INTEGRATION AND TRANSFER AGREEMENT

THIS AGREEMENT made as of the 1st day of September, 2026

BETWEEN:

ST. MICHAEL'S HOMES, a non-share capital corporation incorporated under the laws of Ontario (hereinafter referred to as "**SMHTO**")

– and –

MYRMEX NON-PROFIT HOUSING ("MYRMEX"), a non-share capital corporation incorporated under the laws of Ontario
(hereinafter referred to as "**MYRMEX**")

WHEREAS SMHTO and MYRMEX are each charitable corporations, incorporated under the laws of the Province of Ontario;

AND WHEREAS SMHTO provides community mental health and addiction support treatment services;

AND WHEREAS MYRMEX provides services and facilities that support the homeless, hard to house, and the HIV community;

AND WHEREAS SMHTO and MYRMEX have determined that it is in their mutual interest and in furtherance of their respective missions to integrate their activities and operations under a single corporation by the transfer of all rights, programs, assets, operations, and undertakings of MYRMEX to SMHTO, subject to the terms and conditions set out herein, and the assumption by SMHTO of all assets, programs, liabilities and obligations of MYRMEX (the "**Integration**");

AND WHEREAS SMHTO and MYRMEX agree that as a condition precedent to the Integration and pending the Effective Date of the Integration, it is a requirement that the Management Services Agreement between the parties, dated February 1, 2026 remain in full force and effect until the Effective Date of the Integration, unless otherwise terminated by SMHTO;

AND WHEREAS the parties wish to set out the terms of the Integration herein;

NOW THEREFORE, this Agreement witnesses that in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties hereto agree as follows:

1.0 DEFINITIONS, INTERPRETATION, AND SCHEDULES.

1.1 Defined Terms.

For the purposes of this Agreement, unless the context otherwise requires, the following terms shall have the respective meanings specified or referred to below and grammatical variations of such terms shall have corresponding meanings:

(a) "**Act**" means the *Not-for-Profit Corporations Act, 2010* (Ontario) as in effect on the date hereof;

(b) "**Agreement**" means this Integration and Transfer Agreement and all amendments made in writing by the parties hereto, and "herein" and similar expressions mean and refer to this Agreement and not to any particular Article, section, subsection or Schedule;

(c) "**Assumed Liabilities**" shall have the meaning ascribed thereto under section 3.1;

(d) "**Business Day**" means any day, other than a Saturday or a Sunday or statutory holiday in Ontario;

(e) "**Claim**" shall have the meaning ascribed thereto under section 2.3;

(f) "**Closing Date**" means August 1, 2027 or such other date as the parties may agree upon in writing;

(g) "**Contract**" means any agreement, indenture, contract, lease, deed of trust, license, option, instrument or other commitment, whether written or oral;

(h) "**Effective Date**" means 00:01 hours on August 1, 2027, or such other date as the parties may agree upon in writing;

(i) "**Employee Benefit Plan**", or "**Benefit Plans**" means each employee benefit, health, welfare, medical, dental, pension, retirement, profit sharing, current or deferred compensation, savings, severance or termination payment, life insurance or disability plan, program, agreement and arrangement (whether written or oral) and all other similar plans, programs, agreements and arrangements which are sponsored, maintained or contributed to by MYRMEX for the employees or former employees of MYRMEX or under which MYRMEX has any actual or potential liability or obligations;

(j) "**Encumbrance**" means any encumbrance, lien, charge, hypotec, pledge, mortgage, title retention agreement, security interest of any nature, adverse claim, exception, reservation, easement, right of occupation, any matter capable of registration against title, option, right of pre-emption, privilege or any Contract to create any of the foregoing;

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

(l) "**Integration**" shall have the meaning ascribed thereto in the recitals above;

(m) "**MYRMEX Closing Documents**" means all instruments of conveyance and other documents and assurances relating to the Transfer and the documents set out as MYRMEX Closing Documents in Schedule C;

(n) "**SMHTO Closing Documents**" means all documents and assurances relating to the Transfer and the documents set out as SMHTO Closing Documents in Schedule C;

(o) "**Transfer**" means the transfer by MYRMEX to SMHTO of the Transferred Programs and the Transferred Assets, in accordance with this Agreement;

(p) "**Transferred Assets**" shall have the meaning ascribed thereto under section 2.2(a);

(q) "**Transferred Programs**" shall have the meaning ascribed thereto under section 2.1; and

(r) "**Transferred Records**" means the books and records as are more particularly described in Schedule B.

1.2 **Interpretation**

In this Agreement, words importing the singular number only shall include the plural and vice-versa, words importing gender shall include all genders and words importing persons shall include individuals, corporations, partnerships, associations, trusts, unincorporated organizations, governmental bodies and other legal or business entities of any kind whatsoever.

