

SHARE PURCHASE AGREEMENT

Share Purchase Agreement (the “**Agreement**”) dated October 15, 2013 between Sustainco Inc. (the “**Vendor**”), a corporation incorporated under the laws of Canada and Urban Holdings Inc. (the “**Purchaser**”), a corporation incorporated under the laws of Ontario.

RECITALS:

- (a) The Vendor is the registered and beneficial owner of the Purchased Shares.
- (b) The Vendor wishes to sell and the Purchaser wishes to purchase the Purchased Shares upon the terms and subject to the conditions contained in this Agreement.
- (c) Contemporaneously with the execution of this Agreement, the Vendor agreed to advance up to \$1,500,000 (the “**Working Capital Loan**”) to the Corporation in consideration of a promissory note and security agreement each dated the date of this Agreement.

In consideration of the above recitals and the mutual premises and covenants of the Parties, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties covenant and agree as follows:

Section 1 Interpretation.

- (1) **Definitions.** Capitalized terms used in this Agreement but not otherwise defined shall have the meanings specified in Schedule “A” attached to this Agreement.
- (2) **Plural.** Words importing the singular number only include the plural and vice versa.
- (3) **Schedule and Disclosure Letter.** The schedule attached to this Agreement and the Disclosure Letter form an integral part of this Agreement for all purposes of it. The Disclosure Letter itself and all information contained in it is confidential information and may not be disclosed unless (i) it is required to be disclosed pursuant to applicable law unless such law permits the parties hereto to refrain from disclosing the information for confidentiality or other purposes, or (ii) a Party needs to disclose it in order to enforce or exercise its rights under this Agreement.

Section 2 Purchase and Sale.

Subject to the terms and conditions of this Agreement, the Vendor agrees to sell, assign, convey and transfer to the Purchaser, and the Purchaser agrees to purchase from the Vendor on the Closing Date, all (but not less than all) of the Purchased Shares.

Section 3 Purchase Price.

The purchase price (the “**Purchase Price**”) payable by the Purchaser to the Vendor

for the Purchased Shares shall be \$3,000,000.

Section 4 Escrow Funds.

The Purchaser acknowledges having delivered the Escrow Funds to the Escrow Agent on the date hereof by wire transfer of immediately available funds and the Purchaser and the Vendor each acknowledge having received a fully executed copy of the Escrow Agreement.

Section 5 Payment.

At the Closing, the Purchase Price will be paid and satisfied as follows: (a) as to the Escrow Funds held by the Escrow Agent, by the application of the Escrow Funds released by the Escrow Agent to the Vendor in accordance with this Agreement and the Escrow Agreement plus accrued interest thereon and (b) as to the balance, by the Purchaser paying such amount to or to the order of the Vendor by wire transfer of immediately available funds.

Section 6 Vendor's Representations and Warranties.

- (1) **Representations and Warranties.** The Vendor represents and warrants as follows to the Purchaser and acknowledges that the Purchaser is relying upon such representations and warranties in connection with the purchase of the Purchased Shares:
 - (a) **Organization and Status.** The Vendor is incorporated and existing under the laws of its jurisdiction of incorporation, is up to date in the filing of all corporate and similar returns under the laws of that jurisdiction and has the corporate power, capacity and authority to enter into and perform its obligations under this Agreement.
 - (b) **Authority.** The transfer of the Purchased Shares to the Purchaser has been authorized by all necessary corporate action, as applicable, on the part of the Vendor and the Corporation.
 - (c) **No Violation or Breach.** The execution and delivery of and performance by the Vendor of its obligations under this Agreement:
 - (i) will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a breach or violation of or a conflict with, or allow any other Person to exercise any rights under, any of the terms or provisions of the Vendor's constating documents or by-laws, as applicable;
 - (ii) will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a breach or violation of or a conflict with, or allow any other Person to exercise any rights under any Contracts or instruments to which the Vendor is a party; and

- (iii) will not result in the violation of any law.
- (d) **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 any limitation under applicable laws relating to (i) bankruptcy, winding-up, insolvency, arrangement and other 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.
- (e) **Authorizations and Consents.** There is no requirement on the part of the Vendor to make any filing with or give any notice to any Governmental Entity or body, or obtain any order, permit, approval, waiver, licence or similar Authorization in connection with the completion of the transactions contemplated by this Agreement, except for any filings and notifications that may be required by applicable securities laws.
- (f) **No Other Agreements to Purchase.** Except for the Purchaser's right under this Agreement, no Person has any written or oral agreement, option or warrant or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming such for the purchase or acquisition from the Vendor of any of the Purchased Shares;
- (g) **Title to Purchased Shares.** The Purchased Shares are owned by the Vendor as the registered and beneficial owner with good title thereto other than those restrictions on transfer, if any, contained in the articles of the Corporation. Upon completion of the purchase of the Purchased Shares contemplated by this Agreement, the Purchaser will have good and valid title to the Purchased Shares other than those restrictions on transfer, if any, contained in the articles of the Corporation, and Liens granted by the Purchaser.
- (h) **Residence.** The Vendor is not a "non-resident" of Canada for the purposes of the *Income Tax Act* (Canada).
- (i) **Authorized and Issued Capital.** The authorized capital of the Corporation consists of an unlimited number of common shares and an unlimited number of Class A Special Shares, of which, those described in Section 6(1)(i) of the Disclosure Letter (and no more) are issued and outstanding. There are no options, warrants, conversion privileges, purchase rights, subscription rights, exchange rights, pre-emptive rights, incentive stock options, phantom equity plans or any other similar rights, arrangements, commitments or agreements of any character whatsoever obligating or which may obligate the Corporation to issue or sell any securities or obligations of any kind convertible into or exchangeable for any shares of the Corporation.
- (j) **Existing Indebtedness.** As of the date of this Agreement, the Corporation is indebted to those persons listed in Section 6(1)(j) of the Disclosure Letter for

principal amounts of no more than the amounts described in such section of the Disclosure Letter.

