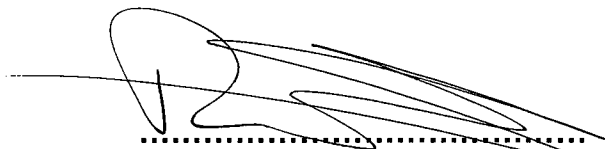


**THIS IS EXHIBIT "I" TO THE
AFFIDAVIT OF RICHARD SEXTON
SWORN BEFORE ME THIS 10th
DAY OF JUNE, 2009.**

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

.....
A Commissioner, etc.

Execution Version

ASSET PURCHASE AGREEMENT

by and between

COPPLEY APPAREL GROUP LIMITED

as Seller,

And

EMERISQUE BRANDS UK LIMITED and SKNL NORTH AMERICA, B.V.

as Purchasers

Dated as of June 5, 2009

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (the "Agreement"), dated as of June 5, 2009 (the "Effective Date"), is made by and between Copley Apparel Group Limited, an Ontario corporation (the "Seller"), Emerisque Brands UK Limited, a company formed under the laws of England and Wales ("Emerisque") and SKNL North America, B.V., a company incorporated under the laws of The Netherlands ("SKNL", collectively with Emerisque and any of their permitted designees, the "Purchasers"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in Article IX.

WHEREAS, on January 23, 2009, each of Hartmarx Corporation, a Delaware corporation (the "Parent") and certain of its subsidiaries (collectively with the Parent, the "US Sellers") filed a voluntary petition for relief commencing cases (the "Chapter 11 Cases") under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the Northern District of Illinois Eastern Division;

WHEREAS, Seller and the US Sellers are collectively engaged in the business of designing, manufacturing, marketing, distributing and selling men's and women's apparel under the Brand Names, both owned and under license, through retail, department and specialty stores and directly to consumers through retail stores, catalogs and e-commerce websites (the portion of such business carried on by Seller, other than shirt manufacturing carried on by Seller at the Concord Premises (the "Concord Shirt Business"), being hereinafter referred to as the "Business");

WHEREAS, pursuant to the asset purchase agreement dated as of May 21, 2009 by and among Seller, the US Sellers and Purchasers (the "Original APA"), Seller and US Sellers agreed to sell substantially all of their respective assets to Purchasers on the terms set out therein;

WHEREAS, the Original APA contemplated that Seller, the US Sellers and the Purchasers would enter into a further agreement regarding the process by which Seller would sell its assets to Purchasers and such parties would amend the Original APA in a manner consistent with such agreement;

WHEREAS, Seller, the US Sellers and Purchasers have reached such agreement and, as a result:

(a) Purchasers have agreed to purchase, and Seller has agreed to sell to Purchasers, the Canadian Acquired Assets, and Purchasers are willing to assume from Seller the Assumed Liabilities, upon the terms and conditions hereinafter set forth (the sale and purchase of the Canadian Acquired Assets and the assignment and assumption of the Assumed Liabilities are collectively referred to herein as the "Asset Purchase"); and

(b) Seller, the US Sellers and the Purchaser have, contemporaneously with the execution and delivery of this Agreement, entered into an agreement dated the date hereof amending and restating the Original APA (the "Amended APA");

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants, and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I

PURCHASE AND SALE OF ASSETS

Section 1.1 Canadian Acquired Assets. On the terms and subject to the conditions set forth in this Agreement, including approval of the Canadian Court, at the Closing, Seller shall sell, assign, transfer, convey, and deliver to Purchasers, and Purchasers shall purchase, free and clear of all Encumbrances (other than Permitted Encumbrances) and accept from Seller, all right, title and interest of Seller in and to all rights, properties and assets of Seller (other than the Excluded Assets), of every kind and description, wherever located, whether real, personal or mixed, tangible or intangible, owned, leased, licensed, used or held for use in or relating to the Business (collectively, the "Canadian Acquired Assets"), including all right, title and interest of Seller in, to or under:

(a) all Accounts Receivable existing on the date hereof or arising in the ordinary course of the Business after the date hereof, except to the extent that any of the foregoing are collected, paid, satisfied or discharged on or prior to the Closing;