1.3 **Schedules**

The following Schedules are attached to and form part of this Agreement:

Schedule A – MYRMEX Staff
Schedule B – Transferred Assets
Schedule C – Closing Documents

1.4 **Termination Rights**

At any time and for any reason, SMHTO may inform MYRMEX in writing that it does not want to proceed with the Integration and this Integration and Transfer Agreement shall be terminated with full force and effect.

2.0 TRANSFER OF PROGRAMS, ASSETS, CLIENTS, AND HEALTH RECORDS

2.1 **Agreement to Transfer Undertaking as an Entirety.**

Subject to the provisions of this Agreement, effective as of the Effective Date, MYRMEX shall transfer to SMHTO and SMHTO shall acquire from MYRMEX all of the undertakings of MYRMEX as an entirety and in furtherance thereof, SMHTO hereby agrees to accept from MYRMEX and agrees to discharge, assume, perform and fulfill (or cause to be discharged, assumed, performed and fulfilled), from and after the Effective Date, all responsibility for the governance, operation and management of the undertakings of MYRMEX as an entirety including all programs, operations and services of MYRMEX existing immediately prior to the Effective Date (the "**Transferred Programs**").

2.2 **Transferred Assets**

(a) As of the Effective Date, MYRMEX hereby sells, transfers, assigns, conveys and sets over unto SMHTO all of the right, title, benefit and interest of MYRMEX in, to and under all the property, assets and rights of MYRMEX, whether real or personal, tangible or intangible, including without limitation, the property, assets and rights of MYRMEX set forth on Schedule B (the "**Transferred Assets**") to have and to hold, use and dispose of, with full power to SMHTO to take all such measures for the enjoyment of the rights of the same, in accordance with the terms of this Agreement.

(b) As of the Effective Date, MYRMEX constitutes and appoints SMHTO, its successors and assigns, the true and lawful attorney of MYRMEX for and in the name or otherwise on behalf of MYRMEX, with full power of substitution, to do and execute all acts, deeds, matters and things whatsoever necessary for the assignment, transfer and/or conveyance of any interest in the Transferred Assets to SMHTO, its successors and assigns.

(c) From and after the Effective Date, title to the Transferred Assets shall vest in SMHTO and the Transferred Assets shall be and remain at the risk of SMHTO.

(d) SMHTO acknowledges and agrees that the Transferred Assets are being received by it "as is, where is" without any representations, warranties or covenants by MYRMEX, save and except as expressly set forth in this Agreement or in any of MYRMEX Closing Documents. Without limiting the generality of the foregoing or affecting any express term of this Agreement or any MYRMEX Closing Documents or SMHTO Closing Documents, SMHTO acknowledges and agrees that MYRMEX is not making or giving and has not made or given, and has expressly excluded, any representation, warranty or covenant, express or implied, statutory or otherwise, with respect to the quality, condition, suitability, fitness for purpose or state of repair of any Transferred Assets or Transferred Programs.

(e) To the extent that the sale, assignment, transfer or conveyance hereunder by MYRMEX of any Transferred Assets is not permitted or is not permitted without the consent of a third party and such required consent has not been obtained as at the Effective Date, this Agreement shall not be deemed to constitute a sale, assignment, transfer or conveyance of any such Transferred Assets if such sale, assignment, transfer or conveyance otherwise would constitute a breach, thereof or a violation of any law, statute, ordinance, regulation, rule, judgment or order, until such consent or waiver of the applicable third party is received. Without in any way limiting MYRMEX's obligation to obtain all consents and waivers necessary for the sale, transfer, assignment, conveyance and delivery of the Transferred Assets, if any such consent is not obtained or if such assignment is not permitted irrespective of consent, MYRMEX shall continue to use best efforts to obtain such consents.

(f) To the extent that the consents and waivers referred to in subsection 2.2(e) are not obtained by MYRMEX, or until the impediments to the sale, assignment, transfer, conveyance or delivery referred to therein are resolved, MYRMEX shall, after the Effective Date for a time period not to exceed twelve (12) months or the date of MYRMEX's dissolution, whichever is first completed:

(i) hold the benefits of any Transferred Asset referred to in subsection 2.2(e) in trust for SMHTO in accordance with the provisions of this subsection 2.2(f);

(ii) cooperate in any reasonable and lawful arrangement, approved by SMHTO, designed to provide such benefits to SMHTO, without MYRMEX thereby incurring any financial obligation to SMHTO or any other person; and

(iii) enforce and perform for the account of SMHTO, any rights or obligations of MYRMEX arising from any Transferred Asset referred to in subsection 2.2(e) against or in respect of any person, including the right to elect to terminate in accordance with the terms thereof upon the advice of SMHTO.

