crest Capital II Trust;
14. Cozee Inc.; and
15. UtileBill Home Services Inc.

Schedule 2.22(b)
Acquired Subsidiaries

2.22(b)(i)

Nil.

2.22(b)(ii)

None of the Acquired Subsidiaries have subsidiaries, except:

Simply Green Holdings USA, LLC, which is the sole member of (a) Crown Crest USA, LLC; and (b) Simply Green USA, LLC.

2.22(b)(iii)

Simply Green Retail Services Inc. originated lease contracts as part of the Home Depot program, which lease contracts were sold by Vendor to Crown Crest prior to the Closing Date.

2.22(b)(iv)

Nil.

Schedule 2.27
Brokers²

The following brokers, finders or investment bankers are entitled to brokerage, finder's or other fees or commissions in connection with the transactions contemplated by the Agreement or the IP License Agreement based upon the following arrangements made by or on behalf of Vendor:

1. Letter Agreement between Macquarie Capital (USA) Inc. and Vendor dated March 11, 2020 in connection with financial advisory services
 - a. \$3,000,000 USD

2. Letter Agreement between Deloitte Corporate Finance Inc. and Vendor dated November 12, 2018 as amended January 6, 2019 in connection with financial advisory services
 - a. \$125/hr top up to Corporate Finance hours (total estimate = \$117,500)

3. Bill Russell - Finder's Fee for NELI/SNAP
 - a. \$220,000

² For greater certainty, the arrangements disclosed in Schedule 2.27 (Brokers) constitute Excluded Liabilities and will not be assumed by Purchaser nor Topco.

Schedule 7.05
Designated Employees

Part A – Purchaser

Each of the employees and independent contractors listed in Schedule 2.21(g), other than the individuals listed under Part B below.

Part B – Topco

1. Lawrence Krimker
2. Joseph Krimker
3. Sean Milne
4. Jerome Peeters
5. Liam Coates
6. Raymond Tam
7. Andrew Bowgen
8. Oscar Strawczynski

Schedule "E"

IP LICENSE

[to be provided]

Intellectual Property License Agreement

THIS INTELLECTUAL PROPERTY LICENSE AGREEMENT is made and entered into as of October 13, 2020 (the "**Effective Date**") by and between SIMPLY GREEN HOME SERVICES CORP. (formerly known as Simply Green Home Services Inc.) ("**Licensor**"), a corporation incorporated under the laws of the Province of Ontario, SGHS MANAGEMENT HOLDCO INC., a corporation incorporated under the laws of Province of Ontario ("**First Licensee**"), 2775996 ONTARIO INC., a corporation incorporated under the laws of Ontario ("**First License Assignee**") and SIMPLY GREEN HOME SERVICES INC. (formerly known as 2775153 Ontario Inc.) ("**Second License Assignee**"), a corporation incorporated under the laws of the Province of Ontario.

RECITALS:

- A. **WHEREAS** Licensor is the owner of the Licensed Property (as defined below).
- B. **WHEREAS** Licensor wishes to grant exclusive rights to the Licensee to use all of Licensor's owned Intellectual Property and Intellectual Property Rights (as defined herein);
- C. **WHEREAS**, in furtherance of a transaction (the "**Transaction**") pursuant to which Second License Assignee is, among other things, purchasing shares of certain subsidiaries employed in the operation of the Business (defined below) as well as substantially all of the other assets (other than the Licensed Property (as defined below) and certain assets which are specifically excluded pursuant to the terms of the Asset Purchase Agreement (as defined below)) of Licensor used in connection with the Business, with rights to the Licensed Property being provided pursuant to this Agreement, Licensor acknowledges and agrees that this Agreement will be assigned immediately upon the execution of this agreement by First Licensee to First License Assignee and then immediately thereafter on the Effective Date assigned to Second License Assignee, in each case on the Effective Date and in accordance with the terms hereof;
- D. **WHEREAS** Licensor is willing to grant to Licensee (i) a license to use all of Licensor's owned Intellectual Property and Intellectual Property Rights on the terms and conditions set out in this Agreement, which include the right to assign this Agreement to the Permitted Assignees (as defined herein), and (ii) a right to acquire, pursuant to the exercise of the Second License Assignee Call Option (as defined below), all rights in the Licensed Property;
- E. **AND WHEREAS** Licensor is willing for this Agreement to be assigned and transferred from First Licensee to First License Assignee and from First License Assignee to Second License Assignee (in each case, other than First Licensee's obligations pursuant to Section 15.10, which shall remain the sole obligations of First Licensee), in connection with the Transaction;

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. DEFINITIONS.

For purposes of this Agreement, the following capitalized terms shall have the following meanings:

"Agreement" means this agreement as amended, extended or otherwise modified from time to time by written agreement among all of the parties.

"Business" means the business of Licensor as conducted immediately prior to the date hereof, which includes, among other things, (a) originating consumer lease contracts and other financial products in accordance with applicable law and (b) the administration and servicing of such contracts.

"Effective Date" has the meaning set forth in the preamble.

"Indemnified Party" has the meaning set forth in Section 10.1.

