

This is exhibit " A " referred to
in the affidavit of
Keith McMahon
sworn before me this 21st day of
February 20 12
A Notary Public
in and for the Province of Manitoba

ENGAGEMENT AGREEMENT

BY AND BETWEEN:

Arctic Glacier Inc., a corporation incorporated under the laws of Alberta having its registered office at 625 Henry Avenue, Winnipeg, Manitoba, R3A 0V1

(hereinafter referred to as "**Arctic**")

AND:

7088418 Canada Inc. o/a Grandview Advisors, a corporation incorporated under the laws of Canada having its registered office at 39 Wynford Drive, Don Mills, Ontario, M3C 3K5

(hereinafter referred to as ("**Grandview**")

RECITALS:

A. Arctic and certain of its subsidiaries are expected to commence proceedings under the Companies' Creditors Arrangement Act ("**CCAA**") and Chapter 15 of the United States Bankruptcy Code ("**Chapter 15**") to effect a Sale and Investor Solicitation Process ("**SISP**").

B. In the event such proceedings are commenced, Arctic wishes to have available and therefore presently retain the services of Grandview as set out below (the "**Services**"). Arctic and Grandview have agreed that Bruce Robertson ("**Robertson**"), Grandview's President and Chief Executive Officer, will act as Chief Process Supervisor ("**CPS**") to supervise the implementation of the SISP, reporting to the special committee of trustees (the "**Special Committee**") of Arctic Glacier Income Fund ("**AGIF**"), the owner of all of the issued and outstanding shares of Arctic.

NOW THEREFORE in consideration of the premises and the mutual covenants herein contained, the parties hereto hereby agree as follows:

1. **TERM.** The term of this Agreement shall commence on February 1, 2012 (the "**Effective Date**") and continue until the earlier of: a) a termination in accordance with the terms of this Agreement; or b) the closing of a Revitalization, as hereinafter defined.

2. DUTIES.

(a) **General.** Grandview shall provide its expertise, services and assistance to Arctic as set out hereinafter including the specific services listed in section 2(f) hereof.

(b) **Appointment.** Robertson is hereby appointed CPS. Robertson shall devote his working time, skills and competence as circumstances require to the role of CPS and to effect the Revitalization. Arctic acknowledges that Grandview and Robertson now have and will have other commitments and business activities (including outside directorships) in which they will continue to be involved

during the term of this engagement, provided that such activities do not interfere with the effective performance of the services of Grandview hereunder.

(c) **Reporting relationships.** In general in the capacity as CPS, Robertson shall report exclusively to the Special Committee. Robertson shall consult with the CEO, those designated by the CEO, as well as Arctic's financial and legal advisors and Monitor as appropriate.

(d) **Staffing.** Grandview's services will be provided by Robertson and such other employees of Grandview as Grandview may determine is appropriate and Arctic may agree.

(e) **Standard of Performance.** Grandview shall provide its Services, including all ancillary services, in good faith. Grandview does not now nor will it in the future have any interests in conflict with the interests of AGIF, Arctic or their subsidiaries. Grandview shall ensure that the services of every employee are performed diligently and in accordance with professional standards. In carrying out the Services, Grandview agrees that it and its representatives shall at all time act in a manner which preserves and promotes the reputation and image of Arctic.

(f) **Specific Duties.** In connection with the sale and/or recapitalization of all, or part, of the business and/or capital structure of Arctic and its subsidiaries (the "**Revitalization**") Grandview shall provide the following services, in each case, in accordance with this Agreement and subject to the terms of the SISP and any court order, as applicable:

- developing, for consideration by the Special Committee, strategic alternatives for the financial revitalization of Arctic and its businesses and assets, and implementing the strategic alternative(s) selected by the Special Committee as appropriate;
- developing a revitalization plan or plans for presentation to lenders, creditors, and other stakeholders which may be affected by the Revitalization, as well as equity sponsors and implementing the revitalization plan or plans through a court process;
- in consultation with management and expressly subject to the approval of the trustees of AGIF, negotiating all necessary agreements with purchasers, equity sponsors, lenders, creditors, stakeholders and any other interested parties, including, without limitation, any amendments, waivers, extensions and/or forbearances that may be necessary or desirable in connection with the Revitalization;
- in respect of the Revitalization, managing all processes involving AGIF's legal and financial advisors involved in the Revitalization, purchasers, equity sponsors, lenders, creditors, the court appointed monitor (if applicable) and other stakeholders in the most efficient manner, including, without limitation, monitoring or reviewing the fees of the various advisors involved in the Revitalization;
- in close consultation with management, establishing and implementing a work plan for the Revitalization and reporting directly and exclusively to the Special Committee on a regular basis to update the Special Committee regarding the Revitalization including progress being made in implementing the Revitalization, proposed timeframes for the

further implementation of the Revitalization, any material matters which may affect the Revitalization as well as those matters which the Special Committee requests;

- advising and assisting the Special Committee and AGIF's advisors (including legal and financial advisors) in connection with the realization of the steps required to achieve a successful Revitalization, and engaging in communications with the court appointed monitor (if applicable) and AGIF's first lien, second lien and DIP lenders as may be appropriate in furtherance of the CPS's services and any applicable agreements and court orders;
- in close consultation with management, advising the Special Committee with respect to communications between Arctic and its stakeholders in connection with the Revitalization; and
- managing all communications, and overseeing the preparation of all filings, applications or similar materials necessary or desirable, for any regulatory approvals in connection with the Revitalization.

3. **CONSIDERATION FOR CONSULTING SERVICES.**

Arctic shall provide the following consideration to Grandview for Services rendered hereunder including the services of all employees of Grandview assigned to this Agreement:

(a) **Monthly Fees.** \$35,000 per month, together with applicable taxes including HST, payable monthly in advance. The HST registration number of Grandview is 82786 1097 RT0001.

(b) **Expenses.** Arctic shall reimburse Grandview for all reasonable out-of-pocket expenses incurred by it (including any applicable taxes) in connection with the Services rendered hereunder upon submission of invoices therefor (including without limitation travel, in accordance with Arctic's travel policy). In addition to its Monthly Fees, Grandview shall submit an invoice for its expenses plus applicable taxes within two (2) months of such expenses having been incurred.

(c) **Taxes.** Grandview, to the exclusion of Arctic, but subject to the obligation of Arctic to pay all applicable taxes on the amounts owing by it to Grandview hereunder, shall be solely responsible for the payment and remittance of all provincial and federal sales taxes, income taxes, non-resident withholding taxes, hospital insurance plan and similar plan contributions, all unemployment insurance contributions, federal and provincial pension plan contributions, contributions required under provincial occupational health and safety laws, including all appropriate deductions at source to the proper public authorities and for ensuring that they are properly declared in returns timely filed, in respect of all amounts paid by the Arctic to Grandview pursuant to this Agreement or paid by Grandview to its employees, as the case may be.

(d) **Tax Indemnity.** Grandview shall defend, indemnify and hold harmless Arctic, Arctic's officers, directors, and employees from and against all claims, liabilities and expenses (including reasonable attorney's fees, costs and disbursements) relating to any failure by Grandview to declare, collect, remit and pay on a timely basis all such taxes, payments and contributions that are owing by

Grandview in respect of the amounts paid by Arctic to Grandview or paid by Grandview to its employees, as the case may be.

4. **INFORMATION.** Arctic represents and warrants to Grandview, and will use its best efforts to ensure, that all information to be provided to Grandview, directly or indirectly, orally or in writing, in connection with Grandview's engagement hereunder will be accurate and complete in all material respects and will not be misleading in any material way and will not omit to state any fact or information which might reasonably be considered material to Grandview in performing its services hereunder. Grandview shall be entitled to rely upon such information and Grandview shall be under no obligation to verify independently any such information so provided to or otherwise obtained by Grandview. Grandview shall also be under no obligation to investigate any changes in any of such information occurring after the date it was provided to or obtained by Grandview. Grandview shall identify and require from Arctic all information it needs to provide the Consulting Services. In the event that Grandview believes it does not have the cooperation of Arctic in the provision of the required information, it shall promptly inform the Special Committee of such situation for it to be corrected.

