



District of British Columbia
Division No.: 03 – Vancouver
Court No.: B-240536
Estate No.: 11-3149370

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF
LAMBDA SOLUTIONS INC.

ORDER MADE AFTER APPLICATION

APPROVAL AND VESTING ORDER

BEFORE THE HONOURABLE MADAME
JUSTICE SHARMA

)
)
) 14/02/2025

THE APPLICATION of Lambda Business Solutions Inc. (the "**Debtor**") coming on for hearing at Vancouver, British Columbia, on the 14th day of February, 2025 AND ON HEARING Cody G. Reedman counsel for The Debtor, Bonita Lewis-Hand counsel for Crowe MacKay & Company Limited (in its capacity as proposal trustee in these proceedings, the "**Proposal Trustee**"), , and those other counsel listed on Schedule "A" hereto, and no one else appearing, although duly served; AND UPON READING the material filed, including ~~First, Second and the Third~~, Report of the Proposal Trustee dated February 13, 2025 (the "**Report**");

THIS COURT ORDERS AND DECLARES THAT:

1. The sale transaction (the "**Transaction**") contemplated by the Asset Purchase Agreement dated February 7, 2025 (the "**Sale Agreement**") between the Debtor, as vendor, and Evergreen Gap Debt GP Inc. as agent for itself and on behalf of Evergreen Gap Debt LP, as purchaser (in such capacity, the "**Original Purchaser**"), a copy of which is attached as Schedule "B" thereto hereby approved, and the Sale Agreement is commercially reasonable. The execution of the Sale Agreement by the Debtor is hereby authorized and approved, and the Debtor is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Original Purchaser or its assignee (as applicable, the "**Purchaser**") of the assets described in the Sale Agreement (the "**Purchased Assets**").
2. Upon delivery by the Proposal Trustee to the Purchaser of a certificate substantially in the form attached as Schedule "**B**" hereto (the "**Proposal Trustee's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or

otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of this Court dated December 4, 2024; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system; and (iii) those Claims listed on Schedule "D" hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule "D" hereto), and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Proposal Trustee's Certificate all Claims shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.
4. The Proposal Trustee is to file with the Court a copy of Proposal Trustee's Certificate forthwith after delivery thereof.
5. Pursuant to Section 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act* or Section 18(10)(o) of the *Personal Information Protection Act* of British Columbia, the Receiver is hereby authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the company's records pertaining to the Debtor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.
6. Subject to the terms of the Sale Agreement, vacant possession of the Purchased Assets, including any real property, shall be delivered by the Debtor to the Purchaser at 12:00 noon on the Closing Date (as defined in the Sale Agreement), subject to the permitted encumbrances as set out in the Sale Agreement and listed on Schedule "D".
7. The Debtor, with the consent of the Purchaser and the Proposal Trustee, shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court.
8. Notwithstanding:
 - (a) these proceedings;
 - (b) any applications for a bankruptcy order in respect of the Debtor now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made by or in respect of the Debtor,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

9. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Debtor, the Proposal Trustee and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Debtor and the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Debtor, the Proposal Trustee and their respective agents in carrying out the terms of this Order.
10. Upon delivery of the Proposal Trustee Certificate, all the rights and obligations of the Company under the agreements set out in **Schedule "C"** hereto at Closing shall constitute Purchased Assets on Closing (collectively, the "**Assigned Contracts**") and shall be assigned to the Purchaser, pursuant to the terms of the Sale Agreement.
11. The assignment to the Purchaser of the rights and obligations of the Company under the Assigned Contracts, pursuant to this Order is valid and binding upon all of the counterparties to the Assigned Contracts notwithstanding any restriction or prohibition contained in any such Assigned Contracts relating to the assignment thereof, including any provision requiring the consent of any party to the assignment or any change of control.
12. The Company's right, title and interest in the Assigned Contracts shall vest absolutely in the Purchaser free and clear of all Encumbrances other than the Permitted Encumbrances in accordance with the provisions of this Order.
13. Each counterparty to the Assigned Contracts is prohibited from exercising any right or remedy under the Assigned Contracts by reason of any defaults thereunder arising from the assignment of the Assigned Contracts or a change of control, the insolvency of the Debtor, the commencement of these proceedings, or any failure of the Company to perform a non-monetary obligation under the Assigned Contracts.
14. The Proposal Trustee shall send a copy of this Order to all of the counterparties to the Assigned Contracts.
15. The time for filing a proposal with the Official Receiver under Part III of Division I of the BIA be and is hereby extended to 11:59 p.m. on Monday March 31, 2025.
16. The stay of proceedings under Part III of Division I of the BIA be and is hereby extended to 11:59 p.m. on Monday March 31, 2025.
17. The Debtor or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.

18. Endorsement of this Order by counsel appearing on this application, other than counsel for the Debtor, is hereby dispensed with.

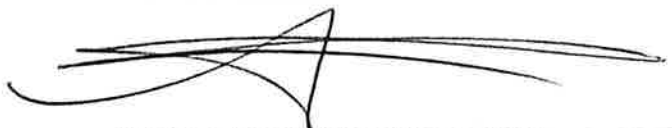
THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature of Cody Gordon Reedman

☐ Party ☒ Lawyer for Lambda Solutions Inc.

BY THE COURT



REGISTRAR IN BANKRUPTCY



Schedule A – List of Counsel

Name of Counsel	Party Represented
Vicki Tickle,	Evergreen Gap Debt GP Inc. as agent for itself and on behalf of Evergreen Gap Debt LP (as Purchaser)
John Zeljkovich	Moodle PTY Ltd.

^B
Schedule ~~A~~ – Asset Purchase Agreement

[See attached]

LAMBDA SOLUTIONS INC.

as Vendor

and

**EVERGREEN GAP DEBT GP INC., AS AGENT FOR ITSELF AND ON BEHALF OF
EVERGREEN GAP DEBT LP**

as Purchaser

ASSET PURCHASE AGREEMENT

February 7, 2025

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ASSET PURCHASE AGREEMENT

This asset purchase agreement (this “**APA**”) is dated February 7, 2025 between Lambda Solutions Inc. (the “**Vendor**”) and Evergreen Gap Debt GP Inc., as Agent for itself and on behalf of Evergreen Gap Debt LP, a limited partnership formed in the Province of Ontario (“**Evergreen LP**”) on behalf of an entity to be formed (the “**Purchaser**”, collectively with the Vendor, the “**Parties**” and any one, a “**Party**”).

RECITALS:

- (a) The Vendor filed a notice of intention to make a proposal (the “**NOI**”) under the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”) on November 1, 2024, and Crowe MacKay & Company Ltd. was appointed as trustee (in such capacity, the “**Proposal Trustee**”) in respect of the NOI proceedings;
- (b) On December 4, 2024, the Court (as defined below) issued an order (the “**Initial Order**”) authorizing the Vendor to borrow under an interim financing facility term sheet dated December 3, 2024 (the “**DIP Agreement**”), between the Vendor, as borrower and Evergreen Gap Debt GP Inc., as Agent for itself and on behalf of Evergreen Gap Debt LP as lender (in such capacity, the “**DIP Lender**”); and
- (c) The Vendor wishes to sell substantially all of the assets and undertakings of the Vendor used in the Business and to assign certain liabilities, and the Purchaser has agreed to purchase such Assets and assume such liabilities upon the terms and conditions contained in this Agreement.

In consideration of the above and for other good and valuable consideration, the Parties agree as follows.

ARTICLE 1 INTERPRETATION

Section 1.1 Definitions.

