

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MR.) MONDAY, THE 30TH DAY
)
JUSTICE CAMPBELL) OF MAY, 2011

IN THE MATTER OF SECTION 47(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS AMENDED, SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, C. C. 43, AS AMENDED, AND SECTION 68 OF THE *CONSTRUCTION LIEN ACT*, R.S.O. 1990, C. C. 30, AS AMENDED

BETWEEN:



WESTLB AG, TORONTO BRANCH

Applicant

- and -

THE ROSSEAU RESORT DEVELOPMENTS INC.

Respondent

ORDER

THIS MOTION, made by Alvarez & Marsal Canada ULC, in its capacity as Court-appointed receiver and manager pursuant to section 101 of the *Courts of Justice Act* (Ontario) and trustee and receiver and manager under the *Construction Lien Act* (Ontario), and Alvarez & Marsal Canada Inc., in its capacity as interim receiver pursuant to section 47(1) of the *Bankruptcy and Insolvency Act* (jointly and collectively, the “**Receiver**”), of the undertaking, property and assets (the “**Assets**”) of The Rosseau Resort Developments Inc. (“**RRDI**”), for an Order:

- (a) abridging the time for service of this Notice of Motion and Motion Record, if necessary, validating service of the Notice of Motion and Motion Record, and dispensing with further service thereof;
- (b) authorizing and approving the execution and delivery of an amended and restated settlement agreement (the “**Settlement Agreement**”) by the Receiver, on behalf of RRDI, in substantially the form attached as Appendix “B” to the Nineteenth Report of the Receiver dated May 25, 2011 (the “**Nineteenth Report**”);
- (c) authorizing the Receiver to consent, on behalf of RRDI, in its capacities as both a unit owner (“**Unit Owner**”) and Declarant of the Muskoka Standard Condominium Corporation No. 62 (the “**Condominium Corporation**”), to an amendment to the Condominium Corporation’s declaration (the “**Declaration**”), in substantially the form attached as Appendix “C” to the Nineteenth Report, for purposes of implementing the Fresh Start Approach (as such term is defined in the Nineteenth Report);
- (d) authorizing the Receiver, on behalf of RRDI, to agree to amendments to the new forms of Rental Pool Management Agreements (the “**New RPMA**”) substantially as set out in the Settlement Agreement, for purposes of implementing the RPMA Resolution (as defined in the Nineteenth Report), conditional, among other things, on the closing of an agreement of purchase and sale with a purchaser approved by the Court who wishes to implement the RPMA Resolution;
- (e) authorizing the Receiver to consent, on behalf of RRDI, in its capacities as both Unit Owner and Declarant of the Condominium Corporation, to an amendment to the Declaration of the Condominium Corporation, in substantially the form attached as Appendix “D” to the Nineteenth Report, for purposes of implementing the RPMA Resolution, conditional, among other things, on the closing of an agreement of purchase and sale with a purchaser approved by the Court who wishes to implement the RPMA Resolution;
- (f) sealing Confidential Exhibit “1” to the Nineteenth Report;

- (g) approving the Nineteenth Report and the conduct and activities of the Receiver as described therein; and
- (h) such further and other relief as counsel may request and this Honourable Court deems just,

was heard this day, at 330 University Avenue, Toronto, Ontario.

ON READING the Nineteenth Report, the affidavits of service of Christina DeLuca, sworn May 26, 2011, (the “**Affidavits of Service**”), filed, and on hearing the submissions of counsel for WestLB AG, New York Branch and the Receiver, independent counsel for the Receiver, no one else appearing,

1. **THIS COURT ORDERS AND DECLARES** that capitalized terms not otherwise defined in this Order have the same meaning as in the Nineteenth Report.
2. **THIS COURT ORDERS AND DECLARES** that service of the Notice of Motion and the Motion Record in accordance with the Affidavits of Service, including the method and timing of notice, and service to the service list by way of email and courier, shall be and is hereby abridged and validated, so that this Motion is properly returnable today and any further service thereof upon any interested party other than the persons served with the Motion Record is hereby dispensed with.
3. **THIS COURT ORDERS** that the Settlement Agreement and the execution and delivery thereof by the Receiver, on behalf of RRDI, in substantially the form attached hereto as **Schedule “A”** is hereby authorized and approved. The Receiver is hereby authorized to take such additional steps and execute such additional documents as may be necessary or desirable in order to carry into effect the transactions contemplated by the Settlement Agreement.
4. **THIS COURT ORDERS** that the Receiver is authorized to consent, on behalf of RRDI, in its capacities as both Unit Owner and Declarant of the Condominium Corporation, to an amendment to the Declaration of the Condominium Corporation, in substantially the form attached hereto as **Schedule “B”**, for purposes of implementing the Fresh Start Approach, conditional on the terms and conditions provided for in the Settlement Agreement.

5. **THIS COURT ORDERS** that the Receiver, on behalf of RRDI, is authorized to agree to amendments to the New RPMA substantially as set out in the Settlement Agreement, for purposes of implementing the RPMA Resolution, conditional on the terms and conditions provided for in the Settlement Agreement, including, without limiting the foregoing, the closing of an agreement of purchase and sale with a purchaser approved by the Court who wishes to implement the RPMA Resolution.

6. **THIS COURT ORDERS** that the Receiver is authorized to consent, on behalf of RRDI, in its capacities as both Unit Owner and Declarant of the Condominium Corporation, to an amendment to the Declaration of the Condominium Corporation, in substantially the form attached hereto as **Schedule "C"**, for purposes of implementing the RPMA Resolution, conditional on the terms and conditions provided for in the Settlement Agreement, including, without limiting the foregoing, the closing of an agreement of purchase and sale with a purchaser approved by the Court who wishes to implement the RPMA Resolution.

7. **THIS COURT ORDERS** that the Releases (as defined in the Settlement Agreement) are hereby approved, and declared to be binding upon each of the parties and effective on the date that the Releases are released from escrow in accordance with the Settlement Agreement.