"Intellectual Property" means all intellectual property in any jurisdiction including:

- a) trade-marks, design marks, logos, service marks, certification marks, official marks, trade names, business names, corporate names, service names, trade dress, distinguishing guises, slogans, meta tags, keywords, adwords and other characters, brand elements or other distinguishing features used in association with wares or services and other identifiers of origin, whether or not registered or the subject of an application for registration and whether or not registrable, and associated goodwill ("**Trademarks**");
- b) inventions, invention disclosures, arts, processes, machines, articles of manufacture, compositions of matter, business methods, formulae, developments, discoveries and improvements, whether or not patented or the subject of an application for patent and whether or not patentable and whether or not reduced to practice, methods and processes for making any of them, and related documentation (whether in written or electronic form) and know-how ("**Inventions**");
- c) writings, designs, data, website content, webpages, marketing materials, and other works of authorship and databases (or other collections or compilations of information, data, works or other materials), software, documentation, literary works, artistic works, pictorial works, graphic works, musical works, dramatic works, audio visual works, performances, sound recordings and signals, including their content, and any compilations of any of them, whether or not registered or the subject of an application for registration, or capable of being registered ("**Works**"); including, and all moral rights;
- d) internet domain names, whether registered primary domain names or secondary or other higher level domain names ("**Domain Names**");
- e) utility models, industrial designs and all variants of industrial designs, whether or not registered or the subject of an application for registration and whether or not registrable ("**Designs**");
- f) rights of publicity and other rights to use the names and likeness of individuals; and
- g) confidential proprietary information, including technical information and including, without limitation, trade secrets (including those trade secrets defined in the United States Uniform Trade Secrets Act and under corresponding other Laws), business, marketing, technical and know-how information, procedures, research records, test information, market surveys, specifications, product designs, plans, compositions, algorithms, research and development data, technical data, tools, other non-public or confidential information and rights to limit the use or disclosure thereof by any Person, in each case, that derive independent economic value, actual or potential, from not being generally known to, or not readily ascertainable through proper means by, other Persons.

"Intellectual Property Rights" means any common law principle or statutory provision in any jurisdiction of the world which may provide a right in or to Intellectual Property, including any and all common law rights and registrations (including domain name registrations), pending applications for registration and rights to file applications, and all rights to enforce the rights and obtain remedies for a violation of any such rights, and all claims, causes of action and defenses relating to the enforcement of any of the foregoing.

"Law" means any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, award, decree, other requirement, or rule of law of any federal, provincial, state, local, or foreign government, or political subdivision thereof, or any arbitrator, court, or tribunal of competent jurisdiction.

"Licensed IP" means all right, title and interest to Licensor's Intellectual Property and Intellectual Property Rights, including, without limitation, the Intellectual Property and Intellectual Property Rights disclosed in Schedule "B" and all operational and compliance processes, policies and methodologies the Licensor used in relation to the operation of the Business.

"Licensed Marks" means the trademarks and service marks that are Licensed IP set forth on Schedule "A" whether registered or unregistered, including the listed registrations and applications and any registrations which may be granted pursuant to such applications, and all goodwill relating thereto.

"Licensed Property" means, collectively, the right to collect, use and disclose the Licensor Personal Information in accordance with this Agreement, and the Licensed IP (including Licensed Marks).

"Licensee" means the First Licensee and, upon assignment of this Agreement as permitted hereunder, any Permitted Assignee to whom it has been assigned, and any subsequent assignee of the Permitted Assignee.

"Licensor Personal Information" means any Personal Information which is provided or otherwise made available by Licensor to another party pursuant to the terms of this Agreement but excluding Personal Information assigned to Licensee pursuant to the Transaction.

"**Losses**" means losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable legal fees and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers.

"**Permitted Assignees**" means First License Assignee, Second License Assignee and any other person to which this Agreement has been assigned by a Licensee in accordance with Section 15.4, and "**Permitted Assignee**" means any of them.

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

"**Personal Information**" means any information which, on its own or when reasonably combined with other available information, relates to an identifiable individual.

"**Privacy Laws**" means all federal, provincial, state, municipal or other applicable statutes, laws or regulations of any governmental or regulatory authority in any jurisdiction governing the collection, use or disclosure of information about an identifiable individual including without limitation the *Personal Information Protection and Electronic Documents Act* and Canada's Anti-Spam Legislation.

"**Second License Assignee Call Option**" has the meaning set forth in Section 11.4.

"**Term**" has the meaning set forth in Section 11.1.

"**Third Party Claim**" has the meaning set forth in Section 10.1.

2. LICENSE GRANT.

2.1 Basic Grant: Subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee during the Term (as defined herein) a worldwide, exclusive, assignable and sublicensable (in accordance with the terms of Section 2.2) license to the Licensed Property, including, for the avoidance of doubt, the right to use the Licensed Marks as part of its corporate or trade or business name, or as part of any domain name. Such license rights: (i) granted to the First Licensee shall terminate upon the assignment of this Agreement to the First License Assignee; and (ii) granted to the First License Assignee shall terminate upon the assignment of this Agreement to the Second License Assignee.

2.2 Sublicensing: Upon assignment of this Agreement from First License Assignee to Second License Assignee, Licensor grants Second License Assignee a right of sublicense of the license rights set forth in Section 2.1, and in accordance with such sublicense right the Second License Assignee may grant a sublicense of its rights hereunder, but Second License Assignee shall remain liable for such sublicensee's compliance with the terms and conditions of this Agreement, and each sublicensee shall use the Licensed Property solely in accordance with the terms and conditions of this Agreement. Any sublicense granted hereunder shall automatically terminate upon termination of this Agreement.