As used in this Agreement, the following terms have the following meanings:

“**Accounts Receivable**” shall have the meaning defined in Section 2.1(d).

“**Administrative Professionals**” means the Vendor’s legal counsel, the Proposal Trustee, and the Proposal Trustee’s legal counsel.

“**Administration Charge**” means the charge, if granted by the Court, to secure the fees and expenses of the Administrative Professionals;

“**Affiliate**” means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person

shall be deemed to **"control"** another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term **"controlled"** shall have a similar meaning.

"Agreement" means this asset purchase agreement, including all schedules annexed hereto, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof.

"Approval Order" shall have the meaning defined in Section 3.1(c).

"Assigned Contract" means a contract to which the Vendor is a party and the benefit of which is assigned to the Purchaser in accordance with Article 4 or by way of an Assignment Order.

"Assignment Order" means an order of the Court requiring the assignment of contracts designated by the Purchaser to which the Vendor is a party to the Purchaser, in form and substance satisfactory to the Purchaser and the Proposal Trustee, acting reasonably.

"Assumed Liabilities" shall have the meaning defined in Section 3.1.

"BIA" shall have the meaning defined in the Recitals.

"Business" means the businesses operated by the Vendor, which consists of a software-as-a-service company that provides cloud-based learning.

"Business Day" means any day of the year, other than a Saturday, Sunday or any day on which Canadian chartered banks are closed for business in Vancouver, British Columbia.

"Closing" shall have the meaning defined in Section 11.1.

"Closing Date" means the date that is three Business Days after the conditions of closing in Article 10 of this Agreement are satisfied or waived.

"Consent Required Contracts" means the contracts to which the Vendor is a party and which are not assignable in whole or in part without the consent, approval or waiver of the party or parties thereto other than the Vendor.

"Contract Assumed Liabilities" shall have the meaning defined in Section 4.1(2).

"Court" means the Supreme Court of British Columbia.

"COVID-19 Governmental Assistance" means any Tax amounts related to the Canada Emergency Wage Subsidy, the Temporary Wage Subsidy, the Canada Emergency Rent Subsidy, the Canada Recovery Hiring Program and Canada Emergency Business

Account Loan, including any interest, penalties, or additions to Tax attributable thereto (or attributable to excessive amounts received thereto).

"Credit Bid Debt" means any Liabilities of the Vendor owing to the DIP Lender pursuant to the DIP Agreement, and any Liabilities of secured debt owing to the Purchaser as of the Closing Date.

"Cure Payment" means a payment solely required to comply with section 84.1(5) of the BIA to cure any existing monetary default or breach of the Vendor under any contract which is to become an Assigned Contract as at the date such contract becomes an Assigned Contract.

"DIP Agreement" shall have the meaning defined in the Recitals.

"DIP Lender" shall have the meaning defined in the Recitals.

"Employee Plans" means all the employee benefit, fringe benefit, supplemental unemployment benefit, bonus, incentive, profit sharing, termination, change of control, retirement, pension, registered retirement savings, health, welfare, medical, dental, disability, life insurance and similar plans, programmes, arrangements or practices relating to the current or former directors, officers or employees of the Vendor maintained, sponsored or funded by the Vendor, whether written or oral, funded or unfunded, insured or self-insured, registered or unregistered.

"Encumbrances" means any mortgage, charge, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), easement, license, right of first refusal or first offer, title retention agreement or arrangement, conditional sale, deemed or statutory trust, restrictive covenant, execution, levies, or other financial or monetary claims or encumbrances of any nature (whether at law or equity), and any contract, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing.

"ETA" shall have the meaning defined in Section 6.1.

"Excluded Assets" shall have the meaning defined in Section 2.2.

"Excluded Liabilities" shall have the meaning defined in Section 3.2.

"Governmental Authority" means: (i) any governmental or public department, central bank, court, minister, governor-in-council, cabinet, commission, tribunal, board, bureau, agency, commissioner or instrumentality, whether international, multinational, national, federal, provincial, state, county, municipal, local, or other; (ii) any subdivision or authority of any of the above; and (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.

"GST/HST" means all goods and services tax and harmonized sales tax imposed under Part IX of the ETA.

"Initial Order" shall have the meaning defined in the Recitals.

"Intellectual Property" means domestic and foreign: (i) patents, applications for patents and reissues, divisions, continuations, renewals, extensions and continuations-in-part of patents or patent applications; (ii) proprietary and non-public business information, including inventions (whether patentable or not), invention disclosures, improvements, discoveries, trade secrets, confidential information, know-how, methods, processes, designs, technology, technical data, schematics, formulae and customer lists, and documentation relating to any of the foregoing; (iii) copyrights, copyright registrations and applications for copyright registration; (iv) mask works, mask work registrations and applications for mask work registrations; (v) designs, design registrations, design registration applications and integrated circuit topographies; (vi) trade names, business names, corporate names, domain names, website names and world wide web addresses, common law trademarks, trade-mark registrations, trade mark applications, trade dress and logos, and the goodwill associated with any of the foregoing; (vii) computer software and programs (both source code and object code form), all proprietary rights in the computer software and programs and all documentation and other materials related to the computer software and programs; and (viii) any other intellectual property and industrial property.

"ITA" shall have the meaning defined in Section 6.3.

"Laws" means any principle of common law and all applicable: (i) laws, constitutions, treaties, statutes, codes, ordinances, orders, decrees, rules, regulations and by-laws; (ii) judgments, orders, writs, injunctions, decisions, awards and directives of any Governmental Authority; and (iii) to the extent that they are treated as binding by the Governmental Authority or have the force of law, policies, guidelines, notices and protocols of any Governmental Authority.

"Liability" means any debt, loss, damage, adverse claim, fines, penalties, liability or obligation (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, matured or unmatured, determined or determinable, disputed or undisputed, liquidated or unliquidated, or due or to become due, and whether in or under statute, contract, tort, strict liability or otherwise), and includes all costs and expenses relating thereto (including all fees, disbursements and expenses of legal counsel, experts, engineers and consultants and costs of investigation).

"Material Contract" means any contract, licence or agreement to which the Vendor is at any time a party or pursuant to which the Vendor has at any time acquired rights, and includes rights of the Vendor to receive money due and to become due to it in connection with a contract, licence or agreement.

"NOI" shall have the meaning defined in the Recitals.

"Notice" shall have the meaning defined in Section 13.1.

"**Ordinary Course**" means, with respect to the Vendor, an action consistent with the past practices of the Vendor prior to the filing of the NOI and taken in the ordinary course of the normal day-to-day business and operations of the Vendor, provided that such action is in compliance, in all material respects, with applicable Laws (provided that it is required to comply with the requirements of the NOI proceedings).

"**Outside Closing Date**" means March 10, 2025, or such later date as may be agreed to in writing by the Parties.

"Parties" shall have the meaning defined in the Recitals.

"**Permitted Encumbrances**" means all security interests and other interests arising exclusively from the Assumed Liabilities and Contract Assumed Liabilities.

"**Person**" includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government (including any Governmental Authority) or any other entity, whether or not having legal status.

"**Proposal Trustee's Certificate**" shall have the meaning defined in Section 11.1(3).

"**Priority Payables**" means all amounts outstanding and owed by the Vendor as of the Closing Date in respect of all salary, wages, bonuses, commissions, vacation pay, and other compensation relating to employment of all employees of the Vendor for the six-month period prior to the Closing Date, source deductions relating to the same (including without limitation, source deductions that are discovered to be outstanding subsequent to the Closing Date following an audit by the Canada Revenue Agency for the period prior to the Closing Date), Transfer Taxes payable to or collectible by the Vendor, which collectively are estimated to be approximately \$2,000 and the fees and disbursements secured by or to be secured by the Administration Charge to complete the administration of the NOI proceedings.

