

TAB H

Rock Ridge Contractors Inc.**Summary of Accounts Payable & Vendor Holdbacks as at May 7, 2009****\$CAD**

Vendor Name	Total Amount Owning
Can-Barr Mechanical Ltd.	936,790.16
Wallwin Electric Services	757,288.49
Fowler Construction Company	619,024.63
Marel Contractors	205,320.44
Barzelle Designs Ltd.	202,628.39
Ross Windows & Doors Ltd.	196,543.06
BonaVista Pools	159,076.19
Quanbury Contract Interior	158,014.71
Schindler Elevator Corporation	127,521.59
Interart Décor Ltd.	115,982.73
Vipond Fire Protection	93,649.42
Old Tymer Welding	76,440.04
Dawson's Inc.	75,313.70
Polished Proffesionals Painting	61,196.63
GM Exteriors Inc.	48,488.97
Egress Systems of Canada	44,383.98
Alcona Aluminum	38,107.82
CRS Contractors Rental Supply	37,642.89
G.R.C. Contracting	29,707.23
Percy Shaughnessy Roofing	28,178.62
Randy Blain Construction	19,950.00
Builders Choice Air Systems	18,815.48
Centre Leasehold Improvement	17,439.54
Crossey Engineering Ltd.	16,581.49
Rona Home Building Centre	16,289.40
Pumptronics Incorporated	11,634.68
Fishburn Building Science	8,963.18
Corflex Partitions	8,757.01
All Construction	8,657.25
Wallwin Voice & Data Network	8,245.91
N.R. Woodworking	7,978.96
Grafton Stonemasons	7,399.35
Aecon Utility Engineering	7,347.62
Christie Lites Toronto	7,345.00
Gilber Desroches Concrete	7,083.39
Trillium Architecture Product	6,175.10
Crestwood Inn	5,874.09
Brock Design Build	5,561.95
VISA	5,346.22
Steve Robinson	4,955.47
Terraprobe Testing Ltd.	4,876.47
Waste Services (CA) Inc.	4,471.35
Centis Tile & Terrazzo Limited	4,406.49
Pro-Bel Enterprises Ltd.	4,125.79
Home Depot Credit Services	3,828.62

GDC Contracting	3,755.26
J. Randall Steele	3,407.25
Wyevale Concrete Products	3,313.16
Belfast Carpet Services	3,276.00
Simcoe Block (1979) Limited	2,628.70
Partridge Iggulden LLP	2,620.59
Brook Design Build	2,545.41
Concord Elevator (London)	2,415.50
Window Quilt (Muskoka)	1,982.40
S.P.Y. Underground Table	1,785.00
Ken Fowler Enterprises	1,563.28
Thomson, Kevin	1,552.82
Nor-Weld Ltd.	1,537.00
Aquanorth Contracting	1,533.00
Larry Isaak	1,459.00
Gerrie Electric Wholesale	1,452.05
Nu-Caltat Masonry Inc.	1,428.53
Canadian Cutting & Coring	1,427.31
Cedarworks Wholesale Carvings	1,423.80
CDS Doors	1,256.56
Muskoka Lumber	1,221.01
Busy Lizzie Cleaning Services	1,149.12
Fraser Home Hardware	1,076.94
Door-Lam Manufacturing	1,017.00
Metal Doors Ltd.	984.63
Gary Way	888.27
Minister of Finance	870.00
Team Aquatic Management	811.66
Construction Workplace Safety	714.00
G.C. Carriere Roofing	700.66
Economy Chemical	661.82
RS Tool & Manufacturing	656.25
Adams Bros Construction	640.50
Brenlo Ltd.	578.56
Betz Cut Stone	535.62
Ricoh Canada Inc.	506.30
Canadian Whirlpool	446.25
Spaequip Inc.	403.57
Muskoka Ready Mix Inc.	382.63
Brent Quarry	377.77
SMS Ltd.	364.73
Fastenal Canada	317.31
Bell Canada	313.31
Michael Systems Inc.	283.50
Technical Standards & Safety Authority	283.50
Rogers	264.32
Vianet	208.95
Purolator Courier Ltd.	139.69
Total RRCI Holdbacks and Payables	4,292,569.99

TAB I

The Rosseau Resort Developments Inc.
Summary of Accounts Payable as at May 7, 2009
\$CAD

Vendor Name	Total Amount Owing
Playground Real Estate	323,908.51
McCarthy Tetrault LLP	299,734.87
MTS Allstream	271,048.27
Baker Schneider Ruggiero Milbourne	120,000.00
Marriott International Development	84,027.90
World Wide Iozza Ltd.	51,660.68
T.A. Bunker Surveying Ltd.	38,046.49
Moveline	31,184.31
Rock, The	30,443.97
McMillan Design	27,037.61
Baker Real Estate Corporation	25,275.37
Praxis Public Relations	25,098.92
Appliance Canada	23,357.25
Clayton Miller Hospitality	21,071.59
Travelers Guarantee Company	20,343.00
GESCO, Limited Partnership	17,431.57
Keith Loffler Mcalpine	16,467.15
The Rosseau, A J.W. Marriott	14,734.14
Merrits & Harris Inc.	13,180.47
Lancaster Brooks & Welch	11,822.34
Ken Fowler Enterprises Ltd.	10,609.70
The Cardy Group	8,618.23
Law Office of Marcia J Oliver	8,600.34
Pinestone Engineering Ltd.	7,463.85
BNY Trust Company of Canada	7,350.00
Sponge-Cushion Inc.	5,612.55
Icon Group	4,484.00
W. A. Halcovitch Sales	4,152.74
Near North Business Machines	4,036.08
Terraprobe Testing Ltd.	3,780.00
CT Corporation	3,424.00
EdgeBuilder Inc.	3,099.59
Marriott International	3,023.00
Bruce C Flowers & Associates	3,000.02
Econo-Miser Products Inc.	2,539.57
Hydro One Networks Inc.	2,475.04
Blake, Cassels & Graydon	2,367.23
Aon Reed Stenhouse Inc.	2,261.52
Michalski Neilsen Associates	2,079.26
MMM Group Limited	1,947.14
Blue Ice Communications	1,943.02
Muskoka Furniture	1,843.80

Velocity Studio & Associates	1,836.25
D.L. Couch Wallcovering	1,742.66
Fowler Construction Company	1,679.76
North Dalton Carpet	1,624.88
Receiver General for Canada	1,373.04
Partridge Iggulden LLP	1,349.67
Parry Sounds Snowmobile Dist.	1,338.75
Vision Outdoor Advertising	1,260.00
The Boatwork Ltd.	1,203.62
Atkins & Van Groll Inc.	1,124.55
Gerrie Electric Wholesale	1,108.58
O'Reilly, Phillip & Joan	1,094.57
Walsh, Sean	1,091.00
Wildrose Designs	1,072.05
Murphy, Fred	1,065.93
Rogers	1,062.03
Conholly, William	987.16
Gunnebo	945.00
Ricoh Canada Inc.	944.77
Clevelands House	929.72
Tai Pan Lighting	926.60
Esselink, Eric	860.30
Taggart, Steve	851.61
Gunther Mele Limited	839.74
Hicks-Pettes Architects	830.34
Read, Voorhees & Associates	823.20
Keane, Martin & Mary	813.78
Maxwell Fabrics	789.41
Larkin, Clive & Tracey	777.57
Everitt, Barry & Lisa	775.52
Miele Limited	761.25
Kristi Panko	739.63
Eldlitz Handworks	729.00
Carr, Lorna	720.22
Patel, Utamkumar & Kirn	720.12
Reprodux	703.98
SESCOLITE	641.75
Purolator Courier Ltd.	613.06
Grand & Toy	572.14
Kwik Kopy Design & Print	565.00
Mitchell, Robert & Madeline	547.15
Crawley, Jennifer	525.66
Muskoka Tourism	525.00
Federal Express	523.89
Griffin, Gavin	518.46
O'Brien, Gerry & Britta Borneff	510.80
Casey, Robert	503.81

Canpages	472.50
Vianet	471.46
Hotel Solutions	428.07
Trillium Signs & Designs	420.00
Marcus Marsha	392.09
Barzelle Designs Ltd.	378.84
Carty, Paul & Agnes	329.18
NEBS Business Products Limited	326.18
Nimlock Canada Ltd.	299.25
Xerox Canada Ltd.	294.59
Proseal Plus	261.75
Busy Lizzie Cleanings Services	215.35
1218708 Ontario Ltd.	196.70
The Printing House Ltd.	189.28
Trillium Custom Brokers	176.40
McCarthy & Associates	169.53
Givex Canada Corp.	168.00
Muskoka Office Plus	131.21
Carvers Guild - Canner	128.30
Economy Chemical	112.03
Wallwin Voice & Data Network	50.77
Julie Michalak	48.76
Haliburton Sled Rentals	45.20
Outdoor recreation Management	42.00
Fraser Home Hardware	24.72
Total RREDI Payables	1,609,900.23

TAB J



December 12, 2008

The Rosseau Resort Developments Inc.
110 Hannover Drive
Suite 203B, P.O. Box 24091
St. Catharines, ON L2W 1A4

Attention: President

Dear Sirs:

Re: Red Leaves

We refer to the credit agreement dated as of February 1, 2007 (as amended from time to time, the "Credit Agreement") by and among The Rosseau Resort Developments Inc., as Borrower, the financial institutions from time to time parties thereto, as Lenders, and West LB AG, Toronto Branch, as Administrative Agent. Capitalized terms not defined in this letter have the meanings given in the Credit Agreement. This letter supersedes our letter dated December 11, 2008 relating to this matter.

