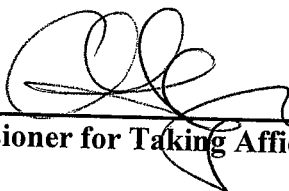


THE FOLLOWING IS EXHIBIT "I" REFERRED  
TO IN THE AFFIDAVIT OF MARK J. WONG  
SWORN JANUARY 14, 2015



---

Commissioner for Taking Affidavits

**INTELLECTUAL PROPERTY LICENSE AGREEMENT  
(TBI to Target Canada)**

This **INTELLECTUAL PROPERTY LICENSE AGREEMENT** (the "*Agreement*") is dated as of January 14, 2015, and shall be effective as of April 14, 2015 (the "*Effective Date*") by and between Target Brands, Inc., a corporation organized and existing under the laws of the State of Minnesota ("*TBI*"), and Target Canada Co., an unlimited company organized and existing under the laws of Nova Scotia ("*Target Canada*").

**RECITALS:**

WHEREAS, TBI and Target Canada were parties to that certain Master Agreement effective as of February 3, 2013 ("*Master Agreement*"), pursuant to which TBI licensed certain Intangible Property (as defined below) to Target Canada in support of Target Canada's retail operations;

WHEREAS, on January 14, 2015, TBI gave three-month written notice to Target Canada of the termination of the Master Agreement and the Master Agreement will hereby terminate at the end of the three months on the Effective Date;

WHEREAS, Target Canada intends to file an application under the provisions of the Companies' Creditors Arrangement Act Canada (the "*CCAA*"), pursuant to which it will conduct an orderly wind down and liquidation of its retail operations (the "*CCAA Proceedings*").

WHEREAS, TBI is willing to grant to Target Canada, effective as of the Effective Date, a limited and temporary exclusive, non-sublicensable, royalty-free license in the Territory to TBI's rights to the Intangible Property in connection with Target Canada's wind down and liquidation of its retail operations;

NOW, THEREFORE, in consideration of the promises, the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**1. DEFINITIONS**

- 1.1 **Defined Terms.** Capitalized terms appearing in this Agreement shall have the meaning described below.
- 1.2 "*Affiliate*" or "*Affiliates*" shall mean a corporation, company or other legal entity which is a member of the Target Group for United States Generally Accepted Accounting Principles ("US GAAP") purposes.
- 1.3 "*Intangible Property*" shall mean any and all of TBI's intangible property rights and associated intellectual property rights, including all Work Product, whether existing as of the Effective Date or developed or acquired later in time, including, but not limited to: (i) works of authorship throughout the world, including but not

limited to copyrights, neighboring rights, moral rights and all derivative works thereof; (ii) trademark and trade name rights and similar rights; (iii) trade secret rights; (iv) patents, designs, manufacturing processes, know-how and other industrial property rights; (v) all theatrical, video and DVD, television, live stage production, sound recording, software applications and all ancillary and derivative rights; (vi) all other intellectual and industrial property rights (of every kind and nature throughout the world and however designated) whether arising by operation of law, contract, license, or otherwise; and (vii) all registrations, initial applications, renewals, extensions, continuations, divisions or reissues thereof now or hereafter in force (including any rights in any of the foregoing).

- 1.4 **"Party"** shall mean Target Brands, Inc. or Target Canada Co. or, if used in the plural, both Target Brands, Inc. and Target Canada Co.
- 1.5 **"Product"** or **"Products"** shall mean any products distributed by Target Canada or on behalf of Target Canada.
- 1.6 **"Service"** or **"Services"** shall mean any services provided by Target Canada.
- 1.7 **"Target Group"** shall mean Target Corporation and its related entities.
- 1.8 **"Territory"** shall mean Canada, its territories and possessions.
- 1.9 **"Work Product"** shall mean all intellectual property including specifications, data, designs, discoveries, inventions, products, modifications, technical information, market information, procedures, processes, manufacturing know-how developed in the Territory that becomes patented, improvements, developments, drawings, notes, documents, live motion picture or television films, live stage productions, sound recordings, software applications and all ancillary or derivative media reproductions, information and materials directly or indirectly made, conceived, reduced to practice or developed by Target Canada which result from, relate to or arise out of Target Canada's performance under this Agreement and relate to the Products, Services or any Intangible Property therein.