3. USE OF THE LICENSED MARKS.

3.1 Trademark Notices. Licensee shall have the sole discretion to determine whether materials carrying the Licensed Marks are marked with trademark notices. There is no obligation upon the Licensee to disclose the Licensor's ownership of the Licensed Marks.

4. OWNERSHIP AND REGISTRATION.

4.1 Acknowledgement of Ownership. Licensee hereby acknowledges that: (a) Licensor is the owner of the Licensed Property (or, in the case of Licensor Personal Information, the organization responsible for the collection, use and disclosure of the Licensor Personal Information) and all goodwill related thereto; and (b) during the Term of this Agreement, all use of the Licensed Property and any goodwill accruing from such use will enure solely to the benefit of Licensor. During the Term of this Agreement, Licensee agrees not to dispute or challenge, or assist any

Person in disputing or challenging, the rights of the Licensor in and to the Licensed Property or the validity of the Licensed Marks, subject to the Licensee's rights under the Security Agreement.

4.2 New Intellectual Property and Personal Information. Except for modifications to or derivatives of the SIMPLY GREEN Licensed Marks, any right, title and interest in and to new Intellectual Property or Intellectual Property Rights developed by Licensee during the Term shall be owned by Licensee. Modifications to or derivatives of the SIMPLY GREEN Licensed Marks, including composite marks and new logos for the SIMPLY GREEN trademarks, shall be owned by Licensor and deemed to be included as part of the Licensed Property licensed under this Agreement. Any Personal Information collected by Licensee on or after the Effective Date shall, as between Licensor and Licensee, be owned by Licensee.

4.3 Licensee Restrictions. Licensee hereby agrees that it shall not, during the Term, directly or indirectly:

(a) apply for, or obtain, or assist any Person that is not the Licensor in applying for or obtaining any registration of the Licensed Marks, or any trademark, service mark, trade name, or other indicia confusingly similar to the Licensed Marks; and/or

(b) use or disclose the Licensor Personal Information in a manner inconsistent with the Licensor's use and disclosure practices when operating the Business prior to the Effective Date, which have been communicated to Licensee prior to the Effective Date, unless Licensee otherwise obtains consent from the subject individual in accordance with applicable Privacy Laws.

4.4 Maintenance of Registrations. Licensor shall, at its own expense, take all reasonable steps to maintain the existing registrations of the Licensed Marks, and shall file applications to register the Licensed Property, including the Licensed Marks and any other related trademarks that Licensee requests, and take all commercially reasonable steps to prosecute and maintain such applications. Licensee shall provide, at Licensor's request all necessary assistance with such maintenance and prosecution.

5. QUALITY CONTROL.

5.1 Quality Control. Licensor shall have the right to exercise quality control over the use of the Licensed Marks by Licensee to the degree reasonably necessary to maintain the validity and enforceability of the Licensed Marks, and to protect the goodwill associated therewith. In furtherance of the foregoing, Licensee acknowledges and agrees that the quality of the goods and services provided by Licensee shall be substantially equivalent to or better than the standards maintained by Licensor immediately prior to the Effective Date.

5.2 Compliance with Laws. In exercising its rights under this Agreement, Licensor and Licensee shall each comply with all applicable laws.

5.3 Sample Materials. Licensor may, at any time, but not more than once each calendar year, request that Licensee provide up to five (5) samples of materials that bear the Licensed Marks, including advertisements and marketing and promotional material, for the purposes of confirming Licensee's compliance with the quality standards contained in this Agreement. In the event that Licensor, acting reasonably, determines that such materials do not comply with the standards set by Licensor, Licensee and Licensor shall collaborate on a plan to remedy such non-compliance.

6. ENFORCEMENT.

6.1 Enforcement by Licensor. In the event that Licensee learns that any of the Licensed Property is being infringed, passed off, misappropriated or otherwise violated or encroached upon ("**Infringement**"), Licensee may provide notice of same to Licensor (a "**Notice of Infringement**"). Licensor shall have the right, but no obligation, to take all actions necessary in order to restrain such Infringement ("**Enforcement Proceedings**"). If Licensee desires to participate in such Enforcement Proceedings, Licensee shall have the right to do so provided that Licensee shall be responsible for any costs incurred by Licensee. Licensee shall cooperate with and provide to Licensor reasonable assistance in such Enforcement Proceedings, at its own expense. Licensor shall keep Licensee regularly informed of the status and progress of such Enforcement Proceedings. Licensor shall bear the cost of any Enforcement Proceedings initiated by Licensor, and will be entitled to retain all sums recovered in any action for its own account.

6.2 Enforcement by Licensee. If Licensor fails to bring Enforcement Proceedings within sixty (60) days following receipt of a Notice of Infringement from Licensee, or promptly to the extent Licensee, acting reasonably, specifies in a Notice of Infringement that the Infringement is urgent and/or requires immediate attention, Licensee shall have the right to bring Enforcement Proceedings, at its sole expense. Licensor shall cooperate with and provide to Licensee all necessary and other reasonable assistance in such Enforcement Proceedings, at its own expense. Licensee shall keep Licensor regularly informed of the status and progress of such Enforcement Proceedings. Licensee shall bear the cost of any Enforcement Proceedings initiated by Licensee, and will be entitled to retain all sums recovered in any action for its own account.

