

COURT FILE NUMBER: 25-2581252
25-2582159

COURT COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF TRAKOPOLIS IoT CORP.

IN THE MATTER OF THE NOTICE OF INTENTION TO
MAKE A PROPOSAL OF TRAKOPOLIS SaaS CORP.

APPLICANTS: TRAKOPOLIS IoT CORP. and TRAKOPOLIS SaaS CORP.

DOCUMENT: **AFFIDAVIT OF CHRIS BURCHELL**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

OSLER, HOSKIN & HARCOURT LLP

Barristers & Solicitors
Suite 2500, 450 – 1st Street S.W.
Calgary, AB T2P 5H1

Solicitor: Randal Van de Mosselaer / Emily Paplawski
Telephone: (403) 260-7060 / 7071
Facsimile: (403) 260-7024
Email: rvandemossealer@osler.com / epaplawski@osler.com
File Number: 1205888

AFFIDAVIT OF CHRIS BURCHELL

Sworn on December 31, 2019

I, Chris Burchell, of the City of Calgary, in the Province of Alberta, make oath and say that:

1. I am the Chief Restructuring Officer of Trakopolis IoT Corp. ("**Trakopolis IoT**") and Trakopolis SaaS Corp. ("**Trakopolis SaaS**") and, together with Takopolis IoT, "**Trakopolis**" or the "**Companies**"). I have served as Chief Restructuring Officer since November 2019, and have been a director of Trakopolis since October 2016. Prior to joining Trakopolis, I was a Managing Director, Investment Banking, at Cormark Securities Inc. ("**Cormark**"). Prior to joining Cormark in 2006, I held various investment banking positions with Scotia Capital Inc.

2. As such, I have personal knowledge of the matters to which I depose in this Affidavit, except where stated to be based on information and belief, in which I believe such information to be true. In preparing this Affidavit, I have consulted with Trakopolis's management team and advisors and reviewed relevant documents and information concerning Trakopolis's operations, financial affairs and marketing activities.

3. I swear this Affidavit supplementary to the Affidavits I swore in these proceedings on November 25, 2019 (the "**November 25 Affidavit**") and December 13, 2019 (the "**December 13 Affidavit**") and together with the November 25 Affidavit, the "**Prior Affidavits**"), and in support of an application (the "**Application**") by Trakopolis for an Order:

- (a) approving the sale transaction (the "**Transaction**") contemplated by an asset purchase agreement (the "**APA**") between Trakopolis and 1234600 B.C. Ltd. (the "**Purchaser**"), dated December 20, 2019;
- (b) vesting in the Purchaser all of Trakopolis's right, title, and interest in and to the Purchased Assets described in the APA;
- (c) vesting in the Purchaser the Consent Required Contracts (as defined below); and
- (d) sealing the Confidential Affidavit of Chris Burchell, sworn December 31, 2019 (the "**December 31 Confidential Burchell Affidavit**") on the Court file until further order of this Honourable Court.

4. Capitalized terms used in this Affidavit and not otherwise defined shall have the same meaning as given to them in the Prior Affidavits or in the APA.

A. Acceptance of Offer and Execution of Definitive Agreement

5. As described in the Prior Affidavits, since the filing of the NOIs, various interested parties approached Trakopolis and the Proposal Trustee to express interest in a transaction with one or both of the Companies. Between the filing of the NOIs on November 7 and 9, 2019 and the swearing of my December 13 Affidavit, the Companies received two unsolicited bids, two indications of interest and one refinancing proposal from third parties. One of the unsolicited bids (the “**Purchaser’s Bid**”) was made by LLR Equity Partners V, L.P., which is an investor in Geoforce Inc. (“**Geoforce**”), which is in turn the parent of the Purchaser.

6. The Companies determined, in consultation with the Proposal Trustee, that the price and the structure of the Purchaser’s Bid made it more attractive than the other bids and proposals received by the Companies and, in fact, was one of the most attractive (if not the most attractive) option that the Companies had been presented with throughout the Canaccord Genuity Marketing Process described in my November 25 Affidavit. Moreover, the Purchaser’s Bid contained very short timelines for acceptance, as it expired on its terms at 5:00 p.m. MST on December 10, 2019. Accordingly, the Companies accepted the Purchaser’s Bid prior to 5:00 p.m. MST on December 10, 2019 in accordance with the deadlines set out therein.

7. Since acceptance of the Purchaser’s Bid and swearing of my December 13 Affidavit, and in accordance with the Companies’ advice to the Court at the December 16 stay extension application, the Companies and the Purchaser have worked diligently to negotiate and execute a definitive purchase and sale agreement.

8. On December 20, 2019, the Companies and the Purchaser executed the APA which will permit the business of Trakopolis to be transferred to the Purchaser on a going-concern basis. In summary, the APA provides, among other things, that:

- (a) subject to the terms and conditions outlined therein, the Companies will sell, assign, and transfer to the Purchaser substantially all of their assets (but excluding the Excluded Assets) free and clear of all encumbrances (other than Permitted Encumbrances) pursuant to an Approval and Vesting Order granted by this Honourable Court;
- (b) the Purchaser will assume all Assumed Contracts, which includes all contracts with customers of Trakopolis and all contracts identified as “Assumed Contracts” in Appendix 5 of Schedule A to the APA, but excluding Excluded Contracts;
- (c) in the event that any Assumed Contracts are not assignable in whole or in part without the consent, approval or waiver of another party or parties to them (the **“Consent Required Contracts”**), then:
 - (i) the Companies must use commercially reasonable efforts to obtain such consent, approval or waiver; and
 - (ii) if any consent, approval or waiver is not obtained for any Consent Required Contract, the Companies must seek one or more Assignment Orders with respect to such Consent Required Contracts pursuant to section 84.1 of the *Bankruptcy and Insolvency Act*;¹
- (d) the Companies will pay all monetary defaults of the Companies in relation to the Consent Required Contracts by directing the Purchaser to pay such amounts (the

¹ The APA lists all Consent Required Contracts at Appendix 7 to Schedule A to the APA. As noted therein, a number of the Consent Required Contracts are between third parties and CAN Telematics Inc. (**“CAN Telematics”**). CAN Telematics amalgamated with Canhaul International Corp. in 2016 to form SaaS. As a result, SaaS is now party to all Consent Required Contracts listing CAN Telematics as a counterparty.

“**Cure Costs**”) out of the proceeds of the Purchase Price otherwise payable to the Companies under the APA;

- (e) the Purchaser agrees to assume and perform, discharge, and pay when due all Assumed Liabilities, including: (i) all debts, liabilities and obligations under the Assumed Contracts (to the extent assigned or transferred to the Purchaser on Closing) for the period from and after closing, in each case, provided that such debts, obligations or liabilities are not arising from, due or attributable to any default existing or breach (with or without the giving of notice, the lapse of time or both) by the Companies occurring prior to or as a consequence of closing; or (ii) any default, breach of violation of the Companies of any term or condition of this Agreement; and (ii) any other obligations for which the Purchaser is expressly assumed pursuant to the APA, but excluding Excluded Liabilities;
- (f) the Purchaser will offer employment, conditional on closing, to all of the Key Employees and to the vast majority of the Companies’ permanent, full-time employees; and
- (g) the Purchase Price will be allocated as between the Companies in accordance with the formula prescribed at Schedule F to the APA.

9. A copy of the APA with confidential and commercially sensitive information redacted is attached as **Exhibit “A”** hereto. An unredacted copy of the APA is also exhibited to the December 31 Confidential Burchell Affidavit.

10. Closing of the APA is subject to satisfaction of a number of conditions precedent including, but not limited to, provision by the Companies of satisfactory evidence at least three business days

prior to closing of the APA of: (a) the Companies' reasonable good faith estimate of customer subscription revenue (excluding hardware or other revenue) for the month of January 2020, less (b) the monthly subscription revenue from any subscription deactivations or contract terminations received between December 20, 2019 and three business days prior to closing of the APA; plus (c) the monthly subscription revenue from any new subscriptions contracted between December 20, 2019 and three business days prior to closing of the APA. In accordance with the APA, the net of these three amounts must meet or exceed the sum required by section 5.1(a)(vi) of the APA. As at the date hereof, the Companies have no reason to believe that they will not be in compliance with section 5.1(a)(vi) of the APA.

11. The APA does not require the Purchaser to provide the Companies with a non-refundable deposit upon execution of the APA. While the Companies had requested in the course of negotiation of the APA that the Purchaser provide such a deposit, the Purchaser offered to provide the Equity Commitment Letter referred to below. Ultimately, the Companies decided, in the exercise of their business judgment, that they were comfortable with proceeding without a non-refundable deposit, as the Purchaser has demonstrated that it is motivated and committed to closing the Transaction contemplated in the APA quickly, efficiently, and in the most cost effective manner, and has the financial wherewithal to do so. The Companies have no reason to believe that the Purchaser will not close the Transaction contemplated in the APA in accordance with the terms and deadlines contained therein.

12. As the Purchaser is a numbered company lacking any significant asset base, cash flow, or capital, Geoforce (the parent of the Purchaser, and an organization well known to Trakopolis as being a major player in the asset tracking industry) executed an Equity Commitment Letter (the **"Equity Commitment Letter"**) concurrent with the Purchaser's execution of the APA which

provides, among other things, that Geoforce will, subject to the satisfaction of each of the conditions to closing set forth in the APA, contribute or otherwise fund (or cause to be contributed or otherwise funded) the Purchase Price to the Purchaser, at or prior to the closing of the APA. A copy of the Equity Commitment Letter with confidential and commercially sensitive information redacted is attached hereto as **Exhibit “B”**. An unredacted copy of the Equity Commitment Letter is also exhibited to the December 31 Confidential Burchell Affidavit.

13. Following execution of the APA, and in accordance with the formula defined at Schedule F thereto, the Companies allocated the Purchase Price between IoT and SaaS. As SaaS is the operating entity with essentially all of the assets being acquired pursuant to the APA, essentially all of the Purchase Price has been allocated to SaaS, with only a nominal amount being allocated to IoT.

B. Assignment of Contracts under the APA

14. As discussed above, the APA requires that the Companies use commercially reasonable efforts to obtain the consent, approval, or waiver of any party or parties required under any Assumed Contracts that are Consent Required Contracts.

15. In accordance with the APA, on December 23 and 27, 2019, the Companies sent letters (the “**Consent Request Letters**”) to each counterparty to every Consent Required Contract then known:

- (a) advising that the Companies had entered into the APA with the Purchaser pursuant to which the Purchaser will acquire substantially all of the assets of the Companies, including the relevant contract;

- (b) advising that all Cure Costs will be paid upon an assignment of the contract to the Purchaser on the closing of the APA, whether such assignment is effected consensually or pursuant to an Assignment Order;
- (c) advising that once assigned, the terms of the contract will not change and the Purchaser will become responsible for all post-assignment obligations of Trakopolis under the contract; and
- (d) requesting that the counterparty or counterparties consent to the assignment by the Purchaser of all of Trakopolis' rights under the contract and the assumption by the Purchaser of all of Trakopolis' post-assignment obligations under the contract.

16. An example Consent Request Letter (with the identify of the addressee redacted) is attached hereto as **Exhibit "C"**.

17. As a result of the holiday season and the corresponding closure of many offices and absences of key personnel, at the time of swearing of this Affidavit, the Companies have not yet received any counterparty executed Consent Request Letters. The Companies will provide an update to the Court on the status of their efforts to obtain necessary counterparty consents at the hearing of this application on January 9, 2020.

18. To the extent that additional Consent Required Contracts are identified after the service of the materials in respect of this application, a further application for an Assignment of Contracts Order may be sought in respect of such additional Consent Required Contracts at a later date if it becomes necessary to do so.

19. All counterparties to Consent Required Contracts known at this time have been added to the Service List established in these proceedings. I am advised by the Companies' counsel, Randal

Van de Mosselaer of Osler, Hoskin & Harcourt LLP, that all counterparties to Consent Required Contracts who are listed on the Service List will be served with a copy of the Companies' application materials, including this Affidavit, either by email or courier.

20. As at the swearing of this Affidavit, the Companies owe Cure Costs under four of the Consent Required Contracts in the amounts of \$120,666.29 USD and \$179,305.10 CAD. In accordance with the APA, such Cure Costs will be paid to the applicable counterparty upon an assignment of the contract to the Purchaser on the closing of the APA, whether such assignment is effected consensually or pursuant to an Assignment Order. It should be noted that the four counterparties to these Consent Required Contracts are currently on the Companies' creditor list in these amounts, and upon payment of these amounts will no longer be on the Companies' creditor list to the extent of such payment.

21. As at the swearing of this Affidavit, all Consent Required Contracts are in full force and effect. No notices of default have been served on the Companies under, or in relation to, any of the Consent Required Contracts.

C. The APA should be Approved

22. As discussed further in my Prior Affidavits, the Companies proposed to conduct a short, abridged sale process within these proceedings which built on the previous work completed by Canaccord Genuity ("CG") and the Companies throughout late 2018 and 2019. However, on December 5, 2019 – less than 24 hours before the Companies' planned application to this Honourable Court for implementation of the sales process (among other relief) – the Companies received an unsolicited bid which, if closed, would have realized sufficient proceeds to pay out ESW's indebtedness in full (as well as the charges that were being sought) and realize a significant recovery for SaaS's unsecured creditors. In order to permit the Companies time to explore the

unsolicited bid and negotiate a transaction with the bidder, the Court granted a 10-day extension to the stay (and also granted a D&O Charge). The Court adjourned the balance of the application (including the Companies' request for establishment of a sale process) to December 16, 2019.

23. The Purchaser's Bid was received by the Companies on December 9, 2019. It was an express term of the Purchaser's Bid that it would need to be accepted by not later than 5:00 pm MST on Tuesday, December 10, 2019, and that once accepted the Purchaser would have an exclusive right to deal with the Companies, who would be prohibited from any further negotiations or solicitations with any other interested parties. It was a further term of the Second Unsolicited Bid that the APA would be executed by December 20, 2019, with the closing of the resulting transaction by January 17, 2020.

24. The Companies accepted the Purchaser's Bid on December 10, 2019 notwithstanding that no sales process had been established or completed in these proceedings. The Companies, in their business judgment, accepted the Purchaser's Bid for the following reasons:

- (a) prior to the filing of the NOIs, CG had thoroughly canvassed the market between November 2018 and November 2019 for interest in a sale, refinancing or other corporate transaction for the Companies, contacting 53 potential bidders, executing non-disclosure agreements with 22 parties, and providing management presentations to 22 parties;
- (b) as a result of such efforts by CG, the Companies received two expressions of interest in February 2019, and five expressions of interest in August and September 2019, for various transaction structures, including a share sale, an asset sale, and a refinancing;

- (c) as a result of the foregoing significant marketing efforts undertaken by the Companies and CG, and the numerous expressions of interest received by the Companies throughout 2019, the Companies had significant knowledge of the market, and the value attributed by the market to the Companies and their assets, at the time the Purchaser's Bid was received;
- (d) in light of this knowledge, the Companies determined that both the price and the structure of the Purchaser's Bid made it one of the most attractive (if not the most attractive) option that the Companies had been presented with throughout the entire year-long CG marketing process;
- (e) the Purchase Price proposed in the Purchaser's Bid would permit the Companies to pay ESW's total indebtedness in full, make a very substantial payment to SaaS' unsecured creditors, and pay the fees and disbursements of all advisors involved in the process. Based on the current estimate of cash flow and transaction costs, it is expected that no amounts will be available to pay creditors or security holders of IoT;
- (f) ESW, as first secured lender, was provided with a copy of the Purchaser's Bid and supported the Companies' efforts to close the transactions contemplated in the Purchaser's Bid quickly and without delay; and
- (g) There is considerable value to closing a transaction quickly, as it avoids significant accrual of interest and expenses to ESW under the Credit Agreement², and avoids

² ESW has advised in a payout statement provided to Trakopolis that as of January 12, 2020 interest will be accruing at the rate of \$1,378.37 USD per diem, and they are estimating expenses at an additional \$100,000 CAD.

the very significant ongoing professional fees that would be necessary if a more protracted sales process were undertaken. Further, the longer the Companies operate while going through the BIA process, the greater the risk of loss of value in the business due to potential losses of customers, vendors and employees.

25. On December 16, 2019, the Court granted a further extension of the stay to January 24, 2020 to permit the Companies time to negotiate and finalize a definitive agreement with the Purchaser, apply for an Approval and Vesting Order (and other relief, as necessary), and close the transactions contemplated in the Purchaser's Bid before the January 17, 2020 deadline defined therein. As discussed above, the Companies and Purchaser executed the APA on December 20, 2019. (It should be noted that due to scheduling issues created by the intervening holiday period, the parties agreed in the APA that the "Outside Date" for the Closing of the Transaction would be changed from January 17, 2020 to January 24, 2020.)

26. The Companies seek approval of the APA and an order vesting title to the Purchased Assets free and clear of encumbrances (apart from Permitted Encumbrances) in the name of the Purchaser, notwithstanding that no sale process was conducted by the Proposal Trustee in these proceedings. The Companies are of the view that the process leading to the Purchaser's Bid, and subsequent execution of the APA, was fair and reasonable in the circumstances for the following reasons:

- (a) the Companies and CG canvassed the market for one year prior to the filing of the NOIs and the Purchaser's Bid was the most attractive bid received throughout the entirety of that process;
- (b) the Proposal Trustee supports the relief sought by the Companies in light of the extensive and fulsome marketing efforts undertaken by the CG and the Companies throughout the latter part of 2018 and the majority of 2019;

- (c) re-running a marketing process which had already been undertaken by the Companies and CG in 2018 and 2019 (even if in an abbreviated manner) would delay closing of any proposal received until at least March 2020. Extending these proceedings by an additional two or three months to permit for completion of a sales process will result in: (i) increased professional fees by the Companies' counsel, the Proposal Trustee and its counsel, and ESW's counsel; (ii) continued accrual of interest under the ESW Facility at a rate of approximately \$1,400 USD per day; and (iii) as noted in my November 25 Affidavit, the requirement to obtain interim financing to support the Companies' ongoing operation past January 31, 2020;
- (d) as a result of the foregoing costs, any bid received as part of a sales process must necessarily be significantly higher than that provided in the APA in order to offset the increased professional fees, interest, cash burn and, if interim financing was obtained, the costs and interest associated with such financing. Based on the Companies' extensive marketing efforts to date, and numerous expressions of interest received both prior to and within these proceedings (as more fully discussed in my Prior Affidavits), such a significant increase to the Purchase Price provided in the APA appears highly unlikely; and
- (e) further, the Purchaser's Bid imposed an extremely tight deadline for acceptance, negotiation and execution of the APA, and closing of the Transaction provided in the APA. If a further sales process was required prior to acceptance of any offer by the Company, there was no assurance that the Purchaser would still be ready and willing to proceed, or that the Companies would receive a better, or even analogous

offer, to that provided in the APA. The Purchaser had made it clear that it was not interested in becoming a “stalking horse”, and that it was only prepared to do a transaction on the terms outlined in the Purchaser’s Bid.

27. In the Companies’ view, the APA provides the Companies with fair and reasonable value for their assets following a comprehensive and fulsome canvassing of the market by the Companies and CG. The APA will:

- (a) preserve employment for the vast majority of the Companies’ employees;
- (b) ensure that all monetary defaults (if any) currently existing under the Consent Required Contracts are cured, thereby maximizing the recovery for a significant portion of the SaaS creditors and stakeholders;
- (c) ensure ongoing performance of the Assumed Contracts by the Purchaser, thereby minimizing any damages suffered by the counterparties to such contracts;
- (d) pay ESW's total indebtedness under the Credit Agreement in full;
- (e) make a very significant payment to SaaS' unsecured creditors (which includes all of Trakopolis’ trade debt); and
- (f) pay the fees and disbursements of all advisors involved in the process without recourse being made to the Administration Charge granted by this Court on December 16, 2019.