8. **THIS COURT ORDERS** that, to the extent that the Receiver is directed by one or more Unit Owners to pay to the Condominium Corporation certain funds currently held in trust by the Receiver on account of condominium fees or Indulgence Cards, as referred to at paragraph 4.13 of the Nineteenth Report, the Receiver be and is hereby authorized and directed to make such payments to the Condominium Corporation, and the Receiver shall incur no liability or obligation in making the payments to the Condominium Corporation as authorized and directed, and no action or other proceedings shall be commenced against the Receiver as a result of or relating in any way to the Receiver making each such payment as directed.

9. **THIS COURT ORDERS AND CONFIRMS** that the Set-Off Motion shall be deemed to be settled and withdrawn on the date of satisfaction or waiver of the conditions in paragraph 10 of the Settlement Agreement, to be confirmed by a certificate to be filed with the Court by the Receiver. If the conditions in paragraph 10 of the Settlement Agreement are not satisfied or waived, the Set-Off Motion may be brought on again for hearing on 30 days notice to the Condominium Corporation and the Non-RRDI Directors.

10. **THIS COURT ORDERS** that the Nineteenth Report and the conduct and activities of the Receiver as described therein are hereby approved.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

JUN 01 2011

PER/PAR:


A. Anissimova
Registrar

**Schedule “A” to the Order
dated May 30, 2011:**

Settlement Agreement

AMENDED AND RESTATED AGREEMENT

THIS AGREEMENT is made the ____ day of May, 2011

BETWEEN:

**MUSKOKA STANDARD CONDOMINIUM
CORPORATION NO. 62**

(hereinafter referred to as the "**Corporation**")

OF THE FIRST PART

- and -

**THE ROSSEAU RESORT DEVELOPMENTS INC. ("RRDI") by
Alvarez & Marsal Canada ULC, in its capacity as trustee,
receiver and manager of the assets of RRDI, and not in its
personal capacity, and by Alvarez & Marsal Canada Inc., in its
capacity as interim receiver of RRDI and not in its personal
capacity (the "Receiver")**

(hereinafter referred to as "**RRDI**" and the "**Receiver**",
respectively)

OF THE SECOND PART

-and -

**THE MEMBERS OF THE AD HOC COMMITTEE OF UNIT
OWNERS**

(hereinafter referred to as the "**Ad Hoc Committee**")

OF THE THIRD PART

-and -

GORDON JACOBS AND ROLAND KLASSEN

(hereinafter referred to as the "**Non-RRDI Directors**", in that
capacity)

OF THE FOURTH PART

WHEREAS:

- A. All of the parties hereto entered into a settlement agreement dated April, 2011 (the "**Original Settlement Agreement**"), along with a potential purchaser of the assets of RRDI, pursuant to which the parties agreed to settle the Set-Off Motion (as defined herein) and RPMA Dispute (as defined

herein), through the Fresh Start Approach (as defined herein) and the RPMA Resolution (as defined herein), respectively;

- B. A proposed transaction with the proposed purchaser has been terminated in accordance with its terms. Accordingly, the proposed purchaser is no longer a party to the Original Settlement Agreement;
- C. The Receiver has been authorized by an Order of the Ontario Superior Court of Justice (the "**Court**") dated May 6, 2011 to undertake a process for the sale of the assets of RREDI to a purchaser or purchasers (the "**Sales Process**");
- D. The parties hereto wish to amend and restate the Original Settlement Agreement so as to incorporate the agreement among the parties hereto with respect to the subject matter hereof;
- E. The Rosseau, a J.W. Marriott Resort and Spa, Muskoka, Ontario (the "**Hotel**"), is a mixed-use condominium development constructed by RREDI and consisting of 221 condominium units ("**Units**") (not including the hotel management unit), 132 of which are currently owned by RREDI (the "**RREDI Units**"). The remaining 89 Units are owned by individual unit owners (the "**Unit Owners**"). The Units, together with their appurtenant common interests, form part of the Muskoka Standard Condominium Plan No. 62 pursuant to a Declaration registered on title on March 9, 2009 as Instrument Number MT63413 (the "**Declaration**");
- F. By Notice of Motion dated March 4, 2011, the Receiver sought advice and directions from the Court with respect to its position that RREDI's obligation to pay common expenses to the Corporation has been satisfied in full by setting off any such obligation, when and if quantified, against amounts that RREDI asserts are owed by the Corporation to RREDI pursuant to a number of contracts governing the relationship between RREDI and the Corporation, which contracts include a hotel easement and restrictive covenant agreement, a reciprocal agreement, and a shared facilities agreement (the "**Set-Off Motion**");
- G. The board of directors of the Corporation consists of three nominees of RREDI and the two Non-RREDI Directors. The Non-RREDI Directors have indicated that they oppose the relief sought in the Set-Off Motion;
- H. The Non-RREDI Directors have proposed a resolution of the Set-Off Motion (the "**Fresh Start Approach**") pursuant to which the Corporation would (a) amend its budget for its operations for the period March 2009-March 2010 (the "**First Year**") so as to eliminate common expenses for all Units, including the RREDI Units, for the First Year, and (b) adopt a similar budget for the subsequent operating years of the Corporation to the earlier of (i) the end of the calendar month in which the closing of a sale by RREDI, by its Receiver of the assets of RREDI to a purchaser occurs, whether such sale transaction takes place pursuant to the Sales Process or otherwise; (ii) the end of the calendar month in which the Sales Process is terminated by Order of the Court; and (iii) December 31, 2011 (the "**Fresh Start Date**"). The Fresh Start Approach also contemplates the establishment of certain assignable credits in favour of the owner of the RREDI Units and certain Unit Owners who have made payments to the Corporation or on behalf of whom payments are

currently held in trust by the Receiver for the Corporation for the period prior to the Fresh Start Date. Such credits shall be applied against future assessments for common expenses over a period of 60 months, in the amounts as set out in **Schedule "A"** hereto, commencing as of the Fresh Start Date (the "**Common Expense Credits**");

- I. Fasken Martineau Dumoulin LLP has provided a legal opinion (the "**Fasken Opinion**") to the Corporation that the Fresh Start Approach and the Common Expense Credits are not precluded by the *Condominium Act, 1998* (the "**Condominium Act**");
- J. The Fresh Start Approach is to be implemented as of the Fresh Start Date by way of an amendment to the Declaration substantially in the form attached hereto as Part 1 to **Schedule "B"** (the "**Fresh Start Amendment**");
- K. By Notices of Dispute addressed to RRDI, certain Unit Owners have provided notice that they dispute (the "**RPMA Dispute**") the interpretation of the rental pool management agreements between the Unit Owners and RRDI (the "**Rental Pool Management Agreements**"); and
- L. It is proposed to resolve the RPMA Dispute with Unit Owners by amending the Rental Pool Management Agreements on the terms as set out herein (the "**RPMA Resolution**"), conditional on the closing of a transaction for the sale of the assets of RRDI to a purchaser approved by the Court who consents to the RPMA Resolution (the "**Closing**").

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT, in consideration of the above premises and of the covenants, agreements, representations and warranties hereinafter set forth, it is hereby agreed as follows:

FRESH START APPROACH

- 1. **Agreement to Implement.** The Corporation hereby agrees to take the steps necessary to implement the Fresh Start Approach as of the Fresh Start Date, consisting of the following pursuant to section 107(1) of the Condominium Act: (a) the calling and holding of a meeting of the Board of Directors of the Corporation (the "**Board**") to consider a resolution approving the Fresh Start Amendment; (b) the calling and holding of an information meeting of all owners of Units in accordance with section 107(3) and (4) of the Condominium Act on or before June 15, 2011 or such later date as may be agreed to by the Receiver and the Non-RRDI Directors; (c) requesting the consent of all Unit Owners to the Fresh Start Approach and the Fresh Start Amendment; (d) the sending of notice of the Fresh Start Amendment to all mortgagees, if any, whose name appears in the record of the Corporation maintained under subsection 47(2) of the Condominium Act at the time the Board approves the Fresh Start Amendment; and (e) registering a copy of the Fresh Start Amendment in accordance with section 107(5) of the Condominium Act, such that the Fresh Start Approach will be implemented as of the Fresh Start Date. The Corporation and the Non-RRDI Directors will use their reasonable commercial efforts to seek from all Unit Owners their written consent to the Fresh Start Approach and the Fresh Start Amendment on or before June 15, 2011 or such later date as may be agreed to by the Receiver and the Non-RRDI Directors.
- 2. **Release.** The Corporation, the Non-RRDI Directors and RRDI by its Receiver hereby agree upon execution of this Agreement to deliver in escrow to the

Receiver the releases described in paragraphs a. and b. below, all such releases (collectively, the "**Releases**") being in the forms attached hereto as **Schedule "C"**:

- a. a release by the Corporation and the Non-RRDI Directors of all alleged liability of RRDI or the Receiver for or in respect of the payment of common expenses assessed or which could have been assessed or could be assessed by the Corporation for the period from the inception of the Corporation up to the Fresh Start Date (the "**Common Expense Claims**"); and
- b. a release by RRDI, by its Receiver, of all alleged liability of the Corporation to reimburse RRDI for amounts (the "**Reimbursement Claims**") as set out in the Set-Off Motion, for the period up to the Fresh Start Date.

The Releases shall be released from escrow by the Receiver and provided to each of the parties thereto on satisfaction of the conditions set out in paragraphs 9 and 10.

3. **Receiver Authorization.** The Receiver shall seek an order of the Court on or before May 30, 2011 or as soon thereafter as the motion can be heard authorizing and approving this Agreement and authorizing and directing the Receiver on behalf of RRDI to take the following steps to implement the Fresh Start Approach as of the Fresh Start Date: (a) providing to the Corporation written consent to the Fresh Start Amendment in respect of the RRDI Units, (b) consenting to the Fresh Start Amendment on behalf of RRDI in its capacity as declarant of the Corporation, and (c) granting the release required by paragraph 2(b) above. The Receiver shall also seek an order confirming that the Set-Off Motion has been settled and that RRDI and the Receiver are released from the Common Expense Claims and the Corporation is released from Reimbursement Claims to be effective on satisfaction or waiver of the conditions in paragraph 10. In the event the conditions in paragraph 10 are not satisfied or waived, the Set-Off Motion may be brought on again on 30 days notice to the Corporation and the Non-RRDI Directors.
4. **Common Expense Credits.** On the terms and conditions of this Agreement, RRDI by its Receiver and the Non-RRDI Directors each hereby consent to the Corporation providing the Common Expense Credits to Unit Owners and the owner of the RRDI Units in the aggregate amounts as set out on **Schedule "A"** hereto, to be applied in sixty equal monthly amounts as a credit against common expenses that may be assessed by the Corporation after the Fresh Start Date against such Unit Owners and the owner of the RRDI Units (and their respective successors in title). Upon the implementation of the Fresh Start Approach, the Corporation shall provide the Common Expense Credits to Unit Owners and to the owner of the RRDI Units as of the Fresh Start Date.

RPMA RESOLUTION

5. **RPMA Resolution.** RRDI, by its Receiver, and the members of the Ad Hoc Committee agree that, conditional on the Closing, and otherwise on the terms and conditions of this Agreement, the Rental Pool Management Agreements shall be amended as follows:

The Rental Pool Management Agreement is amended by adding the following proviso to the definition of "Adjusted Gross Revenue" after paragraph 3.2(2)(o) thereof:

"PROVIDED THAT, for greater certainty, the fees and charges referred in paragraph (f) of this definition include all amounts paid by the Hotel Operator on account of utilities, repairs or maintenance in respect of Resort Units pursuant to the Hotel Management Agreement and (a) claimed by the Hotel Operator as "Deductions" as defined thereunder, or (b) claimed by the Hotel Operator as "Capital Expenditures" as defined thereunder".