(b) all credits, claims for refunds, prepaid expenses, prepaid rent, and prepaid items relating to the Business, including such of the foregoing as are listed and described on Schedule 1.1(b);

(c) all Contracts, other than those excluded pursuant to the next to last paragraph of this Section 1.1, as the same may be supplemented pursuant to the next to last paragraph of this Section 1.1 (the "Assigned Contracts"), including:

(i) all of the Contracts between Seller and a customer relating to the Business (the "Customer Contracts"), including such of the foregoing as are listed or described on Schedule 1.1(c)(i) or that relate to the Business or arise in the ordinary course of the Business after the date hereof;

(ii) the Contracts between Seller and a vendor or other third party providing goods or services relating to the Business (the "Supplier Contracts"), including such of the foregoing as are listed or described on Schedule 1.1(c)(ii) or that relate to the Business and arise in the ordinary course of the Business after the date hereof;

(iii) the licenses, sublicenses or other Contracts to which Seller is a party or otherwise bound pursuant to which Seller has granted, been granted, has given, or has obtained any right to use any Intellectual Property that is material to the Business or is otherwise related to the Canadian Acquired Assets, including without limitation such of the foregoing as are listed or described on Schedule 1.1(c)(iii) (the "License Agreements"); and

(iv) all Material Contracts not otherwise covered by clauses (i)-(iii) above and the other Contracts and arrangements that are listed or described on Schedule 1.1(c)(iv).

(d) any rights, claims or causes of action of Seller against third parties arising out of events occurring prior to the Closing Date, including and, for the avoidance of doubt, arising out of events occurring prior to the date hereof and including any rights under or pursuant to any and all warranties, representations and guarantees made by suppliers, manufacturers and contractors relating to products sold, or services provided, to Seller, excluding only the rights, claims and causes of action that are identified as Excluded Assets in Section 1.2;

(e) all inventory, finished goods, goods in transit, works in process, samples, raw materials, packaging materials and other materials used or held for use in the operation of the Business or held by third parties, whether on consignment or not, including such of the foregoing as are listed or described on Schedule 1.1(e) (collectively, the "Inventory");

(f) all Leases of Leased Real Property used in the operation of the Business that are listed and described on Schedule 1.1(f), other than such Leases that are excluded pursuant to the next to last paragraph of this Section 1.1, as the same may be supplemented pursuant to the next to last paragraph of this Section 1.1 (such Leases, the "Assumed Leases" and the Leased Real Property subject thereto, the "Acquired Leased Real Property");

(g) all machinery, equipment, computers, furniture, furnishings, fixtures, office supplies, vehicles, tools, order entry devices and all other tangible personal property owned by Seller that are used in the operation of the Business and located on any Leased Real Property (collectively, the "Tangible Personal Property"), including such of the foregoing as are listed or described on Schedule 1.1(g);

(h) all Trademarks that are listed on Schedule 1.1(h), and each of the following used in connection with such Trademarks or products manufactured and sold under, or that are used in connection with, such Trademarks as of the Effective Date: all trade dress, logos, slogans, Domain Names, and other similar designations of source or origin, together with the goodwill symbolized by, and any registrations and applications for, the foregoing; Patents; Copyrights; know-how, Trade Secrets, and rights in proprietary processes, formulae, Customer Lists, and supplier lists; and all other Intellectual Property owned, used or licensed by or to Seller;

(i) all rights in the computer software programs and information technology systems listed or described on Schedule 1.1(i) (the "Software");

(j) all Permits issued to Seller by any Governmental Entity relating to the operation of the Business and any subsidies and remissions provided by any Government Entity to Seller with respect to the Business;

(k) the bank accounts and lockbox arrangements relating to the Business that are listed or described on Schedule 1.1(k) (excluding all rights or incidents of interest with respect to the cash or cash equivalents in such bank accounts or lock box arrangements on or before the Closing Date);

(l) all Documents except those (i) specifically excluded under Section 1.2(j) or (ii) relating to employees of Seller who are not Hired Employees;