28. Based on the foregoing, the Companies seek Orders approving the sale transaction contemplated by the APA, vesting in the Purchaser all of Trakopolis’s right, title, and interest in

and to the Purchased Assets described in the APA, and assigning and vesting in the Purchaser the Consent Required Contracts.

D. Requirement for a Sealing Order

29. The December 31 Confidential Burchell Affidavit contains commercially sensitive information concerning the purchase price payable by the Purchaser under the APA, the number and, in some cases, identities, of Trakopolis employees who will be offered employment by the Purchaser, significant details of Trakopolis's customers, partners, and essential contracts, and confidential Trakopolis financial information in the form of one or more conditions precedent to the closing of the APA. If this information were made public, there would be a serious risk that any future marketing efforts would be seriously prejudiced and that the integrity of any future sales process would be seriously undermined in the event the Transaction contemplated in the APA does not close for any reason and additional marketing efforts become necessary. If this were to occur, this insolvency proceeding and Trakopolis' stakeholders would be seriously prejudiced.

30. For this reason, Trakopolis is seeking a sealing order in respect of the December 31 Confidential Burchell Affidavit.

31. In addition, many Trakopolis vendors have been added to the service list and have been given notice of these proceedings. The identity of these vendors, most (or all) of whom will become vendors to the Purchaser, is sensitive business information the public disclosure of which would create prejudice to Trakopolis and the Purchaser. For this reason Trakopolis is seeking a sealing order in respect of the Confidential Affidavit of Service.

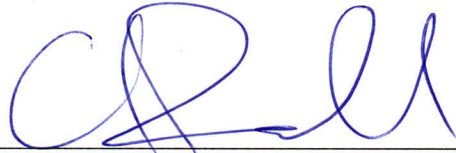
32. I swear this affidavit for the various relief sought in the Application filed by Trakopolis concurrent herewith and returnable before this Honourable Court on January 9, 2020.

SWORN BEFORE ME at the City of
Calgary, in the Province of Alberta, this
31st day of December, 2019.



Commissioner for Oaths/Notary Public in
and for the Province of Alberta

RANDAL S. VAN de MOSSELAER
Barrister & Solicitor

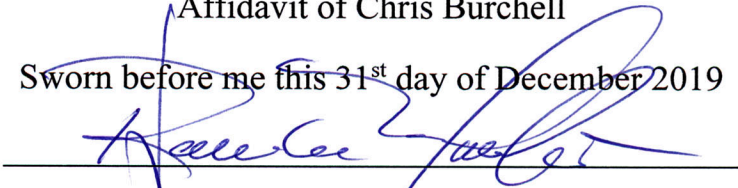


Chris Burchell

This is Exhibit "A" referred to in the

Affidavit of Chris Burchell

Sworn before me this 31st day of December 2019



Notary Public/Commissioner for Oaths in and for Alberta

RANDAL S. VAN de MOSSELAER
Barrister & Solicitor

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made as of the 20th day of December, 2019.

BETWEEN:

TRAKOPOLIS IoT CORP., a company incorporated under the laws of the Province of Alberta ("**IoT**"), and **TRAKOPOLIS SaaS CORP.**, a company incorporated under the laws of the Province of Alberta ("**SaaS**"),

(hereinafter collectively called "**Trakopolis**" or the "**Vendor**")

OF THE FIRST PART

- and -

1234600 B.C. LTD., a company incorporated under the laws of the Province of British Columbia,

(hereinafter called the "**Purchaser**")

OF THE SECOND PART

RECITALS:

WHEREAS

- A. The Vendor is subject to the Proposal Proceedings under the BIA; and
- B. The Vendor desires to sell the Purchased Assets and the Purchaser has agreed to purchase the Purchased Assets subject to the terms and conditions set forth in this Agreement and in accordance with the applicable provisions of the BIA,

NOW THEREFORE IN CONSIDERATION of the premises and the mutual agreements in this Agreement, and for other consideration (the receipt and sufficiency of which are acknowledged by each Party), the Parties agree as follows.

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement:

"Accounts Receivable" means all those accounts receivable, trade accounts receivable, notes receivable, book debts or other debts owing (whether or not invoiced or then due) to the Vendor as at the Closing Date (and specifically including any and all security or collateral for such items, including deposits received from customers of the Business) including but not limited to any amounts due or accruing due to the Vendor from any governmental and/or taxing authority including any tax credits receivable from the Receiver General of Canada, if applicable;

"Affiliate" means in respect of any Person any other Person who, directly or indirectly, controls, or is controlled by, or is under common control with, such Person, and for these purposes:

(a) a body corporate is controlled by one or more Persons if (i) securities of the body corporate to which are attached more than 50% of the votes that may be cast to elect directors of the body corporate are beneficially owned by the Person or Persons, and (ii) the votes attached to those securities are sufficient to elect a majority of the directors of the body corporate;

(b) an association, partnership or other organization is controlled by one or more Persons if (i) more than 50% of the partnership or other ownership interests, however designated, into which the association, partnership or other organization is divided are beneficially owned by the Person or Persons, and (ii) the Person or Persons are able to direct the business and affairs of the association, partnership or other organization or the appointment of its management;

(c) a body corporate, association, partnership or other organization is controlled by one or more Persons if the Person or Persons have, directly or indirectly, control in fact of the body corporate, association, partnership or other organization; and

(d) a body corporate, association, partnership or other organization that controls another body corporate, association, partnership or other organization is deemed to control any body corporate, association, partnership or other organization that is controlled or deemed to be controlled by the other body corporate, association, partnership or other organization;

and "control", "controlled" and similar expressions have corresponding meanings;

"Agreement" means this asset purchase agreement and all Schedules attached hereto, as amended from time to time in accordance with the terms hereof, and the terms "hereof" and "hereto" refer to this Agreement as a whole and references to "Section" and "subsection" mean the relevant section or subsection of this Agreement unless the context specifically indicates otherwise;

"Applicable Law" means any domestic or foreign statute, law (including the common law), ordinance, rule, regulation, restriction, regulatory policy or guideline, by-law (zoning or otherwise), or Order, or any consent, exemption, approval or License of any Governmental Authority, that applies in whole or in part to the Transaction, the Vendor, the Purchaser, the Business, the manner in which the Business is carried on or to any of the Purchased Assets;

"Approval and Vesting Order" means an order or orders of the Court in a form (or forms) substantially in accordance with Schedule B approving this Agreement, authorizing and approving the Transaction and ordering that all right, title and interest of the Vendor in the Purchased Assets be vested in the Purchaser free and clear of all Encumbrances other than any Permitted Encumbrances;

"Assignment Order" means an order or orders of the Court pursuant to applicable provisions of the BIA, in a form (or forms) and substance satisfactory to the Purchaser, acting reasonably, authorizing and approving (i) the assignment of any Consent Required Contracts for which a consent, approval or waiver necessary for the assignment of such Consent Required Contract has not been obtained, (ii) the prevention of any counterparty to such Consent Required Contracts from exercising any right or remedy under such Consent Required Contracts by reason of any defaults arising from the Proposal Proceedings or the insolvency of the Vendor, and (iii) the vesting in the Purchaser of all right, title and interest of the Vendor in such Consent Required Contracts;

"Assumed Contracts" means (i) all Contracts with customers of the Vendor, and (ii) those Contracts identified as "Assumed Contracts" in Appendix 5 of Schedule A, and for greater certainty, excludes Excluded Contracts;

"Authorization" means, with respect to any Person, any permit, approval, consent, licence or other authorization issued or granted by any Governmental Authority having jurisdiction over the Person.

"BIA" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, of Canada as the same may be amended from time to time;

"Business" means the business carried on by the Vendor, being a technology company that specializes in developing, marketing and delivering business intelligence to organizations that require the location, status and relevant data on corporate assets such as equipment, devices, vehicles and people through its proprietary platform "Trakopolis";

"Business Day" means a day other than a Saturday or Sunday, on which chartered banks are open for the transaction of domestic business in Calgary, Alberta and Dallas, Texas;

"Claims" means any claim of any nature or kind (including any cross-claim or counterclaim), action, demand, investigation, chose in or cause of action, suit, default, assessment, litigation, third party action, arbitral proceeding or proceeding by or before any Person, including rights to refunds and rights of recovery, set-off, recoupment, indemnity or contribution and other similar rights (known and unknown, matured and unmatured, accrued or contingent, regardless of whether such rights are currently exercisable);

"Closing" means the completion of the sale to, and purchase by the Purchaser of, the Purchased Assets in accordance with the terms of this Agreement;

"Closing Date" means the date on which Closing occurs and that is the Business Day after the date on which the Approval and Vesting Order has become a Final Order, unless the Purchaser has provided written consent that Closing occur despite the fact that the Approval and Vesting Order has not become a Final Order, or such earlier or later date as may be agreed by the Parties;

"Closing Document" means any document delivered at or subsequent to the Closing Date as provided in or pursuant to this Agreement;

"Closing Time" means 10:00 am (Calgary time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing shall take place;

"Computer Equipment" means all equipment and devices (including data processing hardware and related telecommunications equipment, media, materials, program documentation and tools);

"Consent Required Contracts" has the meaning set forth in Section 2.2;

"Contracts" means all contracts, agreements and entitlements to which the Vendor is a party in connection with the Purchased Assets and the Business, including for greater certainty, leases of real or personal property or equipment and any unfilled purchase orders;

"Court" means the Court of Queen's Bench of Alberta;

"Cure Costs" means the amounts to be paid to cure any monetary defaults of the Vendor in relation to the Consent Required Contracts to the extent required to be paid pursuant to Section 84.1 of the BIA and to otherwise satisfy the requirements of Section 84.1 of the BIA, which shall

in each case have been reasonably incurred by the Vendor and the quantum of which, having been determined by the Vendor, acting reasonably and in consultation with the Trustee, shall be acceptable to the Purchaser, acting reasonably;

"Disclosed Personal Information" has the meaning set forth in Section 9.16(a);

"Employee Plans" means any retirement, pension, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or other compensation plan or arrangement or other employee benefit which is maintained, or otherwise contributed to or required to be contributed to, by the Vendor relating to the Business or the Purchased Assets for the benefit of employees or former employees of the Vendor;

"Employees" mean all employees of the Vendor;

"Employment Legislation" means, any and all Laws applicable to employees, including the *Labour Relations Code* (Alberta), the *Alberta Human Rights Act*, the *Occupational Health and Safety Act* (Alberta), the *Employment Standards Code* (Alberta), the *Employment Pension Plans Act* (Alberta) and the *Workers' Compensation Act* (Alberta);

"Encumbrances" means any security interest, lien, claim, charge, hypothec, reservation of ownership, pledge, encumbrance, mortgage, adverse claim or right of a third party of any nature or kind whatsoever and any agreement, option or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing (including any conditional sale or title retention agreement, or any capital or financing lease);

"Equipment Leases" means equipment leases in favour of the Vendor as specifically listed in Appendix 1 of Schedule A;

"Equity Commitment Letter" means the equity commitment letter among the Purchaser, Vendor and Geoforce, Inc. dated the date hereof;

"Essential Contracts" means those Contracts identified as "Essential Contracts" in Appendix 6 of Schedule A;

"ETA" means the *Excise Tax Act* (Canada), as amended from time to time;

"Excluded Assets" means the following assets of the Vendor: (i) all cash on hand or on deposit with banks or other depositories at Closing; (ii) bank accounts of the Vendor; (iii) the Excluded Contracts; (iv) the shares of Trakopolis SaaS Corp. and the shares of Trakopolis USA Corp., both owned by Trakopolis IoT Corp.; (v) all rights of the Vendor and directors and officers under any insurance policies including any proceeds received or receivable; (vi) the benefit of the Vendors of any GST refunds for periods prior to Closing; and (vii) the assets listed on Schedule C;

"Excluded Contracts" means all the Contracts that (i) are listed in Schedule D; and (ii) are not Assumed Contracts, other than those Assumed Contracts that (A) are deemed to be an Excluded Contract pursuant to Section 2.2(a), or (B) become an Excluded Contract pursuant to Section 2.6;

"Final Order" means a final judgment or order of a court of competent jurisdiction from which no appeal may be taken;

"Fixed Assets" means all of the moveable property, leasehold improvements, machinery, equipment, Computer Equipment, furniture, furnishings, vehicles, accessories, spare parts, and all other fixed assets owned by the Vendor and currently located at the Premises, or elsewhere,

including those assets specifically listed in Appendix 2 of Schedule A (the "**Specified Fixed Assets**"), together with all operating manuals, maintenance logs, and equipment drawings and specifications in the possession of the Vendor relating thereto;

"**Goodwill**" means the goodwill of the Business, including the right to carry on the Business as successor to the Vendor and the use of all telephone numbers and facsimile numbers used by the Business, trade name and customer and supplier lists; including the right of the Purchaser to (i) represent itself as carrying on the Business in continuation of the Vendor, and (ii) use any words indicating that the Business is so carried on, including all of the Vendor's rights in the name "Trakopolis" or any variation of it, together with the rights, if any, in telephone and facsimile numbers, e-mail addresses and internet domain names used in connection with the Business;

"**Governmental Authority**" means any domestic or foreign government whether federal, provincial, state or municipal and any governmental agency, governmental authority, governmental tribunal or governmental commission of any kind whatever;

"**GST/HST Return**" means a return required pursuant to section 238 of the ETA;

"**including**" means "**including without limitation**" and the term "**including**" shall not be construed to limit any general statement which it follows to the specific or similar items or matters immediately following it;

"**Intellectual Property**" means all intellectual property of the Vendor used by or currently being developed for use in the Business, and all rights of the Vendor therein, including all claims for past infringement, worldwide and under any international conventions, whether registered or unregistered, in whatever form or medium (and includes any copies of such information), including:

- (a) all patents, patent applications and other patent rights, including any applications which may be filed, including any and all divisional patent applications, provisionals, continuations, continuations-in-part, and any and all patents which may issue or re-issue;
- (b) all registered and unregistered trade-marks, service marks, logos, slogans, corporate names, business names and other indicia of origin, and all applications and registrations therefor;
- (c) registered and unregistered copyrights and mask works, including all copyright in and to computer software programs and applications and registrations of such copyright;
- (d) internet domain names, applications and reservations for internet domain names, uniform resource locators and the corresponding internet sites;
- (e) industrial designs;
- (f) trade secrets and proprietary information not otherwise listed in (a) through (e) above, including all inventions (whether or not patentable), invention disclosures, moral and economic rights of authors and inventors (however denominated), confidential information, technical data, customer lists, corporate and business names, trade names, trade dress, brand names, know-how, mask works, circuit topography, formulae, methods (whether or not patentable), designs, processes, procedures, technology, business methods, source codes, object codes, Software, databases, data collections and other proprietary information or material of any type, and all derivatives, feedback, improvements and refinements thereof, howsoever recorded or unrecorded; and
- (g) all other intellectual property of the Vendor used to support the Business.

"Interim Period" means the period beginning on the date of this Agreement up to and including the Closing Date;

"Inventory" means all inventories of every kind and nature and wheresoever situate, of raw materials, work-in-progress, finished goods, goods in transit to be sold to customers, operating supplies and packaging materials of or relating to the Business, including the inventories listed in Appendix 3 of Schedule A;

"Key Employees" means the following employees: [REDACTED]

"Login Credentials" means the login credentials for any software or programs that form part of the Purchased Assets.

"License" means any license, permit, approval, right, privilege, concession or franchise in respect of the Business;

"Material Adverse Change" means any change in the Business, Purchased Assets, liabilities or financial condition of the Vendor which (i) materially and adversely impairs the Business or Purchased Assets or materially and adversely increases the Assumed Obligations, each taken as a whole, or (ii) materially adversely affects title to the Purchased Assets or the Vendor's ability to transfer the Purchased Assets to the Purchaser free and clear of any right, title or interest of the Vendor or of any other Claims and Encumbrances (other than any Permitted Encumbrances) in accordance with the Approval and Vesting Order but excluding, any such change that results from or arises out of (A) changes in general economic conditions (B) changes affecting the industries and markets in which the Business operates (except to the extent that such changes have a materially disproportionate effect on the Purchased Assets or the Business, in each case, taken as a whole, relative to other comparable companies and entities operating in the industries in which the Vendor operates), (C) changes in macroeconomic factors, interest rates, currency exchange rates or general financial or credit market conditions, (D) acts of God, war, terrorism, civil unrest or hostilities, (E) any change in law or its interpretation, administration or application or non-application by any Governmental Authority or in generally acceptable accounting principles, (F) any failure to meet any internal or publicly disclosed projections, forecasts, estimates or budgets of, or guidance relating to, revenue, cash flow, earnings or other financial metrics for any period, (G) any action taken (or omitted to be taken) by the Vendor that is permitted under this Agreement or consented to by the Purchaser, (H) any announcement of the transactions contemplated by this Agreement, (I) any change or development in respect of any Excluded Asset or any matter disclosed pursuant to the terms of this Agreement, or (J) the pendency of the Proposal Proceedings and any action approved by, or motion made before, the Court.

"Order" means any order, judgment, injunction, decree, award or writ of any court, tribunal, arbitrator, Governmental Authority, or other Person;

"Ordinary Course of Business" means the ordinary course of business of the Vendor with respect to the Purchased Assets or the Business consistent with (i) the past practice and custom of the Business on the date hereof, (ii) the Orders of the Court in the Proposal Proceedings, and (iii) the normal day-to-day operations of the Business;

"Outside Date" means January 24, 2020, unless extended by mutual agreement of the parties;

"PPSA" means the *Personal Property Security Act* (Alberta);

"Parties" means the Purchaser and the Vendor collectively, and **"Party"** means any one of them;

"Permitted Encumbrances" shall mean those encumbrances listed in Schedule E hereto, and any such additional Encumbrances as may be added to such Schedule E by the Purchaser at any time prior to the Closing Date;

"Person" or **"person"** shall be broadly interpreted and means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted;

"Personal Information" means information about an identifiable individual, but does not include business contact information when collected, used or disclosed for the purposes of contacting an individual in that individual's capacity as an employee or an official of an organization and for no other purpose;

"Premises" means the premises from which the Vendor carries on the Business as specifically listed in Appendix 4 to Schedule A;

"Privacy Laws" means any and all Laws relating to privacy and the collection, use and disclosure of Personal Information in all applicable jurisdictions, including the Personal Information Protection and Electronic Documents Act (Canada) and any and all comparable provincial legislation, including the Personal Information Protection Act (Alberta);

"Proposal Proceedings" means the proceedings under the BIA to which the Vendor is subject further to each Vendor's Notice of Intention to make a proposal to its creditors pursuant to section 50.4 of the BIA, filed on November 7 and 9, 2019;

"Purchase Price" has the meaning set forth in Section 2.7(a);

"Purchased Assets" means, subject to the terms hereof all of the Vendor's right, title and interest in and to all tangible and intangible assets, properties and rights of the Vendor, used in or required for ownership, operation or conduct of the Business, wherever located, including the those assets set forth on Schedule A, but excluding the Excluded Assets;

"Records" means all files, documents, instruments, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise), including tax and accounting books and records, used or intended for use by the Vendor or its subsidiaries, in connection with the ownership or operation of the Purchased Assets or the operation of the Business, including the Assumed Contracts, active and non-active customer lists, customer information and account records, sales records, invoices, service request documents, computer files, data processing records, employment and personnel records, sales literature, advertising and marketing data and records, credit records, records relating to suppliers and other data, in each case, relating to the Purchased Assets, and, for greater certainty, excluding the minute books and corporate and tax records of the Vendor and its subsidiaries;

"Rights of Action" means all claims, causes of action, and choses in action or the Vendor relating to the Business or the Purchased Assets, whether choate or inchoate, known or unknown, contingent or otherwise;

"Sales Taxes" means Canadian federal, provincial and territorial goods and services taxes, harmonized sales taxes, value-added taxes and retail sales taxes or other taxes of a similar nature and including taxes levied on, or measured by, or referred to as use, excise and stamp taxes, including, for greater certainty, taxes imposed pursuant to Part IX of the ETA and any corresponding provision of provincial law.