6. **Consent of Unit Owners.** Each member of the Ad Hoc Committee agrees to call and hold a meeting of all owners of Units on or before June 15, 2011 or such later date as may be agreed to by the Receiver and two members of the Ad Hoc Committee for purposes of obtaining the requisite approval to amend the Rental Pool Management Agreements as provided herein and to use their reasonable commercial efforts to pursue and obtain the approval of the requisite number of Unit Owners, conditional on and to be effective upon the Closing.
7. **Support of Ad Hoc Committee.** Each member of the Ad Hoc Committee hereby confirms to RRDl by its Receiver that he supports the RPMA Resolution and shall recommend the RPMA Resolution to all Unit Owners including at a meeting of all owners of Units called for the purpose of approving the RPMA Resolution and at any other meetings or discussions conducted in respect of the RPMA Resolution.
8. **Amendment to Schedule E.** In order to facilitate the RPMA Resolution, the Corporation agrees to take the steps necessary to amend Schedule E to the Declaration substantially in the form attached hereto as Part 2 to **Schedule "B"** (the **"Schedule E Amendment"**) (which Schedule E Amendment shall be conditional on the satisfaction or waiver of the conditions in paragraph 11) consisting of the following pursuant to section 107(1) of the Condominium Act: (a) the calling and holding of a meeting of the Board to consider a resolution approving the Schedule E Amendment; (b) the calling and holding of an information meeting of all owners of Units in accordance with section 107(3) and (4) of the Condominium Act on or before June 15, 2011 or such later date as may be agreed to by the Receiver and the Non-RRDI Directors; (c) requesting the consent of all Unit Owners to the Schedule E Amendment on or before June 15, 2011 or such later date as may be agreed to by the Receiver and the Non-RRDI Directors; (d) the sending of notice of the Schedule E Amendment to all mortgagees, if any, whose name appears in the record of the Corporation maintained under subsection 47(2) of the Condominium Act at the time the Board approves the Schedule E Amendment; and (e) registering a copy of the Schedule E Amendment in accordance with section 107(5) of the Condominium Act, if and when the conditions in paragraph 11 are satisfied or waived. In addition to seeking approval of the Court as provided for at paragraph 3 above, the Receiver shall seek an Order authorizing and directing the Receiver to (a) provide to the Corporation written consent to the Schedule E Amendment in respect of the RRDl Units, and (b) consent to the Schedule E Amendment on behalf of RRDl in its capacity as declarant of the Corporation, in each case only to become effective upon, and conditional on the satisfaction or waiver of the conditions in paragraph 11.

CONDITIONS

9. The obligation of RRDl to comply with its covenants and agreements contained in this Agreement shall be conditional on RRDl, by its Receiver, obtaining an order of the Court as described in paragraphs 3 and 8, failing which, this

Agreement shall be null and void and of no further force or effect, in which case no party shall have any further obligations to the others hereunder, and the Releases shall be returned to the respective parties.

10. The consent of RRDI, by its Receiver to the Fresh Start Approach is subject to, and the Fresh Start Approach will not be implemented on the Fresh Start Date unless and until there occurs, the satisfaction or waiver of the following conditions within the time specified if applicable:

- a. delivery on or before June 15, 2011 (or such later date as may be agreed to by the Receiver and the Non-RRDI Directors) to the Corporation of the written consent of at least 45 Unit Owners to the Fresh Start Approach and the Fresh Start Amendment; and
- b. the receipt by the Receiver of a release and direction on or before June 15, 2011 (or such later date as may be agreed to by the Receiver and the Non-RRDI Directors) from Unit Owners with indulgence cards or common expense subsidies in respect of which amounts continue to be held in trust by the Receiver, irrevocably authorizing and directing the Receiver to pay such monies to the Corporation for its general account in return for the applicable Common Expense Credit (which condition may be waived by the Receiver in whole or in part).

If such conditions are not satisfied or waived, any and all provisions of this Agreement in respect of the Fresh Start Approach shall be null and void and be of no further force and effect, and the Releases delivered in escrow by all parties shall be returned to the respective parties.

11. The consent of RRDI, by its Receiver to the RPMA Resolution is subject to, and the RPMA Resolution will not be implemented unless and until there occurs, the satisfaction or waiver of the following conditions within the time specified if applicable:

- a. the receipt of the requisite 75% vote of Unit Owners to the RPMA Resolution, prior to the Closing (which condition may be waived by RRDI, by its Receiver in whole or in part) and delivery to the Corporation of the written consent of at least 45 Unit Owners to the Schedule E Amendment;
- b. a purchaser under an agreement for the sale of the assets of RRDI to such purchaser (a "**Purchase Agreement**"), consenting to the RPMA Resolution;
- c. the Closing; and
- d. the contemporaneous receipt from those Unit Owners voting in favour of the RPMA Resolution of a certificate addressed to RRDI, by its Receiver, and to a purchaser under a Purchase Agreement confirming that, other than the interpretation of the Rental Pool Management Agreement as raised by the RPMA Dispute which would be resolved in all respects by the RPMA Resolution, there is no material breach or default by the rental pool manager under such Unit Owner's Rental Pool Management Agreement and that such Rental Pool Management Agreement is in good standing in all material respects (which certificate may be relied upon by such purchaser whether or not the purchaser consents to the RPMA Resolution).

If such conditions are not satisfied or waived, any and all provisions of this Agreement in respect of the RPMA Resolution shall be null and void and be of no further force or effect, without prejudice to any and all rights and remedies any of the parties hereto may have in connection with the RPMA Dispute.

