

EXHIBIT D

THIS IS EXHIBIT "D" TO THE
AFFIDAVIT OF MARK J. WONG
SWORN APRIL 6, 2016



Commissioner for Taking Affidavits

Court File No. CV-15-10832-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	THURSDAY, THE 15TH
)	
REGIONAL SENIOR JUSTICE)	DAY OF JANUARY, 2015
)	
MORAWETZ)	



IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF TARGET CANADA CO., TARGET
CANADA HEALTH CO., TARGET CANADA MOBILE GP
CO., TARGET CANADA PHARMACY (BC) CORP., TARGET
CANADA PHARMACY (ONTARIO) CORP., TARGET
CANADA PHARMACY CORP., TARGET CANADA
PHARMACY (SK) CORP., and TARGET CANADA
PROPERTY LLC (the "**Applicants**")

AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Mark J. Wong sworn January 14, 2015 and the Exhibits thereto (the "**Wong Affidavit**") and the pre-filing report dated January 14, 2015 of Alvarez & Marsal Canada Inc. ("**A&M**") in its capacity as Proposed Monitor of the Applicants (the "**Pre-Filing Report**"), and on hearing the submissions of counsel for the Applicants and the partnerships listed on Schedule "A" hereto (the "**Partnerships**", and collectively with the Applicants, the "**Target Canada Entities**"), Target Corporation, A&M, the Directors and Employee Representative Counsel, and on reading the consent of A&M to act as the Monitor,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. THIS COURT ORDERS AND DECLARES that the Applicants are companies to which the CCAA applies. Although not Applicants, the Partnerships shall enjoy the benefits of the protections and authorizations provided by this Order.

PLAN OF ARRANGEMENT

3. THIS COURT ORDERS that the Applicants, individually or collectively, shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

4. THIS COURT ORDERS that the amounts owing by Target Canada Co. ("**TCC**") to Nicollet Enterprise 1 S.à r.l. shall be subordinated and postponed to the proven claims of the unsecured creditors of TCC.

POSSESSION OF PROPERTY AND OPERATIONS

5. THIS COURT ORDERS that the Target Canada Entities shall remain in possession and control of their respective current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Target Canada Entities shall continue to carry on business in a manner consistent with the preservation of the value of their business (the "**Business**") and Property. The Target Canada Entities shall each be authorized and empowered to continue to retain and employ the employees, advisors, consultants, agents, experts, appraisers, valuers, brokers, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

6. THIS COURT ORDERS that the Target Canada Entities shall be entitled to continue to utilize the central cash management system currently in place as described in the Wong Affidavit or, with the consent of the Monitor and the DIP Lender (as defined herein), replace it with another substantially similar central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System (including, without limitation, Royal Bank of Canada, The Toronto-Dominion Bank, Bank of America and JPMorgan Chase Bank, National Association (“**JPMorgan**”)) shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Target Canada Entities of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Target Canada Entities, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

7. THIS COURT ORDERS that the Target Canada Entities (other than Target Canada Property LLC and Target Canada Property LP) (collectively, the “**DIP Entities**”) shall segregate all cash and non-cash receipts arising out of or in connection with the sale of the following Property of the DIP Entities (the “**DIP Property**”), which receipts shall be held in trust by the DIP Entities as follows:

- (a) net cash proceeds of any sale or other disposition (including as a result of casualty or condemnation) by the DIP Entities of any DIP Property other than inventory (whether such inventory is sold or disposed of through return to the vendor or wholesaler, the liquidation of the inventory by a liquidation agent if appointed by the Court in connection with the Liquidation Agent Solicitation Process (as defined herein) or otherwise), which shall be held in trust for and on behalf of the DIP Lender (as defined herein) and applied, except as otherwise agreed by the DIP Lender in writing as follows, pursuant to and in accordance with the Term Sheet (as defined herein):

- (i) first, to pay accrued and unpaid interest on, and expenses in respect of, the DIP Obligations (as defined herein);
- (ii) second, to repay any principal amounts or other DIP Obligations outstanding; and
- (iii) third, the balance to be paid to the DIP Entities.

8. THIS COURT ORDERS that the Target Canada Entities shall be entitled but not required to pay the following expenses whether incurred prior to, on or after this Order to the extent that such expenses are incurred and payable by the Target Canada Entities:

- (a) all outstanding and future wages, salaries, employee benefits (including, without limitation, employee medical, dental and similar benefit plans or arrangements), vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements, and all other payroll processing expenses;
- (b) all outstanding or future amounts owing in respect of customer rebates, refunds, discounts or other amounts on account of similar customer programs or obligations;
- (c) all outstanding or future amounts related to honouring gift cards issued before or after the date of this Order;
- (d) the fees and disbursements of any Assistants retained or employed by the Target Canada Entities at their standard rates and charges;
- (e) with the consent of the Monitor, amounts owing for goods or services actually supplied to the Target Canada Entities prior to the date of this Order by:
 - (i) logistics or supply chain providers, including customs brokers and freight forwarders and security and armoured truck carriers;
 - (ii) providers of credit, debit and gift card processing related services; and

- (iii) other third party suppliers up to a maximum aggregate amount of \$10,000,000, if, in the opinion of the Target Canada Entities, the supplier is critical to the Orderly Wind-down (as defined herein); and
- (f) any and all sums due and owing to Amex Bank of Canada and JPMorgan in respect of credit cards issued to management and employees of the Target Canada Entities.

9. THIS COURT ORDERS that, except as otherwise provided to the contrary herein, the Target Canada Entities shall be entitled but not required to pay all reasonable expenses incurred by them in carrying on the Business in the ordinary course during the Orderly Wind-down after this Order, and in carrying out the provisions of this Order and any other Order of this Court, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors' and officers' insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Target Canada Entities following the date of this Order.

10. THIS COURT ORDERS that the Target Canada Entities shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from the Target Canada Entities' employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services taxes, harmonized sales taxes or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the Target Canada Entities in connection with the sale of goods and services by the Target Canada Entities, but only where such Sales Taxes are accrued or collected after the date of this Order, or

where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order;

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business, workers' compensation or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Target Canada Entities; and
- (d) taxes under the *Income Tax Act* (Canada) or other relevant taxing statute giving rise to any statutory deemed trust amounts in favour of the Crown in right of Canada or any Province thereof or any political subdivision thereof or any other taxation authority.

11. THIS COURT ORDERS that, except as specifically permitted herein, the Target Canada Entities are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by any one of the Target Canada Entities to any of their creditors as of the date of this Order; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of the Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business or pursuant to this Order or any other Order of the Court.

ORDERLY WIND-DOWN

12. THIS COURT ORDERS that the Target Canada Entities shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the term sheet (the "**Term Sheet**") governing the DIP Facility (as defined herein), have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of their respective businesses or operations, and to dispose of redundant or non-material assets not exceeding \$1,000,000 in any one transaction or \$5,000,000 in the aggregate, provided that, with respect to any leased premises, the Target Canada Entities may, subject to the requirements of the CCAA and paragraphs 13 to 15 herein, vacate, abandon or quit the whole but not part of any leased premises and may permanently but not temporarily cease, downsize or shut down;

- (b) terminate the employment of such of their employees or temporarily lay off such of their employees as the relevant Target Canada Entity deems appropriate;
- (c) pursue all offers for sales of material parts of the Business or Property, in whole or part, subject to prior approval of this Court being obtained before any sale (except as permitted by paragraph 12(a)) above;
- (d) in consultation with, and with the oversight of, the Monitor, engage in discussions with and solicit proposals and agreement(s) from third parties in respect of the liquidation of the inventory, furniture, equipment and fixtures located in and/or forming part of the Property (the “**Liquidation Agent Solicitation Process**”) and return to Court for approval of such agreement(s); and
- (e) to apply to this Court for such approval, vesting or other Orders as may be necessary to consummate sale transactions for all or any part of the Property,

all of the foregoing to permit the Target Canada Entities to proceed with an orderly wind-down of the Business (the “**Orderly Wind-down**”).

REAL PROPERTY LEASES

13. THIS COURT ORDERS that until a real property lease is disclaimed or resiliated in accordance with the CCAA, the Target Canada Entities shall pay, without duplication, all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under its lease, but for greater certainty, excluding accelerated rent or penalties, fees or other charges arising as a result of the insolvency of the Target Canada Entities or the making of this Initial Order) or as otherwise may be negotiated between the applicable Target Canada Entity and the landlord from time to time (“**Rent**”), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

14. THIS COURT ORDERS that the Target Canada Entities shall provide each of the relevant landlords with notice of the relevant Target Canada Entity's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the relevant Target Canada Entity's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the relevant Target Canada Entity, or by further Order of this Court upon application by the Target Canada Entities on at least two (2) days' notice to such landlord and any such secured creditors. If any of the Target Canada Entities disclaims or resiliates the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer or resiliation of the lease shall be without prejudice to the relevant Target Canada Entity's claim to the fixtures in dispute.

15. THIS COURT ORDERS that if a notice of disclaimer or resiliation is delivered pursuant to Section 32 of the CCAA by any of the Target Canada Entities, then (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the relevant Target Canada Entity and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Target Canada Entities in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

16. [Intentionally Deleted]

STAY OF PROCEEDINGS

17. THIS COURT ORDERS that until and including February 13, 2015, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court or tribunal (each, a "Proceeding") shall be commenced or continued against or in respect

of the Target Canada Entities or the Monitor or their respective employees and representatives acting in such capacities, or affecting the Business or the Property, except with the written consent of the Target Canada Entities and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Target Canada Entities or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

18. THIS COURT ORDERS that during the Stay Period, no Person having any agreements or arrangements with the owners, operators, managers or landlords of commercial shopping centres or other commercial properties (including retail, office and industrial (warehouse) properties) in which there is located a store, office or warehouse owned or operated by the Target Canada Entities shall take any Proceedings or exercise any rights or remedies under such agreements or arrangements that may arise upon and/or as a result of the making of this Order, the declarations of insolvency by the Target Canada Entities or as a result of any steps taken by the Target Canada Entities pursuant to this Order and, without limiting the generality of the foregoing, no Person shall terminate, accelerate, suspend, modify, determine or cancel any such arrangement or agreement or be entitled to exercise any rights or remedies in connection therewith.

19. THIS COURT ORDERS that during the Stay Period, no Proceeding shall be commenced or continued against or in respect of Target Corporation and its direct and indirect subsidiaries (other than the Target Canada Entities) (collectively, "Target US") arising out of or in connection with any right, remedy or claim of any Person (as defined herein) against Target US in connection with any indebtedness, indemnity, liability or obligation of any kind whatsoever of Target US under contract, statute or otherwise, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by indemnity, guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution, indemnity or otherwise, with respect to any matter, action, cause or chose in action, whether existing at present or commenced in future, which indebtedness, indemnity, liability or obligation is derivative of the primary liability of the Target Canada Entities except with the written consent of the Target Canada Entities and

Target US and the Monitor, or with leave of this Court; provided that this paragraph shall not apply to (i) any present or future bank providing the Cash Management System (including, without limitation, Royal Bank of Canada, The Toronto-Dominion Bank, Bank of America and JPMorgan) in connection with any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System, and (ii) any landlord in connection with any right, remedy or claim such landlord may have against Target US in connection with any indebtedness, indemnity, liability or obligation of any kind whatsoever of Target US pursuant to a written contractual indemnity, guarantee or surety provided by Target US to such landlord.

19A. THIS COURT ORDERS that, without in any way altering, increasing, creating or eliminating any obligation or duty to mitigate losses or damages, the rights, remedies and claims (collectively, the “**Landlord Guarantee Claims**”) of any landlord against Target US pursuant to any indemnity, guarantee, or surety relating to a lease of real property, including, without limitation, the validity, enforceability or quantum of such Landlord Guarantee Claims: (a) shall be determined by a judge of the Ontario Superior Court of Justice (Commercial List), whether or not the within proceedings under the CCAA continue (without altering the applicable and operative governing law of such indemnity, guarantee or surety) and notwithstanding the provisions of any federal or provincial statutes with respect to procedural matters relating to the Landlord Guarantee Claims; provided that any landlord holding such guarantees, indemnities or sureties that has not consented to the foregoing, may, within fifteen (15) days of the making of this Order, bring a motion to have the matter of the venue for the determination of its Landlord Guarantee Claim adjudicated by the Court; (b) shall not be determined, directly or indirectly, in the within CCAA proceedings; (c) shall be unaffected by any determination (including any findings of fact, mixed fact and law or conclusions of law) of any rights, remedies and claims of such landlords as against the Target Canada Entities, whether made in the within proceedings under the CCAA or in any subsequent proposal or bankruptcy proceedings under the BIA, other than that any recoveries under such proceedings received by such landlords shall constitute a reduction and offset to any Landlord Guarantee Claims; and (d) shall be treated as unaffected and shall not be released or affected in any way in any Plan filed by the Target Canada Entities, or any of them, under the CCAA, or any proposal filed by the Target Canada Entities, or any of them, under the BIA.

NO EXERCISE OF RIGHTS OR REMEDIES

20. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “Persons” and each being a “Person”) against or in respect of the Target Canada Entities or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the prior written consent of the Target Canada Entities and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Target Canada Entities to carry on any business which the Target Canada Entities are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien, and provided further that this paragraph shall not apply to any present or future bank providing the Cash Management System (including, without limitation, Royal Bank of Canada, The Toronto-Dominion Bank, Bank of America and JPMorgan) in connection with any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

NO INTERFERENCE WITH RIGHTS

21. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, lease, sublease, licence or permit in favour of or held by the Target Canada Entities, except with the written consent of the relevant Target Canada Entity and the Monitor, or leave of this Court. Without limiting the foregoing, no right, option, remedy, and/or exemption in favour of the relevant Target Canada Entity shall be or shall be deemed to be negated, suspended, waived and/or terminated as a result of this Order.

CONTINUATION OF SERVICES

22. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the Target Canada Entities or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, cash management services, payroll and

benefits services, pharmaceutical services, insurance, warranty services, transportation services, freight services, security and armoured truck carrier services, utility, customs clearing, warehouse and logistics services or other services to the Business or the Target Canada Entities, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Target Canada Entities, and that the Target Canada Entities shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Target Canada Entities in accordance with normal payment practices of the Target Canada Entities or such other practices as may be agreed upon by the supplier or service provider and each of the Target Canada Entities and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

23. THIS COURT ORDERS that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Target Canada Entities. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

KEY EMPLOYEE RETENTION PLAN

24. THIS COURT ORDERS that the Key Employees Retention Plan (the “**KERP**”), as described in the Wong Affidavit, is hereby approved and the Target Canada Entities are authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP.

25. THIS COURT ORDERS that the key employees referred to in the KERP shall be entitled to the benefit of and are hereby granted a charge (the “**KERP Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$6.5 million to secure amounts owing to such key employees under the KERP. The KERP Charge shall have the priority set out in paragraphs 63 and 65 herein.

EMPLOYEE TRUST

26. THIS COURT ORDERS that the creation of the Employee Trust, as defined and described in the Wong Affidavit, is hereby approved on substantially the terms and conditions set out in the Employee Trust Agreement, including without limitation the appointments of Hon. John D. Ground as trustee and the Monitor as administrator (the “**Administrator**”) of the Employee Trust and authorizes and directs the Monitor to act in such capacity.