- (k) **Absence of Certain Changes or Events.** Since September 25, 2013 or, where an earlier date is specified below, in such case since such earlier date, the Corporation has carried on its business in the ordinary course of a business in the same industry as, of comparable size to and in circumstances similar to those facing the Corporation and, in particular, but without limitation, the Corporation has not, without the prior written consent of the Purchaser:
- (i) amended its articles or by-laws or similar document adopted or filed in connection with the creation, formation or organization of the Corporation;
 - (ii) directly or indirectly, declared, set aside for payment or paid any dividend or made any other payment or distribution on or in respect of any of its shares;
 - (iii) repaid, redeemed, purchased, or retired, directly or indirectly, any existing indebtedness of the Corporation (other than any indebtedness released or forgiven pursuant to this Agreement), including without limitation any inter-company indebtedness, other than trade payables in the ordinary course of a business in the same industry as, of comparable size to and in circumstances similar to those facing the Corporation and this Agreement shall prohibit the Corporation from repaying inter-company indebtedness owing to the Vendor or to any director or officer of the Corporation except for the Short-Term Debt, which, notwithstanding anything in this Agreement to the contrary, the Corporation shall be entitled to repay and the Vendor (to the extent any Short-Term Debt is owed to the Vendor) shall be entitled to receive;
 - (iv) created a Lien on the Corporation or any of its property or assets other than: (A) Liens granted pursuant to this Agreement, (B) Liens for taxes, assessments or governmental charges or levies, (C) inchoate or statutory Liens of contractors, subcontractors, mechanics, workers, suppliers, materialmen, carriers and others in respect of construction, maintenance, repair or operation of assets of the Corporation, (D) Liens granted in connection with any bond or other security granted by the Corporation in the ordinary course of a business in the same industry as, of comparable size to and in circumstances similar to those facing the Corporation, (E) Liens given to a public utility or other Governmental Entity when required in connection with the operation of the business or the ownership of the assets of the Corporation and (F) Liens granted in favour of the Purchaser;
 - (v) entered into or terminated, cancelled, modified or amended in any material respect any Contract that was in the ordinary course of a

business in the same industry as, of comparable size to and in circumstances similar to those facing the Corporation;

- (vi) since September 12, 2013, incurred any obligations of the Corporation for borrowed money or in respect of loans or advances and capital leases other than in the ordinary course of a business in the same industry as, of comparable size to and in circumstances similar to those facing the Corporation or as contemplated by this Agreement, other than loans for the aggregate principal amount set forth in Section 6(1)(k) of the Disclosure Letter. Such loans have not been repaid, redeemed or retired and otherwise remain debts payable by the Corporation as of the date of this Agreement; or
 - (vii) agreed, committed or entered into any understanding to take any actions enumerated in paragraphs (i) to (vi) of this Section 6(1)(k).
- (2) **As Is, Where Is.** The Purchaser expressly acknowledges that except for the limited representations and warranties contained in Section 6(1), the Purchaser hereby agrees to purchase, and the Vendor is selling, the Purchased Shares on an “as is, where is” basis as they exist on the Closing Date. Except for such limited representations and warranties, no representation, warranty or condition is expressed or can be implied in respect of any matter whatsoever, including without limitation in respect of or otherwise concerning the Purchased Shares, the Vendor, the Corporation or the Vendor’s or the Corporation’s business.

Section 7 Purchaser’s Representations and Warranties.

The Purchaser represents and warrants to the Vendor and acknowledges that the Vendor is relying on such representations and warranties in connection with the sale to the Purchaser of the Purchased Shares:

- (a) **Organization and Status.** The Purchaser is a Corporation incorporated and existing under the laws of its jurisdiction of incorporation and is up to date in the filing of all corporate and similar returns under the laws of that jurisdiction and has the corporate power, capacity and authority to enter into and perform its obligations under this Agreement.
- (b) **Authority.** The transfer of the Purchased Shares to the Purchaser has been authorized by all necessary corporate action, as applicable, on the part of the Purchaser.
- (c) **No Violation or Breach.** The execution and delivery of and performance by the Purchaser of this Agreement:
 - (i) will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a breach or violation of or a conflict with, or allow any other Person to exercise

any rights under, any of the terms or provisions of the Purchaser's constating documents or by-laws;

- (ii) will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a breach or violation of or a conflict with, or allow any other Person to exercise any rights under any Contracts or instruments to which the Purchaser is a party; and
- (iii) will not result in the violation of any law.
- (d) **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 any limitation under applicable laws relating to (i) bankruptcy, winding-up, insolvency, arrangement and other 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.
- (e) **Investment Canada Act.** The Purchaser is not a non-Canadian within the meaning of the *Investment Canada Act* (Canada).
- (f) **Securities Laws.** The Purchaser is acquiring the Purchased Shares as principal and not as agent and is acquiring the Purchased Shares for investment purposes only and not with a view to resale or distribution. The Purchaser is a "private issuer" as that term is defined in section 2.4(1) of NI 45-106.
- (g) **Financing.** The Purchaser has, and will have at Closing all funds on hand, or irrevocable committed financing in place, necessary to pay the Purchase Price (excluding the Escrow Funds).
- (h) **Not Non Arm's Length.** Neither the Purchaser nor any of its officers, directors, registered or beneficial (direct and indirect) shareholders or employees is a "Non-Arm's Length Party" of the Vendor or of any "Associate" or "Affiliate" of the Vendor, as each such term is defined in Policy 1.1 of the TSX Venture Exchange Corporation Finance Manual.

Section 8 Pre-Closing Covenants of the Parties

- (1) **Conduct of Business Prior to Closing.** From the date of this Agreement to the Closing Date, the Vendor shall cause the Corporation to conduct its business in the ordinary course of a business in the same industry as, of comparable size to and in circumstances similar to those facing the Corporation and shall take all such action and do all such things within its authority or control to ensure that the Corporation conducts its business accordingly, subject to the satisfaction by the Purchaser of any conditions set forth in this Agreement relating to the normal day-to-day operations

of the Corporation, provided that the Vendor shall not be required to, and nothing in this Agreement shall require the Vendor to, provide or otherwise obtain funds for the Corporation, whether by equity investment, inter-company loan, third party loan or otherwise, in order to satisfy this covenant. Notwithstanding the foregoing, the Vendor shall be entitled to cause the Corporation to repay up to the full amount of the Short-Term Debt.

(2) **Actions to Satisfy Closing Conditions.**

- (a) The Vendor shall take all such actions as are within its power to control and shall use its commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with all of the conditions set forth in Section 9(1) over which it has control as aforesaid, including ensuring that until the Closing Date there is no breach of any of its representations and warranties.
- (b) The Purchaser shall take all such actions as are within its power to control and shall use its commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with all of the conditions set forth in Section 9(2) over which it has control as aforesaid, including ensuring until the Closing Date, there is no breach of any of its representations and warranties.

(3) **Transfer of the Purchased Shares.** The Vendor shall, and shall cause the Corporation to, take all necessary steps and corporate proceedings to permit good title to the Purchased Shares to be duly and validly transferred and assigned to the Purchaser on the Closing Date.

(4) **Further Assurances.** As promptly as practicable after the execution of this Agreement and in any event not later than the Closing Date, the Vendor and the Purchaser shall, and the Vendor shall cause the Corporation to, do all such acts and execute and deliver all such conveyances, documents, certificates, instruments, transfers or other writings as are necessary or desirable in order to complete the transactions contemplated under this Agreement.

(5) **Filings and Authorizations.**

- (a) Each of the Parties, as promptly as practicable after the execution of this Agreement, shall (i) make, or cause to be made, all filings and submissions under all laws applicable to it, if any, that are required for it to consummate the purchase and sale of the Purchased Shares in accordance with the terms of this Agreement, (ii) to the extent applicable, use its commercially reasonable efforts to obtain, or cause to be obtained, all Authorizations and approvals necessary or advisable to be obtained by it in order to consummate such transfer, and (iii) use its commercially reasonable efforts to take, or cause to be taken, all other actions necessary, proper or advisable in order for it to fulfil its obligations under this Agreement.

- (b) The Parties will coordinate and cooperate in exchanging information and supplying assistance that is reasonably requested in connection with this Section 8(5).
- (6) **Access.** Subject to applicable law, from the date of this Agreement until the earlier of the Closing Date and the date this Agreement is terminated in accordance with Section 11, the Vendor will cause the Corporation to upon reasonable notice, permit the Purchaser, its legal counsel, accountants and other representatives, to have reasonable access during normal business hours to the premises, assets, contracts, books and records and senior personnel of the Corporation. The Vendor and the Corporation are not required to disclose any information to the Purchaser where such disclosure is prohibited by applicable law or by the terms of any agreement.
- (7) **Purchaser's Representative at Corporation Meetings.** Subject to applicable law, from the date of this Agreement until the earlier of the Closing Date and the date this Agreement is terminated in accordance with Section 11, the Vendor will cause the Corporation to give reasonable advance notice to the Purchaser of any meeting between senior representatives of the Corporation and any customer or supplier of the Corporation or any internal management meeting and to allow the Purchaser to have up to two representatives present at and participate in any such meeting. Unless otherwise agreed, one of the Purchaser's representative shall be Paul Di Lucia. Such representative will not be permitted to attend or participate in any such meeting unless he or she has executed a confidentiality agreement in favour of the Corporation in form and substance satisfactory to the Vendor. While in attendance at any such meeting, the representative shall act only in the best interests of the Corporation (and not in the best interests of the Purchaser) and shall comply with all reasonable requirements of the Corporation made known to such representative. Although such representative shall be entitled to make recommendations to the Corporation with respect to matters concerning any customer or supplier of the Corporation, such representative shall not make such recommendations known to any third party other than the Corporation, the senior representatives of the Corporation, the Vendor or the Purchaser. Such recommendation shall not be binding upon the Corporation; however, the Corporation shall consider in good faith all such recommendations made by the Purchaser's representative.

Section 9 Conditions of Closing.

- (1) **Conditions for the Benefit of the Purchaser.** The purchase and sale of the Purchased Shares 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 at any time:
 - (a) The covenants, representations and warranties of the Vendor contained in this Agreement shall be true and correct as of the Closing Date with the same force and effect as if such covenants, representations and warranties had been made on and as of such date and the Vendor shall have executed and delivered a certificate to that effect;

- (b) The Purchaser shall have received copies of written resignations effective as at the Closing Date from each of the directors and officers of the Corporation, understood to be Emlyn David and Frank Carnivale, in their capacities as officers and directors of the Corporation, as applicable;
- (c) The directors and shareholders of the Vendor, and, if required by any applicable securities laws or the rules or policies of the TSX Venture Exchange, disinterested shareholders of the Vendor, shall have approved of the transactions of purchase and sale contemplated by this Agreement;
- (d) The Vendor shall deliver or cause to be delivered to the Purchaser the following in form and substance satisfactory to the Purchaser, acting reasonably:
 - (i) An executed counterpart of an Escrow Release Notice (as such term is defined in the Escrow Agreement) instructing the Escrow Agent to release the Escrow Funds to the Vendor and the interest accrued thereon to the Purchaser;
 - (ii) evidence that the directors of the Corporation have approved of the transactions of purchase and sale contemplated by this Agreement;
 - (iii) share certificate(s) representing the Purchased Shares duly endorsed in blank for transfer, or accompanied by an irrevocable security transfer powers of attorney duly executed in blank, together with evidence satisfactory to the Purchaser that the Purchaser has been entered upon the books of the Corporation as the holder of the Purchased Shares;
 - (iv) discharge statements for all Liens registered against the Corporation by the Vendor;
 - (v) evidence that, as at the Closing Date: (i) no indebtedness, liabilities or amounts of any kind are owing by the Corporation or director, officer or affiliate of the Corporation to the Vendor, and (ii) the total indebtedness owing by the Corporation to CanGap Merchant Capital L.P. does not exceed \$250,000 and the Corporation shall be required to repay such amount in full (together with interest thereon) within 6 months after the Closing Date;
 - (vi) certified copies of (i) the constating documents and by-laws of the Vendor, as applicable; (ii) all resolutions of the shareholders and the board of directors of the Vendor, as applicable, approving the entering into and completion of the transactions contemplated by this Agreement, (iii) resolutions of the directors of the Corporation consenting to the transfer of the Purchased Shares and (iv) a list of the directors and officers authorized to sign agreements, together with their specimen signatures, as applicable;

- (vii) a certificate of status, compliance, good standing or like certificate with respect to the Vendor, as applicable, issued by appropriate government officials of their respective jurisdictions of incorporation;
 - (viii) the certificate referred to in Section 9(1)(a);
 - (ix) the minute book of the Corporation; and
 - (x) comprehensive releases in favour of the Purchaser (other than for claims related to this Agreement), the Corporation, The Edward J. Winter Family Trust and its trustees and beneficiaries, Edward J. Winter, Marco Winter and Paul Winter from the Vendor, in form and substance satisfactory to the Vendor acting reasonably, which shall include, in the case of the Corporation, the release, discharge and forgiveness of any indebtedness owed to the Vendor by the Corporation, in respect of funds advanced prior to the date of this Agreement.
- (2) **Conditions for the Benefit of the Vendor.** The purchase and sale of the Purchased Shares 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 Vendor and may be waived, in whole or in part, by the Vendor, its sole discretion at any time:
- (a) The covenants, representations and warranties of the Purchaser contained in this Agreement are true and correct as of the Closing Date with the same force and effect as if such covenants, representations and warranties had been made on and as of such date and the Purchaser shall have executed and delivered a certificate of a senior officer to that effect;
 - (b) The Vendor shall have obtained all consents, approvals and waivers that are required by the terms of any Contract to which the Corporation or the Vendor is a party in order to complete the transactions contemplated by this Agreement, including without limitation any such consent, approval or waiver required pursuant to the terms of any Contract between the Vendor and any of its lenders or between the Corporation and any of its lenders;
 - (c) The directors and shareholders of the Vendor, and, if required by any applicable securities laws or the rules or policies of the TSX Venture Exchange, disinterested shareholders of the Vendor, shall have approved of the transactions of purchase and sale contemplated by this Agreement;
 - (d) The independent members of the board of directors of the Vendor shall have approved of the transactions contemplated by this Agreement, and shall have done so with the benefit of a favourable fairness opinion rendered to them by qualified independent advisors satisfactory to such directors;

