Court File No. 31-1665939

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR	)	TUESDAY, THE 25TH
	)	
JUSTICE Mnawetz	)	DAY OF SEPTEMBER, 2012

In the matter of the proposal of
MASTER CLEANING SUPPLIES INC.
of the Town of Richmond Hill, in the Province of Ontario

AMENDED APPROVAL AND VESTING ORDER

THIS MOTION, brought by Master Cleaning Supplies Inc. ("MCSI") for an Order approving an agreement of purchase and sale dated September 13, 2012 (the "Asset Purchase Agreement") entered into by MCSI and Roy Turk Industrial Sales ~~Ltd.~~ Limited ("Purchaser") and authorizing MCSI to complete the sale of assets contemplated therein, namely, the sale of substantially all of the assets of MCSI, and vesting MCSI's right, title and interest in the Assets (as defined in the Asset Purchase Agreement) in and to the Purchaser free and clear of any encumbrances, except as specifically provided for in the Asset Purchase Agreement;

ON READING the First Report and on hearing the submissions of counsel for MCSI and the Proposal Trustee, no one appearing for any other person on the service list, filed:

1. THIS COURT ORDERS AND DECLARES that this Order Amends and Replaces the Approval and Vesting Order of the Honourable Cumming J. dated September 25, 2012.

2. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Asset Purchase Agreement by MCSI is hereby authorized and approved, with such minor amendments as MCSI and the Purchaser may deem necessary. MCSI is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. THIS COURT ORDERS AND DECLARES that upon the date of closing, as defined in the Asset Purchase Agreement annexed hereto as Schedule "A" (the "Closing Date"), all of the MCSI's right, title and interest in and to the Purchased Assets described in the Asset Purchase Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created pursuant to the Order of this Honourable Court of today's date granting an administrative charge to the Sales Agent (as defined in the Notice of Motion filed in support of this motion); (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the Closing Date all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, MCSI is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in MCSI's records pertaining to MCSI's past and current employees, including personal information of those employees listed on any schedules to the Asset Purchase Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by MCSI.

6. THIS COURT ORDERS that, notwithstanding:

(a) the pendency of these proceedings;

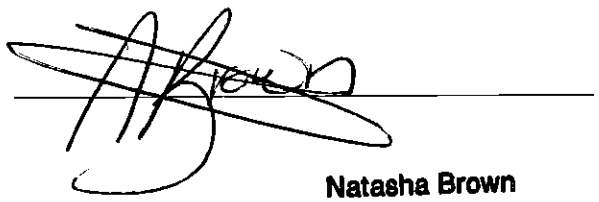
(b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of MCSI and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made in respect of MCSI;

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

7. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

8. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist MCSI 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 orders and to provide such assistance to MCSI as may be necessary or desirable to give effect to this Order or to assist MCSI and its agents in carrying out the terms of this Order.



Natasha Brown
Registrar

Schedule A – Asset Purchase Agreement

THIS ASSET PURCHASE AGREEMENT is made effective as of the 13th day of September, 2012.

BETWEEN:

ROY TURK INDUSTRIAL SALES LTD., a corporation incorporated under the laws of the province of Ontario;

(hereinafter referred to as the "**Purchaser**")

-and-

MASTER CLEANING SUPPLIES INC. a corporation incorporated under the laws of the Province of Ontario;

(hereinafter referred to as the "**Vendor**")

WHEREAS the Vendor is in the business of selling and distribution of janitorial and packaging supplies and food service disposables;

AND WHEREAS the Vendor and the Purchaser have negotiated this Agreement for the purchase and sale of the Purchased Assets (as defined herein);

AND WHEREAS the Vendor intends to file a notice of intention to make a proposal to creditors pursuant to the Bankruptcy and Insolvency Act (Canada) (the "**NOI Proceedings**") pursuant to which A. Farber & Partners Inc. will be appointed as the proposal trustee (the "**Trustee**");

NOW THEREFORE in consideration of the premises, mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, the parties hereto agree and declare as follows:

ARTICLE 1
INTERPRETATION

1.1 **Defined Terms:** In this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the following meanings:

(a) "**affiliates**" means affiliates as defined in the *Business Corporations Act* (Ontario);

(b) "**Accounts Receivables**" means the accounts receivable of the Business as at the Closing Date, a list of which will be provided by the Vendor to the Purchaser at Closing;

(c) "**Agreement**" means this agreement, all instruments supplemental or ancillary hereto and the Schedules attached hereto;

(d) "**Approval and Vesting Orders**" has the meaning ascribed thereto in **Section 4.3(a)**;

(e) "**Books and Records**" means whether copies or originals and whether in physical or electronic form, all books, records, reports, certificates, plans, manuals, drawings, files, data, documentation in the possession or under control of the Vendor or Trustee (other than information which is the property of third parties) and that are exclusively and solely used or held for use in connection with, or that otherwise exclusively and solely relate to, the Inventory and the Goodwill;