"Software" means any computer program, operating system, applications system, firmware or software of any nature, whether operational, under development or inactive including all object code, source code, comment code, algorithms, menu structures or arrangements, icons, operational instructions, scripts, commands, syntax, screen designs, reports, designs, concepts, technical manuals, test scripts, test programs, testing environments, user manuals and other documentation therefor, whether in machine-readable form, programming language or any other language or symbols, and whether stored, encoded, recorded or written on disk, tape, film, memory device, paper or other media of any nature and all data bases necessary or appropriate to operate any such computer program, operating system, applications system, firmware or software;

"Tax Act" means the *Income Tax Act* (Canada), as amended from time to time;

"Tax Authority" means the Canada Revenue Agency and any other Governmental Authority having taxing authority and their respective successors, if any;

"Taxes" includes any taxes, duties, assessments, imposts, fees, dues, withholdings, levies and other charges of any nature imposed by any Tax Authority and includes all interest, penalties, fines, additions to tax or other additional amounts imposed by any Tax Authority including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, withholding, business, property, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervailing and anti-dumping and all employment insurance, health insurance and Canada, Québec and other government pension plan and other employer plan premiums, contributions or withholdings and all other taxes and similar governmental charges of any kind imposed by any Governmental Authority;

"Transferred Employees" has the meaning set forth in Section 3.2(a);

"Transaction" means the transaction of purchase and sale contemplated pursuant to this Agreement;

"Trustee" means Alvarez & Marsal Canada Inc., in its capacity as the proposal trustee of the Vendor; and

"Trustee's Certificate" means the certificate of the Trustee certifying that the Trustee has received written confirmation in form and substance satisfactory to the Trustee from the Parties that all conditions of Closing have been satisfied or waived by the applicable Parties and that the Vendor has received the Purchase Price.

1.2 Statutes

Unless specified otherwise, reference in this Agreement to a statute refers to that statute as it may be amended or to any restated or successor legislation of comparable effect.

1.3 Headings

The division of this Agreement into articles, sections, subsections, schedules and appendices and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.4 Number and Gender

In this Agreement, words in the singular include the plural and vice-versa and words in one gender include all genders.

1.5 Currency

Unless specified otherwise, all statements of or references to dollar amounts in this Agreement are to United States dollars.

1.6 Schedules

The following Schedules and Exhibits form part of this Agreement:

Schedule A	Purchased Assets
Schedule B	Form of Approval and Vesting Order
Schedule C	Excluded Assets
Schedule D	Excluded Contracts
Schedule E	Permitted Encumbrances
Schedule F	Purchase Price Allocation
Exhibit 7.2.1(j)	Form of Non-Competition Agreement

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale of Purchased Assets

Subject to the terms and conditions hereof, the Vendor shall sell, assign and transfer to the Purchaser and the Purchaser shall purchase the Purchased Assets at the Closing Time free and clear of all Encumbrances (other than Permitted Encumbrances) pursuant to the Approval and Vesting Order.

2.2 Assignment of Contracts.

In the event that there are any Assumed Contracts which are not assignable in whole or in part without the consent, approval or waiver of another party or parties to them and that such Contracts are set out in Appendix 7 to Schedule A hereto) (each, a “**Consent Required Contract**”):

(a) then if any such consents, approvals or waivers or Assignment Orders therefor have not yet been obtained as of the Closing Date, then nothing in this Agreement will be construed as an assignment of any such Consent Required Contract and the Purchaser shall have no liability or obligation whatsoever in respect of any such Consent Required Contract and all such Consent Required Contracts shall be deemed to be Excluded Contracts;

(b) until the Business Day that is the day prior to the hearing for the Approval and Vesting Order is granted (the “**Assignment Option Date**”), the Vendor shall use commercially reasonable efforts to obtain any such consent, approval or waiver and shall regularly apprise the Purchaser on the status of same. The Purchaser shall provide its reasonable cooperation to assist the Vendor in obtaining any such consent, approval or waiver;

(c) if any consent, approval or waiver is not obtained for any Consent Required Contract prior to the Assignment Option Date, then, the Vendor shall obtain, concurrently with the Approval and Vesting Order, Assignment Order(s) with respect to such Consent Required Contracts and the Purchaser will provide reasonable assurances to the Court, in respect of such application for an Assignment Order, that the Purchaser will perform the applicable obligations of the Consent Required Contracts which are the subject of such Assignment Order including, without limitation, providing materials to be served and filed in connection with any motion pursuant to section 84.1 of the BIA;

(d) once the consent, approval or waiver to the assignment of a Consent Required Contract is obtained or the assignment of such Assumed Contract has been ordered by the Court pursuant to an Assignment Order, such Consent Required Contract shall be deemed to be assigned to the Purchaser on Closing;

(e) other than as described above in respect of Consent Required Contracts, the Vendor is not required to provide notice to counterparties of the assignment of other Assumed Contracts.

With respect to each Consent Required Contract, subject to Closing and to either (i) the consent of the other parties thereto to the assignment thereof, or (ii) in the absence of such consent, the obtaining of an Assignment Order, the applicable Cure Costs related to such Consent Required Contract on Closing shall be paid by the Vendor by directing the Purchaser to pay such Cure Costs out of the proceeds of the Cash Purchase Price otherwise payable to the Vendor hereunder.

2.3 “As is, Where is”

The Purchaser acknowledges that the Vendor is selling the Purchased Assets on an “as is, where is” basis as they shall exist at the Closing Time. No representation, warranty or condition is expressed or can be implied as to Encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality or in respect of any other matter or thing whatsoever concerning the Purchased Assets or the right of the Vendor to sell or assign same save and except as expressly represented or warranted herein. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act* (Alberta), or similar legislation do not apply hereto and have been waived by the Purchaser. The description of the Purchased Assets contained in the Schedules is for purpose of identification only. Except as expressly set out in this Agreement, no representation, warranty or condition has or will be given by the Vendor concerning completeness or accuracy of such descriptions. Notwithstanding the foregoing, the Vendor confirms that it shall be in possession of and shall deliver all Login Credentials to the Purchaser on the Closing Date.

2.4 Assumed Obligations

The Purchaser agrees to assume and perform, discharge and pay when due the following obligations and liabilities of the Vendor (the “**Assumed Obligations**”) after the Closing:

(a) all debts, liabilities and obligations under the Assumed Contracts (to the extent assigned or transferred to the Purchaser on Closing) for the period from and after the Closing Time, in each case, provided that such debts, obligations or liabilities are not arising from, due or attributable to (i) any default existing or breach (with or without the giving of notice, the lapse of time or both) by the Vendor occurring prior to or as a consequence of Closing; or (ii) any default, breach of violation of the Vendor of any term or condition of this Agreement; and

(b) any other obligations for which the Purchaser is expressly assumed pursuant to this Agreement, including with respect to Transferred Employees pursuant to Section 3.2 (Employee Liability).

2.5 Excluded Obligations

Other than the Assumed Obligations, the Purchaser shall not assume, pay, satisfy, discharge, perform or fulfill and shall not be liable, directly or indirectly, or otherwise responsible for any debts, liabilities or other obligations or Claims of the Vendor, including the foregoing:

- (a) all debts, liabilities and obligations of the Vendor or related to any Purchased Assets or the Business arising out of or related to the period prior to the Closing Time;
- (b) all obligations and liabilities owing by the Vendor pursuant to any Excluded Asset or Excluded Contract;
- (c) all obligations and liabilities owing by the Vendor to any Affiliate;
- (d) obligations or Claims under or relating to any Employee Plan including any obligation or liability to make any payment or payments for any Person as a result of the transactions contemplated hereby, whether or not such liability or obligation arises prior to, on or following the Closing Date;
- (e) relating to, resulting from or arising out of the employment or termination of any Employee of the Vendor prior to Closing or of any Employee who does not become a Transferred Employee;
- (f) all debts, liabilities and obligations for or related to any obligation for any Taxes of the Vendor;
- (g) all Taxes imposed on or relating to the Vendor or any of its directors, officers, Affiliates or related persons and all Taxes imposed on or relating to the Purchased Assets that are attributable to any pre-Closing tax period whether or not any such period ends on or before the Closing Date; and
- (h) all debts, liabilities and obligations of the Vendor arising under this Agreement, including, for certainty, all legal, accounting, broker or other professional fees, costs and expenses incurred by the Vendor in connection with the Proposal Proceedings and the transactions contemplated by this Agreement (including without limitation obtaining the Approval and Vesting Order and any Assignment Order).

2.6 Additions to Excluded Assets and Excluded Contracts

Notwithstanding any other provisions to the contrary in this Agreement, the Purchaser shall have the right, at any time prior to the grant of the Approval and Vesting Order to add to the list of assets and/or contracts and other written agreements listed in Schedule C and Schedule D (respectively) by notice in writing to the Vendor and the Trustee so that any asset or contract or other written agreement so added shall be an Excluded Asset or an Excluded Contract (as the case may be) and shall not be acquired, transferred or assigned to the Purchaser (as applicable) at Closing, without any adjustment to the Purchase Price.

2.7 Purchase Price

- (a) The purchase price payable by the Purchaser to the Vendor for the Purchased Assets shall be an amount equal to the aggregate of (i) the value of the Assumed Obligations, and (ii) [REDACTED] (the "**Cash Purchase Price**"), subject to any adjustment for Cure Costs pursuant to Section 2.2 (the "**Purchase Price**").

(b) The Vendor and the Purchaser agree to allocate the Purchase Price among the Purchased Assets and among SaaS and IoT in accordance with the provisions of Schedule F and to execute and file all tax returns and prepare all financial statements and other documents on the basis of such allocations as finalized.

2.8 Payment of Purchase Price

At the closing, the Purchaser shall pay the Cash Purchase Price to the Trustee. The Cash Purchase Price shall be delivered to the Vendor at Closing, by delivery of certified cheque or bank draft or by wire transfer.

2.9 Transfer Taxes

The Purchase Price is inclusive of all Sales Taxes payable by the Purchaser in connection with the purchase and sale of the Purchased Assets and all such Sales Taxes shall be the responsibility and are for the account of, and shall be paid by, the Vendor. The Vendor shall indemnify and hold harmless the Purchaser for any Sales Taxes to the extent payable, notwithstanding the making of the tax elections described in Section 2.10, plus and interest and penalties imposed in connection therewith except for the portion of such Sales Taxes that have been refunded or credited to the Purchaser. This preceding sentence shall survive Closing indefinitely.

2.10 Tax Elections

2.10.1 ETA Election

The Purchaser and SaaS shall, on or before the Closing Date, jointly prepare and execute an election, in the prescribed form and containing the prescribed information, to have section 167 of the ETA apply to the purchase and sale of the Purchased Assets sold by SaaS to the Purchaser so that no tax is payable under the ETA in respect of the purchase and sale of those Purchased Assets. The Purchaser shall file such election with the Canada Revenue Agency not later than the day on which the Purchaser is required to file its GST/HST Return for the next reporting period in which the Closing Date occurs. The Purchaser will provide the Vendor with a copy of such election together with a proof of its filing with the Canada Revenue Agency without due delay.

2.10.2 Income Tax Election

If applicable, the Purchaser and SaaS agree to elect jointly in the prescribed form under section 22 of the Tax Act as to the sale of those Accounts Receivable sold by SaaS to the Purchaser and to designate in such election an amount equal to the portion of the Purchase Price allocated to such assets pursuant to Section 2.7 as the consideration paid by the Purchaser therefor.

ARTICLE 3 EMPLOYEE MATTERS

3.1 Employee Matters

(a) The Purchaser shall offer employment, conditional on Closing and effective as of the Closing Time, to all of the Key Employees and to no less than [REDACTED] additional Employees. Not less than six (6) Business Days prior to Closing, the Purchaser shall provide the Vendor with a list of all Employees to whom it intends to make an offer of employment (collectively, the "Offered Employees"). The Purchaser shall make its conditional offer of employment to the Offered Employees no later than three (3) Business Days prior to the Closing Date. Each such offer will be on terms and conditions substantially similar in the aggregate, or better, to those existing immediately prior to the Closing Date with respect to salary, bonus and benefits, it being acknowledged and agreed that the Vendor shall deliver to the Purchaser a summary of all

material terms and conditions of the employment of each Employee. Each such offer shall further be conditional upon the Offered Employee resigning from employment with the Vendor and executing a release of liability for the period prior to the Closing Time in favour of the Vendor and the Purchaser and their respective Affiliates, in each case effective immediately prior to the Closing Time.

(b) The Vendor shall not attempt in any way to discourage any of the Offered Employees from accepting the offer of employment made by the Purchaser. All offered Employees who accept the Purchaser's offer of employment are "**Transferred Employees**".

(c) With respect to Transferred Employees, the Vendor shall be responsible for

- (i) all liabilities (whether accrued or not) for salary, wages, bonuses, commissions, vacation pay and other compensation relating to employment of all Transferred Employees, for the period prior to the Closing Time; and
- (ii) all liabilities for Claims for injury, disability, death, workers' compensation or other employment-related penalties or assessments arising from or related to the employment of the Transferred Employees arising prior to the Closing Time.

3.2 Employee Liability

The Purchaser shall be responsible only for:

- (a) all liabilities (whether accrued or not) for salary, wages, bonuses, commissions, vacation pay and other compensation relating to employment of all Transferred Employees for the period on and after the Closing Time;
- (b) all severance payments, damages for wrongful dismissal and all related costs in respect of the termination by the Purchaser of the employment of any Transferred Employee that arise after the Closing Time; and
- (c) all liabilities for Claims for injury, disability, death, workers' compensation or other employment-related penalties or assessments arising from or related to the employment of the Transferred Employees arising on or subsequent to the Closing Time.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of the Vendor

The Vendor represents and warrants as follows to the Purchaser, and acknowledges that the Purchaser is relying upon the representations and warranties in entering into this Agreement and performing its obligations hereunder.

- (a) The Vendor is not a non-resident of Canada within the meaning of the Tax Act..
- (b) The Vendor is a corporation incorporated, organized and existing under the laws of Alberta.
- (c) The Vendor has the requisite power and authority to conduct its business as now conducted and to own the Purchased Assets and is duly licensed or otherwise qualified to carry on the Business.

(d) Subject to obtaining the Approval and Vesting Order and, if applicable, the Assignment Orders, the Vendor has the requisite power, authority and capacity to enter into this Agreement and each of the Closing Documents to which it is or will be a party, and to complete the transactions contemplated hereunder and thereunder.

(e) This Agreement has been, and each Closing Document to which the Vendor is a party will on Closing be, duly executed and delivered by the Vendor, and this Agreement constitutes, and each Closing Document to which the Vendor is a party will, on Closing, constitute, a valid and binding obligation of the Vendor enforceable against the Vendor in accordance with its terms, subject to Court approval and subject to any limitation under Applicable Law relating to (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference 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.

(f) There are no outstanding options, agreements of purchase and sale or other agreements or commitments obligating the Vendor to sell any of the Purchased Assets other than this Agreement, other than pursuant to purchase orders for Inventory sold in the Ordinary Course of Business.

(g) SaaS is a registrant for purposes of the ETA and its registration number is 815662218RT0001. The sale of Purchased Assets by SaaS to the Purchaser constitutes the sale of a business (or part of a business) carried on by SaaS and the Purchaser is acquiring all or substantially all of the property that can reasonably be regarded as being necessary for the Purchaser to be capable of carrying on that business (or part) as a business.

(h) All of the Purchased Assets are, or as at the Closing Date will be, located in Alberta.

(i) All of the Essential Contracts are in full force and effect and have not been terminated, and the Vendor has not received, and has no knowledge of, any notice of termination of any Essential Contract.

(j) On the Closing Date, the Vendor shall be in possession of active and accurate Login Credentials and shall be able to transfer such Login Credentials to the Purchaser.

4.2 Representations and Warranties of the Purchaser

The Purchaser represents and warrants as follows to the Vendor, and acknowledges that the Vendor is relying upon the representations and warranties in entering into this Agreement and performing its obligations hereunder.

(a) The Purchaser is a corporation duly incorporated, organized, and validly existing under the laws of its jurisdiction of incorporation. No proceedings have been taken or authorized by the Purchaser or, to the best of the Purchaser's knowledge, by any other Person, with respect to the bankruptcy, insolvency, liquidation, dissolution or winding up of the Purchaser.

(b) The Purchaser has all necessary power and capacity to execute and deliver, and to observe and perform its covenants and obligations under, this Agreement and the Closing Documents to which it is a party. The Purchaser has taken all corporate action necessary to authorize the execution and delivery of, and the observance and performance of, its covenants and obligations under this Agreement and the Closing Documents to which it is or shall be a party.

(c) This Agreement has been, and each Closing Document to which the Purchaser is a party will on Closing be, duly executed and delivered by the Purchaser, and this Agreement constitutes,

and each Closing Document to which the Purchaser is a party will, on Closing, constitute, a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms, subject to any limitation under Applicable Law relating to (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference 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.

(d) On the Closing Date, the Purchaser will be a registrant for purposes of the ETA.

(e) To the best of the knowledge of the Purchaser, the election under section 167 of the ETA is available.

(f) The Purchaser is a "Canadian" or a "WTO Investor" within the meaning of the Investment Canada Act.

4.3 Interpretation

Each representation and warranty made by a Party in this Agreement shall be treated as a separate representation and warranty in respect of each statement made and the interpretation of any statement made shall not be restricted by reference to, or inference from, any other statement made in a representation and warranty of such Party.

4.4 Commission

Each Party represents and warrants to each other Party that no other Party will be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated hereby because of any action taken by, or agreement or understanding reached by, that Party.

ARTICLE 5 CONDITIONS PRECEDENT

5.1 Conditions Precedent in favour of the Purchaser

(a) The obligation of the Purchaser to complete the Transaction is subject to the following conditions being fulfilled or performed:

- (i) all representations and warranties of the Vendor contained in this Agreement shall be true in all material respects as of the Closing Time with the same effect as though made on and as of that date;
- (ii) the Vendor shall have performed in all material respects each of its obligations under this Agreement to the extent required to be performed at or before the Closing Time, including the delivery of each of the items required pursuant to Section 7.2.1, as applicable;
- (iii) the Purchaser shall have received at or before the Closing Time, duly executed copies of the documents listed in Section 7.2.1;
- (iv) the Purchaser shall have received the benefit of the Essential Contracts, whether through agreements, consents, approvals or waivers from the applicable counterparty required for the assignment of the Essential Contracts or, such Essential Contracts shall have been assigned pursuant to an Assignment Order subject to the payment of Cure Costs as contemplated in Section 2.2;

- (v) The Transferred Employees shall include the Key Employees;
- (vi) The Vendor shall have provided to the Purchaser, at least three (3) Business Days prior to the Closing Time, satisfactory evidence of (1) the Vendor's reasonable good faith estimate of customer subscription revenue (excluding for greater certainty hardware or other revenue) for the month of January 2020, less (2) the monthly subscription revenue from any subscription deactivations or contract terminations received between December 20, 2019 and three (3) Business Days prior to the Closing Time, plus (3) the monthly subscription revenue from any new subscriptions contracted between December 20, 2019 and three (3) Business Days prior to the Closing Time. The net of these three amounts shall be at least [REDACTED];
- (vii) The purchaser shall have received evidence satisfactory to it that Trakopolis USA Corp. has assigned all of its customer receivables as at the Closing Date to SaaS, and that such receivables are a Purchased Asset hereunder;
- (viii) There shall have been no Material Adverse Change between the date hereof and the Closing;
- (ix) the Purchaser shall have received all consents, approvals, Orders and Authorizations of any Person or Governmental Authority (or registrations, declarations, filings or recordings with any of them) required for the Closing (other than routine post-closing notifications or filings;
- (x) all stays of proceedings in effect in the Proposal Proceedings as at the date hereof shall have remained in effect as at the Closing Time except where any such stay is terminated or lifted or amended in a manner which is not prejudicial to the Purchaser or which does not adversely affect the Purchaser's rights under this Agreement or the Purchased Assets;

(b) The foregoing conditions are for the exclusive benefit of the Purchaser. Any condition in this Section 5.1 may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing. If any condition set out in Section 5.1 is not satisfied or performed on or prior to the Outside Date, the Purchaser may elect on written notice to the Vendor to terminate this Agreement.