The Borrower has requested a Credit Extension notwithstanding the fact that the Borrower is not in a position to meet all of the conditions precedent for each Credit Extension, as set forth in Section 6.5 of the Credit Agreement. In particular, but without limitation, the Borrower is unable to satisfy the condition precedent in Section 6.5.13 of the Credit Agreement, which requires that the obligation of each Lender to make any Credit Extension is conditioned upon the Budget for the Construction Phase in respect of which the Credit Extension has been requested shall be In Balance. Furthermore, (a) the Borrower is unable to make the representation and warranty, under Section 7.33 of the Credit Agreement, that as of the date of each Borrowing and Advance the Budget is In Balance, and (b) the Borrower has not complied with its obligations, under Section 8.1.8 of the Credit Agreement, that if at any time the Budget is not In Balance, the Borrower shall (i) deposit or cause to be deposited in the Project Account, in cash, funds in the amount required to bring the Budget In Balance or (ii) provide the Administrative Agent with a letter of credit which shall be in an amount sufficient to bring the Budget In Balance and otherwise reasonably satisfactory to the Administrative Agent as to issue in the form and content thereof.

Based upon the submissions made by the Borrower to the Administrative Agent, the Administrative Agent proposes to recommend that the Lenders proceed with the Credit Extension requested by the Borrower notwithstanding the circumstances set forth above. In furtherance of the foregoing, the Administrative Agent proposes to recommend that the Lenders waive any Default or Event of Default resulting from the circumstances set forth above (the "Temporarily Waived Defaults"), for a period of forty-five (45) days after the date hereof. This waiver will relate only to the Temporarily Waived Defaults, and will not relate to any other Default or Event of Default which may have occurred under the Credit Agreement. Upon the expiry of such 45-day period, this waiver will expire, and an Event of Default shall have occurred and be continuing unless, by that time, the Borrower shall have complied

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Heinz Hilgert (Chairman),
Hubert Beckmann (Vice Chairman),
Dietrich Voigtländer (Vice Chairman),
Klemens Breuer, Thomas Groß,
Dr. Wolfgang Nickels,
Dr. Hans-Jürgen Niehaus, Werner Taiber

Head of the Supervisory Board:
Michael Breuer

Reg. Amtsgerichte
Düsseldorf, HRB 42975
Münster, HRB 6400
Registered Office:
Düsseldorf/Münster



fully with its obligations under Section 8.1.8 of the Credit Agreement. As stipulated in Section 5.5 of the Credit Agreement, ~~to the extent that the Administrative Agent or the Lenders may have waived~~ satisfaction of any requirement to the making of any Advance, the Administrative Agent and the Lenders may at any time thereafter require the Borrower to satisfy all such requirements with respect to any subsequent Advance.

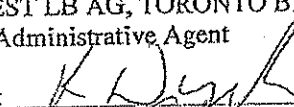
In addition, please be advised that the Lenders do not intend to extend credit under the Credit Agreement in an aggregate amount in excess of the lending commitments contemplated thereunder.

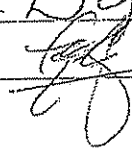
You agree that, if the Lenders proceed with the Credit Extension requested by the Borrower notwithstanding the circumstances set forth above, then each of the Applicable Prime Rate Margin and the Applicable B.A. Rate Margin under the Credit Agreement shall be increased by 1.00%, effective as of the date on which the Credit Extension requested by the Borrower is made by the Lenders.

Please confirm your agreement with the foregoing by signing a copy of this letter in the space provided below and returning it to the attention of Robert Dyck at the Administrative Agent's branch in Toronto, Ontario.

Yours truly,


WEST LB AG, TORONTO BRANCH,
as Administrative Agent

By:  Robert L. Dyck
Executive Director

By:  Kenneth Chan
Director, Credits America

We confirm our agreement with the foregoing.

THE ROSSEAU RESORT DEVELOPMENTS INC.

By: 

c: Stikeman, Elliott LLP
199 Bay Street, CCW
Suite 5300
Toronto, ON M5L 1B9
Attention: John R. Dow

TAB K



January 26, 2009

The Rosseau Resort Developments Inc.
110 Hannover Drive
Suite 203B, P.O. Box 24091
St. Catharines, ON L2W 1A4

Attention: President

Dear Sirs:

Re: Red Leaves

We refer to the credit agreement dated as of February 1, 2007 (as amended from time to time, the "Credit Agreement") by and among The Rosseau Resort Developments Inc., as Borrower, the financial institutions from time to time parties thereto, as Lenders, and West LB AG, Toronto Branch, as Administrative Agent. Capitalized terms not defined in this letter have the meanings given in the Credit Agreement.

We also refer to the letter dated December 12, 2008 from the Administrative Agent to the Borrower (the "12/12/08 Waiver Letter"). We also refer to the letter dated January 5, 2009 from the Borrower to the Administrative Agent requesting an additional Credit Extension under the Credit Agreement and the ability to use certain of the amounts held by Travelers, and to the letter dated January 22, 2009 from the Borrower to the Administrative Agent requesting a 30-day extension of the existing waiver under the Credit Agreement (collectively, the "Borrower Letters").

The Borrower has requested a Credit Extension notwithstanding the fact that the Borrower is not in a position to meet all of the conditions precedent for each Credit Extension, as set forth in Section 6.5 of the Credit Agreement. In particular, but without limitation, the Borrower is unable to satisfy the condition precedent in Section 6.5.13 of the Credit Agreement, which requires that the obligation of each Lender to make any Credit Extension is conditioned upon the Budget for the Construction Phase in respect of which the Credit Extension has been requested to be In Balance. Furthermore, (a) the Borrower is unable to make the representation and warranty, under Section 7.33 of the Credit Agreement, that as of the date of each Borrowing and Advance the Budget is In Balance, (b) the Borrower has not complied with its obligations, under Section 8.1.8 of the Credit Agreement, that if at any time the Budget is not In Balance, the Borrower will (i) deposit or cause to be deposited in the Project Account, in cash, funds in the amount required to bring the Budget In Balance or (ii) provide the Administrative Agent with a letter of credit which will be in an amount sufficient to bring the Budget In Balance and otherwise reasonably satisfactory to the Administrative Agent as to issue in the form and content thereof, and (c) a construction lien (the "Alcona Lien") in the amount of \$186,477.53 has been registered by Alcona

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Managing Board:
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Hubert Beckmann (Vice Chairman),
Dietrich Voigtländer (Vice Chairman),
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Head of the Supervisory Board:
Michael Breuer

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Düsseldorf, HRB 42975
Münster, HRB 6400
Registered Office:
Düsseldorf/ Münster

Aluminum Inc. and the registration of such lien constitutes a violation of Section 8.2.3 of the Credit Agreement. The Defaults or Events of Default resulting from such circumstances are referred to as the "Temporarily Waived Defaults".

Under the 12/12/08 Waiver Letter, the Administrative Agent confirmed that the Lenders would, at that time, provide an additional Credit Extension on the terms and conditions set forth therein. In addition, under the 12/12/08 Waiver Letter, the Administrative Agent confirmed that the Lenders waived the Temporarily Waived Defaults for a period of 45 days, subject to the terms and conditions set forth therein.

Based upon the submissions made by the Borrower to the Administrative Agent in the Borrower Letters, the Administrative Agent confirms that the Lenders will continue to waive the Temporarily Waived Defaults until 5:00 p.m. Toronto time on February 17, 2009. This waiver continues to relate only to the Temporarily Waived Defaults, and will not relate to any other Default or Event of Default which may have occurred under the Credit Agreement. Upon the expiry of such period, this waiver will expire, and an Event of Default will have occurred and be continuing unless, by that time, the Borrower will have complied fully with its obligations under Section 8.1.8 of the Credit Agreement.

In addition, the Lenders have agreed to advance a further C\$1,386,581 (the "Temporarily Waived Defaults Advance") under the Credit Agreement on February 4, 2009, subject to (a) your acceptance of the terms hereof, and (b) the discharge of the Alcona Lien prior to or contemporaneously with such further advance.

In consideration of the waiver by the Lenders of the Temporarily Waived Defaults and the agreement of the Lenders to advance the Temporarily Waived Defaults Advance on February 4, 2009 and in consideration of the Lenders considering the Borrower's request for further Credit Extensions (including without limitation Credit Extensions in excess of the \$83,808,008 committed facility), notwithstanding the Temporarily Waived Defaults, the Borrower agrees and confirms the matters set forth in paragraphs (a) – (g) below. The Borrower acknowledges that further credit approvals will be required in connection with any further Credit Extension, that no such credit approvals have been sought or obtained, and that nothing in this letter constitutes a commitment by the Lenders to make any additional Credit Extension.

Specifically, the Borrower agrees and confirms as follows:

- (a) The Borrower will deliver to the Administrative Agent, on a weekly basis, a rolling 13-week cash flow forecast. Each delivery of the 13-week cash flow forecast will be certified by the Chief Financial Officer of the Borrower as being prepared based upon good faith estimates and assumptions that are reasonable at the time made and that the Chief Financial Officer of the Borrower is not aware of (i) any information contained in such 13-week cash flow forecast which is false or misleading in any material respect, or (ii) any omission of information which causes such 13-week cash flow forecast to be false or misleading in any material respect.
- (b) The Borrower will deliver to the Administrative Agent, on a weekly basis, a variance report showing, on a line item basis, the percentage and dollar variance of actual cash disbursements and revenues and cash receipts for the prior week from the amounts set

forth for such week in the applicable 13-week cash flow forecast, a narrative analysis of each such material variance and the daily cash balances for the prior week.