"**Proposal Trustee**" shall have the meaning defined in the Recitals.

"**Provincial Sales Tax Act**" means the *Provincial Sales Tax Act* (British Columbia).

"**PST**" means all provincial sales tax imposed pursuant to the Provincial Sales Tax Act or any equivalent or corresponding provincial or territorial legislation imposing a similar Tax that may apply in respect of the transactions contemplated by this Agreement.

"**Purchase Price**" shall have the meaning defined in Section 5.1.

"**Purchased Assets**" shall have the meaning defined in Section 2.1.

"Purchaser" shall have the meaning defined in the Recitals.

"Tangible Personal Property" means, collectively, all furniture, fixtures, equipment, machinery, tools, vehicles, office equipment, supplies, computers, telephones, towers, other network assets, and other tangible personal property.

"Tax" means: (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Authority, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, COVID-19 Governmental Assistance, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority on or in respect of amounts of the type described in clause (i) above or this clause (ii); (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (iv) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any Party.

"Time of Closing" means 12:01 a.m. (Vancouver time) on the Closing Date.

"Transferred Employees" means those employees of the Vendor who accept offers of employment given in accordance with this Agreement from either the Purchaser or an Affiliate of the Purchaser, as the case may be.

"Transfer Taxes" means goods and services, harmonized sales, sales, use, consumption, personal property, customs, excise, stamp, transfer, value added, registration, and other such similar Taxes, duties or charges, including, for greater certainty, GST/HST and PST.

"Trustee in Bankruptcy" means the trustee appointed over the estate of the Vendor pursuant to the BIA, in the event that the Vendor makes or is deemed to have made an assignment in bankruptcy, or where an application for a bankruptcy order concerning the Vendor is made by a party other than the Vendor.

"Vendor" shall have the meaning defined in the Recitals.

Section 1.2 Date for Any Action.

If the date on which any action is required to be taken hereunder by a Party is not a Business Day, such action shall be required to be taken on the next succeeding day which is a Business Day.

Section 1.3 Gender and Number.

Any reference in this Agreement to gender includes all genders. Words importing the singular number only shall include the plural and vice versa.

Section 1.4 Headings, etc.

The provision of a Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and are not to affect its interpretation.

Section 1.5 Currency.

All references in this Agreement to dollars or to \$ are expressed in Canadian currency unless otherwise specifically indicated.

Section 1.6 Certain Phrases, etc.

In this Agreement (i) the words "including", "includes" and "include" mean "including (or includes or include) without limitation", and (ii) the phrase "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of". Unless otherwise specified, the words "Article" and "Section" followed by a number mean and refer to the specified Article or Section of this Agreement.

Section 1.7 Schedules.

The schedules attached to this Agreement form an integral part of this Agreement for all purposes of it.

**ARTICLE 2
PURCHASED ASSETS**

Section 2.1 Purchased Assets.

Subject to the terms and conditions of this Agreement, except for the Excluded Assets, the Vendor agrees to sell, assign and transfer to the Purchaser and the Purchaser agrees to purchase from the Vendor, on the Closing Date, effective as of the Time of Closing, or such later time as is contemplated by this Agreement, all undertakings, property and assets of the Vendor, including any and all assets that relate to or are used in connection with the operation of the Business (collectively, the "**Purchased Assets**"), including but not limited to the following assets, all free and clear of all Encumbrances (other than Permitted Encumbrances):

- (a) all cash on hand, cash equivalents and bank deposits;
- (b) all inventory and supplies;
- (c) all Tangible Personal Property;
- (d) all accounts receivable, notes receivable and other debts due or accruing due to the Vendor (the "Accounts Receivable");
- (e) all prepaid expenses and deposits, including any unused retainers paid to the Proposal Trustee in connection with the bankruptcy of the Vendor;
- (f) all client files;
- (g) the benefit of all of the Assigned Contracts, provided that such benefit shall not be sold, transferred and assigned until the relevant Assigned Contract becomes an Assigned Contract in accordance with Article 4 or pursuant to an Assignment Order;
- (h) all Intellectual Property owned or licensed by the Vendor;
- (i) the proceeds of any and all refunds or credits that may be due or become due to the Vendor from Canada Revenue Agency and from any provincial Tax authorities including any amounts in connection with the Scientific Research and Experimental Development ("SR&ED") program;
- (j) all consents, whether express or implied, granted in favour of the Vendor in accordance with *An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act (Canada)* (commonly known as "Canada's Anti-Spam Law" or "CASE");
- (k) all orders, authorizations, approvals, licenses or permits of any Governmental Authority, owned, held or used by the Vendor;
- (l) all information in any form relating to, or used in connection with, the Business, including books of account, financial and accounting information and records, personnel records, sales and purchase records, customer and supplier lists, business reports, operating guides and manuals, plans and projections, marketing and advertising materials, corporate records, and all other documents, files, correspondence and other information (whether in written, printed, electronic or computer printout form, or stored on computer discs or other data and software storage and media devices);

- (m) all customer guarantees, customer notes, security agreements, financing statements under applicable personal property security legislation, customer deposits or collateral, filings or property securing customer obligations;
- (n) all claims, actions, causes of action, indemnities, warranties, guarantees, rights of recovery, rights of set-off and rights of recoupment of the Vendor;
- (o) all proceeds payable to the Vendor upon any policies of insurance; and
- (p) the goodwill of the Business, including the exclusive right of the Purchaser to (i) represent itself as carrying on the Business in continuation of and in succession to the Vendor, and (ii) use any words indicating that the Business is carried on.

Section 2.2 Excluded Assets.

The Purchased Assets shall not include any of the following (collectively, the "Excluded Assets"):

- (a) the benefit of any contracts, agreements and understandings to which the Vendor is a party, including without limitation, any vehicle leases to which the Vendor is a party, other than those contracts that are assigned to the Purchaser pursuant to Article 4 or to an Assignment Order;
- (b) any legal files of the Vendor in the possession of or maintained by counsel for the Vendor; and
- (c) Tangible Personal Property associated with contracts that are not Assigned Contracts, if applicable.

For greater certainty, the Purchase Price will not be adjusted or set off against for Excluded Assets.

Section 2.3 SR&ED.

The Parties acknowledge that the Vendor has made and is currently making applications and filings for the SR&ED tax credit (the "Tax Credits"), which Tax Credits have not been received as of the date hereof. The Parties agree that such Tax Credits, or a lesser amount as determined by the Purchaser, if any, shall be paid by the Vendor, or the Trustee in Bankruptcy appointed with respect to the Vendor, to the Purchaser within five (5) days of receipt. The Vendor or the Trustee in Bankruptcy appointed with respect to the Vendor shall use commercially reasonable efforts to obtain such Tax Credits from and after the date of this Agreement, and respond to requests for information from the Purchaser within a reasonable time period.

ARTICLE 3 ASSUMED LIABILITIES

Section 3.1 Assumed Liabilities.