7. LICENSE FEE:

7.1 Fee Calculation: In consideration of the license and other rights granted under this Agreement, including, without limitation, the right to use the Licensed Property, Licensee shall pay a fee (as such fee may be modified from time to time pursuant to, and in accordance with, this Section 7.1, the "**License Fee**") to Licensor annually during the Term equal to seven and one-half percent (7.5%) of the net (i.e. pre-tax) operating income earned by Licensee from the operation of the Business ("**Taxable Net Income**"), provided that, for greater certainty, the License Fee shall be no less than \$1.00. The License Fee will be calculated annually based on Licensee's Taxable Net Income from the operation of the Business as disclosed in the annual financial statements prepared in respect of Licensee's most recently completed fiscal year, as prepared by accredited external accountants in accordance with appropriate standard accounting principles applicable to the Business (the "**Annual Financial Statements**"). For illustration purposes, the Taxable Net Income of the Licensor for its most recently completed fiscal year, as disclosed in Licensor's annual financial statements in respect of the Business for its most recently completed fiscal year, was approximately \$19,168,974. Notwithstanding the foregoing, the parties agree that the License Fee (including the percentage applicable to the calculation of the License Fee under this Section 7.1) will be equitably adjusted on an annual basis in connection with the review of the Annual Financial Statements of Licensee and the payment to be made in accordance with Section 7.2 to ensure that the License Fee payable by the Licensee to the Licensor under this Agreement corresponds, subject to any *de minimis* deviation, to that amount (the "**Net Sub-servicing Compensation**") equal to:

(i) the total amount of the compensation received by, or owing to, the Licensee and paid or payable by the Licensor for the corresponding period under the sub-servicing agreement entered into among, *inter alia*, the Licensor (as servicer) and the Licensee (as sub-servicer) on the date hereof (the "**Sub-servicing Agreement**");

less:

(ii) any additional or other amounts paid or payable by Licensee, under the Sub-servicing Agreement or otherwise, to the Licensor or the Senior Funders (as such term is defined in the Sub-servicing Agreement) or any other party as a result of any claim related to, or resulting from, Licensee's performance of its obligations under the Sub-servicing Agreement.

In order to monitor the foregoing, the parties hereto agree that each of the Licensor and the Licensee will, on a quarterly basis, prepare and deliver to Magnetar Capital LLC and the Senior Funders a statement showing both (i) the Net Sub-servicing Compensation payable by Licensor to Licensee for the most recently completed quarter and (ii) the License Fee payable by the Licensee to the Licensor for the applicable quarter pursuant to this Agreement.

In the event that the License Fee is reasonably expected to materially deviate from the Net Sub-servicing Compensation for the corresponding period, the parties undertake to negotiate in good faith amendments to the terms and conditions of this Agreement, including this Section 7.1, for the License Fee to become payable on a quarterly basis and to make such quarterly adjustment to the License Fee as may be required to minimize any such deviation.

7.2 Annual Financial Statements: Licensee hereby covenants and agrees to deliver Annual Financial Statements to the Licensor within ninety (90) days of the completion of Licensee's fiscal year-end. The License Fee shall be payable by Licensee to Licensor within thirty (30) days of the delivery of the Annual Financial Statements, but Licensee shall be entitled to set off any amounts payable as a License Fee against any amounts owing to Licensee by Licensor whether pursuant to Sub-servicing Agreement or otherwise.

8. ASSIGNMENT OF LICENSE AND ASSIGNMENT OF LICENSED PROPERTY

8.1 Absolute Assignment Right: This Agreement is fully assignable by Licensee, without any further consent or approval of Licensor, at any time during the Term to any Permitted Assignee or by any Permitted Assignee to any other Permitted Assignee. Except for the provisions of Section 8.2 below, which remain binding on First Licensee despite any subsequent assignment, a Permitted Assignee shall be fully bound by, and be entitled to fully benefit from, all of the covenants, representations, warranties, indemnities and other rights, obligations, terms and conditions of, and arising under, this Agreement. Licensor shall continue to be fully bound by, and be entitled to fully benefit from, all of the covenants, representations, warranties, indemnities and other rights, obligations, terms and conditions of, and arising under, this Agreement. However, the parties acknowledge and agree that First Licensee will always remain responsible for the payment of the Prepaid Fee described in Section 8.2, even if this Agreement has been assigned to one or more Permitted Assignees, and Licensor shall have no rights or remedies against any Permitted Assignee in respect of the Prepaid Fee.