- (c) The Borrower will deliver to the Administrative Agent, on a weekly basis, an aged list of accounts payable.
- (d) The Administrative Agent and the Lenders are authorized (but not required) to replace the Consulting Engineer, Merritt & Harris, with another consultant reasonably satisfactory to the Administrative Agent, the Lenders and the Borrower; in this regard, the Borrower confirms that Altus Helyar would be acceptable to the Borrower. The terms of any such engagement will be subject to the mutual agreement of the Borrower and the Lenders, both acting reasonably.
- (e) The Administrative Agent is authorized (but not required) to appoint a monitor of the Project which is reasonably satisfactory to the Administrative Agent, the Lenders and the Borrower; in this regard, the Borrower confirms that Alvarez & Marsal would be acceptable to the Borrower. The Borrower will provide its full cooperation with any monitor appointed by the Administrative Agent in order to enable the monitor to advise the Administrative Agent and the Lenders fully in respect of all aspects of the Project. The terms of any such engagement will be subject to the mutual agreement of the Borrower and the Lenders, both acting reasonably.
- (f) Prior to the additional advance of funds under the Credit Agreement, the Guarantor (Ken Fowler Enterprises Limited) will provide to the Administrative Agent an undertaking, in the form attached hereto as Schedule A, regarding the silent subordinated security interest which, subject to any required consents from The Toronto-Dominion Bank, Meridian Credit Union Limited and Fortress Credit Corp., will be provided by the Guarantor over its property and assets (to the extent same has been provided to The Toronto-Dominion Bank) in support of the obligations of the Borrower incurred under the Credit Agreement.
- (g) The Borrower agrees to reimburse the Administrative Agent and the Lenders for reasonable all out-of-pocket expenses incurred in connection with all of the foregoing.

If, in the reasonable opinion of the Administrative Agent and the Lenders, the Borrower is not complying with any of the foregoing, or if another Default or Event of Default occurs under the Credit Agreement, the waiver set forth herein may be terminated by the Administrative Agent forthwith upon written notice to the Borrower.

By its execution hereof and in consideration of the mutual agreements contained herein and other accommodations granted to the Borrower hereunder, the Guarantor hereby agrees, for itself and on behalf of any of its Affiliates, that any management fee, development fee or other similar fee payable by the Borrower to the Guarantor or any of its Affiliates shall be deferred until the Temporarily Waived Defaults are cured or the Required Lenders otherwise agree to permit the resumption of payment of any such fees.

By its execution hereof and in consideration of the mutual agreements contained herein and other accommodations granted to the Borrower hereunder, each of the Borrower and the Guarantor hereby expressly forever waives, releases and discharges any and all claims (including, without

limitation, cross-claims, counterclaims, third party claims and rights of setoff), causes of action (whether direct or derivative in nature), demands, suits, costs, expenses and damages (collectively, the "Claims") any of them may have or allege to have as of the date of this Agreement (and all defenses that may arise out of any of the foregoing) of any nature, description, or kind whatsoever, ~~based in whole or in part on facts, whether actual, contingent or otherwise,~~ now known, unknown, or subsequently discovered, whether arising in law, at equity or otherwise, against the Administrative Agent or any Lender, their respective Affiliates, agents, principals, managers, shareholders, directors, officers, employees, attorneys, consultants, advisors or agents of each of the foregoing (collectively, the "Released Parties") involving or otherwise relating to this Agreement or any of the other agreements entered into in connection herewith, the Credit Agreement, the Loan Documents or any or all of the actions and transactions contemplated hereby or thereby including, without limitation, any actual or alleged performance or non-performance by any of the Released Parties hereunder or thereunder. Each of the Borrower and the Guarantor hereby acknowledges that these agreements are intended to be in full satisfaction of all or any alleged injuries or damages arising in connection with the Claims. In entering into this Agreement, each of the Borrower and the Guarantor expressly disclaims any reliance on any representations, acts, or omissions by any of the Released Parties and hereby agrees and acknowledges that the validity and effectiveness of the releases set forth above does not depend in any way on any such representation, acts and/or omissions or the accuracy, completeness, or validity thereof. The provisions of this paragraph will survive the termination or expiration of the waiver period contemplated herein, the termination of the Loan Documents and the payment in full of all obligations of the Borrower and the Guarantor under or in respect of the Credit Agreement and other Loan Documents and all other amounts owing thereunder.

In consideration of the mutual agreements contained herein and other accommodations granted to the Borrower hereunder, each of the Borrower and the Guarantor hereby acknowledges that:

- (a) it has carefully read and fully understood all of the terms and conditions of this Agreement, and considers the terms hereof to be fair and reasonable;
- (b) it has consulted with, or had a full and fair opportunity to consult with, and has been advised by, fully competent counsel in the negotiation, execution and delivery of this Agreement;
- (c) it has had a full and fair opportunity to participate in the drafting of this Agreement and that no provision of this Agreement will be construed against or interpreted to the disadvantage of any party hereto by any court or other governmental or judicial authority by reason of any party hereto having or being deemed to have structured, dictated or drafted such provision;
- (d) it is freely, voluntarily, knowingly and intelligently entering into this Agreement;
- (e) none of the Lenders or the Agent has a fiduciary relationship to any Credit Party, and the relationship between Agent and the Lenders, on the one hand, and the Credit Parties, on the other, is solely that of creditor and debtor, and that the Administrative Agent and the Lenders have not acted in a managerial capacity with respect to the Borrower or the Guarantor; and

(f) no joint venture exists among the Credit Parties, the Agent and the Lenders.

Except as specifically stated herein, the Credit Agreement and the other Loan Documents will continue in full force and effect in accordance with the provisions thereof, as amended herein, ~~and all Loan Documents issued or granted in connection therewith are hereby ratified and~~ confirmed and will continue in full force and effect. After this Agreement becomes effective as provided herein, any reference to the Credit Agreement or a Loan Document will refer to the Credit Agreement and Loan Document as amended hereby. This Agreement is a "Loan Document", as defined under the Credit Agreement. Any failure by the Borrower to observe or perform any covenant, condition or agreement herein will constitute an immediate Event of Default under the Credit Agreement.

This Agreement will be construed in accordance with and governed by the laws of Ontario.

This Agreement may be executed in any number of counterparts, each of which will be an original but all of which, when taken together, will constitute one instrument. Delivery of an executed counterpart of a signature page of this Agreement by facsimile will be effective as delivery of a manually executed counterpart of this Agreement.

The Borrower agrees to reimburse the Lender for its reasonable out-of-pocket expenses in connection with this Agreement, including the reasonable legal fees and disbursements of Blake, Cassels & Graydon LLP, counsel for the Lender.

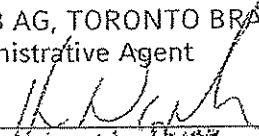
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Please confirm your agreement with the foregoing by signing a copy of this letter in the space provided below and returning it to the attention of Robert Dyck at the Administrative Agent's branch in Toronto, Ontario.

Yours truly,

WESTLB AG, TORONTO BRANCH,
as Administrative Agent

By: _____


Robert L. Dyck
Executive Director

By: _____


Kenneth Chan
Director, Credit America

As Borrower, we confirm our agreement with the foregoing.

THE ROSSEAU RESORT DEVELOPMENTS INC.

By: _____

As Guarantor, we acknowledge the foregoing and agree with the foregoing terms to the extent they relate specifically to the Guarantor

KEN FOWLER ENTERPRISES LIMITED, as Guarantor

By: _____

c: Stikeman, Elliott LLP
199 Bay Street, CCW
Suite 5300
Toronto, ON M5L 1B9
Attention: John R. Dow

Please confirm your agreement with the foregoing by signing a copy of this letter in the space provided below and returning it to the attention of Robert Dyck at the Administrative Agent's branch in Toronto, Ontario.

Yours truly,

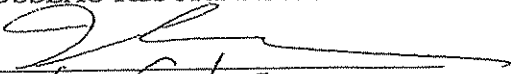
WESTLB AG, TORONTO BRANCH,
as Administrative Agent

By: _____

By: _____


As Borrower, we confirm our agreement with the foregoing.

THE ROSSEAU RESORT DEVELOPMENTS INC.

By: 
Ken Fowler

As Guarantor, we acknowledge the foregoing and agree with the foregoing terms to the extent they relate specifically to the Guarantor

KEN FOWLER ENTERPRISES LIMITED, as Guarantor

By: 
Ken Fowler

c: Stikeman, Elliott LLP
199 Bay Street, CCW
Suite 5300
Toronto, ON M5L 1B9
Attention: John R. Dow

SCHEDULE A



KEN FOWLER
ENTERPRISES

January 26, 2009

WestLB AG, Toronto Branch, as Agent
Suite 2301, Box 41
Royal Bank Plaza, North Tower
200 Bay Street
Toronto, Ontario M5J 2J1

Attention: Mr. Robert Dyck

Dear Sirs:

Re: Red Leaves

Reference is made to the letter dated January 26, 2009 (the "Waiver Letter") from WestLB AG, Toronto Branch ("WestLB" or "you") on behalf of the Lenders to The Rosseau Resort Development Inc. ("RRDI" or the "Borrower"). Capitalized terms not defined herein have the meanings given in the Waiver Letter.

We are writing to you to confirm that, in consideration of the extension of the waiver of the Temporarily Waived Defaults (as defined in the Waiver letter) and the agreement by the Lenders to advance additional funds to RRDI (notwithstanding the existing of the Temporarily Waived Defaults), Ken Fowler Enterprises Limited ("KFE") agrees that, subject to receipt of any required consents from The Toronto-Dominion Bank ("TD"), Meridian Credit Union Limited ("Meridian") and Fortress Credit Corp. ("Fortress"), KFE and its subsidiaries will grant to you, as Agent for the Lenders under the Credit Agreement, a silent subordinated security interest (behind only TD and Meridian), over the same collateral in respect of which KFE and its subsidiaries have granted security to TD, to secure any additional extensions of credit made by the Lenders under the Credit Agreement on or after the date hereof. For greater certainty, the collateral package would include, without limitation, the 77% interest in Prudhomme's Landing, the 41% interest in the Fairmont Hot Springs Resort and the 28.8% interest in SIR Corp., but not the interest in West 49. For the purpose of this letter, the term "additional extension of credit" shall be deemed to include any Loans made under the Credit Agreement and any other additional liquidity provided by the Lenders as a result of allowing the Borrower to use any purchase deposit, the proceeds from the sale of any Unit or any other form of permission to use what would otherwise constitute Lender collateral. Subject to the next sentence, the security interests

12271208.16

110 HANNOVER DRIVE, SUITE 203B
CATHARINES, ONTARIO
CANADA L2W 1A4

MAILING ADDRESS: P. O. BOX 24091
ST. CATHARINES, ONTARIO
CANADA L2R 7P7

TEL: (905) 688-9740 ST.
FAX: (905) 688-3060
www.kfe.on.ca

to be granted to the Agent pursuant to the terms hereof shall remain in effect until all obligations of the Borrower under the Credit Agreement and the other Loan Documents have been repaid in full, and shall not be diminished by any repayment received by, or other recovery made by, the Agent or the Lenders after the date hereof. The security interests contemplated by this letter will terminate if (a) Final Completion has occurred, (b) KFE has contributed to the Borrower an amount of additional funds necessary to bring the Budget in Balance, and (c) no Default or Event of Default has occurred and is continuing.