27. THIS COURT ORDERS that TCC is authorized to process or cause to be processed all amounts received from the Employee Trust, including making payments to the Beneficiaries (as defined in the Employee Trust Agreement), subject to and in accordance with the terms and conditions of the Employee Trust Agreement.

28. THIS COURT ORDERS that the amounts received by TCC from the Employee Trust in the hands of TCC and when paid to any payment processor shall be deemed to be held in trust for and on behalf of the Beneficiaries, subject to and in accordance with the Employee Trust Agreement and shall not constitute property of TCC, including, without limitation, under the CCAA and the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”) and shall not be subject to the claims of any person other than as provided under the Employee Trust Agreement.

29. THIS COURT ORDERS that the creation, establishment, funding and administration of the Employee Trust shall not, in whole or in part, directly or indirectly, (a) cause Target US to be or be deemed to be, or (b) in any way be relied upon to claim or assert that Target US is or is deemed to be, either (i) an employer or (ii) a common or related employer under contract, statute, common law or otherwise of any employee of the Target Canada Entities.

30. THIS COURT ORDERS that:

- (a) each Beneficiary shall be deemed to release the Releasees (as defined in the Employee Trust Agreement) on the payment of a distribution from the Employee Trust in respect of such Beneficiary’s Eligible Employee Claim (as defined in the Employee Trust Agreement), to the extent of such distribution (the “**Payment Release**”); and

- (b) each Beneficiary shall be deemed to release the Releasees in respect of the full amount of the Beneficiary's Eligible Employee Claim 60 days after the final payment to such Beneficiary under the Employee Trust or such later date as the Monitor in its sole discretion may designate, provided that the Beneficiary has not, on or before such date, provided notice of dispute to the Monitor and Employee Representative Counsel (as defined herein) substantially in the manner and form attached as Schedule "B"; provided further that in the event of any insufficiency of Trust funds to cover an individual's total Eligible Employee Claim, only the Payment Release shall be effective and there shall be no deemed full and final release of the full Eligible Employee Claim.

EMPLOYEE REPRESENTATIVE COUNSEL

31. THIS COURT ORDERS that Koskie Minsky LLP ("**Employee Representative Counsel**") is hereby appointed as counsel for all employees other than officers and directors (the "**Employees**") of the Target Canada Entities in these proceedings, any proceeding under the BIA or in any other proceeding respecting the insolvency of the Applicants which may be brought before this Honourable Court (the "**Insolvency Proceedings**"), for any issues affecting the Employees in the Insolvency Proceedings including, without limitation, with respect to the Employee Trust Agreement and the Claims Process (as defined in the Employee Trust Agreement).

32. THIS COURT ORDERS that the Employee Representative Counsel shall commence the process of identifying no more than 7 Employees to be nominated as Court-appointed representatives (the "**Employee Representatives**") as soon as practicable. The Employee Representatives, once appointed, shall represent the Employees in the Insolvency Proceedings, including, without limitation, for the purpose of settling or compromising claims by the Employees in the Insolvency Proceedings.

33. THIS COURT ORDERS that notice of the appointment of Employee Representative Counsel shall be provided to the Employees by:

- (a) referring thereto in a letter to be sent to the Employees, other than former employees, by Target Canada Entities, no later than January 19, 2015;

- (b) postings in each place of work;
- (c) notice on the Monitor's Website (as defined herein) and on the Representative Counsel's website; and
- (d) referring thereto in the notices provided for in paragraph 69 below.

34. THIS COURT ORDERS that the Target Canada Entities shall provide to Employee Representative Counsel, without charge:

- (a) the names, last known address and last known email addresses (if any) of all the Employees as well as applicable data regarding their entitlements, subject to a confidentiality agreement and to only be used for the purposes of these proceedings; and
- (b) upon request of Employee Representative Counsel, such documents and data as may be relevant to matters relating to the issues in these proceedings, including documents and data pertaining to the various benefits, termination allowance plans, severance and termination payments and other arrangements for group health, life insurance, retirement and severance payments, including up to date financial information regarding the funding and investments of any of these arrangements.

35. THIS COURT ORDERS that all reasonable fees and disbursements as may have been incurred by the Employee Representative Counsel prior to the date of this Order or which shall be incurred by the Employee Representative Counsel shall be paid by the Target Canada Entities on a weekly basis, forthwith upon the rendering of accounts to the Target Canada Entities. In the event of any disagreement regarding such fees, such matters may be remitted to this Court for determination.

36. THIS COURT ORDERS that Employee Representative Counsel is authorized to take all steps and to do all acts necessary or desirable to carry out the terms of this Order, including dealing with any Court, regulatory body or other government ministry, department or agency, and to take all such steps as are necessary or incidental thereto.

37. THIS COURT ORDERS that Employee Representative Counsel shall have no liability as a result of its appointment or the fulfilment of its duties in carrying out the provisions of this Order save and except for any gross negligence or wilful misconduct on its part.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

38. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Target Canada Entities with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Target Canada Entities whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Target Canada Entities, if one is filed, is sanctioned by this Court or is refused by the creditors of the Target Canada Entities or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

39. THIS COURT ORDERS that the Target Canada Entities shall jointly and severally indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Target Canada Entities after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

40. THIS COURT ORDERS that the directors and officers of the Target Canada Entities shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$64 million, as security for the indemnity provided in paragraph 39 of this Order. The Directors' Charge shall have the priority set out in paragraphs 63 and 65 herein.

41. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage

under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 39 of this Order.

APPROVAL OF ADVISOR AGREEMENTS

42. THIS COURT ORDERS that the agreement dated January 14, 2015 engaging Lazard Freres & Co. LLC ("**Lazard**") as financial advisor to TCC in connection with the sales process for the real property assets held by the Target Canada Entities (the "**Real Property Portfolio Sales Process**") in the form attached as a confidential appendix to the Pre-Filing Report (the "**Financial Advisor Agreement**"), and the retention of Lazard under the terms thereof, is hereby ratified and approved and the Target Canada Entities are authorized and directed to make the payments contemplated thereunder in accordance with the terms and conditions of the Financial Advisor Agreement.

43. THIS COURT ORDERS that Confidential Appendix "A" to the Pre-Filing Report shall be and is hereby sealed, kept confidential and shall not form part of the public record.

44. THIS COURT ORDERS that the agreement dated January 14, 2015 engaging Northwest Atlantic (Canada) Inc. ("**Northwest**") to provide real estate advisory services, including any required brokerage services, to TCC in respect of the Real Property Portfolio Sales Process in the form attached as Exhibit V to the Wong Affidavit (the "**Real Estate Advisor Agreement**"), and the retention of Northwest under the terms thereof, is hereby ratified and approved and the Target Canada Entities are authorized and directed to make the payments contemplated thereunder in accordance with the terms and conditions of the Real Estate Advisor Agreement.

45. THIS COURT ORDERS that Lazard and Northwest shall consult with and report to the Monitor on a regular basis in connection with the Real Property Portfolio Sales Process.

APPOINTMENT OF MONITOR

46. THIS COURT ORDERS that Alvarez & Marsal Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Target Canada Entities with the powers and obligations set out in the CCAA or set forth herein and that the Target Canada Entities and their direct and indirect

shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Target Canada Entities pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

47. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Target Canada Entities' receipts and disbursements;
- (b) assist with the wind-down of the Business and operations of the Target Canada Entities;
- (c) liaise with Assistants with respect to all matters relating to the Property, the Business and such other matters as may be relevant to the proceedings herein;
- (d) oversee and consult with Lazard and Northwest with respect to the Real Property Portfolio Sales Process;
- (e) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, the Shared Services, the Orderly Wind-down and such other matters as may be relevant to the proceedings herein;
- (f) assist the Target Canada Entities, to the extent required by the Target Canada Entities, in their dissemination to the DIP Lender and its counsel of financial and other information as agreed to between the Target Canada Entities and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;
- (g) advise the Target Canada Entities in their preparation of the Target Canada Entities' cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis in accordance with the Term Sheet;

- (h) advise the Target Canada Entities in their development of the Plan and any amendments to the Plan;
- (i) assist the Target Canada Entities, to the extent required by the Target Canada Entities, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (j) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Target Canada Entities, to the extent that is necessary to adequately assess the Target Canada Entities' business and financial affairs or to perform its duties arising under this Order;
- (k) oversee and consult with the Target Canada Entities, any liquidation agent selected through the Liquidation Agent Solicitation Process and any Assistants retained (including brokers), to the extent required, with any and all wind-down activities and/or any marketing or sale of the Property and the Business or any part thereof;
- (l) administer the Employee Trust, in its role as Administrator thereof, in consultation with the Trustee thereof, TCC and Employee Representative Counsel;
- (m) be at liberty to engage independent legal counsel or such other persons, or utilize the services of employees of its affiliates, as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (n) be at liberty to serve as a "foreign representative" of the Applicants in any proceeding outside Canada;
- (o) assist the Target Canada Entities, to the extent required by the Target Canada Entities, with any matters relating to any foreign proceeding commenced in relation to any of the Target Canada Entities, including retaining independent legal counsel, agents, experts, accountants or such other persons as the Monitor deems necessary or desirable respecting the exercise of this power; and

- (p) perform such other duties as are required by this Order or by this Court from time to time.

48. THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

49. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

50. THIS COURT ORDERS that that the Monitor shall provide any creditor of the Target Canada Entities and the DIP Lender with information provided by the Target Canada Entities in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Target Canada Entities is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Target Canada Entities may agree.

51. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, including for greater certainty in the Monitor's capacity as Administrator of the Employee Trust, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

52. THIS COURT ORDERS that the Monitor, counsel to the Monitor, counsel to the Target Canada Entities and counsel to the Directors shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to or subsequent to the date of this Order by the Target Canada Entities as part of the costs of these proceedings. The Target Canada Entities are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor, counsel for the Target Canada Entities and counsel to the Directors on a weekly basis and, in addition, the Target Canada Entities are hereby authorized to pay to the Monitor, counsel to the Monitor, counsel to the Target Canada Entities and counsel to the Directors retainers in the aggregate amount of \$1,000,000 to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

53. THIS COURT ORDERS that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

54. THIS COURT ORDERS that the Monitor, counsel to the Monitor, counsel to the Target Canada Entities, counsel to the Directors, Employee Representative Counsel, Lazard (with respect to its Monthly Fee set out in the Financial Advisor Agreement) and Northwest shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$6.75 million, as security for their professional fees and disbursements incurred at their respective standard rates and charges, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 63 and 65 hereof.

55. THIS COURT ORDERS that Lazard shall be entitled to the benefit of and is hereby granted a charge (the “**Financial Advisor Subordinated Charge**”) on the Property with respect to its fees under the Financial Advisor Agreement other than its Monthly Fee thereunder (the “**Transaction Fee**”), which charge shall not exceed an aggregate amount of \$3 million, as security for the Transaction Fee. The Financial Advisor Subordinated Charge shall have the priority set out in paragraphs 63 and 65 hereof.

DIP FINANCING

56. THIS COURT ORDERS that the DIP Entities are hereby authorized and empowered to obtain and borrow, on a joint and several basis, under a credit facility from Target Corporation (the “**DIP Lender**”) in order to finance the DIP Entities’ working capital requirements and other general corporate purposes and allow them to make such other payments as permitted under this Order and the Term Sheet (the “**DIP Facility**”), provided that borrowings under the DIP Facility shall not exceed US\$175 million unless permitted by further Order of this Court.

57. THIS COURT ORDERS that the DIP Facility shall be on the terms and subject to the conditions set forth in the Term Sheet.

58. THIS COURT ORDERS that the DIP Facility and the Term Sheet be and are hereby approved and the DIP Entities are hereby authorized and directed to execute and deliver the Term Sheet.

59. THIS COURT ORDERS that the DIP Entities are hereby authorized and empowered to execute and deliver the promissory note as is contemplated by the Term Sheet (the “**Promissory Note**”), and the DIP Entities are hereby authorized and directed to pay and perform all of their respective indebtedness, interest, liabilities and obligations to the DIP Lender under and pursuant to the Term Sheet and the Promissory Note as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

60. THIS COURT ORDERS that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Lender’s Charge**”) on the DIP Property, as security for any and all obligations of the DIP Entities under the DIP Facility, the Term Sheet and the Promissory Note (including on account of principal, interest, fees, expenses and other liabilities) (the aggregate of all such obligations being the “**DIP Obligations**”), which DIP

Lender's Charge shall be in the aggregate amount of the DIP Obligations outstanding at any given time. The DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 63 and 65 hereof.

61. THIS COURT ORDERS that, notwithstanding any other provision of this Order:
- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or the Promissory Note;
 - (b) upon the occurrence of an event of default under the Term Sheet, the Promissory Note or the DIP Lender's Charge, the DIP Lender, upon 3 business days' prior written notice to the DIP Entities and the Monitor and on application to the Court, may exercise any and all of its rights and remedies against the DIP Entities or the DIP Property under or pursuant to the Term Sheet, the Promissory Note and the DIP Lender's Charge, including without limitation, to cease making advances to the DIP Entities and set off and/or consolidate any amounts owing by the DIP Lender to the DIP Entities against the obligations of the DIP Entities to the DIP Lender under the Term Sheet, the Promissory Note or the DIP Lender's Charge, to give notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the DIP Entities and for the appointment of a trustee in bankruptcy of the DIP Entities; and
 - (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the DIP Entities or the DIP Property.

62. THIS COURT ORDERS AND DECLARES that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Target Canada Entities, or any of them, under the CCAA, or any proposal filed by the Target Canada Entities, or any of them, under the BIA, with respect to any advances made under the DIP Facility, the Term Sheet or the Promissory Note.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

63. THIS COURT ORDERS that the priorities of the Administration Charge, the KERP Charge, the Directors' Charge, the Financial Advisor Subordinated Charge and the DIP Lender's Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$6.75 million);

Second – KERP Charge (to the maximum amount of \$6.5 million);

Third – Directors' Charge (to the maximum amount of \$64 million);

Fourth – Financial Advisor Subordinated Charge (to the maximum amount of \$3 million); and

Fifth – DIP Lender's Charge.

64. THIS COURT ORDERS that the filing, registration or perfection of the Administration Charge, the KERP Charge, the Directors' Charge, the Financial Advisor Subordinated Charge, and the DIP Lender's Charge, (collectively, the "**Charges**") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

65. THIS COURT ORDERS that each of the Administration Charge, the KERP Charge, the Directors' Charge and the Financial Advisor Subordinated Charge shall constitute a charge on the Property and the DIP Lender's Charge shall constitute a charge on the DIP Property and such Charges (other than the DIP Lender's Charge) shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, except for any Person who is a "secured creditor" as defined in the CCAA. For greater certainty, the DIP Lender's Charge shall rank behind all Encumbrances in favour of any Person.

66. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the Target Canada Entities shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Administration Charge,

the KERP Charge, the Directors' Charge and the Financial Advisor Subordinated Charge, unless the Target Canada Entities also obtain the prior written consent of the Monitor and the beneficiaries of the Administration Charge, the KERP Charge, the Directors' Charge and the Financial Advisor Subordinated Charge, or further Order of this Court.