GENERAL PROVISIONS

12. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.
13. The parties hereto agree that they will, from time to time at the reasonable request of either of them, execute and deliver such direction and instruments and take any such further action as may be required to accomplish the purposes of this Agreement.
14. Time shall be of the essence of this Agreement.
15. This Agreement supersedes all prior agreements between and among the parties hereto with respect to its subject matter (including, without limitation, the Original Settlement Agreement) and constitutes (along with the documents delivered pursuant to this Agreement) a complete and exclusive statement of the terms of the agreements between and among the parties with respect to its subject matter. This Agreement may not be amended, supplemented or otherwise modified except by written agreement of the parties.
16. Notwithstanding anything else contained in this Agreement, the obligations of all parties hereunder in respect of the RPMA Resolution shall terminate in the event that a Closing does not occur on or before December 31, 2012, unless this Agreement is earlier terminated or extended by written agreement by the parties.
17. This Agreement may be executed in separate counterparts, and all such executed counterparts when taken together shall constitute one agreement. The parties shall be entitled to rely on delivery of a facsimile or email PDF copy of the executed agreement and such facsimile or email PDF copy shall be legally effective to create a valid and binding agreement.

[signature page to follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

**MUSKOKA STANDARD CONDOMINIUM
CORPORATION NO. 62**

By: _____
Authorized Signing Officer

By: _____
Authorized Signing Officer

**THE ROSSEAU RESORT DEVELOPMENTS INC.
by Alvarez & Marsal Canada ULC solely in its
capacity as receiver and manager and trustee of
the assets of The Rosseau Resort
Developments Inc. and not in its personal
capacity, and by Alvarez & Marsal Canada Inc.
solely in its capacity as interim receiver of the
assets of The Rosseau Resort Developments
Inc. and not in its personal capacity**

By: _____
Authorized Signing Officer

Ad Hoc Committee:

Witness

Johan Demeester

Witness

Gordon Jacobs

Witness

Roland Klassen

Witness

Paul Lachance

Witness

Alec Rowlands

Witness

Joe Zinner

Non-RRDI Directors:

Witness

Gordon Jacobs

Witness

Roland Klassen

SCHEDULE “A”

CONFIDENTIAL

Schedule “A” to the Settlement Agreement

**THE DOCUMENTS IN THIS SCHEDULE ARE SUBJECT TO A
SEALING ORDER REQUEST AND ARE TO BE KEPT
STRICTLY CONFIDENTIAL AND ARE NOT TO BE
DISCLOSED TO ANYONE EXCEPT THE JUDGE HEARING
THE MOTION.**

SCHEDULE “B”

SCHEDULE "B"

AMENDMENTS TO DECLARATION

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) the end of the calendar month in which the closing of a sale by the Declarant, by its Receiver of the assets of the Declarant to a purchaser occurs, whether such sale transaction takes place pursuant to the Sales Process or otherwise; (ii) the end of the calendar month in which the Sales Process is terminated by Order of the Ontario Superior Court of Justice in Ontario Superior Court (Commercial List) File No. CV-09-8201-00CL; 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 and trustee of the Declarant and Alvarez & Marsal Canada Inc. in its capacity as interim receiver of the Declarant (collectively, the “**Receiver**”), 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 a new 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 and in the second amended disclosure statement dated August 20, 2009 made by the Declarant for 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.
- (b) The Board, as of May 30, 2011, 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, shall not provide for any Common Expenses to be assessed for the period prior to the Fresh Start Date.
- (c) 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 prior to the Fresh Start Date in respect of Common Expenses or other expenses, such payments shall be carried forward as credits, in such amounts as have been approved by the Board by resolution passed at a meeting of the Board on May 30, 2011, in an aggregate amount not exceeding \$1,216,017.84, for the benefit of such

Owner or the Declarant, as applicable (or their respective successors in title), to be applied in sixty equal monthly amounts as a credit against Common Expenses that may be assessed against such Owner or the Declarant as applicable (or their respective successors in title) by the Corporation after the Fresh Start Date.”

2. RPMA Resolution Amendment

The Declaration is amended by

- (a) deleting the first twelve words of Schedule E thereto and substituting the following:

“Common Expenses shall, subject to the proviso after paragraph (l) below, include but shall not be limited to the following:”

and

- (b) adding the following proviso after paragraph (l):

“PROVIDED THAT, for greater certainty, Common Expenses shall not include any amounts paid by the Hotel Operator under the Hotel Management Agreement as “Deductions” or “Capital Expenditures” as defined thereunder.”

SCHEDULE “C”

FULL AND FINAL RELEASE

TO: Alvarez & Marsal Canada ULC, in its personal capacity, and its capacity as receiver and manager and trustee of all property, assets and undertakings (the "Assets") of The Rosseau Resort Developments Inc. ("RRDI") and Alvarez & Marsal Canada Inc., in its personal capacity, and in its capacity as interim receiver of the Assets of RRDI (collectively hereafter referred to as the "Receiver"), and RRDI

RE: Full and Final Release ("Release") effective as of May , 2011 by Gordon Jacobs ("Jacobs"), and Roland Klassen ("Klassen" and together with Jacobs, the "Non-RRDI Directors") in their respective capacities as directors of the Corporation (as defined herein), and the Muskoka Standard Condominium Corporation No. 62 (the "Corporation") in favour of the Receiver and RRDI

DATE: May___ 2011

IN CONSIDERATION of the mutual covenants and obligations set out in the Amended and Restated Agreement among the Corporation, the Receiver, the Members of the Ad Hoc Committee of Unit Owners and the Non-RRDI Directors dated _____, 2011 (the "Settlement Agreement") and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Non-RRDI Directors and the Corporation hereby severally covenant and agree as follows:

1. Defined Terms.

Capitalized terms used in this Release and not otherwise defined shall have the meanings specified in the Settlement Agreement.