We hereby agree to use our commercially reasonable best efforts to seek and obtain any necessary consents from TD, Meridian and Fortress as soon as practicable. We have discussed this request with TD, and they have indicated that they will be supportive in approving this request, subject to a satisfactory intercreditor agreement with them. We have no reason to believe that Meridian will not also be supportive on the same basis.

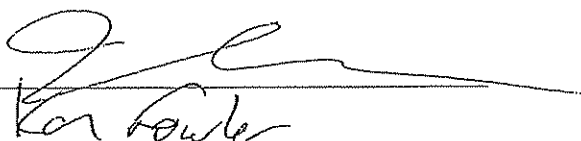
We hereby agree to pay all reasonable costs and expenses which may be incurred by the Lenders or the Agent in connection with the provision of this supplementary security.

By its acknowledgement hereof, RRDI acknowledges that this letter is a "Loan Document" under the Credit Agreement and any failure by Ken Fowler Enterprises Ltd. to perform its obligations under this letter constitutes an Event of Default under the Credit Agreement.

Thank you in advance and for your continued support.

Yours truly,

KEN FOWLER ENTERPRISES LIMITED

By: 
Ken Fowler

THE ROSSEAU RESORTS DEVELOPMENTS INC.

By: 
Ken Fowler

12271208.16

110 HANNOVER DRIVE, SUITE 203B
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TAB L



February 24, 2009

The Rosseau Resort Developments Inc.
110 Hannover Drive
Suite 203B, P.O. Box 24091
St. Catharines, ON L2W 1A4

Attention: President

Dear Sirs:

Re: Red Leaves

We refer to the credit agreement dated as of February 1, 2007 (as amended from time to time, the "Credit Agreement") by and among The Rosseau Resort Developments Inc., as Borrower, the financial institutions from time to time parties thereto, as Lenders, and West LB AG, Toronto Branch, as Administrative Agent. Capitalized terms not defined in this letter have the meanings given in the Credit Agreement.

We also refer to (a) the letter dated December 12, 2008 from the Administrative Agent to the Borrower (the "12/12/08 Waiver Letter"), (b) the letter dated January 26, 2009 from the Administrative Agent to the Borrower (the "26/01/09 Waiver Letter"), and (c) the letter dated February 17, 2009 from the Administrative Agent to the Borrower (the "17/02/09 Waiver Letter").

The Administrative Agent confirms that the Lenders will continue to waive the Temporarily Waived Defaults (as defined in the 26/01/09 Waiver Letter) until 5:00 p.m. Toronto time on March 3, 2009. This waiver continues to relate only to the Temporarily Waived Defaults, and will not relate to any other Default or Event of Default which may have occurred under the Credit Agreement. Upon the expiry of such period, this waiver will expire, and an Event of Default will have occurred and be continuing unless, by that time, the Borrower will have complied fully with its obligations under Section 8.1.8 of the Credit Agreement.

By its execution hereof and in consideration of the waiver provided hereunder, each of the Borrower and the Guarantor hereby consents to the Administrative Agent, any or all of the lenders and Blake Cassels and Graydon holding discussions with Fortress Credit Corp. and any of its affiliates, and, either with (i) the prior written consent of the Borrower and the Guarantor or (ii) in the presence of the Borrower and the Guarantor, with TD Capital Mezzanine Partners Management Ltd. and any of its affiliates, and any other stakeholder of the Borrower or the Guarantor (and the legal advisors of any of the foregoing), for the purpose of determining how to deal with the financial issues facing the Borrower and the Guarantor.

By its execution hereof and in consideration of the waiver provided hereunder, each of the Borrower and the Guarantor hereby expressly forever waives, releases and discharges any and all claims (including, without limitation, cross-claims, counterclaims, third party claims and rights of setoff), causes of action

WestLB AG
Toronto Branch

Suite 2301, PO Box 41
Royal Bank Plaza, North Tower
Tel: (416) 216-5000
Fax: (416) 216-5020
www.westlb.com

Managing Board:
Heinz Hilgert (Chairman),
Hubert Beckmann (Vice Chairman),
Dietrich Voigtländer (Vice Chairman),
Klemens Breuer, Thomas Groß,
Dr. Wolfgang Nickels,
Dr. Hans-Jürgen Niehaus, Werner Taiber

Head of the Supervisory Board:
Michael Breuer

Reg. Amtsgerichte
Düsseldorf, HRB 42975
Münster, HRB 6400
Registered Office:
Düsseldorf/ Münster

(whether direct or derivative in nature), demands, suits, costs, expenses and damages (collectively, the "Claims") any of them may have or allege to have as of the date of this Agreement (and all defenses that may arise out of any of the foregoing) of any nature, description, or kind whatsoever, based in whole or in part on facts, whether actual, contingent or otherwise, now known, unknown, or subsequently discovered, whether arising in law, at equity or otherwise, against the Administrative Agent or any Lender, their respective Affiliates, agents, principals, managers, shareholders, directors, officers, employees, attorneys, consultants, advisors or agents of each of the foregoing (collectively, the "Released Parties") involving or otherwise relating to this Agreement or any of the other agreements entered into in connection herewith, the Credit Agreement, the Loan Documents or any or all of the actions and transactions contemplated hereby or thereby including, without limitation, any actual or alleged performance or non-performance by any of the Released Parties hereunder or thereunder. Each of the Borrower and the Guarantor hereby acknowledges that these agreements are intended to be in full satisfaction of all or any alleged injuries or damages arising in connection with the Claims. In entering into this Agreement, each of the Borrower and the Guarantor expressly disclaims any reliance on any representations, acts, or omissions by any of the Released Parties and hereby agrees and acknowledges that the validity and effectiveness of the releases set forth above does not depend in any way on any such representation, acts and/or omissions or the accuracy, completeness, or validity thereof. The provisions of this paragraph will survive the termination or expiration of the waiver period contemplated herein, the termination of the Loan Documents and the payment in full of all obligations of the Borrower and the Guarantor under or in respect of the Credit Agreement and other Loan Documents and all other amounts owing thereunder.

In consideration of the waiver provided hereunder, each of the Borrower and the Guarantor hereby acknowledges that:

- (a) it has carefully read and fully understood all of the terms and conditions of this Agreement, and considers the terms hereof to be fair and reasonable;
- (b) it has consulted with, or had a full and fair opportunity to consult with, and has been advised by, fully competent counsel in the negotiation, execution and delivery of this Agreement;
- (c) it has had a full and fair opportunity to participate in the drafting of this Agreement and that no provision of this Agreement will be construed against or interpreted to the disadvantage of any party hereto by any court or other governmental or judicial authority by reason of any party hereto having or being deemed to have structured, dictated or drafted such provision;
- (d) it is freely, voluntarily, knowingly and intelligently entering into this Agreement;
- (e) none of the Lenders or the Agent has a fiduciary relationship to any Credit Party, and the relationship between Agent and the Lenders, on the one hand, and the Credit Parties, on the other, is solely that of creditor and debtor, and that the Administrative Agent and the Lenders have not acted in a managerial capacity with respect to the Borrower or the Guarantor; and
- (f) no joint venture exists among the Credit Parties, the Agent and the Lenders.



Except as specifically stated herein, the Credit Agreement and the other Loan Documents will continue in full force and effect in accordance with the provisions thereof, as amended herein, and all Loan Documents issued or granted in connection therewith are hereby ratified and confirmed and will continue in full force and effect. After this Agreement becomes effective as provided herein, any reference to the Credit Agreement or a Loan Document will refer to the Credit Agreement and Loan Document as amended hereby. This Agreement is a "Loan Document", as defined under the Credit Agreement. Any failure by the Borrower to observe or perform any covenant, condition or agreement herein will constitute an immediate Event of Default under the Credit Agreement.

This Agreement will be construed in accordance with and governed by the laws of Ontario.

This Agreement may be executed in any number of counterparts, each of which will be an original but all of which, when taken together, will constitute one instrument. Delivery of an executed counterpart of a signature page of this Agreement by facsimile will be effective as delivery of a manually executed counterpart of this Agreement. This Agreement will become effective upon receipt by the Administrative Agent or its counsel of a fully executed copy (or fully executed counterpart copies) of this Agreement.

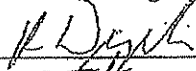

The Borrower agrees to reimburse the Lender for its reasonable out-of-pocket expenses in connection with this Agreement, including the reasonable legal fees and disbursements of Blake, Cassels & Graydon LLP, counsel for the Lender.

Balance of page intentionally left blank; signature page follows.

Please confirm your agreement with the foregoing by signing a copy of this letter in the space provided below and returning it to the attention of Robert Dyck at the Administrative Agent's branch in Toronto, Ontario.

Yours truly,

WESTLB AG, TORONTO BRANCH,
as Administrative Agent

By: 
By: 

As Borrower, we confirm our agreement with the foregoing.

THE ROSSEAU RESORT DEVELOPMENTS INC.

By: _____

As Guarantor, we acknowledge the foregoing.