(f) "**Business**" means the global business heretofore carried on by the Vendor with respect to the selling and distribution of janitorial and packaging supplies and food service disposables;

(g) "**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which Canadian chartered banks are closed in Toronto, Ontario;

(h) "**Closing**" means the consummation on the Closing Date of the Transaction;

(i) "**Closing Date**" means September 27, 2012 or such earlier or later date as the parties may agree in writing;

(j) "**Court**" means the Ontario Superior Court of Justice (commercial list);

(k) "**Encumbrance**" means any mortgage, charge, security interest, hypothec, pledge, assignment by way of security, lien (including statutory, construction and possessory liens), trust or deemed trust (whether contractual, statutory or otherwise), right of revendication or repossession, or any other claim (legal or equitable) to property attaching to any of the Purchased Assets that has the effect of securing any obligation or ability;

(l) "**Excluded Assets**" means those assets and undertakings of the Business which are more particularly set out in Schedule A;

(m) "**Governmental Authority**" means any Canadian federal, provincial, state, municipal or local, county, or other government, governmental, regulatory or administrative authority, body, agency or commission or any court, tribunal or judicial or arbitral body;

(n) "**Net Sales**" means the gross wholesale price of Net Sale Products sold by the Purchaser or any of its affiliates after Closing to any of the customers of the Vendor set out in an officer's certificate of the Vendor (the "**Customer Certificate**") and delivered to the Purchaser at Closing or to any of the affiliates or associates of such customer, less deductions for returns which are accepted and credited by the Purchaser or its affiliates, goods, services or value added taxes or the equivalent (if such tax is included in the invoiced selling price), and after a further deduction on account of any applicable rebates and customary trade discounts; provided however, that any Net Sales of Net Sale Products by the Purchaser, its Affiliates, or their respective licensees, sublicensees, agents or

assigns to third parties for consideration other than monetary consideration shall be deemed to be sold at an amount equal to the amount which would have been the invoice price of such Net Sale Products had it been sold in the ordinary course of business to a third party;

(o) "**Net Sale Products**" means any Products, as well as, any and all other products sold by the Purchaser or its affiliates to any of the customers set out in the Customer Certificate or to any affiliates or associates of such customer.

(p) "**Person**" includes an individual, firm, corporation, limited liability corporation, syndicate, partnership, limited partnership, trust, association, joint venture, unincorporated organization and every other legal or business entity whatsoever;

(q) "**Premises**" means the Vendor's then current premises at which the Inventory is situate at Closing;

(r) "**Products**" means the janitorial and packaging supplies and food service disposable products of the Business, including without limitation, those listed in Schedule B;

(s) "**Purchased Assets**" means all of the Vendor's right, title and interest in, and to,

(i) all goodwill of the Business including all trade names, phone numbers, email addresses, websites, the right of the Purchaser to represent itself as carrying on the Business in continuation of and in succession to the Vendor and the right to use any words indicating that the Business is so carried on including, without limitation the exclusive right to use the name "Master Cleaning Supplies" and "Masterco Supplies" or any variation thereof as part of the name of or in connection with the Business or any part thereof; all customer and supplier lists (collectively the "**Goodwill**"); and

(ii) "**Inventory**" means all right, title and interest of the Vendor in and to goods, including any Products, that are held by the Vendor for sale in relation to the Business wherever situate at Closing, a certified list of which shall be delivered by the Vendor on Closing, containing the cost amount of each item thereon valued at the lesser of Vendor's current book value and the original landed cost to Vendor of Inventory of Products (excluding any expired or damaged Products) (the "**Inventory Certificate**");

(iii) all Books and Records;

provided however that it is acknowledged and agreed that the Purchased Assets shall not include any Excluded Assets;

(t) "**Purchase Price**" has the meaning specified in Section 2.3;

(u) "**Taxes**" shall mean all taxes, assessments, charges, duties, fees, registrations, levies or other governmental charges (including interest, penalties or additions associated therewith) including, without limitation, Canadian or U.S. federal, provincial, state, municipal, city, county, foreign or other income, franchise, real property, personal property, tangible, withholding, source deductions from payroll, transfer taxes, payroll taxes, unemployment insurance, workers' compensation, employee related taxes, disability, transfer, sales, use, gasoline, fuel, excise, goods and services, value added, customers duty, gross receipts and all other taxes of any kind;

(v) "**Transaction**" means the transaction of purchase and sale contemplated by this Agreement; and

(w) "**Trustee**" has the meaning ascribed thereto in the recitals to this Agreement;

1.2 **Interpretation Not Affected by Headings, etc.:** The division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. Unless otherwise indicated, all references to a "section" followed by a number and/or a letter refer to the specified section of this Agreement. The terms "this Agreement", "hereof", "herein" and "hereunder" and similar expressions refer to this Agreement and not to any particular section hereof.

1.3 **Extended Meanings:** Words importing the singular include the plural and vice versa, wording importing gender include all genders and words importing persons include individuals, partnerships, associations, trusts, unincorporated organizations, corporations and governmental authorities. The term "including" means "including, without limitation," and such terms as "includes" have similar meanings.

