

Appendix “C”

1. Fresh Start Approach Amendment

The Declaration is amended by adding the following definitions to Section 2 as follows:

“**Fresh Start Date**” means the earlier of (i) that date that is the end of the calendar month in which an acquisition of the commercial and/or retail portions of the Hotel by a purchaser from the Declarant closes; (ii) the end of the month in which the Sales Process is terminated; and (iii) December 31, 2011;”

“**Sales Process**” means a process for the sale of the assets of the Declarant by Alvarez & Marsal Canada ULC in its capacity as receiver and manager of the Declarant and Alvarez & Marsal Canada Inc. in its capacity as Interim Receiver of the Declarant, as approved by Order of the Ontario Superior Court of Justice on May 6, 2011 in Ontario Superior Court (Commercial List) File No. CV-09-8201-00CL;”

The Declaration is further amended by adding thereto Section 7.1 as follows

- “(a) The first operating year budget of the Corporation (for the period March 9, 2009 to March 8, 2010) as disclosed in the initial Disclosure Statement of the Corporation has been amended by resolution of the Board so that as a result of such amendment, no common expenses will be assessed for such first operating year of the Corporation. To the extent that any Owner (or its predecessor in title), including the Declarant, has made payments, directly or indirectly, to the Corporation or for the benefit of the Corporation, such payments shall be carried forward as credits for the benefit of such Owner (or its successors or assigns) to be utilized in five equal annual amounts as payment for common expenses that arise after the Fresh Start Date.
- (b) The Board, as of the date of this amendment, has fixed no budget or assessed any common expenses for the second operating year of the Corporation (for the period March 9, 2010 to March 8, 2011) or for the third operating year of the Corporation (for the period March 9, 2011 to March 8, 2012), but such budgets, when approved by the Board, will not provide for any common expenses arising prior to the Fresh Start Date. To the extent that any Owner (or its predecessor in title), including the Declarant, has made payments, directly or indirectly, to the Corporation or for the benefit of the Corporation such payments shall be carried forward as credits for the benefit of such Owner (or its successors or assigns) to be utilized in five equal annual amounts as payment for common expenses that arise after the Fresh Start Date.”