8.2 Prepaid Fee: In the event of any termination of this Agreement by Licensor or Licensee that results in the exercise of the Second License Assignee Call Option (as described in Section 11.4), First Licensee shall be required to promptly make a one-time payment to Licensor as provided in this Section 8.2. If such termination occurs during the Initial Term, First Licensee shall promptly pay the Licensor an amount equal to the amount that would have been payable to Licensor hereunder for the unexpired balance of the Initial Term, calculated by using the License Fee owing and paid or payable to Licensor in respect of the most recent fiscal year of the Licensee, pro-rated appropriately to the number of years and months remaining in the Initial Term, subject to a present value discount of five percent (5%) per annum (the "**Initial Term Prepaid Fee**"). If the termination occurs during any of the one year Renewal Terms, First Licensee shall promptly pay the Licensor an amount equal to the amount that would have been payable to Licensor hereunder for the remainder of the current one year Renewal Term, calculated by using the License Fee owing and paid or payable to Licensor in respect of the most recently completed fiscal year of the Licensee, pro-rated appropriately to the number of months remaining in such Renewal Term, subject to a present value discount of five percent (5%) per annum (the "**Renewal Term Prepaid Fee**"). For the avoidance of doubt, once the Initial Term Prepaid Fee or the Renewal Term Prepaid Fee, as applicable (the "**Prepaid Fee**"), has been paid, the Licensee shall be fully and finally relieved of its obligation to pay any License Fee, and all right, title and interest in and to the Licensed Property will be absolutely assigned to the Licensee, free and clear of any and all liens, licenses, security interests, encumbrances or other charges of any kind, and the Licensee shall become the sole and absolute owner thereof.

9. REPRESENTATIONS, WARRANTIES AND COVENANTS.

9.1 Mutual Representations and Warranties. Each party represents and warrants to the other party that:

- (a) it is duly organized, validly existing, and in good standing as a corporation or other entity as represented herein under the Laws of its jurisdiction of incorporation or organization;
- (b) it has the full right, power and authority to enter into this Agreement and to perform its obligations hereunder;
- (c) the execution of this Agreement by its representative whose signature is set forth at the end hereof has been duly authorized by all necessary corporate action of the party;
- (d) when executed and delivered by such party, this Agreement will constitute the legal, valid, and binding obligation of such party, enforceable against such party in accordance with its terms; and
- (e) no consent, approval, waiver or authorization, and no permit, license, franchise, registration, filing, certificate, variance or similar right or notice, is required to be obtained from or given to any person or entity (including any governmental authority) by any party hereto in connection with the execution of this Agreement and the consummation of the transactions contemplated hereby, including without limitation the grant of license to the Licensed Property described in Section 2.1 and the assignment of the Licensed Property in connection with the Second License Assignee Call Option described in Section 11.4.

9.2 Licensor's Representations, Warranties and Covenants. Licensor represents, warrants and covenants that:

(a) the schedules to this Agreement include a complete and accurate list of all registered patents, trademarks, industrial designs, copyrights and domain names owned by Licensor, and all such registrations are subsisting, valid and enforceable;

(b) Licensor is the sole and exclusive legal and beneficial owner of the entire right, title, and interest in and to the Licensed Property (excluding Personal Information), free and clear of all licenses, liens, security interests, encumbrances or other charges, except (i) the licenses granted under this Agreement, and (ii) under the Security Agreement;

(c) Licensor (i) has collected, used and disclosed the Licensor Personal Information in accordance with all Privacy Laws and has obtained all necessary authorizations and consents required under applicable Privacy Laws to provide or otherwise make available the Licensor Personal Information to Licensee and allow Licensee to use and disclose the Licensor Personal Information in conducting the Business following the Effective Date in the same manner as Licensor conducted the Business prior to the Effective Date, and (ii) agrees not to collect any Licensor Personal Information from the Effective Date until the last day of the Call Option Exercise Period (as defined below);

(d) Licensor has not granted and, from the Effective Date until the last day of the Call Option Exercise Period, will not grant any rights, licenses, liens, security interests, or other encumbrances in, to, or under the Licensed IP and the Licensed Marks, except (i) the licenses granted under this Agreement, and (ii) under the Security Agreement;

(e) the exercise by Licensee of the rights and license granted under this Agreement does not and will not infringe, misappropriate or result in passing-off, or otherwise violate, encroach upon or conflict with the rights of any other Person;

(f) no Person has filed a written claim or given Licensor notice prior to the date hereof alleging that the use of the Licensed Property in association with the conduct of the Business has infringed on, misappropriated, passed-off or otherwise violated, encroached upon or was in conflict with the rights of such Person;

(g) Licensor is not aware of any Person who is currently infringing, misappropriating, passing-off, or otherwise violating, encroaching upon or in conflict with the Licensed Property; and

(h) to secure the due payment and performance of all of its obligations under this Agreement, present and future, Licensor has granted to Second License Assignee a first ranking lien and security interest in and on the Licensed Property pursuant to a security agreement on terms and conditions satisfactory to Licensee (the "**Security Agreement**").

10. INDEMNIFICATION.

10.1 Indemnification. Licensor shall indemnify, defend, and hold harmless Second License Assignee or any Permitted Assignee of Second License Assignee, and their respective shareholders (other than First License Assignee) officers, directors, employees, agents, successors, and assigns (each, an "**Indemnified Party**"), from and against all Losses arising out of or in relating to any claim, suit, action, or proceeding initiated by any Person (each, a "**Third Party Claim**") relating to any actual or alleged (a) breach by Licensor of any representation, warranty, covenant, or obligation under this Agreement; or any actual or alleged (b) infringement, misappropriation, dilution, or other violation of any intellectual property, privacy or other proprietary rights of any Person resulting from the use of the Licensed Property by Second License Assignee or any Permitted Assignee of Second License Assignee in accordance with this Agreement.