2. The Releases.

- 2.1. The Corporation and the Non-RRDI Directors, on their own behalf and on behalf of their respective successors, assigns, heirs, executors or administrators, absolutely, unconditionally and irrevocably release, remise and forever discharge the Receiver and RRDI, and each of their present and former shareholders, partners, affiliates, subsidiaries, divisions, predecessors, directors, officers, legal counsel, employees, agents, and other representatives, and their respective successors and assigns (RRDI and the Receiver and such other persons being hereinafter referred to collectively as the "RRDI Releasees" and individually as a "RRDI Releasee"), of and from all demands, actions, causes of action, applications, suits, covenants, contracts, complaints, controversies, agreements, promises, sums of money, accounts, bills, bonds, indebtedness, reckonings, obligations, duties, breaches of contract, breaches of duty or any relationship, acts, omissions, compensations, promises, costs, losses, expenses, claims for interest or disbursements, damages, remedies for losses, choses in action, entitlements, rights of indemnity, and any and all other claims, counterclaims, defences, demands and liabilities whether known or unknown, both at law and in equity, which any of the Corporation and Non-RRDI Directors or any of their respective successors, assigns,

heirs, executors or administrators may now or later have against any of the RRDI Releasees on account of, or in relation to, or in any way in connection with common expenses assessed or which could have been or could be assessed by the Corporation for the period up to the Fresh Start Date (individually, a "Claim" and collectively, "Claims").

- 2.2. The Corporation and the Non-RRDI Directors each severally acknowledge and agree that the releases set out in Section 2.1 may be pleaded as a full and complete defence and may be used as a basis for an injunction against any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of the provisions of such releases.
- 2.3. The Corporation and the Non-RRDI Directors severally agree that no fact, event, circumstance, evidence or transaction which could now be asserted or which may later be discovered will affect in any manner the final, absolute and unconditional nature of the releases set out in Section 2.1.
- 2.4. The Corporation and the Non-RRDI Directors absolutely, unconditionally and irrevocably, covenant and agree, severally, with and in favour of each RRDI Releasee that it/they will not sue (at law, in equity, in any regulatory proceeding or otherwise) any RRDI Releasee on the basis of any Claim released under Section 2.1 above. If any of the Corporation and the Non-RRDI Directors violate the foregoing, the Corporation and the Non-RRDI Directors severally agree to pay (and fully indemnify the RRDI Releasees for) in addition to any other damages that any RRDI Releasee may sustain as a result of that violation, all legal fees and costs incurred by any RRDI Releasee as a result of that violation.

3. Representations and Warranties.

The Corporation and the Non-RRDI Directors severally represent and warrant that they have the authority to enter into and fully perform each term of this Release and grant the releases and discharges herein contemplated.

4. Miscellaneous.

- 4.1. The Corporation and the Non-RRDI Directors severally undertake and agree not to assert any Claim or take any proceedings in furtherance of such Claim against any person, partnership, corporation, or other such entity which might be entitled to claim contribution, indemnity, or other relief over against any RRDI Releasee on account of such Claim under the provisions of any statute or otherwise, including the *Negligence Act*, R.S.O. 1990, c.N.1 and any amendments and successor legislation thereto, with respect to any of the matters to which this release applies.
- 4.2. In addition to Section 2.2 above, in the event that any of the Corporation or the Non-RRDI Directors should hereafter commence any proceedings involving any Claims against any RRDI Releasee, this document may be raised as an estoppel to any such Claims in the proceedings. In the event that any of the Corporation or the Non-RRDI

Directors commences any such proceedings, the party commencing the proceedings undertakes and agrees to indemnify the party against whom the proceedings are commenced, on a solicitor and client basis, in respect of any legal fees incurred in relation to any such Claims.

- 4.3. The Corporation and the Non-RRDI Directors severally represent and warrant that they have not assigned or transferred, or purported to assign or transfer, to any person, partnership, corporation, or other such entity any of the Claims released above, or any of the matters about which they agree herein not to make any claim or take any proceedings.
- 4.4. The Corporation and the Non-RRDI Directors severally represent and warrant that no consent, approval, waiver or other intervention or involvement of any kind by any other party is required for the effective release of the Claims or the effective execution of this Release, other than those described in the Settlement Agreement.
- 4.5. And it is understood and agreed that the aforesaid consideration is deemed to be no admission whatsoever of liability on the part of the Receiver or RRDI and that such liability is denied.
- 4.6. And for the aforesaid consideration, the Non-RRDI Directors and the Corporation severally acknowledge, declare and agree that they are satisfied with the information provided and have no outstanding requests for information, that they have had sufficient time and opportunity to seek independent legal and other professional advice with respect to the terms of this settlement and this release, that they have been represented by counsel in connection with the negotiation and execution of this Release and have had a full and adequate opportunity to consider this Release and consult with counsel in connection with same, that they have read this Release in its entirety, and it has been explained to them by their counsel, that they understand the terms of this release and voluntarily accept the consideration referred to above for the purpose of making full and final compromise, adjustment and settlement of all Claims as aforesaid, and severally represent and warrant that they have not been induced to enter into this release by reason of any representation or warranty of any kind whatsoever, that no threat or suggestion or promise has been made to either the Corporation or the Non-RRDI Directors to influence them to sign the Release, other than the statements set forth herein, that in signing this Release they have not been subjected to any coercion, undue influence, or duress, and that there is no condition, express or implied, or collateral agreement affecting the said settlement other than the Settlement Agreement.

5. Further Assurances.

The Non-RRDI Directors and the Corporation, on the request of RRDI or the Receiver, shall severally execute and deliver to RRDI and the Receiver, such further assurances as may reasonably be required to effect the payments, releases and discharges.

6. Governing Law.

This Release is governed by, and construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein and the Non-RRDI Directors and the Corporation submit to the exclusive jurisdiction of the courts of Ontario in connection with any dispute or interpretation regarding this Release.

7. Successors and Assigns.

This Release shall be binding upon the Non-RRDI Directors and the Corporation and shall enure to the benefit of the RRDI Releasees and each of their respective successors, assigns, heirs, executors, administrators and/or legal or personal representatives, as applicable.

8. Several Liability.

Notwithstanding anything in this Release, the obligations under this Release of the Corporation and each of the Non-RRDI Directors are several. Under no circumstance is the Corporation or either of the Non-RRDI Directors liable for any breach of this Release, or the terms herein, by any other party. Only the party in breach of the Release is liable.

[Signature Page Follows]

IN WITNESS WHEREOF, this Release, has been executed as of the _____ day of May, 2011.