(m) all of Seller's rights, to the extent they are transferable, to make claims, and to receive the proceeds of any such claims, (i) under property or casualty insurance policies maintained by or on behalf of Seller for any loss to an Acquired Asset occurring prior to Closing that is covered by such policies, and (ii) under liability insurance policies maintained by or on behalf of Seller with respect to any Assumed Liability;

(n) all goodwill associated with the Business or the Canadian Acquired Assets;

(o) all telephone and telephone facsimile numbers and other directory listings used in connection with the Business;

(p) all original artwork, prints, lithographs, etchings, oil paintings, watercolor drawings and other similar works of art located at any Leased Real Property;

(q) all rights of Seller under letters of credit or similar instruments issued by third parties naming the Seller as a beneficiary thereunder relating to the Canadian Acquired Assets; and

(r) all other or additional privileges, rights and interests associated with the Canadian Acquired Assets of every kind and description and wherever located that are used or intended for use in connection with, or that are necessary to the continued operation of, the Business as presently being operated.

Notwithstanding anything herein to the contrary, at any time prior to Closing, Purchasers shall be entitled in their sole discretion to remove any Contracts (other than the Assumed Leases) from the lists of Assigned Contracts by providing written notice thereof to Seller, and any Contracts or Leases so removed shall not constitute Canadian Acquired Assets at Closing. At any time prior to Closing, Purchasers shall be entitled in their sole discretion to request Seller to add to the lists of Assigned Contracts any Contracts of Seller by providing written notice thereof to Seller, and any Contracts so added shall constitute Canadian Acquired Assets; provided that Purchasers shall not be entitled to add to the list of Assigned Contracts any Contracts of Seller that, as of the date Purchasers provide written notice to Seller, (i) Seller terminated or that have expired pursuant to their terms, or (ii) that are set forth on Schedule 1.1(A). If Purchasers add any Contracts to the Assigned Contracts in accordance with the foregoing, then, at Purchasers' request, and subject to Section 1.5, Seller shall take such steps as are necessary to cause such Contracts to be assigned to Purchasers, including seeking any necessary Third Party Consents in accordance with Section 1.5.

At any time prior to three (3) Business Days prior to the deadline for the Auction pursuant to Section 5.7, Purchasers may, in their sole discretion by written notice to Seller, designate any of the Canadian Acquired Assets other than Assigned Contracts and Assumed Leases as additional Excluded Assets, which notice shall set forth in reasonable detail the Canadian Acquired Assets so designated. Purchasers acknowledge and agree that there shall be no reduction in the Purchase Price if they elect so to designate any Canadian Acquired Assets as Excluded Assets.

Section 1.2 Excluded Assets. Notwithstanding anything contained in this Agreement to the contrary, the following rights, properties and assets (collectively, the "Excluded Assets") will not be included in the Canadian Acquired Assets, and Seller shall retain all right, title and interest in, to and under the Excluded Assets:

- (a) all cash, cash equivalents, including cheques, commercial paper, treasury bills, certificates of deposit and other bank accounts, or marketable securities of Seller;
- (b) all of the Accounts Receivable that have been collected, paid, satisfied or discharged prior to the Closing;
- (c) all intercompany payables, liabilities and obligations (of any nature or kind, and whether based in common law or statute or arising under written contract or otherwise, known or unknown, fixed or contingent, accrued or unaccrued, liquidated or unliquidated, real or potential) owed or payable to Seller or any affiliate thereof or as to which Seller or any affiliate thereof is an obligor or is otherwise responsible or liable;
- (d) all of the Contracts that have terminated or expired prior to the Closing in the ordinary course of the Business;
- (e) all Contracts, and all of Seller's rights thereunder, that are not Assigned Contracts (the "Excluded Contracts");
- (f) the Lease in respect of the Concord Premises and all other Leases except the Assumed Leases, after giving effect to the terms set forth in the next to last paragraph of Section 1.1, and any letters of credit relating thereto;
- (g) any Inventory sold prior to the Closing in the ordinary course of the Business consistent with past practice and any Inventory located at the Leased Real Property (other than the Acquired Leased Real Property);
- (h) any Tangible Personal Property disposed of in the ordinary course of the Business consistent with past practice and any Tangible Personal Property located at the Leased Real Property (other than the Acquired Leased Real Property);
- (i) any right Seller has with respect to any deferred Tax assets or any refund for Taxes;
- (j) the company seal, minute books, charter documents, stock or equity record books and such other books and records as pertain to the organization, existence

or capitalization of Seller or any Affiliate thereof as well as any other Documents relating to Seller or any Affiliate thereof related primarily to an Excluded Asset or Excluded Liability;

(k) any right, property or asset that is listed or described on Schedule 1.2(k);

(l) any rights, claims or causes of action of Seller arising under this Agreement or the Ancillary Documents;

(m) all receivables, claims or causes of action related primarily to any Excluded Asset;

(n) all letters of credit related solely to any Excluded Asset;

(o) all rights under (i) insurance policies relating to claims for losses related primarily to any Excluded Asset or Excluded Liability or (ii) directors' and officers' insurance policies or similar fiduciary policies; and

(p) any asset of Seller that would constitute an Acquired Asset (if owned by Seller on the Closing Date) that is conveyed or otherwise disposed of during the period from the date hereof until the Closing Date as permitted by the terms of this Agreement.

Section 1.3 Assumed Liabilities. On the terms and subject to the conditions set forth in this Agreement, at the Closing, Purchasers shall execute and deliver to Seller the Assignment and Assumption Agreement pursuant to which Purchasers shall assume and agree to discharge, when due (in accordance with their respective terms and subject to the respective conditions thereof), only the following Liabilities (without duplication) (collectively the "Assumed Liabilities") and no others:

(a) all customer and consumer programs in the ordinary course of the Business, including gift certificates, customer deposits, store credits, product returns, promotional discounts and allowances;

(b) all Liabilities of Seller under each of the Assigned Contracts and the Assumed Leases arising after the Closing in respect of which the Canadian Court has approved the assignment of such Assigned Contract or Assumed Lease to Purchasers and, if required by the terms hereof or thereof, a Third Party Consent has been obtained;

(c) amounts incurred in the ordinary course of business after the date hereof consistent with past practice and in compliance with the Operating Budget pursuant to an Assigned Contract and that are current in nature (and not past due) and are owed to suppliers in respect of goods that would constitute Inventory that would be Canadian Acquired Assets but in respect of which title has not yet passed to Seller;

(d) accrued (to the extent not paid by Seller) and unused vacation pay to which the Hired Employees are entitled pursuant to the policies of Seller applicable to such Hired Employees immediately prior to the Closing Date; provided that during the period

between the date hereof and the Closing Date, Seller shall not modify or amend such policies with respect to the Hired Employees; and

- (e) the other liabilities and obligations described on Schedule 1.3(e).

Section 1.4 Excluded Liabilities. Notwithstanding any provision in this Agreement to the contrary, Purchasers shall not assume and shall not be obligated to assume or be obliged to discharge any Liability of Seller, and Seller shall be solely and exclusively liable with respect to all Liabilities of Seller, other than the Assumed Liabilities (collectively the "Excluded Liabilities"). For the avoidance of doubt, the Excluded Liabilities include the following:

- (a) any Liability of Seller or its directors, officers, stockholders or agents (acting in such capacities), arising out of, or relating to, this Agreement or the transactions contemplated by this Agreement, whether incurred prior to, at or subsequent to the Closing Date, including all finder's or broker's fees and expenses and any and all fees and expenses of any representatives of Seller;

- (b) other than as specifically set forth herein, any Liability relating to (x) events or conditions occurring or existing in connection with, or arising out of, the Business as operated prior to the Closing Date, (y) the ownership, possession, use, operation or sale or other disposition prior to the Closing Date of any Canadian Acquired Assets (or any other assets, properties, rights or interests associated, at any time prior to the Closing Date, with the Business) or (z) the Canadian Proceedings;

- (c) except as set forth in Section 1.3(c), amounts owed to vendors and service providers in respect of goods and services arising in the ordinary course of the Business on or after the date hereof and existing as of or immediately prior to the Closing Date;