1.4 **Currency:** Unless otherwise expressly provided, all dollar amounts referred to in this Agreement are in Canadian currency.

1.5 **Statute References:** Any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time.

1.6 **Schedules:** The following schedules (the "**Schedules**")are attached to and incorporated into this Agreement by reference and are deemed to be a part hereof:

Schedule A	-	Excluded Assets
Schedule B	-	Products

ARTICLE 2
TRANSACTION

2.1 **Purchase and Sale of Purchased Assets:** Upon and subject to the terms and conditions hereof, the Vendor shall sell to the Purchaser and the Purchaser shall purchase

from the Vendor all of the Vendor's right, title and interest in and to the Purchased Assets on the Closing Date.

2.2 **As is, Where is:** Except as otherwise set out herein, the Purchaser acknowledges that the Vendor is selling the Purchased Assets on an "as is, where is" basis as they shall exist on the Closing Date. The Purchaser further acknowledges that it will conduct such inspections of the condition of and title to the Purchased Assets, and the nature and quantum of the Assumed Obligations, in each case as it deems appropriate and that it will satisfy itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness and purpose, merchantability, condition, assignability, collectability, quantity, outstanding amount, value or quality or in respect of any other matter or thing whatsoever concerning the Purchased Assets or the right of the Vendor to sell 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* (Ontario) or similar legislation in any other jurisdiction do not apply hereto and have been waived by the Purchaser.

2.3 **Purchase Price and Payment Terms**:

(a) The purchase price (the "**Purchase Price**") for the Purchased Assets, plus HST, shall be calculated and paid by the Purchaser, as follows:

(i) $0.65 for each $1.00 of the lesser of Vendor's current book value and the original landed cost to Vendor of Inventory of Products (excluding any expired or damaged Products) located at the Premises and listed on the Inventory Certificate and approved by the Purchaser, acting reasonably at Closing (the "**Inventory Payment**") to a maximum of $150,000; provided however that the Purchaser shall be required to pack, move, and transport all Inventory from the Premises within 2 days of Closing at the sole cost of the Purchaser. The Inventory Payment shall be due and payable by the Purchaser to the Vendor in the following percentages on the dates set out adjacent thereto:

Percentage of Inventory Payment Payable	**Date of Inventory Payment**
30% of Inventory Payment	October 1, 2012
30% of Inventory Payment	November 5, 2012
40% of Inventory Payment	December 3, 2012

Notwithstanding the foregoing or anything else in this Agreement, any Inventory that has not been sold by the Purchaser by the first anniversary of this Agreement will be deemed unsellable, and the proportion of the Purchase Price paid for such unsellable Inventory shall be credited to the account of the Purchaser, to be set-off against amounts payable by the Purchaser pursuant to section 2.6.

2.4 **Accounts Receivable Collection:** The Vendor shall provide the Purchaser with a list of its outstanding Accounts Receivable at Closing. From and after the Closing Date, the Purchaser shall use its commercially reasonable efforts (but in no event, any less effort than the care and effort used by the Purchaser to collect its own accounts receivable) to collect the Accounts Receivable on behalf of the Vendor for a period commencing on the Closing Date and ending on December 30, 2012, at no cost to the Vendor. Any Accounts Receivable which are collected by the Purchaser during such period shall be forwarded to the Vendor on a monthly basis after Closing, without deduction, on the following dates (each such payment, a "**Monthly AR Payment**"):

Monthly AR Payment	**Date Payable**
Accounts Receivable collected to September 30, 2012	October 1, 2012
Accounts Receivable collected to October 31, 2012	November 5, 2012
Accounts Receivable collected to November 30, 2012	December 5, 2012
Accounts Receivable collected to December 30	January 5, 2013

In the event that there are any Accounts Receivable still outstanding and unpaid as at January 5, 2013, then the Purchaser will forward a list of such Accounts Receivable to the Vendor contemporaneously with its last Monthly AR Payment on January 5, 2013 and the Vendor shall be entitled to collect such outstanding Account Receivables at its sole and absolute discretion and the Purchaser will have no further obligation to attempt to collect any Accounts Receivable. The Purchaser acknowledges and agrees that any and all monies received by the Purchaser with respect to any Accounts Receivable are and will continue to be held by it in trust for the Vendor and that the Purchaser has no right, title or interest in or to any of the Accounts Receivable or any monies received therefrom or in relation thereto.

2.5 **Excluded Liabilities:** Notwithstanding anything in this Agreement to the contrary, the Purchaser is not assuming and shall not be deemed to be assuming, and will not perform, any liabilities or obligations not specifically described in this Agreement, including without limitation the following (collectively, the "**Excluded Liabilities**"):

(a) obligations or liabilities for services rendered by Vendor with respect to any products sold or services performed by the Vendor prior to the Closing, other than the obligations assumed by the Purchaser pursuant to Section 2.4;

(b) obligations or liabilities arising out of Vendor's actions or operations of the Business prior to the Closing;

(c) obligations or liabilities in connection with any Employee of the Business; and

(d) obligations or liabilities relating to any Taxes, other than, HST in respect of the sale of the Purchased Assets.