Subject to the Closing, and except for the Excluded Liabilities, the Purchaser, or in the case of the Transferred Employees and Liabilities related to the Transferred Employees, an Affiliate of the Purchaser as the Purchaser may direct, if applicable, agrees to assume, as of the Time of Closing or such later time as is contemplated by this Agreement, all of the Vendor's obligations and liabilities (and no other obligations or liabilities) relating to (collectively, the "Assumed Liabilities"):

- (a) the Purchased Assets arising and accruing in respect of the period after the Time of Closing and not related to any default existing at, prior to or as a consequence of Closing (which excludes all obligations and liabilities in connection with the Assigned Contracts, the assumption of obligations and liabilities in respect of which is dealt with pursuant to Article 4);
- (b) the obligations and liabilities of the Vendor with respect to the Transferred Employees that are expressly assumed by the Purchaser or its Affiliate pursuant to this Agreement; and
- (c) those liabilities set out in Schedule "A" and any other liability which the Purchaser agrees in writing to assume on or before the Closing Date.

Section 3.2 Excluded Liabilities.

- (1) Other than the Assumed Liabilities and the Contract Assumed Liabilities, the Purchaser shall not assume and shall have no obligation to discharge, perform or fulfill any liability or obligation of the Vendor or in connection with the Purchased Assets or the Business (the "Excluded Liabilities"), whether known, unknown, direct, indirect, absolute, contingent or otherwise or arising out of facts, circumstances or events, in existence on or prior to the Time of Closing (with respect to the Assumed Liabilities) or, subject to Article 4, on or prior to the date on which a contract to which the Vendor is a party becomes an Assigned Contract, respectively (with respect to the Contract Assumed Liabilities).
- (2) Without limiting the generality of Section 3.2, the Purchaser shall not assume and shall have no obligation in respect of (i) any of the Excluded Assets, (ii) the litigation involving the Vendor, as defendant, and Moodle PTY Ltd., as plaintiff, in the Supreme Court of Western Australia and identified by reference number CIV 2157 of 2020, or (iii) except as expressly provided herein, any liabilities of the Vendor for Taxes including without limitation, Tax liabilities for or relating to any Taxes relating to the Business or the Purchased Assets whether in respect of the period before, on or after the Closing Date, other than Transfer Taxes payable by the Purchaser pursuant to Section 6.2.

ARTICLE 4
ASSIGNMENT AND ASSUMPTION OF CONTRACTS AND LEASES

Section 4.1 Assignment of Assigned Contracts.

- (1) Up to seven (7) days prior to the Court approval of this agreement, the Purchaser may, in its sole discretion, designate any contract to which the Vendor is a party to become an Assigned Contract.
- (2) Subject to Section 4.2, on Closing the Vendor shall be deemed to have assigned the benefit of any Assigned Contract and the Purchaser shall be deemed to have assumed, all of the Vendor's obligations and liabilities relating to such Assigned Contract arising and accruing in respect of the period after Closing and not related to any default existing at, prior to or as a consequence of the Closing or of the assignment of such Assigned Contract (collectively, the "Contract Assumed Liabilities"), in each case without payment of any additional consideration.

Section 4.2 Consent Required Contracts.

- (1) Nothing in this Agreement shall be construed as an agreement to assign any Consent Required Contract, unless the consent, approval or waiver required to assign such Consent Required Contract has been given or an Assignment Order has been made with respect to such Consent Required Contract.
- (2) The Vendor and the Purchaser shall use reasonable commercial efforts to obtain the consents, approvals and waivers required for the assignment of the Consent Required Contracts that are designated as Assigned Contracts. Other than the payment of Cure Payments in accordance with this Agreement, which the Purchaser shall be required to pay, the Purchaser shall be under no obligation to pay any money, incur any obligations, commence any legal proceedings, or offer or grant any accommodation (financial or otherwise) to any third party in order to obtain any consent, approval or waiver for any Consent Required Contract.
- (3) Upon request by the Purchaser, the Vendor shall obtain the Assignment Order, should the Purchaser and Vendor not otherwise obtain any of the consents provided for in Section 4.2(2) above.

ARTICLE 5
PURCHASE PRICE

Section 5.1 Purchase Price.

- (1) The aggregate purchase price for the Purchased Assets shall be made up of the following amounts (in aggregate, the "Purchase Price"), in each case exclusive of any applicable Transfer Taxes:
 - (a) The amount of \$1,532,452.24 (inclusive of interest), being an amount equal to the Credit Bid Debt as of the date of this Agreement, which amount shall be

subject to adjustment as at the Time of Closing based upon a reconciliation of the Credit Bid Debt as of the Time of Closing; and

- (b) An amount estimated to be \$2,000 required to satisfy the Priority Payables, which amount shall be subject to adjustment as at the Time of Closing based upon a reconciliation of the Priority Payables, provided however, that it shall not be more than \$102,000; and
- (c) The aggregate amount of the Assumed Liabilities and the Contract Assumed Liabilities.

Section 5.2 Payment of Purchase Price.

The Purchase Price shall be satisfied by the Purchaser as follows, and the Vendor hereby directs the Purchaser to make the payments of the Purchase Price in accordance with this Section 5.2 and this shall be the Purchaser's good and sufficient authority for so doing:

- (a) as to the dollar value of the Assumed Liabilities and the Contract Assumed Liabilities, by the Purchaser assuming the Assumed Liabilities and the Contract Assumed Liabilities;
- (b) as to the amount referred to in Section 5.1(1)(a), by cancellation or assumption by the Purchaser of the Credit Bid Debt; and
- (c) as to the amount referred to in Section 5.1(1)(b), by wire transfer of immediately available funds on Closing or by assumption of any Priority Payables not paid in such manner on Closing, assumed in a priority position superior to any and all other indebtedness of the Purchaser, as reasonably determined among the Purchaser, the Vendor and the Proposal Trustee.

Section 5.3 Allocation of Purchase Price.

The Vendor agrees to allocate the Purchase Price (plus the dollar value of the Assumed Liabilities and the Contract Assumed Liabilities) in accordance with any allocation delivered by the Purchaser to the Vendor at any time. The Vendor shall not make any filing or registration of any allocation of such amount among the Purchased Assets, whether in a Tax return, financial statement or otherwise, unless such allocation has been approved in advance in writing by the Purchaser.

Section 5.4 Adjustment of Purchase Price.

The Purchase Price shall not be adjusted in any manner whatsoever.

ARTICLE 6 TAX MATTERS

Section 6.1 Transfer Tax Elections and Exemptions.

- (1) The Purchaser and the Vendor acknowledge and agree that the Purchaser is acquiring ownership, possession and use of substantially all of assets reasonably necessary for the Purchaser to carry on the Business and that the purchase and sale of the Purchased Assets shall be completed on the basis that no GST/HST (and no Tax imposed under any provision of any applicable provincial or territorial legislation imposing a similar value-added or multi-staged Tax) will be payable by the Purchaser in respect of the purchase and sale of the Purchased Assets.
- (2) The Purchaser and the Vendor will use their commercially reasonable efforts to minimize (or eliminate) any Transfer Taxes payable in respect of the sale and transfer of the Purchased Assets by, among other things, making such elections, providing a certificate of exemption or such other similar certificate as may be applicable, and taking such other steps as may be provided for under applicable Laws. The Purchaser and the Vendor shall jointly elect under subsection 167(1) of the *Excise Tax Act* (Canada) (the "ETA") and any equivalent or comparable corresponding provision under any applicable provincial or territorial legislation that no Transfer Taxes be payable in respect of the sale and transfer of the Purchased Assets, and the Purchaser shall file such elections with the applicable Tax authorities within the time and in the manner required by the applicable Law.

Section 6.2 Transfer Taxes.

Subject to any available elections or exemptions contemplated by Section 6.1, the Purchaser shall be liable for and shall pay all Transfer Taxes, if applicable and payable by the Purchaser, in connection with the transfer of the Purchased Assets by the Vendor to the Purchaser.