10.2 Recovery. Second License Assignee (or any Permitted Assignee of Second License Assignee) shall not be entitled to double recovery in respect of the same Loss from any source or sources of recourse that are available to Second License Assignee (or any Permitted Assignee of Second License Assignee) under this Agreement or the asset purchase agreement entered into in connection with the Transaction on the Effective Date by and among, *inter alia*, Licensor and Second License Assignee (the "**Asset Purchase Agreement**").

11. TERM AND TERMINATION.

11.1 Term. The initial term of this Agreement (the "**Initial Term**") shall commence on the Effective Date and continue for a period of ten (10) years, unless terminated earlier in accordance with Article 11, in which case the

Initial Term shall be deemed to terminate at the expiration of the Call Option Exercise Period or, if the Second License Assignee Call Option is exercised, on the date of exercise. This Agreement shall thereafter automatically renew for additional successive one (1) year periods (each, a "**Renewal Term**," and together with the Initial Term, the "**Term**"), provided that in the event of any termination in accordance with Article 11 during any Renewal Term, the Renewal Term shall be deemed to terminate at the expiration of the Call Option Exercise Period or, if the Second License Assignee Call Option is exercised, on the date of exercise.

11.2 Termination for Cause by Licensor. Licensor may terminate this Agreement immediately on written notice to Licensee if Licensee is in material breach of its payment obligations in respect of the License Fee, and fails to cure such breach within thirty (30) days of being notified in writing to do so.

11.3 Termination by Second License Assignee or any Permitted Assignee. Second License Assignee (or any Permitted Assignee of Second License Assignee) may terminate this Agreement on ten (10) days' notice in writing to Licensor, at any time, in its sole discretion, after the Initial Term or in the event that:

(a) Licensor becomes bankrupt or insolvent, is in breach of any of its material agreements, has undertaken winding-up or dissolution proceedings, has defaulted in respect of any liabilities, or any credit or other funding facility, under or by which it or any of its affiliates may be bound, or in the event of any material adverse change in Licensor's corporate status or financial condition or that of any of its material subsidiaries or special purpose entities;

(b) any creditor of the Licensor or any other Person exercises any enforcement right or any other right relating to a ownership or security interest with respect to the Licensed IP, or any Person secures any judgement or non-appealable order of a court of competent jurisdiction that the use of the Licensed IP in association with the conduct of the Business is infringing on, misappropriating, passing-off or otherwise violating, encroaching upon or is in conflict with the rights of such Person;

(c) the Sub-servicing Agreement is terminated or Licensee otherwise ceases to have any continuing obligations under the Sub-servicing Agreement; or

(d) Second License Assignee (or any Permitted Assignee of Second License Assignee) or any Person controlling, directly or indirectly, Second License Assignee (which, for greater certainty, shall include First License Assignee as of the Effective Date) or such other Person determines, in its sole discretion, to proceed with a transaction resulting in any change of control in its ownership (which, for greater certainty, shall include any "Sale Transaction" resulting from Article 7 of the Unanimous Shareholders' Agreement of First License Assignee dated the date hereof), any sale of all or substantially all of its assets or any public listing of its shares or any exchange of its shares for publicly listed shares.

11.4 Second License Assignee Call Option.

(a) In the event of any termination of this Agreement by Licensor in accordance with Section 11.2 or by the Licensee in accordance with Section 11.3 hereof, the Second License Assignee (or any Permitted Assignee of the Second License Assignee) shall have the exclusive option, exercisable by written notice at any time within six (6) months following any such termination (the "**Call Option Exercise Period**"), to acquire all rights to the Licensed Property (including for greater certainty all goodwill related thereto) (the "**Second License Assignee Call Option**"). Upon the exercise of the Second License Assignee Call Option, (i) all rights to the Licensed Property (including for greater certainty all goodwill related thereto) shall be assigned by Licensor to Second License Assignee (or any Permitted Assignee of Second License Assignee) absolutely, fully and finally, free and clear of all liens, licenses, security interests, encumbrances or other charges of any kind, and the Second License Assignee or the Permitted Assignee of Second License Assignee, as applicable, shall become the sole and absolute owner thereof, in which case any and all rights or claims of Licensor against any Permitted Assignee shall be fully and finally released and (ii) Licensor shall be entitled to receive the full payment of the Prepaid Fee in accordance with Section 8.2. Licensor hereby, irrevocably and conditionally only upon the exercise of the Second License Assignee Call Option, assigns all of its right, title and interest in and to the Licensed Property (including for greater certainty all goodwill related thereto) to the Second License Assignee (or any Permitted Assignee of the Second License Assignee, as applicable). Licensor agrees to execute any other documentation that may be required or desirable in connection with such assignment. For greater certainty, in connection with the exercise of the Second License Assignee Call Option, Licensor shall not assign or transfer to Second License Assignee (or such Permitted Assignee of Second License Assignee) and Second License Assignee (or such Permitted Assignee of Second License Assignee) shall

not assume any liabilities or obligations of Licensor of any kind, whether known or unknown, direct, indirect, absolute, contingent, matured or otherwise, whether currently existing or hereinafter created, including any such liabilities or obligations related to the Licensed Property. Notwithstanding Section 8.2, the parties agree that any Permitted Assignee may elect, but for greater certainty shall have no obligation whatsoever, to pay the Prepaid Fee for and on behalf of First Licensee, provided however that in such case First Licensee will be liable to such Permitted Assignee for payment of the Prepaid Fee.