5. **ADDITIONAL SERVICES.** If Grandview is requested to perform services in addition to those described above, then the terms and conditions relating to such services will be outlined in a separate agreement and the fees for such services will be in addition to fees payable hereunder and will be negotiated separately and in good faith.

6. **COURT APPROVAL AND SECURITY FOR INDEMNITY AND FEES.** In any proceedings it commences under the CCAA, Arctic shall seek an order of the court approving this Agreement in form and substance reasonably satisfactory to Grandview. Such order shall:

(a) Provide that none of Grandview, Robertson or any other person providing services hereunder shall incur any liability or obligation as a result of the provision of such services except as may result from gross negligence or wilful misconduct of such person and no action or other proceedings shall be commenced against any of them in respect of such services without prior leave of the court on at least seven days notice to Grandview;

(b) provide that the Indemnity and the fees and expenses payable to Grandview hereunder are entitled to the benefit of the Administration Charge (as defined in an Order to be made pursuant to the CCAA and ranking *pari passu* with the fees and disbursements of the Monitor, legal counsel and other advisers entitled to the benefit thereof); and,

(c) provide that the claims of Grandview, Robertson and any other person providing services hereunder, on behalf of Grandview, are not claims which may be compromised within the CCAA proceedings or the Revitalization.

(d) This Agreement shall terminate on the 29th day of February, 2012 unless an order of the court in CCAA proceedings as described in this paragraph 6 is made or the parties agree to extend the term of this Agreement.

7. **TERMINATION.** Either party may terminate this Agreement at any time upon at least 30 days' prior written notice to the other. Grandview shall be entitled to receive any pro-rated Monthly Fees and reimbursement of all Expenses up to the effective termination date.

8. **CONFIDENTIALITY.** Grandview recognizes that the Services to be performed by it hereunder are special, unique and extraordinary in that, by reason of the Services it shall provide hereunder, it will acquire Confidential Information and trade secrets concerning the operation of Arctic and its subsidiaries, the use or disclosure of which could cause Arctic or its subsidiaries, substantial losses and damages which could not be readily calculated and for which no remedy at law would be adequate. Accordingly, Grandview covenants and agrees with Arctic on behalf of itself and its officers, directors and employees, including Robertson, that it and they will not at any time, except as required by law or with the prior written consent of Arctic or to a party bound by a confidentiality agreement if required in connection with the provision by Grandview of Services hereunder, directly or indirectly, either disclose to any Person, or use for their personal benefit, any secret or Confidential Information that they may learn or have learned by reason of Grandview's association with Arctic. Grandview and its representatives shall use the Confidential Information for the sole purpose of rendering the Services. The term "**Confidential Information**" means any information not previously disclosed or otherwise available to the public including but not limited to, Arctic's products and services, facilities and methods, trade secrets and other intellectual property, systems, procedures, manuals, confidential reports, product price lists, customer lists, financial information, business plans, prospects or opportunities, and non-public information obtained by Arctic from its partners, suppliers and clients. Confidential Information shall also include, without limitation, all reports prepared by Grandview and its representatives for Arctic (which reports shall be the sole property of Arctic), notes, analyses, compilations, studies, summaries and other materials prepared by Grandview, its representatives or Arctic, containing or based, in whole or in part, on Confidential Information. If any such Confidential Information is disclosed or otherwise made available to the public (other than by way of a breach of this covenant by Grandview) from a source not bound by a confidentiality agreement or under another legal or fiduciary obligation of confidentiality to Arctic, its clients, suppliers or partners, it shall no longer be subject to the covenant set out in this paragraph 8.

