

CONTENT of OFFER TO PURCHASE

1.01	OFFER to PURCHASE
1.02	SALE PRICE
1.03	BALANCE SHEET VALUE
1.04	BALANCE SHEET ASSETS included in the Sale
1.05	BALANCE SHEET LIABILITIES included in the Sale
1.06	BALANCE SHEET ASSETS excluded from the Sale
1.07	BALANCE SHEET LIABILITIES excluded from the Sale
1.08	ADJUSTMENT DATE
1.09	CLOSING DATE
2.01	TERMS of PAYMENT
2.02	POST CLOSING ADJUSTMENTS
3.01	The BUSINESS of the COMPANY
3.02	NON-COMPETE AGREEMENTS
3.03	TRANSITION MANAGEMENT, TRAINING and ADVISORY PERIODS
4.01	CONDITIONS and REPRESENTATIONS
4.02	CONTINGENCIES
4.03	CLOSING DOCUMENTS
4.04	CLOSE of SALE:
5.01	TIME is of the ESSENCE
5.02	FAILURE to ACCEPT
5.03	EXECUTION and ACCEPTANCE
5.04	PURCHASER's PERFORMANCE DEPOSIT
5.05	PURCHASER's FAILURE TO CLOSE
5.06	SELLER's PERFORMANCE DEPOSIT
5.07	SELLER's FAILURE TO CLOSE
5.08	SPECIFIC PERFORMANCE
5.09	ARBITRATION
5.10	ENTIRE AGREEMENT
EXHIBIT "A"	Distribution of the Offer Balance Sheet; included in & excluded from the Sale
EXHIBIT "A1"	Closing Balance Sheet in Form
EXHIBIT "B"	Purchaser's Net Worth Statement
EXHIBIT "C"	Vendor Takeback Amortization & Payment Schedule
EXHIBIT "D"	Copy of Current Lease Agreement (not applicable)

OFFER TO PURCHASE

This Offer to Purchase made as of the date of Execution hereof by and between John Q. Smith and/or Nominee(s) (herein called Purchaser), and Anthony J. Brown and JaneAnne Brown (hereinafter collectively called Seller).

In consideration of the mutual covenants and promises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1.01 Purchaser hereby offers to purchase 100% of all issued and outstanding Shares of Capital Stock of **Galaxy Industrial Corporation**, a British Columbia corporation (herein called Company) and the name and goodwill of Company as described herein.

- (a) **OWNERSHIP of SHARES:** Seller hereby represents and warrants that a total of 10,000 Shares of Capital Stock of Company (herein called Shares) are issued and outstanding as at the date of this Offer to Purchase, including 5,000 Class A Common Voting Shares and 5,000 Class B Common Non-Voting Shares issued to and legally and beneficially held as follows:

Anthony J. Brown is issued 3500 Class A Common Voting Shares and 1500 Class B Non-Voting Shares

JaneAnne Brown is issued 1500 Class A Common Voting Shares and 3500 Class B Non-Voting Shares

There are no other shareholders or other persons that have any options or rights to acquire any Share interest in Company and the Shares, are fully paid and non-assessable and are held by the above named Seller free and clear of all liens and encumbrances.

- (b) **NO CHANGE PRIOR TO THE CLOSE:** Seller covenants that ownership and beneficial rights to Shares shall not be altered from the date of this Offer to Purchase until the Closing contemplated hereby and that no additional Shares shall be issued prior to the Closing contemplated hereby and no Shares nor any beneficial rights to Shares shall be in any way pledged or transferred prior to the Closing contemplated hereby.
- (c) **CLOSING SHAREHOLDINGS:** At the Closing contemplated hereby 100% of the Shares issued and outstanding as at the date of the Close shall be legally and beneficially transferred to Purchaser.

1.02 As consideration for the sale by Seller to Purchaser of the Shares of Company, which Company shall at the time of the Closing contemplated hereby hold all rights to all assets listed and enumerated herebelow subject to adjustment in the manner provided herein and be liable for such liabilities listed and enumerated herebelow subject to adjustment in the manner provided herein and, except as shall be otherwise provided herein, all of Company's interest in patents, trade names and trade marks, product designs, drawings, plans and templates, customer lists, sales and marketing materials and resources, supplier lists, telephone and fax numbers, email address(s), web-site(s) and domain registration(s) associated with Company and/or the Business of Company, and except as shall be otherwise provided herein, all tools, equipment, furnishings and supplies and all other assets that remain on Business Premises at at the Closing contemplated hereby and the non-compete agreement of Seller, Purchaser shall pay to Seller the full and Final Sale Price in Canadian dollars on the terms and conditions contained herein:

- (a) **Final Sale Price:** Final Sale Price (herein so called) shall be that amount which is equal to **Goodwill Value plus Final Balance Sheet Value as at the Adjustment Date**. Otherwise, pricing is herebelow calculated as at the Offer to Purchase.
- (b) **As at the Offer to Purchase:** Price enumerated herebelow is calculated to be Three Million One Hundred Eighty Three Thousand Six Hundred Twenty-Four dollars and Seventy-Seven cents **\$ 3,183,624.77**
- (b) **Assets and Liabilities included in Balance Sheet Value as at the Offer to Purchase:**

Assets:

Cash on Deposit	\$ 0.00
Accounts Receivable	\$ 556,914.56
Inventory	\$ 77,426.00
Prepaid Expenses	\$ 4,857.00
Capital Assets	included at Depreciated Book Value \$ 149,137.29
Other Assets	\$ 0.00
Total Assets	\$ 788,334.85

Liabilities:

Bank Indebtedness	\$ 0.00
Accounts Payable & Accrued Liabilities	\$ 464,521.08
Income Taxes Payable	\$ 0.00
Long Term Debt	\$ 0.00
Term Loans Due on Demand	\$ 0.00
Shareholders Loan	\$ 0.00
Other Liabilities	\$ 0.00
Total Liabilities	\$ 464,521.08

Price:

Balance Sheet Value:	\$ 323,813.77
Goodwill Valuation:	\$ 2,859,811.00

Price as at the Offer to Purchase equal to the total of Balance Sheet Value and Goodwill Value: \$ 3,183,624.77
(subject to adjustment in the manner provided herein)

1.03 BALANCE SHEET VALUE: Balance Sheet Value (herein so called) shall be that amount which is equal to Balance Sheet Assets included minus Balance Sheet Liabilities. Balance Sheet Value shall be calculated from time to time including as at the Offer to Purchase, as at the Closing and finally, Final Balance Sheet Value will be calculated as at Adjustment Date.