5.2 Conditions Precedent in favour of the Vendor

- (a) The obligation of the Vendor to complete the Transaction is subject to the following conditions being fulfilled or performed:
 - (i) all representations and warranties of the Purchaser contained in this Agreement shall be true in all material respects as of the Closing Time with the same effect as though made on and as of that date;
 - (ii) the Purchaser shall have performed in all material respects each of its obligations under this Agreement to the extent required to be performed at or before the Closing Time, including the delivery of each of the items required pursuant to Section 7.2.2; and
 - (iii) the Vendor shall have received on or before the Closing Time, duly executed copies of the documents listed in Section 7.2.2, as applicable.

(b) The foregoing conditions are for the exclusive benefit of the Vendor. Any condition in this Section 5.2 may be waived by the Vendor in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part. Any such waiver shall be binding on the Vendor only if made in writing. If any condition set forth in Section 5.2 is not satisfied or performed on or prior to the Outside Date, the Vendor may elect on written notice to the Purchaser to terminate the Agreement.

5.3 Conditions Precedent in favour of both the Purchaser and Vendor

(a) The obligations of the Vendor and the Purchaser to complete the Transaction are subject to the following conditions being fulfilled or performed:

- (i) the Approval and Vesting Order shall have been obtained and shall have become a Final Order;
- (ii) no order shall have been issued by a Governmental Authority which restrains or prohibits the completion of the Transaction; and
- (iii) no motion, action or proceedings shall be pending by or before a Governmental Authority to restrain or prohibit the performance by a Party of its obligations under this Agreement or the completion of the Transaction contemplated by this Agreement.

(b) The Parties hereto acknowledge that the foregoing conditions are for the mutual benefit of the Vendor and the Purchaser. If the conditions set out in this Section 5.3 are not satisfied, performed or mutually waived on or before the Outside Date, any Party shall have the option to terminate this Agreement upon written notice to the other Party.

ARTICLE 6 COVENANTS

6.1 Conduct of Business

The Vendor covenants that during the Interim Period it will:

- (a) conduct the Business only in the Ordinary Course of Business, and not terminate the services of the present employees of the Business and maintain good relations with (and preserve the goodwill of) customers, manufacturers, suppliers, lessors and all other Persons having business relationships with the Vendor, all except to the extent required to comply with the Vendors' obligations under this Agreement, subject in all cases to any limitation or obligation imposed by being subject to the Proposal Proceedings or any Court order;
- (b) remain in possession of the Purchased Assets until Closing (other than the sale of Inventory in the Ordinary Course), use the Purchased Assets only in the Ordinary Course of Business and maintain, preserve and protect the Purchased Assets in the condition in which they exist on the date hereof, other than ordinary wear and tear and other than replacements, dispositions, modifications or maintenance in the Ordinary Course of Business;
- (c) not amend in any material respect or in a manner outside the Ordinary Course of Business any Assumed Contract or waive any material rights thereunder, or disclaim this Agreement or any Assumed Contract that is material to the Business without the consent of the Purchaser;

- (d) not (i) alter or promise to alter in any manner the compensation of, or enter into any new bonus or incentive agreement or arrangement with, any of its Employees, or (ii) pay or agree to pay any additional pension, retirement allowance or other employee benefit under any Employee Plan to any of their Employees, whether past or present, as regularly scheduled in amounts which are in accordance with existing policy of the Vendor;
- (e) make all deductions required by Applicable Law or by contract to be made from amounts paid to Employees and remit the amounts deducted, and all related employer contributions required, to the Governmental Authority entitled to receive payment of those amounts;
- (f) not terminate any Contract with an Employee or otherwise terminate the employment of any employee outside the Ordinary Course of Business other than as contemplated herein without the consent of Purchaser;
- (g) continue in force all insurance maintained by it in respect of the Business;
- (h) comply in all material respects with all Applicable Law of each jurisdiction in which the Business is carried on;
- (i) not enter into any material contract or arrangement in respect of any of the Purchased Assets other than in the Ordinary Course of Business; except, in each case, with the prior written consent of the Purchaser, such consent not to be unreasonably withheld, conditioned or delayed, or upon an order of the Court;
- (j) not take any action which would result in any Material Adverse Change; and
- (k) not directly or indirectly, through any representative or otherwise, including through the Trustee, solicit or entertain offers from, provide information to, negotiate with, or in any manner encourage, discuss, accept or consider, any proposal of any other person relating to the acquisition of the Business or the Vendor, whether through direct purchase, amalgamation or other business combination.

The Vendor covenants that it will provide prompt written notice to the Purchaser in the event of (A) any default or breach by the Vendor of the foregoing, (B) any termination of any Essential Contract, or receipt by or knowledge of the Vendor, of any notice of termination of any Essential Contract, (C) any termination or resignation by any Employee, or receipt by or knowledge of the Vendor, of any notice of termination or resignation by any Employees; and (D) any proposal regarding a competing transaction (or any inquiry from or contact with any Person with respect thereto), including the content of any such proposal and if in written form and not subject to confidentiality restrictions, the Vendor covenants that it will provide the Purchaser with a copy of such proposal.

6.2 Actions to Satisfy Closing Conditions

- (a) The Vendor agrees to 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 permit good title to the Purchased Assets to be duly transferred to the Purchaser at the Closing and ensure compliance with all of the conditions set forth in Section 5.1 and Section 5.3.
- (b) The Purchaser agrees to 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 5.2 and Section 5.3.

6.3 Funding by the Vendor

The Vendor covenants and agrees to allocate sufficient funding to the operation of the Business to ensure that the Goodwill of the business is maintained in relation to staff, key suppliers and collaborators, customers and prospective customers. It is understood and agreed in that regard that staff shall not be unpaid, nor will any key suppliers.

6.4 Access

The Vendor agrees to allow the Purchaser and the Purchaser's authorized representatives reasonable access during normal business hours to the Purchased Assets for the purpose of conducting the Purchaser's due diligence on at least twenty-four (24) hours advance notice to the Vendor and at any time prior to the Closing Date.

6.5 Non-Disclosure of Transaction

The Parties shall keep confidential and shall not disclose to any other Person the existence or terms of this Agreement or of the Transaction except with the prior written consent of the other Party, provided that the Vendor may disclose this Agreement to the Court, the Trustee and the Trustee's counsel, its legal and financial advisors, and to its secured creditors, and as otherwise may be required under the BIA, in connection with filing and obtaining the Approval and Vesting Order or any Assignment Order, or as otherwise may be required by the Court or Applicable Law; provided that, (i) in connection with the Approval and Vesting Order, the Vendor shall include in its motion materials a copy of this Agreement containing such redactions of commercially sensitive information, as shall be requested by the Purchaser, acting reasonably, and (ii) in connection with any other disclosure required by Applicable Law, the Vendor shall use its best efforts to give the Purchaser prior written notice and a reasonable opportunity to review or comment on the disclosure or filing (and request redactions for commercially sensitive information), and shall give reasonable consideration to any comments made by the Purchaser or its counsel.

6.6 Proposal Proceedings

(a) As promptly as practicable after execution of this Agreement, the Vendor shall: (i) file motions for the issuance of the Approval and Vesting Order and Assignment Orders; and (ii) serve such parties as the Purchaser requires for the motions seeking the issuance of the Approval and Vesting Order and Assignment Orders, and the Purchaser shall be satisfied with the timing of service of such motion.

(b) The Vendor shall ensure that all motion materials and forms of Assignment Orders and any proposed amendments to the Approval and Vesting Order, are provided in advance to the Purchaser for review and comment.

(c) The Vendor covenants to use commercially reasonable efforts to seek, under the terms of the Approval and Vesting Order, an order of the Court, sealing, until further order of the Court, the financial terms of this Agreement and of the Transaction.

6.7 Risk of Loss

Up to the time of the Closing, the Purchased Assets shall be and remain at the risk of the Vendor. If, prior to the time of the Closing, all or any material part of the Purchased Assets are materially destroyed or damaged by fire or any other casualty or shall be expropriated, the Purchaser shall have the option, exercisable by notice in writing given within two (2) Business Days of the Purchaser receiving notice in writing from the Vendor of such destruction, damage or expropriation (such notice to be given by the Vendor immediately upon the occurrence of any of the foregoing):

(a) to complete the purchase without reduction of the Purchase Price and all proceeds of insurance or compensation for expropriation shall be payable to the Purchaser and all right and claim of the Vendor or the Trustee to any such amounts not paid by the time of the Closing shall be assigned by the Vendor and the Trustee to the Purchaser; or

(b) of terminating this Agreement and not completing the purchase, in which case all obligations of the Purchaser and the Vendor hereunder shall terminate.

6.8 Records

(a) For a period of six years from the Closing Date or for such longer period as may be reasonably required for the Vendor to comply with Applicable Law, the Purchaser shall retain all Records that are transferred to the Purchaser under this Agreement. So long as any such Records are retained by the Purchaser pursuant to this Agreement and subject to Section 6.8(b), the Vendor (and any representative, agent, former director or officer or trustee in bankruptcy of the estate of the Vendor, including the Trustee) has 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.

(b) If the Vendor or its Affiliates are engaged in any business that competes, directly or indirectly, with the business carried on by Purchaser, then the Purchaser shall only be required to provide the right to inspect as contemplated in Section 6.8(a) to the Vendor if the sole purpose is of evaluating or preparing any of its tax returns, the sale of the remaining assets of the Vendor, in respect of any third party claim against such Person or in connection with any bankruptcy and insolvency proceeding.

ARTICLE 7 CLOSING

7.1 Time and Place of Closing

Subject to the conditions set out in this Agreement, the completion of the Transaction shall take place at the Closing Time at the offices of Norton Rose Fulbright Canada LLP, the solicitors of the Purchaser, Royal Bank Plaza, South Tower, Suite 3800, 200 Bay Street, Toronto, Ontario, or as otherwise determined by mutual agreement of the Parties in writing and the Parties shall exercise commercially reasonable efforts to cause Closing to occur at the Closing Time and, in any event, prior to the Outside Date.

7.2 The Closing

7.2.1 Vendor's Deliveries

At or before the Closing Time, the Vendor shall execute and deliver, or arrange for the delivery, as the case may be, to the Purchaser the following, each of which shall be in form and substance satisfactory to the Purchaser, acting reasonably:

- (a) the Purchased Assets, which shall be delivered *in situ* wherever located as of the Closing;
- (b) all Login Credentials;
- (c) a copy of the Approval and Vesting Order that has been issued and entered, and shall have become a Final Order;

- (d) a true and complete copy of any consents obtained by the Vendor pursuant to Section 2.2, and all Assignment Orders, if any;
- (e) the Trustee's Certificate;
- (f) a certificate dated as of the Closing Date confirming that all of the representations and warranties of the Vendor contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Vendor has performed in all respects the covenants to be performed by it prior to the Closing Time;
- (g) a bill of sale to convey, assign and transfer the Purchased Assets to the Purchaser;
- (h) such other necessary deeds, conveyances, assurances, transfers and assignments and any other instruments necessary to transfer the Purchased Assets to the Purchaser or to obtain, perfect, maintain, protect, and enforce the Purchaser's rights in the Purchased Assets;
- (i) the elections referred to in Section 2.10, executed by the Vendor; and
- (j) a confidentiality, non-solicitation and non-competition agreement between each of [REDACTED] and the Purchaser substantially in the form set out in Exhibit 7.2.1(j).

7.2.2 Purchaser's Deliveries

At or before the Closing Time, the Purchaser shall execute and deliver, or arrange for the delivery, as the case may be, to the Vendor the following, each of which shall be in form and substance satisfactory to the Vendor, acting reasonably:

- (a) payment of the Purchase Price in accordance with Article 2 ;
- (b) a resolution executed by the Board of Directors of the Purchaser approving and authorizing the execution of this Agreement and the performance by the Purchaser of its obligations hereunder;
- (c) a certificate dated as of the Closing Date confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true in all material respects as of the Closing Time, with the same effect as though made at and as of the Closing Time, and that the Purchaser has performed in all respects the covenants to be performed by it prior to the Closing Time; and
- (d) the elections referred to in Section 2.10, executed by the Purchaser.

ARTICLE 8 TRUSTEE

The Parties acknowledge and agree that the Trustee shall be entitled to deliver to the Purchaser, and file with the Court, the executed Trustee's Certificate without independent investigation by the Trustee, upon receiving written confirmation from both Parties (or the applicable Party's counsel) that all conditions of Closing in favour of such Party have been satisfied or waived, and the Trustee shall have no liability to the Parties or any other Person in connection therewith. The Parties further acknowledge and agree that (i) upon written confirmation from both Parties that all conditions of Closing in favour of such Party have been satisfied or waived (other than the payment of the Purchase Price contemplated in Section 2.8 and the delivery of the executed Trustee's Certificate), the Trustee may deliver the executed Trustee's Certificate to the Purchaser's counsel in escrow, with the sole condition of its release from escrow being the Trustee's written confirmation of receipt of the payment contemplated in Section 2.8 to

be delivered to it, and (ii) upon the Trustee's written confirmation that all such funds have been received, the Trustee's Certificate will be released from escrow to the Purchaser, and the Closing shall be deemed to have occurred. The Vendor and the Purchaser acknowledge and agree that the Trustee, acting in its capacity as Trustee of the Vendor, will have no liability, in its personal capacity or otherwise, in connection with this Agreement whatsoever as Trustee.

ARTICLE 9 GENERAL

9.1 Expenses

Each Party shall pay all expenses it incurs in authorizing, preparing, executing and performing any aspect of the Transaction contemplated by this Agreement, whether or not the Closing occurs, including all fees and expenses of its legal counsel, bankers, investment bankers, brokers, accountants or other representatives or consultants.

9.2 Time

Time is of the essence of each provision of this Agreement, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Vendor and the Purchaser.

9.3 Notices

Any notice, demand or other communication (in this Section, a "**notice**") required or permitted to be given or made hereunder shall be given in writing and addressed as follows:

(a) In the case of a notice to the Vendor, addressed to it at:

Trakopolis IoT Corp.
Suite 810, 940 6th Avenue SW
Calgary, Alberta
T2P 3T1

Attention: Chris Burchell
Fax: 403-450-7886
Email: burchell.chris@gmail.com

and with a further copy to its counsel at:

Osler Hoskin & Harcourt LLP
Suite 2500, TransCanada Tower
450-1st Street SW
Calgary, Alberta
T2P 5H1

Attention: Andrea Whyte
Fax: 403-260-7024
Email: awhyte@osler.com

(b) In the case of the Purchaser, addressed to it at:

1234600 B.C. Ltd.
5830 Granite Pkwy, Suite 1200
Plano, Texas 75024 USA

Attention: Vincent Hsieh
Tel.: 972.546.4181
Email: vhsieh@geoforce.com

and with a further copy to its counsel at:

Norton Rose Fulbright Canada LLP
222 Bay Street, Suite 3000,
P.O. Box 53, Toronto ON
M5K 1E7 Canada

Attention: Virginie Gauthier
Tel.: (416) 216-4853
Fax: (416) 216-3930
Email: virginie.gauthier@nortonrosefulbright.com

(c) In the case of the Trustee, addressed to it at:

Alvarez & Marsal Canada ULC
Bow Valley Square 4
Suite 1110, 250 6th Avenue SW
Calgary, AB T2P 3H7

Attention: Orest Konowalchuk
Fax: 403-538-4736
Email: okonowalchuk@alvarezandmarsal.com

and with a further copy to its counsel at:

Torys LLP
525-8th Avenue SW, 46th Floor
Eight Avenue Place East
Calgary, AB T2P 1G1

Attention: Kyle Kashuba
Fax: 403-776-3800
Email: kkashuba@torys.com

Any such notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the Business Day of such delivery and if sent by telecopier or other electronic communication with confirmation of transmission, shall be deemed to have been validly and effectively given and received on the Business Day next following the day it was received.

9.4 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 except with prior written consent and joint approval of the Vendor and Purchaser, or if required by Applicable Law or a Governmental Authority (including as required for the issuances of the Approval and

Vesting Order and any Assignment Orders) each Party shall use its commercially reasonable efforts to give the other prior written notice and a reasonable opportunity to review or comment on the disclosure or filing (and request redactions for commercially sensitive information), and shall give reasonable consideration to any comments made by the other Party or its counsel.

9.5 Survival

The representations and warranties of the Parties contained in this Agreement shall merge on Closing and the covenants of the Parties contained herein to be performed after the Closing shall survive Closing and remain in full force and effect.

9.6 Dispute Resolution

If any dispute arises with respect to any matter related to the Transaction or the interpretation or enforcement of this Agreement such dispute will be determined by the Court, or by such other Person or in such other manner as the Court may direct.

9.7 Name Change

The Vendor shall, and shall cause each of its Affiliates to, as soon as practicable after the Closing, but in no event later than 20 days after the Closing in respect of SaaS, change the corporate name of the Vendor and each of its Affiliates so as to bear no resemblance to the current name of the Vendor and until such corporate name is changed, the Vendor shall not carry on any business related or similar to the Business, or hold itself as carrying on any business related or similar to the Business, and except for the corporate name, shall not use the name or mark "Trakopolis" in any manner whatsoever.

9.8 Entire Agreement

This Agreement and the Equity Commitment Letter constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of or between the Parties.

9.9 Paramountcy

In the event of any conflict or inconsistency between the provisions of this Agreement, and any other agreement, document or instrument executed or delivered in connection with the transactions contemplated hereby, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

9.10 Amendment

This Agreement may only be amended, modified or supplemented by a written agreement signed by each Party.

9.11 Waiver of Rights

Any waiver of, or consent to depart from, the requirements of any provision of this Agreement shall be effective only if it is in writing and signed by the Party giving it, and only in the specific instance and for the specific purpose for which it has been given. No failure on the part of any Party to exercise, and no delay in exercising, any right under this Agreement shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

9.12 Governing Law

This Agreement shall be governed by, and interpreted and enforced in accordance with, the laws in force in Alberta (excluding any conflict of laws, rule or principle which might refer such interpretation to the laws of another jurisdiction). Each Party irrevocably submits to the exclusive jurisdiction of the Court with respect to any matter arising hereunder or related hereto. The parties exclude the application of the *UN Convention on Contracts for the International Sale of Goods*, as amended, replaced or re-enacted from time to time.

9.13 Termination

This Agreement may be terminated at any time prior to Closing as follows:

- (a) by the Purchaser or the Vendor, as applicable, in accordance with Section 5.1(b), Section 5.2(b) or section 5.3(b);
- (b) by the Purchaser or the Vendor upon permanent denial of the Approval and Vesting Order;

In the event of termination of this Agreement pursuant to Section 9.13, this Agreement shall become void and of no further force or effect without liability of any Party to any other Party to this Agreement except that (a) this Section 9.13 and Sections 9.1, 9.3, 9.6, 9.12, 9.16, 9.17 shall survive, (b) the confidentiality obligations under the confidentiality agreement between the Parties shall survive in accordance with the terms of the such agreement, and (c) no termination of this Agreement shall relieve any Party of any liability for any wilful breach by it of this Agreement.

9.14 Assignment

This Agreement may not be assigned by the Purchaser without the prior written consent of the Vendor; provided, however that the Purchaser shall be permitted to assign, without the prior written consent of the Vendor, the benefit of all or a portion of this Agreement prior to the issuance of the Approval and Vesting Order to an Affiliate thereof in circumstances where (i) prior notice of such assignment is provided to the Vendor, (ii) such assignee agrees to be bound by the terms of this Agreement to the extent of the assignment, and (iii) such assignment shall not release the Purchaser from any obligation or liability hereunder in favour of the Vendor, and the Purchaser shall acknowledge and confirm its continuing obligations and liabilities in favour of the Vendor in form and substance satisfactory to the Vendor. This Agreement may not be assigned by the Vendor without the prior written consent of the Purchaser.