In the event that Grandview or any of its representatives, by oral questions, interrogatories, requests for information or documents in legal proceedings, subpoena or other similar processes, are requested or become legally compelled to disclose any of the Confidential Information, Grandview agrees that it or its representatives, or both, as the case may be, will provide Arctic with prompt written notice of such request or requirement so that Arctic may seek a protective order or other appropriate remedy. If such protective order or other remedy is not obtained or Arctic grants a waiver hereunder, Grandview or its representatives, as the case may be, who are requested to disclose the Confidential Information may furnish that portion of the information which, in the written opinion of counsel reasonably acceptable to Arctic, it is legally compelled to disclose; provided, however, that Grandview or its representatives requested to disclose the Confidential Information shall use their best efforts to obtain reliable assurance that confidential treatment will be accorded to the Confidential Information so disclosed.

Upon Arctic's request, for any reason, Grandview and its representatives will promptly deliver to Arctic all documents and other materials (and all copies and extracts thereof) constituting Confidential Information without retaining a copy of extract thereof (with the exception of any notes or files maintained by Grandview in the course of providing Services hereunder which Grandview shall be entitled to retain under same obligation of confidentiality). If Arctic requests or gives its prior written consent, Grandview or its representatives shall destroy all documents or other documents or other materials constituting Confidential Information in their possession, including in

electronic form, (subject to the exception in the preceding sentence) with any such destruction confirmed by them in writing to Arctic. Whether or not there is a return or destruction of the Confidential Information, Grandview and its representatives will continue to be bound by their obligations of confidentiality and other obligations hereunder.

9. INDEMNITY AND INSURANCE.

(a) **Indemnity.** Arctic hereby agrees to provide Grandview and Robertson with an Indemnity, in accordance with Schedule A hereto, which Schedule A forms part of this Agreement, the consideration for which is the entering into of this Agreement. Such indemnity (the “**Indemnity**”) shall be executed and delivered to Grandview and Robertson on the execution of this Agreement. The Indemnity shall also apply to any additional services provided pursuant to paragraph 5 above until superseded or replaced by agreement of the parties in the form agreed upon.

(b) **D&O Insurance.** Immediately upon the execution of this Agreement, Arctic agrees to arrange for Grandview and Robertson to be added as additional named insureds under its Directors and Officers insurance policy.

10. NON SOLICITATION AND NON COMPETITION

(a) Grandview shall not, without the prior consent of Arctic, for the Term of this Agreement and for a period of twelve (12) months following termination of this Agreement, on its own behalf or on behalf of any other Person, whether directly or indirectly, in any capacity whatsoever, alone, through or in connection with any Person, for any purpose:

- (i) solicit any Customer or prospective Customer or procure or assist in the soliciting of any Customer or prospective Customer with whom it has had contact in the course of providing the Services (provided that Grandview shall not in any way be prevented from providing services to a Customer or prospective Customer which are similar to the Services provided to Arctic hereunder); and
- (ii) solicit, interfere with or endeavour to entice away any employee of Arctic or its subsidiaries.

For the purpose of this Agreement, “**Person**” shall mean any individual or other entity possessed of juridical personality, including, without limitation, a corporation, Arctic, co-operative, association, partnership, trust, unincorporated association, affiliate, related entity or governmental body.

For the purpose of this Agreement, “**Customer**” shall mean any person having purchased, retained or utilized Arctic’s products and services at any time during the Term or any Person with whom Arctic was pursuing active negotiations to enter into business relationship at any time during the Term.

(b) Except with Arctic’s prior written consent, throughout the Term and for an additional period of six (6) months thereafter, Grandview shall not, directly or indirectly, provide or assist in providing services to a person or entity that is a supplier of packaged ice in North America.

11. GENERAL PROVISIONS

(a) **Independent Contractor.** Nothing contained in this Agreement shall be construed as creating a relationship between Arctic and Grandview other than that of an independent contractor. Grandview and any of Grandview's employees, agents or representatives, including Robertson, shall not be deemed a partner, employee, joint venturer or agent of Arctic by virtue of this Agreement. Arctic shall not be responsible for any employee deductions or contributions which an employer would be required to effect if any of the Grandview's employees, agents or representatives were Arctic's employees.