- (d) except as set forth in Section 1.3(d), any Liability to any Person at any time employed by Seller or their predecessors-in-interest at any time or to any such Person's spouse, children, other dependents or beneficiaries, with respect to any matters, incidents, events, exposures or circumstances occurring at any time during the period or periods of any such Person's employment by Seller or their predecessors-in-interest, whenever such claims mature or are asserted, including (except as otherwise specifically set forth herein) all Liabilities arising (i) under any benefit plans, (ii) under any employment, wage and hour restriction, equal opportunity, discrimination, plant closing or immigration and naturalization laws, (iii) under any collective bargaining laws, agreements or arrangements or (iv) in connection with any workers' compensation or any other employee health, accident, disability or safety claims;

- (e) any Liability relating to the Canadian Acquired Assets based on events or conditions occurring or existing prior to the Closing Date and connected with, arising out of or relating to: (i) Hazardous Substances or Environmental Laws, (ii) claims relating to employee health and safety, including claims for injury, sickness, disease or death of any Person or (iii) compliance with any Legal Requirement relating to any of the foregoing;

(f) any pension, retirement, welfare, severance, change of control or deferred compensation Liability of Seller to its current or former employees which are accrued as of the Closing Date, whether or not under any Benefit Plan;

(g) except as provided in Section 8.4, any Liability for Taxes attributable to periods ending on or prior to the Closing Date;

(h) any Liability incurred by Seller or its directors, officers, stockholders, agents or employees (acting in such capacities) after the Closing Date;

(i) any Liability of Seller to any Person on account of any Action or Proceeding, to the extent such Action or Proceeding either exists as of Closing or relates to a period ending on or prior to the Closing Date; and

(j) any Liability relating to or arising out of the ownership or operation of an Excluded Asset.

Section 1.5 Assignment of Assigned Contracts and Assumed Leases. To the maximum extent permitted by applicable law and subject to the other provisions of this Section 1.5, Seller shall transfer and assign all Assigned Contracts, Permits and Assumed Leases to Purchasers as of the Closing Date or such other date as specified in the Sale Order or this Agreement, as applicable. Notwithstanding any other provision of this Agreement or in any Ancillary Document to the contrary, this Agreement shall not constitute an agreement to assign any Assigned Contract or Permit or any right thereunder if an attempted assignment without the consent of a third party, which consent has not been obtained prior to the Closing, would after giving effect to the Sale Order constitute a breach or in any way adversely affect the rights of Purchasers or Seller thereunder. If with respect to any Assigned Contract or Permit, such consent is not obtained prior to Closing, then such Assigned Contract or Permit shall not be transferred hereunder and, subject to Section 6.3(j), the Closing shall proceed with respect to the remaining Assigned Contracts and Permits without any reduction in the Purchase Price. In the case of Assigned Contracts or Permits (other than any such Assigned Contract or Permit for which a Third Party Consent is required and is listed on Schedule 6.3(j) or any bank accounts or lock box arrangements (i) that cannot be transferred or assigned effectively without a Third Party Consent, which consent has not been obtained prior to the Closing (after giving effect to the Sale Order), Seller shall, at Purchasers' sole expense, use its reasonable best efforts (subject to availability of personnel and funding) to cooperate with Purchasers in endeavoring to obtain such consent and, if any such consent is not obtained, Seller shall, following the Closing, at Purchasers' sole expense, use its reasonable best efforts (subject to availability of personnel and funding) to cooperate with Purchasers in all reasonable respects to provide to Purchasers the benefits thereof in some other manner, or (ii) that are otherwise not transferable or assignable shall, following the Closing, at Purchasers' sole expense, use its reasonable best efforts (subject to availability of personnel and funding) to cooperate with Purchasers to provide to Purchasers the benefits thereof in some other manner (including the exercise of the rights of Seller thereunder); provided that nothing in this Section 1.5 shall (x) require Seller or any Affiliate thereof to make any significant expenditure or incur any significant obligation on its own or on behalf of Purchasers or (y) prohibit Seller or any Affiliate thereof from ceasing operations or winding up its affairs following the Closing; provided, further, that nothing in this Section 1.5 shall require Purchasers

to reimburse Seller for any attorneys' fees and expenses incurred by Seller in complying with its obligations under this Section 1.5.