**MUSKOKA STANDARD CONDOMINIUM
CORPORATION NO. 62**

By: _____
Authorized Signing Officer

By: _____
Authorized Signing Officer

Non-RRDI Directors:

Witness

Gordon Jacobs
Director

Witness

Roland Klassen
Director

FULL AND FINAL RELEASE

TO: Muskoka Standard Condominium Corporation No. 62 (the "Corporation")

RE: Full and Final Release ("Release") effective as of May , 2011 by The Rosseau Resort Developments Inc. ("RRDI"), by Alvarez & Marsal Canada ULC in its capacity as receiver and manager and trustee of all property, assets and undertakings (the "Assets") of RRDI and in its personal capacity and Alvarez & Marsal Canada Inc., in its capacity as interim receiver of the Assets of RRDI and in its personal capacity (the "Receiver") in favour of the Corporation

DATE: May___2011

IN CONSIDERATION of the mutual covenants and obligations set out in the Amended and Restated Agreement among the Corporation, the Receiver, the Members of the Ad Hoc Committee of Unit Owners and the Non-RRDI Directors dated _____, 2011 (the "**Settlement Agreement**") and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), RRDI, by its Receiver, hereby covenants and agrees as follows:

1. **Defined Terms.**

Capitalized terms used in this Release and not otherwise defined shall have the meanings specified in the Settlement Agreement.

2. **The Releases.**

- 2.1. RRDI, by its Receiver, on its own behalf and on behalf of its successors and assigns, absolutely, unconditionally and irrevocably releases, remises and forever discharges the Corporation and each of its present and former affiliates, subsidiaries, divisions, predecessors, directors, officers, legal counsel, employees, agents, and other representatives, and their respective successors and assigns (the Corporation and such other persons being hereinafter referred to collectively as the "**Corporation Releasees**" and individually as a "**Corporation Releasee**"), of and from all demands, actions, causes of action, applications, suits, covenants, contracts, complaints, controversies, agreements, promises, sums of money, accounts, bills, bonds, indebtedness, reckonings, obligations, duties, breaches of contract, breaches of duty or any relationship, acts, omissions, compensations, promises, costs, losses, expenses, claims for interest or disbursements, damages, remedies for losses, choses in action, entitlements, rights of indemnity, and any and all other claims, counterclaims, defences, demands and liabilities whether known or unknown, both at law and in equity, which RRDI or any of its successors and assigns may now or later have against any of the Corporation Releasees on account of, or in relation to, or in any way in connection with all liabilities of the Corporation to reimburse, to account to, or to be subject to set off by, RRDI (and its successors and assigns) for amounts or obligations as set out in the Set-Off Motion, for the period up to the Fresh Start Date (individually, a "**Claim**" and collectively, "**Claims**"). Notwithstanding anything contained in the foregoing, this Release does not

release the obligation of the Corporation to provide to RRDI a credit in the amount of \$121,139 in respect of amounts paid by RRDI for or on behalf of the Corporation.

- 2.2. RRDI, by its Receiver, acknowledges and agrees that the releases set out in Section 2.1 may be pleaded as a full and complete defence and may be used as a basis for an injunction against any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of the provisions of such releases.
- 2.3. RRDI, by its Receiver, agrees that no fact, event, circumstance, evidence or transaction which could now be asserted or which may later be discovered will affect in any manner the final, absolute and unconditional nature of the releases set out in Section 2.1.
- 2.4. RRDI, by its Receiver absolutely, unconditionally and irrevocably covenants and agrees with and in favour of each Corporation Releasee that it will not sue (at law, in equity, in any regulatory proceeding or otherwise) any Corporation Releasee on the basis of any Claim released under Section 2.1 above. If RRDI violates the foregoing, RRDI agrees to pay (and fully indemnify the Corporation Releasees for) in addition to any other damages that any Corporation Releasee may sustain as a result of that violation, all legal fees and costs incurred by any Corporation Releasee as a result of that violation.

3. Representations and Warranties.

RRDI, by its Receiver, represents and warrants that it has the authority to enter into and fully perform each term of this Release and grant the releases and discharges herein contemplated.

4. Miscellaneous.

- 4.1. RRDI, by its Receiver, undertakes and agrees not to assert any Claim or take any proceedings in furtherance of such Claim against any person, partnership, corporation, or other such entity which might be entitled to claim contribution, indemnity, or other relief over against any Corporation Releasee on account of such Claim under the provisions of any statute or otherwise, including the *Negligence Act*, R.S.O. 1990, c.N.1 and any amendments and successor legislation thereto, with respect to any of the matters to which this release applies.
- 4.2. In addition to Section 2.2 above, in the event that RRDI or RRDI, by its Receiver, should hereafter commence any proceedings involving any Claims against any Corporation Releasee, this document may be raised as an estoppel to any such Claims in the proceedings. In the event that RRDI or RRDI, by its Receiver, commences any such proceedings, RRDI undertakes and agrees to indemnify the party against whom the proceedings are commenced, on a solicitor and client basis, in respect of any legal fees incurred in relation to any such Claims.

- 4.3. RRDI, by its Receiver, represents and warrants that it has not assigned or transferred, or purported to assign or transfer, to any person, partnership, corporation, or other such entity any of the Claims released above, or any of the matters about which it agrees herein not to make any claim or take any proceedings.
- 4.4. RRDI, by its Receiver, represents and warrants that no consent, approval, waiver or other intervention or involvement of any kind by any other party is required for the effective release of the Claims or the effective execution of this Release, other than those described in the Settlement Agreement.
- 4.5. And it is understood and agreed that the aforesaid consideration is deemed to be no admission whatsoever of liability on the part of the Corporation and that such liability is denied.
- 4.6. And for the aforesaid consideration, RRDI, by its Receiver, acknowledges, declares and agrees that it is satisfied with the information provided and has no outstanding requests for information, that it has had sufficient time and opportunity to seek independent legal and other professional advice with respect to the terms of this settlement and this release, that it has been represented by counsel in connection with the negotiation and execution of this Release and has had a full and adequate opportunity to consider this Release and consult with counsel in connection with same, that it has read this Release in its entirety, and it has been explained to it by its counsel, that it understands the terms of this release and voluntarily accepts the consideration referred to above for the purpose of making full and final compromise, adjustment and settlement of all Claims as aforesaid, and represents and warrants that it has not been induced to enter into this release by reason of any representation or warranty of any kind whatsoever, that no threat or suggestion or promise has been made to RRDI to influence it to sign the Release, other than the statements set forth herein, that in signing this Release it has not been subjected to any coercion, undue influence, or duress, and that there is no condition, express or implied, or collateral agreement affecting the Release other than the Settlement Agreement.