(b) **Notices.** Any notice hereunder by either party to the other shall be given in writing by personal delivery, or certified mail, return receipt requested, or by facsimile transmission, in any case delivered to the applicable address set forth below:

(i) To Arctic:

625 Henry Avenue
Winnipeg, Manitoba
R3A 0V1

Attention: Keith McMahon, CEO
Fax: (204) 783-9857

(ii) To Grandview:

39 Wynford Drive,
Don Mills Ontario

Attention: Bruce Robertson
Fax: (416) 446-0050

or to such other persons or other addresses as either party may specify to the other in writing.

(c) **Amendment; Waiver; Assignment.** No provision of this Agreement may be amended, modified, waived or discharged unless such amendment, modification, waiver or discharge is agreed to in writing and signed by the parties. No waiver by either party hereto, at any time, of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. Neither party may assign this Agreement or any of its rights and obligations hereunder without the prior written consent of the other. Any purported assignment made in contravention of this section shall be null and void and have no legal effect.

(d) **Severability.** The parties have carefully reviewed the provisions of this Agreement and agree that they are fair and equitable. However, in light of the possibility of differing interpretations of law and changes in circumstances, the parties agree that if any one or more of the provisions of this Agreement shall be determined by a court of competent jurisdiction to be invalid, void or

unenforceable, the remainder of the provisions of this Agreement shall, to the extent permitted by law, remain in full force and effect and shall in no way be affected, impaired or invalidated. Moreover, if any of the provisions contained in this Agreement is determined by a court of competent jurisdiction to be excessively broad as to duration, activity, geographic application or subject, such provision shall be construed, by limiting or reducing it to the extent legally permitted, so as to be enforceable to the extent compatible with then applicable law.

(e) **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Manitoba (determined without regard to the choice of law provisions thereof).

(f) **Entire Agreement.** This Agreement contains the entire agreement of Grandview and Arctic and any predecessors or affiliates thereof with respect to the subject matter hereof, and supersedes all prior agreements, understandings and arrangements, oral and written between the parties either jointly or individually, with respect to the subject matter hereof.

(g) **Survival.** The following provisions will survive the termination of this Agreement: Sections 3, 8, 9, 10 and 11.

(h) **Counterparts.** This Agreement may be executed by the parties hereto in counterparts, each of which shall be deemed an original, but both such counterparts shall together constitute one and the same document.

(i) **Headings.** The headings of this Agreement are for convenience and reference only and shall not be considered in construing the provisions hereof.

(j) **Language.** It is the express wish of the parties hereto that this Agreement and any related documents be drawn up and executed in the English language only. Les parties conviennent que la présente convention et tous les documents s'y rattachant soient rédigés et signés en langue anglaise seulement.

(k) **Currency.** All financial references in this Agreement are to Canadian dollars unless otherwise indicated.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of this • day of •

21st February, 2012

ARCTIC GLACIER INC.

7088418 CANADA Inc.

By: _____


Name: Keith McMahon
Title: President and Chief Executive Officer

By: _____

Name: Bruce Robertson
Title: President

SCHEDULE A

INDEMNITY

February 21, 2012 

In connection with the engagement (the “**Engagement**”) of 7088418 Canada Inc. (“**Grandview**”) pursuant to an agreement (the “**Agreement**”) between Grandview and Arctic Glacier Inc. (“**Arctic**”) dated as of *February 21, 2012*, Arctic agrees to indemnify and hold harmless Grandview and its respective directors, officers, employees, partners and agents, and any other person providing services to it pursuant to the Agreement (collectively, the “**Indemnified Parties**” and individually, an “**Indemnified Party**”), from and against any and all losses, expenses, claims, actions, damages and liabilities, joint or several, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims and the reasonable fees and expenses of its counsel on a solicitor and his own client basis that may be incurred in advising with respect to and/or defending any action, suit, proceeding, investigation or claim that may be made or threatened against any Indemnified Party or in enforcing this Indemnity (collectively the “**Claims**”) to which any Indemnified Party may become subject or otherwise involved in any capacity insofar as the Claims relate to, are caused by, result from, arise out of or are based upon, directly or indirectly, the Engagement, and is not caused by the gross negligence and or wilful misconduct of any Indemnified Party. Arctic also agrees that no Indemnified Party shall have any liability (whether directly or indirectly in contract or tort or otherwise) to it or any person asserting claims on behalf of or in right of Arctic for or in connection with the Engagement except to the extent any losses, expenses, claims, actions, damages or liabilities incurred by it are determined by a court of competent jurisdiction in a final judgment that has become non-appealable to have resulted primarily from the gross negligence or wilful misconduct of any Indemnified Party.

Arctic will not, without Grandview’s written consent, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any action, suit, proceeding, investigation or claim in respect of which indemnification may be sought hereunder unless such settlement, compromise, consent or termination includes a release of each Indemnified Party from any liabilities arising out of such action, suit, proceeding, investigation or claim.

Promptly after receiving notice of an action, suit, proceeding or claim against Grandview or any other Indemnified Party or receipt of notice of the commencement of any investigation which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from Arctic, Grandview or any such other Indemnified Party will notify Arctic in writing of the particulars thereof. Grandview and all Indemnified Parties shall fully cooperate with Arctic and its subsidiaries and their counsel in the preparation of the case(s) and provide all information and documents in their possession as required by Arctic’s counsel.

Grandview and any other Indemnified Party may retain counsel to separately represent it, him or her in the defence of a Claim, provided that only one counsel can be retained by all of Grandview and any Indemnified Party, which shall be at the expense of Arctic on a solicitor and his own client basis if (i) Arctic does not promptly assume the defence of the Claim, or (ii) Arctic agrees to separate representation, or (iii) the Indemnified Party is advised by its counsel that there is an actual or potential conflict between Arctic’s and the - 2- Indemnified Party’s respective interests or additional

defences are available to the Indemnified Party, which makes representation by the same counsel inappropriate.

Where the Indemnified Party pays or is required to pay any amount for which the Indemnified Party may ultimately be entitled to claim indemnity hereunder, Arctic shall forthwith pay such amount (or reimburse the Indemnified Party in respect of such amount if the Indemnified Party has already paid the same). The Indemnified Party agrees that, if the Indemnified Party is not otherwise ultimately entitled to indemnity hereunder, the Indemnified Party shall forthwith refund to Arctic any amount paid out by Arctic which it would not have otherwise paid out but for the provisions of this paragraph and which Arctic is not otherwise legally obliged to pay out, together with simple interest thereon at an annual rate equal to the prime rate of interest from time to time charged by Arctic's bankers.

Although this Indemnity shall not be interpreted in any way to limit the ability of the Indemnified Party to seek indemnity under any other indemnity agreement, under any insurance policy (including, without limitation, any directors' and officers' insurance policy, if applicable), or applicable legislation to the fullest extent permitted by law, the Indemnified Party shall be under no obligation to do so nor shall Arctic be entitled to rights of subrogation under any of the foregoing except if Arctic has fully satisfied its obligations hereunder and except if the person against whom subrogation is claimed has no right over against the Indemnified Party as a result thereof.

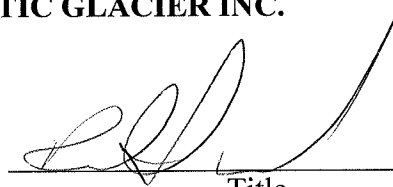
This Indemnity shall enure to the benefit of each Indemnified Party, and shall survive termination of the Engagement, and shall be binding upon Arctic and its successors and assigns. Arctic hereby acknowledges and agrees with Robertson, the President and Chief Executive Officer of Grandview, that this Indemnity may be enforced against Arctic by him as an Indemnified Party, if he is named to a Claim.

This Indemnity is made pursuant to, and shall be construed, performed and enforced in accordance with, the laws of the Province of Ontario including the laws of Canada applicable therein.

The obligations of Arctic hereunder are in addition to any liabilities which Arctic may otherwise have to Grandview or any other Indemnified Party.

ARCTIC GLACIER INC.

Per:



Title

Per:

Title