KEN FOWLER ENTERPRISES LIMITED, as Guarantor

By: _____

c: Stikeman, Elliott LLP
199 Bay Street, CCW
Suite 5300
Toronto, ON M5L 1B9
Attention: John R. Dow

- 4 -

Please confirm your agreement with the foregoing by signing a copy of this letter in the space provided below and returning it to the attention of Robert Dyck at the Administrative Agent's branch in Toronto, Ontario.

Yours truly,

WESTLB AG, TORONTO BRANCH,
as Administrative Agent

By: _____

By: _____

As Borrower, we confirm our agreement with the foregoing.

THE ROSSEAU RESORT DEVELOPMENTS INC.

By: _____

As Guarantor, we acknowledge the foregoing.

KEN FOWLER ENTERPRISES LIMITED, as Guarantor

By: _____

c: Stikeman, Elliott LLP
199 Bay Street, CCW
Suite 5300
Toronto, ON M5L 1B9
Attention: John R. Dow

EXHIBIT B-1

LOAN ADVANCE REQUEST

WESTLB AG, TORONTO BRANCH,
as Administrative Agent
Suite 2301, Box 41
Royal Bank Plaza, North Tower
200 Bay Street
Toronto, Ontario
M5J 2J1
Attention: Robert Dyck
Facsimile: 416.216.5020

RE: The Rosseau Resort Developments Inc.

Ladies and Gentlemen:

This Loan Advance Request is delivered to you pursuant to Section 6.5.2 of the Credit Agreement, dated as of February 1, 2007 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), among The Rosseau Resort Developments Inc., an Ontario corporation (the "Borrower"), the various financial institutions as are or may become parties thereto (collectively, the "Lenders"), WestLB AG, Toronto Branch, ("WestLB") as the Administrative Agent for the Lenders (in such capacity, the "Administrative Agent") and Arranger, CIT Financial Ltd., as the Syndication Agent for the Lenders (the "Syndication Agent") and Raiffeisen Zentralbank Österreich AG, as the Documentation Agent for the Lenders (the "Documentation Agent"). Unless otherwise defined herein or the context otherwise requires, terms used herein shall have the meanings provided in the Credit Agreement.

The Borrower hereby requests that an Advance in the principal amount of \$ 438,316 be made on February 27, 2009, as a Loan which will accrue interest at a rate per annum equal to the sum of the Prime Rate from time to time in effect plus the Applicable Prime Rate Margin and otherwise in accordance with the Credit Agreement. The proceeds of the Advance will be used [(i) to pay interest on, and other amounts due with respect to, the Loans which will become due and payable on or after the date of the requested Advance and prior to the date of the next succeeding Advance and (ii)]¹ to pay [other] Project Costs which become due and payable and to reimburse the Borrower for other Project Costs paid on or prior to the date of the Advance. With respect to Project Costs being funded from the Advance (i) the Work completed during the period subsequent to the last Advance is described on the attachment to this Loan Request and (ii) the total amount required to satisfy current Project Costs is set forth below. (The term "Work," as used herein, shall refer to

¹ Item (i) to be deleted for all Loan Requests after the Substantial Completion Date.
174225863

OK for fund
2/27/09
OK to fund
TP 2/27/09
JML

any construction and services required to be performed by the General Contractor or any other Contractor, whether completed or partially completed, and includes all labor, materials, equipment and services provided by the General Contractor or any other Contractor, under a GMP Contract or other Contract.)

As an inducement to the Lenders to make such Advance, the Borrower warrants and represents as follows:

1. all Permits required to have been obtained by the date of the Advance hereby requested have been issued and are in full force and effect and are not subject to current legal proceedings or to any conditions that are required to be satisfied by the date of the Advance hereby requested that have not been satisfied in all material respects or could reasonably be expected to result in a material modification or revocation of such Permits, and all applicable appeal periods with respect thereto shall have expired;

2. with respect to any of the Permits as not yet required to be obtained as of the date of the Advance requested hereby, (i) each such Permit is of a type that is routinely granted on application and (ii) no facts or circumstances exist which indicate that any such Permit will not be timely obtainable without material difficulty, expense or delay prior to the time that it becomes required;

3. the Borrower has provided to the Administrative Agent and the Consulting Engineer copies of all amendments or modifications to the Plans and Specifications for the Construction Phase in respect of which the Advance has been requested and all such amendments and modifications conform to the requirements of Section 8.2.17 of the Credit Agreement;

4. insurance complying in all material respects with the requirements of Section 6.5.10 of the Credit Agreement for the Construction Phase in respect of which the Advance has been requested is in full force and effect;

5. all actions necessary (including all filings) to perfect or continue the perfection of the Liens in the Project Security having the exclusive first priority (subject only to the Permitted Liens) contemplated therefor by the Credit Agreement and the other Loan Documents have been taken or made;

6. all property, rights and assets required for the Land are free and clear of all Liens and encumbrances other than the Permitted Liens;

7. the Budget is In Balance;

8. no order, judgment or decree of any Governmental Instrumentality purports to enjoin or restrain the Lenders, the Administrative Agent or any Loan Party from entering into any Loan Document or any of the Project Documents to which they are a party;

9. the Borrower has not received any notice of any proposed or threatened Expropriation of any portion of the Premises, and has no knowledge of any proposed or threatened action which will or could result in a relocation of any roadways abutting the Premises or the denial of access which could reasonably be expected to have a Material Adverse Effect;

10. all fixtures, attachments and equipment necessary for the operation of the Improvements which have been installed or incorporated into the Premises are, to the Borrower's knowledge, in good working order and free from material defects; and

11. each of the delivery of this Advance Request and the acceptance by the Borrower of the proceeds of the Loan requested hereby constitutes a representation and warranty by the Borrower that, on the date of such Loan, and before and after giving effect thereto and to the application of the proceeds therefrom, all statements set forth in Section 6.5.1 and Article VII of the Credit Agreement and this Advance Request are true and correct in all material respects.

The Borrower agrees that if prior to the time of the Advance requested hereby any matter certified to herein by it will not be true and correct in all material respects at such time as if then made, it will immediately so notify the Administrative Agent. Except to the extent, if any, that prior to the time of the Advance requested hereby the Administrative Agent shall receive written notice to the contrary from the Borrower, each matter certified to herein shall be deemed once again to be certified as true and correct at the date of such Advance as if then made.

The Advance will be used to make the payments set forth on Schedule I annexed hereto.

[No further text]

Enclosed are invoices for the Work the cost of which is to be paid out of the Advance.

Please wire transfer the proceeds of the Advance to the accounts as set forth below:

Amount to be Transferred: \$ 438,316

Transferee: The Rossseau Resort Development Inc.

Account: Account No.: 10892-01242-14

ABA No.: 026002532

Reference: _____

Account

Attn: Sandy Thar

Transit: 67876

SWIFT: NOSCCAT

[Signature page follows]

The Borrower has caused this Loan Request to be executed and delivered, and the certification and warranties contained herein to be made, by its duly Authorized Representative this 16 day of February, 2007.

BORROWER:

THE ROSSIAU RESORT DEVELOPMENTS
INC., an Ontario corporation

By: 

Name:

Title:

SCHEDULE I

Payee

Amount

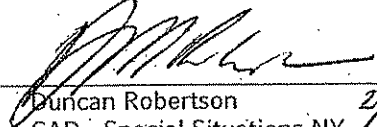
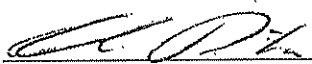
Line Item

Line Item Category

17427586.3

Amendment & Waiver



Borrower:	The Rosseau Resort Development Inc. (Kunde: 8.406.712)	Date:	February 27, 2009
Group:	Ken Fowler Enterprises Limited (Kunde: 8.455.776)	Internal Ratings:	S9*
		External Rating:	N/A
		Origination Unit:	WestLB Capital Markets Toronto, 896-60300
Contact / Ext:	George Raddatz / x5990	CAD SF Unit:	022-60811
For Approval:	 Duncan Robertson CAD - Special Situations NY 2/27/09		 Christian Ruehmer Investment Management/PEG
Level 5			
*as suggested by IRBA Task Force, approval by CC pending			

Request: To waive the loan balancing provision for the current draw and release the remaining CAN\$438,316 of loan proceeds as requested under the respective borrower's requisition (WestLB share: CAN \$283,854), despite identified construction budget imbalances, which are not being re-balanced through additional equity contributions at this time. The current waiver was extended on Tuesday, February 24th, 2009 and expires on Tuesday March 2nd, 2009. The current waiver encompasses the deferral of the balancing provision. Therefore, we are covered under the most recent waiver to extend additional funds.

Project Summary: Please refer to the waiver memo, dated 1/30/09 for a detailed description of the Project. (Attached)

Rationale: The deferral of the balancing provision is necessary because the Borrower is currently unable to provide the required additional equity into the project at the current time. The reasons for this are specified in the 1/30/09 waiver memo.

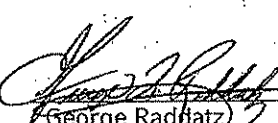
The release of the remaining funds assists the Borrower in paying contractors, payroll, consultants, and keeping interest current. The release of these funds also buys the lending group time necessary for negotiating with the stakeholders (Fortress, TD, and KFE). We will need to have agreements in place with each of these parties if we are to advance any additional funds beyond our facility amount. Releasing the remaining funds also allows our consultants (Alvarez & Marcel and Altus) more time so that they can deliver further feedback to the lending group. This will allow us to make a better educated decision on how we proceed. As Administrative Agent, we will require consent from the Lending group prior to any funding.

We are currently working diligently with the Borrower and the Lending Group to come up with a solution for this equity shortfall and are awaiting feedback from the consultants (in the form of deliverables and calls), Fortress (the mezzanine Lender) and TD (Senior secured lender to the Borrower's parent). The majority of that critical information will not be available until next week.

Recommendation: Approval of the waiver and consent is recommended to ensure continued construction progress and to allow for the hotel operating to commence, thus avoiding that our collateral would be negatively impaired while the Borrower and Lending group work on a solution to the Borrower's cash needs. The continued funding is also recommended as unit closings are expected to occur in the next 30-days, resulting in a source of repayment for a portion of the outstanding loan amount.