2.3 **Transfer of Employees**

(a) Schedule A hereto sets forth a true, complete and correct list of (i) all employees of MYRMEX setting out each employee's position title, age, length of service, salary or hourly rate, bonus or commission (if applicable) and any benefit and pension plans to which such employee is entitled; and (ii) all written employment contracts between MYRMEX and staff members of MYRMEX.

MYRMEX confirms that, as of the date of execution of this Agreement, there are no employees on short-term disability, pregnancy or parental leave, temporary lay-off, long-term disability or workers' compensation leaves or unpaid leaves. MYRMEX agrees to update the status of these employees and provide an updated Schedule A to SMHTO, by no later than June 1, 2027 and then again as of the Closing Date.

(b) Schedule A also sets forth a true, complete and correct summary of each Employee Benefit Plan. MYRMEX has made available to SMHTO true, complete and correct copies of the Full Time and Part time employee Benefit Plans to the extent applicable: (i) the current plan document, including all amendments thereto, or in the case of unwritten Employee Benefit Plans written descriptions thereof; (ii) any trust agreements or other funding arrangements, custodial agreements, insurance policies and contracts, administration agreements and investment management or advisory agreements currently in effect.

(c) By on or about June 15, 2027, or any other date agreed to in writing by the parties, SMHTO shall offer employment, in writing, to all of MYRMEX's Employees, effective as of the Effective Date and conditional on the Integration being completed by the Effective Date ("**Employment Offers**"). A copy of each Employment Offer will be provided by SMHTO to the Employees.

(d) In all Employment Offers, SMHTO shall recognize, to the extent previously recognized by MYRMEX, as outlined in Schedule "A", the service of the Employees for all employment-related obligations including vacation entitlement, benefits, termination and severance pay as required by the *Employment Standards Act, 2000*. All Employment Offers will include termination and severance pay provisions at least equal to the contractual entitlements of the Employees when employed by MYRMEX, including the minimum requirements under the *Employment Standards Act, 2000*. The service date of each Employee is as set out in Schedule A.

(e) As of the Effective Date SMHTO assumes all outstanding obligations and accrued liabilities with respect to vacation time and vacation pay, sick pay banks, overtime pay, and time in lieu of overtime entitlements of the Employees who accept employment with SMHTO, as those obligations and liabilities existed immediately prior to the Effective Date substantially as set out in Schedule A.

(f) Up to the Effective Date, MYRMEX shall bear and discharge all obligations and liabilities with respect to Claims of Employees, including the termination-related obligations and liabilities for any MYRMEX Employees terminated from employment prior to the Effective Date. After the Effective Date, SMHTO shall bear and discharge all obligations and liabilities with respect to Claims of Employees. "Claims" means any claims, applications, actions, grievances, any obligations owed to Employees who refuse employment with SMHTO, including contractual and/or statutory entitlements on termination, wage and hour (including overtime calculation and work classification) claims, complaints, any claim referred to in section 5.2, and any other proceedings.

(g) SMHTO shall assume the Benefit Plans and the liabilities for accrued benefits or any other liability under or in respect of any of the Benefit Plans and/or ensure it provides comparable benefits to all Employees. The Employees who accept employment with SMHTO (the "**Transferred Employees**") shall, as of the Effective Date, accrue further benefits under the Benefit Plans.

(h) MYRMEX agrees that it shall not add any employees or add or change any significant term or condition of employment of any Employee as outlined in Schedule A, including but not limited to any change in compensation of any Employee, prior to the Effective Date without the prior written approval of the Executive Director of SMHTO. For greater certainty, MYRMEX may only hire permanent staff to replace staff members who leave MYRMEX prior to the Effective Date upon SMHTO prior written approval.

2.4 **Insurance**

(a) SMHTO represents, warrants and covenants that, effective the Effective Date, it shall purchase and maintain insurance (or assume MYRMEX's existing insurance coverage) in such principal amounts and covering such risks as are reasonable and customary to insure the Transferred Assets and Transferred Programs, from and after the Effective Date.

3.0 ASSUMPTION OF LIABILITIES

3.1 SMHTO assumes and agrees to pay, satisfy, discharge, perform and fulfill all liabilities and obligations of MYRMEX whether such liability or obligation arose prior to, on or after the Effective Date including, without limitation, the following obligations of MYRMEX, subject to the terms and conditions set out in this Agreement, including in section 2.4 above (collectively, the **"Assumed Liabilities"**):

(a) all liabilities, expenses, commitments and obligations relating to the Transferred Assets;

(b) all liabilities, expenses, commitments and obligations arising out of the operation of the Transferred Programs;

(c) all statutory and other obligations under law for the operation of the Transferred Programs; and

(d) all liabilities and obligations relating to MYRMEX employees in accordance with section 2.3.

3.2 **Indemnification by SMHTO**

As of the Effective Date, SMHTO agrees to indemnify and hold MYRMEX, its current and former directors, officers, employees and agents harmless against and in respect of any loss, damage, claim, cost or expense whatsoever, including, without limitation, all reasonable legal and accounting fees, which MYRMEX or any of its current or former directors, officers, employees or agents may incur, suffer or be required to pay, pursuant to any claim, demand, action, suit, litigation, charge, complaint, prosecution or other proceeding that may be made or asserted against or affecting MYRMEX or any of its current or former directors, officers or employees, in connection with the Assumed Liabilities. For greater certainty, this indemnity does not apply to the extent, if any, to which claims are caused by the negligent acts or the willful misconduct of the indemnified party, its successors and assigns.

3.3 MYRMEX Dissolution

As of the Effective Date, SMHTO shall be responsible for completing the dissolution of MYRMEX, with the assistance and cooperation of MYRMEX's board of directors and MYRMEX representatives. MYRMEX agrees to execute and deliver any and all instruments and documents and take such other actions as may be necessary or as reasonably requested by SMHTO to effect the dissolution of MYRMEX.

4.0 CONSIDERATION FOR TRANSFER

4.1 Consideration

The consideration for the Transfer by MYRMEX to SMHTO shall be the assumption of the Assumed Liabilities by SMHTO on the Effective Date.

4.2 ETA Election

MYRMEX and SMHTO shall complete and maintain in their records a form GST44 prescribed for purposes of subsection 167(1) of the ETA, in respect of the sale and transfer of the Transferred Assets hereunder.

5.0 REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of MYRMEX and SMHTO

Each of MYRMEX and SMHTO represents and warrants to the other, and acknowledges that the other is relying upon the accuracy of each of such representations and warranties in connection with the Integration, that:

(a) it is a corporation validly existing under the laws of the Province of Ontario;

(b) it has the power and authority to enter into this Agreement and to perform its obligations hereunder;

(c) it has taken all necessary or desirable actions, steps and corporate and other proceedings to approve or authorize, validly and effectively, the entering into, and the execution, delivery and performance of this Agreement and the Integration;

(d) this Agreement is a legal, valid and binding obligation, enforceable against it in accordance with its terms subject to (i) bankruptcy, insolvency, moratorium, reorganization and other laws relating to or affecting the enforcement of creditors' rights generally, and (ii) the fact that equitable remedies, including the remedies of specific performance and injunction, may only be granted in the discretion of a court;

(e) the execution and delivery of this Agreement and the performance by it of its obligations hereunder will not, with or without the giving of notice or the passing of time or both:

   (i) violate any judgment, decree, order or award of any court, governmental agency, regulatory authority or arbitrator; or

(ii) conflict with or result in the breach of termination of any material term or provision of, or constitute a default under, or cause any acceleration under, any material licence, permit, concession, franchise, indenture, mortgage, lease, equipment lease, contract, permit, deed of trust or any other instrument or agreement by which it is bound;

in such a way as would have a material adverse effect on the other party;

(f) it has no material contracts, commitments, agreements, assets or liabilities contingent or otherwise, which have not been fully disclosed to the other party;

(g) except as otherwise disclosed in writing to the other party on or before the date hereof, there is no claim, action, proceeding or investigation pending or, to its knowledge, threatened against or relating to it or affecting any of its properties or assets before any court or governmental or regulatory authority or body, which, if adversely determined and uninsured, is likely to have a material adverse effect on its operations, assets, properties or condition (financial or otherwise) or prevent or materially delay consummation of the transactions contemplated by this Agreement;

(h) to the best of its knowledge without independent investigation, the audited financial statements for its last completed fiscal year and for each of the previous two years then ended, as reported on by the party's auditors, present fairly the financial condition of the party and the results of operations for the respective periods indicated in the statements and have been prepared in conformity with generally accepted accounting principles applied on a consistent basis except as otherwise stated in the notes to such statements;

(i) since the date of its last annual audited financial statements, there has been no material adverse change in its business, operations, properties, assets or condition, financial or otherwise, from that shown on the financial statements for the period then ended and there are no liabilities or obligations (including, without limitation, tax liabilities, whether accrued, absolute, contingent or otherwise), not reflected in the audited financial statements for the last completed fiscal year except for liabilities and obligations incurred in the ordinary course of business since the date of the last annual audited financial statements, which liabilities and obligations are not materially adverse in the aggregate; and

(j) its operations are being conducted in all material respects in compliance with applicable laws, regulations and ordinances of all authorities having jurisdiction.

5.2 Additional Representations and Warranties of MYRMEX

MYRMEX represents and warrants to SMHTO, and acknowledges that SMHTO is relying upon the accuracy of each of such representations and warranties in connection with the Integration, that:

(a) MYRMEX is in compliance in all material respects with all Applicable Laws relating to employment and employment practices including as particularized below, including the terms and conditions of employment, termination of employment, hiring practices and procedures, immigration and employment verification matters, occupational health and safety, human rights, workers' compensation, wages and hours (including the calculation and payment of overtime compensation and worker classification);

(b) all vacation pay, bonuses, commissions and other emoluments (if applicable) relating to the

Employees of MYRMEX are accurately reflected in all respects and have been accrued in the books and records of MYRMEX;

(c) there are no applications for certification pending, MYRMEX has not voluntarily recognized any trade unions, and no unions are attempting to organize MYRMEX;

(d) MYRMEX is not a party to any other collective agreement with any union or employee association;

(e) MYRMEX has no outstanding labour relations proceedings or orders and is not aware of any threatened proceedings;

(f) there are no outstanding grievances, arbitration proceedings, pending arbitration awards, or unsatisfied awards, except as have been disclosed to SMHTO;

(g) MYRMEX has no outstanding applications, complaints, investigations, audits, monitoring programs, orders of review officers, tribunal proceedings, tribunal orders or prosecutions concerning pay equity;

(h) MYRMEX has complied with all applicable employment standards obligations and there are no outstanding complaints, claims, decisions, applications, orders or prosecutions under the *Employment Standards Act, 2000* except as disclosed;

(i) MYRMEX has no workplace safety and insurance claims, potential claims or actual or potential penalty assessments, fines, or other amounts due or owing, including any that would affect MYRMEX's accident cost experience except as disclosed. MYRMEX has paid all workplace safety and insurance assessments to date and will continue to do so up to Effective Date, and, to the best of MYRMEX's knowledge, no audit is currently being performed pursuant to any applicable workplace safety and insurance legislation and has complied with the *Workplace Safety and Insurance Act, 1997*;

(j) MYRMEX has no outstanding human rights complaints, applications, investigations, proceedings, decisions or orders except as disclosed, and to the best of its knowledge, has complied with the *Human Rights Code*;

(k) MYRMEX has no outstanding or potential inspection orders, audits, investigations, labour board proceedings, violations or prosecutions under the *Occupational Health and Safety Act*;

(l) MYRMEX has no employment, consulting, agency or management contracts other than those that have been disclosed;

(m) To the best of its knowledge, and subject to section 2.4 hereof, MYRMEX does not have any liability with respect to any former employee, including arising from: (i) its Benefit Plans; (ii) the termination of employment; and/or (iii) its obligations under the *Employment Standards Act, 2000*; and/or (iv) the Ontario *Human Rights Code*;

(n) MYRMEX has disclosed and fulfilled all of its obligations and commitments (including all required contributions and premiums to be paid) with respect to group insurance policies and all other Employee benefits and allowances prior to the Effective Date and that there are no other liabilities, contingent or otherwise, in respect of any pension, benefit or compensation plan that has been discontinued;

(o) none of the Benefit Plans provide for retiree benefits or for benefits to retired employees or to the beneficiaries or dependants of retired employees;

(p) MYRMEX has not made any commitment to improve or otherwise amend any Benefit Plan;

(q) MYRMEX has complied with its obligations to make appropriate source deductions for all employees and has made all of the appropriate remittances to the appropriate government authorities and there are no outstanding liabilities under the *Income Tax Act*, or other tax liabilities including with respect to the Benefit Plans;

(r) there are no actions (including any audit or investigation by any Governmental Authority) pending or, to the knowledge of MYRMEX, threatened involving any Employee Benefit Plan or the assets thereof, other than routine claims for benefits payable in the ordinary course of business; and

(s) MYRMEX's Transferred Assets are owned free and clear of any encumbrances.

6.0 ADDITIONAL AGREEMENTS

6.1 Additional Agreements.

The parties further agree and covenant as follows:

(a) Each party will, upon the written request of the other party do all such acts and execute all such further documents, conveyances, deeds, assignments, transfers and the like, and will cause the doing of all such acts and will cause the execution of all such further documents as are within its power to cause the doing or execution of, as the requesting party may from time to time reasonably request be done and/or executed as may be required to consummate the transactions contemplated hereby or as may be necessary or desirable to effect the purpose of this Agreement or any document, agreement or instrument delivered pursuant hereto and to carry out their provisions or to better or more properly or fully evidence or give effect to the transaction contemplated hereby.

(b) **Waiver**

SMHTO hereby waives compliance by MYRMEX with the *Bulk Sales Act* (Ontario) and the provisions of the *Retail Sales Tax Act* (Ontario).

6.2 SMHTO Governance Obligations

As of the Effective Date, the board of directors of SMHTO shall include up to two (2) MYRMEX board member(s) who have been nominated by MYRMEX and approved by SMHTO. Such board member(s) shall be appointed as a voting director to SMHTO's board of directors (the "**Directors**") to serve for a term of three (3) years, and will be entitled to be re-appointed in accordance with the by-laws and board policies of SMHTO.

6.3 MYRMEX's Website

At least four (4) weeks prior to the Closing Date, MYRMEX shall ensure that prominent notice is made on MYRMEX's website informing of the Transfer, the form and content of such notice to be subject to the reasonable prior approval of the Executive Director of SMHTO. As of the Effective Date, SMHTO shall ensure that visible notice is made on SMHTO's website informing of the Transfer.

6.4 SMHTO Operational Covenants

SMHTO agrees to the following operational covenants:

(a) For at least two years following the Effective Date, but subject to there being no material changes to SMHTO's funding, SMHTO agrees to continue to maintain the programs and services of MYRMEX, and to use the name "Myrmex Toronto", or "Myrmex" to identify the programs and services provided by MYRMEX.

(b) For at least two years following the Effective Date, SMHTO agrees to conduct bi-annual meetings with the then current tenants/residents of 127 Isabella Street and 177 Mutual Street, Toronto, Ontario, to communicate updates on the status of the Myrmex programs and services and address any inquiries from the meeting participants.

7.0 CLOSING CONDITIONS

7.1 MYRMEX's Conditions.

The obligation of MYRMEX to complete the transactions contemplated by this Agreement shall be subject to the satisfaction of, or compliance with, on or before the Effective Date, each of the following conditions precedent (each of which is hereby acknowledged to be included for the exclusive benefit of MYRMEX and may be waived by MYRMEX in whole or in part):

(a) **Truth and Accuracy of Representations of SMHTO on the Effective Date.** All of the representations and warranties of SMHTO made in or under this Agreement, including, without limitation, the representations and warranties made by SMHTO in section 5.1, shall be true and correct as at the Effective Date and with the same effect as if made as of the Effective Date (except as those representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted by this Agreement).

(b) **Performance of Obligations.** SMHTO shall have performed or complied with, in all material respects, all of its obligations, covenants and agreements under this Agreement including without limitation the conditions precedent identified in sections 2.4(a) and 6.2.

(c) **Receipt of Closing Documentation.** All SMHTO Closing Documents and all actions and proceedings taken on or prior to the Effective Date in connection with the performance by SMHTO of its obligations under this Agreement, shall be satisfactory to MYRMEX, acting reasonably, and MYRMEX shall have received copies of all such documentation, or other evidence as they may reasonably request, in order to establish the consummation of the transactions contemplated under this Agreement and the taking of all corporate proceedings in connection with those transactions, in form and substance satisfactory to MYRMEX, acting reasonably.

(d) **Consents.** SMHTO shall use best efforts to obtain all consents, approvals, orders and authorizations required in connection with the completion of the transactions contemplated by this Agreement at or prior to the Effective Date.

7.2 SMHTO's Conditions.

The obligation of SMHTO to complete the transactions contemplated by this Agreement shall be subject to the satisfaction of, or compliance with, on or before the Effective Date, each of the following conditions precedent (each of which is hereby acknowledged to be included for the exclusive benefit of SMHTO and may be waived by SMHTO in whole or in part):

(a) **Truth and Accuracy of Representations of MYRMEX on the Effective Date.** All of the representations and warranties of MYRMEX made in or under this Agreement, including, without limitation, the representations and warranties made by MYRMEX in Section 5.1, shall be true and correct as at the Effective Date and with the same effect as if made as of the Effective Date (except as those representations and warranties may be affected by the occurrence of events or transactions expressly contemplated and permitted by this Agreement).

(b) **Performance of Obligations.** MYRMEX shall have performed or complied with, in all material respects, all of its obligations, covenants and agreements under this Agreement.

(c) **Receipt of Closing Documentation.** All MYRMEX Closing Documents and all actions and proceedings taken on or prior to the Effective Date in connection with the performance by MYRMEX of its obligations under this Agreement, shall be satisfactory to SMHTO, acting reasonably, and SMHTO shall have received copies of all such documentation, or other evidence as they may reasonably request, in order to establish the consummation of the transactions contemplated under this Agreement and the taking of all corporate proceedings in connection with those transactions, in form and substance satisfactory to SMHTO, acting reasonably.

(d) **Consents.** MYRMEX shall use best efforts to obtain all consents, approvals, orders and authorizations required in connection with the completion of the transactions contemplated by this Agreement at or prior to the Effective Date.

(e) **Interim Certificate –** On the Closing Date, a signing officer of MYRMEX shall deliver to SMHTO, a signed letter confirming that all of the representations and warranties of MYRMEX made in or under this Agreement, including, without limitation, the representations and warranties made by MYRMEX in Section 5.1, shall be true and correct as at the Closing Date. In addition, MYRMEX shall, on the Closing Date, deliver an updated Schedule A relating to MYRMEX's staff.

(f) **Ministry of Health (Ontario), Ontario Health and City of Toronto Non-Objection.** The Ministry of Health (Ontario) ("Ministry"), Ontario Health ("OH") and the City of Toronto ("City") do not object to the Transfer proceeding, if such non-objection by the Ministry, OH and/or the City is required.

(g) **SMHTO Best Interests**. SMHTO Board of Director's has not made a decision, at any time prior to the Effective Date, and for any reason, including concerns about MYRMEX's liabilities, financial viability or amount of committed funding to MYRMEX from the City, that it is not in the best interests of SMHTO to proceed with the Integration.

8.0 GENERAL PROVISIONS

8.1 Accounting Principles.

Any reference in this Agreement to generally accepted accounting principles refers to generally accepted accounting principles that have been established in Canada, including those approved from time to time by the Canadian Institute of Chartered Accountants or any successor body thereto.

8.2 Headings.

Headings are for convenience and are not admissible as to construction.

8.3 Notices.

All notices or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given or made if delivered electronically, hand delivered, mailed from within Canada by registered mail, or sent by overnight courier or delivery service or facsimile transmission to the applicable addresses appearing below:

If to SMHTO:
St. Michael's Homes
262 Gerrard Street East
Toronto, ON M5A 2G2
Attention: Robin Griller, Executive Director, robin@stmichaelshomes.org

If to MYRMEX:
Myrmex Not for Profit Housing
127 Isabella St,
Toronto, ON M4Y 1P3
Attention: Mark Jackson, President at president@myrmexnonprofithousing.ca

8.4 Binding Agreements; Non-Assignability.

This Agreement shall enure to the benefit of, and shall be binding on, and enforceable by, the parties and their respective successors and permitted assigns. Neither party may assign any of its rights or obligations hereunder without the prior written consent of the other party.

8.5 Entire Agreement.

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as herein provided.

8.6 Severability.

Every provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatever, such illegality or invalidity shall not affect the validity of the remainder of this Agreement.

8.7 Amendments and Waivers.

No amendment or waiver of any provision of this Agreement shall be binding on either party unless consented to in writing by such party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver constitute a continuing waiver unless otherwise provided.

8.8 Time of Essence.

Time shall be of the essence in this Agreement.

8.9 Application of Law.

This Agreement shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of Ontario and the federal laws of Canada applicable therein and each party irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario and all courts competent to hear appeals therefrom.

8.10 Dispute Resolution.

Where the parties are unable to reach a negotiated agreement on any matter in dispute in relation to this Agreement, the matter shall be arbitrated by a single arbitrator in Toronto. The arbitrator shall be a mutually trusted third party with legal qualifications. If the Parties to the dispute are unable to agree on an arbitrator, one may be appointed pursuant to the *Arbitration Act.* The arbitrator shall have full power to decide any matter in issue, including awarding any costs of the arbitration. The decision of the arbitrator shall be binding, but may be appealed to the Courts of Ontario pursuant to the *Arbitration Act.*

8.11 Survival

The representations, warranties and covenants in this Agreement which are expressly intended to survive the closing of transfers, including without limitation, the closing conditions in Sections 6.2, 6.3 and 7, shall survive and not merge upon closing and consummation of the transaction contemplated herein.

8.12 Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Integration and Transfer Agreement as of the day and year first above written.

ST. MICHAEL'S HOMES

Per: Dr. Leanne Tran

____

Title: Board Co-Chair, Board of Directors

Per: Jessice Stansfield

____

Title: Board Co-Chair, Board of Directors

Per: Robin Griller

____

Title: Executive Director

I/We have authority to bind the Corporation.

MYRMEX NON-PROFIT HOUSING

Per: Mark Jackson

____

Title: President and Chair, Board of Directors

Per:

____

Title: Eric da Silva, Treasurer, Board of Directors

I/We have the authority to bind the Corporation.

SCHEDULE A
MYRMEX STAFF EMPLOYEES

SCHEDULE B
TRANSFERRED ASSETS

1. *Transferred Funding*

   (a) all transferable funding commitments in respect of the Transferred Programs and Transferred Assets; and

   (b) all cash and deposits allocable to the Transferred Programs and Transferred Assets.

2. *Accounts Receivable.* All accounts receivable, trade accounts, notes receivable, refunds, book debts and other debts due or accruing due to MYRMEX and the benefit of all security for such accounts, notes and debts.

3. *Insurance.* All proceeds of insurance or compensation for expropriation or seizure in respect of any period prior to the Effective Date shall be paid to SMHTO at the Effective Date and all rights and claims of MYRMEX to any such amounts not paid by the Effective Date shall be assigned at the Effective Date to SMHTO.