- (e) The TSX Venture Exchange shall have granted conditional and final approval in connection with or related to the transactions contemplated by this Agreement on terms acceptable to the Vendor; and
- (f) The Purchaser shall deliver or cause to be delivered to the Vendor the following in form and substance satisfactory to the Vendor, acting reasonably:
 - (i) An executed counterpart of an Escrow Release Notice (as such term is defined in the Escrow Agreement) instructing the Escrow Agent to release the Escrow Funds to the Vendor and the interest accrued thereon to the Vendor;
 - (ii) the balance of the Purchase Price due at Closing as contemplated by Section 5;
 - (iii) certified copies of (A) the charter documents and extracts from the by-laws of the Purchaser relating to the execution of documents, (B) all resolutions of the shareholders and the board of directors of the Purchaser, as applicable, approving the entering into and completion of the transactions contemplated by this Agreement, and (C) a list of its officers and directors authorized to sign agreements together with their specimen signatures;
 - (iv) a certificate of status, compliance, good standing or like certificate with respect to the Purchaser issued by appropriate government official of the jurisdiction of its incorporation;
 - (v) the certificate referred to in Section 9(2)(a); and
 - (vi) comprehensive releases in favour of the Vendor in form and substance satisfactory to the Purchaser, from each of the Purchaser (other than for claims related to this Agreement), the Corporation, The Edward J. Winter Family Trust and its trustees and beneficiaries, Edward J. Winter, Marco Winter and Paul Winter and, in the case of the release from The Edward J. Winter Family Trust, such release shall, for greater certainty, include a release, discharge and forgiveness of the \$500,000 debt payable to it by the Vendor pursuant to section 2.3(1)(a) of the share purchase agreement dated September 6, 2012 between, among others, the Vendor (as Bellair Ventures Inc.) and The Edward J. Winter Family Trust, as amended by that waiver of condition in favour of the Vendor (as Bellair Ventures Inc.) by The Edward J. Winter Family Trust dated December 6, 2012.

Section 10 Closing.

- (1) **Date, Time and Place of Closing.** The completion of the transaction of purchase and sale contemplated by this Agreement will take place at the offices of Stikeman Elliott

LLP, Suite 5300, Commerce Court West, Toronto, Ontario, at 10:00 a.m. (Toronto time) on the Closing Date and each of the Parties shall use their commercially reasonable efforts to complete the transaction of purchase and sale contemplated under this Agreement.

- (2) **Closing Procedures.** Subject to satisfaction or waiver by the relevant Party of the conditions of Closing, on the Closing Date:
- (a) the Vendor shall deliver or cause to be delivered to the Purchaser actual possession of the Purchased Shares in the manner contemplated by Section 9(1)(d)(iii); and
 - (b) upon and concurrently with such delivery the Purchaser shall pay or satisfy the Purchase Price in accordance with Section 5.

Section 11 Termination.

- (1) **Termination Rights.** 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 Vendor if at any time after the execution of the Agreement the board of directors of the Vendor determines in good faith there is, has been or could reasonably be expected to be a material development, occurrence, circumstance or other change that was not known (or if known, the consequences of which or the magnitude of such consequences were not known or reasonably foreseeable) to the board as of the date of this Agreement and, as a result of such development, occurrence, circumstance or change, a failure to terminate this Agreement would be or could be reasonably likely to result in a breach of or inconsistency with the fiduciary duties or obligations of the board of directors under applicable law;
 - (c) by the Purchaser if, by January 31, 2014, any of the conditions in Section 9(1) shall not have been satisfied, complied with or performed (unless such failure of satisfaction, compliance or performance is primarily the result, directly or indirectly, of the Purchaser failing to perform any one or more of its obligations or covenants under this Agreement or, generally, of any action or failure to act on the part of the Purchaser) and the Purchaser shall not have waived such failure of satisfaction, compliance or performance of any such at or prior to such date;
 - (d) by the Vendor if, by January 31, 2014, any of the conditions in Section 9(2) shall not have been satisfied, complied with or performed (unless such failure of satisfaction, compliance or performance is primarily the result, directly or indirectly, of the Vendor failing to perform any one or more of its obligations or covenants under this Agreement or, generally, of any action or failure to act on the part of the Vendor) and the Vendor shall not have waived such

failure of satisfaction, compliance or performance of any such at or prior to such date;

- (e) by the Purchaser, if the Vendor has materially breached or materially failed to comply with its representations, warranties or covenants under this Agreement such that as a result of such material breach or failure any condition set forth in Section 9(1) would not reasonably be expected to be satisfied, and such breach or failure to comply shall not have been cured within a period of 15 days after the Purchaser shall have given written notice to the Vendor of such breach or failure to comply; or
- (f) by the Vendor, if the Purchaser has materially breached or materially failed to comply with its representations, warranties or covenants under this Agreement such that as a result of such material breach or failure any condition set forth in Section 9(2) would not reasonably be expected to be satisfied, and such breach or failure to comply shall not have been cured within a period of 15 days after the Vendor shall have given written notice to the Purchaser of such breach or failure to comply.