Prepared by: George Raddatz (ext: 5990)/Tal Peri (ext: 1457)
New York, NY


Tal Peri
CAD - SFA


George Raddatz
IM / PEG 2/27/09

Kenneth Chan
CRM Toronto

Amendment & Waiver



Borrower: The Rosseau Resort Development Inc.
(Kunde: 8.406.712)
Group: Ken Fowler Enterprises Limited
(Kunde: 8.455.776)

Contact / Ext: George Raddatz / x5990

For Approval: Duncan Robertson
Level 5 CAD - Special Situations NY 2/27/09

*as suggested by IRBA Task Force, approval by CC pending

Date: February 27, 2009

Internal Ratings: S9*
External Rating: N/A
Origination Unit: WestLB Capital Markets
Toronto, 896-60300
CAD SF Unit: 022-60811

Christian Ruehmer
Investment Management/PEG

Request: To waive the loan balancing provision for the current draw and release the remaining CAN\$438,316 of loan proceeds as requested under the respective borrower's requisition (WestLB share: CAN \$283,854), despite identified construction budget imbalances, which are not being re-balanced through additional equity contributions at this time. The current waiver was extended on Tuesday, February 24th, 2009 and expires on Tuesday March 2nd, 2009. The current waiver encompasses the deferral of the balancing provision. Therefore, we are covered under the most recent waiver to extend additional funds.

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Rationale: The deferral of the balancing provision is necessary because the Borrower is currently unable to provide the required additional equity into the project at the current time. The reasons for this are specified in the 1/30/09 waiver memo.

The release of the remaining funds assists the Borrower in paying contractors, payroll, consultants, and keeping interest current. The release of these funds also buys the lending group time necessary for negotiating with the stakeholders (Fortress, TD, and KFE). We will need to have agreements in place with each of these parties if we are to advance any additional funds beyond our facility amount. Releasing the remaining funds also allows our consultants (Alvarez & Marcel and Altus) more time so that they can deliver further feedback to the lending group. This will allow us to make a better educated decision on how we proceed. As Administrative Agent, we will require consent from the Lending group prior to any funding.

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Recommendation: Approval of the waiver and consent is recommended to ensure continued construction progress and to allow for the hotel operating to commence, thus avoiding that our collateral would be negatively impaired while the Borrower and Lending group work on a solution to the Borrower's cash needs. The continued funding is also recommended as unit closings are expected to occur in the next 30-days, resulting in a source of repayment for a portion of the outstanding loan amount.

Prepared by: George Raddatz (ext: 5990)/Tal Peri (ext: 1457)
New York, NY

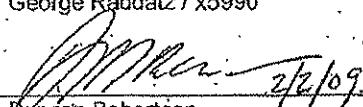
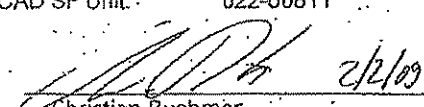
Tal Peri
CAD - SFA

George Raddatz
IM / PEG

Kenneth Chan
CRM Toronto

Amendment & Waiver



Borrower:	The Rosseau Resort Development Inc. (Kunde: 8.406.712)	Date:	January 30, 2009
Group:	Ken Fowler Enterprises Limited (Kunde: 8.455.776)	Internal Ratings:	PFI C4 (Nov 2007)
		External Rating:	N/A
		Origination Unit:	WestLB Capital Markets Toronto, 896-60300
Contact / Ext:	George Raddatz / x5990	CAD SF Unit:	022-60811
For Approval:	 2/2/09 Duncan Robertson CAD - Special Situations NY	 2/2/09 Christian Ruehmer Investment Management/PEG	
Level 5			

Request: To waive the loan balancing provision for the current draw and release CAN\$1,386,580.77 (of CAN\$ 1,824,897.00 in remaining loan proceeds for this tranche) as requested under the respective borrower's requisition (WestLB share: CAN \$897,950), despite identified construction budget imbalances, which are not being re-balanced through additional equity contributions at this time. The current waiver period expired on 1/26/2009. We are also requesting an extension of the waiver for an additional 14 days.

Project Summary: WestLB arranged a CAN\$113.5 mio. construction and interim term loan to finance the construction and operation of Phase II of The Rosseau Hotel and Residence, in Ontario, Canada. CIT has a CAN\$20.0 mio participation in this credit facility and RZB entered into a CAN\$20.0 mio unfunded risk participation. As of January 30, 2009, the equity contribution to the first sub-phase (Longview and Paignton House) amounted to CAN\$ 68.5 mio (inclusive of the Mezzanine investment and exclusive of sales deposits), exceeding the initial equity requirement by almost CAN\$ 23 mio. As of the latest site visit and draw request dated for the month ended December 31, 2008, the budget for this Phase has increased by CAN\$14.45 mio compared to the September budget. According to the Loan Agreement, this increase would have to be covered by additional equity contribution. In December, the Lenders funded a draw request of CAN\$13.1 mio and waived the balancing provision for 45 days. Please refer to the "Rosseau - Amendment & Waiver, 11.Dec.08" ("December Waiver") document for details. The Longview portion of the JW Marriott opened on December 22, 2008 with Marriott beginning operations of the condo-hotel. Merritt & Harris projected in their construction report, dated January 30, 2009, that they expect a budget of CAN\$ 171,286,337 (approx. CAN\$ 15 mio for expenses to complete and unpaid bills) to be sufficient for project completion at this stage. However, the source to cover the cost increases of CAN\$ 14.45 mio remains in question at this time. It should also be noted that by releasing the loan proceeds as requested the total outstanding under the construction loan reaches CAN\$ 83.39 mio (WestLB share: CAN\$ 54.0 mio) with a remaining availability of approximately CAN\$ 410,000 (WestLB share: CAN\$ 277,000) under the current tranche for the first sub-phase Longview and Paignton House. It has been requested by the Borrower that the remaining costs above and beyond this funding be paid through the a) the remaining loan proceeds under the facility and b) sales deposits (a portion of the CAN\$ 6.7 mio in currently restricted sale deposits could also be utilized to cover the identified funding shortfall) and c) sales proceeds from closings. However, the Lending group has not agreed to anything outside the current funding noted above at this time.

Rationale: The deferral of the balancing provision is necessary because the Borrower is currently unable to provide additional equity into the project at the current time. The reason for this is the following: The sponsor, KFE, has a secured loan with TD for the amount of CAN\$30 mio (of which CAN\$24 mio remains outstanding). Please refer to the December waiver for a description of the restrictions under the TD line. According to the Borrower, KFE is doing everything within its power to pay down the TD line. TD is not being flexible at this point. KFE has put two assets up for sale (Fairmont Hot Springs Resort and Prudhommes) and expects to be able to pay down the facility with proceeds from either one of those sales. In addition, the Borrower has commenced discussions with potential investors in both SIR Corp and West 49, and is in talks with parties for direct investment in Red Leaves. However, at this time they have no access to any additional liquidity at the Sponsor level and there's no sense of timing for when any of these assets would be sold.

As of April, 2008, KFE had a book value of \$171 million and a fair market value range of \$185 million to \$219 million. We have received a signed Letter of Intent from the Sponsor indicating that they are working to divest of

CAD- Structured Finance Americas

The Rosseau Resort Development Inc.
Amendment & Waiver dd. January 30, 2009

Page 2

the aforementioned assets in order to free up capital. The Borrower has proven its commitment to the Rosseau project by always covering cost increases with a significant amount of additional equity. Consequently, we feel comfortable that the Sponsor will put in their best efforts to achieve the sale of the above assets in order to meet the equity requirement under the current loan agreement.

If funds are not released as requested, the lending group runs the risk of contractors putting liens on the Property. Additionally, closings on pre-sold units would be negatively impacted. There are substantial risks the Lending group could incur by not assisting with this funding.

The Lending group is working to engage Alvarez & Marcel as well as Altus Hayer. Alvarez & Marcel is a reputable firm that will assist the Lending group in staying on top of the Borrower and doing a thorough review of the project's status and future cash needs. It is intended that Alvarez & Marcel will work in conjunction with Altus Hayer, a firm that specializes in real estate valuation and construction monitoring, to review existing sales contracts, monitor unit sale closings, develop a rolling 13 week cash flow forecast, value the real estate, review the contracts with the general contractor, other major contracts, the status of accounts payable, holdbacks, outstanding commitments, and lien status. We will be replacing our existing construction consultant, Merritt & Harris, with Altus Hayer and Alvarez & Marcel. The Lending group believes that this tandem will give us the best monitoring services to help us get our arms around the situation and make educated decisions going forward.


In addition, it is being requested that prior to the additional advance of funds under the Credit Agreement, the Guarantor (Ken Fowler Enterprises Limited) will provide to the Administrative Agent an undertaking, in form and substance satisfactory to the Lenders, regarding the supplementary collateral which, subject to required consents from The Toronto-Dominion Bank and Meridian Credit Union Limited, will be provided by the Guarantor in support of the obligations of the Borrower under the Credit Agreement.

We are currently working diligently with the Borrower to come up with a solution for the equity shortfall. Going through with this funding would allow time for the Lending group and Borrower to work together on resolving the liquidity issues without negatively impacting the project. However, as Administrative Agent, we will require consent from the Lending group prior to any funding.

Recommendation: Approval of the waiver and consent is recommended to ensure continued construction progress and to allow for the hotel operating to commence, thus avoiding that our collateral would be negatively impaired while the Borrower and Lending group work on a solution to free up the required equity. The continued funding is also recommended as unit closings are expected to occur in the next 60 days, resulting in a source of repayment for a significant portion of the outstanding loan amount (current gross sales amount to approx. CAN\$ 70 mil).

Prepared by: George Raddatz (ext: 5990)/Tal Peri (ext: 1457)
PFI Rating: C4
New York, NY


Tal Peri
CAD - SFA


George Raddatz
IM / PEG


Kenneth Chan
CRM Toronto

02.02.2009

<Tony.Tereschenko@cit.com>



02/27/2009 12:15 PM

To <Tal_Peri@westlb.com>, <George_Raddatz@westlb.com>
cc <duncan_robertson@westlb.com>, <Evan.Bennitt@cit.com>, <Richard.Kinlough@cit.com>,
<robert_dyck@westlb.com>, <esmeralda_irizarry@westlb.com>
bcc

Subject RE: Rosseau - internal WestLB waiver

We have received approval to fund our portion of the draw.

Regards,
Tony

-----Original Message-----

From: Tereschenko, Tony
Sent: Friday, February 27, 2009 11:53 AM
To: Tal_Peri@westlb.com; George_Raddatz@westlb.com
Cc: duncan_robertson@westlb.com; Bennitt, Evan; Kinlough, Richard; robert_dyck@westlb.com;
esmeralda_irizarry@westlb.com
Subject: RE: Rosseau - internal WestLB waiver

We are expecting a response from our credit committee shortly. Will inform you once received.

Regards,
Tony

-----Original Message-----

From: Tal_Peri@westlb.com [mailto:tal_peri@westlb.com]
Sent: Friday, February 27, 2009 11:29 AM
To: George_Raddatz@westlb.com
Cc: duncan_robertson@westlb.com; Bennitt, Evan; Kinlough, Richard; robert_dyck@westlb.com;
Tereschenko, Tony; esmeralda_irizarry@westlb.com
Subject: Rosseau - internal WestLB waiver

FYI. We have collected all the signatures for our internal WestLB waiver for the pending draw.

Outstanding items:

- Email consent from CIT
- Subsearch results from Blakes

Best regards/ mit freundlichen Gruessen,

Tal Peri

WestLB AG
Credit Analysis & Decision
Structured Finance Americas
1211 Avenue of the Americas, 24th Floor
New York, NY 10036

Tel.: +1 (212) 597-1457
Fax: +1 (212) 597-1157
Email: tal_peri@westlb.com

WestLB AG
Managing Board:
Heinz Hilgert (Chairman),
Hubert Beckmann (Vice Chairman),
Dietrich Voigtländer (Vice Chairman),
Klemens Breuer, Thomas Groß,
Dr. Hans-Jürgen Niehaus, Werner Taiber
Head of the Supervisory Board: Michael Breuer
Registered Office: Düsseldorf/Münster
Amtsgerichte Registration Numbers Düsseldorf, HRB 42975 / Münster, HRB 6400

George Raddatz/NYC/WLB

02/27/2009 11:02 AM

To:

<Tony.Tereschenko@cit.com>

cc:

duncan_robertson@westlb.com, Evan.Bennitt@cit.com, Richard.Kinlough@cit.com,
robert_dyck@westlb.com, Tal_Peri@westlb.com

Subject:

>
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| RE: Proposed Lender Call - Friday Feb. 26 - 1:30pm EST(Document link: Tal Peri)
|

>
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Tony,

At your earliest convenience, could you please provide an update on CIT's consent/approval to fund the remaining loan amount today? We are awaiting one last signature on our end but should have that shortly.

Thanks,
George

George Raddatz
Investment Management
WestLB AG, New York
1211 Avenue of the Americas
New York, NY 10036
Tel: 212-852-5990

WestLB AG
Managing Board:
Heinz Hilgert (Chairman),
Hubert Beckmann (Vice Chairman),
Dietrich Voigtländer (Vice Chairman),
Klemens Breuer, Thomas Groß,
Dr. Hans-Jürgen Niehaus, Werner Taiber
Head of the Supervisory Board: Michael Breuer
Registered Office: Düsseldorf/Münster
Amtsgerichte Registration Numbers Düsseldorf, HRB 42975 / Münster, HRB 6400

|-----+>
<Tony.Tereschenko@cit.com>			
02/26/2009 04:59 PM			
-----+>			

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|----->
| To |
|----->

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| <azalev@alvarezandmarsal.com>, <robert_dyck@westlb.com>, <George_Raddatz@westlb.com>,
| <duncan_robertson@westlb.com>, <Tal_Peri@westlb.com>,
| <Richard.Kinlough@cit.com>, <Evan.Bennitt@cit.com>, <daniela.oberti@rzb.at>,
| <alexandra.dvorak@rzb.at>, <dietmar.delleman@rzb.at>,
| <michael.common@altusgroup.com>, <carlos.serra@altusgroup.com>,
| <michael.harquail@blakes.com>, <PAM.HUFF@blakes.com>
|

>-----
----->
ccl
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>-----
----->
<rmorawetz@alvarezandmarsal.com>

>-----
----->
Subject
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>-----
----->
RE: Proposed Lender Call - Friday Feb. 26 - 1:30pm EST

>-----

CIT's preference is for 2:00pm est.

From: Zalev, Adam [mailto:azalev@alvarezandmarsal.com]
Sent: Thursday, February 26, 2009 4:53 PM
To: robert_dyck@westlb.com; George_Raddatz@westlb.com;
duncan_robertson@westlb.com; Tal_Peri@westlb.com; Kinlough, Richard;
Bennitt, Evan; Tereschenko, Tony; daniela.oberti@rzb.at;
alexandra.dvorak@rzb.at; dietmar.delleman@rzb.at;
michael.common@altusgroup.com; Carlos Serra; HARQUAIL, MIKE; HUFF, PAM
Cc: Morawetz, Richard
Subject: Proposed Lender Call - Friday Feb. 26 - 1:30pm EST
Importance: High

Group,

I would like to propose that we have a call tomorrow (Friday) at 1:30pm
EST. The call will be to provide an update on various issues, which, in
particular will include an update on Altus' preliminary views with respect

to costs to complete.

Could you please confirm your availability for the call.

We will use the following dial in:

Dial: 1 866 692 3158 (or for Austria 0800 005 024)
Participant Code: 8200864

Thanks,

Adam

Adam Zalev
Director
Alvarez & Marsal Canada ULC
Royal Bank Plaza, Suite 2000
Toronto, ON M5J 2J1
Direct: 416.847.5154
Mobile: 647.295.8043
Fax: 416.847.5201
www.alvarezandmarsal.com

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"WALKER, MARY LOUISE"
<MARYLOUISE.WALKER@blakes.com>



02/27/2009 11:47 AM

To <Tal_Per@westlb.com>

cc <robert_dyck@westlb.com>, <dario_murkovic@westlb.com>, <duncan_robertson@westlb.com>, <George_Raddatz@westlb.com>, "HARQUAIL, MIKE" <michael.harquail@blakes.com>, "D'ALIMONTE, SILVANA" <SMDA@blakes.com>

bcc

Subject RE: WestLB AG - Rosseau Resort - Subsearch Results

Good Morning Tal:

As requested, we have conducted a subsearch of title for the RRDI lands. For your reference, I have attached a copy of the title PIN. You will note that there have been several registrations subsequent to our last advance. However, these registrations all relate to documentation that all parties agreed was to be registered prior to the resort condominium declaration. I have attached a marked-up copy of the title PIN indicating the related document associated with each new registration.

For your reference, the new registrations are:

- 1) #MT62189 - Condominium Agreement with the Township of Muskoka Lakes
- 2) #MT62543 - Developer's Responsibility Agreement ("DRA")
- 3) #MT62637 - Postponement of WestLB Charge in favour of DRA
- 4) #MT62638 - Postponement of Fortress Charge in favour of DRA
- 5) #MT62639 - Postponement of Travelers Charge in favour of DRA
- 6) #MT62692 - Burdening RRDI Blanket Easement in favour of Golf Course Lands
- 7) #MT62693 - Benefiting Golf Course Blanket Easement
- 8) #MT62703 - Benefiting Sewage Treatment Plant Easement (recorded as an addition to the legal description only)
- 9) #MT62714; #MT62715; #MT62717; #MT62718 - Benefiting Circle Road Easements over adjoining lands to the west of the RRDI lands (recorded as an addition to the legal description only)
- 10) #MT62748 - Postponement of WestLB Charge in favour of RRDI Blanket Easement
- 11) #MT62749 - Postponement of Fortress Charge in favour of RRDI Blanket Easement
- 12) #MT62750 - Postponement of Travelers Charge in favour of RRDI Blanket Easement
- 13) #MT62918 - Supplemental Agreement Re DRA

All previously registered construction liens have been deleted from the title record. There are no construction liens registered against the RRDI lands as at 10:35 a.m. today.

We have also obtained a clear execution certificate against the registered owner.

Please let me know if you require any further information or clarification.

We will update these search results later today upon instruction from you.