Section 1.6 Purchase Price. In consideration for the Canadian Acquired Assets, Purchasers shall, in addition to the assumption of the Assumed Liabilities, pay to the DIP Lender, at the Closing consideration equal to U.S.\$5,389,922 (the "Base Purchase Price") (representing 72% of the DIP Balance as of May 8, 2009). The Base Purchase Price will be subject to adjustment pursuant to Section 1.7 below (as so adjusted, the "Adjusted Base Purchase Price"). The "Purchase Price" shall consist of the sum of the aggregate value of the Assumed Liabilities and the Adjusted Base Purchase Price.

Section 1.7 Base Purchase Price Adjustment. (a) Immediately following the close of business on the day prior to the Closing Date, Seller shall deliver to Purchasers the DIP Balance Certificate. The Base Purchase Price will then be subject to adjustment immediately prior to the Closing based on the amount obtained by subtracting from the Base Purchase Price seventy-two percent (72%) of the sum of: (x) the Pre-Closing DIP Balance; and (y) the Eligible Amounts (the "Adjustment Amount") and:

(i) if the Adjustment Amount is a positive number, the Adjusted Base Purchase Price shall be the Base Purchase Price less the Adjustment Amount; and

(ii) if the Adjustment Amount is a negative number, the Adjusted Base Purchase Price shall be the Base Purchase Price plus the absolute value of the Adjustment Amount.

(b) The Adjusted Base Purchase Price shall be paid in cash to the DIP Lender except to the extent of the face value of letters of credit included therein that are assumed or replaced by Purchasers at Closing.

Section 1.8 Allocation of Purchase Price for Tax Purposes. Within sixty (60) days after the Closing, Purchasers shall deliver to Seller for Seller's review and approval allocation schedule(s) (the "Allocation Schedule(s)") allocating the Purchase Price, including the Assumed Liabilities that are liabilities for federal and provincial income Tax purposes, among the Canadian Acquired Assets. The Allocation Schedule(s) shall be reasonable and shall be prepared in accordance with applicable Canadian law. Seller agrees that, following its approval of the Allocation Schedule(s), such approval not to be unreasonably withheld, Seller shall use its reasonable best efforts (subject to availability of personnel and funding) to sign the Allocation Schedule(s) and return an executed copy thereof to Purchasers, it being understood and agreed that on or before the twentieth (20th) Business Day following its receipt of the Allocation Schedule(s) from Purchasers as herein provided, Seller shall use its reasonable best efforts (subject to availability of personnel and funding) to either deliver an executed copy thereof to Purchasers or, in the event that Seller shall have objections to all or any portion of the Allocation Schedule(s), Seller shall use its reasonable best efforts (subject to availability of personnel and funding) to deliver to Purchasers a written objection to such Allocation Schedule(s), which written objection shall set forth in reasonable detail the basis for the objection of Seller thereto. In the event that Seller shall deliver a written objection to the

Allocation Schedule(s), Seller shall use its reasonable best efforts (subject to availability of personnel and funding) to work in good faith with Purchasers to resolve any and all objections set forth therein, and upon the resolution of all such objections, Seller and Purchasers shall execute and deliver a signed copy of such agreed upon Allocation Schedule(s). Purchasers and Seller will each file all Tax Returns, in accordance with the Allocation Schedule(s) that are agreed upon by the Seller and the Purchasers pursuant to the terms of this Section 1.8. Purchasers, on the one hand, and Seller, on the other hand, each agrees to provide the other promptly with any other information required to complete any such Tax Returns.

Section 1.9 Tax Elections.

(a) Seller and Purchasers will on or before Closing jointly prepare and execute an election, in the prescribed form and containing the prescribed information, to have subsection 167(1.1) of the *Excise Tax Act* (Canada) apply to the sale and purchase of the Canadian Acquired Assets hereunder so that no tax is payable in respect of such sale and purchase under Part IX of the *Excise Tax Act* (Canada). Purchasers will file such election with the Minister of National Revenue within the time prescribed by the *Excise Tax Act* (Canada). Seller and Purchasers will make any required elections under corresponding provincial or territorial law and the foregoing provisions will apply *mutatis mutandis* in respect thereof.