Section 6.3 Income Tax Elections.

- (1) The Purchaser and the Vendor shall, at the sole discretion of the Purchaser who shall provide written notice to the Vendor in advance of Closing of its desire to proceed with such election, elect jointly in the prescribed form under section 22 of the *Income Tax Act* (Canada) (the "ITA") and the corresponding provisions of any other applicable provincial Tax statute as to the sale of the Accounts Receivable forming part of the Purchased Assets and designate in such election an amount equal to the portion of the Purchase Price allocated to the Accounts Receivable pursuant to Section 5.3. This election, or these elections, shall be made within the time prescribed for such elections.
- (2) The Purchaser and the Vendor shall, at the sole discretion of the Purchaser who shall provide written notice to the Vendor in advance of Closing of its desire to proceed with such election, jointly execute and file an election under subsection 20(24) of the ITA in the manner required by subsection 20(25) of the ITA and under the equivalent or corresponding provisions of any other applicable provincial or territorial statute, in the

prescribed forms and within the time period permitted under the ITA and under any other applicable provincial statute as to such amount paid by the Vendor to the Purchaser for assuming future obligations. In this regard, the Purchaser and the Vendor acknowledge that a portion of the Purchased Assets transferred by the Vendor pursuant to this Agreement and having a value equal to the amount elected under subsection 20(24) of the ITA and the equivalent provisions of any applicable provincial or territorial statute, is being transferred by the Vendor as a payment for the assumption of such future obligations by the Purchaser.

- (3) The Purchaser and the Vendor shall also execute and deliver such other Tax elections and forms as they may mutually agree upon.

Section 6.4 Withholding

Purchaser will be entitled to withhold any and all amounts from the Purchase Price, as the case may be, equal to any withholding Tax owed to any taxing authority as a result of the transactions contemplated by this APA to the extent required under applicable Law. For avoidance of doubt, any amounts withheld hereunder will be treated as having been paid to the person on behalf of whom such withholding was made.

ARTICLE 7 EMPLOYEE MATTERS

Section 7.1 Offer to Employees.

The Purchaser or its Affiliate, as designated by the Purchaser in its sole discretion, shall offer employment to certain, but not all, employees of the Vendor that it has identified as part of its due diligence, conditional and effective on the Closing and on terms and conditions substantially similar to their respective terms and conditions of employment with the Vendor existing as of the Closing Date, except for Bat Sheva Levy who will be offered employment at a reduced rate of income. The Purchaser or its Affiliate, as applicable, shall acknowledge the prior service of the employees of the Vendor for all purposes required by statute.

Section 7.2 Employee Plans.

Notwithstanding Section 7.1, the Purchaser or its Affiliate, as applicable, shall not assume any of the Employee Plans or liability for accrued benefits or any other liability under or in respect of any of the Employee Plans. The employees who accept an offer of employment from the Purchaser or its Affiliate, as of the Closing Date, shall cease to accrue further benefits under the Employee Plans.

Section 7.3 Employee Liability.

- (1) The Vendor shall be liable for all salary, wages, bonuses, commissions, vacation pay, and other compensation relating to employment of all employees of the Vendor for the period prior to the Closing Date.

- (2) The Vendor shall be liable for statutory notice of termination or payment in lieu of notice obligations and statutory severance obligations in respect of any employees of the Vendor who do not accept the Purchaser's offer of employment.
- (3) Without limiting the Purchaser's obligations in respect of the Transferred Employees, the Purchaser or its Affiliate, as applicable, shall be responsible for:
 - (a) All liabilities for salary, wages, bonuses, commissions, vacation pay, and other compensation relating to employment of the Transferred Employees in accordance with the offer made to such Transferred Employees by the Purchaser for the period on or after the Closing Date; and
 - (b) All statutory notice of termination or payment in lieu of notice obligations and statutory severance obligations in respect of the termination by the Purchaser of the employment of any Transferred Employee arising on or after the Closing Date.

ARTICLE 8 REPRESENTATIONS AND WARRANTIES

Section 8.1 Vendor Representations and Warranties.

The Vendor represents and warrants as follows to the Purchaser at the date of this Agreement and at the Closing Date and acknowledges and confirms that the Purchaser is relying upon such representations and warranties in connection with the purchase of the Purchased Assets and the assumption of the Assumed Liabilities and the Contract Assumed Liabilities:

- (1) **Incorporation and Qualification.** The Vendor is a corporation duly incorporated and existing under the laws of its jurisdiction of incorporation and has the corporate power to enter into and perform its obligations under this Agreement.
- (2) **Authorization.** The execution and delivery of and performance by the Vendor of this Agreement and the consummation of the transactions contemplated by it have been authorized by all necessary corporate action on the part of the Vendor.
- (3) **Execution and Binding Obligation.** This Agreement has been duly executed and delivered by the Vendor and constitutes a legal, valid and binding agreement of the Vendor, enforceable against it in accordance with its terms subject only to (A) as of the date hereof, any limitation under applicable laws relating to (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting the enforcement of creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction and (B) as of the Closing Date, the issuance of the Approval Order.
- (4) **Residence.** The Vendor is not a non-resident of Canada for purposes of the ITA.

- (5) **Tax Registration.** The Vendor is registered under Subdivision D of Division V of Part IX of the ETA and its registration number is 85727 0482 RT0001.
- (6) **Transfer Tax Compliance.** The Vendor has charged, collected, and remitted on a timely basis all Transfer Taxes as required under Law on any sale, supply, or delivery whatsoever, made by the Vendor and complied in all material respects with such laws under which it is registered or required to be registered.
- (7) **Brokers and Finders.** There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this Agreement based on any arrangement or agreement made by or on behalf of the Vendor.
- (8) **Collective Agreement.** There is no collective agreement in force with respect to the Business or any of the employees of the Business nor is there any contract or agreement with any employee association in respect of the Business or the employees of the Business.

Section 8.2 Purchaser's Representations and Warranties.

The Purchaser represents and warrants as follows to the Vendor at the date of this Agreement and at the Closing Date and acknowledges and confirms that the Vendor is relying on such representations and warranties in connection with the sale by the Vendor of the Purchased Assets:

- (1) **Incorporation and Qualification.** The Purchaser will be an entity formed or incorporated in its jurisdiction of formation or incorporation as the case may be.
- (2) **Corporate Authority.** The execution and delivery of and performance by the Purchaser of this Agreement and the consummation of the transactions contemplated by it have been authorized by all necessary corporate action on the part of the Purchaser.
- (3) **Execution and Binding Obligation.** This Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding agreement of the Purchaser, enforceable against it in accordance with its terms subject only to (A) as of the date hereof, any limitation under applicable laws relating to (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting the enforcement of creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction and (B) as of the Closing Date, the issuance of the Approval Order.
- (4) **Registration.** The Purchaser will, prior to Closing, be registered under Subdivision D of Division V of Part IX of the ETA and under any Transfer Tax legislation in each jurisdiction where the Purchaser is required to be registered for purposes of any election to be made or exemption to be claimed pursuant to Section 6.1.
- (5) **Brokers and Finders.** There are no claims for brokerage commissions, finders' fees or similar compensation in connection with the transactions contemplated by this

Agreement based on any arrangement or agreement made by or on behalf of the Purchaser.

Section 8.3 Survival.

The representations and warranties contained in this Agreement shall merge on Closing.

Section 8.4 No Other Representations or Warranties of the Vendor; "As Is, Where Is".