(b) Upon the exercise of the Second License Assignee Call Option, each of Licensor and First Licensee shall promptly deliver to Second License Assignee (or its Permitted Assignee, as applicable) a certificate of one of its senior officers, in form and substance reasonably satisfactory to Second License Assignee (or its Permitted Assignee, as applicable), certifying that the representations and warranties contained in Section 9.2 are accurate in all respects as of such date with the same force and effect as if such representations and warranties were made on and as of such date.

11.5 No Termination Upon Licensor's Bankruptcy. The rights granted by Licensor to Licensee under this Agreement will not terminate, but will continue, on and after any event of (i) the bankruptcy or insolvency of Licensor whether voluntary or involuntary or (ii) the winding up or liquidation of Licensor, whether voluntary or involuntary. Without limiting the foregoing, all rights and licenses granted under or pursuant to this Agreement are, and will be deemed to be licenses to rights to "intellectual property", for purposes of the relevant provisions of the *Bankruptcy and Insolvency Act*, including sections 65.11(7), 65.13(9), 72.1 and 246.1; and the relevant provisions of the *Canadian Companies' Creditors Arrangement Act*, including sections 32(6) and 36(8). Licensor acknowledges and agrees that if this Agreement is disclaimed or resiliated in the context of proceedings under either Act, Licensee may elect to retain its rights under this Agreement, and the Licensor waives any right to object to enforcement of the Licensee's rights under such legislation.

12. EQUITABLE RELIEF.

12.1 Each party acknowledges that a breach by the other party of any of the terms or conditions of this Agreement will result in irrevocable harm and that the remedies at law for such breach may not adequately compensate the relevant party for damages suffered. Accordingly, the parties agree that in the event of such breach, the relevant party shall be entitled to injunctive relief or such other equitable remedy as a court of competent jurisdiction may provide. Nothing contained herein will be construed to limit a party's right to any remedies at law, including but not limited to the recovery of damages for breach of this Agreement.

13. NON-COMPETITION AND NON-SOLICITATION

13.1 During the Term of this Agreement and for a period of three (3) years following any termination of this Agreement in accordance herewith, including any such termination that is accompanied by the exercise of the Second License Assignee Call Option, the Licensor hereby covenants and agrees that neither it, nor its officers, directors or affiliates shall (a) compete, either directly or indirectly, with the Licensee in or with the operation of the Business by Licensee or (b) engage in the solicitation of any of Licensee's employees, customers or suppliers.

14. CONFIDENTIAL INFORMATION.

14.1 All information (excluding Licensor Personal Information) received by one party ("**Receiving Party**") from the other party ("**Disclosing Party**") in connection with this Agreement ("**Confidential Information**") will be considered confidential and will not be disclosed by the Receiving Party to any third party without the prior written consent of the Disclosing Party. The Receiving Party will use the Confidential Information only for the purposes contemplated by this Agreement. The Receiving Party will take the steps reasonably necessary to protect the confidentiality of the Confidential Information and shall notify the Disclosing Party promptly in writing in the event of any loss, unauthorized disclosure or inability to account for Confidential Information. The Receiving Party's obligations under this Section 14 with respect to any portion of Confidential Information shall not apply to any information that (i) was in the public domain at or subsequent to the time it was communicated to the Receiving Party by the Disclosing Party, (ii) was rightfully in the Receiving Party's possession free of any obligation of confidence at or subsequent to the time it was communicated to the Receiving Party by the Disclosing Party, (iii) was developed by the Receiving Party independently of the Disclosing Party, or (iv) is being disclosed by the Receiving Party in response to a valid order by a court or other governmental body, or otherwise as required by law, provided that the Receiving Party provides prior written notice of such required disclosure to the Disclosing

Party and takes reasonable and lawful actions to avoid and/or minimize the extent of such disclosure. All Confidential Information furnished to the Receiving Party by the Disclosing Party is the sole and exclusive property of the Disclosing Party ("**Disclosing Party's Property**"). Upon termination of this Agreement by any party for any reason, the Receiving Party agrees to promptly deliver to the Disclosing Party or destroy, at the Disclosing Party's option, the original and any copies of Disclosing Party's Property. The Receiving Party agrees to certify in writing that the Receiving Party has so returned or destroyed all such Disclosing Party's Property.

15. MISCELLANEOUS.

15.1 Entire Agreement. This Agreement, together with all Schedules hereto and any other documents incorporated herein by reference, constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter.