Regards,

Mary Louise
Law Clerk
(416-863-2578)

Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 2800, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653
<http://www.blakes.com/>

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PIN 48143 0266 LT.pdf Execution Certificate.pdf



LAND
REGISTRY
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48143~0266 (LT)

PAGE 1 OF 4
PREPARED FOR MLWalker
ON 2009/02/27 AT 10:35:51

SUBJECT TO RESERVATIONS IN CROWN GRANT

[illegible]

Building
RRD1 Element
Element

35R22417 AS IN
35R22417 AS IN
Profiting
Sewage Treatment Plant
Casement

ESTATE/QUALIFIER:
FEE SIMPLE
ABSOLUTE

CAPACITY SHARE

RECENTLY:

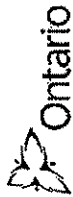
CONSERVATION	48143-0246	48143-0244	48143-0242	48143-0120
NEW	48143-0245	48143-0244	48143-0242	48143-0120

50-122 8888, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 82

PIN CREATION DATE:
2007/03/29

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHRD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
DMS3091	1966/02/21	BYLAW				C
35R3373	1974/05/10	PLAN REFERENCE				C
LT186474	1995/04/25	TRANSFER	\$1,260,000		1108827 ONTARIO INC.	C
	REMARKS: PLANNING ACT STATEMENTS, AMENDED UNDER LT241292					
DH305534	1988/05/08	NOTICE		1108827 ONTARIO LIMITED	PAIN, WILLIAM ARCHIE PAIN, BETTY BURGESS PAIN, ROBERT DOUGLAS	C
DH337368	2002/04/05	NOTICE		THE CORPORATION OF THE TOWNSHIP OF MUSKOKA LAKES		C
LT226034	2002/04/05	NOTICE			THE CORPORATION OF THE TOWNSHIP OF MUSKOKA LAKES	C
35R19775	2003/04/01	PLAN REFERENCE				C
DH346568	2003/04/02	NOTICE		THE DISTRICT MUNICIPALITY OF MUSKOKA		C
35R20257	2004/05/17	PLAN REFERENCE				C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PATENT STATE THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.
NOTE:



Ministry
of Government
and Consumer
Services

LAND
REGISTRY
OFFICE #35

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 2 OF 4
PREPARED FOR MUMALKER
ON 2009/02/27 AT 10:35:53

48143-0266 (LTI)

SUBJECT TO RESERVATIONS IN CROWN GRANT

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHRD
MT235	2005/04/22 REMARKS: PLANNING ACT CONSENT	TRANSFER	\$2,400	2002523 ONTARIO INC.	THE ROSSEAU RESORT DEVELOPMENTS INC.	C
MT236	2005/04/22 REMARKS: PLANNING ACT CONSENT	TRANSFER	\$2,100	2027587 ONTARIO INC.	THE ROSSEAU RESORT DEVELOPMENTS INC.	C
MT237	2005/04/22 REMARKS: PLANNING ACT CONSENT	TRANSFER	\$3,200	2004734 ONTARIO INC.	THE ROSSEAU RESORT DEVELOPMENTS INC.	C
DM366693	2005/10/20 NOTICE			THE CORPORATION OF THE TOWNSHIP OF MUSKOKA LAKES		C
DM366793	2005/10/31 REMARKS: APPLICATION FOR FIRST REGISTRATION LAND TITLES	APL (GENERAL)		THE ROSSEAU RESORT DEVELOPMENTS INC.		C
MT9477	2005/11/01 NOTICE AGREEMENT			THE ROSSEAU RESORT DEVELOPMENTS INC.	THE CORPORATION OF THE TOWNSHIP OF MUSKOKA LAKES	C
DM368504	2006/05/24 NOTICE			THE CORPORATION OF THE TOWNSHIP OF MUSKOKA LAKES	1515511 ONTARIO INC. THE ROSSEAU RESORT DEVELOPMENTS INC.	C
MT17829	2006/05/24 NOTICE			THE ROSSEAU RESORT DEVELOPMENTS INC.	THE CORPORATION OF THE TOWNSHIP OF MUSKOKA LAKES	C
35R21398	2006/09/20 PLAN REFERENCE					C
MT26421	2006/11/23 NOTICE AGREEMENT			THE ROSSEAU RESORT DEVELOPMENTS INC.	THE CORPORATION OF THE TOWNSHIP OF MUSKOKA LAKES	C
MT29969	2007/03/06 CHARGE		\$125,000.000	THE ROSSEAU RESORT DEVELOPMENTS INC.	WESTLB AG, TORONTO BRANCH	C
MT29970	2007/03/06 CHARGE		\$24,500.000	THE ROSSEAU RESORT DEVELOPMENTS INC.	TRAVELERS GUARANTEE COMPANY OF CANADA	C
MT30000	2007/03/07 NOTICE REMARKS: MT29970			WESTLB AG, TORONTO BRANCH		C
MT30159	2007/03/12 APL CONSOLIDATE			THE ROSSEAU RESORT DEVELOPMENTS INC.		C
MT32161	2007/03/02 NOTICE REMARKS: MT29969			WESTLB AG, TORONTO BRANCH MARRIOTT HOTELS OF CANADA LTD. INTERNATIONAL HOTEL LICENSING COMPANY S.A R.L.		C
MT33625	2007/06/06 CHARGE		\$40,000.000	1515511 ONTARIO INC. KEN FORLER ENTERPRISES LIMITED	FORTRESS CREDIT CORP.	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

48143-0266 (LT)

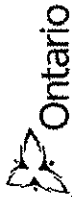
PAGE 3 OF 4
PREPARED FOR MEMORANDUM
ON 2009/02/27 AT 10:35:51

SUBJECT TO RESERVATIONS IN CROWN GRANT

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHRD
MT34923	2007/07/09	NOTICE REMARKS: DESIGNATION OF RESORT LANDS UNDER SS 6(1) RED LEAVES RESORT ASSOCIATION ACT, 2006		2116249 ONTARIO INC. 2034728 ONTARIO INC. 2002523 ONTARIO INC. WALLACE MARINE LIMITED 2004734 ONTARIO INC. 2027587 ONTARIO INC. 2027588 ONTARIO INC. THE ROSSEAU RESORT DEVELOPMENTS INC.		C
MT42240	2007/11/23	NO SEC INTEREST	\$2	SPARLING'S PROPANE INC.		C
MT42283	2007/11/23	NOTICE	\$2	SPARLING'S PROPANE CO. LTD.		C
MT43305	2007/12/12	NOTICE	\$2	SPARLING'S PROPANE CO. LIMITED		C
MT47483	2008/03/27	NOTICE		THE CORPORATION OF THE TOWNSHIP OF MUSKOKA LAKES		C
MT49626	2008/03/14	NOTICE REMARKS: DN3666593 & MT47483		THE CORPORATION OF THE TOWNSHIP OF MUSKOKA LAKES		C
3SR22417	2008/10/29	PLAN REFERENCE				C
MT62189	2009/01/29	NOTICE <i>Contaminant Agreement</i>		THE ROSSEAU RESORT DEVELOPMENTS INC.	THE CORPORATION OF THE TOWNSHIP OF MUSKOKA LAKES	C
MT62343	2009/02/09	NOTICE <i>Develop a Responsibility Agreement (C-DRA)</i>		THE DISTRICT MUNICIPALITY OF MUSKOKA		C
MT62637	2009/02/11	POSTPONEMENT <i>Postponed subject to change in favour of DRA</i>		WESTLB AG, TORONTO BRANCH	THE DISTRICT MUNICIPALITY OF MUSKOKA	C
MT62638	2009/02/11	POSTPONEMENT <i>Postponed subject to change in favour of DRA</i>		FORTRESS CREDIT CORP.		C
MT62639	2009/02/11	POSTPONEMENT <i>Postponed subject to change in favour of DRA</i>		TRAVELERS GUARANTEE COMPANY OF CANADA		C
MT62692	2009/02/13	TRANSFER EASEMENT <i>RRDI Blanket Easement in favour of 2044 Course land</i>		THE ROSSEAU RESORT DEVELOPMENTS INC. 1515511 ONTARIO INC.	THE DISTRICT MUNICIPALITY OF MUSKOKA	C
MT62748	2009/02/17	POSTPONEMENT		WESTLB AG, TORONTO BRANCH	1515511 ONTARIO INC.	C

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Postponed subject to change in favour of RRDI Blanket Easement



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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

48143-0266 (LT)

PAGE 4 OF 4
PREPARED FOR HMWALKER
ON 2009/02/27 AT 10:35:51

SUBJECT TO RESERVATIONS IN CROWN GRANT

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
NT62749	2009/02/17	POSTPONEMENT				
		REMARKS: NT62749 POSTPONED TO NT62692				
NT62750	2009/02/17	POSTPONEMENT				
		REMARKS: NT62750 POSTPONED TO NT62692				
NT62918	2009/02/30	NOTICE				
		Supplemental Agreement Re DRA				
				FORTRESS CREDIT CORP.	1515511 ONTARIO INC.	C
				TRAVELERS GUARANTEE COMPANY OF CANADA	1515511 ONTARIO INC.	C
				THE DISTRICT MUNICIPALITY OF HUSKOWA		C

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CERTIFICATE #:
NO DE CERTIFICAT:
10194525-4397742B

CLEAR CERTIFICATE / CERTIFICAT LIBRE

SHERIFF OF /
SHERIF DE: COUNTY OF MUSKOKA (BRACEBRIDGE)

DATE OF CERTIFICATE /
DATE DU CERTIFICAT : 2009-02-27

THIS CERTIFIES THAT THERE ARE NO WRITS OF EXECUTION, EXTENT OR
CERTIFICATES OF LIEN IN MY HANDS AT THE TIME OF SEARCHING AGAINST
THE REAL AND PERSONAL PROPERTY OF:

JE CERTIFIE, PAR LA PRESENTE, NE PAS AVOIR DE BREF D'EXECUTION,
NI DE CERTIFICAT DE PRIVILEGE, NI D'ORDONNANCE EN MA POSSESSION
AU MOMENT DE LA RECHERCHE VISANT LES BIENS MEUBLES OU IMMEUBLES DE:

SURNAME / NOM GIVEN NAME(S) / PRENOM(S)

=====

(COMPANY/SOCIETE) THE ROSSEAU RESORT DEVELOPMENTS INC.

CAUTION TO PARTY REQUESTING SEARCH:
ENSURE THAT THE ABOVE INDICATED NAME IS THE SAME AS THE NAME SEARCHED.
THIS NAME WILL REMAIN CLEAR UNTIL THE CLOSE OF BUSINESS THIS DATE.

AVERTISSEMENT A LA PARTIE QUI DEMANDE LA RECHERCHE:
ASSUREZ-VOUS QUE LE NOM INDIQUE CI-DESSUS EST LE MEME QUE CELUI QUI
EST RECHERCHE. CET ETAT DEMEURE VALIDE JUSQU'A LA FIN DE LA JOURNEE
DE TRAVAIL.

CHARGE FOR THIS CERTIFICATE /
FRAIS POUR CE CERTIFICAT : \$11.00

SEARCHER REFERENCE /
REFERENCE CONCERNANT L'AUTEUR DE LA DEMANDE: 71416/2