5. Further Assurances.

RRDI, or the Receiver (until its discharge) on the request of the Corporation, shall execute and deliver to the Corporation, such further assurances as may reasonably be required to effect this Release.

6. Governing Law.

This Release is governed by, and construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein and RRDI submits to the exclusive jurisdiction of the courts of Ontario in connection with any dispute or interpretation regarding this Release.

7. Successors and Assigns.

This Release shall be binding upon RRDI and the Receiver and shall enure to the benefit of the Corporation Releasees and their respective heirs, executors, administrators, successors and assigns, as applicable.

8. Limitation of Liability.

Notwithstanding anything contained herein, Alvarez & Marsal Canada ULC and Alvarez & Marsal Canada Inc. shall have no personal liability hereunder for any payment or for any other obligation. The Corporation Releasees shall have no recourse in respect of this Release against the Assets except for an unsecured claim against RRDI's existing and after-acquired Assets.

[Signature Page Follows]

IN WITNESS WHEREOF, this Release, has been executed as of the _____ day of May, 2011.

**THE ROSSEAU RESORT DEVELOPMENTS
INC. by Alvarez & Marsal Canada ULC in its
capacity as receiver and manager and trustee of
the assets of The Rosseau Resort Developments
Inc. and in its personal capacity, and by Alvarez
& Marsal Canada Inc. in its capacity as interim
receiver of the assets of The Rosseau Resort
Developments Inc. and in its personal capacity**

By: _____
Authorized Signing Officer

**Schedule “B” to the Order
dated May 30, 2011:**

**Amendment to the Declaration of the
Condominium Corporation for the
purposes of implementing the
Fresh Start Approach**

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) the end of the calendar month in which the closing of a sale by the Declarant, by its Receiver of the assets of the Declarant to a purchaser occurs, whether such sale transaction takes place pursuant to the Sales Process or otherwise; (ii) the end of the calendar month in which the Sales Process is terminated by Order of the Ontario Superior Court of Justice in Ontario Superior Court (Commercial List) File No. CV-09-8201-00CL; 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 and trustee of the Declarant and Alvarez & Marsal Canada Inc. in its capacity as interim receiver of the Declarant (collectively, the “**Receiver**”), 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 a new 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 and in the second amended disclosure statement dated August 20, 2009 made by the Declarant for 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.
- (b) The Board, as of May 30, 2011, 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, shall not provide for any Common Expenses to be assessed for the period prior to the Fresh Start Date.
- (c) 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 prior to the Fresh Start Date in respect of Common Expenses or other expenses, such payments shall be carried forward as credits, in such amounts as have been approved by the Board by resolution passed at a meeting of the Board on May 30, 2011, in an aggregate amount not exceeding \$1,216,017.84, for the benefit of such Owner or the Declarant, as applicable (or their respective successors in title), to be applied in sixty equal monthly amounts as a credit against Common Expenses that may be assessed against such Owner or the Declarant as applicable (or their respective successors in title) by the Corporation after the Fresh Start Date.”

**Schedule “C” to the Order
dated May 30, 2011:**

**Amendment to the Declaration of the
Condominium Corporation for the
purposes of implementing the
RPMA Resolution**

2. RPMA Resolution Amendment

The Declaration is amended by

- (a) deleting the first twelve words of Schedule E thereto and substituting the following:

“Common Expenses shall, subject to the proviso after paragraph (l) below, include but shall not be limited to the following:”

and

- (b) adding the following proviso after paragraph (l):

“PROVIDED THAT, for greater certainty, Common Expenses shall not include any amounts paid by the Hotel Operator under the Hotel Management Agreement as “Deductions” or “Capital Expenditures” as defined thereunder.”

IN THE MATTER of Section 47(1) of the *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS AMENDED, SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.C. 1990, C. C. 43, AS AMENDED, AND SECTION 68 OF THE *CONSTRUCTION LIEN ACT*, R.S.O. 1990, C. C. 30, AS AMENDED
WESTLB AG, TORONTO BRANCH V. THE ROSSEAU RESORT DEVELOPMENTS INC.

Applicant

Respondent

ONTARIO

**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

ORDER

BLAKE, CASSELS & GRAYDON LLP

P.O. Box 25, Commerce Court West
199 Bay Street, Suite 2800
Toronto, Ontario M5L 1A9

Pamela L.J. Huff - LSUC#: 27344V

Tel: 416-863-2958

Fax: 416-863-2653

Katherine McEachern - LSUC#: 38345M

Tel: 416-863-2566

Fax: 416-863-2653

Lawyers for WestLB AG, New York Branch and Alvarez & Marsal Canada ULC and Alvarez & Marsal Canada Inc. in their respective capacities as Court-appointed Receiver and Manager, Trustee, and Interim Receiver

FRASER MILNER CASGRAIN LLP

1 First Canadian Place
39th Floor, 100 King Street West
Toronto, Ontario M5X 1B2

R. Shayne Kukulowicz LSUC#: 30729S

Jane Dietrich LSUC # 49302U

Tel: 416-863 4467

Fax: 416-863 4592

Independent Lawyers for Alvarez & Marsal Canada ULC, and Alvarez & Marsal Canada Inc., in their respective capacities as Court-appointed Receiver and Manager, Trustee, and Interim Receiver