4. *Machinery and Equipment.* All machinery, equipment, fixtures, furniture, furnishings, parts, artistic works, and other fixed assets of MYRMEX to be transferred at net book value.

5. *Inventories.* All inventories of goods and supplies of MYRMEX.

6. *Contracts.* All Contracts and rights of MYRMEX under Contracts of MYRMEX.

7. *Intellectual Property.* All know-how, technical information, specifications and materials in whatever form or media recording used or relating to the Transferred Programs, and all copyrights, copyright registrations and applications, trademarks, trade mark registrations and applications, trade or brand names, service marks, logos and instruction manuals.

8. *Licences and Permits.* All licences, permits, approvals, consents, registrations, certificates and other authorizations issued to or held by MYRMEX, to the extent transferable.

9. *Books and Records.* Subject to section 2.3 of this Agreement, all original books and records of MYRMEX (including minute books and seal), including such books and records are reasonably required by SMHTO to operate the Transferred Programs or pertaining to the Transferred Assets and that have not previously been provided to SMHTO by MYRMEX, including without limitation, employee manuals, personnel records, employee health records, supply records, inventory records and correspondence files, and historical records (together with, in the case of any such information that is stored electronically, the media on which the same is stored).

10. *Computer Hardware and Software.* All computer hardware and software owned by MYRMEX, including any necessary log-in credentials, support manuals, or other details required to use the computer hardware or software.

12. *Warranty Rights.* The full benefit of all warranties, warranty rights, warranty claims, guarantees, indemnities, undertakings and similar covenants (implied, express or otherwise) against third parties which apply to any of the Transferred Assets, to the extent transferable.

13. *Prepaid Expenses.* All prepaid expenses of MYRMEX.

14. *Goodwill.* All goodwill, together with the exclusive right for SMHTO to represent itself as carrying on the Transferred Programs in succession to MYRMEX and the right to use any words indicating that the Transferred Programs are so carried on, including the exclusive right to use the name "MYRMEX", the logo, the website, or any variation thereof, as part of the name or style under which the Transferred Programs or any part thereof is carried on by SMHTO.

15. *Bank Accounts* –

- Chequing Account #4875613 with Alterna Savings, 800 Bay Street Toronto, Ontario, M5S 3A9; and
- Investment Account #751-444A-2 and Account #751-445A-2 with Worldsource Financial Management via Encasa Financial Inc., 220 – 1651 Commercial Drive, Vancouver, British Columbia,
  V5L 3Y3

16. *Social Media Accounts* – MYRMEX agrees to transfer to SMHTO its social media accounts, e.g., Twitter, Facebook, etc., including all necessary log-in credentials, usernames, and passwords, so as to enable SMHTO to use these accounts.

17. Real Property. All of MYRMX'S right, title, and interest in and to the buildings located at 127 Isabella Street, Toronto, Ontario, M4Y 1P3 and 177 Mutual Street, Toronto, Ontario, M5B 2P6.

SCHEDULE C
CLOSING DOCUMENTS

MYRMEX CLOSING DOCUMENTS

1. A certified copy of a resolution of the Directors of MYRMEX approving the Agreement and the transactions contemplated therein.

2. A certified copy of a special resolution of the Members of MYRMEX approving the transactions contemplated by this Agreement and the disposition of the assets.

3. A certified copy of a special resolution of the Members of MYRMEX approving the dissolution of MYRMEX and authorizing the surrender of MYRMEX'S charter, in form and content satisfactory to SMHTO;

4. A completed and signed Application for Surrender of Charter/Termination of Corporate Existence for MYRMEX, in form and content satisfactory to SMHTO;

5. A list of the current names and addresses of all directors of MYRMEX;

6. The election form contemplated by section 4.2.

7. The consents contemplated by section 7.2(d).

8. Other specific conveyancing documents for any of the Transferred Assets.

9. A certificate of a senior officer of MYRMEX confirming that the representations, warranties and covenants remain true as of the Effective Date.

10. Other specific conveyancing documents for any of the Transferred Assets, including all of MYRMEX'S right, title, and interest in and to the buildings 127 Isabella Street, Toronto, Ontario, M4Y 1P3 and 177 Mutual Street, Toronto, Ontario, M5B 2P6.

SMHTO CLOSING DOCUMENTS

1. A certified copy of a resolution of the Directors of SMHTO approving the transactions contemplated by this Agreement.

2. The election form contemplated by section 4.2.

3. The consents contemplated by section 7.1(d).

4. Evidence of compliance with the obligations under section 6.2.

5. A certificate of a senior officer of SMHTO confirming that the representations, warranties and covenants remain true as of the Effective Date.