- (1) The representations and warranties given by the Vendor in Article 8 are the sole and exclusive representations and warranties of the Vendor in connection with this Agreement and the transactions contemplated by it. Except for the representations and warranties given by the Vendor in Article 8, the Purchaser did not rely upon any statements, representations, promises, warranties, conditions or guarantees whatsoever, whether express or implied (by operation of law or otherwise), oral or written, legal, equitable, conventional, collateral or otherwise, regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith.
- (2) The Purchaser hereby acknowledges and agrees as follows:
 - (a) Except as expressly provided herein, the Purchased Assets are being purchased on an "as is, where is" basis; and
 - (b) Except as expressly set forth in this Agreement, the Vendor and the Proposal Trustee make no representations, or warranties in favour of the Purchaser concerning the Purchased Assets, which the Purchaser acknowledges are being acquired on an "as is, where is" basis, whether express or implied, statutory or collateral, arising by operation of Laws or otherwise, including express or implied warranties of merchantability, fitness for a particular purpose, title, description, quantity, condition or quality, and that any and all conditions and warranties expressed or implied by the *Sale of Goods Act*, RSBC 1006, c 410 or other Laws do not apply to the transaction contemplated herein and are hereby waived by the Purchaser.

**ARTICLE 9
COVENANTS**

Section 9.1 Conduct of Business in the Ordinary Course.

During the period up to the Closing Date, the Vendor shall (i) use commercially reasonable efforts to conduct the Business in the Ordinary Course consistent with past practice; and (ii) use its best efforts to maintain and preserve intact its current Business organization and operations and to preserve the rights, goodwill and relationships of its employees, customers, lenders, suppliers, regulators and others having relationships with the Business, in each case except to the extent required to allow the Vendor to comply with any of its obligations under this Agreement, subject in all cases to any limitation imposed by being subject to the commercial proposal process under the BIA and any Court order relating thereto. Except with the prior

written consent of the Purchaser, the Vendor shall not enter into, amend, disclaim, restate or allow there to occur a default under any Material Contract, other than any defaults as a result of the filing of the NOI.

Section 9.2 Actions to Satisfy Closing Conditions.

The Vendor and the Purchaser agree to take all such actions as are within their respective control and shall use their respective commercially reasonable efforts to take, or cause to be taken, all other actions and make all such other filings and submissions, and obtain such authorizations, which are necessary or advisable in order to (i) fulfil their respective obligations under this Agreement; and (ii) assist with the satisfaction of and ensure all conditions for the benefit of the other Party provided for in Section 10.1, Section 10.2 and Section 10.3 are satisfied.

Section 9.3 Access.

Subject to applicable Laws, the Vendor shall (i) upon reasonable notice, permit the Purchaser and its employees, agents, counsel, accountants or other representatives, to have reasonable access during normal business hours to (A) the Purchased Assets, including all books and records whether retained by the Vendor or otherwise, (B) all contracts and leases to which any of the Vendor is a party, (C) personnel files relating to the employees of the Vendor (which shall be maintained in strict confidence by the Purchaser and only used for the purpose of considering and/or making employment offers to employees), and (D) the senior personnel of the Vendor, so long as the access does not unduly interfere with the ordinary conduct of the Business; and (ii) furnish to the Purchaser or its employees, agents, counsel, accountants or other such representatives such financial and operating data and other information with respect to the Purchased Assets as the Purchaser from time to time reasonably requests.

Section 9.4 Access to Books and Records.

For a period of 6 years from the Closing Date or for such longer period as may be required by Law, the Purchaser will use its reasonable commercial effects, without any liability to the Vendor, to retain all original books and records relating to the Purchased Assets that are transferred to the Purchaser under this Agreement. So long as any such books and records are retained by the Purchaser pursuant to this Agreement, the Vendor, the Proposal Trustee, any receiver or bankruptcy trustee appointed in respect of the Vendor and their respective representatives shall have the right to inspect and to make copies (at its own expense) of them at any time upon reasonable request during normal business hours and upon reasonable notice for any proper purpose and without undue interference to the business operations of the Purchaser. The Purchaser has the right to have its representatives present during any such inspection.

Section 9.5 Use of Business Name.

On or promptly following the Closing Date, and except as may be required for purposes of the NOI proceedings, the Vendor shall discontinue use of the name "Lambda Solutions Inc." and any variation thereof, except where legally required to advise that its

name has been changed to another name or to refer to the historical fact that the Vendor previously conducted the Business under the "Lambda Solutions Inc." name, and the Vendor shall, subject to the Court's approval, as soon as reasonably practicable following Closing file articles of reorganization to change the corporate name of the Vendor to another name if requested by the Purchaser, acting reasonably, and otherwise not confusingly similar to its present name. To the extent necessary as determined by the Purchaser, in its sole discretion, and subject to the Court's approval, the Approval Order shall authorize and direct the appropriate Governmental Authority to accept such articles of reorganization, notwithstanding the insolvency of the Vendor.

Section 9.6 Post-Closing Accounts Receivable.

Within three Business Days following the Closing Date, and prior to any assignment in bankruptcy, the Vendor shall deliver a notice, in a form satisfactory to the Purchaser and duly executed by the Vendor, to the account debtors of the Accounts Receivable included in the Purchased Assets regarding the transfer of the accounts receivable and directing that all further payments thereunder be made to the Purchaser. Any Accounts Receivable forming part of the Purchased Assets collected by the Vendor or any trustee in bankruptcy appointed with respect to the Vendor (or other proceeds collected or derived from a Purchased Asset by the Vendor or such trustee in bankruptcy), other than the Purchase Price paid hereunder, from and after the Closing Date shall be held in trust for the benefit of the Purchaser, and such funds shall not form part of the Vendor's estate or otherwise made available to the Vendor's stakeholders, and, upon receipt following the Closing, shall promptly be paid to, and for the benefit of, the Purchaser in accordance with its rights under this Agreement.

ARTICLE 10 SALES PROCESS AND CONDITIONS OF CLOSING

Section 10.1 Conditions for the Benefit of both Parties.

The purchase and sale of the Purchased Assets is subject to the following conditions to be fulfilled or performed on or before the Closing Date:

- (1) **No Court Orders.** No provision of any applicable Law and no judgment, injunction, order or decree that prohibits the consummation of the purchase of the Purchased Assets pursuant to this Agreement shall be in effect; and
- (2) **Approval Order.** The Approval Order shall have been issued and entered and shall not have been stayed, amended, appealed, modified, reversed or dismissed as at the Closing Date.

Section 10.2 Conditions for the Benefit of the Purchaser.