- (a) **OFFER Balance Sheet:** Balance Sheet Value as at the Offer to Purchase (herein called Offer Balance Sheet Value) is \$323,813.77 as is detailed in Section 1.02 hereof and in the Distribution of the **May 31, 2010** Balance Sheet marked Exhibit "A" and attached hereto. Such Exhibit "A" is representative the balance sheet of Company as at **May 31, 2010** and indicates the assets that are to be included in the sale and the assets that are to be excluded from the sale and retained by Seller and indicates the liabilities that are to be included in the sale and the liabilities that are to be excluded from the sale and retained and/or satisfied by Seller, and all which are enumerated in amounts as at **May 31, 2010**.
- (b) **CLOSING Balance Sheet:** Balance Sheet Value as at the Closing (herein called Closing Balance Sheet Value) shall be calculated during the period of time between Adjustment Date and Closing by the Parties hereto and incorporated into the Closing Agreement in the following manner.
 - (i) **Inventory Count to be conducted by the Parties:** On or about Adjustment Date, the Parties hereto shall together count and value Company's Inventory in accordance with Section 1.04(b) hereof, and such value shall be enumerated in the Closing Balance Sheet.
 - (ii) **Bookkeeping Records of Company:** Except for Inventory value, which shall be subject to count as provided herein, all other Balance Sheet items shall be valued as at the close of business on Adjustment Date according to the standard bookkeeping methods of Company.
 - (iii) **The Closing Balance Sheet** shall be prepared in the form called Distribution of the Closing Balance Sheet marked Exhibit "A1" and attached hereto, whereby assets to be included in the sale and assets to be excluded from the sale and retained by Seller shall be identified and enumerated in the manner provide therein, and whereby liabilities to be included in the sale and liabilities to be excluded from the sale and satisfied by Seller shall be identified and enumerated in the manner provide therein, and such Closing Balance Sheet shall be executed by the Parties hereto and delivered to Broker, and such shall be incorporated into the Closing Agreement and shall provide the Closing Balance Sheet Value component of the Closing Price.
 - (iv) To the extent that Closing Balance Sheet Value shall be greater than Offer Balance Sheet Value, Closing Price shall be increased. To the extent that Closing Balance Sheet Value shall be lesser than Offer Balance Sheet Value, Closing Price shall be decreased.
- (c) **FINAL Balance Sheet:** Immediately following the Closing contemplated hereby, Company Accountant, namely Daniels, Wilson, Grant Chartered Accountants, (herein called Company Accountant), shall be engaged by Company to prepare in a manner consistent with Generally Accepted Accounting Principles (GAAP) the Adjustment Date Financial Statements for the period from the **May 31, 2010** fiscal year end financial statements until the close of business on Adjustment Date, and to deliver such Adjustment Date Financial Statements to Seller and Purchaser within 90 days of the Closing.
- (d) Thereafter, if requested by Purchaser and/or Seller, Company Accountant shall make available to Purchaser and Seller all working papers used in the preparation of such Adjustment Date Financial Statements.

1.04 BALANCE SHEET ASSETS to be included in the Sale: Unless otherwise agreed in writing, assets included in the Final Balance Sheet Value and in the final Sale Price calculation shall be as follows:

- (a) **Cash on Deposit:** The value of Cash on Deposit and/or cash on hand that shall be included in the Final Balance Sheet Value calculation as at Adjustment Date shall be that amount which Company has on hand and/or on deposit as at the close of business on Adjustment Date, minus such amounts, if any, that shall be agreed in writing between the Parties hereto as cash amounts to be transferred to Seller or otherwise utilized to satisfy liabilities on or before the Close of Sale contemplated hereby.
- (b) **Inventory:** The value of Inventory that shall be included in the Final Balance Sheet Value calculation as at Adjustment Date shall be that which Company has been duly recorded on the books of Company as at the close of business on Adjustment Date, including parts and raw inventory, work in progress and finished inventory, which shall be counted and valued at the lesser of cost or fair market value as at close of business on Adjustment Date, and shall include inventory, parts and materials not recorded on the balance sheet but which shall be counted, valued and agreed to between the Parties hereto, and shall include all new and used materials and parts and production supplies whether valued or not valued that shall remain on premises after the Closing, except that which shall be specifically excluded by the Parties hereto in writing.
- (c) **Accounts Receivable:** The value of Accounts Receivables that shall be included in the Final Balance Sheet Value calculation as at Adjustment Date shall be that amount which Company has been duly recorded on the books of Company as uncollected as at the close of business on Adjustment Date. Seller shall guarantee such to be fully collectable within 30 days of the due date provided by the purchase order and/or sales invoice pertaining to such account receivable or as shall be otherwise documented and agreed between the Parties thereto. Purchaser may at Purchaser's option, notify Seller of such in writing and Seller shall within 15 days of receipt of such written notification purchase all rights to such uncollected Accounts Receivable by paying to Company the full face value of such uncollected Accounts Receivable. In the event that Seller shall fail to so pay full face value of such uncollected Accounts Receivable to Company, the balance then owing on the Promissory Note payable to Seller shall be reduced by an amount equal to 100% of the sum total of such uncollected Accounts Receivable plus interest at 5.0% per annum from Adjustment Date, and such reduction shall be applied to reduce the next payment(s) due under the Promissory Note.

- (d) **Prepaid Expenses:** The value of Prepaid Expenses, if any, that shall be included in the Final Balance Sheet Value calculation as at Adjustment Date shall be that amount which is duly recorded on the books of Company as at the close of business on Adjustment Date.
- (e) **Capital Assets:** The value of Capital Assets that shall be included in the Final Balance Sheet Value calculation as at Adjustment Date shall be that amount which is duly recorded at depreciated value on the books of Company as at the close of business on Adjustment Date.
- (f) **Other Assets:** The value of any and all Other Assets, if any, that shall be included in the Final Balance Sheet Value calculation as at Adjustment Date shall be that amount which is duly recorded on the books of Company as at the close of business on Adjustment Date.
- (g) **Real Estate:** None

1.05 BALANCE SHEET LIABILITIES to be included in the Sale: Unless otherwise agreed in writing, liabilities included in the Sale Price calculation shall be as follows:

- (a) **Bank Indebtedness:** The amount of Bank Indebtedness that shall be included in the Final Balance Sheet Value calculation as at Adjustment Date shall be that amount which is duly recorded on the books of Company as at the close of business on Adjustment Date. Unless otherwise agreed in writing by the Parties hereto, that amount shall be zero dollars.
- (b) **Accounts Payable and Accrued Liabilities:** The amount of Accounts Payable and Accrued Liabilities that shall be included in the Final Balance Sheet Value calculation as at Adjustment Date shall be that amount which is duly recorded on the books of Company as at the close of business on Adjustment Date.
- (c) **Income Taxes Payable:** The amount of Income Taxes Payable, if any, that shall be included in the Final Balance Sheet Value calculation as at Adjustment Date shall be that amount which is duly recorded on the books of Company as at the close of business on Adjustment Date. Unless otherwise agreed in writing by the Parties hereto, that amount shall be zero dollars.
- (d) **Long Term Debt:** The amount of Income Taxes Payable, if any, that shall be included in the Final Balance Sheet Value calculation as at Adjustment Date shall be that amount which is duly recorded on the books of Company as at the close of business on Adjustment Date. Unless otherwise agreed in writing by the Parties hereto, that amount shall be zero dollars.
- (e) **Term Loans Due on Demand:** The amount of Income Taxes Payable, if any, that shall be included in the Final Balance Sheet Value calculation as at Adjustment Date shall be that amount which is duly recorded on the books of Company as at the close of business on Adjustment Date. Unless otherwise agreed in writing by the Parties hereto, that amount shall be zero dollars.
- (f) **Shareholder's Loan:** The amount Due to or from Shareholders and/or Related Parties, if any, that shall be included in the Final Balance Sheet Value calculation as at Adjustment Date shall be that amount which is duly recorded on the books of Company as at the close of business on Adjustment Date. Unless otherwise agreed in writing by the Parties hereto, that amount shall be zero dollars.
- (g) **Other Payables and Other Liabilities:** The amount of Other Payable and/or Other Liabilities that shall be included in the Final Balance Sheet Value calculation as at Adjustment Date shall be that amount which is duly recorded on the books of Company as at the close of business on Adjustment Date.
- (h) **OTHER ASSETS and LIABILITIES INCLUDED IN THE SALE PRICE:** NONE. There shall be no assets included in the Sale Price except for those Assets defined hereabove in Section 1.04(a), (b), (c), (d), (e), (f) and (g) and there shall be no Liabilities included in the Sale Price except for those Liabilities defined hereabove in Section 1.05(a), (b), (c), (d), (e), (f), (g) and (h). Seller shall retain responsibility for the timely payment of all other taxes payable and payroll payable and all other accounts and accruals payable that were and will be incurred up to the close of business on Adjustment Date, and shall ensure that any and all amounts, other than those defined herein in Section 1.05(a), (b), (c), (d), (e), (f), (g) and (h) hereof, due to employees and/or shareholders and/or others be fully satisfied before or at the time of the Closing. Seller shall indemnify Purchaser against any undisclosed claims or liabilities not reflected in Company's Final Balance Sheet Value (herein called Undisclosed Liabilities).
- (i) Should claim(s) arise from such Undisclosed Liabilities which Seller shall fail to satisfy and should Company become legally responsible for the satisfaction of such claim, the balance then owing on the Promissory Note payable to Seller shall be reduced by the amount required to satisfy the Undisclosed Liability and associated costs including (but not limited to) lawyers and/or court fees and/or other associated costs, and such amount, together with interest thereon at 5% per annum from the Adjustment Date, shall be applied to reduce the next payment(s) due under the Promissory Note.
- (j) Should claim(s) arise from such Undisclosed Liabilities which Seller shall fail to satisfy and should Purchaser become legally responsible for the satisfaction of such claim, the balance then owing on the Promissory Note payable to Seller shall be reduced by the amount required to satisfy the Undisclosed Liability and associated costs, and such amount, together with interest thereon at 5% per annum from the Adjustment Date, shall be applied to reduce the next payment(s) due under the Promissory Note.

1.06 BALANCE SHEET ASSETS that shall be excluded from the Sale: Unless otherwise agreed in writing, the following assets which, as indicated by Exhibit "A" and/or Exhibit "D", have been excluded from the calculation of the Offer Balance Sheet Value and shall be excluded also from the calculation of the Closing Balance Sheet Value. Ownership of such assets shall be transferred from Company to Seller on or before the Closing.

(a) **CURRENT TERM ASSETS:**

- (i) **Cash on Deposit:** Cash shall be excluded from the sale and accrue to seller.
- (ii) **Investment/Securities:** Investment/Securities shall be excluded from the sale and accrue to seller.

(b) **LONG TERM ASSETS:**

- (i) **Due from Related Parties:** Amounts Due from Related Parties shall be excluded from the Sale and accrue to seller.

(c) **CAPITAL ASSETS:**

- (i) **Leasehold Improvements:** All Leasehold Improvements shall be excluded from the Sale and accrue to seller.
- (ii) **Depreciation/Amortization:** All depreciation and amortization applicable to Leasehold Improvements shall be excluded from the Sale and accrue to seller.

1.07 BALANCE SHEET LIABILITIES that shall be excluded from the Sale: Unless otherwise agreed in writing, the following liabilities which, as indicated by Exhibit "A", have been excluded from the calculation of the Offer Balance Sheet Value and shall be excluded also from the calculation of the Closing Balance Sheet Value. Such liabilities shall be paid in full through Adjustment Date by Company on or before Adjustment Date or shall be paid in full through Adjustment Date by Seller at the time and as a part of the Closing.

(d) **THIRD PARTY LIABILITIES:**

- (i) **Bank Indebtedness** (if any): All Bank Indebtedness (if any) shall be satisfied or retained by Seller.
- (ii) **Income Taxes Payable** (if any): All Income Taxes Payable shall be satisfied or retained by Seller.
- (iii) **Long Term Debt** (if any): All Long Term Debt (if any) shall be satisfied or retained by Seller.
- (iv) **Term Loans Due on Demand** (if any): All Term Loans (if any) shall be satisfied or retained by Seller.

(e) **DUE TO SHAREHOLDER LIABILITIES:**

- (i) **Due to Shareholders:** All amounts Payable to Shareholders (if any) shall be satisfied or retained by Seller.
- (ii) **Due to Related Party:** All amounts Payable to Related Party (if any) shall be satisfied or retained by Seller.

1.08 ADJUSTMENT DATE: The adjustment date (herein called Adjustment Date) shall be as at the close of business on the last business day of the month immediately prior to the Closing Date or such other date as shall hereafter be agreed in writing between the Parties hereto, and Adjustment Date shall be the effective date of the Closing contemplated hereby. Adjustment Date shall effectively be the final business date of Company under Seller's ownership. The day following Adjustment Date shall effectively be the first business date of Company under Purchaser's ownership and shall be effected only at the Closing contemplated hereby.

1.09 CLOSING DATE: Closing date (herein called Closing Date) shall be on or before **4:00 pm September 10, 2010** or such other date as shall hereafter be agreed in writing between the Parties hereto and shall be the date on which all closing documents effecting the sale and purchase contemplated hereby shall be executed by the Parties hereto, and such execution (herein called the Closing) shall be at the offices of Purchaser's Lawyer or at such other place(s) as shall be agreed by the Parties hereto.

2.01 TERMS of PAYMENT: The Sale Price for the Shares and for amounts Due to Shareholders and/or Related Parties, if any, shall be paid by Purchaser to Seller as follows:

- (a) **CASH PAYMENT to CLOSE:** Two Million Sixty Nine Thousand Three Hundred Fifty-Six dollars and Ten cents (\$2,069,356.10) shall be paid by Purchaser to Seller by way of certified funds or solicitor's trust cheque at the Closing, and;
- (b) **BALANCE PAYABLE:** Company and Purchaser and, if Purchaser is a corporation, the Principals of Purchaser, shall jointly and severally execute a Promissory Note in favor of Seller for the sum of One Million One Hundred Fourteen Thousand Two Hundred Sixty-Eight dollars and Seventy-Seven cents (\$1,114,268.67) with interest at the rate of 5% per annum, amortized over 60 consecutive months from the first day of the first month following the Adjustment Date contemplated hereby and shall pay such Promissory Note in 60 equal and consecutive monthly payments of \$21,027.62 commencing on the 1st day of the second month following the Adjustment Date contemplated hereby.
 - (i) **Promissory Note:** Such Promissory Note shall be executed by Purchaser or, if Purchase is a corporation, executed by Purchaser and by the Principals of the corporation and secured by a General Security Agreement (herein called GSA) drawn in favor of Seller over all the assets and personal property of Company or in such other manner provided in Section 4.02(e) hereof and such Promissory Note or any portion thereof may be paid at any time earlier than specified above, without penalty.
 - (ii) **Limited Setoff Rights:** Purchaser shall have no right to setoff or deduction of any kind except as provided in Section 1.05(i) and 1.05(j) hereof.