9.15 Further Assurances

Each Party shall do such acts and shall execute such further documents, conveyances, deeds, assignments, transfers and the like, and will cause the doing of such acts and will cause the execution of such further documents as are within its power as any other Party may in writing at any time and from time to time reasonably request be done and or executed, in order to give full effect to the provisions of this Agreement and each Closing Document.

9.16 Remedies Cumulative

The rights and remedies of the Parties under this Agreement are cumulative and in addition to and not in substitution for any rights or remedies provided by Applicable Law. Any single or partial exercise by any Party hereto of any right or remedy for default or breach of any term, covenant or condition of this Agreement does not waive, alter, affect or prejudice any other right or remedy to which such Party may be lawfully entitled for the same default or breach.

9.17 Privacy Matters

(a) The Parties acknowledge that they are responsible for compliance at all times with Privacy Laws which govern the collection, use or disclosure of Personal Information disclosed to either Party pursuant to or in connection with this Agreement (the “**Disclosed Personal Information**”).

(b) Prior to the Closing Date, none of the Parties shall use or disclose the Disclosed Personal Information for any purposes other than those related to the performance of this Agreement. After Closing, a Party may only collect, use and disclose the Disclosed Personal Information for the purposes for which the Disclosed Personal Information was initially collected from or in respect of the individual to which such Disclosed Personal Information relates or for the completion of the transaction contemplated in this Agreement, unless (i) a Party shall have first notified such individual of such additional purpose, and where required by Law, obtained the consent of such individual to such additional purpose, or (ii) such use or disclosure is permitted or authorized by Law, without notice to, or consent from, such individual.

(c) Each Party acknowledges and confirms that the disclosure of the Disclosed Personal Information is necessary for the purposes of determining if the Parties shall proceed with the transactions contemplated in this Agreement, and that the Disclosed Personal Information relates solely to the carrying on of the Company's business or the completion of the transactions contemplated in this Agreement.

(d) Upon the expiry or termination of this Agreement, or otherwise upon the reasonable request of any Party, the other Parties shall forthwith cease all use of the Disclosed Personal Information collected by them in connection with this Agreement and will return to the requesting Party or, at the requesting Party's request, destroy in a secure manner, the Disclosed Personal Information (and any copies thereof) in their possession.

9.18 Third Party Beneficiaries

Nothing in this Agreement or in any Closing Document is intended expressly or by implication to, or shall, confer upon any Person other than the Parties, any rights or remedies of any kind.

9.19 Severability

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

9.20 Counterparts

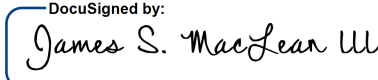
This Agreement may be executed in any number of counterparts. Each executed counterpart shall be deemed to be an original. All executed counterparts taken together shall constitute one agreement.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF this Agreement has been executed by the Parties on the _____ day of December, 2019.

PURCHASER

1234600 B.C. LTD.

DocuSigned by:

0F71576FAE7D4A6...

Per: _____

Name: James S. MacLean III

Title: President

Per: _____

Name:

Title:

VENDOR

TRAKOPOLIS IoT CORP.

Per: _____

Name: Chris Burchell

Title: Director

Per: _____

Name: Ritchie Clarke

Title: Chief Financial Officer

I/We have the authority to bind the corporation

VENDOR

TRAKOPOLIS SaaS CORP.

Per: _____

Name: Chris Burchell

Title: Director

Per: _____

Name: Ritchie Clarke

Title: Chief Financial Officer

I/We have the authority to bind the corporation

IN WITNESS WHEREOF this Agreement has been executed by the Parties on the ____ day of December, 2019.

PURCHASER

1234600 B.C. LTD.

Per: _____

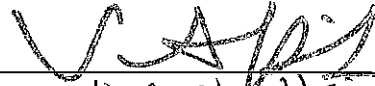
Name: _____

Title: _____

Per: _____

Name: _____

Title: _____


Name: Vincent Hsieh
Title: Secretary

VENDOR

TRAKOPOLIS IoT CORP.

Per: _____

Name: Chris Burchell

Title: Director

Per: _____

Name: Ritchie Clarke

Title: Chief Financial Officer

I/We have the authority to bind the corporation

VENDOR

TRAKOPOLIS SaaS CORP.

Per: _____

Name: Chris Burchell

Title: Director

Per: _____

Name: Ritchie Clarke

Title: Chief Financial Officer

I/We have the authority to bind the corporation

IN WITNESS WHEREOF this Agreement has been executed by the Parties on the ____ day of December, 2019.

PURCHASER

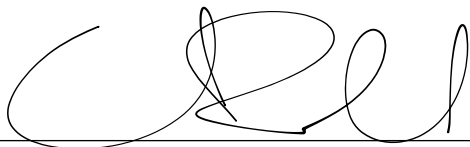
1234600 B.C. LTD.

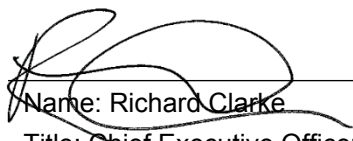
Per: _____
Name:
Title:

Per: _____
Name:
Title:

VENDOR


TRAKOPOLIS IoT CORP.

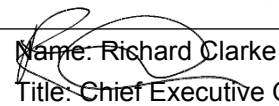
Per:  _____
Name: Chris Burchell
Title: Director

Per:  _____
Name: Richard Clarke
Title: Chief Executive Officer
I/We have the authority to bind the corporation

VENDOR

TRAKOPOLIS SaaS CORP.

Per:  _____
Name: Chris Burchell
Title: Director

Per:  _____
Name: Richard Clarke
Title: Chief Executive Officer
I/We have the authority to bind the corporation

Schedule A – Purchased Assets

All of the Vendor's rights, title and interest in and to:

- (a) all Accounts Receivable;
- (b) all Fixed Assets;
- (c) all Inventory and all supplies and packaging material used or consumed by the Business;
- (d) the benefit of the Assumed Contracts;
- (e) all Intellectual Property owned or licensed by the Vendor and used in or relating to the carrying on of the Business and any products, services or technology based on or using the Intellectual Property;
- (f) any leasehold interest of the Vendor in the Premises, together with the Vendor's interest in all fixtures and leasehold improvements located at the Premises;
- (g) all Rights of Action;
- (h) all Equipment Leases;
- (i) 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 (in each case, solely to the extent related to any of the Accounts Receivable and/or the Assumed Contracts);
- (j) to the extent transferable, all Authorizations issued to the Seller in connection with the Business or the use and ownership of the Purchased Assets;
- (k) all prepaid expenses and deposits relating to the Business or the Purchased Assets;
- (l) all Records; and
- (m) all Goodwill.

Appendix 1 to Schedule A – Equipment Leases

1. Equipment Rental Agreement between CAN Telematics Inc. and Roynat Inc. for Toshiba E-Studio 256 MFP;
2. Vehicle Record between Trakopolis SaaS Corp and Jim Pattison Lease Limited for a 2015 Jeep Grand Cherokee bearing VIN 1C4RJFBGXFC624428 dated May 2, 2019 related to a lease from September 1, 2016 to August 31, 2020; and
3. Vehicle Record between Trakopolis SaaS Corp and Jim Pattison Lease Limited for a Jeep Grand Cherokee bearing VIN 1C4RJFBG7GC373496 related to a lease from June 1, 2017 to May 31, 2022

Appendix 2 to Schedule A – Specified Fixed Assets

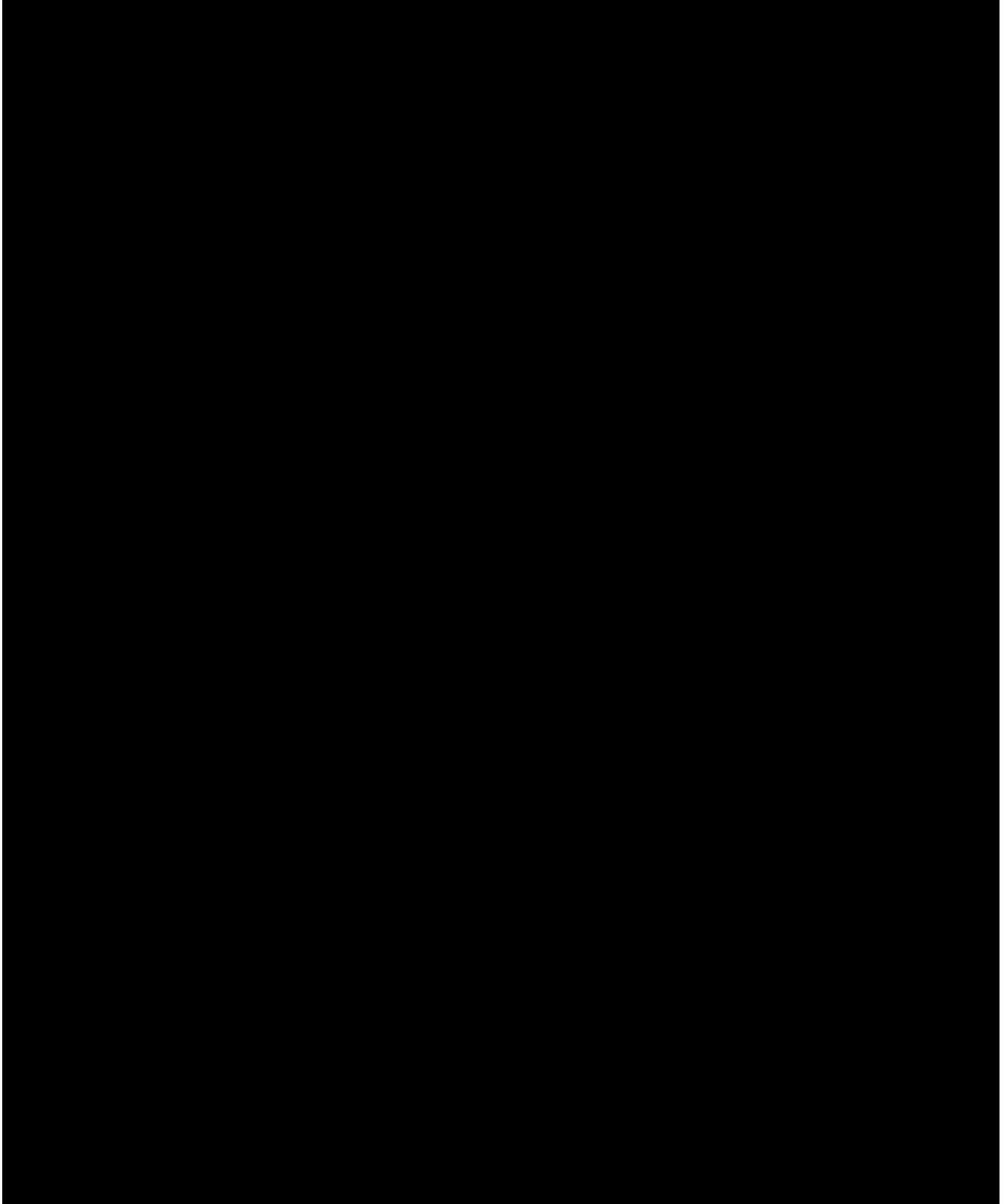
Appendix 3 to Schedule A – Inventory

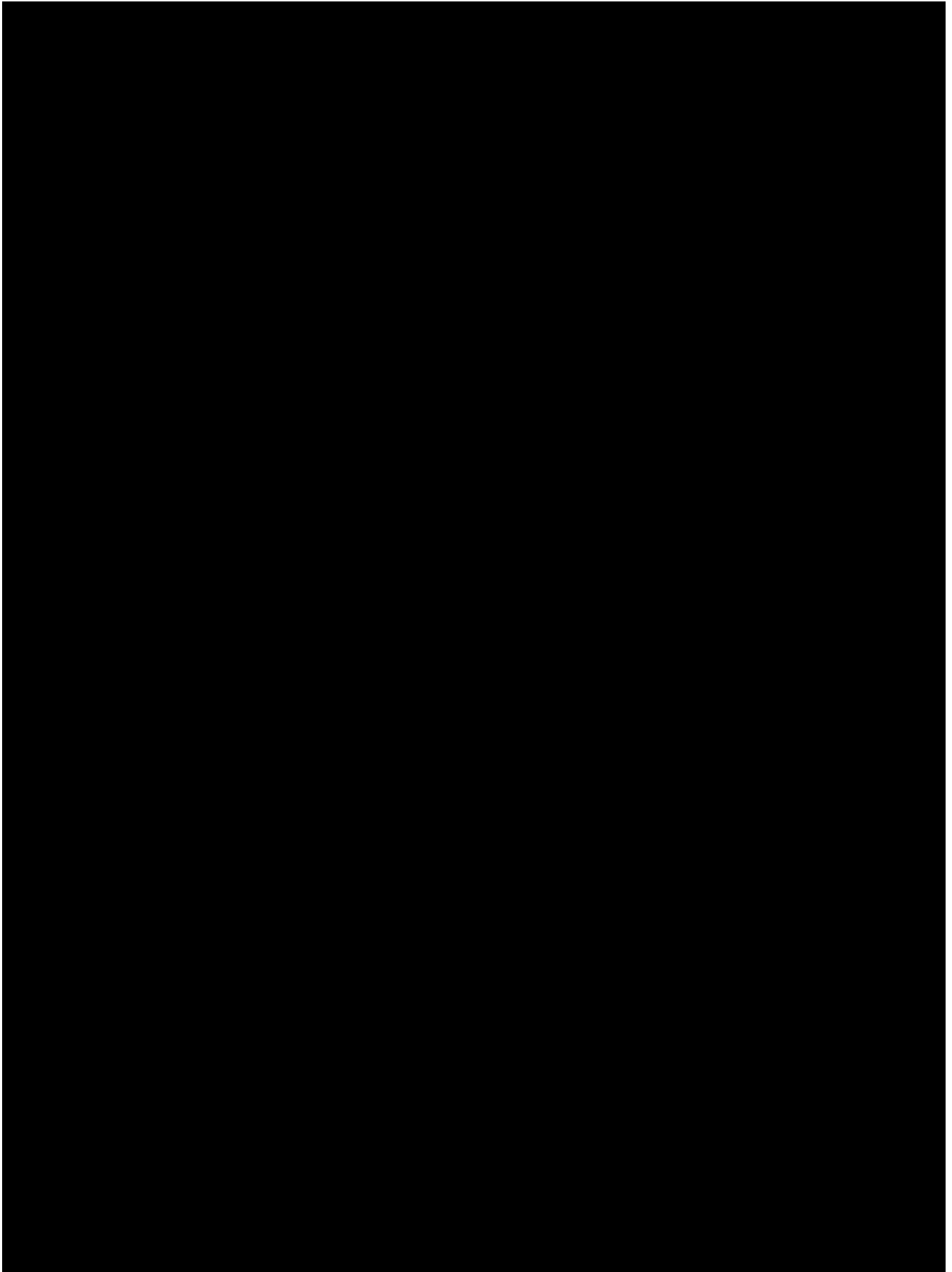
Appendix 4 to Schedule A – Premises

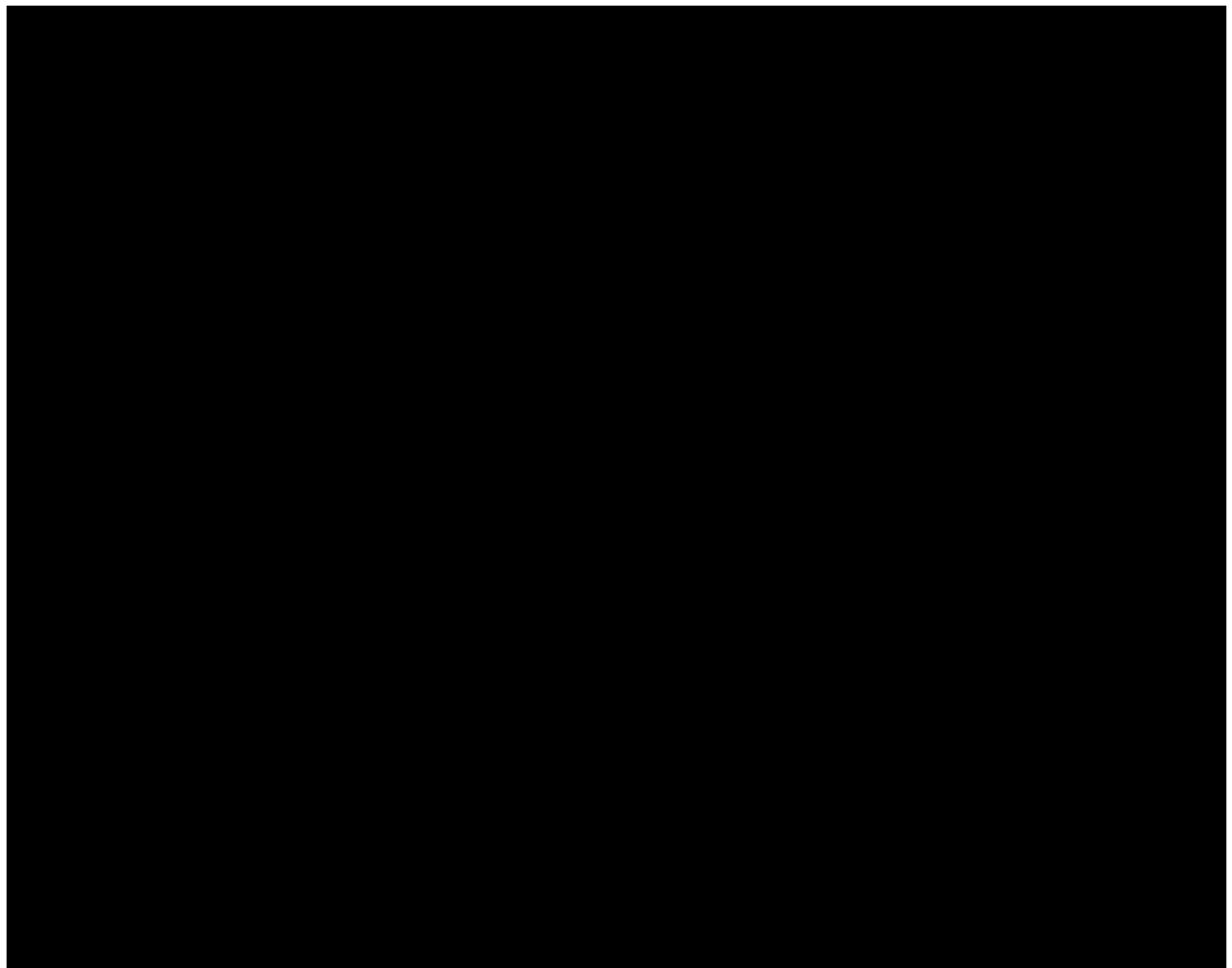
1. Suite 810, 940 – 6th Avenue SW, Calgary, Alberta