2.6 **Management Fee Payments:**

(a) **Management Fees:** In addition to the Purchase Price payable in accordance with Section 2.3 and the collection of Accounts Receivable in accordance with Section 2.4, the Purchaser shall pay the Vendor an aggregate management fee of CDN$400,000 (the "**Management Fee**") plus HST; provided however that in the event that the Purchaser's Net Sales for the 12 month period immediately following Closing are less than CDN$3,000,000 (such shortfall, the "**Projected Sale Shortfall**") then the aggregate Management Fee payable hereunder by the Purchaser shall be reduced by 20% of the Projected Sale Shortfall (such reduced Management Fee, the "**Adjusted Management Fee(s)**"). The Purchaser hereby covenants and agrees with the Vendor that any and all Net Sale Products sold during the 12 month period immediately following Closing shall be marketed and sold by the Purchaser in accordance with the Vendor's specific pricing module which will be provided by the Vendor to the Purchaser at Closing. For greater certainty, the Management Fee shall not form part of the Purchase Price.

(b) **Payment of Management Fee:** The parties acknowledge and agree that the Management Fee shall be payable to the Vendor in 60 monthly instalments of CDN$6,666.67 commencing February 1, 2013 (the "**Monthly Payments**") plus HST; provided however that in the event of a Projected Sale Shortfall, then each of the remaining Monthly Payments commencing October 1st, 2013, shall be reduced by an amount equal to the Projected Sale Shortfall, divided by the number of remaining Monthly Payments. The Purchaser acknowledges and agrees that the Management Fee or Adjusted Management Fee, as applicable, and the Monthly Payments thereof will be subject to HST and that the Purchaser will pay the Vendor the applicable HST exigible on the Monthly Payments in addition to, and with, each Monthly Payment.

(c) **Vendor's Right to Review:** The Purchaser covenants and agrees to keep accurate and complete records and books of account relating to the Net Sales and for the accurate determination of the Management Fees (or Adjusted Management Fees, if applicable) to be paid under this Agreement. All records and books of account of the Purchaser which are necessary for the determination of the Management Fees (or Adjusted Management Fees, if applicable), Net Sales and Projected Sale Shortfall, as applicable, shall be retained for a period of at least 6 years, open and available for inspection and audit, at the Vendor's sole cost and expense, by independent chartered accountants or other designated appointee duly authorized by the Vendor, said inspection to occur upon reasonable notice during the Purchaser's normal business hours at its offices, without disrupting the Purchaser's ongoing business operations and no more than once a year. The said chartered accountants or appointee as the case may be, shall be entitled to enter the Purchaser's premises upon 7 days notice for the purpose of such inspections and audit, make notes and copies of any information contained in such records

and accounts applicable to the Management Fee or Adjusted Management Fee obligations hereunder, as applicable and to report the same to the Vendor.

(d) **Dispute**: If the Vendor disputes the Management Fees or Adjusted Management Fees, if applicable payable hereunder after completing its review pursuant to **Section 2.6(c)**, then the parties covenant and agree that they shall cause their representatives to meet to attempt to resolve the matter in dispute within 15 days from the date the Vendor provides the Purchaser with a detailed description of the Vendor's dispute. If any examination conducted by the Vendor pursuant to this section discloses an underpayment to the Vendor then:

(i) If the Purchaser agrees with the results of the Vendor's examination, the Purchaser shall pay the deficiency within fifteen (15) days of the determination thereof plus interest of the Vendor's bank's prime rate; and (b) the Vendor's reasonable costs and expenses for its examination; or

(ii) In the event that the Purchaser does not agree with the results of the Vendor's examination, then the matter shall be referred to binding arbitration in such manner as the parties may agree or in default of agreement within 45 days of determination of the underpayment shall be determined by a court of competent jurisdiction and payment will be made in accordance with the decision of the arbitrator or the court, as the case may be.

2.7 **Payment of Taxes:** The Purchaser shall be liable for, and shall pay, any applicable federal and provincial sales taxes, harmonized sales taxes, excise taxes and all other taxes (other than income taxes of the Vendor), duties and other like charges properly payable upon and in connection with the conveyance and transfer of the Purchased Assets to the Purchaser. The Vendor will do and cause to be done such things as are reasonably requested to enable the Purchaser to comply with such obligation in an efficient manner.

2.8 **Allocation of Purchase Price:** The Purchase Price shall be allocated: (i) with respect to the Inventory, the amount paid by the Purchaser to the Vendor in accordance with Section 2.3(a)(i), less $1.00; and (ii) $1.00 for the goodwill of the Business. The parties agree to report the Transaction in any income tax returns and related documents and filings on a basis consistent with such allocation.