(2) **Effect of Termination.**

- (a) Each Party's right of termination under this Section 11 is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. Nothing in this Section 11 limits or affects any other rights or causes of action any Party may have with respect to the representations, warranties, covenants and indemnities in its favour contained in this Agreement. If a Party waives compliance with any of the conditions, obligations or covenants contained in this Agreement, the waiver will be without prejudice to any of its rights of termination in the event of non-fulfilment, non-observance or non-performance of any other condition, obligation or covenant in whole or in part.
- (b) Upon termination of this Agreement, the Vendor and the Purchaser shall execute and deliver an Escrow Release Notice to the Escrow Agent instructing the Escrow Agent to release the Escrow Funds together with any interest accrued thereon as follows:
 - (i) To the Vendor in the event this Agreement is terminated by the Vendor pursuant to its termination rights in Section 11(1)(d) or Section 11(1)(f) provided that, in the case of the termination rights arising under Section 11(1)(d) the termination is due to a breach of Section 9(2)(a) [*Breach of Representations, Warranties or Covenants*] or Section 9(2)(f) [*Purchaser Closing Deliveries*]. The Escrow Funds so released together with all accrued interest shall become the property of, and may be retained by, the Vendor as liquidated damages (and not as a penalty) to compensate it for the expenses incurred and

opportunities foregone as a result of the failure of the transaction to close; or

- (ii) To the Purchaser in the event this Agreement is terminated for any other reason except as enumerated in Section 11(2)(b)(i) above.
- (c) If this Agreement is terminated pursuant to Section 11(1), all obligations of the Parties under this Agreement will terminate, except that:
 - (i) each Party's obligations under Section 11(2)(b), Section 12(3), Section 12(4), Section 14(4) and Section 14(5) will survive;
 - (ii) if this Agreement is terminated by a Party because of a breach of this Agreement by the other Party or because a condition for the benefit of the terminating Party has not been satisfied because the other Party has failed to perform any of its obligations or covenants under this Agreement which are reasonably capable of being performed or caused to be performed by such Party, the terminating Party's right to pursue all legal remedies against such Party will survive such termination unimpaired; and
 - (iii) notwithstanding Section 11(2)(c)(ii), if this Agreement is terminated by the Vendor pursuant to Section 11(1)(b) then following such termination neither Party shall have any obligation to the other Party in connection with or related to this Agreement whatsoever, whether arising under this Agreement, at law, in equity or otherwise and each Party shall be deemed to have been fully and finally released and discharged from each and every such obligation, save and except for satisfying the obligations arising under Section 11(2)(b).

Section 12 Indemnification

(1) Survival.

- (a) The representations and warranties contained in this Agreement will survive the Closing Date and continue in full force and effect for a period of 24 months after the Closing Date, except that:
 - (i) the representations and warranties set out in Section 6(1)(a) through Section 6(1)(i), inclusive, and Section 7(a) through Section 7(e), inclusive, will survive and continue in full force and effect without limitation of time; and
 - (ii) there is no limitation as to time for claims involving fraud, gross negligence or fraudulent misrepresentation.
- (b) No Party has any obligation or liability with respect to any representation or warranty made by such Party in this Agreement after the end of the

applicable time period specified in Section 12(1) except for claims relating to the representations and warranties that the Party has been notified of prior to the end of the applicable time period.

(2) No Effect of Knowledge.

The right to indemnification or other remedy of any Party based on the representations, warranties, covenants and obligations contained in this Agreement and the certificates to be delivered pursuant to Section 9(1)(a) and Section 9(2)(a), exists notwithstanding the Closing and notwithstanding any investigation or knowledge acquired prior to the Closing.

(3) Indemnification in Favour of the Purchaser.

- (a) The Vendor will indemnify and save each of the Purchaser, its affiliates and its respective shareholders, directors, officers, employees, agents and representatives harmless of and from, and will pay for, any Damages suffered by, imposed upon or asserted against it or any of them as a result of, in respect of, connected with, or arising out of, under, or pursuant to any breach or inaccuracy of any representation or warranty given by the Vendor in this Agreement for which a notice of claim under Section 12(7) has been provided to the Vendor within the applicable time period, if any, specified in Section 12(1).
- (b) The right to indemnification under Section 12(3)(a) is a right that is separate and independent from any other right or remedy under this Agreement.

(4) Indemnification in Favour of the Vendor.

- (a) The Purchaser will indemnify and save the Vendor and its respective affiliates, shareholders, directors, officers, employees, agents and representatives, as applicable, harmless of and from any Damages suffered by, imposed upon or asserted against any of them as a result of, in respect of, connected with, or arising out of, under or pursuant to:
 - (i) any breach or inaccuracy of any representation or warranty given by the Purchaser contained in this Agreement, for which a notice of claim under Section 12(7) has been provided to the Purchaser within the applicable time period, if any, specified in Section 12(1);
 - (ii) any action, suit, proceeding, arbitration, claim or demand by a third party (including the Corporation) against the Vendor or any of its respective affiliates, shareholders, directors, officers, employees, agents or representatives relating to, involving or otherwise connected with this Agreement or the transactions contemplated by this Agreement;

- (iii) subject to the occurrence of the Closing, any action, suit, proceeding, arbitration, claim or demand by a third party (including the Corporation) against the Vendor or any of its respective affiliates, shareholders, directors, officers, employees, agents or representatives relating to, involving or otherwise connected with the Corporation or the business or affairs of the Corporation which exists or arose on or after December 6, 2012, currently exists or which may exist or arise in the future; and
 - (iv) the presence or participation of the Purchaser's representative in meetings of the Corporation with its customers or suppliers appointed pursuant to Section 8(7).
- (b) The right to indemnification under Section 12(4)(a) is a right that is separate and independent from any other right or remedy under this Agreement.

(5) Indemnification in Favour of the Corporation.

- (a) The Purchaser will indemnify and save the Corporation and its respective affiliates, shareholders, directors, officers, employees, agents and representatives, as applicable, harmless of and from any Damages suffered by, imposed upon or asserted against any of them as a result of, in respect of, connected with, or arising out of, under or pursuant to:
- (i) the announcement of the transactions contemplated by this Agreement; and
 - (ii) the presence or participation of the Purchaser's representative in meetings of the Corporation with its customers or suppliers appointed pursuant to Section 8(7);

to the extent, in each case, any such Damage is suffered by, imposed upon or asserted against any such period during the period between the date of this Agreement and the earlier of (a) the Closing Date and (b) the date this Agreement is terminated in accordance with Section 11.

- (b) If and so long as the Closing has not occurred, the Purchaser acknowledges and agrees that the Vendor, as party to this Agreement, may enforce the provisions of this Section 12(5) on behalf of the Corporation and its respective affiliates, shareholders, directors, officers, employees, agents and representatives.

(6) Nature of Remedies.

- (a) Notwithstanding the indemnities provided in Section 12(3) and Section 12(4), such remedies shall constitute the non-exclusive remedies of the Purchaser or the Vendor, respectively, against another Party in the event of any breach of a representation, warranty, covenant or agreement of such Party contained in

this Agreement. The Parties acknowledge that the failure to comply with a covenant or obligation contained in this Agreement may give rise to irreparable injury to a Party inadequately compensable in damages. Accordingly, a Party may seek to enforce the performance of this Agreement by injunction or specific performance upon application to a court of competent jurisdiction without proof of actual damage (and without the requirement of posting a bond or other security). The Purchaser and the Vendor expressly acknowledge the existence of other remedies, whether at law or in equity, to which each Party is otherwise entitled as against any other Party.

- (b) The amount which the Purchaser or the Vendor is required to pay to, for, or on behalf of the other Party pursuant to this Section 12 shall be reduced by any federal, provincial or municipal tax benefit received by the Purchaser or the Vendor, as applicable, but only to the extent such tax benefit relates to the indemnity claim for which such amount was paid.

(7) **Notification.**

- (a) If a Third Party Claim is instituted or asserted against an Indemnified Person, the Indemnified Person will promptly notify the Indemnifying Party in writing of the Third Party Claim.
- (b) If an Indemnified Person becomes aware of a Direct Claim, the Indemnified Person will promptly notify the Indemnifying Party in writing of the Direct Claim.
- (c) Notice to an Indemnifying Party under this Section of a Direct Claim or a Third Party Claim is assertion of a claim for indemnification against the Indemnifying Party under this Agreement. Upon receipt of such notice, the provisions of Section 12(9) will apply to any Third Party Claim and the provisions of Section 12(8) will apply to any Direct Claim.
- (d) The omission to notify the Indemnifying Party will not relieve the Indemnifying Party from any obligation to indemnify the Indemnified Person, unless the notification occurs after the expiration of the specified period set out in Section 12(1) or (and only to that extent that) the omission to notify materially prejudices the ability of the Indemnifying Party to exercise its right to defend provided in Section 12(9).

(8) **Direct Claims.**

- (a) Following receipt of notice of a Direct Claim, the Indemnifying Party has 60 days to investigate the Direct Claim and respond in writing. For purposes of the investigation, the Indemnified Person shall make available to the Indemnifying Party the information relied upon by the Indemnified Person to substantiate the Direct Claim, together with such other information as the Indemnifying Party may reasonably request.

- (b) If the Indemnifying Party disputes the validity or amount of the Direct Claim, the Indemnifying Party shall provide written notice of the dispute to the Indemnified Person within the 60 day period specified in Section 12(8)(a). The dispute notice must describe in reasonable detail the nature of the Indemnifying Party's dispute. During the 30 day period immediately following receipt of a dispute notice by the Indemnified Person, the Indemnifying Party and the Indemnified Person shall attempt in good faith to resolve the dispute. If the Indemnifying Party and the Indemnified Person fail to resolve the dispute within that 30 day time period, the Indemnified Person is free to pursue all rights and remedies available to it, subject only to this Agreement. If the Indemnifying Party fails to respond in writing to the Direct Claim within the 60 day period specified in Section 12(8)(a), the Indemnifying Party is deemed to have agreed to the validity and amount of the Direct Claim and shall promptly pay in full the amount of the Direct Claim to the Indemnified Person.

(9) **Procedure for Third Party Claims.**

- (a) Upon receiving notice of a Third Party Claim, the Indemnifying Party may participate in the investigation and defence of the Third Party Claim, subject to the terms of this Section. The Indemnifying Party may also elect to assume the investigation and defence of the Third Party Claim, subject to the terms of this Section.
- (b) In order to assume control of the investigation and defence of a Third Party Claim, the Indemnifying Party must give the Indemnified Person written notice of its election within 15 days of Indemnifying Party's receipt of notice of the Third Party Claim.
- (c) The Indemnifying Party may not assume the control of the investigation and defence of a Third Party Claim if:
 - (i) the Indemnifying Party is also a party to the Third Party Claim and the Indemnified Person determines in good faith that joint representation would be inappropriate;
 - (ii) the Indemnifying Party fails to provide reasonable assurance to the Indemnified Person of its financial capacity to defend the Third Party Claim and provide indemnification with respect to the Third Party Claim;
 - (iii) the Indemnifying Party does not unconditionally acknowledge in writing its obligation to indemnify and hold the Indemnified Person harmless with respect to the Third Party Claim; or
 - (iv) the Third Party Claim seeks relief against the Indemnified Person other than monetary damages or the Indemnified Person determines in good faith that there is a reasonable probability that the Third Party

Claim may adversely affect it or its affiliates, other than as a result of monetary damages for which it would be entitled to indemnification under this Agreement, and the Indemnified Person has notified the Indemnifying Party that it will assume the exclusive right to defend, compromise or settle the Third Party Claim.

- (d) If the Indemnifying Party assumes the control of the investigation and defence of a Third Party Claim:
 - (i) the Indemnifying Party will pay for all costs and expenses of the investigation and defence of the Third Party Claim except that the Indemnifying Party will not, so long as it diligently conducts such defence, be liable to the Indemnified Person for any fees of other counsel or any other expenses with respect to the defence of the Third Party Claim, incurred by the Indemnified Person after the date the Indemnifying Party validly exercised its right to assume the investigation and defence of the Third Party Claim;
 - (ii) the Indemnifying Party will reimburse the Indemnified Person for all costs and expenses incurred by the Indemnified Person in connection with the investigation and defence of the Third Party Claim prior to the date the Indemnifying Party validly exercised its right to assume the investigation and defence of the Third Party Claim; and
 - (iii) legal counsel chosen by the Indemnifying Party to defend the Third Party Claim must be satisfactory to the Indemnified Person, acting reasonably; and
 - (iv) the Indemnifying Party may not compromise and settle or remedy, or cause a compromise and settlement or remedy, of a Third Party Claim without the prior written consent of the Indemnified Person, which consent may not be unreasonably withheld or delayed.
- (e) If the Indemnifying Party (i) is not entitled to assume the investigation and defence of a Third Party Claim under Section 12(9)(c), (ii) does not elect to assume the investigation and defence of a Third Party Claim, (iii) assumes the investigation and defence of a Third Party Claim but fails to diligently pursue such defence, or the Indemnified Person concludes that the Third Party Claim is not being defended to its satisfaction, acting reasonably, the Indemnified Person has the right (but not the obligation) to undertake the defence of the Third Party Claim. In the case where the Indemnifying Party fails to diligently pursue the defence of the Third Party Claim or the Indemnified Person concludes that the Third Party Claim is not being defended to its satisfaction, acting reasonably, the Indemnified Person may not assume the defence of the Third Party Claim unless the Indemnified Person gives the Indemnifying Party written demand to diligently pursue the defence and the Indemnifying Party fails to do so within 14 days after receipt

of the demand, or such shorter period as may be required to respond to any deadline imposed by a court, arbitrator or other tribunal.