67. THIS COURT ORDERS that the Administration Charge, the KERP Charge, the Directors' Charge, the Financial Advisor Subordinated Charge, the Term Sheet, the Promissory Note and the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Target Canada Entities, or any of them, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Term Sheet or the Promissory Note shall create or be deemed to constitute a breach by any of the Target Canada Entities of any Agreement to which they are a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Target Canada Entities entering into the Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Promissory Note; and
- (c) the payments made by the Target Canada Entities pursuant to this Order, the Term Sheet or the Promissory Note, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

68. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the relevant Target Canada Entity's interest in such real property leases.

SERVICE AND NOTICE

69. THIS COURT ORDERS that the Monitor shall (i) without delay, publish in The Globe and Mail (National Edition) and La Presse a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send or cause to be sent, in the prescribed manner, a notice to every known creditor who has a claim against the Target Canada Entities of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder, provided that the Monitor shall not make the claims, names and addresses of individuals who are creditors publicly available.

70. THIS COURT ORDERS that any employee of any of the Target Canada Entities that receives a notice of termination from any of the Target Canada Entities shall be deemed to have received such notice of termination by no more than the seventh day following the date such notice of termination is delivered, if such notice of termination is sent by ordinary mail, expedited parcel or registered mail.

71. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Guide**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL: <http://www.alvarezandmarsal.com/targetcanada> (the "**Monitor's Website**").

72. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Guide is not practicable, the Target Canada Entities and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Target Canada Entities' creditors or other interested parties at their respective addresses as last shown on the records of the Target Canada Entities and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

73. THIS COURT ORDERS that the Target Canada Entities or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

74. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Target Canada Entities, the Business or the Property.

75. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Target Canada Entities, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Target Canada Entities and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Target Canada Entities and the Monitor and their respective agents in carrying out the terms of this Order.

76. THIS COURT ORDERS that each of the Target Canada Entities and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act

as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada, including acting as the foreign representative of the Target Canada Entities to apply to the United States Bankruptcy Court for relief pursuant to Chapter 15 of the *United States Bankruptcy Code*, 11 U.S.C. §§ 101-1330, as amended, and to act as foreign representative in respect of any such proceedings and any ancillary relief in respect thereto.

77. THIS COURT ORDERS that any interested party (including the Target Canada Entities and the Monitor) may apply to this Court to vary or amend this Order at the comeback motion scheduled for February 11, 2015, on not less than seven (7) calendar days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

78. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

ENTERED AT / INSCRITA A TORONTO
ON / PAR LE
LE / DANS LE REGISTRE NO.:

FEB 11 2015



SCHEDULE "A"
PARTNERSHIPS

Target Canada Pharmacy Franchising LP
Target Canada Mobile LP
Target Canada Property LP

SCHEDULE "B"
NOTICE OF DISPUTE REGARDING ELIGIBLE EMPLOYEE CLAIM

I, _____ (insert name and employee number if known), am disputing that I have been paid in full in respect of my Eligible Employee Claim, as such term is defined in the Employee Trust Agreement. ****Please see the Monitor's website at www.alvarezandmarsal.com/targetcanada or Employee Representative Counsel's website at www.kmlaw.ca for further information.****

I am a _____ (insert position) in the Target Canada Co. store located at _____ (insert address/location).

The basis for my objection is:

(insert full particulars regarding dispute, including all facts and calculations on which you are relying)

Based on the foregoing, I claim that I am owed the sum of \$ _____.

Dated at _____ this _____ day of _____, 2015.

Signature: _____

Address: _____

Tel: _____

Email: _____

METHOD OF DELIVERY:

This notice of dispute must be sent to Employee Representative Counsel and to the Monitor at the following addresses:

To Employee Representative Counsel:

Koskie Minsky LLP
20 Queen Street West
Suite 900, Box 52
Toronto, ON M5H 3R3

Attention: Susan Philpott
Fax: (416) 204-2897
Email: targetemployees@kmlaw.ca

To the Monitor at:

Alvarez & Marsal Canada Inc.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Attention: Target Canada Monitor
Fax: (416) 847-5201
Email: targetcanada.monitor@alvarezandmarsal.com

NOTE: THIS MUST BE SENT TO EMPLOYEE REPRESENTATIVE COUNSEL AND THE MONITOR NO LATER THAN 45 DAYS AFTER YOU RECEIVE YOUR LAST PAYMENT FROM TCC PAYROLL.

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TARGET CANADA CO., et al.

Applicants

Court File No. CV-15-10832-00CL

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

PROCEEDING COMMENCED AT
TORONTO

**AMENDED AND RESTATED
INITIAL ORDER**

OSLER, HOSKIN & HARCOURT LLP
Box 50, 1 First Canadian Place
Toronto, Canada M5X 1B8

Tracy Sandler (LSUC #: 32443N)
Jeremy Dacks (LSUC #: 41851R)
Shawn Irving (LSUC #: 50035U)
Robert Carson (LSUC #: 57364H)

Tel: (416) 362-2111
Fax: (416) 862-6666

Lawyers for the Applicants

Matter No: 1159785

EXHIBIT E

THIS IS EXHIBIT "E" TO THE
AFFIDAVIT OF MARK J. WONG
SWORN APRIL 6, 2016



Commissioner for Taking Affidavits

LANDLORD GUARANTEE CREDITOR SETTLEMENT AGREEMENT

THIS AGREEMENT is made as of the 4th day of March 2016 (the "**Agreement**")

AMONG:

TARGET CORPORATION, a corporation incorporated pursuant to the laws of the State of Minnesota ("**Target Corp.**")

- and -

the Landlord Guarantee Creditors party hereto (each a "**Landlord Guarantee Creditor**", and together with Target Corp., the "**Parties**").

WHEREAS:

- A. Each Landlord Guarantee Creditor, in its capacity as lessor, was party to one or more real property leases with Target Canada Co. ("**TCC**"), in its capacity as lessee, as more particularly set out in Schedule "A" hereto (each, a "**Lease**", and collectively, the "**Leases**").
- B. Each Landlord Guarantee Creditor holds a covenant, guarantee or indemnity from Target Corp. or the HBC Entities in respect of a Lease set out on Schedule "A" hereto.
- C. Pursuant to an order dated January 15, 2015, as amended and restated on February 11, 2015 (and as may be further amended and restated from time to time, the "**Initial Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**"), TCC and certain of its affiliates (collectively, the "**Target Canada Entities**") applied for and were granted creditor protection under the *Companies' Creditors Arrangement Act* ("**CCAA**", and such proceedings, the "**CCAA Proceedings**"). Pursuant to the Initial Order, Alvarez & Marsal Canada Inc. was appointed as the Monitor of the Target Canada Entities (the "**Monitor**").
- D. Paragraph 19A of the Initial Order provided, *inter alia*, that Landlord Guarantee Claims shall not be determined, directly or indirectly, in the CCAA Proceedings and shall be treated as unaffected and shall not be released or affected in any way in any plan filed by the Target Canada Entities.
- E. The Target Canada Entities are in the process of winding down their business under the CCAA in accordance with the Initial Order and any other Orders of the Court in the CCAA Proceedings. In connection therewith, TCC, with the consent of the Monitor, disclaimed each of the Leases in accordance with section 32 of the CCAA.
- F. Pursuant to an order of the Court dated June 11, 2015 (as amended from time to time, the "**Claims Procedure Order**"), the Court approved a procedure for the identification and quantification of claims against the Target Canada Entities. The Claims Procedure Order stipulated that it did not affect the Landlord Guarantee Claims.
- G. The Landlord Guarantee Creditors have each filed a Landlord Restructuring Period Claim

against TCC in respect of its Lease(s) pursuant to and in accordance with the Claims Procedure Order, the quantification of which Landlord Restructuring Period Claim is subject to final determination.

- H. On December 21, 2015, the Target Canada Entities brought a motion before the Court for an order, *inter alia*, accepting the filing of a joint plan of compromise and arrangement dated November 27, 2015 (the "**Original Plan**") and authorizing the Target Canada Entities to hold a meeting of Affected Creditors to consider and vote on a resolution to approve the Original Plan.
- I. The Court declined to grant the requested relief for the reasons set out in the Endorsement of Regional Senior Justice Morawetz dated January 15, 2016. Accordingly, the Target Canada Entities, in consultation with the Monitor, have negotiated the terms of a non-binding term sheet attached as Schedule "B" hereto (the "**Term Sheet**") with the Landlords setting out the proposed indicative terms for a global, consensual resolution and settlement of the CCAA Proceedings and an amended and restated joint plan of compromise and arrangement resulting therefrom amending and restating the Original Plan substantially in the form appended hereto as Schedule "D" (the "**Amended and Restated Plan**").
- J. The Term Sheet contemplates that the Parties shall enter into the Landlord Guarantee Creditor Settlement Agreement which, *inter alia*, provides for a full and final settlement of the Landlord Guarantee Claims on a consensual basis in exchange for each Landlord Guarantee Creditor's support of the Amended and Restated Plan in respect of their Landlord Restructuring Period Claims and their Pre-filing Claims and a full and final release in favour of Target Corp. and the HBC Entities from the Landlord Guarantee Claims.
- K. The Parties desire that this Agreement constitute the Landlord Guarantee Creditor Settlement Agreement memorializing the terms and conditions contained in the Term Sheet.

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

ARTICLE 1 DEFINITIONS AND PRINCIPLES OF INTERPRETATION

1.1 Definitions

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Term Sheet or the Amended and Restated Plan and the following terms shall have the following meanings:

"Landlord Guarantee Creditor Base Claim Amount" means the amount payable to an individual Landlord Guarantee Creditor on account of its Landlord Restructuring Period Claim and its Pre-filing Claim, if any, as consensually agreed to between such Landlord Guarantee Creditor and TCC in accordance with the Claims Procedure Order, payment of

which is dealt with in this Agreement;

“Landlord Guarantee Creditor Base Claim Cash Pool” means the Cash pool in the aggregate amount equal to the total of the Landlord Guarantee Creditor Base Claim Amount, being approximately \$140.7 million;

“Landlord Guarantee Enhancement Cash Pool” means the Cash pool in the aggregate amount of \$59.532 million; and

“Target Corp. Subsidiaries” means all Target Corp. affiliate entities, including corporations and partnerships, other than the Target Canada Entities.

1.2 Certain Rules of Interpretation

In this Agreement:

- (a) **Currency** – Unless otherwise specified, all references to money amounts are to lawful currency of Canada.
- (b) **Governing Law** – This Agreement is a contract made under and shall be governed by and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable in the Province of Ontario.
- (c) **Headings** – Headings of Articles and Sections are inserted for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- (d) **Including** – Where the word “including” or “includes” is used in this Agreement, it means “including (or includes) without limitation”.
- (e) **No Strict Construction** – The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.
- (f) **Number and Gender** – Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (g) **Severability** – If, in any jurisdiction, any provision of this Agreement or its application to any Party or circumstance is restricted, prohibited or unenforceable, the provision shall, as to that jurisdiction, be ineffective only to the extent of the restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement and without affecting the validity or enforceability of such provision in any other jurisdiction, or without affecting its application to other Parties or circumstances.
- (h) **Paramountcy** – If there is a conflict, inconsistency, ambiguity or difference between any provision of the Term Sheet and the Amended and Restated Plan, the provisions of the Amended and Restated Plan shall prevail. If there is a conflict,

inconsistency, ambiguity or difference between any provision of this Agreement and the Term Sheet, the provisions of this Agreement shall prevail.

- (i) **Time** – Time is of the essence in the performance of the Parties' respective obligations.

ARTICLE 2

SETTLEMENT AND PAYMENT OF LANDLORD GUARANTEE CREDITOR CLAIMS

2.1 Landlord Guarantee Full Payment Amount

Target Corp. and each Landlord Guarantee Creditor party hereto hereby agrees and confirms that in full and final settlement of each Landlord Guarantee Creditor's Landlord Guarantee Claim, each Landlord Guarantee Creditor shall receive:

- (a) from the Landlord Guarantee Enhancement Cash Pool, its individually calculated landlord guarantee enhancement amount (the "**Landlord Guarantee Enhancement Amount**"), as set out on each respective confidential Schedule "C-1", [REDACTED] and
- (b) from the Landlord Guarantee Creditor Base Claim Cash Pool, its Landlord Guarantee Creditor Base Claim Amount,

(the amounts in clause (a) and (b) collectively, the "**Landlord Guarantee Full Payment Amount**").

2.2 Cash Contribution For Costs

Target Corp. shall make an aggregate payment in the amount of \$700,000 towards costs of certain Landlord Guarantee Creditors including settlement of costs issues arising out of the Meeting Order motion associated with the Original Plan to be paid to counsel of such Landlord Guarantee Creditors as set out on and in the amounts in Schedule "G". The Landlord Guarantee Creditors confirm that the payment made pursuant to this Section 2.2 is inclusive of any and all applicable taxes exigible under Part IX of the *Excise Tax Act* (Canada) or *An Act respecting the Quebec sales tax*, and is not subject to withholding or deduction pursuant to the *Income Tax Act* (Canada), or any provision or federal, provincial, territorial, state, local or foreign tax law, in each case, as amended or succeeded.

2.3 Taxes

- (a) Each Landlord Guarantee Creditor's Landlord Guarantee Full Payment Amount shall be inclusive of any and all applicable taxes exigible under Part IX of the *Excise Tax Act* (Canada) pursuant to subsection 182(1) thereof and *An Act respecting the Quebec sales tax* and pursuant to subsection 318 thereof, which taxes shall be set out on each respective confidential Schedule "C-1". The Landlord Guarantee Creditor shall remit taxes on the Landlord Guarantee Creditor's Landlord Guarantee Full Payment Amount in the times and the manner

prescribed by Part IX of the *Excise Tax Act* (Canada) and *An Act respecting the Quebec sales tax*.

- (b) In the case of a payment to be made to a Person not resident or deemed not resident of Canada for purposes of the *Income Tax Act* (Canada), Target Corp. shall be entitled to deduct and withhold and remit from the applicable Landlord Guarantee Creditor's Landlord Guarantee Enhancement Amount such amounts as are required to be deducted and withheld with respect to such payment under the *Income Tax Act* (Canada), or any provision of federal, provincial, territorial, state, local or foreign tax law, in each case, as amended or succeeded.

ARTICLE 3

LANDLORD GUARANTEE CREDITOR CONSENT AND COVENANTS

3.1 Consent

Each of the undersigned Landlord Guarantee Creditors hereby consents and agrees to the settlement transactions contemplated by the Term Sheet and this Agreement and to the quantification of its Landlord Guarantee Enhancement Amount as set out and as calculated in its respective confidential Schedule "C-1" to this Agreement (the "**Settlement Transaction**").