The purchase and sale of the Purchased Assets is subject to the following conditions to be fulfilled or performed on or before the Closing Date, which conditions are for the exclusive benefit of the Purchaser and may be waived, in whole or in part, by the Purchaser in its sole discretion:

- (1) **Representations and Warranties.** The representations and warranties of the Vendor contained in this Agreement shall be true and correct as of the Closing Date in all material respects, with the same force and effect as if such representations and warranties had been made on and as of such date;
- (2) **Covenants.** The Vendor shall have fulfilled or complied with all covenants contained in this Agreement required to be fulfilled or complied with by it in all material respects at or prior to the Closing Date, including delivery by the Vendor of the documents and instruments contemplated by Section 11.2;
- (3) **No Bankruptcy.** Other than as a direct result of any action or inaction of any Person related to the Purchaser, the Vendor shall not be and shall not have become a bankrupt under the BIA;
- (4) **Consent Required Contracts.** The Vendor shall have obtained consents from the counterparties to the Consent Required Contracts that have been designated as Assigned Contracts from the counterparties to those agreements, including entering into any assignment agreements or instruments required by the Consent Required Contracts, and shall have delivered such consents and documents, as applicable, to the Purchaser;
- (5) **Assignment Order.** The Assignment Order, if requested by the Purchaser, shall have been issued and entered in form and substance satisfactory to the Purchaser;
- (6) **SR&ED.** The Vendor shall have made all applications and filings with the appropriate third parties in respect of the Tax Credits to the satisfaction of the Purchaser, in its sole discretion, and provided evidence thereof to the Purchaser, prior to the Closing Date;
- (7) **Accounts Payable.** The Vendor shall have paid all accounts payable due and owing as deemed necessary by the Purchaser as of the Closing Date to its suppliers, including without limitation, Amazon Web Services and Atlassian Corporation and other contracted vendors as required by the Purchaser, and provided evidence of such payments that is satisfactory to the Purchaser, in its sole discretion; and
- (8) **Taxes.** The Vendor shall have paid all Tax due and owing as of the Closing Date, and provided evidence of such payments that is satisfactory to the Purchaser, in its sole discretion.

Section 10.3 Conditions for the Benefit of the Vendor.

The purchase and sale of the Purchased Assets is subject to the following conditions to be fulfilled or performed on or before the Closing Date, which are for the exclusive benefit of the Vendor and which may be waived, in whole or in part, by the Vendor in its sole discretion:

- (1) **Representations and Warranties.** The representations and warranties of the Purchaser contained in this Agreement shall be true and correct as of the Closing Date

in all material respects, with the same force and effect as if such representations and warranties had been made on and as of such date; and

- (2) **Covenants.** The Purchaser shall have fulfilled or complied with all covenants contained in this Agreement required to be fulfilled or complied with by it in all material respects at or prior to the Closing Date, including delivery by the Purchaser of the documents and instruments contemplated by Section 11.3.

ARTICLE 11 CLOSING

Section 11.1 General.

- (1) The completion of the transactions of purchase, sale and assumption contemplated by this Agreement (the "**Closing**") shall take place via the Vancouver, British Columbia office of Cassels Brock & Blackwell LLP, on the Closing Date, at the Time of Closing, or via such other place as may be agreed upon in writing by the Parties.
- (2) The Vendor shall file application materials seeking the issuance of the Approval Order, provided that the Purchaser has had a reasonable opportunity to review and approve such materials, acting reasonably, in advance of filing with the Court. The Vendor shall serve notice of the application seeking the issuance and entry of the Approval Order on all Persons determined reasonably necessary by the Purchaser and shall provide reasonable advance notice of any Court appearances so that the Purchaser may make arrangements to attend if it so desires.
- (3) The Parties hereby acknowledge and agree that the Proposal Trustee shall be entitled in accordance with the Approval Order to file a certificate, substantially in the form attached to the Approval Order (the "**Proposal Trustee's Certificate**"), with the Court upon receiving written confirmation from the Vendor and the Purchaser that all conditions of Closing as set out in Article 10 of this Agreement have been satisfied or waived.

Section 11.2 Vendor's Closing Deliveries.

At the Closing, the Vendor shall execute and/or deliver or cause to be delivered to the Purchaser the following:

- (a) the Purchased Assets, which shall be delivered *in situ* wherever located as of the Closing;
- (b) a true and complete copy of the Approval Order, as entered by the Court;
- (c) if requested by the Purchaser a true and complete copy of the Assignment Order, as entered by the Court;
- (d) true and complete copies of the Assigned Contracts to which the Vendor is a party, to the extent not delivered prior to Closing;

- (e) such executed Tax elections, certificates, or other documents as are required pursuant to Article 6;
- (f) a true and complete copy of the Proposal Trustee's Certificate executed by the Proposal Trustee (such Proposal Trustee's Certificate to be filed with the Court by the Proposal Trustee following Closing and a copy of such filed Proposal Trustee's Certificate shall be delivered to the Purchaser promptly thereafter); and
- (g) any other documents necessary or desirable in the opinion of the Purchaser, acting reasonably.

Section 11.3 Purchaser's Closing Deliveries.

At the Closing, the Purchaser shall execute and/or deliver or cause to be delivered to the Vendor the following:

- (a) subject to Section 13.3, the payments contemplated by Section 5.2(b) and Section 5.2(c);
- (b) payment of any applicable Transfer Taxes; and
- (c) such executed Tax elections, certificates, or other documents as are required pursuant to Article 6.

ARTICLE 12 TERMINATION

Section 12.1 Termination of Agreement.

This Agreement may by notice in writing given prior to or on the Closing Date be terminated:

- (a) by mutual consent of the Vendor and the Purchaser;
- (b) by the Purchaser or the Vendor if the Approval Order shall fail, once granted, to be in full force and effect or shall have been amended, appealed, modified, reversed or dismissed without the prior written consent of the Purchaser;
- (c) by the Purchaser if the Assignment Order shall fail, once granted, to be in full force and effect or shall have been amended, appealed, modified, reversed or dismissed without the prior written consent of the Purchaser;
- (d) by the Purchaser if an event has occurred as a result of which the conditions in Section 10.2 are not capable of being satisfied by the Outside Closing Date, as determined by the Purchaser in its sole discretion; or
- (e) automatically if the Closing has not occurred by 11:59 p.m. on the Outside Closing Date.

Section 12.2 Effect of Termination.

In the event that the Agreement is terminated in accordance with Section 12.1, then each of the Parties shall be relieved of its duties and obligations arising under this Agreement, effective as of the date of such termination and such termination shall be without liability to the Purchaser and the Vendor, including without limitation in respect of any Liabilities accrued from the date of execution of this Agreement to the date of termination.

**ARTICLE 13
MISCELLANEOUS**

Section 13.1 Notices.

Any notice, direction or other communication given regarding the matters contemplated by this Agreement (each a "Notice") must be in writing, sent by personal delivery, courier or electronic mail and addressed:

(a) to the Vendor:

Lambda Solutions Inc.
#800a - 1030 West Georgia Street,
The Burrard Building
Vancouver, BC V6E 2Y3

Attention: Shevy Levy
Email: shevy.levy@lambdasolutions.net

with a copy to Vendor's counsel:

Reedman Law
#800a - 1030 West Georgia Street,
The Burrard Building
Vancouver, BC V6E 2Y3

Attention: Cody Reedman
Email: creedman@reedmanlaw.com

with a copy to the Proposal Trustee:

Crowe MacKay & Company Ltd.
1100 - 1177 West Hastings Street
Vancouver BC V6E 415
Attention: Derek Lai and Nelson Allan
Email: Derek.Lai@crowemackay.ca
Nelson.Allan@crowemackay.ca

with a copy to the Proposal Trustee's counsel:

Innovative Legal Solutions LLP
1040 - 777 Hornby Street
Vancouver BC V6C 1S4

Attention: Bonita Lewis-Hand
Email: blewishand@ilslaw.ca

(b) to the Purchaser:

Evergreen Gap Debt GP Inc., as Agent for itself and on behalf
of Evergreen Gap Debt LP

Attention: Brent Shapiro
Email: bshapiro@firepowercapital.com

with a copy to Purchaser's counsel:

Cassels Brock & Blackwell LLP
Suite 3200, Bay Adelaide Centre - North Tower
40 Temperance Street
Toronto, Ontario M5H 0B4

Attention: Monique Sassi/Mickey Lungu
Email: msassi@cassels.com/ mlungu@cassels.com

A Notice is deemed to be given and received if sent by personal delivery, courier or electronic mail, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day. A Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed. Sending a copy of a Notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the Notice to that party. The failure to send a copy of a Notice to legal counsel does not invalidate delivery of that Notice to a Party.