Appendix 5 to Schedule A – Assumed Contracts

A. The following contracts:

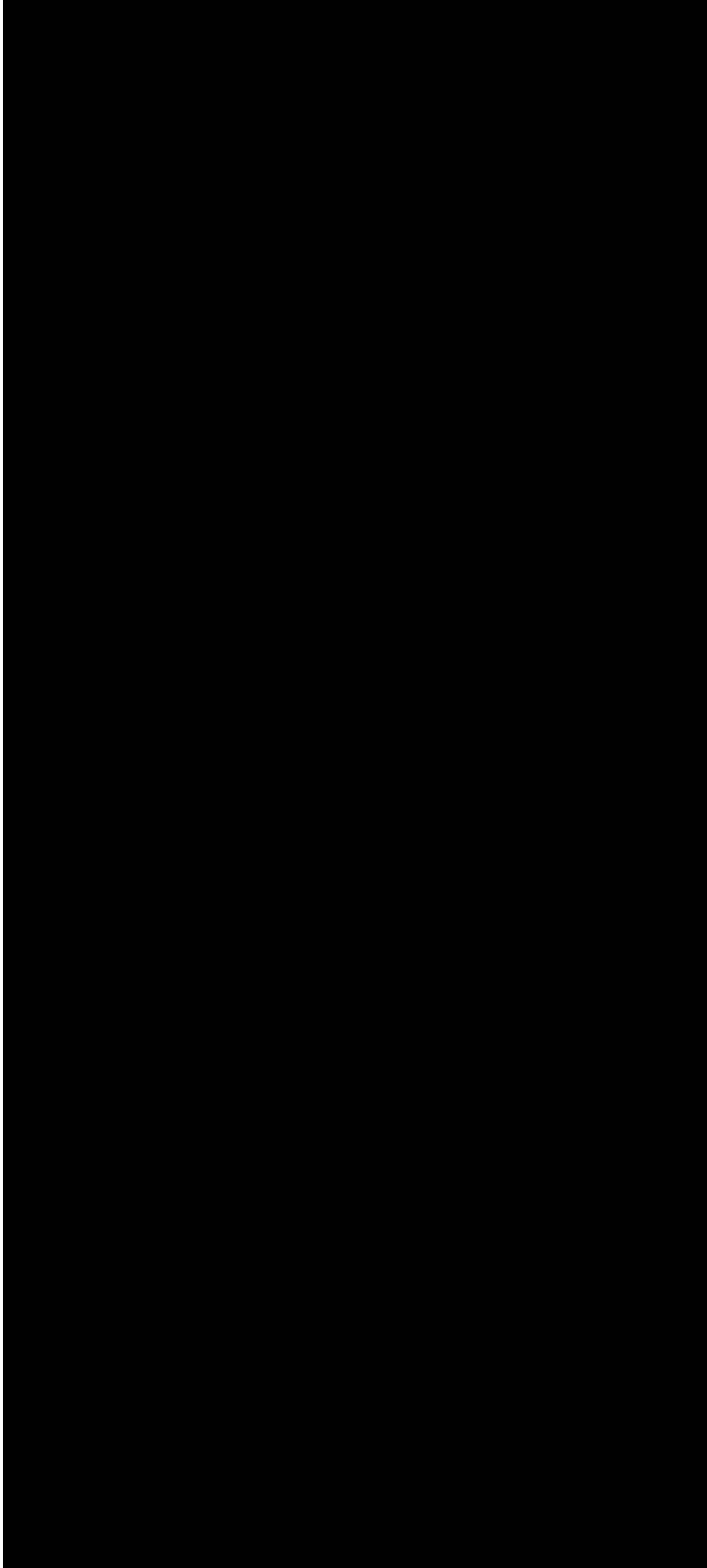


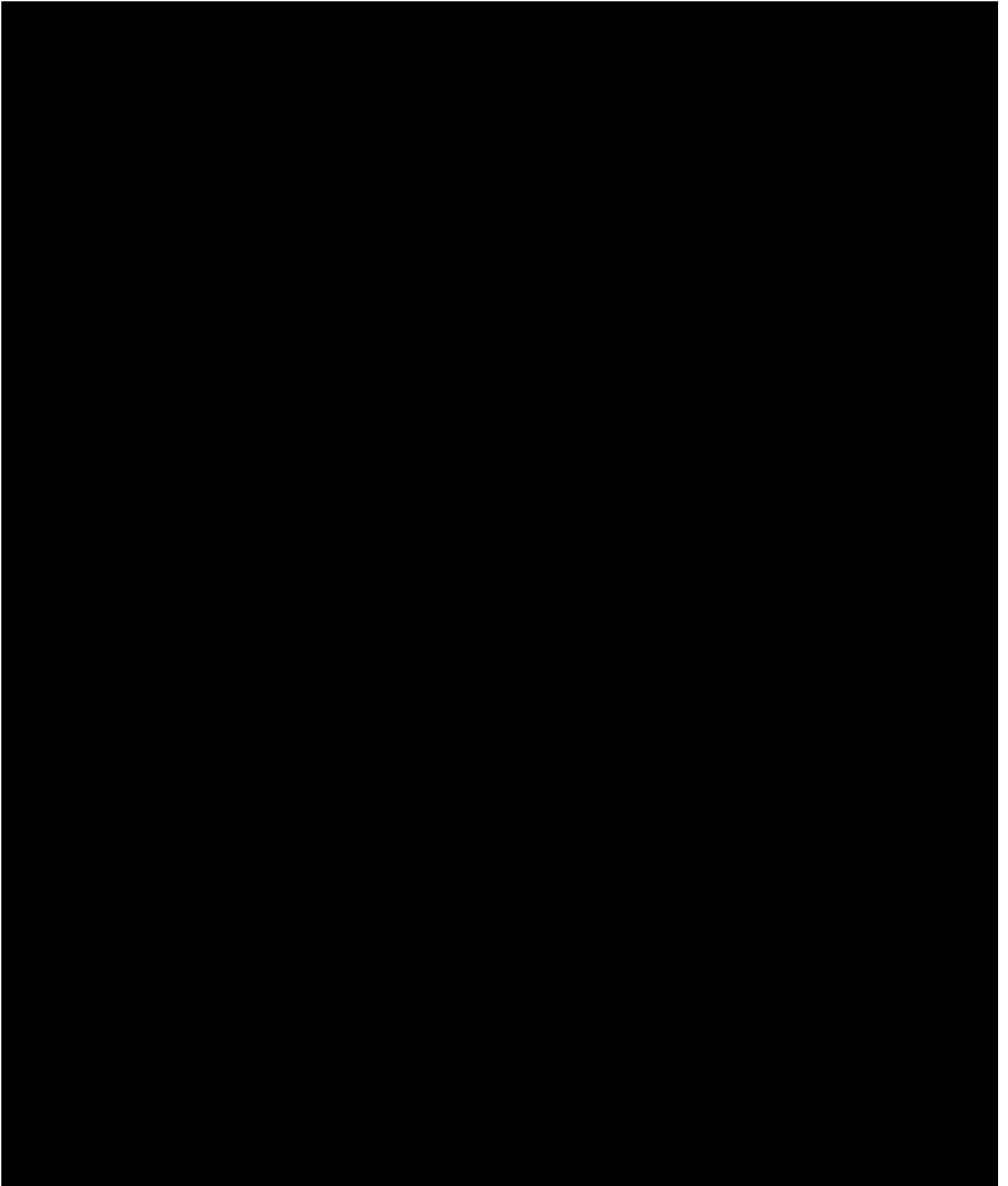


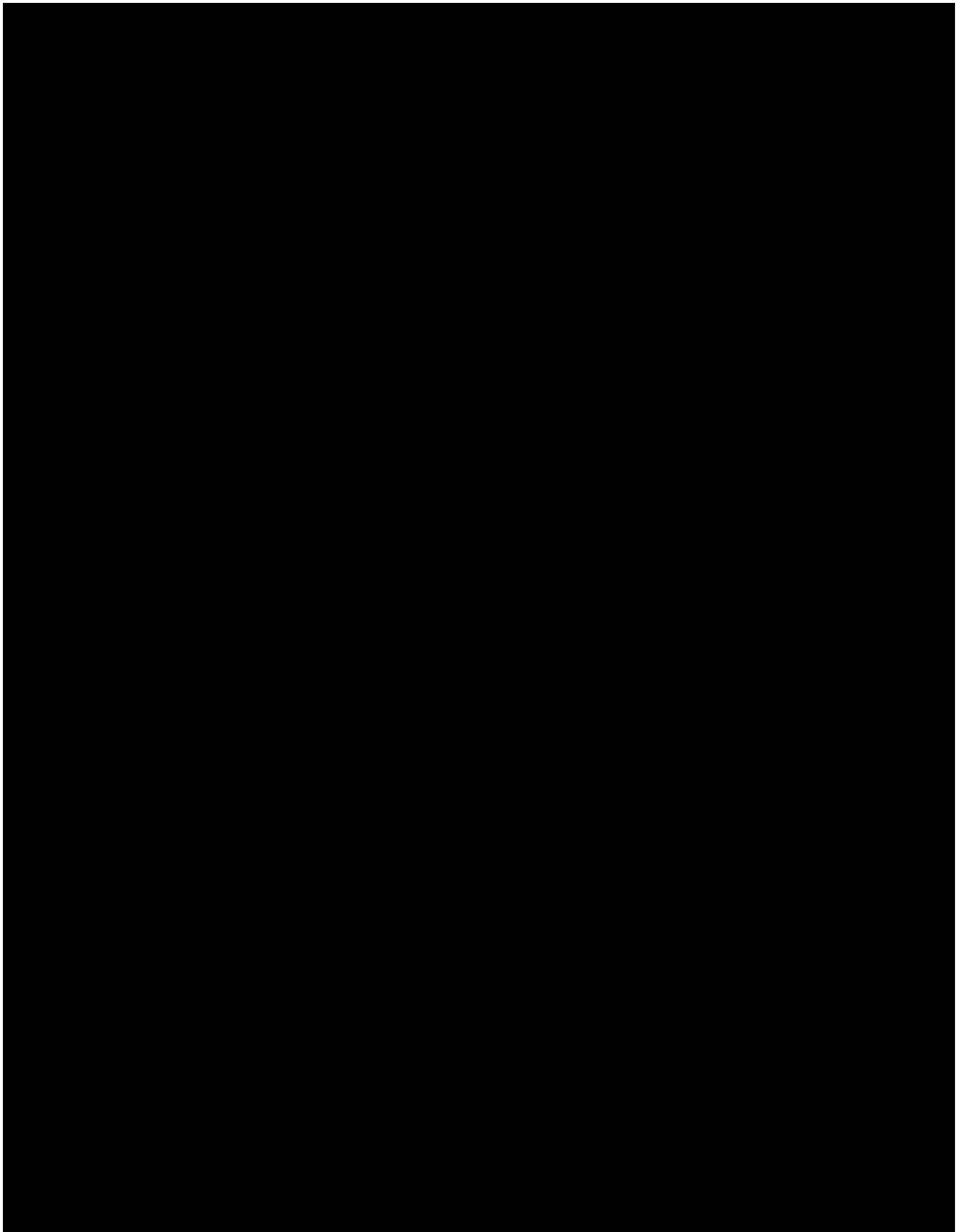


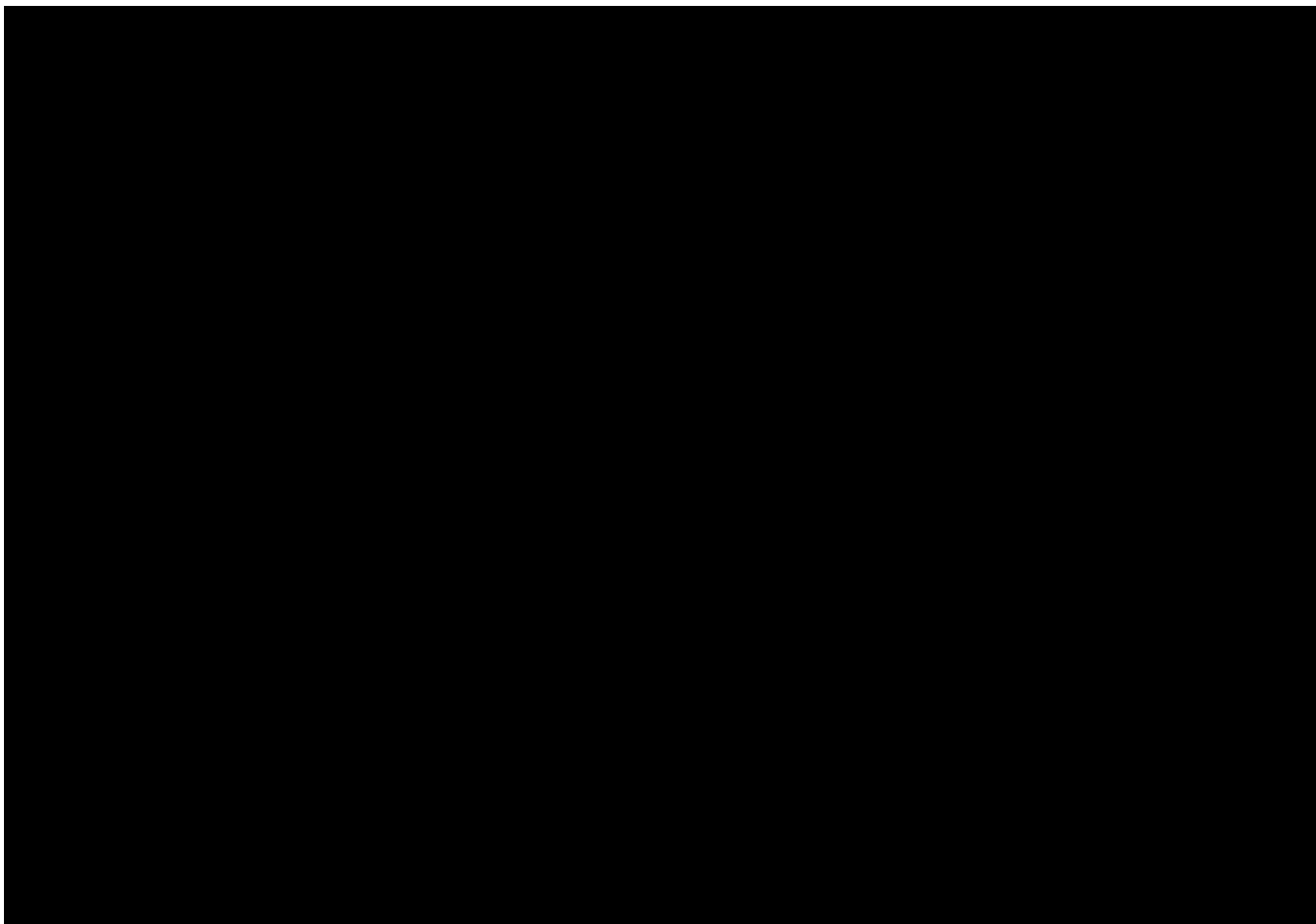
Appendix 6 to Schedule A – Essential Contracts

A. All contracts, agreements and purchase orders with the following customers:



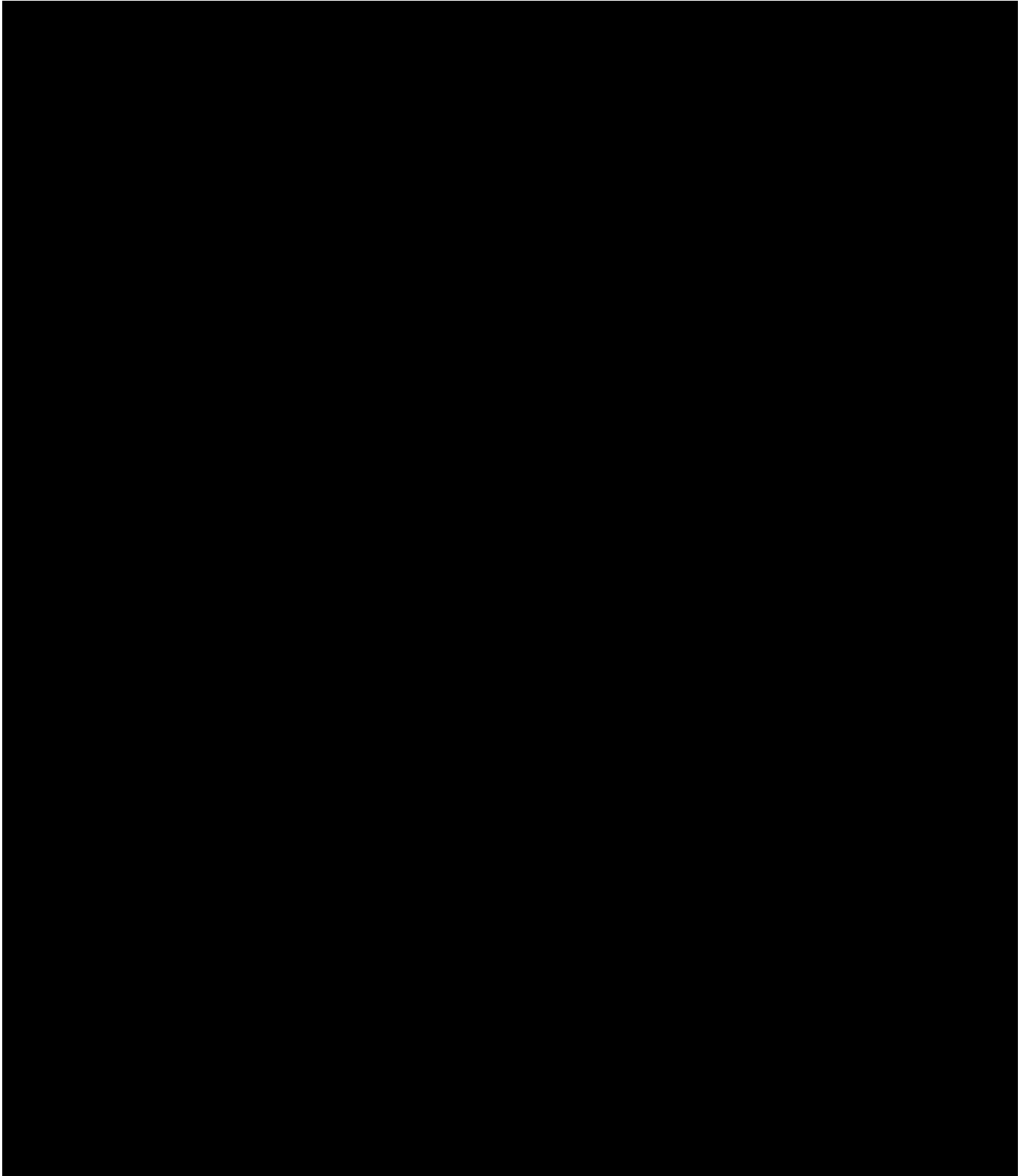






Appendix 7 to Schedule A – Consent Required Contracts

A. The following contracts:





Schedule B – FORM OF APPROVAL AND VESTING ORDER

(see attached)

COURT FILE NUMBER

25-2581252
25-2582159

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE BANKRUPTCY
AND INSOLVENCY ACT, R.S.C. 1985, c. B-
3, AS AMENDED

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
TRAKOPOLIS IoT CORP.

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
TRAKOPOLIS SaaS CORP.

APPLICANTS

TRAKOPOLIS IoT CORP. and
TRAKOPOLIS SaaS CORP.