3.2 Support

Each of the undersigned Landlord Guarantee Creditors hereby agrees that it shall:

- (a) consent to the motion by the Target Canada Entities for the Meeting Order;
- (b) vote (or cause to be voted) all of its Claims (which, for greater certainty, shall include its Claim in respect of its Landlord Guarantee Creditor Base Claim Amount): (i) in favour of the approval, consent, ratification and adoption of the Amended and Restated Plan and any actions required in furtherance thereof; (ii) against any action that would result in any breach of any representation, warranty, covenant, or agreement or other obligation of the Landlord Guarantee Creditor under this Agreement or the Amended and Restated Plan; and (iii) against any transaction or plan which is contrary to this Agreement or the Amended and Restated Plan;
- (c) consent to the Target Canada Entities' motion for the approval of the Amended and Restated Plan as promptly as practicable by the Court;
- (d) consent to the motion by the Target Canada Entities for the Sanction and Vesting Order;
- (e) not take any action, directly or indirectly, that is inconsistent with or is intended or likely to interfere with the consideration, acceptance, implementation or consummation of the Settlement Transaction or any other transactions contemplated under the Amended and Restated Plan;
- (f) not, on or after the date of this Agreement, withdraw, modify, or qualify, or propose to withdraw, modify, or qualify, in any manner adverse to the Target

Canada Entities, its approval, recommendation or support for the Amended and Restated Plan; and

- (g) not sell, assign, transfer, pledge, encumber or hypothecate its Landlord Guarantee Claims, or any of its other Claims (including, for greater certainty, its Claim in respect of its Landlord Guarantee Creditor Base Claim Amount) to any third party, other than to a third party who has taken an assignment of all of its Claims and Landlord Guarantee Claims and that executes the form of joinder agreement attached as Schedule "E" to this Agreement upon written notice to the Monitor (with a copy to Target Corp. and TCC) in accordance with the Claims Procedure Order.

3.3 Press Releases and Public Disclosure Concerning Settlement Transaction

No press release or other public disclosure concerning the Settlement Transaction shall be made by the Landlord Guarantee Creditor or any of its affiliates or their respective directors, officers, employees, financial and legal advisors, or other agents or representatives (the "**Disclosing Parties**") without the prior written consent of Target Corp. Notwithstanding the foregoing, a Disclosing Party may disclose information concerning the Settlement Transaction if: (a) such information is generally available to the public other than as a result of disclosure by the Disclosing Parties; or (b) the Disclosing Party is required to make such disclosure in order to comply with applicable law, regulation or rule (including, without limitation, any rule, regulation or policy statement of any organized securities exchange, market or automated quotation system on which such Landlord Guarantee Creditor's securities are listed or quoted) or legal or judicial process; provided that with respect to clause (b), four (4) Business Days prior written notice of such proposed disclosure (unless prohibited by applicable law) shall be delivered to Target Corp. (with a copy to TCC) and Target Corp. shall have an opportunity to review and comment on such proposed disclosure.

3.4 Tax Matters

On or before the Plan Implementation Date, the Landlord Guarantee Creditor shall provide to TCC and Target Corp. its registration number for goods and services tax and harmonized sales tax, and for Quebec sales tax (if applicable).

ARTICLE 4 RELEASES

4.1 Release

- (a) Subject only to the satisfaction of the mutual conditions, and receipt of the payments set out herein by each of the Landlord Guarantee Creditors on the Initial Distribution Date, Target Corp., the Target Corp. Subsidiaries, all predecessors in interest of the Target Canada Entities (including the HBC Entities) and their current and former directors, officers and employees and their respective advisors, legal counsel and agents (being referred to individually as a "**Target Corp. Released Party**") of the First Part (the "**First Party**"), and each of the undersigned Landlord Guarantee Creditors together with each of its respective successors, predecessors in interest, executors, administrators, assigns, agents,

servants, and their current and former employees, directors, officers, and each of its respective controlled, related or affiliated corporations and their officers, directors, employees, and associates, of the Second Part (the “**Second Party**”, together with the First Party referred to as a “**Party**”), hereby release, remise and forever discharge each other and, solely in the case of the release by the Second Party in favour of the First Party, the First Party shall include Target Canada Property LLC and Target Canada Property LP, from and against any and all demands, claims, actions, applications, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, orders, including for injunctive relief or specific performance and compliance orders, expenses, executions, Encumbrances and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature (including without limitation each Landlord Guarantee Creditors’ Claim in respect of its Landlord Guarantee Creditor Base Claim Amount) (collectively, “**Target Corp. Released Claims**”) which either Party may be entitled to assert, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to the Initial Distribution Date that are in any way relating to, arising out of or in connection with the Leases, the Plan Sponsor Guarantee, the Landlord Guarantee Claims and all Target Corp. Released Claims and such actions or omissions shall be forever waived and released (other than and specifically excluding any and all claims arising in respect of a Party's obligations under this Agreement or any documents executed in connection with or pursuant to this Agreement), all to the full extent permitted by Applicable Law.

- (b) Neither Party shall make any claim or take any proceedings against any other Person or corporation who might claim, in any manner or forum, contribution or indemnity under contract, in common law or in equity, under the provisions of any statute or regulation, including the *Negligence Act* and the amendments thereto and/or under any successor legislation thereto, and/or under the *Rules of Civil Procedure*, from the other Party in connection with the Target Corp. Released Claims.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the Landlord Guarantee Creditors

Each Landlord Guarantee Creditor represents and warrants to Target Corp. as follows:

- (a) it is duly incorporated or formed and is validly subsisting under the laws of its jurisdiction of incorporation or formation;
- (b) it is the current and proper party to the guarantee, indemnity or covenant from Target Corp. or the HBC Entities in respect of each of its respective Leases set out on Schedule “A” and it has not otherwise assigned or transferred such rights or interests to any other party;

- (c) it has received all requisite consents and approvals to enter into this Agreement and any other definitive documents entered into in connection herewith and the completion of the transactions described herein and therein and to perform its obligations hereunder and thereunder;
- (d) the execution, delivery and performance by it of this Agreement and any other definitive documents entered into in connection herewith and the completion of the transactions described herein and therein:
 - (i) are within its respective corporate power;
 - (ii) have been duly authorized by all necessary corporate action;
 - (iii) do not contravene, conflict with, breach or create a state of facts which would constitute a breach under its respective certificate of incorporation, bylaws or other constating documents, or any indenture, mortgage, agreement, obligation or instrument or violate any judgment, order, notice, decree, statute, law, ordinance, rule or regulation applicable to it; and
 - (iv) do not require the consent of, authorization by, approval of, or notification to any Governmental Authority;
- (e) this Agreement constitutes a valid and binding obligation of the Landlord Guarantee Creditor enforceable in accordance with its terms;
- (f) it is the sole holder of the Landlord Guarantee Claim, Landlord Restructuring Period Claim and Pre-filing Claim, on its own behalf, free and clear of any and all claims, encumbrances or restrictions that would prevent it from settling or disposing of, or taking any other action with respect to, such Landlord Guarantee Claim, Landlord Restructuring Period Claim and Pre-filing Claim; and
- (g) it is not a non-resident of Canada for purposes of the *Income Tax Act* (Canada).

5.2 Representations, Warranties and Covenants of the Authorized Agent

If this Agreement is executed on behalf of the Landlord Guarantee Creditor by such Landlord Guarantee Creditor's authorized agent (the "**Authorized Agent**"), the Authorized Agent represents and warrants to Target Corp. on its own behalf that it is duly authorized to bind such Landlord Guarantee Creditor, and covenants that it shall cause the Landlord Guarantee Creditor holding such Landlord Guarantee Claim, Landlord Restructuring Period Claim and Pre-filing Claim, to execute and deliver this Agreement (or in the alternative an Authorization and Direction addressed to Target Corp. from such Landlord Guarantee Creditor confirming that the Authorized Agent has full power and authority to execute, deliver and bind such Landlord Guarantee Creditor) to Target Corp. (with a copy to TCC) on or before the Plan Implementation Date. If such executed Agreement (or Authorization) is not so provided by such Landlord Guarantee Creditor by the Plan Implementation Date, the applicable Landlord Guarantee Creditor shall not receive any payments under this Agreement until such time as such executed Agreement (or Authorization) has been provided to Target Corp. (with a copy to TCC).

5.3 Representations and Warranties of Target Corp.

Target Corp. represents and warrants to each Landlord Guarantee Creditor as follows:

- (a) it is duly incorporated or formed and is validly subsisting under the laws of its jurisdiction of incorporation;
- (b) the execution, delivery and performance by it of this Agreement and any other definitive documents entered into in connection herewith and the completion of the transactions described herein and therein:
 - (i) are within its respective corporate power;
 - (ii) have been duly authorized by all necessary corporate action;
 - (iii) do not contravene, conflict with, breach or create a state of facts which would constitute a breach under its respective certificate of incorporation, bylaws or other constating documents, or any indenture, mortgage, agreement, obligation or instrument or violate any judgment, order, notice, decree, statute, law, ordinance, rule or regulation applicable to it; and
 - (iv) do not require the consent of, authorization by, approval of, or notification to any Governmental Authority; and
- (c) this Agreement constitutes a valid and binding obligation of Target Corp. enforceable in accordance with its terms.

ARTICLE 6 CONDITIONS TO SETTLEMENT TRANSACTION

6.1 Condition Precedent – Unanimity

Implementation of the Settlement Transaction is conditional on all Landlord Guarantee Creditors and Target Corp. executing this Agreement together with an Acknowledgement and Direction substantially in the form appended as Schedule “F” hereto (an “**Acknowledgement and Direction**”).

6.2 Conditions For the Benefit of Target Corp.

The obligation of Target Corp. to implement the Settlement Transaction shall be subject to the satisfaction of the following conditions, which shall be for the benefit of Target Corp. and which may not be waived, in whole or in part, except by Target Corp.:

- (a) the Court shall have issued the Meeting Order, in form and substance satisfactory to Target Corp., by April 21, 2016, or such later date as shall be acceptable to Target Corp., which Order shall, *inter alia*, accept the Amended and Restated Plan for filing and call and convene the Creditors’ Meeting to consider and vote on the Amended and Restated Plan;
- (b) the Creditors’ Meeting to consider and vote on the Amended and Restated Plan

shall have been convened by the date set by the Meeting Order or such later date as shall be acceptable to Target Corp.;

- (c) the Amended and Restated Plan shall have been approved at the Creditors' Meeting by the Required Majority of the Affected Creditors;
- (d) the Court shall have issued the Sanction and Vesting Order, in form and substance satisfactory to Target Corp., by June 6, 2016, or such later date as shall be acceptable to Target Corp. and such Order shall have become a Final Order;
- (e) all other conditions precedent under the Amended and Restated Plan shall have been satisfied or waived, as applicable, on or before the date specified therefor under the Amended and Restated Plan;
- (f) the Plan Implementation Date under the Amended and Restated Plan shall have occurred by the date that is seven (7) days from the date on which the Sanction and Vesting Order becomes a Final Order; and
- (g) all representations and warranties provided pursuant to Section 5.1 hereof shall be true as of the Plan Implementation Date as if the same were made on and as of such date.

6.3 Conditions For the Benefit of the Landlord Guarantee Creditors

The obligation of the Landlord Guarantee Creditors to implement the Settlement Transaction shall be subject to the satisfaction of the following conditions which shall be solely for the benefit of the Landlord Guarantee Creditors and may only be waived by the unanimous agreement of all Landlord Guarantee Creditors in whole or in part:

- (a) TCC shall have amended and restated the Original Plan such that the Amended and Restated Plan shall reflect the terms and conditions set out in the Term Sheet and the Court shall have issued the Meeting Order, in form and substance satisfactory to Target Corp., by April 21, 2016;
- (b) the Amended and Restated Plan shall have been approved at the Creditors' Meeting by the Required Majority of the Affected Creditors;
- (c) the Court shall have issued the Sanction and Vesting Order by June 6, 2016 or such later date as shall be acceptable to the Landlord Guarantee Creditor and such Order shall have become a Final Order; and
- (d) the Plan Implementation Date under the Amended and Restated Plan shall have occurred by the date that is seven (7) days from the date on which the Sanction and Vesting Order becomes a Final Order.

ARTICLE 7 AMENDMENT AND TERMINATION

7.1 Amendment

- (a) This Agreement may, at any time and from time to time not later than the Plan Implementation Date, be amended by mutual written agreement of all the Parties.
- (b) No waiver of any of the provisions of this Agreement shall be deemed to be or shall constitute a waiver of any other provision hereof (whether or not similar). No delay on the part of any of the Parties in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

7.2 Termination

This Agreement may be:

- (a) terminated by the mutual written agreement of all the Parties;
- (b) terminated prior to the Plan Implementation Date by Target Corp. in the event that Target Corp., in its sole discretion, determines that any of the conditions contained in Section 6.2 excluding Section 6.2(g) are not satisfied, a Landlord Guarantee Creditor has breached a material term, condition or covenant of this Agreement, or if any one of a Landlord Guarantee Creditor's representations or warranties contained in Section 5.1 (other than Section 5.1(b)) shall prove untrue in any material respect as of the date when made; or
- (c) terminated prior to the Plan Implementation Date by the unanimous agreement of the Landlord Guarantee Creditors, in the event that the Landlord Guarantee Creditors determine that any of the conditions set out in Section 6.3 are not satisfied or if any one of Target Corp.'s representations or warranties contained in Section 5.3 shall prove untrue in any material respect as of the date when made.

7.3 Effect of Termination

In the event that the Agreement is terminated and/or the Amended and Restated Plan is not implemented by the date referenced in Sections 6.2(f) and 6.3(d), then this Agreement, and any related agreements entered into, shall immediately terminate and be void and of no further force and effect, and nothing contained in this Agreement, or in any related agreements, shall be binding on any of the Parties thereto. The Parties' rights and remedies in the CCAA Proceeding, any other proceeding or at law, shall remain unaffected as if such agreements had not been entered into, and each Party shall be entitled to assert all of their respective rights and remedies against the other Parties in respect thereof, subject to the Initial Order, the Claims Procedure Order and any other Orders of the Court. For clarification purposes, the tolling provision in Section 9.6 shall survive the termination of this Agreement.

7.4 Breach of Section 5.1(b)

In the event that a Landlord Guarantee Creditor is in breach of its representation and warranty in Section 5.1(b) because it has assigned or transferred its interest in the guarantee, indemnity or covenant, then such Landlord Guarantee Creditor shall not receive any payments under this Agreement until such time as the assignee of the guarantee, indemnity or covenant executes and delivers this Agreement to Target Corp. (with a copy to TCC) by no later than the Plan Implementation Date.

ARTICLE 8 NOTICES

8.1 Notice

All notices and communications which may be or are required to be given pursuant to any terms of this Agreement shall be given or made in writing and shall be deemed to be validly given if given by personal delivery, or by email addressed to the respective Parties as follows:

(a) If to Target Corp.:

Target Corporation
1000 Nicollet Mall
TPS-3155
Minneapolis, MN 55403

Attention: Corey Haaland
Email: corey.haaland@target.com

with a copy to:

Faegre Baker Daniels LLP
2200 Wells Fargo Center
90 S. Seventh Street
Minneapolis, MN 55402

Attention: Dennis M. Ryan
Email: dennis.ryan@faegrebd.com

with a copy to:

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Attention: Jay A. Swartz
Email: jswartz@dwpv.com

(b) If to a Landlord Guarantee Creditor:

to the address set out on its signature page

or to such other address as any Party may from time to time notify the others in accordance with this section. Any such notice or communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if personally delivered, or on the day of sending by means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered or sent before 5:00 p.m. on such

day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.

ARTICLE 9 MISCELLANEOUS

9.1 No Admission of Liability

This Agreement shall not be deemed to be any admission of liability on the part of Target Corp., and liability is specifically denied by it in respect of the matters referenced herein.