2.9 **Closing:** Closing shall be completed at the offices of Torkin Manes LLP, located at 151 Yonge Street, Suite 1500, Toronto, Ontario M5C 2W7 at 10:00 a.m. (Toronto time) on the Closing Date or at such other time and place to which the parties hereto may agree.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 **Representations and Warranties of the Vendor:** The Vendor hereby makes the following covenants, representations and warranties to the Purchaser and the Purchaser is relying on such covenants, representations and warranties in entering into this Agreement:

(a) Incorporation: The Vendor is a duly incorporated, organized and subsisting corporation under the laws of its jurisdiction of incorporation and, subject to the Approval and Vesting Orders, the Vendor has all necessary corporate power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary corporate action on the part of the Vendor.

(b) Material Commitments: Except as set forth in this Agreement and the Schedules hereto, there are no management, service, maintenance, repair or other contracts or agreements material to the maintenance, operation or management of any of the Purchased Assets which will survive the Closing and be binding upon the Purchaser. The Purchaser may, at its option, however, request the transfer to it of any such contracts or agreements.

(c) No Other Sale Agreements Re Purchased Assets: Except for the provisions of this Agreement, there are no outstanding options, agreements or rights capable of becoming an agreement of purchase and sale or other agreement, commitment or right capable of becoming an agreement obligating the Vendor or its affiliates to sell the Purchased Assets or any of them to any person other than the Purchaser.

(d) No Required Consents. Other than the Approval and Vesting Orders and Bell Canada with respect to the transfer of the telephone numbers of the Business, no approval or consent from any Person, court or governmental entity of any sort is required to be obtained in connection with the execution, delivery and performance by the Vendor of this Agreement.

(e) Title to Assets: Subject to receiving the Approval and Vesting Orders, the Vendor has and will have on the Closing Date good and marketable title to the Purchased Assets and each item thereof, free and clear of any Encumbrances, and upon Closing, the Purchaser shall acquire good and marketable title to the Purchased Assets and each item thereof free and clear of any Encumbrances and, without limitation, the Purchaser will be able to sell and use the Purchased Assets as it may determine in its sole discretion.

(f) Residency: The Vendor is not a non-resident of Canada within the meaning of the Income Tax Act (Canada).

3.2 **Representations and Warranties of the Purchaser:** The Purchaser hereby represents and warrants to the Vendor as follows:

(a) Incorporation: The Purchaser is a corporation duly incorporated, organized and subsisting under the laws of the Province of Ontario and has all necessary corporate power and authority to enter into this Agreement and carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary corporate action on the part of the Purchaser.

(b) Investment Canada: The Purchaser is not, and at the time of Closing will not be, a "non-Canadian" within the meaning of the term as used in the *Investment Canada Act* (Canada).

3.3 **Survival:** The representations and warranties of the Vendor and Purchaser in this Agreement or in any document delivered hereunder shall survive Closing indefinitely for the sole benefit of the party to which such representation or warranty has been made pursuant to the terms hereof. All covenants of the Purchaser and the Vendor as set out in this Agreement or in any document delivered hereunder shall survive Closing in accordance with their terms.

ARTICLE 4
CONDITIONS OF CLOSING

4.1 **Purchaser's Conditions:** The Purchaser's obligations under this Agreement are conditional upon the performance or fulfillment of the following terms and conditions on or prior to the Closing Date, each of which is inserted for the sole benefit of the Purchaser and may be waived in writing, in whole or in part, by the Purchaser:

(a) Warranties and Covenants: The Vendor's representations and warranties in Section 3.1 shall be true and correct in all respects and all covenants to be carried out or to be complied with on or before the Closing Date for the benefit of the Purchaser shall be carried out or complied with.

(b) No Sale of Purchased Assets: The Vendor shall not have sold any of the Purchased Assets, except the sale of Inventory in the ordinary course of business.

(c) Further Documents: The Vendor shall have executed, or cause to be executed, such further documents, assignments, endorsements and such other instruments and documents of conveyance as are reasonably requested by the Purchaser to effectively transfer the Purchased Assets, in form satisfactory to the Purchaser.

(d) No Litigation: Other than the Proceedings, there shall be no litigation or proceedings:

(i) pending or threatened against any of the parties hereto or against any of their respective affiliates or any of their respective directors or officers, or involving the assets or properties of any of them, for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that such completion is improper; or

(ii) pending or threatened against any of the parties to this Agreement or against any of their respective affiliates or any of their respective directors or officers which, if decided adversely, would adversely affect the right of the Purchaser to acquire or retain the Purchased Assets, or to continue the operations of the Business after Closing, and which, in the judgment of the Purchaser, would make the completion of the transactions contemplated by this Agreement inadvisable.

(e) Employment Agreement: The Purchaser and Gary Hyde shall have entered into an employment agreement in the form acceptable to each of the foregoing acting in their sole and absolute discretion.

(f) Non-Competition Agreement: The Purchaser, and each of the Vendor and Gary Hyde shall have entered into non-competition agreements in the form acceptable to each of the foregoing acting in their sole and absolute discretion.

(g) Deliveries: Vendor shall have delivered to Purchaser those items set out in Section 5.1(d).

4.2 **Vendor's Conditions:** The Vendor's obligations under this Agreement are conditional upon the performance or fulfillment of the following terms and conditions on or prior to the Closing Date, each of which is inserted for the sole benefit of the Vendor and may be waived in writing, in whole or in part, by the Vendor:

(a) Warranties and Covenants: The Purchaser's representations and warranties in Section 3.2 shall be true and correct in all material respects, all covenants to be carried out or complied with on or before the Closing Date contained herein for the benefit of the Vendor shall be carried out or complied with.

(b) Proceedings: All corporate and other action on the part of the Purchaser shall have been taken to authorize the entering into, and performance of the Purchaser's obligations under, this Agreement and the Transaction.

(c) Closing Deliveries: The Purchaser shall have delivered or caused to be delivered to the Vendor each of the items listed in Section 5.2(b).

(d) Employment Agreement: The Purchaser and Gary Hyde shall have entered into an employment agreement in the form acceptable to each of the foregoing acting in their sole and absolute discretion.

(e) Non-Competition Agreement: Unless the Purchaser has unilaterally waived the condition set out in Section 4.1(f) with no recourse against the Vendor, then the Purchaser, the Vendor and Gary Hyde shall have entered into a non-competition agreement in the form acceptable to each of the foregoing acting in their sole and absolute discretion.

4.3 **Conditions - Vendor and Purchaser**: The following conditions are for the mutual benefit of both the Vendor and the Purchaser. Neither party shall be obligated to complete the Transaction at the time of Closing unless:

(a) Orders Received and Vesting: Orders approving this Agreement and the Transaction (collectively, the "**Approval and Vesting Orders**") in form and substance satisfactory to the Vendor and the Purchaser shall have been made by the Court and received prior to the Closing. The Approval and Vesting Orders shall also vest in the Purchaser, subject to the issuance of the Approval and Vesting Orders and the consummation of the Transaction, all the right, title and interest of the Vendor in the Purchased Assets, free and clear of all

Encumbrances. The Approval and Vesting Orders shall be applied for by the Vendor or the Trustee, as applicable, at the Vendor's sole cost and expense immediately upon satisfaction of the conditions set forth in this Agreement (other than the condition relating to the issuance of the Approval and Vesting Orders).

(b) Inventory Count: Before the Closing Date, representatives of the parties shall meet at mutually convenient time for the purposes of inspecting and determining the amount of Inventory, including without limitation the value of non-expired non-damaged Products as at Closing.

(c) No Amendment to Orders: The Approval and Vesting Orders shall have been duly granted and such orders shall not have been stayed, varied, superseded, set aside, vacated or appealed as of the Closing Date and no motion to stay, suspend the operation of, set aside, vacate or vary such orders shall have been served.

(d) No Prohibitions: No Governmental Authority or court or tribunal shall have enacted, issued, promulgated, enforced or entered any statute, rule, regulation, injunction or other governmental order (whether temporary, preliminary or permanent) which is in effect and has the effect of making the transactions contemplated by this Agreement illegal or otherwise restraining or prohibiting consummation of such transactions or which would otherwise materially adversely affect or interfere with the operation of the Business following Closing.

4.4 **Non-Satisfaction of Conditions:** If any condition set out in Section 4.1 or Section 4.2 is not satisfied or performed prior to the time specified therefor, the party for whose benefit the condition is inserted may in writing:

(a) waive compliance with the condition in whole or in part in its sole discretion by written notice to the other party and without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part; or

(b) elect on written notice to the other party to terminate this Agreement before Closing.

4.5 If any condition set out in Section 4.3 is not satisfied or performed prior to the time specified therefor, either the Vendor or the Purchaser may elect on written notice to the other party to terminate this Agreement before Closing, unless the parties jointly waive compliance with such condition.

4.6 **Termination Obligations**: If the Purchaser or the Vendor validly terminates this Agreement in accordance with Section 4.3, then:

(a) all obligations of both the Vendor and the Purchaser pursuant to this Agreement shall be at an end; and

(b) neither party shall have any right to specific performance or other remedy against, or any right to recover damages or expenses from, the other.

ARTICLE 5
ADDITIONAL COVENANTS

5.1 **Covenants of the Vendor:**

(a) Efforts to Satisfy Conditions: The Vendor shall, and shall cause its affiliates to, do, make, execute or deliver or cause to be done, made, executed or delivered all such acts, documents and things as the Purchaser may reasonably require from time to time for the purpose of carrying out and giving effect to the Transaction and use reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of the Transaction, including without limitation, satisfying the conditions set forth in Article 4 of this Agreement and causing the directors, officers and employees of its affiliates to take such actions as are required to implement the provisions of the Transaction.

(b) Normal Course: From the date hereof to the Closing Date, the Vendor shall carry on the Business in accordance with the initial orders and any subsequent orders pertaining thereto granted in the NOI Proceedings or the Approval and Vesting Order and shall maintain insurance on the Purchased Assets in accordance with past practice.

(c) Court Documents: The Vendor shall provide the Purchaser with a reasonable opportunity to comment upon all documents to be filed with the Court by the Vendor and to be circulated to its creditors and shareholders, including without limitation, all applications and orders relating to the Transaction. The Vendor agrees that all such documents shall be consistent with the terms and conditions of this Agreement. The Vendor shall immediately provide the Purchaser with copies of all legal documents served upon it relating to this Agreement and the Purchased Assets.

(d) Deliveries by Vendor: At or prior to the Closing Date, the Vendor shall, together with possession of the Purchased Assets in accordance with the provisions hereof, execute and/or deliver to the Purchaser:

(i) the Customer Certificate at Closing, the Inventory Certificate at Closing, and a copy of the Vendor's pricing module for the Products, assignment of all trade names and other intellectual property contemplated by Section 1.1(r)(i), each satisfactory to the Purchaser acting reasonably;

(ii) such other documents, instruments, assignments, bills of sale, transfers and consents evidencing compliance with the provisions hereof or as may be reasonably requested by the Purchaser's counsel; and

(iii) all Books and Records;

(e) Possession of Purchased Assets: On Closing, the Vendor shall deliver physical possession of the Purchased Assets to the Purchaser.

5.2 **Covenants of Purchaser**:

(a) **Efforts to Satisfy Conditions**: The Purchaser shall, and shall cause its affiliates to, do, make, execute or deliver or cause to be done, made, executed or delivered all such acts, documents and things as the Vendor may reasonably require from time to time for the purpose of carrying out and giving effect to the Transaction and use reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of the Transaction, including without limitation, satisfying the conditions set forth in Article 4 of this Agreement and causing its directors, officers and employees of its affiliates to take such actions as are required to implement the provisions of the Transaction.

(b) **Deliveries by Purchaser**: On Closing, the Purchaser shall execute and deliver:

(i) the documents, documents, instruments, assignments, bills of sale, transfers and consents evidencing compliance with the provisions hereof or as may be reasonably requested by the Vendor's counsel; and

(ii) the payment to the Vendor of any HST exigible on the Purchased Assets.

5.3 **Tender:** Any tender of documents or money hereunder may be made upon the Vendor or the Purchaser or their respective solicitors on the Closing Date.

5.4 **Confidentiality:** The Purchaser and the Vendor shall keep confidential all information and documents which may have been or may hereafter be exchanged between them or their representatives or may have been retained by the Purchaser or the Vendor, except for such information and documents as are available to the public or required to be disclosed by applicable law or by court order or as required to be disclosed by the NOI Proceedings. In the event that the Transaction does not occur, all written information and documents shall be returned to the originating party, other than that which has been filed in Court (but not sealed) arising out of the NOI Proceedings. The Vendor further agrees that it shall use its commercially reasonable efforts to cause the Trustee to obtain from the Court an order that those provisions of this Agreement relating to the Purchase Price be sealed by the Court and not form part of the public record.

5.5 **Announcements:** Prior to the Closing of the Transaction, no party will make any public announcement concerning this Agreement or the Transaction without the other party's prior written approval. In the event that disclosure is required by any law or any Governmental Authority or by court order or as required to be disclosed pursuant to the NOI Proceedings to the extent practicable in the circumstances, the parties will consult in advance concerning the disclosure and the Vendor shall use its best efforts to cause the Trustee to provide drafts for consideration and prior approval by the Purchaser with respect to any required press release or other disclosure. Following Closing, the Purchaser may make such public announcements as it considers appropriate.

ARTICLE 6
RISK OF LOSS

6.1 **Risk of Loss:** From the date hereof to Closing, the Purchased Assets shall be and remain at the risk of the Vendor. If, prior to Closing, all or any part of the Purchased Assets are stolen, destroyed, or damaged by fire or any other casualty or are appropriated, expropriated, or seized by a governmental or other lawful authority, the Vendor shall forthwith give notice thereof to the Purchaser and the Purchaser shall have the option, exercisable by notice in writing given within 5 Business Days of the Purchaser receiving the Vendor's notice thereof:

(a) to reduce the Purchase Price by an amount equal to the cost of repair, or, if expropriated, seized, stolen, destroyed or damaged beyond repair, by an amount equal to the replacement cost or allocated purchase price of the assets forming part of the Assets so expropriated, seized, stolen, damaged or destroyed and to complete the purchase; or

(b) to complete the purchase without reduction of the Purchase Price, in which event all proceeds of insurance or compensation for expropriation or seizure shall be payable to the Purchaser and all right and claim of the Vendor to any such amounts not paid by Closing shall be assigned at Closing to the Purchaser; or

(c) to terminate this Agreement, in which case all obligations of the parties shall terminate forthwith on the Purchaser giving notice as required herein.