DOCUMENT

APPROVAL AND VESTING ORDER

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF PARTY
FILING THIS DOCUMENT

Osler, Hoskin & Harcourt LLP
Suite 2500, TransCanada Tower
450 – 1st Street SW
Calgary, Alberta T2P 5H1

Solicitors: Randal Van de Mosselaer / Emily Paplawski
Phone: 403.260.7060 / 7071
Fax: 403.260.7024
Email: RVandemosselaer@osler.com / Epaplawski@osler.com
Matter: 1205888

DATE ON WHICH ORDER WAS PRONOUNCED: January 9, 2020

LOCATION WHERE ORDER WAS PRONOUNCED: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: Mr. Justice A. D. Macleod

UPON THE APPLICATION by Trakopolis IoT Corp. and Trakopolis SaaS Corp. (collectively the "**Vendor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an asset purchase agreement (the "**Sale Agreement**") between the Vendor and 1234600 B.C. Ltd. (the "**Purchaser**") dated December 20, 2019 and appended to the Confidential Affidavit of Chris Burchell sworn in the within proceedings on December [•], 2019 (the "**Sale Approval Affidavit**"), and vesting in

the Purchaser (or its nominee) the Vendors' right, title and interest in and to the Purchased Assets (as such term is defined in the Sale Agreement);

AND UPON HAVING READ the pleadings and proceedings herein, the Sale Approval Affidavit, the Affidavit of Chris Burchell sworn in the within proceedings on December [•], 2019, and the Report of Alvarez & Marsal Canada Inc. in its capacity as Proposal Trustee (the "**Proposal Trustee**") of the Vendor; **AND UPON HEARING** the submissions of counsel for the Vendor, the Purchaser, the Proposal Trustee, and no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

APPROVAL OF TRANSACTION

2. The Transaction is hereby approved and execution of the Sale Agreement by the Vendor is hereby authorized and approved, with such minor amendments as the Vendor and the Seller may agree to in writing (with the consent of the Proposal Trustee). The Vendor and the Proposal Trustee are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

VESTING OF PROPERTY

3. Upon delivery of a Proposal Trustee's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "**Proposal Trustee's Closing Certificate**"), all of the Seller's right, title and interest in and to the Purchased Assets shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Orders granted by the Honourable Justice A.D. Macleod in these proceedings, dated December 6 and 16, 2019, and any other charges hereafter granted by this Court in the NOI proceedings;
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta) or any other personal property registry system, including those listed in **Schedule "B"** hereto;
- (c) any liens or claims of lien under the *Builders' Lien Act* (Alberta); and
- (d) any notice of security interest registered at the Canadian Intellectual Property Office,

(all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in **Schedule "C"** hereto (collectively, "**Permitted Encumbrances**")), and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

4. Upon delivery of the Proposal Trustee's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Proposal Trustee's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing, the Registrar of the Alberta Personal Property Registry (the "**PPR Registrar**") shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Vendor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.
5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Proposal Trustee's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.

6. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (to be held in an interest bearing trust account by the Proposal Trustee) shall stand in the place and stead of the Purchased Assets from and after delivery of the Proposal Trustee's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from 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 that possession or control immediately prior to the sale.
7. Except as expressly provided for in the Sale Agreement or by section 5 of the *Alberta Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Vendor.
8. Upon completion of the Transaction, the Vendor and all persons who claim by, through or under the Vendor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).
9. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Vendor, or any person claiming by, through or against the Vendor.
10. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Vendor.
11. The Proposal Trustee is directed to file with the Court a copy of the Proposal Trustee's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).
12. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the *Alberta Personal Information Protection Act*, the Vendor is

authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Vendor's records pertaining to the Vendor's past and current employees. The Purchaser (or its nominee) 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) to which the Vendor was entitled.

MISCELLANEOUS MATTERS

13. Notwithstanding:
 - (a) the pendency of these proceedings and any declaration of insolvency made herein;
 - (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the "**BIA**"), in respect of the Vendor, and any bankruptcy order issued pursuant to any such applications;
 - (c) any assignment in bankruptcy made in respect of the Vendor; and
 - (d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser (or its nominee) pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Vendor and shall not be void or voidable by creditors of the Vendor, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA 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.

14. The Proposal Trustee, Vendor, Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.
15. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Vendor, Purchaser and/or Proposal Trustee and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Proposal Trustee, as an officer of the Court, and the Vendor and Purchaser as may be necessary or desirable to give effect to this Order or to assist the Proposal

Trustee, Vendor and Purchaser and their respective agents in carrying out the terms of this Order.

16. Service of this Order shall be deemed good and sufficient by:

(a) Serving the same on:

- (i) the persons listed on the service list created in these proceedings;
- (ii) any other person served with notice of the application for this Order;
- (iii) any other parties attending or represented at the application for this Order;
- (iv) the Purchaser or the Purchaser's solicitors; and

(b) Posting a copy of this Order on the Proposal Trustee's website at:
<https://www.alvarezandmarsal.com/trakopolis>

and service on any other person is hereby dispensed with.

17. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of Queen's Bench of Alberta

Schedule "A"

Form of Proposal Trustee's Certificate

COURT FILE NUMBER

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

JUDICIAL CENTRE

CALGARY

IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS
AMENDED

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
TRAKOPOLIS IoT CORP.

IN THE MATTER OF THE NOTICE OF
INTENTION TO MAKE A PROPOSAL OF
TRAKOPOLIS SaaS CORP.

Clerk's Stamp

DOCUMENT

PROPOSAL TRUSTEE'S CERTIFICATE

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Osler, Hoskin & Harcourt LLP
Suite 2500, TransCanada Tower
450 – 1st Street SW
Calgary, Alberta T2P 5H1

Solicitors: Randal Van de Mosselaer / Emily Paplawski
Phone: 403.260.7060 / 7071
Fax: 403.260.7024
Email: RVandemosselaer@osler.com /
Epaplawski@osler.com
Matter: 1205888

RECITALS

- A. Pursuant to Notices of Intention (collectively, "**NOI**") to Make a Proposal ("**Proposal**") pursuant to section 50.4(9) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 as amended ("**BIA**") filed by Trakopolis IoT Corp. and Trakopolis SaaS Corp. (collectively, the "**Vendor**") on November 7 and 9, 2019, respectively, and Alvarez & Marsal Canada Inc. having consented to act as trustee for the Proposal ("**Proposal Trustee**").

- B. Pursuant to an Order of the Court of Queen's Bench of Alberta (the "**Court**") dated January 9, 2020, the Court approved the agreement of purchase and sale dated December 20, 2019, (the "**Sale Agreement**") between the Vendor and 1234600 B.C. Ltd. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Vendor's right, title and interest in and to the Purchased Assets upon the delivery by the Proposal Trustee to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; and (ii) that the conditions to Closing as set out under the Sale Agreement have been satisfied or waived by the Vendor and the Purchaser, and (iii) the Transaction has been completed to the satisfaction of the Proposal Trustee.
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE PROPOSAL TRUSTEE CERTIFIES the following:

1. The Purchaser (or its nominee) has paid the Purchase Price for the Purchased Assets to the Proposal Trustee, and the Proposal Trustee has received the Purchase Price payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in sections 5.1, 5.2 and 5.3 of the Sale Agreement have been satisfied or waived by the Vendor and Purchaser (or its nominee); and
3. The Transaction has been completed to the satisfaction of the Proposal Trustee.

This Certificate was delivered by the Proposal Trustee at **[Time]** on January **[•]**, 2020.

**Alvarez & Marsal Canada Inc., in its capacity
as Proposal Trustee of Trakopolis IoT Corp.
and Trakopolis Saas Corp., and not in its
personal capacity.**

Per; _____
Name:

Title:

Schedule "B"

Encumbrances to be Vested Out

PERSONAL PROPERTY SECURITY REGISTRATIONS

TRAKOPOLIS IOT CORP

REGISTRATION 1: ESW HOLDINGS, INC.

Debtor(s) TRAKOPOLIS IOT CORP.

Secured Party ESW HOLDINGS, INC.

Registration No. 18110923254

CAN TELEMATICS

REGISTRATION 1: ROYNAT INC.

Debtor(s) CAN TELEMATICS INC.
VERNON MOORE

Secured Party ROYNAT INC.

Registration No. 12021505052 (registration renewed by registration no. 14091030211)

REGISTRATION 2: ROYNAT INC.

Debtor(s) CAN TELEMATICS INC.

Secured Party ROYNAT INC.

Registration No. 14090916301

REGISTRATION 3: ROYNAT INC.

Debtor(s) CAN TELEMATICS INC.

Secured Party ROYNAT INC.

Registration No. 15050406285

REGISTRATION 4: ROYAL BANK OF CANADA

Debtor(s) CAN TELEMATICS INC.

Secured Party ROYAL BANK OF CANADA

Registration No. 16071436212

REGISTRATION 5: JIM PATTISON INDUSTRIES LTD.

Debtor(s) CAN TELEMATICS

Secured Party JIM PATTISON INDUSTRIES LTD.

Registration No. 16081222466 (secured party amended by registration no. 17061908779)

REGISTRATION 6: JIM PATTISON INDUSTRIES LTD.

Debtor(s) CAN TELEMATICS

Secured Party JIM PATTISON INDUSTRIES LTD.

Registration No. 16082526768 (secured party amended by registration no. 17061912715)

REGISTRATION 7: JIM PATTISON INDUSTRIES LTD.

Debtor(s) CAN TELEMATICS INC.

Secured Party JIM PATTISON INDUSTRIES LTD.

Registration No. 16111529031 (secured party amended by registration no. 17062024423)

REGISTRATION 8: NATIONAL NEON DISPLAYS LTD.			
Debtor(s)	CAN BRENT MOORE	TELEMATICS	INC.
Secured Party	NATIONAL NEON DISPLAYS LTD.		
Registration No.	17010440184		

TRAKOPOLIS SAAS CORP.	
REGISTRATION 1: DELL FINANCIAL SERVICES CANADA LIMITED	
Debtor(s)	TRAKOPOLIS SAAS CORP.
Secured Party	DELL FINANCIAL SERVICES CANADA LIMITED
Registration No.	17041022971
REGISTRATION 2: DELL FINANCIAL SERVICES CANADA LIMITED	
Debtor(s)	TRAKOPOLIS SAAS CORP.
Secured Party	DELL FINANCIAL SERVICES CANADA LIMITED
Registration No.	17113021375
REGISTRATION 3: MERIDIAN ONECAP CREDIT CORP.	
Debtor(s)	TRAKOPOLIS SAAS CORP.
Secured Party	MERIDIAN ONECAP CREDIT CORP.
Registration No.	18011605286
REGISTRATION 4: ESW HOLDINGS, INC.	
Debtor(s)	TRAKOPOLIS SAAS CORP.
Secured Party	ESW HOLDINGS, INC.
Registration No.	18110923482

Schedule "C"

Permitted Encumbrances

PERSONAL PROPERTY SECURITY REGISTRATIONS	
TRAKOPOLIS SAAS CORP.	
REGISTRATION 1: JIM PATTISON INDUSTRIES LTD.	
Debtor(s)	TRAKOPOLIS SAAS CORP.
Secured Party	JIM PATTISON INDUSTRIES LTD.
Registration No.	17051911559 (secured party amended by registration no. 17062242268)

Schedule C – Excluded Assets

To be finalized in accordance with Section 2.6.

Schedule D – Excluded Contracts

- 1 Contract, agreement or purchase order with Stryder Motorfreight Canada Ltd., if any
- 2 Other Excluded Contracts, if any, to be added in accordance with Section 2.6.

Schedule E – Permitted Encumbrances

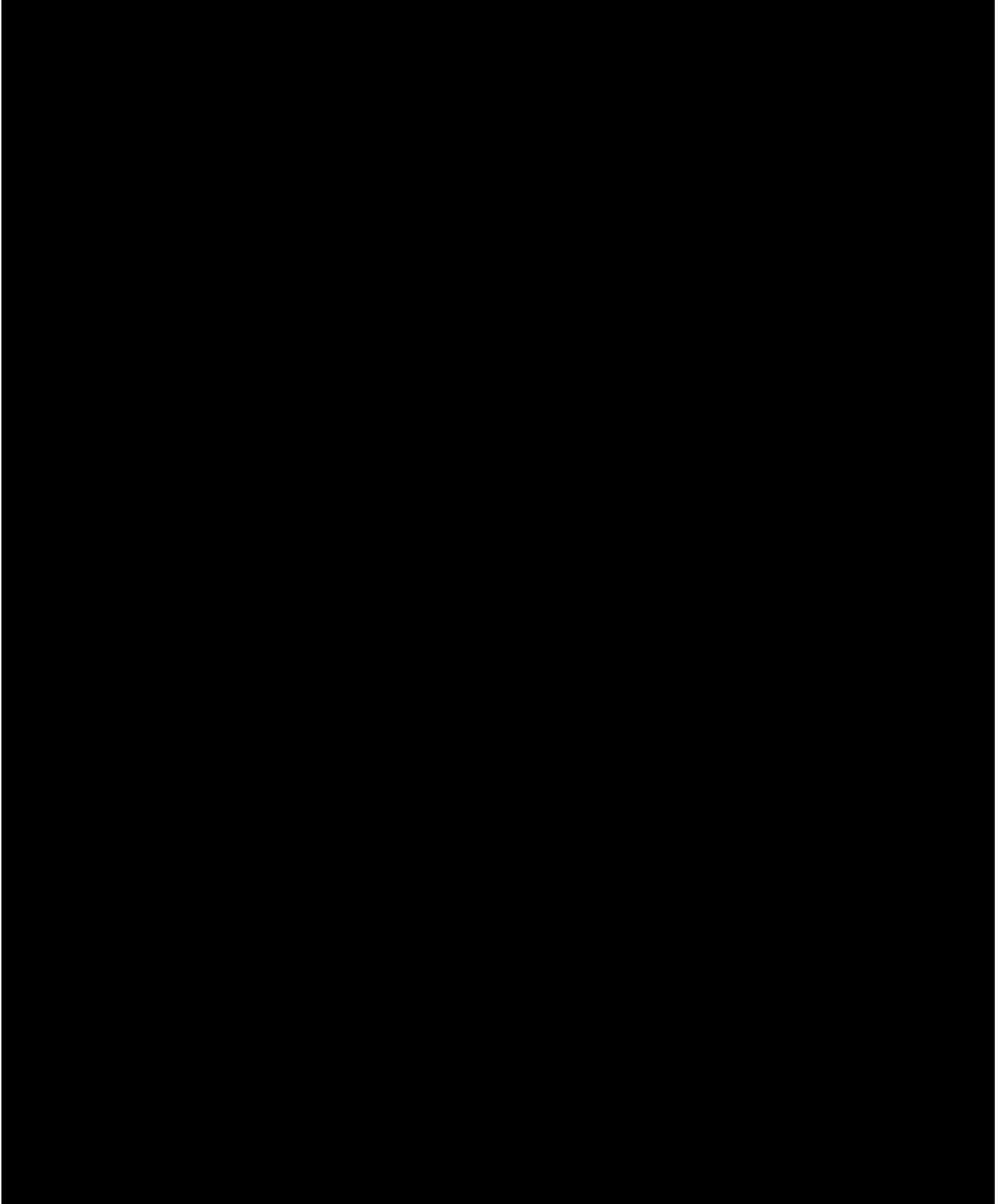
- 1 Personal property security registrations in respect of equipment lease agreements that are Assumed Contracts but only to the extent (i) properly perfected at the date of this Agreement, and (ii) that such Assumed Contracts are assigned or transferred to the Purchaser on Closing.

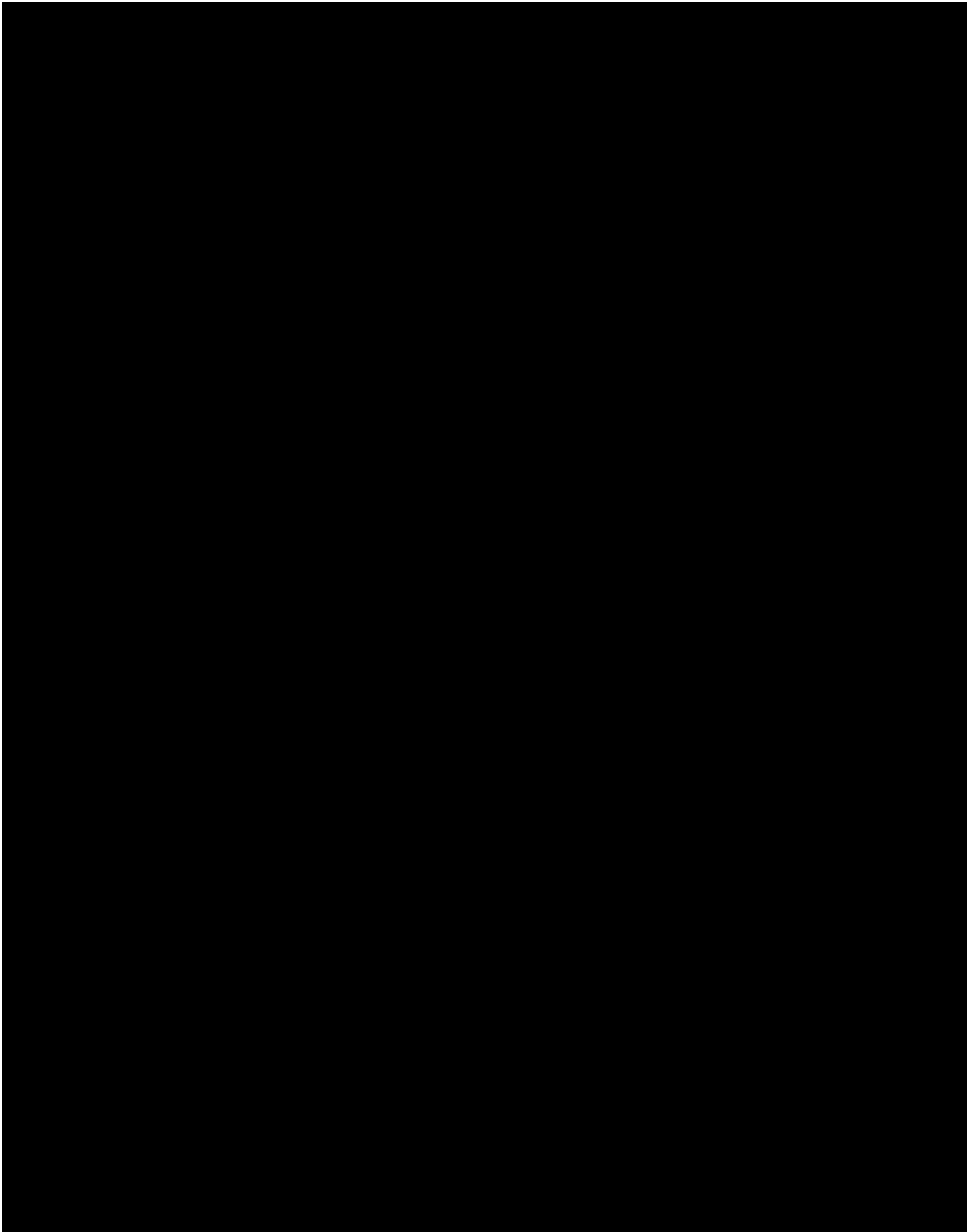
Schedule F – Purchase Price Allocation

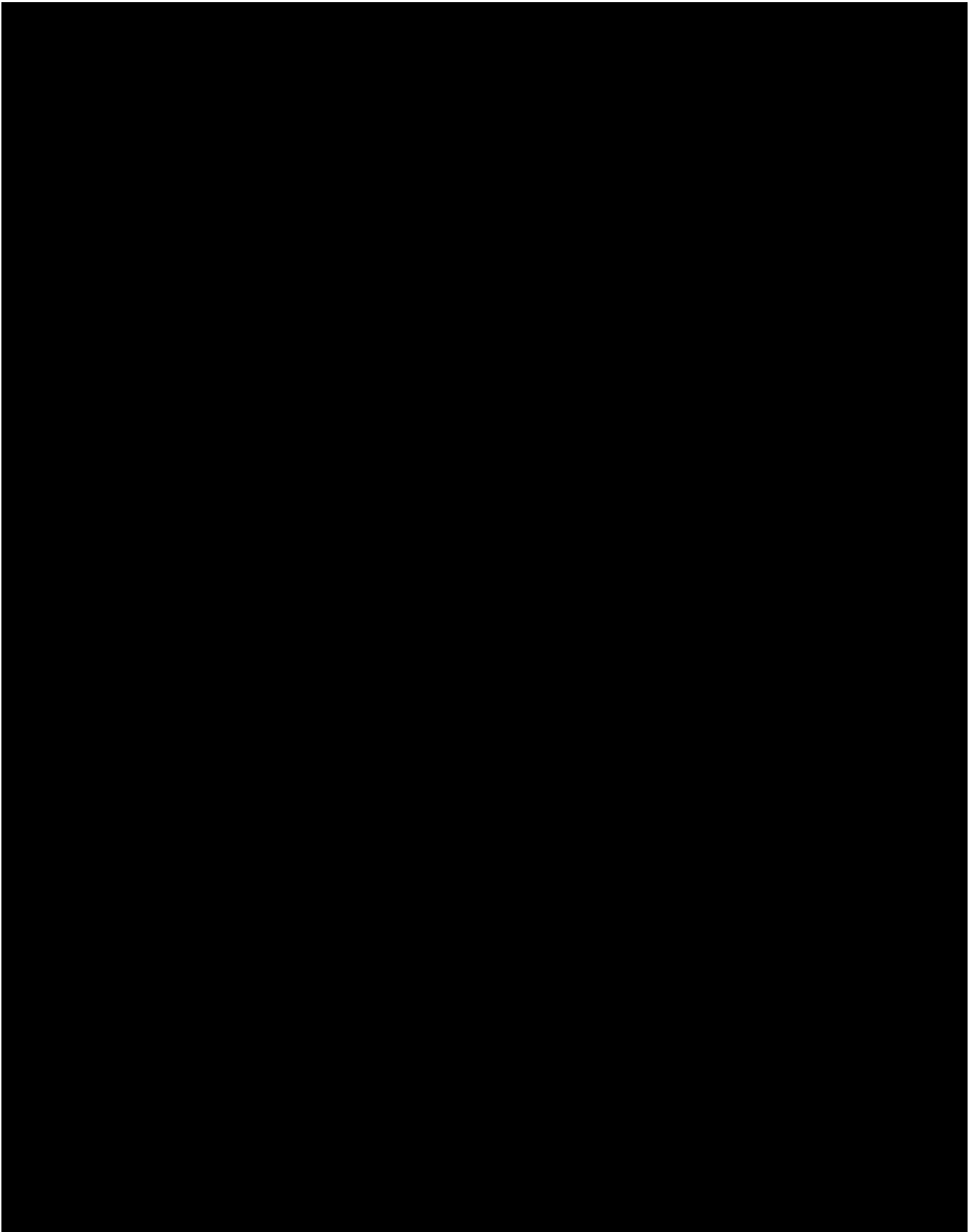
Purchased Assets to be set out for each of IoT and SaaS:

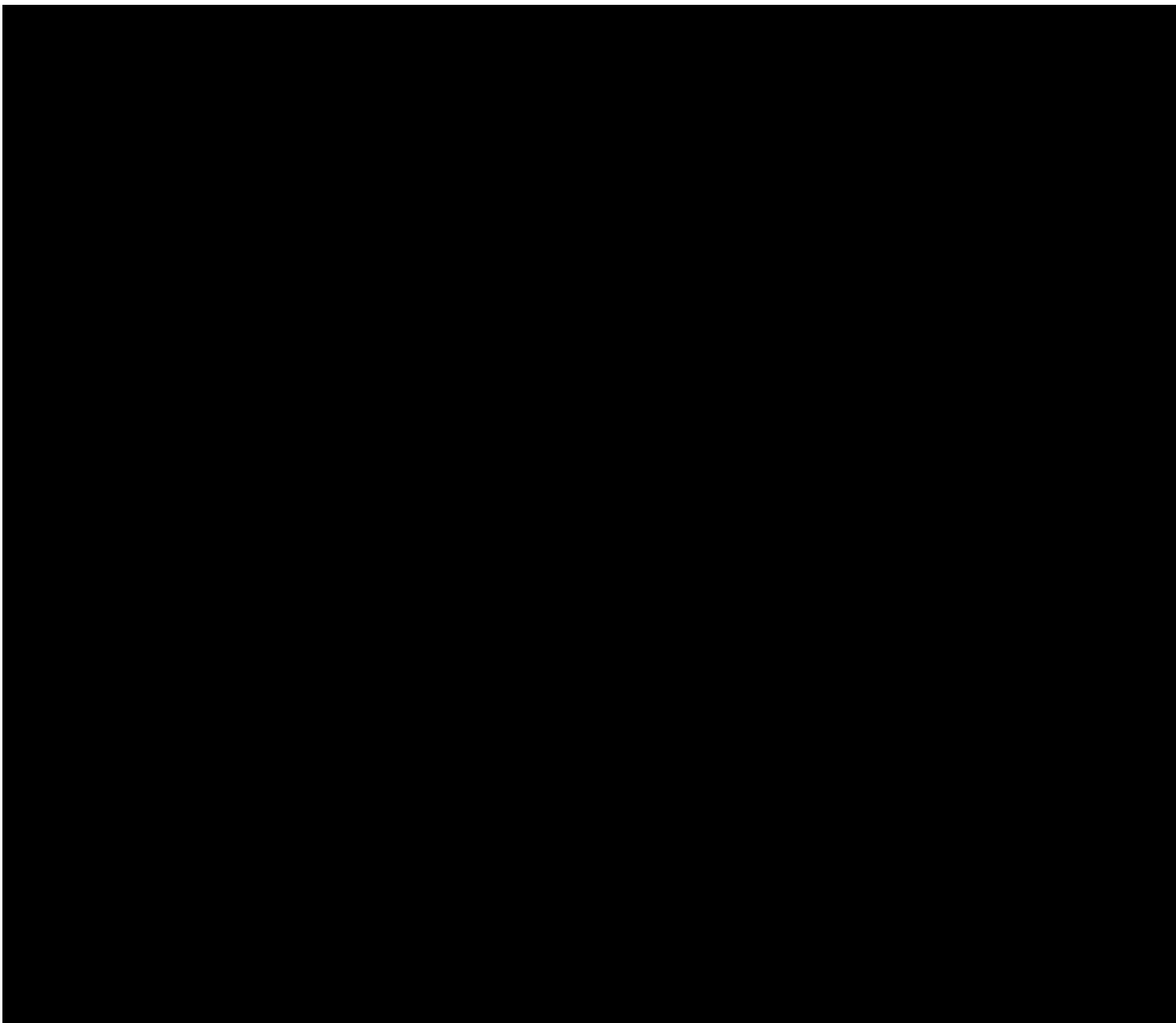
- Current assets and current liabilities will be valued at their book value
- Capital assets will be valued at the lesser of their book value and their undepreciated capital cost
- The remainder of the Purchase Price will be allocated to “goodwill and other intangible assets”.

Exhibit 7.2.1(j) – Form of Non-Competition Agreement









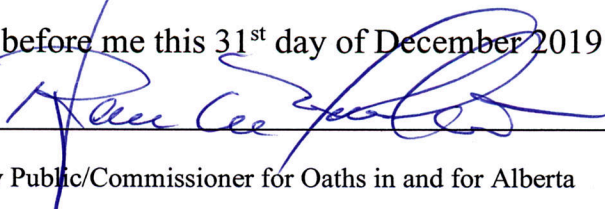
SCHEDULE 1

List of Prior Intellectual Property owned by the Employee

This is Exhibit “**B**” referred to in the

Affidavit of Chris Burchell

Sworn before me this 31st day of December 2019



Notary Public/Commissioner for Oaths in and for Alberta

RANDAL S. VAN de MOSSELAER
Barrister & Solicitor

EQUITY COMMITMENT LETTER

December 20, 2019

1234600 B.C. LTD
5830 Granite Pkwy, Suite 1200
Plano, Texas 75024 USA

Trakopolis IoT Corp./Trakopolis SaaS
Suite 810, 940 6th Avenue SW
Calgary, Alberta T2P 3T1

Ladies and Gentlemen:

Reference is made to that certain Asset Purchase Agreement, dated as of the date hereof (the "Purchase Agreement"), by and among 1234600 B.C. LTD ("Purchaser"), Trakopolis IoT Corp., and Trakopolis SaaS Corp (together, "Trakopolis" or the "Vendor"). Capitalized terms not otherwise defined in this equity commitment letter (this "Equity Commitment Letter") shall have the meanings ascribed to them in the Purchase Agreement.

Geoforce, Inc. ("Geoforce") hereby agrees that subject to the satisfaction of each of the conditions to Closing set forth in the Purchase Agreement, it shall contribute or otherwise fund (or cause to be contributed or otherwise funded) to Purchaser, at or prior to the Closing, in accordance with the terms and subject to the conditions set forth in this Equity Commitment Letter, and directly or indirectly through one or more Affiliates or other sources of funds, an aggregate amount in cash in immediately available funds up to [REDACTED] as a source of funds required to consummate the transactions contemplated by the Purchase Agreement (the "Contribution Obligation"). This Equity Commitment Letter relates to the obligation of Geoforce to provide financing to Purchaser as set forth above and is not a guaranty of collection or of the performance of any other obligations of Purchaser or any other Person.

Notwithstanding anything contained herein to the contrary, (i) under no circumstances shall Geoforce be liable or obligated for any amount in excess of the Contribution Obligation or any obligation or liability of Purchaser, (ii) under no circumstances shall any prior, current or future partners, members, stockholders, directors, officers, managers, employees or agents ("Related Parties") of either Geoforce or any of its Affiliates be liable or obligated for any amount pursuant to this Equity Commitment Letter or have any liability or obligation to any Person in connection with this Equity Commitment Letter, and (iii) effective upon the earliest to occur of (A) the expiration or termination of the Purchase Agreement in accordance with its terms, (B) the failure of the transactions contemplated by the Purchase Agreement to be consummated by the Outside Date, (C) the date Geoforce, its Affiliates or its assigns contribute or otherwise fund (or cause to be contributed or otherwise funded) to Purchaser an aggregate amount equal to the Contribution Obligation, or (D) the consummation of the Closing, all obligations of Geoforce under this Equity Commitment Letter shall terminate automatically and none of Geoforce, its Affiliates, or any of their respective Related Parties shall have any liability or obligation to any Person in connection with this Equity Commitment Letter, whether based upon contract, tort or any other claim or legal theory and whether at law or equity.

In addition to the foregoing, in the event that Purchaser, the Vendor or any of their respective Affiliates (i) asserts in any litigation or other proceeding that any of the limitations on Geoforce's liability herein are illegal, invalid or unenforceable in whole or in part, (ii) asserts any theory of liability against Geoforce, its Affiliates, or any of their respective Related Parties with respect to the transactions contemplated by the Purchase Agreement or hereunder, other than Geoforce's Contribution Obligation under the express provisions of this Equity Commitment Letter, and under the limited circumstances specified in this Equity Commitment Letter, (iii) seeks as a remedy anything other than specifically enforcing the terms of this Equity Commitment Letter to require Geoforce to fulfill the Contribution Obligation pursuant to this

Equity Commitment Letter or (iv) seeks to require Geoforce to contribute or otherwise fund any amounts in excess of the Contribution Obligation, then (A) Geoforce's obligations under this Equity Commitment Letter shall terminate *ab initio* and be null and void, (B) if Geoforce or its Affiliates have previously made any payments under this Equity Commitment Letter, Geoforce or such Affiliates shall be entitled to recover such payments and (C) none of Geoforce, its Affiliates, or any of their respective Related Parties shall have any liability or obligation to any Person in connection with the Purchase Agreement or this Equity Commitment Letter, whether based upon contract, tort or any other claim or legal theory and whether at law or equity. The foregoing sentence shall survive any termination of this Equity Commitment Letter.

Nothing in this Equity Commitment Letter shall limit the right and ability of Geoforce to syndicate its rights and obligations hereunder to its financing sources prior to the Closing; provided, however, that no such syndication shall in any manner relieve Geoforce of its obligations hereunder or give rise to any obligations hereunder other than those expressly set forth herein. In no event will Geoforce's aggregate liability pursuant to this Equity Commitment Letter to Purchaser or to any other beneficiary hereof (whether individually or collectively) exceed the Contribution Obligation, whether based upon contract, tort or any other claim or legal theory and whether at law or equity.

Except as set forth in the last sentence of this paragraph, this Equity Commitment Letter is solely for the benefit of Purchaser and is not intended to confer any benefits on, or create any rights in favor of, any other Person. Nothing set forth herein contains or gives, or shall be construed to contain or to give, any Person other than Purchaser (including any Person acting in a representative capacity) any remedies under or by reason of, or any rights to enforce or cause Purchaser to enforce, the commitments set forth herein, whether based upon contract, tort or any other claim or legal theory and whether at law or equity. The Vendor shall be a third party beneficiary to this Equity Commitment Letter, and shall have the right, subject to the dollar and other limitations set forth in this Equity Commitment Letter, to enforce this Equity Commitment Letter directly against Geoforce.

Notwithstanding anything to the contrary contained herein, the Purchaser and Vendor agree and acknowledge (i) the liability and obligations of Geoforce hereunder shall not exceed the Contribution Obligation, and (ii) neither Geoforce nor any of its Related Parties shall have any obligation or liability to any Person relating to, arising out of or in connection with this Equity Commitment Letter or the Purchase Agreement, whether based upon contract, tort or any other claim or legal theory and whether at law or equity. The Contribution Obligation of Geoforce shall be the sole and exclusive remedy of Purchaser, the Vendor and all of their respective Affiliates against Geoforce, its Affiliates, and their respective Related Parties in respect of this Equity Commitment Letter and each of the Vendor and Purchaser, on behalf of itself and its respective Affiliates, hereby waives all other rights and remedies that it may have against Geoforce, its Affiliates, and its and their respective Related Parties, whether based upon contract, tort or any other claim or legal theory and whether at law or equity. Neither the Purchaser nor Vendor may assign their rights or obligations under this Equity Commitment Letter.

This Equity Commitment Letter will be governed by the laws of the State of Delaware, disregarding any conflict of laws provisions which may require the application of the substantive law of another jurisdiction. This Equity Commitment Letter reflects the entire understanding of the parties with respect to the subject matter hereof and shall not be contradicted or qualified by any other agreement, oral or written, before the date hereof. This Equity Commitment Letter may not be amended or otherwise modified without the prior written consent of Geoforce, the Vendor and Purchaser.


NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED ELSEWHERE IN THIS EQUITY COMMITMENT LETTER, THE LIABILITY OF GEOFORCE UNDER THIS EQUITY COMMITMENT LETTER SHALL BE LIMITED TO DAMAGES ACTUALLY INCURRED, AND GEOFORCE SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES OR LOSSES, INCLUDING LOST PROFITS AND REVENUE. PURCHASER AGREES THAT IT WILL NOT SEEK PUNITIVE DAMAGES AS TO ANY

MATTER UNDER, RELATING TO OR ARISING OUT OF THE TRANSACTIONS CONTEMPLATED BY THIS EQUITY COMMITMENT LETTER.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Sincerely,

GEOFORCE, INC.

By: 
Name: Vincent Hsieh
Title: CFO

Agreed and accepted:

1234600 B.C. LTD

By: _____
Name: _____
Title: _____

Sincerely,

GEOFORCE, INC.

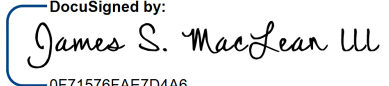
By: _____

Name:

Title:

Agreed and accepted:

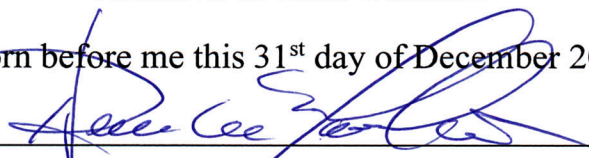
1234600 B.C. LTD

By: 
Name: James S. MacLean III
Title: President

This is Exhibit "C" referred to in the

Affidavit of Chris Burchell

Sworn before me this 31st day of December 2019

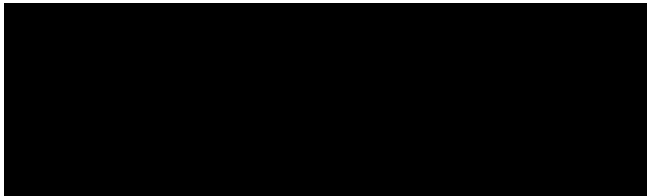


Notary Public/Commissioner for Oaths in and for Alberta

RANDAL S. VAN de MOSSELAER
Barrister & Solicitor

December 23, 2019

VIA COURIER AND EMAIL



IMMEDIATE ACTION REQUIRED

Re: Your agreement with Trakopolis SaaS Corp. listed in Exhibit “A” attached hereto (the “Contract”)

Dear [REDACTED],

As you may be aware, Trakopolis IoT Corp. and Trakopolis SaaS Corp. (together “**Trakopolis**”) have each filed a Notice of Intention to Make a Proposal pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada), *R.S.C. 1985, c. B-3* (the “**BIA**”) and Alvarez & Marsal Canada Inc. (the “**Proposal Trustee**”) has been appointed as Proposal Trustee for Trakopolis.

Trakopolis and 1234600 B.C. Ltd. (the “**Purchaser**”), a subsidiary of Geoforce, Inc., have entered into an agreement (the “**Transaction Agreement**”) whereby the Purchaser will acquire substantially all of Trakopolis’ business and assets, including the Contract (the “**Transaction**”). The Transaction is subject to the approval of the Alberta Court of the Queen’s Bench, the hearing for which has been scheduled for 10:00 a.m. (Calgary time) on January 9, 2020 and materials in connection with such hearing will be posted on the Proposal Trustee’s website at <https://www.alvarezandmarsal.com/trakopolis>.

Headquartered in Dallas, Texas and with over 900 customers tracking more than 140,000 assets in 70+ countries, Geoforce, Inc. operates the world’s largest network of connected field equipment within the Oil & Gas industry, and its solutions are used in many other field operations intensive industries, including agriculture, construction, mining, transportation, logistics, and rail.

Combining a cloud-based software platform with rugged GPS tracking devices and global satellite and cellular networks, Geoforce, Inc.’s Track and Trace solutions include efficient asset location and retrieval, rental invoice auditing, service delivery verification, inspection compliance, equipment maintenance alerts, and a host of others.

If you have any questions or require any more information about the Purchaser, please contact Vincent Hsieh, Chief Financial Officer, vhsieh@geoforce.com, 972-546-4181, who, together with the undersigned and the Proposal Trustee, will be working with you in coordinating the transition of Trakopolis’ business to the Purchaser.

Trakopolis and the Purchaser request that you provide your consent to the assignment of all of Trakopolis’ rights under the Contract and the assumption by the Purchaser of all of Trakopolis’ post-assignment obligations under the Contract by signing this letter and returning it to the undersigned by

mail, facsimile or email, which we are requesting that you do at your earliest convenience and in any event within five (5) days of the date of this letter. If you deliver your consent by email, please send a scanned copy of this fully executed letter in portable document format (pdf) to the undersigned. In the event that you do not sign and return this letter, Trakopolis will seek an Order of the Court (an “**Assignment Order**”) at the January 9, 2019 hearing pursuant to Sections 66(1.1) and 84.1 of the BIA to assign the Contract without your consent.

All monetary defaults in relation to the Contract, other than those arising by reason only of the Trakopolis’ insolvency, the commencement of proceedings under the BIA or Trakopolis’ failure to perform a non-monetary obligation (the “**Cure Costs**”), will be remedied upon an assignment of the Contract to the Purchaser on the Closing Date, whether such assignment is effected consensually or pursuant to an Assignment Order. Representatives of Trakopolis will be in contact with you to determine the amount of Cure Costs that are owing to you, if any.

Once assigned, the terms of the Contract will not change and the Purchaser will become responsible for all post-assignment obligations of Trakopolis under the Contract.

Thank you for your continued co-operation and support during this restructuring period. We are excited about this Transaction and the benefits it provides to each of our suppliers and clients.

In the event that the Transaction is not completed, we shall promptly apprise you of same and this notice (and your consent to the assignment of the Contract as provided hereby) shall be deemed null and void.

Should you have any questions about the form of consent, we direct you to speak with our counsel Randal Van de Mosselaer, Osler, Hoskin & Harcourt LLP, at 403-260-7060 or at rvandemosselaer@osler.com. Should you have any questions about the Transaction, please contact the undersigned.

Yours very truly,



Richard Clarke
Chief Executive Officer & Chief Financial Officer

ACCEPTED AND ACKNOWLEDGED:

[Redacted Signature]

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

CONTRACT

DESCRIPTION OF
CONTRACT:

