



March 2, 2015

**BY EMAIL**

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Dear Ms. Sandler:

**Re: Target Canada Co. CCAA – Motion March 5, 2015**

As you know, we act for a number of suppliers to Target Canada Corp. (“**TCC**”).

We are in receipt of your motion materials returnable on March 5, 2015. The material filed by TCC and by the monitor indicates that there has been a termination of the TCC Propco Agreements, thereby crystallizing a \$1.9 billion intercompany debt between TCC Propco and Target Canada Corporation.

The calculation of this \$1.9 billion debt is not provided for in the materials, nor are there any copies of the TCC Propco Agreements.

The inclusion of a \$1.9 billion intercompany debt changes the landscape of this entire insolvency. Clearly, TCC Propco is now the single biggest creditor in this insolvency. Its debt dwarfs the entirety of the suppliers’ debt.

Accordingly, we require production of the following documents on or before March 5, 2015:

1. Copies of the TCC Propco Agreements referenced in the material returnable on March 5, 2015.
2. A precise calculation showing how the \$1.9 billion was calculated.
3. Written disclosure by Target Canada Corporation as to whether it intends to subordinate this debt in the same fashion it subordinated the intercompany debt of Nicolette Enterprises.

We would be remiss if we did not advise that we see no reason why stakeholders in the Target insolvency should not be made aware of the amount that the 11 leases were

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purchased back by the landlords. Clearly, the amount of these funds is relevant to the suppliers who await distribution.

Yours very truly,

**Blaney McMurtry LLP**

A handwritten signature in black ink that reads "Lou Brzezinski". The signature is written in a cursive, slightly slanted style.

Lou Brzezinski

LB/jb

cc. Alan Mark