(b) Seller and Purchasers acknowledge that a portion of the Canadian Acquired Assets transferred by Seller pursuant to this Agreement and having a value equal to the amount elected under subsection 20(24) of the *Income Tax Act* (Canada) is being transferred to Purchasers in consideration for Purchasers assuming prepaid obligations of Seller to deliver goods or provide services in the future. Seller and Purchasers will prepare, execute and file, on a timely basis and using any prescribed form, a joint election under subsection 20(24) of the *Income Tax Act* (Canada) as to such assumption hereunder, and prepare their respective Tax Returns in a manner consistent with such joint election. The elected amount will be determined by Purchasers, acting reasonably. Seller and Purchasers will make any required elections under corresponding provincial or territorial law and the foregoing provisions will apply *mutatis mutandis* in respect thereof.

(c) Seller and Purchasers will execute and file, on a timely basis and in prescribed form, a joint election under section 22 of the *Income Tax Act* (Canada) as to the sale of the Accounts Receivable to be purchased under this Agreement, and prepare their respective tax returns in a manner consistent with such joint election. For purposes of such joint election, the elected amount in respect of the Accounts Receivable will be determined by Purchasers consistent with the Purchase Price allocation as set forth in or determined pursuant to Section 1.8 with respect to the Accounts Receivable.

ARTICLE II

THE CLOSING

Section 2.1 Closing. The closing of the transactions contemplated by this Agreement (the “Closing”) shall take place at the offices of Gowling Lafleur Henderson LLP, 1 First Canadian Place, 100 King Street West, Suite 1600, Toronto, Ontario M5X 1G5 at 10:00

a.m. local time on the later of (i) the same day as the conditions set forth in Article VI shall have been satisfied or waived and (ii) at such other time, date and place as shall be fixed by agreement among the Seller and the Purchasers (the date of the Closing being herein referred to as the "Closing Date"). For financial, accounting, Tax and economic purposes, including risk of loss, and for all other purposes under this Agreement, upon the occurrence of the Closing, the Closing shall be deemed to have occurred at 12:01 a.m. (Toronto time) on the Closing Date.

Section 2.2 Deliveries at Closing.

(a) At the Closing, Seller shall deliver to Purchasers, or with respect to clause (iii) below, shall make available to Purchasers at their then present location:

(i) one or more Bills of Sale, including a transfer of all Intellectual Property owned by Seller and included in the Canadian Acquired Assets but that is not covered in the instruments of assignment identified in Section 2.2(a)(ii), the Assignment and Assumption Agreement, the Assignment and Assumption of Assumed Leases, and each other Ancillary Document to which Seller is a party, duly executed by the Seller;

(ii) instruments of assignment of the Patents (the "Assignment of Patents"), Trademarks (the "Assignment of Trademarks"), Copyrights (the "Assignment of Copyrights") and Domain Names (the "Assignment of Domain Names"), if any, that are owned by Seller and included in the Canadian Acquired Assets, if any, duly executed by Seller, in form for recordation with the appropriate Governmental Entity, substantially in the form of Exhibits E, F, G and H, respectively;

(iii) all material artwork, sketches, designs, drawings and copyrighted materials (registered and unregistered) that are included in the Canadian Acquired Assets, including all existing archives thereof, in the form maintained by Seller and all existing hard copies of the foregoing, in each case as in Seller's possession;

(iv) keys for the Acquired Leased Real Property, the combinations for any safes located on the Acquired Leased Real Property, and the access codes for any electronic security systems located on the Acquired Leased Real Property;

(v) a certified copy of the Sale Order;

(vi) copies of all Third Party Consents;

(vii) the officer's certificates required to be delivered pursuant to Sections 6.3(a), (b), (e) and (k);

(viii) a closing statement, duly executed by Seller, setting forth customary real property matters;