9.2 Further Assurances

- (a) Each Party shall do such other things in its control, take all such actions as are commercially reasonable, deliver to the other Parties such further information and documents and execute and deliver to the other Parties such further instruments and agreements as another Party shall reasonably request to consummate or confirm the transactions provided for in this Agreement, to accomplish the purpose of this Agreement or to assure to the other Parties the benefits of this Agreement.
- (b) Without limiting the foregoing, if a Landlord Guarantee Creditor is not, as of the Plan Implementation Date, the registered owner of the underlying lands subject to the corresponding Lease (which may be by way of a ground lease) relating to its Landlord Guarantee Claim, Landlord Restructuring Period Claim and Pre-filing Claim (a "**Registered Owner**"), then such Landlord Guarantee Creditor shall deliver to Target Corp. (with a copy to TCC), by no later than the Plan Implementation Date, any one of the following (each, a "**Confirmation**"):
 - (i) an Acknowledgment executed by such Registered Owner that the Registered Owner holds registered title to such underlying lands as agent, nominee and/or trustee for the Landlord Guarantee Creditor;
 - (ii) a copy of this Agreement executed by the Registered Owner; or
 - (iii) a copy of the relevant agency, nominee or trust agreement which indicates that the Registered Owner holds registered title to such underlying lands as agent, nominee or trustee, as the case may be, for such Landlord Guarantee Creditor.
- (c) If the Confirmation is not provided by a Landlord Guarantee Creditor under paragraph (b) by the Plan Implementation Date, such Landlord Guarantee Creditor shall not receive any payments under this Agreement until such time as such Confirmation has been provided to Target Corp. (with a copy to TCC).

9.3 Expenses

Subject to Section 2.2, each of the Parties shall bear its own expenses, including legal and financial advisory fees and costs, in connection with this Agreement, the Settlement Transaction, the Amended and Restated Plan and any related documentation.

9.4 Schedules

The following Schedules attached to this Agreement shall, for all purposes of this Agreement, form an integral part of it:

Schedule "A" – Leases

Schedule "B" – Term Sheet

Schedule "C-1" – Confidential Personalized Landlord Statement

Schedule "D" – Draft Amended and Restated Plan

Schedule "E" – Form of Joinder Agreement

Schedule "F" – Form of Acknowledgement and Direction

Schedule "G" – Cash Contribution For Costs

9.5 Submission to Jurisdiction

In accordance with paragraph 19A of the Initial Order, each Party submits to the exclusive jurisdiction of the Court in any action, application, reference or other proceeding arising out of or related to this Agreement and agrees that all claims in respect of any such actions, application, reference or other proceeding shall be heard and determined in the Court.

9.6 Tolling

Target Corp. hereby consents and agrees that from the date of the execution of this Agreement, any time periods or expiry dates as stipulated in any guarantee or indemnity from Target Corp, or any applicable time periods, limitation periods, notice periods, or other time limitations that may apply to any claim that a Landlord Guarantee Creditor may have against Target Corp., pursuant to any guarantee or indemnity agreement, or as a matter of law or in equity, including statutory limitation periods or time limitations stipulated in the *Rules of Civil Procedure* (Ontario) are hereby suspended as of the date of the execution of this Agreement and shall commence running again 60 days after this Agreement is terminated. For clarification purposes, if this Agreement is terminated, then any claim against Target Corp., issued within 60 days of the termination of this Agreement shall be deemed to have been issued on the date this Agreement was executed. For any claim issued after 60 days, each day beyond 60 days shall be added to the date this Agreement is executed and that date shall be the deemed commencement date for such claim (for example, a claim issued 90 days after the termination of this Agreement, shall be deemed to have been commenced 30 days after the date this Agreement is executed).

9.7 Successors and Assigns

The Agreement shall be binding upon and shall enure to the benefit of the Parties hereto and each of their respective heirs, administrators, executors, legal personal representatives, liquidators, receivers, trustees in bankruptcy, and successors and assigns.

9.8 Discontinuance/Withdrawal of Actions/Claims

Subject to the satisfaction of the conditions and receipt of the payments set out herein, each Landlord Guarantee Creditor that has commenced an action or claim against any Target Corp. Released Party, shall file with the courts a Notice of Discontinuance on a without costs basis. Target Corp. on its behalf and on behalf of any Target Corp. Released Party hereby consents to the Notice of Discontinuance being filed on a without costs basis and confirms and agrees that it shall not seek costs against any Landlord Guarantee Creditor arising from or related to the claim or action being discontinued. Each Landlord Guarantee Creditor that has filed submissions with the Court requesting costs in connection with the motion heard on December 21, 2015 and December 22, 2015 in the CCAA Proceedings shall withdraw such submissions.

9.9 Entire Agreement

This Agreement and the Schedules thereto shall constitute the entire agreement and supersede all prior agreements and understandings both oral and written, among the Parties with respect to the subject matter contained herein.

9.10 Counterparts and Delivery

The Parties agree that this Agreement may be executed in counterparts and transmitted by telecopier or email (PDF) and that the reproduction of signatures in counterpart by way of telecopier or email (PDF) will be treated as though such reproductions were executed originals.

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EXHIBIT F

THIS IS EXHIBIT "F" TO THE
AFFIDAVIT OF MARK J. WONG
SWORN APRIL 6, 2016



Commissioner for Taking Affidavits

**LANDLORD NON-GUARANTEE CREDITOR CONSENT AND SUPPORT
AGREEMENT**

THIS AGREEMENT is made as of the 4th day of March 2016 (the “**Agreement**”)

AMONG:

TARGET CANADA CO. (“TCC”),

- and -

[REDACTED] (the “**Landlord Non-Guarantee Creditor**” and together with TCC, the “**Parties**”).

WHEREAS:

- A. The Landlord Non-Guarantee Creditor, in its capacity as lessor, was party to a real property lease with TCC, in its capacity as lessee, as more particularly set out in Schedule “A” hereto (the “**Lease**”).
- B. Pursuant to an order dated January 15, 2015, as amended and restated on February 11, 2015 (and as may be further amended and restated from time to time, the “**Initial Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), TCC and certain of its affiliates (collectively, the “**Target Canada Entities**”) applied for and were granted creditor protection under the *Companies’ Creditors Arrangement Act* (“**CCAA**”, and such proceedings, the “**CCAA Proceedings**”). Pursuant to the Initial Order, Alvarez & Marsal Canada Inc. was appointed as the Monitor of the Target Canada Entities (the “**Monitor**”).
- C. The Target Canada Entities are in the process of winding down their business under the CCAA in accordance with the Initial Order and any other Orders of the Court in the CCAA Proceedings. In connection therewith, TCC, with the consent of the Monitor, disclaimed the Lease in accordance with section 32 of the CCAA.
- D. Pursuant to an order of the Court dated June 11, 2015 (as amended from time to time, the “**Claims Procedure Order**”), the Court approved a procedure for the identification and quantification of claims against the Target Canada Entities.
- E. The Landlord Non-Guarantee Creditor filed a Landlord Restructuring Period Claim against TCC in respect of the Lease pursuant to and in accordance with the Claims Procedure Order, the quantification of which Landlord Restructuring Period Claim is subject to final determination.
- F. On December 21, 2015, the Target Canada Entities brought a motion before the Court for an order, *inter alia*, accepting the filing of a joint plan of compromise and arrangement dated November 27, 2015 (the “**Original Plan**”) and authorizing the Target Canada Entities to hold a meeting of Affected Creditors to consider and vote on a resolution to approve the Original Plan.

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- G. The Court declined to grant the requested relief for the reasons set out in the Endorsement of Regional Senior Justice Morawetz dated January 15, 2016. Accordingly, the Target Canada Entities, in consultation with the Monitor, have negotiated the terms of a non-binding term sheet attached as Schedule "B" hereto (the "**Term Sheet**") with the Landlords setting out the proposed indicative terms for a global, consensual resolution and settlement of the CCAA Proceedings and an amended and restated joint plan of compromise and arrangement resulting therefrom amending and restating the Original Plan substantially in the form appended hereto as Schedule "D" (the "**Amended and Restated Plan**").
- H. The Term Sheet contemplates that the Parties shall enter into a Landlord Non-Guarantee Creditor Consent and Support Agreement which, *inter alia*, provides for a full and final settlement of the quantum of the Landlord Non-Guarantee Creditor's Landlord Restructuring Period Claim for voting and distribution purposes on a consensual basis and that the Landlord Non-Guarantee Creditor will support the Amended and Restated Plan.
- I. The Parties desire that this Agreement constitute a Landlord Non-Guarantee Creditor Consent and Support Agreement memorializing the terms and conditions contained in the Term Sheet.

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

ARTICLE 1 DEFINITIONS AND PRINCIPLES OF INTERPRETATION

1.1 Definitions

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Term Sheet or the Amended and Restated Plan and the following terms shall have the following meanings:

"**Landlord Non-Guarantee Creditor Equalization Cash Pool**" means the Cash pool in the aggregate amount of \$7.521 million; and

"**Landlord Non-Guarantee Creditor Equalization Cash Pool Account**" means a segregated, interest-bearing trust account established by TCC to hold the Landlord Non-Guarantee Creditor Equalization Cash Pool.

1.2 Certain Rules of Interpretation

In this Agreement:

- (a) **Currency** – Unless otherwise specified, all references to money amounts are to lawful currency of Canada.
- (b) **Governing Law** – This Agreement is a contract made under and shall be governed by and construed in accordance with, the laws of the Province of

Ontario and the federal laws of Canada applicable in the Province of Ontario.

- (c) **Headings** – Headings of Articles and Sections are inserted for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- (d) **Including** – Where the word “including” or “includes” is used in this Agreement, it means “including (or includes) without limitation”.
- (e) **No Strict Construction** – The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.
- (f) **Number and Gender** – Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (g) **Severability** – If, in any jurisdiction, any provision of this Agreement or its application to any Party or circumstance is restricted, prohibited or unenforceable, the provision shall, as to that jurisdiction, be ineffective only to the extent of the restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement and without affecting the validity or enforceability of such provision in any other jurisdiction, or without affecting its application to other Parties or circumstances.
- (h) **Paramountcy** – If there is a conflict, inconsistency, ambiguity or difference between any provision of the Term Sheet and the Amended and Restated Plan, the provisions of the Amended and Restated Plan shall prevail. If there is a conflict, inconsistency, ambiguity or difference between any provision of this Agreement and the Amended and Restated Plan, the provisions of the Amended and Restated Plan shall prevail.
- (i) **Time** – Time is of the essence in the performance of the Parties’ respective obligations.

ARTICLE 2

QUANTIFICATION OF LANDLORD NON-GUARANTEE CREDITOR CLAIMS

2.1 Landlord Non-Guarantee Creditor Claim For Voting and Distribution Purposes

The Landlord Non-Guarantee Creditor confirms and agrees that the value of its aggregate Affected Claim for voting and distribution purposes under and in respect of the Amended and Restated Plan in respect of the Lease shall be against TCC only and shall be comprised of:

- (a) its Landlord Restructuring Period Claim as set out on [REDACTED] Schedule “C” hereto; and
- (b) its Pre-filing Claim in the amount set out in Schedule “C” hereto.

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ARTICLE 3
DISTRIBUTIONS TO LANDLORD NON-GUARANTEE CREDITORS

3.1 Ordinary Distributions

Subject to implementation of the Amended and Restated Plan in accordance with its terms and conditions, the Landlord Non-Guarantee Creditor shall receive distributions on account of its Landlord Restructuring Period Claim and all of its other Affected Claims from and after the Initial Distribution Date from the TCC Cash Pool pursuant to and in accordance with the Amended and Restated Plan.

3.2 Landlord Non-Guarantee Creditor Equalization Amount

Subject to implementation of the Amended and Restated Plan in accordance with its terms and conditions, in addition to the distributions set out in Section 3.1 above, the Landlord Non-Guarantee Creditor shall receive a one-time distribution on the Initial Distribution Date from the Landlord Non-Guarantee Creditor Equalization Cash Pool Account in an amount equal to its Landlord Non-Guarantee Creditor Equalization Amount in the amount set out on and as calculated in accordance with Schedule "C" hereto.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of Landlord Non-Guarantee Creditor

The Landlord Non-Guarantee Creditor directly or by its authorized agent represents and warrants to TCC as follows:

- (a) it is duly incorporated or formed and is validly subsisting under the laws of its jurisdiction of incorporation or formation;
- (b) it has received all requisite consents and approvals to enter into this Agreement and any other definitive documents entered into in connection herewith and the completion of the transactions described herein and therein and to perform its obligations hereunder and thereunder;
- (c) the execution, delivery and performance by it of this Agreement and any other definitive documents entered into in connection herewith and the completion of the transactions described herein and therein:
 - (i) are within its respective corporate power;
 - (ii) have been duly authorized by all necessary corporate action;
 - (iii) do not contravene, conflict with, breach or create a state of facts which would constitute a breach under its respective certificate of incorporation, bylaws or other constating documents, or any indenture, mortgage, agreement, obligation or instrument or violate any judgment, order, notice, decree, statute, law, ordinance, rule or regulation applicable to it; and

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- (iv) do not require the consent of, authorization by, approval of, or notification to any Governmental Authority;
- (d) this Agreement constitutes a valid and binding obligation of the Landlord Non-Guarantee Creditor enforceable in accordance with its terms;
- (e) it is the authorized agent of and/or is the sole legal and/or beneficial owner of its Landlord Restructuring Period Claim and other Affected Claims free and clear of any and all claims, encumbrances or restrictions that would prevent it from settling, voting or disposing of, or taking any other action with respect to, such Landlord Restructuring Period Claim and other Affected Claims;
- (f) it has full power and authority to vote on and consent to all matters relating to the its Landlord Restructuring Period Claim and other Affected Claims; and
- (g) it is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada).

ARTICLE 5 CONSENT AND COVENANTS

5.1 Consent

The Landlord Non-Guarantee Creditor consents and agrees to the transactions contemplated by the Term Sheet and this Agreement (the "Transaction").

5.2 Support

The Landlord Non-Guarantee Creditor shall:

- (a) consent to the motion by the Target Canada Entities for the Meeting Order;
- (b) vote (or cause to be voted) all of its Claims (which, for greater certainty, shall include its Landlord Restructuring Period Claim and any other Affected Claims):
 - (i) in favour of the approval, consent, ratification and adoption of the Amended and Restated Plan and any actions required in furtherance thereof; (ii) against any action that would result in any breach of any representation, warranty, covenant, or agreement or other obligation of the Landlord Non-Guarantee Creditor under this Agreement or the Amended and Restated Plan; and (iii) against any plan which is contrary to this Agreement or the Amended and Restated Plan;
- (c) consent to the motion by the Target Canada Entities for the Sanction and Vesting Order;
- (d) not take any action, directly or indirectly, that is inconsistent with or is intended or likely to interfere with the consideration, acceptance, implementation or consummation of the Transaction or any other transactions contemplated under the Amended and Restated Plan;
- (e) not, on or after the date of this Agreement, withdraw, modify, or qualify, or

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propose to withdraw, modify, or qualify, in any manner adverse to the Target Canada Entities, its approval, recommendation or support for the Amended and Restated Plan; and

- (f) not sell, assign, transfer, pledge, encumber or hypothecate any of its Claims (including, for greater certainty, its Landlord Restructuring Period Claim and any other Affected Claims) to any third party, other than to a third party who has taken an assignment of all of its Claims and that executes the form of joinder agreement attached as Schedule "E" to this Agreement upon written notice to the Monitor in accordance with the Claims Procedure Order.