ARTICLE 7
GENERAL PROVISIONS

7.1 **Limited Right of Set-Off**: Except for the limited right of the Purchaser to set of an amount for unsellable Inventory in accordance with the last paragraph of Section 2.3 against amounts payable pursuant to section 2.6, the Purchaser may not set-off any amounts payable to the Vendor hereunder against any amount owing to the Purchaser in respect of any losses, damages, or other liability of any nature to the Purchaser which have not been ordered to be paid by the Vendor by a court of competent jurisdiction in a procedure to which the Vendor was a named party and for which all appeal periods have expired.

7.2 **Further Assurances:** The parties shall execute and deliver such further documents and instruments and do all such acts and things as may be reasonably necessary or requisite to carry out the full intent and meaning of this Agreement and to effect the transaction contemplated herein.

7.3 **Governing Law:** This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the parties hereto hereby irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Ontario.

7.4 **Entire Agreement:** This Agreement, together with the agreements and other documents to be delivered pursuant hereto, contains the entire agreement of the parties hereto and supersedes all prior agreements and understandings, negotiations and discussions,

whether oral or written, between the parties hereto or their respective representatives with respect to the matters herein and shall not be modified or amended except by written agreement signed by the parties to be bound thereby. There are no representations, warranties, condition or other agreements, express or implied, statutory or otherwise between the parties in connection with the subject matter of this Agreement, except as specifically set forth herein.

7.5 **No Waiver of Breach:** No waiver of any of the provisions of this Agreement shall be deemed to be or shall constitute a waiver of any other provisions nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

7.6 **Time of the Essence:** Time shall be of the essence of this Agreement.

7.7 **Notices:** All notices, requests, demands or other communications required to be given or made hereunder shall be in writing and shall be deemed to be well and sufficiently given if hand delivered or by electronic communication addressed to the recipients as follows:

(a) In the case of the Vendor:

Brimor Capital Inc.
300 John Street, Suite 309
Thornhill, Ontario L3T 5W4

Attention: President
Telecopier No: (905) 709-8679

with a copy to:

Torkin Manes LLP
151 Yonge Street
Suite 1500
Toronto, Ontario M5C 2W7

Attention: Fay Sulley
Telecopier No.: (416) 863-0305

(b) In the case of the Purchaser:

Roy Turk Industrial Sales Ltd.
106 Vulcan Street
Toronto, Ontario M9W 1L2

Attn: President
Telecopier No.: 416-742-1322
Email: andrewturk1970@royturk.com

or to such other address, individual or electronic communication number as may be designated by notice given by any party to the others. Any demand, notice or other communication shall be conclusively deemed to have been given, if given by personal delivery, on the day of actual delivery thereof if delivered during normal business hours of the recipient on a Business Day and, if given by electronic communication, on the day following the transmitted thereof if transmitted during normal business hours of the recipient on a Business Day and on the second Business Day following the delivery or transmittal thereof if not so delivered or transmitted.

7.8 **Severability:** In case any one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement.

7.9 **Execution in Counterparts:** This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same Agreement, and shall become a binding agreement when one or more counterparts have been signed by each of the parties and delivered to each of the other parties. This Agreement shall be validly executed and delivered if signed and transmitted by facsimile or other electronic means.

7.10 **Successors and Assigns:** This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, permitted successors and assigns. The Purchaser may not directly or indirectly (including by way of a change of control) assign all or any part of this Agreement or any of its rights or obligations contained herein, to any other Person, without the prior consent of the Vendor.

7.11 **Professional Fees:** Each of the parties hereto will be responsible for payment of their own legal, consulting, accounting and banking fees incurred in the completion of the transactions contemplated hereby whether incurred prior to or subsequent to the date hereof.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement, by the hands of their respective officers duly authorized in that behalf, on the day, month and year first above written.

ROY TURK INDUSTRIAL SALES LTD

Per: _____

Name: ANDREW TURK

Office: PRESIDENT

I have the authority to bind the Corporation

MASTER CLEANING SUPPLIES INC.

Per: _____

Name:

Office:

I have the authority to bind the Corporation

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement, by the hands of their respective officers duly authorized in that behalf, on the day, month and year first above written.

ROY TURK INDUSTRIAL SALES LTD

Per: _____

Name:
Office:
I have the authority to bind the Corporation

MASTER CLEANING SUPPLIES INC.

Per: _____

Name: GREG HYDE
Office:
I have the authority to bind the Corporation

Schedule A
Excluded Assets

1. Other than the Inventory of the Business as at Closing, all assets and undertakings of the Business, including without limitation the furniture, warehouse racking, forklifts, computers and computer servers of the Business; and

2. Accounts payable and accounts receivable of the Business, including without limitation the Accounts Receivable and any non-trade receivable.

Schedule B
Products

~~See attached.~~ Seperately filed

In the matter of the proposal of **MASTER CLEANING SUPPLIES INC.**
of the Town of Richmond Hill, in the Province of Ontario

Court File No. 31-1665939

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

AMENDED APPROVAL AND VESTING ORDER

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Lawyers for the Applicant, Master Cleaning Supplies Inc.

RCP-E 4C (July 1, 2007)