- (f) If the Indemnifying Party is not entitled to assume the investigation and defence of a Third Party Claim, or the Indemnified Person has undertaken the defence of the Third Party Claim pursuant to Section 12(9)(e), the Indemnified Person may compromise and settle the Third Party claim but the Indemnifying Party will not be bound by any determination of the Third Party Claim or any compromise or settlement of the Third Party Claim effected without the consent of the Indemnifying Party (which consent may not be unreasonably withheld or delayed).
- (g) The Indemnifying Party will not be permitted to compromise and settle or to cause a compromise and settlement of a Third Party Claim without the prior written consent of the Indemnified Person (and, for greater certainty, the Indemnified Person will not be bound by any such compromise or settlement of the Third Party Claim effected without the consent of the Indemnified Person), which consent may not be unreasonably withheld or delayed, unless:
 - (i) the terms of the compromise and settlement require only the payment of money for which the Indemnified Person is entitled to full indemnification under this Agreement;
 - (ii) the Indemnified Person is not required to admit any wrongdoing, take or refrain from taking any action, acknowledge any rights of the Person making the Third Party Claim or waive any rights that the Indemnified Person may have against the Person making the Third Party Claim; and
 - (iii) the Indemnified Person and the Indemnifying Party receive, as part of the compromise and settlement, a legally binding and enforceable unconditional release from any and all obligations or liabilities they may have with respect to the Third Party Claim. Such release must be, in form and substance, satisfactory to the Indemnified Person and the Indemnifying Party, each acting reasonably.
- (h) The Indemnified Person and the Indemnifying Party agree to keep the other fully informed of the status of any Third Party Claim and any related proceedings. If the Indemnifying Party assumes the investigation and defence of a Third Party Claim, the Indemnified Person will, at the request and expense of the Indemnifying Party, use its reasonable efforts to make available to the Indemnifying Party, on a timely basis, those employees whose assistance, testimony or presence is necessary to assist the Indemnifying Party in investigating and defending the Third Party Claim. The Indemnified Person shall, at the request and expense of the Indemnifying Party, make available to the Indemnifying Party, or its representatives, on a timely basis all documents, records and other materials in the possession,

control or power of the Indemnified Person, reasonably required by the Indemnifying Party for its use solely in defending any Third Party Claim of which it has elected to assume the investigation and defence. The Indemnified Person shall cooperate on a timely basis with the Indemnifying Party in the defence of any Third Party Claim.

- (i) If any Third Party Claim is of a nature such that the Indemnified Person is required by applicable law to make a payment to any third party with respect to such Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnified Person may make such payment and the Indemnifying Party shall, forthwith after demand by the Indemnified Person, reimburse the Indemnified Person for such payment. If the amount of any liability of the Indemnified Person under the Third Party Claim in respect of which such a payment was made, as finally determined, is less than the amount that was paid by the Indemnifying Party to the Indemnified Person, the Indemnified Person shall, forthwith after receipt of the difference from the third party pay the amount of such difference to the Indemnifying Party.
- (10) Notwithstanding anything in this Section 12, no Party shall be relieved from its obligation under common law to take reasonable steps to mitigate the Damages resulting from the breach of any of any of the representations and warranties contained in this Agreement.

Section 13 Confidentiality.

Until the Closing and in the event of termination of this Agreement without Closing, the Purchaser shall keep confidential and shall not use for any improper purpose or disclose to any other Person any information obtained from the Vendor, the Corporation or their respective agents and representatives, unless such information (i) is or becomes generally available to the public other than as a result of a disclosure in violation of this Agreement, (ii) becomes available to the Purchaser on a non-confidential basis from a source other than the Vendor, the Corporation or their respective agents and representatives, unless the Purchaser knows that such source is prohibited from disclosing the information to the Purchaser by a contractual, fiduciary or other legal obligation to the Vendor or the Corporation, or (iii) was known to the Purchaser on a non-confidential basis before its disclosure to the Purchaser by the Vendor, the Corporation or their respective agents and representatives. In the event the Purchaser is required by law to disclose any confidential information, the Purchaser shall, to the extent not prohibited by applicable law, provide the Vendor with prompt notice of such requirements so that the Vendor may seek a protective order or other appropriate remedy or waive compliance with the provisions of this Section 13. Subject to the next sentence, if this Agreement is terminated, promptly after such termination the Purchaser shall return or cause to be returned or destroyed all documents, work papers and other material (whether in written, printed, electronic or computer printout form and including all copies) obtained from the Vendor, the Corporation or their respective agents and representatives in connection with this Agreement and not previously made public together with all derivative materials prepared or created by the Purchaser and any of same received or otherwise obtained by the Purchaser's representative in connection

with the exercise of the rights contemplated under Section 8(7). The Purchaser may retain one copy of all such documents, work papers and other materials in a sealed envelope left with its solicitors, which sealed envelope is not to be opened except in circumstances where this Agreement or the transaction contemplated herein are the subject of litigation or otherwise with the consent of the Vendor.

Section 14 General Contract Provisions

- (1) **Time.** Time is of the essence in this Agreement.
- (2) **Notices.** Any notice, direction or other communication (each a “**Notice**”) given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery or courier and addressed:

- (a) to the Vendor at:

Sustainco Inc.
151 Bloor Street West
Toronto, ON
M5S 1S4

Attention: President

- (b) to the Purchaser at:

Urban Holdings Inc.
41 Lincombe Drive
Thornhill, ON
L3T 2V7

Attention: Paul Di Lucia, President

with a copy, which shall be for information purposes only and not constitute notice, to:

Meretsky Law Firm
121 King Street West, Suite 2150
Standard Life Centre
Toronto, ON M5H 3T9

Attention: Jason D. Meretsky
Fax: +1 (416) 943-0811

A Notice is deemed to be delivered and received (i) if sent by personal delivery, 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 the place of receipt) and otherwise on the next Business Day, (ii) if sent by same-day service courier, on the date of delivery if sent on a Business Day and delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day or (iii) if sent by overnight courier, 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. Failure to send a copy of a Notice to the Purchaser's legal counsel as provided above does not and will not invalidate the delivery of that Notice to the Purchaser.