3.02 POST CLOSING ADJUSTMENTS: In the event that Final Balance Sheet Value shall be at variance with the Closing Balance Sheet Value, then the amount of such variance shall be adjusted between the Parties hereto in the following manner:

- (a) In the event and to the extent Shareholder Loan amounts enumerated in the Final Balance Sheet shall be greater than that enumerated by the Closing Balance Sheet, Down Payment shall be decreased, or in the event and to the extent Shareholder Loan amounts enumerated in the Final Balance Sheet shall be lesser than that enumerated by the Closing Balance Sheet, Down Payment shall be increased.
- (b) In the event Final Balance Sheet Value shall be greater and to the extent Final Balance Sheet Value shall be greater than Closing Balance Sheet Value, Sale Price shall be increased, or in the event Final Balance Sheet Value shall be lesser and to the extent Final Balance Sheet Value shall be lesser than Closing Balance Sheet Value, Sale Price shall be decreased. Any such increase or decrease shall be applied to the Promissory Note portion of the Sale Price and adjusted to the final principle payment(s) due thereunder.
- (c) If Purchaser or Seller shall disagree with the Adjustment Date Financial Statements prepared by Company Accountant, then such disagreeing party may retain other chartered accountant(s) to review such statements and adjustments whereupon such other accountant(s) shall attempt to resolve any disagreement with Company Accountant, provided that if any such disagreement cannot be resolved to the satisfaction of Purchaser and Seller within 30 days after delivery of the Adjustment Date Financial Statements, then either party may elect to have the matter resolved by arbitration by a single arbitrator pursuant to the provisions of the *Commercial Arbitration Act* (British Columbia) and in such case the ruling of such arbitrator shall be binding. The expenses of arbitration conducted pursuant to this paragraph shall be born by Purchaser and/or Seller in such proportion as the arbitrator shall decide.

3.01 The BUSINESS of Company: The business of Company (herein called the Business), is the sale, installation, service and repair of fire supression systems and retardants with particular application resourse related industries, such as logging, lumber mill, pulp mill, petroleum, mining and construction industries.

3.02 NON-COMPETE AGREEMENTS:

- (a) Seller hereby agrees to enter into a Covenant Not to Compete and/or to Advise within British Columbia and Alberta Canada for a period of five (5) years following the Closing contemplated hereby, either directly or indirectly as owner, shareholder, director, principal, officer, or in any ownership or directorship capacity whatsoever of a corporation, partnership, association or proprietorship that shall be engaged in the Business or that shall otherwise be in competition with Company, or as agent, employee, consultant, independent contractor or in any other capacity whatsoever of a corporation, partnership, association or proprietorship that shall be engaged in the Business or that shall otherwise be in competition with Company.
- (b) Purchaser hereby agrees to enter into a Covenant Not to Compete and/or to Advise within British Columbia and Alberta Canada for a period of five (5) years following the Closing contemplated hereby and for a period of five (5) years of the date of this Offer to Purchase should this agreement terminate due to Purchaser's failure to comply with any of the terms contained in this agreement, either directly or indirectly as owner, shareholder, director, principle, officer, or in any ownership or directorship capacity whatsoever of a corporation, partnership, association or proprietorship that shall be engaged in the Business or that shall otherwise be in competition with Company, or as agent, employee, consultant, independent contractor or in any other capacity whatsoever of a corporation, partnership, association or proprietorship that shall be engaged in the Business or that shall otherwise be in competition with Company.

3.03 TRANSITION MANAGEMENT, TRAINING and ADVISORY PERIODS:

- (a) **TRANSITION MANAGEMENT PERIOD:** Following the Adjustment Date and until the Closing, Seller shall continue to manage, supervise and operate Company in a manner consistent with management and supervision of Company operations prior to Adjustment Date. Seller shall cause Company to continue sales, deliveries, installations, invoicing and collection of accounts receivables, payment of accounts and accruals payable, and the payment of taxes, wages and benefits payable. The total of all wages that shall accrue to Seller during such period shall be limited to the per diem rate of \$200.00 or at such other reasonable amount as shall be agreed in writing between the Parties hereto, for each business day that Company shall operate beginning the day following Adjustment Date and continuing until the Closing. After Adjustment Date, except with the prior written consent of Purchaser, Seller shall not cause Company to conduct any out-of-ordinary Business or to issue payment on Management Bonuses Due or Management Salaries Due or Shareholder Loans Due or any other amount(s) that shall accrue by way of personal benefit to Seller, except Seller may cause Company to pay to Seller the above described per diem wage.
- (b) **TRAINING PERIOD:** During the four (4) month period immediately following the Closing (herein called the Training Period), Seller shall provide to Purchaser a total of 240 hours of training (herein called Training Hours) at times during Normal Business Hours that may be reasonably requested by Purchaser, during which times Seller shall to the best of his abilities and as quickly as practicable, introduce Purchaser to and train Purchaser in all management processes of Company. Such processes shall include but shall not be limited to the day-to-day operating techniques and procedures employed by Company in the manufacture, assembly, sales, service and maintenance of Company's products and, if requested by Purchaser, the introduction of Purchaser to those local supplier contacts and local customers contacts of Company with whom Seller shall have had direct contact and dealings. During such Training Period, such Training Hours shall be satisfied by **Anthony J. Brown** on behalf of Seller at no charge to Company or Purchaser, at the Business Premises and at times during Normal Business Hours as may be reasonably requested by Purchaser.
- (c) **ADVISORY PERIOD:** During the period (herein called the Advisory Period) immediately following the completion of the Training Period and/or the Training Hours, which ever shall be the sooner, and continuing until exactly eighteen (18) months after the Closing Date, **Anthony J. Brown** on behalf of Seller, shall continue to provide training and advice to Purchaser, at the reasonable request of Purchaser, on an as needed and as available basis. During such Advisory Period, such training

and/or advice shall be provided by **Anthony J. Brown** on behalf of Seller, at the Business Premises on occasions during Normal Business Hours as may be reasonably requested by Purchaser. Purchaser shall request a minimum of one half hour per occasion and shall compensate Seller at the rate of \$75.00 per hour and payment of such shall be due and payable within 7 days of the end of the month such hours were provided.

- (d) **ALTERNATE TRAINING and ADVISORY PERIODS:** The afore described Training Period and Training Hours, and/or Advisory Period and Hours may be replaced at any time at the option of Purchaser and Seller by such alternate period(s) and hours as may be agreed to in writing between the parties.

4.01 CONDITIONS and REPRESENTATIONS:

- (a) **BUSINESS PREMISES:** Seller hereby represents and warrants that Company currently operates from business premises (herein called Business Premises) herein described, that are located at 19292 - 60th Avenue, Surrey, British Columbia V3S-3M2, that the Real Property on which the Business Premises are located is owned by Seller, that there is currently no written Lease Agreement between Company and Seller, but that Company is currently paying to Seller \$16,000.00 per month rent and that the arrangement is current and paid to date. Seller and Purchaser hereby agree to enter into a Lease Agreement for such Business Premises which shall include the yard currently occupied by the Business for a term of 5 years which shall begin on the first day following Adjustment Date at the monthly lease rate of \$16,000.00 plus applicable taxes, which Lease Agreement shall provide a renewal option for an additional 5 year period, and such Lease Agreement shall be executed by the Parties at the time of the Close of Sale contemplated hereby.
- (b) **GOOD WORKING ORDER:** Seller warrants that at Closing Date, all equipment of Company shall be in good working order and that the Business Premises will pass all inspections necessary to conduct the Business of Company. Seller also warrants that all equipment of Company shall up until Closing Date be maintained in the manner required to meet all government and industry audit conditions and requirements.
- (c) **NO MATERIAL CHANGES:** Seller hereby represents and warrants that from the date of this Offer to Purchase and through the date of the Closing and the execution thereof, Seller shall make no changes that will materially effect Company, the Business of Company, the status or compensation of employee(s) or that shall adversely alter the value of the capital assets or that shall reduce the value of any other assets of Company.
- (d) **ADVERSE CHANGES:** Seller hereby represents and warrants that Seller is unaware of any immediately pending market change and/or any change in the employment status of Company's non-shareholder employee(s), that shall adversely effect the Business of Company, and if Seller should, between the date of this Offer to Purchase and Adjustment Date, become aware of any such pending change, that Seller shall disclose such in writing to Purchaser on or before Adjustment Date.
- (e) **NO LITIGATION:** Seller hereby represents and warrants that Seller is unaware of any legal investigations or legal actions, current or pending against Company, and if Seller should, between the date of this Offer to Purchase and Adjustment Date, become aware of any such legal investigations or legal actions, that Seller shall disclose such in writing to Purchaser on or before Adjustment Date.

4.02 CONTINGENCIES:

- (a) **Books and Records:** This Offer to Purchase is made subject to the satisfactory audit and/or review by Purchaser and/or Purchaser's Representative(s) and/or Agent(s) of any and all books and records and materials of Company. Such books, records and materials shall include but not be limited to Financial Statements and Tax Filings and of all other books, records and materials of Company. Seller shall provide all reasonable access to such books and records and materials during normal business hours between 8:00 am and 5:00 pm Monday through Friday except holidays (herein called Normal Business Hours), beginning the second business day after this Offer to Purchase is Accepted by Seller and continuing until **5:00 pm August 3, 2010** or until Purchaser shall in writing remove this contingency or until Purchaser shall in writing withdraw this Offer to Purchase, which ever is the sooner. Such reasonable access to books, records and materials shall be provided either at the residence of Seller and/or at the offices of Company Accountant and/or at the offices of davidsonashe inc., herein called Broker), and/or at such other location as shall be agreed by Parties hereto.
- (b) **Company Employees:** This Offer to Purchase is made subject to Purchaser satisfaction with respect to any post-sale relationship between Company and its employees. Upon the removal of all other subjects hereto, Seller shall provide Purchaser with access to such employees. Unless and until Purchaser in writing removes this subject, the subject shall remain in effect. At any time later than **5:00 pm August 3, 2010**, unless and until this subject is first removed by Purchaser in writing, at the option of Seller, Seller's Acceptance of this Offer to Purchase may be withdrawn.
- (c) **Financial Sufficiency:** Seller's Acceptance of this Offer to Purchase is subject to Seller obtaining satisfactory report with respect to Purchaser's financial means and abilities to meet the payments of the Promissory Note as set forth in Section 2.01(b) hereof and with respect to the probabilities that Purchaser shall satisfy the terms of such Promissory Note. In the event Seller shall receive from credible source(s) report(s) to the contrary, Seller shall provide Purchaser with a reasonable opportunity to explain and/or refute such report(s). Seller may withdraw Acceptance of this Offer to Purchase in the event Seller shall receive such contrary reports from credible sources and in the event Purchaser shall fail to refute such contrary report(s) to the reasonable satisfaction of Seller. With respect to such, the personal net worth statement of Purchaser is marked Exhibit "B" and attached hereto and Purchaser hereby represents such to be a materially accurate representation of Purchaser's net worth. Unless and until Seller in writing shall remove this subject, it shall remain in effect. At any time later than **5:00 pm August 3, 2010**, unless and until this subject is first removed by Seller in writing, at the option of Purchaser, this Offer to Purchase may be withdrawn.
- (d) **Subordination of Security:** It is anticipated that commercial banking arrangements between Purchaser and/or Company and one or more Canadian Commercial Banks (herein called the Bank, whether singular or plural) may be such that for loan approval the Bank shall require first place security under a GSA drawn in favor of the Bank. In such event, Seller shall be

asked to subordinate security interests under Seller's GSA to second place behind the security interests of the Bank, and Seller hereby agrees to such subordination provided that Purchaser and Company shall pledge the same security to Seller as to Bank, albeit such pledge shall be subordinate to the security interests of the Bank, and provided covenants equal to those extended by Purchaser and/or Company to the Bank shall also be extended to Seller.

4.03 CLOSING DOCUMENTS: It is hereby understood and agreed by the Parties that this Offer to Purchase does not represent the final Closing Agreement between the Parties, but is meant to establish Sale Price and Payment Terms, and to provide for the adjustment thereof, and to structure the schedule of conditions and events and representations of the Parties preceding the Closing and to outline the general terms of agreement between the Parties on which the sale contemplated hereby is to be Closed.

- (a) **Neutral Lawyer:** In the event that this Offer to Purchase is accepted by Seller, and thereafter upon satisfactory completion of Section 4.02 hereof and upon satisfaction and removal of all subjects hereto, Broker shall retain a neutral lawyer, namely Bryenton & Associates, Barristers & Solicitors, 300 - 20689 Fraser Highway, Langley British Columbia V2A-4G4 (herein called Neutral Lawyer) to gather information, conduct searches and draw up the contemplated Closing documents(s) and to deliver draft copies of such Closing documents to the lawyer for Purchaser and to the lawyer for Seller sufficiently in advance of the Closing so as to provide such lawyers reasonable time to review and advise their respective clients.
- (b) **Closing Date:** The Closing date shall be on or before, **4:00 pm September 3, 2010** at the offices of the Neutral Lawyer or at such other time and location(s) as shall be mutually acceptable to the Parties hereto.
- (c) **Closing Costs:** At the time of such Execution and within escrow, Broker shall be reimbursed for all closing costs (herein called Closing Costs) incurred with respect to the Neutral Lawyer. Such reimbursement shall be shared equally by Seller and Purchaser.

4.04 The CLOSING: The Closing of the transaction contemplated hereby shall be defined as the execution by Seller and Purchaser of those documents that shall transfer legal and beneficial right to the Shares from Seller to Purchaser.

5.01 TIME is of the ESSENCE: Time is of the essence of this Offer to Purchase.

5.02 FAILURE to ACCEPT: If Seller fails to Accept this Offer to Purchase and to deliver such Acceptance to Purchaser or Broker on or before **4:00 p.m. July 5, 2010**, unless additional time is requested in writing by Seller and granted in writing by Purchaser, or unless terms and/or conditions of this Offer to Purchase are countered in writing by Seller in a Counter Offer and unless such Counter Offer shall be delivered to Purchaser or Broker on or before **4:00 p.m. July 5, 2010**, then this Offer to Purchase may be terminated without further notice.

5.03 EXECUTION and ACCEPTANCE: The Execution hereof by Purchaser and Seller shall constitute Purchaser's Offer to Purchase and Seller's Acceptance of such Offer to Purchase on the terms and conditions of sale set forth herein. Upon the execution hereof by Purchaser and Seller, Seller and Broker hereby agree not to solicit or accept any other Offer to Purchase from any other party unless and until this Offer to Purchase and/or Acceptance of this Offer to Purchase shall be withdrawn or otherwise terminated in accordance with withdrawal or termination provisions set forth herein. Upon the Closing (as defined in Section 4.04 hereof) of the transaction contemplated hereby, Seller shall execute and deliver to Purchaser such transfer instruments and such other documentation as shall be necessary to vest in Purchaser legal and beneficial rights to all Shares free and clear of any and all liens and encumbrances. Company shall at the time of Closing hold good title to the assets described herein free and clear of any and all liens and encumbrances, except those expressly provided herein.

5.04 PURCHASER's PERFORMANCE DEPOSIT: Upon the Execution hereof, Purchaser has issued or shall issue payment in certified funds in the amount of TEN THOUSAND DOLLARS (\$10,000.00) payable in Trust to Bryenton & Associates, Barristers & Solicitors, 300 - 20689 Fraser Highway, Langley British Columbia V2A-4G4 and shall deliver such payment to Broker. In the event that this Offer to Purchase is Accepted by Seller, and thereafter upon removal of all contingencies set forth in Sections 4.02 hereof, Purchaser shall issue an additional payment in certified funds in the amount of TEN THOUSAND DOLLARS (\$20,000.00) payable in Trust to Bryenton & Associates, Barristers & Solicitors, and shall deliver such payment to Broker. Such two payments, totaling THIRTY THOUSAND DOLLARS (\$30,000.00), shall constitute a Purchaser's performance deposit (herein called Purchase Deposit) toward the transaction contemplated hereby, and shall apply as a credit against the Down Payment at the Closing hereof, subject to the provisions of Sections 5.05 hereof. Until subjects set forth in Section 4.02 (a), (b), (c) and (d) hereof have been fully removed in writing, such Purchase Deposit and any portion thereof shall remain fully refundable to Purchaser.

5.05 PURCHASER's FAILURE TO CLOSE: In the event that this Offer to Purchase is Accepted by Seller and all contingencies set forth in Section 4.02 (a), (b), (c) and (d) hereof have been removed, but the sale contemplated hereby does not Close on the Closing Date as provided herein due to the failure of Purchaser to meet the terms and conditions of this Offer to Purchase and in the absence of any fault on the part of Seller, unless an extension is reasonable required by Purchaser's Lawyer and/or Seller's Lawyer, to draft, review and finalize the Closing documentation contemplated in Section 4.03 hereof, or unless an extension is agreed to in writing by the Parties hereto, then the Purchase Deposit will be forfeited by Purchaser and disbursed by Neutral Lawyer as follows.

- (a) The Neutral Lawyer shall deduct and retain from Purchase Deposit such amount as shall be required to settle all costs incurred by Broker up until such time with respect to the Closing documents and processes described in Section 4.03 (a) hereof, and;
- (b) Disburse the balance of the Purchase Deposit in payment to Seller.

5.06 SELLER's PERFORMANCE DEPOSIT: In the event that this Offer to Purchase is Accepted by Seller, and thereafter upon removal of all contingencies set forth in Section 4.02 (a), (b), (c) and (d) hereof, Seller shall issue payment in certified funds in the amount of THIRTY THOUSAND DOLLARS (\$30,000.00) payable in Trust to Bryenton & Associates, Barristers & Solicitors, and shall deliver such payment to Broker. Such amount shall constitute a Seller's performance deposit (herein called Sale Deposit) toward the transaction contemplated hereby, and shall be fully refundable to Seller at the Closing contemplated hereby, subject to the provisions of Sections 5.05 and 5.07 hereof.

5.07 SELLER'S FAILURE TO CLOSE: In the event that this Offer to Purchase is Accepted by Seller and contingencies set forth in Section 4.02 (a), (b), (c) and (d) hereof have been removed, but the sale contemplated hereby does not Close on the Closing Date as provided herein due to the failure of Seller to meet the terms and conditions of this Offer to Purchase and in the absence of any fault on the part of Purchaser, unless an extension is reasonable requested by Seller's Lawyer and/or Purchaser's Lawyer, to draft, review and finalize the Closing documentation contemplated in Section 4.03 hereof, or unless an extension is agreed to in writing by the Parties hereto, the following shall occur.

- (a) The Neutral Lawyer shall deduct and retain from Sale Deposit such amount as shall be required to settle all costs incurred by Broker up until such time with respect to the Closing documents and processes described in Section 4.03 (a) hereof, and;
- (b) Disburse the balance of the Sale Deposit in payment to Purchaser.

5.08 SPECIFIC PERFORMANCE: Any party to this Offer to Purchase shall be entitled to obtain specific performance of this Agreement as a remedy cumulative to any other remedy at law, in equity, by statute or by contract.

5.09 ARBITRATION: Any controversy between the Parties hereto to this Agreement involving the construction or application of any of the terms, covenants or conditions of this Agreement, shall on written request of one (1) party served on the other, be submitted to binding arbitration. Such arbitration shall be arbitrated pursuant to the provisions of the *Commercial Arbitration Act* (British Columbia). The arbitrator shall have no authority to change any provisions of this agreement; the arbitrator's sole authority shall be to interpret or apply the provisions of this Agreement. The expenses of arbitration conducted pursuant to this paragraph shall be born by Purchaser and/or Seller in such proportion as the Arbitrators shall decide.


5.10 ENTIRE AGREEMENT: This document contains the entire understanding of the Parties hereto and there are no oral agreements, understandings, or representations relied upon by the Parties hereto. Any modifications must be in writing and signed by all Parties hereto.


Executed this _____ day of _____, 20__.

Accepted this _____ day of _____, 20__.