5.3 Press Releases and Public Disclosure Concerning Transaction

No press release or other public disclosure concerning the Transaction shall be made by the Landlord Non-Guarantee Creditor or any of its affiliates or their respective directors, officers, employees, financial and legal advisors, or other agents or representatives (the "**Disclosing Parties**") without the prior written consent of TCC. Notwithstanding the foregoing, a Disclosing Party may disclose information concerning the Transaction if: (a) such information is generally available to the public other than as a result of disclosure by the Disclosing Parties; or (b) the Disclosing Party is required to make such disclosure in order to comply with applicable law, regulation or rule (including, without limitation, any rule, regulation or policy statement of any organized securities exchange, market or automated quotation system on which the Landlord Non-Guarantee Creditor's securities are listed or quoted) or legal or judicial process; provided that with respect to clause (b), four (4) Business Days prior written notice of such proposed disclosure (unless prohibited by applicable law) shall be delivered to TCC and TCC shall have an opportunity to review and comment on such proposed disclosure.

5.4 Delivery of GST/HST Registration Numbers

On or before the Plan Implementation Date, the Landlord Non-Guarantee Creditor shall provide to TCC its registration number for goods and services tax and harmonized sales tax, and for Quebec sales tax (if applicable).

ARTICLE 6 CONDITIONS TO TRANSACTION

6.1 Condition Precedent

Implementation of the Transaction is conditional on all Landlord Guarantee Creditors and Target Corporation executing the Landlord Guarantee Creditor Settlement Agreement.

6.2 Conditions For the Benefit of TCC

The obligation of TCC to implement the Transaction shall be subject to the satisfaction of the following conditions, which shall be solely for the benefit of TCC and may not be waived, in whole or in part, except by TCC:

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- (a) each Landlord Non-Guarantee Creditor shall have executed and delivered a Landlord Non-Guarantee Creditor Consent and Support Agreement in form and substance satisfactory to TCC;
- (b) the Court shall have issued the Meeting Order, in form and substance satisfactory to TCC, by April 21, 2016, or such later date as shall be acceptable to TCC, in consultation with the Monitor, which Order shall, *inter alia*, accept the Amended and Restated Plan for filing and call and convene the Creditors' Meeting to consider and vote on the Amended and Restated Plan;
- (c) the Creditors' Meeting to consider and vote on the Amended and Restated Plan shall have been convened by the date set by the Meeting Order or such later date as shall be acceptable to TCC, in consultation with the Monitor;
- (d) the Amended and Restated Plan shall have been approved at the Creditors' Meeting by the Required Majority of the Affected Creditors;
- (e) the Court shall have issued the Sanction and Vesting Order, in form and substance satisfactory to TCC, by June 6, 2016, or such later date as shall be acceptable to TCC, in consultation with the Monitor, and such Order shall have become a Final Order;
- (f) all other conditions precedent under the Amended and Restated Plan shall have been satisfied or waived, as applicable, on or before the date specified therefor under the Amended and Restated Plan; and
- (g) the Plan Implementation Date under the Amended and Restated Plan shall have occurred by the date that is seven (7) days from the date on which the Sanction and Vesting Order becomes a Final Order.

6.3 Conditions For the Benefit of the Landlord Non-Guarantee Creditor

The obligation of the Landlord Non-Guarantee Creditor to implement the Transaction shall be subject to the satisfaction of the following conditions, which shall be solely for the benefit of the Landlord Non-Guarantee Creditor and may not be waived, in whole or in part, except by the Landlord Non-Guarantee Creditor:

- (a) TCC shall have amended and restated the Original Plan such that the Amended and Restated Plan shall reflect the terms and conditions set out in the Term Sheet and the Court shall have issued the Meeting Order, in form and substance satisfactory to TCC by April 21, 2016;
- (b) the Amended and Restated Plan shall have been approved at the Creditors' Meeting by the Required Majority of the Affected Creditors;
- (c) the Court shall have issued the Sanction and Vesting Order by June 6, 2016 or such later date as shall be acceptable to the Landlord Non-Guarantee Creditor and such Order shall have become a Final Order; and
- (d) the Plan Implementation Date under the Amended and Restated Plan shall have

occurred by the date that is seven (7) days from the date on which the Sanction and Vesting Order becomes a Final Order.

ARTICLE 7 AMENDMENT AND TERMINATION

7.1 Amendment

- (a) This Agreement may, at any time and from time to time not later than the Plan Implementation Date, be amended by mutual written agreement of the Parties, subject to the approval of the Monitor.
- (b) No waiver of any of the provisions of this Agreement shall be deemed to be or shall constitute a waiver of any other provision hereof (whether or not similar). No delay on the part of any of the Parties in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

7.2 Termination

This Agreement may be:

- (a) terminated by the mutual written agreement of the Parties;
- (b) terminated by TCC in the event that TCC, in its sole discretion, determines that any of the conditions contained in Section 6.2(a)-(f) have not been satisfied, the Landlord Non-Guarantee Creditor has breached a material term, condition or covenant of this Agreement, or if any one of the Landlord Non-Guarantee Creditor's representations or warranties contained in Section 4.1 shall prove untrue in any material respect as of the date when made;
- (c) terminated by the Landlord Non-Guarantee Creditor in the event that the Landlord Non-Guarantee Creditor determines that any of the conditions set out in Section 6.3(a)-(c) have not been satisfied; or
- (d) terminated by either of TCC or the Landlord Non-Guarantee Creditor, respectively, in the event that the condition set out in Section 6.2(g) or Section 6.3(d), respectively, is not satisfied by the date that is seven (7) days from the date on which the Sanction and Vesting Order becomes a Final Order.

7.3 Effect of Termination

In the event that this Agreement is terminated and/or the Amended and Restated Plan is not implemented by the date referenced in Section 6.2(g) or Section 6.3(d), then this Agreement, and any related agreements entered into, shall immediately terminate and be void and of no further force and effect, and nothing contained in this Agreement, or in any related agreements, shall be binding on any of the Parties thereto. The Parties' rights and remedies in the CCAA Proceedings, any other proceeding or at law, shall remain unaffected as if such agreements had not been entered into, and each Party shall be entitled to assert all of their respective rights and remedies against the other Parties in respect thereof, subject to the Initial Order, the Claims Procedure Order and any other Orders of the Court.

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**ARTICLE 8
NOTICES**

All notices and communications which may be or are required to be given pursuant to any terms of this Agreement shall be given or made in writing and shall be deemed to be validly given if given by personal delivery, ordinary mail or by email addressed to the respective Parties as follows:

- (a) If to the Target Canada Entities:

Target Canada Co.
c/o Osler, Hoskin & Harcourt LLP
Box 50, 1 First Canadian Place
100 King Street West
Toronto, ON M5X 1B8

Attention: Aaron Alt
Email: aaron.alt@target.com

with a copy to:

Osler, Hoskin & Harcourt LLP
Box 50, 1 First Canadian Place
100 King Street West
Toronto, ON M5X 1B8

Attention: Tracy C. Sandler
Email: tsandler@osler.com

- (b) If to the Landlord Non-Guarantee Creditor:

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(c) If to the Monitor:

Alvarez & Marsal Canada Inc.
 Royal Bank Plaza, South Tower
 200 Bay Street, Suite 2900
 PO Box 22
 Toronto, ON M5J 2J1

Attention: Douglas R. McIntosh / Alan J. Hutchens
 Email: dmcintosh@alvarezandmarsal.com /
 ahutchens@alvarezandmarsal.com

with a copy to:

Goodmans LLP
 Bay Adelaide Centre
 333 Bay Street, Suite 3400
 Toronto, ON M5H 2S7

Attention: Jay A. Carfagnini / Melaney Wagner
 Email: jcarfagnini@goodmans.ca / mwagner@goodmans.ca

or to such other address as any Party may from time to time notify the others in accordance with this section. Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of sending by means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered or sent before 5:00 p.m. on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.

ARTICLE 9 MISCELLANEOUS

9.1 No Admission of Liability

This Agreement shall not be deemed to be any admission of liability on the part of TCC or any of the Target Canada Entities, and liability is specifically denied by them in respect of the matters referenced herein.

9.2 Further Assurances

Each Party shall do such other things in its control, take all such actions as are commercially reasonable, deliver to the other Party such further information and documents and execute and deliver to the other Party such further instruments and agreements as another Party shall reasonably request to consummate or confirm the transactions provided for in this Agreement, to accomplish the purpose of this Agreement or to assure to the other Party the benefits of this Agreement.

9.3 Expenses

Each of the Parties shall bear their own expenses, including legal and financial advisory fees and costs, in connection with this Agreement, the Transaction, the Amended and Restated Plan and any related documentation.

9.4 Schedules

The following Schedules attached to this Agreement shall, for all purposes of this Agreement, form an integral part of it:

Schedule "A" – Leases

Schedule "B" – Term Sheet

Schedule "C" – 

Schedule "D" – Draft Amended and Restated Plan

Schedule "E" – Form of Joinder Agreement

9.5 Submission to Jurisdiction

Each Party submits to the exclusive jurisdiction of the Court in any action, application, reference or other proceeding arising out of or related to this Agreement and agrees that all claims in respect of any such actions, application, reference or other proceeding shall be heard and determined in the Court.

9.6 Successors and Assigns

The Agreement shall be binding upon and shall enure to the benefit of the Parties hereto and each of their respective heirs, administrators, executors, legal personal representatives, liquidators, receivers, trustees in bankruptcy, and successors and assigns.

9.7 Entire Agreement

This Agreement and the Schedules thereto shall constitute the entire agreement and supersede all prior agreements and understandings both oral and written, among the Parties with respect to the subject matter contained herein.

9.8 Counterparts and Delivery

The Parties agree that this Agreement may be executed in counterparts and transmitted by telecopier or email (PDF) and that the reproduction of signatures in counterpart by way of telecopier or email (PDF) will be treated as though such reproductions were executed originals.

IN WITNESS OF WHICH the Parties have executed this Agreement.

TARGET CANADA CO.

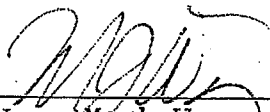
By: 
Name: Mark Wong
Title: General Counsel

EXHIBIT G

THIS IS EXHIBIT "G" TO THE
AFFIDAVIT OF MARK J. WONG
SWORN APRIL 6, 2016



Commissioner for Taking Affidavits

PLAN SPONSOR AGREEMENT

THIS AGREEMENT is made as of the 4th day of March 2016 (the “**Agreement**”)

AMONG:

TARGET CANADA CO., an unlimited liability company incorporated pursuant to the laws of the Province of Nova Scotia (“**TCC**”),

- and -

TARGET CORPORATION, a corporation incorporated pursuant to the laws of the State of Minnesota (“**Target Corp.**”, and together with TCC, the “**Parties**”).

WHEREAS:

- A. TCC is a wholly-owned indirect subsidiary of Target Corp.
- B. Pursuant to an order dated January 15, 2015, as amended and restated on February 11, 2015 (and as may be further amended and restated from time to time, the “**Initial Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), TCC and certain of its affiliates (collectively, the “**Target Canada Entities**”) applied for and were granted creditor protection under the *Companies’ Creditors Arrangement Act* (“**CCAA**”, and such proceedings, the “**CCAA Proceedings**”). Pursuant to the Initial Order, Alvarez & Marsal Canada Inc. was appointed as the Monitor of the Target Canada Entities (the “**Monitor**”).
- C. The Target Canada Entities have negotiated the terms of a non-binding term sheet with its landlords holding disclaimed leases setting out the proposed indicative terms for a global, consensual resolution and settlement of the CCAA Proceedings and an amended and restated joint plan of compromise and arrangement resulting therefrom amending and restating the Original Plan substantially in the form attached to the Landlord Guarantee Creditor Settlement Agreement (as defined below) (the “**Amended and Restated Plan**”).
- D. Section 2.5 of the Amended and Restated Plan contemplates that Target Corp. will enter into a Plan Sponsor Agreement pursuant to which it agrees to be bound by the Plan and the Landlord Guarantee Creditor Settlement Agreement (as defined in the Amended and Restated Plan) and to perform all of its obligations under the Amended and Restated Plan and the Landlord Guarantee Creditor Settlement Agreement, conditional upon occurrence of the Plan Implementation Date (as defined in the Amended and Restated Plan).

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

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ARTICLE 1
DEFINITIONS AND PRINCIPLES OF INTERPRETATION

1.1 Definitions

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Amended and Restated Plan.

1.2 Certain Rules of Interpretation

In this Agreement:

- (a) **Currency** – Unless otherwise specified, all references to money amounts are to lawful currency of Canada.
- (b) **Governing Law** – This Agreement is a contract made under and shall be governed by and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable in the Province of Ontario.
- (c) **Headings** – Headings of Articles and Sections are inserted for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- (d) **Including** – Where the word “including” or “includes” is used in this Agreement, it means “including (or includes) without limitation”.
- (e) **No Strict Construction** – The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.
- (f) **Number and Gender** – Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (g) **Severability** – If, in any jurisdiction, any provision of this Agreement or its application to any Party or circumstance is restricted, prohibited or unenforceable, the provision shall, as to that jurisdiction, be ineffective only to the extent of the restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement and without affecting the validity or enforceability of such provision in any other jurisdiction, or without affecting its application to other Parties or circumstances.
- (h) **Paramountcy** – If there is a conflict, inconsistency, ambiguity or difference between any provision of this Agreement and the Amended and Restated Plan, the provisions of the Amended and Restated Plan shall prevail.
- (i) **Time** – Time is of the essence in the performance of the Parties’ respective obligations.

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ARTICLE 2 CONSENT AND COVENANTS

2.1 Target Corp. Consent and Covenants

Target Corp. hereby agrees to be bound by the Amended and Restated Plan and the Landlord Guarantee Creditor Settlement Agreement and to perform all of its obligations under the Amended and Restated Plan and the Landlord Guarantee Creditor Settlement Agreement, conditional upon the occurrence of the Plan Implementation Date. For greater certainty, without limiting the foregoing, Target Corp. agrees that:

- (a) two (2) Business Days prior to the Plan Implementation Date, Target Corp. shall deliver \$25.451 million to TCC in accordance with the Amended and Restated Plan; and
- (b) two (2) Business Days prior to the Plan Implementation Date, Target Corp. shall deliver \$7.521 million to TCC in accordance with the Amended and Restated Plan.

2.2 TCC Covenants

If any of the provisions contained in Sections 5.2, 7.4 or 9.2(b) of the Landlord Guarantee Creditor Settlement Agreement apply to a particular Landlord Guarantee Creditor and are not satisfied by the Plan Implementation Date, TCC shall not remit any payments under the Amended and Restated Plan to such Landlord Guarantee Creditor out of the Landlord Guarantee Creditor Base Claim Cash Pool Account or the Landlord Guarantee Enhancement Cash Pool Account until such time as Target Corp. has confirmed to TCC that such condition(s) has or have been satisfied in accordance with the Landlord Guarantee Creditor Settlement Agreement.