- (3) **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 heirs, executors, administrators, legal representatives and permitted assigns. Neither this Agreement nor any of the rights or obligations under this Agreement, including any right to payment, may be assigned or transferred, in whole or in part, by any Party without the prior written consent of the other Parties.
- (4) **Announcements.** No press release, public statement or announcement or other public disclosure (a "**Public Statement**") with respect to this Agreement or the transactions contemplated in this Agreement may be made prior to the Closing Date except with the prior written consent and joint approval of the Vendor, the Corporation and the Purchaser, or if required by law or a Governmental Entity. Where the Public Statement is required by law or a Governmental Entity, the Party required to make the Public Statement will use its commercially reasonable efforts to obtain the approval of the other Parties as to the form, nature and extent of the disclosure. After the Closing Date, any Public Statement by the Vendor may be made only with the prior written consent and approval of the Purchaser unless the Public Statement is required by law or a Governmental Entity, in which case the Vendor shall use its commercially reasonable efforts to obtain the approval of the Purchaser as to the form, nature and extent of the disclosure. Unless required by law or a Governmental Entity, the Purchaser shall not disclose the financial or business terms of this Agreement without the consent of the Vendor, acting reasonably.
- (5) **Expenses.** Except as otherwise expressly provided in this Agreement, each Party will pay for its own costs and expenses incurred in connection with this Agreement and the transactions contemplated by them, it being understood that all cost of the Corporation associated with the consummation of the transactions contemplated hereby, if any, shall be borne by the Vendor. The costs and expenses referred to in this Section are those which are incurred in connection with the negotiation, preparation, execution and performance of this Agreement, and the transactions contemplated by this Agreement, including the fees and expenses of legal counsel, investment advisers and accountants. The Vendor shall be responsible for any and all legal fees of the Corporation associated with negotiating and executing the documents pertaining to the Working Capital Loan to the extent such legal fees exceed \$10,000.
- (6) **Fees and Commissions.** No transaction, advisory, finder's or success fees, commissions or other payments of any nature whatsoever shall be payable by the

Purchaser, the Corporation or the Vendor in respect of the transactions contemplated by this Agreement.

- (7) **Entire Agreement.** This Agreement constitutes the entire agreement between the parties with respect to the transactions contemplated in this Agreement and supersedes 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.
- (8) **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.
- (9) **Severability.** If any provision of this Agreement is determined to be illegal, invalid or unenforceable, by an arbitrator or 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.
- (10) **Amendments.** This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by the Vendor and the Purchaser.
- (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.
- (12) **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.

[Remainder of page is intentionally left blank.]

The Parties have executed this Share Purchase Agreement.

VENDOR:

SUSTAINCO INC.

By: (signed) "Emlyn J. David"

Emlyn J. David
President

PURCHASER:

URBAN HOLDINGS INC.

By: (signed) "Paul Di Lucia"

Paul Di Lucia
President

SCHEDULE "A"

DEFINED TERMS

"affiliate" shall have the meaning specified in the *Canada Business Corporations Act*.

"Agreement" means this share purchase agreement, including this schedule.

"Authorization" means, with respect to any Person, any order, permit, approval, consent, notice, waiver, licence or similar authorization of any Governmental Entity having jurisdiction over the Person.

"Business Day" means any day of the year, other than a Saturday, Sunday or any days on which major banks are closed for business in Toronto, Ontario.

"Closing" means the completion of the transaction of purchase and sale contemplated in this Agreement.

"Closing Date" means three Business Days following the day on which the last of the conditions of closing set out in Section 9 (other than those conditions that by their nature can only be satisfied as of the Closing Date) have been satisfied or waived by the appropriate Party.

"Contract" means any agreement, contract, licence, undertaking, engagement or commitment of any nature, written or oral.

"Corporation" means Urban Mechanical Contracting Ltd., an Ontario company.

"Damages" means any losses, liabilities, damages or expenses (including reasonable legal fees and expenses without reduction for tariff rates or similar reductions) whether resulting from an action, suit, proceeding, arbitration, claim or demand that is instituted or asserted by a third party, including a Governmental Entity, or a cause, matter, thing, act, omission or state of facts not involving a third party, but excluding indirect damages (unless such damages arise as the result of a Third Party Claim), or punitive damages.

"Direct Claim" means any cause, matter, thing, act, omission or state of facts not involving a Third Party Claim which entitles an Indemnified Person to make a claim for indemnification under this Agreement.

"Disclosure Letter" means the disclosure letter dated the date of this Agreement and delivered by the Vendor to the Purchaser with this Agreement.

"Escrow Agent" means Stikeman Elliott LLP or, if applicable, its successor appointed in accordance with the terms of the Escrow Agreement.

"Escrow Agreement" means the escrow agreement dated the date of this Agreement between the Vendor, the Purchaser and the Escrow Agent.

"Escrow Funds" means an amount equal to \$1,000,000 delivered to the Escrow Agent by the Purchaser.

"Governmental Entity" means (i) any international, multinational, national, federal, provincial, state, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, tribunal, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any stock exchange or securities regulatory body and (iv) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.

"Indemnified Person" means a Person with indemnification rights or benefits under Section 12, or otherwise under this Agreement.

"Indemnifying Party" means a Party against which a claim may be made for indemnification under this Agreement, including pursuant to Section 12.

"Lien" means any mortgage, charge, claim, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), easement, title retention agreement or arrangement, conditional sale, deemed or statutory trust, restrictive covenant or other encumbrance of any nature or any other arrangement or condition which, in substance, secures payment or performance of an obligation.

"NI 45-106" means National Instrument 45-106 – *Prospectus and Registration Exemptions*.

"Notice" has the meaning specified in Section 14(2).

"Party" either of the Vendor or the Purchaser.

"Person" means a natural person, partnership, limited partnership, limited liability partnership, corporation, limited liability corporation, unlimited liability corporation, joint stock corporation, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.

"Purchase Price" has the meaning specified in Section 3.

"Purchased Shares" means all of the issued and outstanding shares in the capital of the Corporation, being 75 common shares.

"Purchaser" has the meaning specified in the recitals to this Agreement.

"Short-Term Debt" means the indebtedness of the Corporation owing to those persons and in those amounts specified as such in Section 6(1)(j) of the Disclosure Letter.

"Vendor" has the meaning specified in the recitals to this Agreement.

"Third Party Claim" means any action, suit, proceeding, arbitration, claim or demand that is instituted or asserted by a third party, including a Governmental Entity, against an Indemnified Person which entitles the Indemnified Person to make a claim for indemnification under this Agreement.