## 2. LIMITED LICENSE TO USE INTANGIBLE PROPERTY

- 2.1 **Grant of License by TBI.** To the extent of its legal right to do so, and subject to the rights of third party licensors under any development, research or licensing agreements (whether now in effect or entered into in the future or arising otherwise), effective as of the Effective Date, TBI hereby grants to Target Canada within the Territory a revocable, exclusive, non-sublicensable, royalty-free license to use the Intangible Property for all legal purposes in connection with Target Canada's wind down and liquidation of its retail operations within the Territory for the term set forth in Section 4, subject to and upon the terms and conditions of this Agreement as follows:

- (a) Notwithstanding anything to the contrary herein contained, TBI and Target Canada agree that the rights granted herein and the restrictions herein contained shall be subject to the laws of the relevant Territory and all rules, regulations, directives, laws and legislation associated therewith as the same may be in force from time to time.

**2.2 Control By TBI.** TBI shall have the right to inspection and prior approval of all uses of the Intangible Property on or in connection with the Products and Services, including but not limited to review of advertising, and also have the right of inspection and prior approval of the quality of the Product, premises, or of any Services associated with the Intangible Property as set forth in Schedule 1. TBI's rights shall apply as against Target Canada and all agents and successors.

**2.3 Notice to TBI.** Target Canada shall not sublicense, make available or otherwise transfer any of its rights hereunder without the prior written consent of TBI.

**2.4 Subject To Third Party Rights.** The rights granted under this Agreement to Target Canada are subject to any existing or future third party licensor rights in the Intangible Property and/or the Products and Services and nothing in this Agreement shall relieve either Party of its obligations in respect of royalty payments to third parties with respect to Products or Intangible Property if and to the extent applicable.

### 3. **RIGHTS AND CONFIDENTIALITY**

**3.1 Rights in Intangible Property.** As between TBI and Target Canada:

- (a) All right, title, and interest in the Intangible Property licensed hereunder are and shall remain with TBI, subject to the license granted to Target Canada herein. Target Canada shall not at any time do or cause to be done, or fail to do or cause to be done, any act or thing, directly or indirectly, contesting or in any way impairing TBI's right, title, or interest in the Intangible Property licensed hereunder.
- (b) Target Canada will not make any representation or do any act which may be taken to indicate that it has any right, title or interest in or to the ownership or use of any of the Intangible Property except as defined under the terms of this Agreement, and acknowledges that nothing contained in this Agreement shall give Target Canada any right, title or interest in or to the Intangible Property save as expressly granted hereby.
- (c) Target Canada agrees to take whatever action is appropriate or necessary to protect TBI's rights in the Intangible Property including but not limited to: cooperating in and compensating TBI for any new domestic or foreign applications for intellectual property registration pursued by TBI within the Territory; and registering as a licensee or user of TBI's trademarks, trade names or similar rights upon request by TBI.

- (d) Target Canada shall not do or omit to do any act or thing the doing or omission of which might prejudice the continued existence of the rights with regard to the Intangible Property.
- (e) During and after the term of this Agreement, Target Canada agrees and warrants that it will not, within the Territory, infringe upon or cause or facilitate the infringement of any trademarks or other related rights derived from or confusingly similar to the Intangible Property.
- (f) Target Canada agrees to promptly notify TBI of conflicting activities by third parties of which Target Canada becomes aware. On written notice from Target Canada of such activities, TBI may, but is not required to, take appropriate legal action. Target Canada shall take no legal action and agrees to cooperate fully in any action taken by TBI to protect Target Canada's exclusivity hereunder. TBI may, but is not required to, initiate and control any legal action undertaken pursuant to this provision.
- (g) Target Canada agrees to ensure that all exploitation of the Intangible Property, including use on the Product or in connection with any Services authorized hereunder, comply with and are distributed in compliance with all relevant copyright, trademark, design right, registered design and other relevant intellectual property laws in all parts of the Territory where it is exploited.
- (h) Notwithstanding Section 4 herein, TBI may terminate this Agreement immediately upon giving notice to Target Canada if Target Canada shall challenge the validity of or TBI's ownership of the Intangible Property or any rights licensed by TBI to Target Canada hereunder.
- (i) Target Canada hereby unconditionally and irrevocably grants, agrees to grant, assigns, agrees to assign, transfers, agrees to transfer, conveys, agrees to convey and delivers and agrees to deliver to TBI all rights, titles and interests in and to all Work Product created or developed during the term of this Agreement, all as of the date of creation or development of such Work Product, with no further act or action required in order to effect such assignment and transfer, and subject to the license granted to Target Canada herein. To the extent Work Product is a "work made for hire" under applicable copyright law, it shall be considered a "work made for hire" from the moment of creation, the copyright of which shall be owned exclusively by TBI worldwide. To the extent such Work Product does not qualify as a "work made for hire" under applicable copyright law, all rights, titles and interests that Target Canada may have in and to same is hereby assigned, transferred and conveyed from the moment of creation exclusively to TBI. Target Canada shall execute such documents, render such assistance, and take such other action as TBI may reasonably request, at TBI's expense, to apply for, register, perfect, confirm, and protect TBI's rights to the Work Product. Target Canada shall not at any time do or

cause to be done, or fail to do or cause to be done, any act or thing, directly or indirectly, contesting or in any way impairing TBI's rights, titles, or interests in the Work Product. Target Canada acknowledges that any right to Work Product assigned, transferred or conveyed to TBI may be assigned by TBI to any Affiliate or other third party. Pursuant to Section 2.1 above, the Work Product, along with all other Intangible Property, is licensed to Target Canada within the Territory under the terms of this Agreement.

3.2 **Waiver of Moral Rights.** Target Canada hereby waives any and all moral rights, including without limitation any right to identification of authorship or limitation on subsequent modification that Target Canada (or its employees, agents or consultants) has or may have in any Work Product and any derivatives, improvements or modifications thereof.

3.3 **Goodwill.** Target Canada shall uphold TBI's good name, preserve its goodwill, and protect TBI's Intangible Property rights and associated rights or interest during the term of this Agreement. Notwithstanding Section 4 herein, TBI shall have the right to immediately terminate this Agreement upon giving notice to Target Canada, in the event that Target Canada engages in any illegal, indecent, immoral, harmful or scandalous behavior or activities that may directly or indirectly damage TBI's reputation or good will.

3.4 **Confidentiality.** During and subsequent to the term of this Agreement, Target Canada, its agents and employees shall not make any unauthorized use or disclosure of any knowledge or information of a confidential or proprietary nature concerning the Intangible Property, or other private or confidential matters of TBI, and shall refrain from any acts or omissions that would reduce the value of such confidential matters to TBI or that would deprive or tend to deprive TBI of trade secret or other intellectual property protection with respect to such confidential matters. Target Canada shall maintain such procedures as may be reasonable and prudent to prevent the intentional or negligent disclosure to third parties of the Intangible Property licensed hereunder and related confidential information, including (but not limited to) requiring each of its employees having access to such information to enter into an appropriate written confidentiality agreement with Target Canada. The foregoing obligations shall not apply to knowledge or information which prior to receipt thereof from TBI was in the possession of Target Canada and at its free disposal, or is subsequently disclosed to Target Canada without any obligations of confidence by a third party who has not derived it directly or indirectly from TBI, or is or becomes generally available to the public through no act or default of Target Canada or its agents or employees, or must be disclosed by virtue of the CCAA Proceedings.

#### 4. **TERM AND TERMINATION**

4.1 **Term.** This Agreement is effective as of the Effective Date and shall continue until the earlier of: (i) the wind down and liquidation of Target Canada's retail

operations is completed and the final store closing sale is concluded; (ii) June 30, 2015; or (iii) such later date as agreed to by both parties in consultation with the Monitor (as defined below) ("*Term*").

4.2 **Termination.** This Agreement may be terminated by mutual agreement among the Parties and the Monitor appointed under the CCAA with respect to the CCAA Proceedings (the "*Monitor*").

4.3 **Consequences upon Termination.**

- (a) Upon termination or expiration of this Agreement, the parties shall continue to be bound by the provisions of Section 3 (Intangible Property Rights) above, Section 5 (Limitation of Liability), Section 7 (Compliance with Laws), and Section 8 (General Provisions).
- (b) Further, in the event of termination of this Agreement under any of its provisions, Target Canada is not relieved of its liabilities accruing up to the time of termination.
- (c) Target Canada agrees that upon expiration or termination of this Agreement based on default of Target Canada, Target Canada shall forthwith cease and desist in the sale of Products and marketing, and shall deliver to TBI without cost all plates, molds, preprints, matrices and other devices and materials using the Intangible Property for TBI's free and unencumbered disposal or shall certify to TBI that such have been destroyed.
- (d) Upon expiration or termination for any reason, Target Canada shall immediately and permanently cease to use the Intangible Property in any manner, including use of any the trademark, trade name rights or similar rights licensed hereunder.

## 5. LIMITATION OF LIABILITY

5.1 **Target Canada's Liability.** Target Canada will indemnify, defend and hold TBI harmless from and against any and all claims, demands, suits, losses, damages and liabilities (including, without limitation, interest and reasonable attorneys' fees) arising out of or resulting from Target Canada's failure to comply with any law, ordinance or regulation applicable to its business or Target Canada's breach of this Agreement, except to the extent TBI has primary liability pursuant to Section 5.2.

5.2 **TBI's Liability.** TBI will indemnify, defend and hold Target Canada harmless from and against any and all claims, demands, suits, losses, damages and liabilities (including, without limitation, interest and reasonable attorneys' fees) arising out of or resulting from TBI's failure to comply with any law, ordinance, or regulation applicable to its business or TBI's breach of this Agreement, except to the extent Target Canada has accepted primary liability pursuant to Section 5.1.

- 5.3 **Notice.** A party's obligation to defend and indemnify the other hereunder is subject to the conditions that the party seeking indemnification promptly notifies the other party in writing of any such claim, the party seeking indemnification cooperates fully in defense of the claim and the indemnifying party has control of the defense, to the extent of the indemnity.

## 6. REPRESENTATIONS AND WARRANTIES

TBI represents and warrants that: (a) it has the full power and authority to enter into this Agreement and (b) the execution and performance of this Agreement has received all necessary corporate approvals and consents and will not constitute a default under any provision of TBI's organizational documents.

## 7. COMPLIANCE WITH LAWS

TBI and Target Canada must strictly comply with all applicable laws, rules, regulations and governmental orders, now or hereafter in effect, relating to its performance of this Agreement.

## 8. GENERAL PROVISIONS

- 8.1 **Governing Law.** This Agreement is governed by, and construed in accordance with, the laws of Minnesota conflict-of-law principles excluded.
- 8.2 **Amendments.** No provision of this Agreement shall be amended or waived except by a written agreement executed by both parties in consultation with the Monitor.
- 8.3 **Severability.** If any one or more provisions of this Agreement shall be found to be illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.
- 8.4 **Headings.** The descriptive headings contained herein are for convenience only and shall not control or affect the meaning, interpretation or construction of any provision of this Agreement.
- 8.5 **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the successors and legal representatives of the respective parties hereto. This Agreement may not be assigned by any party without the prior written consent of the other party, except to an entity directly or indirectly controlling, controlled by, or under common control with the assigning party. This Agreement shall cease to be effective and shall immediately terminate if Target Canada, or any assignee of Target Canada, is not an Affiliate.
- 8.6 **Notices.** All notices required by this Agreement shall be in writing to the addresses set forth below, or such other addresses as may be designated in writing by the respective party. Any notices shall be deemed effectively given when received by the other party.



If to Target Canada: Target Canada Co.  
 5570 Explorer Drive  
 Mississauga, ON L4W-0C3  
 Canada  
 Attention: General Counsel

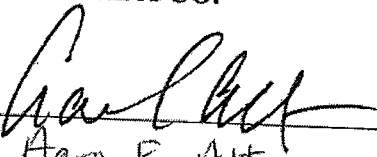
If to TBI: Target Brands, Inc.  
 1000 Nicollet Mall  
 Minneapolis, MN 55403  
 Attention: Stephen C. Lee

- 8.7 **Counterparts.** This Amendment may be executed in counterparts and delivered by means of facsimile or portable document format (PDF) copies, each of which when so executed and delivered shall be an original, but all such counterparts together shall constitute one and the same instrument.

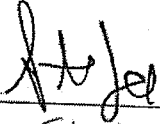
**\*\*[Signature Page to Follow]\*\***

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

**TARGET CANADA CO.**

By:   
Name: Adam E. Alt  
Title: CEO, President and Treasurer

**TARGET BRANDS, INC.**

By:   
Name: Stephen C. Lee  
Title: Vice President

*[Signature Page to TBI to Target Canada Intellectual Property License Agreement]*

**Schedule 1**  
**Right To Prior Approval Of Use Of Intangible Property On Or In Connection With The**  
**Products And Services; Quality Control**

**1. CONTROL BY TARGET BRANDS, INC.**

- 1.1** As Licensor, TBI shall have the right to control all uses of the Intangible Property licensed to Target Canada hereunder including, but not limited to, compliance with operating manuals and policies, presentations, advertising, display, labeling, trade dress, publicity, press releases, and merchandising. TBI shall also have the right to control the character and quality of the Products and Services. Target Brands, Inc., in its sole discretion, shall have the first right to initiate and control enforcement of the Intangible Property.
- 1.2** Pursuant to this right of control, TBI, through such agents or representatives as it may designate, shall have free access to Target Canada's and its sublicensee's facilities, at all times during business hours and with the right to full disclosure, upon reasonable notice, of all apparatus, methods, and materials used by Target Canada in the production and sale of the Products, and shall have the right to take reasonable and free samples of Products and all of the materials used in the manufacture, thereof, and requisition Services for the purpose of examination or testing.