TCC hereby agrees to be bound by the Amended and Restated Plan and to perform all of its obligations under the Amended and Restated Plan, conditional upon the occurrence of the Plan Implementation Date. For greater certainty, TCC agrees that:

- (a) it shall hold the amount delivered to it pursuant to Section 2.1(a) hereof in trust for the benefit of Target Corp. and shall deposit such funds into the Landlord Guarantee Enhancement Cash Pool Account for the benefit of Target Corp. on the Plan Implementation Date. TCC shall hold the Landlord Guarantee Enhancement Cash Pool in the Landlord Guarantee Enhancement Cash Pool Account on behalf of Target Corp. in accordance with Section 5.10 of the Plan for the purpose of satisfying Target Corp.'s obligations to pay the Landlord Guarantee Enhancement Amounts in accordance with Section 2.5 of the Plan; and
- (b) it shall hold the amount delivered to it pursuant to Section 2.1(b) hereof in trust for the benefit of Target Corp., and which shall on the Plan Implementation Date be deemed to be contributed by Target Corp. to TCC, and which shall then be deposited by TCC into the Landlord Non-Guarantee Creditor Equalization Cash Pool. TCC shall hold the Landlord Non-Guarantee Creditor Equalization Cash Pool in the Landlord Non-Guarantee Creditor Equalization Cash Pool Account in accordance with Section 5.8 of the Amended and Restated Plan for the purpose of

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paying the Landlord Non-Guarantee Creditor Equalization Amounts in accordance with Section 5.8 of the Plan.

ARTICLE 3 AMENDMENT AND TERMINATION

3.1 Amendment

- (a) This Agreement may, at any time and from time to time not later than the Plan Implementation Date, be amended by mutual written agreement of the Parties, subject to the approval of the Monitor.
- (b) No waiver of any of the provisions of this Agreement shall be deemed to be or shall constitute a waiver of any other provision hereof (whether or not similar). No delay on the part of any of the Parties in exercising any right, power or privilege hereunder shall operate as a waiver thereof.

3.2 Termination

This Agreement shall automatically terminate in the event that the Plan Implementation Date has not occurred.

TCC shall return to Target Corp. all of the funds delivered pursuant to Section 2.1 hereof immediately upon the termination of this Agreement in accordance with this Section 3.2.

ARTICLE 4 MISCELLANEOUS

4.1 Further Assurances

Each Party shall do such other things in its control, take all such actions as are commercially reasonable, deliver to the other Party such further information and documents and execute and deliver to the other Party such further instruments and agreements as another Party shall reasonably request to consummate or confirm the transactions provided for in this Agreement, to accomplish the purpose of this Agreement or to assure to the other Party the benefits of this Agreement.

4.2 Submission to Jurisdiction

Each Party submits to the exclusive jurisdiction of the Court in any action, application, reference or other proceeding arising out of or related to this Agreement and agrees that all claims in respect of any such actions, application, reference or other proceeding shall be heard and determined in the Court.

4.3 Successors and Assigns

The Agreement shall be binding upon and shall enure to the benefit of the Parties hereto and each of their respective heirs, administrators, executors, legal personal representatives, liquidators, receivers, trustees in bankruptcy, and successors and assigns.

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4.4 Entire Agreement

This Agreement and the Schedules thereto shall constitute the entire agreement and supersede all prior agreements and understandings both oral and written, among the Parties with respect to the subject matter contained herein.

4.5 Counterparts and Delivery

The Parties agree that this Agreement may be executed in counterparts and transmitted by telecopier or email (PDF) and that the reproduction of signatures in counterpart by way of telecopier or email (PDF) will be treated as though such reproductions were executed originals.

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EXHIBIT H

THIS IS EXHIBIT "H" TO THE
AFFIDAVIT OF MARK J. WONG
SWORN APRIL 6, 2016



Commissioner for Taking Affidavits

Sale Process

Sale of Shares of Target Canada Pharmacy (Ontario) Corp.

Introduction

On January 15, 2015, Target Canada Co. (“TCC”) and certain of its affiliates (collectively with TCC, the “**Target Canada Entities**”), including Target Canada Pharmacy (Ontario) Corp. (the “**Company**”), sought and obtained protection under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) pursuant to an initial order (as amended on February 11, 2015, and as further amended, restated or varied from time to time, the “**Initial Order**”) granted by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). Alvarez & Marsal Canada Inc. was appointed as monitor of the Target Canada Entities in the CCAA proceedings (in such capacity, the “**Monitor**”).

The purpose of this sale process (the “**Sale Process**”) is to seek offers for the sale of the shares of the Company (the “**Shares**”). The Company is a “Pre-1954 Charter Company”, as contemplated in Section 142(4) of the *Drug and Pharmacies Regulations Act* (Ontario), being originally incorporated on May 26, 1914 as The Robert Simpson Drug Company, Limited.

“As Is, Where Is”

The sale of the Shares will be on an “as is, where is” basis and without representations or warranties of any kind, nature or description by the Monitor, the Target Canada Entities or any of their respective directors, officers, employees, advisors, professionals, agents, estates or otherwise, except and only to the extent set forth in a definitive sale agreement executed by TCC.

Participation Requirements

To participate in the Sale Process and to otherwise be considered for any purpose hereunder, an interested party must deliver an executed confidentiality agreement in form and substance satisfactory to the Monitor and the Target Canada Entities (a “**Confidentiality Agreement**”). Prospective purchasers that execute a Confidentiality Agreement will be provided with an opportunity to review information relating to the Company and Shares, (including a form of Purchase Agreement developed by TCC, in consultation with the Monitor (the “**Purchase Agreement**”).

Transaction Timeline

As described more fully below, in order to facilitate the sale of the Shares on a “free and clear” basis in the context of the Target Canada Entities’ CCAA proceedings, the Sale Process will adhere to the following timeline, which is primarily driven by the timeline in respect of the Target Canada Entities’ proposed Amended and Restated Plan of Compromised and Arrangement filed by the Target Canada Entities on April 6, 2016 (the “**Plan**”)¹ and will form part of the transaction steps contemplated therein, and is subject to amendment in the Monitor’s sole discretion or as the Court may otherwise direct:

¹ The present timeline with respect to the proposed Plan is: (a) Meeting Order Motion – April 13, 2016; (b) Creditors’ Meeting – May 25, 2016; and (c) Sanction and Vesting Order Motion – June 2, 2016.

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<u>Date</u>	<u>Event</u>
Bid Deadline	May 6, 2016
Selection of Successful Bidder/Execution of Asset Purchase Agreement	May 19, 2016
Motion for Pharmacy Charter Approval and Vesting Order	June 2, 2016
Delivery of Monitor's Certificate / Transfer of free and clear title of Shares to Purchaser (closing of sale transaction)	To occur on a date following Plan Implementation Date, which shall occur no later than three (3) business days following Plan Implementation Date

As is more particularly set out in the Plan, the Plan provides for broad releases (effective on the Plan Implementation Date) in favour of the Target Canada Entities, including the Company (collectively, the "**Releases**"), of liabilities in existence as of the Plan Implementation Date. The Plan further provides that the Sanction and Vesting Order will have effect on the Plan Implementation Date and will, among other things, confirm the Releases and declare that any Affected Claim for which a Proof of Claim has not been filed by the Claims Bar Date in accordance with the Claims Procedure Order shall be forever barred and extinguished. Accordingly, the Purchase Agreement will be conditional on the issuance of the Sanction and Vesting Order and the occurrence of the Plan Implementation Date and the Monitor's Certificate described herein will only be filed following the Plan Implementation Date.

Bid Deadline

All bids for the purchase of the Shares must be submitted in writing and delivered to the Monitor by courier, personal delivery or email such that the bid is actually received by the Monitor no later than 5:00 p.m. (Toronto time) on May 6, 2016, or such other date or time as may be agreed by the Target Canada Entities, in consultation with the Monitor (the "**Bid Deadline**"). Bids must be in the form of a duly authorized and executed purchase agreement, based on the form of Purchase Agreement, and accompanied by: (a) a clean word version and blacklined mark-up of the form of Purchase Agreement showing amendments and modifications made thereto, together with all exhibits and schedules thereto; and (b) a refundable deposit (the "**Deposit**") in the form of a wire transfer (to a bank account specified by the Monitor), or such other form acceptable to the Monitor, payable to the order of the Monitor on behalf of the Target Canada Entities, in trust, in an amount equal to 25% of the purchase price for the Shares.

Selection of Successful Bidder

Evaluation criteria with respect to bids may include, but are not limited to, the following: (a) the purchase price and net value of the bid; (b) the terms of the Purchase Agreement; (c) the counterparties to the transaction; and (d) any factors affecting the speed, certainty and value of the transaction (including any regulatory approvals required to close the transaction). The Monitor, in consultation with the Target Canada Entities, shall have sole and unfettered discretion to

implement such additional bidding procedures as it may deem to be necessary or desirable, including without limitation selecting one or more back-up bidders.

The Monitor and the Target Canada Entities shall be under no obligation to accept the highest or best offer and the selection of the successful bid shall be entirely in the discretion of the Target Canada Entities, after consultation with the Monitor. If no bids are received by the Bid Deadline, the Sale Process shall be deemed to be terminated and the Monitor will post a notice on the Monitor's website advising of same.

For greater certainty, neither the Monitor nor any of the Target Canada Entities have any obligation to conclude a sale arising out of the Sale Process, and they reserve the right and unfettered discretion to reject any offer made in connection with the Sale Process.

Approvals

The Target Canada Entities will apply to the Court (the "**Approval Motion**") for an order, among other things, approving the successful bid and vesting title to the Shares in the purchaser (the "**Pharmacy Charter Approval and Vesting Order**") free and clear of liens, claims and encumbrances, effective as of the Monitor's delivery of the Monitor's Certificate. All bids (other than the successful bid) will be deemed rejected on the date of approval of the successful bid by the Court.

It is expected that the Approval Motion will be held on the date currently scheduled with the Court for the hearing of the Sanction and Vesting Order motion in respect of the Plan, being June 2, 2016. The Approval Motion may be adjourned or rescheduled by the Target Canada Entities, in consultation with the Monitor, and without any further notice, by an announcement of the adjourned date.

Transfer of Shares

The Shares will be transferred to the purchaser free and clear of liens, claims and encumbrances that may exist on the Shares in accordance with the Pharmacy Charter Approval and Vesting Order. The Purchase Agreement and the Pharmacy Charter Approval and Vesting Order will provide that the transfer of title to the Shares to the purchaser shall be effective upon the Monitor's delivery of a Monitor's Certificate confirming that all conditions precedent to closing set out in the Purchase Agreement shall have been satisfied or waived by TCC and the purchaser, as applicable. As set out above, the Purchase Agreement will be conditional on the issuance of the Pharmacy Charter Approval and Vesting Order, the Sanction and Vesting Order and the occurrence of the Plan Implementation Date and the Monitor will deliver the Monitor's Certificate following the Plan Implementation Date, once the Releases are in effect in favour of the Company.

Deposits

All Deposits shall be retained by the Monitor and shall not accrue interest. If there is a successful bid, the Deposit paid by the successful bidder whose bid is approved by the Court at the Approval Motion shall be applied to the purchase price to be paid by the successful bidder upon closing of the approved transaction and will be non-refundable. The Deposits of other bidders not selected as the successful bidder will be returned to such bidders within five (5) Business Days of the date

upon which the successful bid is approved by the Court. If there is no successful bid, all Deposits shall be returned to the bidders within five (5) Business Days of the Bid Deadline.

Appendix "A"**Addresses for Notice Parties***To the Target Canada Entities*

Target Canada Co.
c/o Osler, Hoskin & Harcourt LLP
100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto, ON M5X 1B8

Attn: Aaron Alt
Email: aaron.alt@target.com

With a copy to:

Osler, Hoskin & Harcourt LLP
100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto, ON M5X 1B8

Attn: Tracy Sandler
Email: tsandler@osler.com

To the Monitor:

Alvarez & Marsal Canada Inc., Court appointed Monitor of Target Canada Co. et al
Royal Bank Plaza, South Tower
Suite 2900, P.O. Box 22
Toronto, ON M5J 2J1

Attn: Steve Ferguson
Email: sferguson@alvarezandmarsal.com

With a copy to:

Goodmans LLP
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Attn: Melaney Wagner
Email: mwagner@goodmans.ca

TAB 3

Court File No. CV-15-10832-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	WEDNESDAY, THE 13 TH
)	
REGIONAL SENIOR JUSTICE)	DAY OF APRIL, 2016
)	
MORAWETZ)	

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TARGET CANADA CO., TARGET CANADA HEALTH CO., TARGET CANADA MOBILE GP CO., TARGET CANADA PHARMACY (BC) CORP., TARGET CANADA PHARMACY (ONTARIO) CORP., TARGET CANADA PHARMACY CORP., TARGET CANADA PHARMACY (SK) CORP., and TARGET CANADA PROPERTY LLC (collectively the "**Applicants**")

MEETING ORDER

THIS MOTION, made by the Applicants and the partnerships listed on Schedule "A" hereto (together with the Applicants, the "**Target Canada Entities**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the "**CCAA**") for an order, *inter alia*, (a) accepting the filing of an Amended and Restated Joint Plan of Compromise and Arrangement pursuant to the CCAA filed by the Target Canada Entities dated April 6, 2016 (the "**Plan**"), (b) authorizing the Target Canada Entities to establish one class of Affected Creditors for the purpose of considering and voting on the Plan, (c) authorizing the Target Canada Entities to call, hold and conduct a meeting of the Affected Creditors (the "**Creditors' Meeting**") to consider and vote on a resolution to approve the Plan; (d) approving the procedures to be followed with

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respect to the calling and conduct of the Creditors' Meeting; and (e) setting the date for the hearing of the Target Canada Entities' motion seeking sanction of the Plan, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Mark J. Wong sworn April 6, 2016 (the "**Wong Affidavit**"), and the exhibits thereto and the Twenty-Sixth Report of the Monitor, and on hearing the submissions of respective counsel for the Target Canada Entities, the Monitor, and such other counsel as were present, and on being advised that the Service List was served with the Motion Record herein:

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged and validated so that this Motion is properly returnable today and that service thereof upon any interested party other than the persons served with the Motion Record is hereby dispensed with.
2. THIS COURT ORDERS that any capitalized terms not otherwise defined in this Meeting Order shall have the meanings ascribed to them in the Plan.

AMENDED AND RESTATED JOINT PLAN OF COMPROMISE AND ARRANGEMENT

3. THIS COURT ORDERS that the Plan is hereby accepted for filing, and the Target Canada Entities are hereby authorized to seek approval of the Plan from the Affected Creditors in the manner set forth herein.
4. THIS COURT ORDERS that the Target Canada Entities, with the consent of the Plan Sponsor and the Monitor, be and they are hereby authorized to make and to file a modification or restatement of, or amendment or supplement to, the Plan (each a "**Plan Modification**") prior to or

at the Creditors' Meeting, in which case any such Plan Modification shall, for all purposes, be and be deemed to form part of and be incorporated into the Plan. The Target Canada Entities shall give notice of any such Plan Modification at the Creditors' Meeting prior to the vote being taken to approve the Plan. The Target Canada Entities may give notice of any such Plan Modification at or before the Creditors' Meeting by notice which shall be sufficient if, in the case of notice at the Creditors' Meeting, given to those Affected Creditors present at such meeting in person or by Proxy and, in the case of notice before the Creditors' Meeting, provided to those Persons listed on the service list posted on the Website (as amended from time to time, the "**Service List**"). The Monitor shall forthwith post on the Website any such Plan Modification, with notice of such posting forthwith provided to the Service List.