Section 13.2 Assignment.

- (1) Except as provided in this Section 13.2, neither this Agreement nor any of the rights or obligations under this Agreement may be assigned or transferred, in whole or in part, by any Party without the prior written consent of the other Parties.
- (2) Upon giving notice to the Vendor at any time on or prior to one Business Day prior to the date of the hearing for the Approval Order, the Purchaser is entitled to assign this Agreement or any of its rights under this Agreement to any Person in its sole discretion.
- (3) In the event the Purchaser or Evergreen LP assigns this Agreement or any of its rights under this Agreement in accordance with Section 13.2(2), the Vendor shall,

notwithstanding anything to the contrary contained in this Agreement, irrevocably, fully and unconditionally release and discharge the Purchaser or Evergreen LP, as applicable, from any and all actions, suits, complaints, proceedings, executions, judgments, duties, debts, accounts, contracts and covenants (whether express or implied), claims and demands whatsoever for losses, damages, liabilities, indemnity, costs, expenses, interest or injury of every nature and kind whether in law or in equity or otherwise, direct or indirect, fixed or contingent, foreseeable or unforeseeable, liquidated or unliquidated, known or unknown, matured or unmatured, absolute or contingent, determined or determinable that the Vendor ever had, now has, or may have in the future, against any of the Purchaser or Evergreen LP, as applicable, relating to or arising out of any cause, matter or thing whatsoever in connection with this Agreement existing up to and including the date of such assignment.

Section 13.3 Survival.

Any provision of this Agreement which contemplates performance or the existence of obligations after the Closing Date shall not be deemed to be merged into or waived by the execution, delivery or performance of this Agreement or documents delivered in connection herewith or Closing, but shall expressly survive the execution, delivery and performance of this Agreement, Closing and the execution, delivery and performance of any and all documents delivered in connection with this Agreement and shall be binding upon the Party or Parties obligated thereby (including any trustee-in-bankruptcy appointed in respect of such Party) in accordance with the terms of this Agreement.

Section 13.4 Time of the Essence.

Time is of the essence in this Agreement.

Section 13.5 Enurement.

This Agreement becomes effective when executed by the Vendor and the Purchaser. After that time, it will be binding upon and enure to the benefit of the Parties and their respective successors, legal representatives and permitted assigns.

Section 13.6 Entire Agreement.

This Agreement and the other documents executed in connection herewith constitutes the entire agreement between the Parties with respect to the transactions contemplated in this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties with respect to such transactions. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement. The Parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement.

Section 13.7 Waiver.

No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right it may have.

Section 13.8 Amendments.

This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by the Vendor and the Purchaser.

Section 13.9 Further Assurances.

From and after the Closing Date, each of the Parties covenants and agrees to do such things, to attend such meetings and to execute such further conveyances, transfers, documents and assurances as may be deemed necessary or advisable from time to time in order to effectively transfer the Purchased Assets, the Assumed Liabilities and the Contract Assumed Liabilities to the Purchaser and carry out the terms and conditions of this Agreement in accordance with their true intent.

Section 13.10 Severability.

If any provision of this Agreement is determined to be illegal, invalid or unenforceable, by any court of competent jurisdiction from which no appeal exists or is taken, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

Section 13.11 Governing Law.

This Agreement is governed by, and will be interpreted and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

Section 13.12 Jurisdiction.

The Parties hereby irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Ontario with respect to any matter arising under or related to this Agreement.

Section 13.13 Counterparts.

This Agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, email or other electronic means is as effective as a manually executed counterpart of this Agreement.


[signature page follows]


IN WITNESS WHEREOF the Parties hereto have duly executed this Agreement as of the date first written above.

LAMBDA SOLUTIONS INC.

By: 
Name: Bat Sheva Levy
Title:

EVERGREEN GAP DEBT GP INC., as
agent for itself and on behalf of
EVERGREEN GAP DEBT LP

By: 
Name: Trevor Simpson
Title:

By: 
Name: Jared Kalish
Title:

Schedule "A"

Specified Assumed Liabilities

1. Loan from Bat Sheva Levy to the Vendor in the amount of approximately \$433,811, as evidenced by a loan agreement, dated January 1, 2017.
2. Amount owing to Dolt AWS in the amount of approximately \$51,188.20.
3. Amount owing to Hubspot USD in the amount of approximately \$1,504.95.
4. Amount owing to TDB Restructuring Limited in the amount of \$15,704.18.
5. Amount owing to Chaitons LLP in the amount of \$4,103.60.
6. Amount owing to Tibco Jaspersoft in the amount of approximately \$88,991.41.

Schedule C – Form of Proposal Trustee's Certificate

District of British Columbia
Division No.: 03 – Vancouver
Court No.: B-240536
Estate No.: 11-3149370

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF
LAMBDA SOLUTIONS INC.**

PROPOSAL TRUSTEE'S CERTIFICATE

RECITALS:

- A. On November 1, 2024, Lambda Solutions Inc. (the "**Debtor**") filed a notice of intention to make a proposal pursuant to section 50.4 of the *Bankruptcy and Insolvency Act*, and Crowe MacKay & Company Limited was appointed as trustee (in such capacity, the "**Proposal Trustee**").
- B. Unless otherwise indicated herein, all capitalized terms in this Proposal Trustee's Certificate shall have the meaning ascribed to them in the Asset Purchase Agreement dated February 7, 2025 (the "**Sale Agreement**") between the Debtor and Evergreen Gap Debt LP as agent for itself and on behalf of Firepower Gap Debt II LP. All references to Purchaser shall include any assignee, if any, of the Purchaser.
- C. Pursuant to an Order of the Court, dated February 7, 2025 (the "**Sale Approval Order**"), among other things, the Court approved the Sale Agreement and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon delivery by the Proposal Trustee to the Purchaser of a certificate confirming that the Proposal Trustee has been advised by the Debtor that the sale transaction contemplated by the Sale Agreement has occurred.

THE PROPOSAL TRUSTEE CERTIFIES the following:

- 1. The Proposal Trustee has been advised by the Debtor that the sale transaction contemplated by the Sale Agreement has occurred, and the Purchase Price has been paid in full.

This Certificate was executed by the Proposal Trustee at [Time] on [Date].

**Crowe MacKay & Company Limited, in its
capacity as Proposal Trustee of LAMBDA
SOLUTIONS INC., and not in its personal or
corporate capacity**

Per: _____
Name: _____
Title: _____

Schedule D – Encumbrances

Registrations in the British Columbia Personal Property Registry under Base Registration Numbers:

- (a) 399940D, in favour of Business Development Bank of Canada, with a general collateral description "as a secured party against all present and after acquired personal property of the debtor and without limitation al crops, licenses and fixtures"
- (b) 657943M, in favour of Evergreen Gap Debt GP Inc, with a general collateral description "A SECURITY INTEREST IS TAKEN IN ALL ASSETS OF THE DEBTOR, WHETHER NOW OWNED OR HEREAFTER ACQUIRED BY THE DEBTOR AND WHERESOEVER LOCATED, AND THE PROCEEDS THEREOF"

Schedule E – Permitted Encumbrances

Schedule F – Assigned Contract List

Party	Counter-Party	Nature of Contact
Lambda Solutions Inc.	DoiT Holdings International CA Ltd.	Amazon Web Storage agreement