15.2 Notices. All notices and other communications required or permitted to be given pursuant to this Agreement will be in writing (regardless of the fact that a specific provision of this Agreement specifies or fails to specify that a particular notice must be in writing) and will be deemed given if delivered personally, transmitted by e-mail or functionally equivalent electronic means of transmission, sent by a Canadian nationally-recognized overnight courier or mailed by registered or certified mail (return receipt requested), postage prepaid, to the parties at their respective addresses set forth below:

(a) if Licensor:

Simply Green Home Services Corp.
2225 Sheppard Avenue East, Suite 800
North York, ON M2J 5C2

Email: lawrence.krimker@mysimplygroup.com
Attention: Lawrence Krimker, Chief Executive Officer

with a copy to: Miller Thomson LLP
Email: aapps@millerthomson.com

Attention: Alfred Apps

(b) if Licensee

Simply Green Home Services Inc.
2225 Sheppard Avenue East, Suite 800
North York, ON M2J 5C2

Email: lawrence.krimker@mysimplygroup.com
Attention: Lawrence Krimker, Chief Executive Officer

with a copy to: Magnetar Capital
Email: ACFI-Ops@magnetar.com and Legal@magnetar.com

Attention: Hin-King Tai, Managing Director, Alternative Credit and Fixed Income, and
Michael L. Butler, Legal Counsel

with a copy to: Stikeman Elliott LLP
Email: dtardif@stikeman.com and apelland@stikeman.com

Attention: David Tardif and Aniko Pelland

or to such other address as the party to whom notice is to be given may have furnished to the other party in writing in accordance with this Section 15.2. Any such notice or communication will be deemed to have been delivered and received: (i) in the case of personal delivery, on the date of such delivery, (ii) in the case of e-mail, on the date sent

if confirmation of receipt is received, (iii) in the case of such a national-recognized overnight courier in circumstances under which such courier guarantees next business day delivery, on the next business day after the date when sent or otherwise on the next following business day, and (iv) in the case of mailing, on the fifth business day following that on which the envelope containing such communication is posted.

15.3 Survival. The provisions of Articles 7, 8, 10, 11, 12, 13, 14 and 15 and Sections 9.2 and 15.10 shall survive the termination or expiration of this Agreement and continue in full force and effect thereafter.

15.4 Assignment and Enurement. Licensee may not assign any of its rights or obligations under this Agreement to any Person without the prior written consent of Licensor, except to any of its affiliates (for greater certainty, for purposes of this Agreement, none of the shareholders of First Licensee shall be considered an affiliate of Second Licensee Assignee), to a purchaser of all or substantially all of the assets of Licensee or to any lender, creditor or financier of Licensee. This Agreement enures to the benefit of and is binding upon the parties and their successors and permitted assigns. Notwithstanding anything to the contrary, the parties acknowledge that, except for the assignment to First Licensee Assignee on the Effective Date in accordance with the terms of the Agreement, First Licensee shall not be entitled to assign any of its rights and obligations under this Agreement to any Person. For greater certainty, any assignment by First Licensee of any or all of its rights or obligations under this Agreement (including the assignment by First Licensee to First Licensee Assignee pursuant to this Agreement) shall not include the assignment and transfer of Section 15.10 or relieve First Licensee of its obligations under Section 8.2 and Section 15.10.

15.5 Severability. Each Section of this Agreement is distinct and severable. If any Section of this Agreement, in whole or in part, is or becomes illegal, invalid, void, voidable or unenforceable in any jurisdiction by any court of competent jurisdiction, the illegality, invalidity or unenforceability of that Section, in whole or in part, will not affect the legality, validity or enforceability of the remaining Sections of this Agreement, in whole or in part or the legality, validity or enforceability of that Section, in whole or in part, in any other jurisdiction.

15.6 Further Assurances. The parties agree that, subsequent to the execution and delivery of this Agreement and without any additional consideration, each of the parties shall execute and deliver or cause to be executed and delivered, any further legal instruments and perform any acts as are within its power as the other parties may in writing at any time and from time to time reasonably request be done and/or executed as being necessary to effect the purposes of this Agreement.

15.7 Set Off Rights. The parties hereby expressly acknowledge and agree that, to the extent that Licensee is obligated to pay any sum of money to the Licensor under this Agreement, Licensee shall be entitled to set off any amount owing or otherwise payable by Licensor to Licensee under the Sub-servicing Agreement or otherwise.

15.8 Governing Law; Jurisdiction. This Agreement will be governed by, interpreted and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each of the parties irrevocably and unconditionally submits and attorns to the exclusive jurisdiction of the courts of the Province of Ontario to determine all issues, whether at law or in equity arising from this Agreement.

15.9 Status of Parties. The parties acknowledge that they are separate entities, each of which has entered into this Agreement for independent business reasons, and that the execution and performance of this Agreement does not create an agency, joint venture, employment or partnership between them, it being understood and agreed that no provision contained herein shall be deemed to create any relationship between the parties hereto other than the relationship of independent parties contracting for services. No party will have the authority to bind the other except to the extent authorized herein.

15.10 Guarantee. First Licensee agrees to (i) guarantee the timely performance and fulfillment by Licensor of its obligations under this Agreement and (ii) be liable with Licensor, as principal obligor and not as a surety, with respect to all of the representations, warranties, covenants, indemnities and agreements of Licensor contained in this Agreement (collectively, the "**Guaranteed Obligations**"). First Licensee's guarantee under this Section 15.10 shall be a continuing, absolute, unconditional and irrevocable guarantee of all Guaranteed Obligations by First Licensee and shall apply to and secure all present and future Guaranteed Obligations, notwithstanding any assignment by First Licensee of this Agreement. For greater certainty, any assignment by First Licensee of any or all of its rights or obligations under this Agreement (including the assignment by First Licensee to First Licensee