PURCHASER: John Q. Smith


SELLER: Anthony J. Brown
and JaneAnne Brown


Executed By: _____ 
(John Q. Smith) SEAL

Accepted By: _____ 
(Anthony J. Brown, shareholder) SEAL

Address: 2348 Lincoln Place
Okanagan Falls, British Columbia V5G-7R3

Address: 12345 123th Avenue,
Surrey, British Columbia V3S-2M3

Accepted By: _____ 
(JaneAnne Brown, shareholder) SEAL

Executed By: _____ 
() SEAL

Address: 12345 123th Avenue,
Surrey, British Columbia V3S-2M3

Address: _____

Exhibit "A" Balance Sheet

Distribution of the May 31, 2010 Balance Sheet

	Balance Sheet 31-May-10	Assets-Liabilities Included in the Share Sale	Assets-Liabilities To be retained by the Seller	Comments
CURRENT ASSETS				
Cash on Deposit	\$ 385,401.48	\$ -	\$ 385,401.48	
Accounts Receivable	556,914.56	556,914.56	-	
Inventory	77,426.00	77,426.00	-	
PrePaid Expenses	4,857.00	4,857.00	-	
Income Tax Receivable	-	-	-	
Investments/Securities	50,595.00	-	50,595.00	
TOTAL CURRENT ASSETS	\$ 1,075,194.04	\$ 639,197.56	\$ 435,996.48	
LONG TERM ASSETS				
Due from Related Parties	\$ 1,089,803.84	\$ -	\$ 1,089,803.84	
TOTAL LONG TERM ASSETS	\$ 1,089,803.84	\$ -	\$ 1,089,803.84	
CAPITAL ASSETS				
Automotive	\$ 61,600.32	\$ 61,600.32	\$ -	(accum depreciation/amortization) \$29,382
Equipment	183,099.42	183,099.42	-	156,810
Moulds	584,948.04	584,948.04	-	494,319
Leasehold Improvements	68,536.50	-	68,536.50	52,091
(accum depreciation/amortization)	(732,601.49)	(680,510.49)	(52,091.00)	
TOTAL CAPITAL ASSETS	\$ 165,582.79	\$ 149,137.29	\$ 16,445.50	
TOTAL ASSETS	\$ 2,330,580.67	\$ 788,334.85	\$ 1,542,245.82	
THIRD PARTY LIABILITIES				
Accounts Payable	\$ 464,011.83	\$ 464,011.83	\$ -	
Income Taxes Payable	(75,609.16)	-	(75,609.16)	
Inspection Fees Payable	509.25	509.25	-	
Long Term Debt	-	-	-	
Deferred Revenue	-	-	-	
TOTAL THIRD PARTY LIABILITIES	\$ 388,911.92	\$ 464,521.08	\$ (75,609.16)	
DUE TO SHAREHOLDER & AFFILIATES				
Due to Shareholder	\$ (117,367.05)	\$ -	\$ (117,367.05)	
Due to Related Party	150,433.44	-	150,433.44	
TOTAL DUE TO SH & AFFILIATES	\$ 33,066.39	\$ -	\$ 33,066.39	
TOTAL LIABILITIES	\$ 421,978.31	\$ 464,521.08	\$ (42,542.77)	
SHAREHOLDER EQUITY				
Share Capital	\$ 200.00	\$ 200.00	\$ -	
Retained Earnings	1,908,402.36	323,613.77	1,584,788.59	
Current Earnings	-	-	-	
SHAREHOLDER EQUITY (balance sheet value)	\$ 1,908,602.36	\$ 323,813.77	\$ 1,584,788.59	
TOTAL LIABILITIES & EQUITY	\$ 2,330,580.67	\$ 788,334.85	\$ 1,542,245.82	

\$1,015,897.19 ebitda

working capital portion of the balance sheet

balance sheet value net of working capital

Total Balance Sheet Value included in the Sale Price

Goodwill Value included in the Sale Price

Sale Price as at May 31, 2010 Balance Sheet

plus ... Purchase Shareholder Loan(s) ... if any

\$174,676.48

\$149,137.29

\$323,813.77

\$2,859,811.00

\$3,183,624.77

\$0.00

0.17 time ebitda

0.15 time ebitda

0.32 time ebitda

2.82 time ebitda

3.13 time ebitda

0.00 time ebitda

The above Balance Sheet representation is based on the Company's balance sheet as it was May 31, 2010. The first (left) column represents the Company's full balance sheet as of May 31, 2010. The middle column indicates those assets & liabilities that are intended to be included in the sale at the Sale Price. The third (right) column indicates those assets & liabilities that are intended to be excluded from the sale and transferred to the Seller and/or satisfied by Sellers on or before the Close of Sale.

Exhibit "A1" Closing Balance Sheet Form

Distribution of the (Adjustment Date) Balance Sheet

	Balance Sheet (Adjustment Date)	Assets-Liabilities Included in the Share Sale	Assets-Liabilities To be retained by the Seller
CURRENT ASSETS			
Cash on Deposit	\$ -	\$ -	\$ -
Accounts Receivable	-	-	-
Inventory	-	-	-
PrePaid Expenses	-	-	-
Income Tax Receivable	-	-	-
Investments/Securities	-	-	-

TOTAL CURRENT ASSETS	\$ -	\$ -	\$ -
LONG TERM ASSETS			
Due from Related Parties	\$ -	\$ -	\$ -

TOTAL LONG TERM ASSETS	\$ -	\$ -	\$ -
CAPITAL ASSETS			
Automotive	\$ -	\$ -	\$ -
Equipment	-	-	-
Moulds	-	-	-
Leasehold Improvements	-	-	-

(accum depreciation/amortization)	-	-	-
TOTAL CAPITAL ASSETS	\$ -	\$ -	\$ -
TOTAL ASSETS	\$ -	\$ -	\$ -
THIRD PARTY LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ -
Income Taxes Payable	-	-	-
Inspection Fees Payable	-	-	-
Long Term Debt	-	-	-
Deferred Revenue	-	-	-

TOTAL THIRD PARTY LIABILITIES	\$ -	\$ -	\$ -
DUE TO SHAREHOLDER & AFFILIATES			
Due to Shareholder	\$ -	\$ -	\$ -
Due to Related Party	-	-	-

TOTAL DUE TO S/H & AFFILIATES	\$ -	\$ -	\$ -
TOTAL LIABILITIES	\$ -	\$ -	\$ -
SHAREHOLDER EQUITY			
Share Capital	\$ -	\$ -	\$ -
Retained Earnings	-	-	-
Current Earnings	-	-	-
SHAREHOLDER EQUITY (balance sheet value)	\$ -	\$ -	\$ -
TOTAL LIABILITIES & EQUITY	\$ -	\$ -	\$ -
\$1,015,897.19 ebitda			
Balance Sheet Value included in the Sale Price	\$ -	0.00	time ebitda
Shareholder Loan(s) ... if any	\$ -	0.00	time ebitda
Goodwill Value included in the Sale Price	\$ 2,859,811.00	2.82	time ebitda
Sale Price as at (Adjustment Date) Balance Sheet	\$ -	0.00	time ebitda

Closing Balance Sheet Value as at Adjustment Date \$ -

Accepted by Purchaser this ___ day of ___, 20__

Accepted by Purchaser this ___ day of ___, 20__

X _____

X _____

X _____

X _____

Exhibit "C" Vendor Take Back - 60 month Amortization & Payment Schedule

NET PURCHASE	CASH to CLOSE	VTB		INT RATE	TERM - Mos
\$3,183,625	\$2,069,356	\$1,114,269		5.00%	60

PRINCIPAL	INTEREST	PRIN & INTER	YRS	AVERAGE ANNUAL INTEREST
\$1,114,269	\$147,389	\$1,261,657	5	\$29,478

\$1,114,269	\$147,389	\$1,261,657	year 1-5
\$0	\$0	\$0	year 6-10
\$1,114,269	\$147,389	\$1,261,657	Total

5 year AMORTIZATION of Vendor Take-Back

PRINCIPAL	INTEREST	MONTHLY PAYMENT	60 MO	
\$16,385	\$4,643	\$21,028	1	
\$16,453	\$4,575	\$21,028	2	
\$16,522	\$4,506	\$21,028	3	
\$16,591	\$4,437	\$21,028	4	
\$16,660	\$4,368	\$21,028	5	
\$16,729	\$4,299	\$21,028	6	
\$16,799	\$4,229	\$21,028	7	
\$16,869	\$4,159	\$21,028	8	
\$16,939	\$4,089	\$21,028	9	
\$17,010	\$4,018	\$21,028	10	
\$17,080	\$3,947	\$21,028	11	
\$17,152	\$3,876	\$21,028	12	
\$17,223	\$3,805	\$21,028	13	
\$17,295	\$3,733	\$21,028	14	
\$17,367	\$3,661	\$21,028	15	
\$17,439	\$3,588	\$21,028	16	
\$17,512	\$3,516	\$21,028	17	
\$17,585	\$3,443	\$21,028	18	
\$17,658	\$3,369	\$21,028	19	
\$17,732	\$3,296	\$21,028	20	
\$17,806	\$3,222	\$21,028	21	
\$17,880	\$3,148	\$21,028	22	
\$17,954	\$3,073	\$21,028	23	
\$18,029	\$2,998	\$21,028	24	
\$18,104	\$2,923	\$21,028	25	
\$18,180	\$2,848	\$21,028	26	
\$18,255	\$2,772	\$21,028	27	
\$18,332	\$2,696	\$21,028	28	
\$18,408	\$2,620	\$21,028	29	
\$18,485	\$2,543	\$21,028	30	
\$18,562	\$2,466	\$21,028	31	
\$18,639	\$2,389	\$21,028	32	
\$18,717	\$2,311	\$21,028	33	
\$18,795	\$2,233	\$21,028	34	
\$18,873	\$2,155	\$21,028	35	
\$18,952	\$2,076	\$21,028	36	
\$19,031	\$1,997	\$21,028	37	
\$19,110	\$1,918	\$21,028	38	
\$19,189	\$1,838	\$21,028	39	
\$19,269	\$1,758	\$21,028	40	
\$19,350	\$1,678	\$21,028	41	
\$19,430	\$1,597	\$21,028	42	
\$19,511	\$1,516	\$21,028	43	
\$19,593	\$1,435	\$21,028	44	
\$19,674	\$1,353	\$21,028	45	
\$19,756	\$1,271	\$21,028	46	
\$19,839	\$1,189	\$21,028	47	
\$19,921	\$1,106	\$21,028	48	
\$20,004	\$1,023	\$21,028	49	
\$20,088	\$940	\$21,028	50	
\$20,171	\$856	\$21,028	51	
\$20,255	\$772	\$21,028	52	
\$20,340	\$688	\$21,028	53	
\$20,424	\$603	\$21,028	54	
\$20,510	\$518	\$21,028	55	
\$20,595	\$433	\$21,028	56	
\$20,681	\$347	\$21,028	57	
\$20,767	\$261	\$21,028	58	
\$20,853	\$174	\$21,028	59	
\$20,940	\$87	\$21,028	60	

YEAR 1

\$201,187 PRINCIPLE
\$51,144 INTEREST
\$252,331 P&I
\$21,028 /month

YEAR 2

\$211,480 PRINCIPLE
\$40,851 INTEREST
\$252,331 P&I
\$21,028 /month

YEAR 3

\$222,300 PRINCIPLE
\$30,032 INTEREST
\$252,331 P&I
\$21,028 /month

YEAR 4

\$233,673 PRINCIPLE
\$18,658 INTEREST
\$252,331 P&I
\$21,028 /month

YEAR 5

\$245,628 PRINCIPLE
\$6,703 INTEREST
\$252,331 P&I
\$21,028 /month

PRINCIPAL	INTEREST	MONTHLY PAYMENT	60 MO	
\$0	\$0	\$0	61	
\$0	\$0	\$0	62	
\$0	\$0	\$0	63	
\$0	\$0	\$0	64	
\$0	\$0	\$0	65	
\$0	\$0	\$0	66	
\$0	\$0	\$0	67	
\$0	\$0	\$0	68	
\$0	\$0	\$0	69	
\$0	\$0	\$0	70	
\$0	\$0	\$0	71	
\$0	\$0	\$0	72	
\$0	\$0	\$0	73	
\$0	\$0	\$0	74	
\$0	\$0	\$0	75	
\$0	\$0	\$0	76	
\$0	\$0	\$0	77	
\$0	\$0	\$0	78	
\$0	\$0	\$0	79	
\$0	\$0	\$0	80	
\$0	\$0	\$0	81	
\$0	\$0	\$0	82	
\$0	\$0	\$0	83	
\$0	\$0	\$0	84	
\$0	\$0	\$0	85	
\$0	\$0	\$0	86	
\$0	\$0	\$0	87	
\$0	\$0	\$0	88	
\$0	\$0	\$0	89	
\$0	\$0	\$0	90	
\$0	\$0	\$0	91	
\$0	\$0	\$0	92	
\$0	\$0	\$0	93	
\$0	\$0	\$0	94	
\$0	\$0	\$0	95	
\$0	\$0	\$0	96	
\$0	\$0	\$0	97	
\$0	\$0	\$0	98	
\$0	\$0	\$0	99	
\$0	\$0	\$0	100	
\$0	\$0	\$0	101	
\$0	\$0	\$0	102	
\$0	\$0	\$0	103	
\$0	\$0	\$0	104	
\$0	\$0	\$0	105	
\$0	\$0	\$0	106	
\$0	\$0	\$0	107	
\$0	\$0	\$0	108	
\$0	\$0	\$0	109	
\$0	\$0	\$0	110	
\$0	\$0	\$0	111	
\$0	\$0	\$0	112	
\$0	\$0	\$0	113	
\$0	\$0	\$0	114	
\$0	\$0	\$0	115	
\$0	\$0	\$0	116	
\$0	\$0	\$0	117	
\$0	\$0	\$0	118	
\$0	\$0	\$0	119	
\$0	\$0	\$0	120	

YEAR 6

\$0 PRINCIPLE
\$0 INTEREST
\$0 P&I
\$21,028 /month

YEAR 7

\$0 PRINCIPLE
\$0 INTEREST
\$0 P&I
\$21,028 /month

YEAR 8

\$0 PRINCIPLE
\$0 INTEREST
\$0 P&I
\$21,028 /month

YEAR 9

\$0 PRINCIPLE
\$0 INTEREST
\$0 P&I
\$21,028 /month

YEAR 10

\$0 PRINCIPLE
\$0 INTEREST
\$0 P&I
\$21,028 /month

Exhibit "D"
Copy of Lease Agreement for Business Premises

NONE – Not Applicable

The Businesses leases premises from a sister company with common ownership, and there has been no formal lease agreement between the two.