5. THIS COURT ORDERS that after the Creditors' Meeting (and both prior to and subsequent to the obtaining of any Sanction and Vesting Order), the Target Canada Entities may at any time and from time to time, with the consent of the Plan Sponsor and the Monitor effect a Plan Modification (a) pursuant to an Order of the Court or (b) where such Plan Modification concerns a matter which, in the opinion of the Target Canada Entities and the Monitor, is of an administrative nature required to better give effect to the implementation of the Plan and the Sanction and Vesting Order or to cure any errors, omissions or ambiguities, and in either circumstance is not materially adverse to the financial or economic interests of the Affected Creditors. The Monitor shall forthwith post on the Website any such Plan Modification, with notice of such posting forthwith provided to the Service List.

FORMS OF DOCUMENTS

6. THIS COURT ORDERS that the Notice of Creditors' Meeting substantially in the form attached hereto as Schedule "B" (the "**Notice of Creditors' Meeting**"), the Proxy substantially in

the form attached hereto as Schedule “C” (the “**Proxy**”), the Convenience Class Claim Election substantially in the form attached hereto as Schedule “D” (the “**Convenience Class Claim Election**”) and the form of Resolution substantially in the form attached as Schedule “E” (the “**Resolution**”) are each hereby approved and the Target Canada Entities with the consent of the Monitor are authorized and directed to make such changes to such forms of documents as they consider necessary or desirable to conform the content thereof to the terms of the Plan or this Meeting Order.

CLASSIFICATION OF CREDITORS

7. THIS COURT ORDERS that for the purposes of considering and voting on the Plan, the Affected Creditors shall constitute a single class, the “Unsecured Creditors’ Class”.

NOTICE OF CREDITORS’ MEETING

8. THIS COURT ORDERS that the Monitor shall cause to be sent by regular pre-paid mail, courier, fax or e-mail copies of the Notice of Creditors’ Meeting, the Proxy, the Convenience Class Claim Election, the Resolution, the Plan, the Letter to Creditors attached as Exhibit “B” to the Wong Affidavit and a copy of this Meeting Order (collectively, the “**Meeting Materials**”) as soon as practicable after the granting of this Meeting Order and, in any event, no later than April 21, 2016 to each Affected Creditor at the address for such Affected Creditor set out in such Affected Creditor’s Proof of Claim or to such other address subsequently provided to the Monitor by such Affected Creditor.

9. THIS COURT ORDERS that the Monitor shall forthwith post an electronic copy of the Meeting Materials on the Website, send a copy of the Meeting Materials to the Service List and shall provide a written copy to any Affected Creditor upon request by such Affected Creditor.

10. THIS COURT ORDERS that on or before April 27, 2016 the Monitor shall cause the Notice of Creditors' Meeting to be published for a period of two (2) Business Days in *The Globe and Mail* (National Edition), *La Presse* and *The Wall Street Journal*.

11. THIS COURT ORDERS that the delivery of the Meeting Materials in the manner set out in paragraph 8 hereof, posting of the Meeting Materials on the Website in accordance with paragraph 9 hereof, and the publication of the Notice of Creditors' Meeting in accordance with paragraph 10 hereof shall constitute good and sufficient service of this Meeting Order and of the Plan, and good and sufficient notice of the Creditors' Meeting on all Persons who may be entitled to receive notice thereof of these proceedings or who may wish to be present in person or by Proxy at the Creditors' Meeting or who may wish to appear in these proceedings, and no other form of notice or service need be made on such Persons.

12. THIS COURT ORDERS that on or before May 11, 2016, the Monitor shall serve a report regarding the Plan on the Service List and promptly thereafter post such report on the Website.

CONDUCT AT THE CREDITORS' MEETING

13. THIS COURT ORDERS that the Target Canada Entities are hereby authorized to call, hold and conduct the Creditors' Meeting on May 25, 2016 at 10:00 a.m. at the Toronto Region Board of Trade, 77 Adelaide Street West in Toronto, Ontario for the purpose of considering, and if deemed advisable by the Unsecured Creditors' Class, voting in favour of, with or without variation, the Resolution to approve the Plan.

14. THIS COURT ORDERS that a representative of the Monitor, designated by the Monitor, shall preside as the chair of the Creditors' Meeting (the "**Chair**") and, subject to any further Order of this Court, shall decide all matters relating to the conduct of the Creditors' Meeting.

15. THIS COURT ORDERS that the Chair is authorized to accept and rely upon Proxies or such other forms as may be acceptable to the Chair.

16. THIS COURT ORDERS that the quorum required at the Creditors' Meeting shall be one (1) Affected Creditor with a Voting Claim present at such meeting in person or by Proxy.

17. THIS COURT ORDERS that the Monitor may appoint scrutineers for the supervision and tabulation of the attendance at, quorum at and votes cast at the Creditors' Meeting. A Person designated by the Monitor shall act as secretary at the Creditors' Meeting.

18. THIS COURT ORDERS that if (a) the requisite quorum is not present at the Creditors' Meeting, or (b) the Creditors' Meeting is postponed by the vote of the majority in value of Affected Creditors holding Voting Claims in person or by Proxy at the Creditors' Meeting, then the Creditors' Meeting shall be adjourned by the Chair to such time and place as the Chair deems necessary or desirable.

19. THIS COURT ORDERS that the Chair be, and he or she is hereby, authorized to adjourn, postpone or otherwise reschedule the Creditors' Meeting on one or more occasions to such time(s), date(s) and place(s) as the Chair deems necessary or desirable (without the need to first convene such Creditors' Meeting for the purpose of any adjournment, postponement or other rescheduling thereof). None of the Target Canada Entities, the Chair or the Monitor shall be required to deliver any notice of the adjournment of the Creditors' Meeting or adjourned Creditors' Meeting, provided that the Monitor shall: (a) announce the adjournment of the Creditors' Meeting or adjourned Creditors' Meeting, as applicable; (b) post notice of the adjournment at the originally designated time and location of the Creditors' Meeting or adjourned Creditors' Meeting, as applicable; (c) forthwith post notice of the adjournment on the Website; and (d) provide notice of the adjournment

to the Service List forthwith. Any Proxies validly delivered in connection with the Creditors' Meeting shall be accepted as Proxies in respect of any adjourned Creditors' Meeting.

20. THIS COURT ORDERS that the only Persons entitled to attend and speak at the Creditors' Meeting are representatives of the Target Canada Entities and the Plan Sponsor and their respective legal counsel and advisors, the Monitor and its legal counsel and advisors, Pharmacists' Representative Counsel, Employee Representative Counsel, the Employee Trust Trustee and his legal counsel and all other Persons, including the holders of Proxies, entitled to vote at the Creditors' Meeting and their respective legal counsel and advisors. Any other Person may be admitted to the Creditors' Meeting on invitation of the Chair.

VOTING PROCEDURE AT THE CREDITORS' MEETING

21. THIS COURT ORDERS that the Chair shall direct a vote on the Resolution to approve the Plan and any amendments or variations thereto made in accordance with the Plan and this Meeting Order.

22. THIS COURT ORDERS that any Proxy in respect of the Creditors' Meeting (or any adjournment, postponement or other rescheduling thereof) must be (a) received by the Monitor by 10:00 a.m. on May 24, 2016, or 24 hours (excluding Saturdays, Sundays and statutory holidays) prior to any adjourned, postponed or rescheduled Creditors' Meeting, or (b) deposited with the Chair at the Creditors' Meeting (or any adjournment, postponement or other rescheduling thereof) immediately prior to the vote at the time specified by the Chair (the "**Election/Proxy Deadline**").

23. THIS COURT ORDERS that, in the absence of instruction to vote for or against the approval of the Resolution in a duly signed and returned Proxy, the Proxy shall be deemed to

include instructions to vote for the approval of the Resolution, provided the Proxy holder does not otherwise exercise its right to vote at the Creditors' Meeting.

24. THIS COURT ORDERS that each Affected Creditor with a Voting Claim shall be entitled to one vote equal to the dollar value of its Affected Claim determined as a Voting Claim in accordance with the Claims Procedure Order and paragraph(s) 30 and 31 of this Meeting Order.

25. THIS COURT ORDERS that each Convenience Class Creditor shall be deemed to have voted in favour of the Plan.

26. THIS COURT ORDERS that (a) holders of Intercompany Claims shall not be entitled to vote on the Plan and (b) the Plan Sponsor shall not be entitled to vote on the Plan in respect of (i) its Plan Sponsor Subrogated Claims, (ii) any amounts to be contributed to the Landlord Guarantee Enhancement Cash Pool and to the Landlord Non-Guarantee Creditor Equalization Cash Pool under the Plan, or (iii) any Cash Management Lender Claims.

27. THIS COURT ORDERS that an Affected Creditor's Voting Claim shall not include fractional numbers and Voting Claims shall be rounded down to the nearest whole Canadian Dollar amount.

28. THIS COURT ORDERS that an Affected Creditor, a Propco Unaffected Creditor or a Property LP Unaffected Creditor may transfer or assign the whole of its Claim prior to the Creditors' Meeting, provided that neither the Target Canada Entities nor the Monitor shall be obligated to give notice to or otherwise deal with the transferee or assignee of such Claim as an Affected Creditor, a Propco Unaffected Creditor or a Property LP Unaffected Creditor in respect thereof, including allowing such transferee or assignee of an Affected Claim to vote at the Creditors' Meeting, unless and until actual notice of the transfer or assignment, together with

satisfactory evidence of such transfer or assignment, has been received and acknowledged by the Monitor in writing no later than 5:00 p.m. on the date that is seven (7) days prior to the Creditors' Meeting. Thereafter such transferee or assignee shall, for all purposes in accordance with the Claims Procedure Order and this Meeting Order, constitute an Affected Creditor, a Propco Unaffected Creditor or a Property LP Unaffected Creditor, as applicable, and shall be bound by any and all notices previously given to the transferor or assignor and steps taken in respect of such Claim. Such transferee or assignee shall not be entitled to set-off, apply, merge, consolidate or combine any Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such transferee or assignee to any of the Target Canada Entities. Where a Claim has been transferred or assigned in part, the transferor or assignor shall retain the right to vote at the Creditors' Meeting in respect of the full amount of the Claim as determined for voting purposes in accordance with this Meeting Order, and the transferee or assignee shall have no voting rights at the Creditors' Meeting in respect of such Claim.

29. THIS COURT ORDERS that an Affected Creditor (other than a Convenience Class Creditor), a Propco Unaffected Creditor or a Property LP Unaffected Creditor may transfer or assign the whole of its Claim after the Creditors' Meeting provided that the Target Canada Entities shall not be obligated to make any distributions to any such transferee or assignee or otherwise deal with such transferee or assignee as an Affected Creditor, a Propco Unaffected Creditor or a Property LP Unaffected Creditor in respect thereof unless and until actual notice of the transfer or assignment, together with satisfactory evidence of such transfer or assignment, has been received and acknowledged by the Monitor in writing. Thereafter, such transferee or assignee shall, for all purposes in accordance with the Claims Procedure Order, this Meeting Order and the Plan, constitute an Affected Creditor, a Propco Unaffected Creditor or a Property LP Unaffected

Creditor, as applicable, and shall be bound by any and all notices previously given to the transferor or assignor and steps taken in respect of such Claim.

DISPUTED CLAIMS

30. THIS COURT ORDERS that the Canada Revenue Agency shall have one vote in respect of its Disputed Claims, the dollar value of which shall be equal to \$1, without prejudice to the determination of the dollar value of such Disputed Claims for distribution purposes in accordance with the Claims Procedure Order.

31. THIS COURT ORDERS that the dollar value of a Disputed Claim of an Affected Creditor (other than the Disputed Claims of the Canada Revenue Agency) for voting purposes at the Creditors' Meeting shall be the dollar value of such Disputed Claim as set out in such Affected Creditor's Notice of Revision or Disallowance previously delivered by the Monitor pursuant to the Claims Procedure Order, without prejudice to the determination of the dollar value of such Affected Creditor's Disputed Claim for distribution purposes in accordance with the Claims Procedure Order.

32. THIS COURT ORDERS that the Monitor shall keep a separate record of votes cast by Affected Creditors holding Disputed Claims and shall report to the Court with respect thereto at the Sanction Motion.

CONVENIENCE CLASS CLAIM ELECTION

33. THIS COURT ORDERS that any Affected Creditor with one or more Proven Claims in an amount in excess of Cdn\$25,000 shall be entitled to elect to receive only the Cash Elected Amount and be deemed to vote in favour of the Plan in accordance with paragraph 25 hereof by returning

an executed Convenience Class Claim Election to the Monitor prior to the Election/Proxy Deadline.

APPROVAL OF THE PLAN

34. THIS COURT ORDERS that in order to be approved, the Plan must receive an affirmative vote by the Required Majority.

35. THIS COURT ORDERS that following the vote at the Creditors' Meeting, the Monitor shall tally the votes and determine whether the Plan has been approved by the Required Majority.

36. THIS COURT ORDERS that the results of and all votes provided at the Creditors' Meeting shall be binding on all Affected Creditors, whether or not any such Affected Creditor is present or voting at the Creditors' Meeting.

SANCTION HEARING

37. THIS COURT ORDERS that the Monitor shall provide a report to the Court as soon as practicable after the Creditors' Meeting (the "**Monitor's Report Regarding the Creditors' Meeting**") with respect to:

- (a) the results of voting at the Creditors' Meeting on the Resolution;
- (b) whether the Required Majority has approved the Plan;
- (c) the separate tabulation for Disputed Claims required by paragraph 32 herein; and
- (d) in its discretion, any other matter relating to the Target Canada Entities' motion seeking sanction of the Plan.

38. THIS COURT ORDERS that an electronic copy of the Monitor's Report Regarding the Creditors' Meeting, the Plan, including any Plan Modifications, and a copy of the motion seeking the Sanction and Vesting Order in respect of the Plan (the "**Sanction Motion**") shall be posted on the Website prior to the Sanction Motion.

39. THIS COURT ORDERS that in the event the Plan has been approved by the Required Majority, the Target Canada Entities may bring the Sanction Motion before this Court on June 2, 2016, or such later date as shall be acceptable to the Target Canada Entities, the Plan Sponsor and the Monitor as set by this Court upon motion by the Target Canada Entities, seeking the Sanction and Vesting Order.

40. THIS COURT ORDERS that service of this Meeting Order by the Target Canada Entities to the parties on the Service List, the delivery of the Meeting Materials in accordance with paragraph 8 hereof, posting of the Meeting Materials on the Website in accordance with paragraph 9 hereof, and the publication of the Notice of Creditors' Meeting in accordance with paragraph 10 hereof shall constitute good and sufficient service and notice of the Sanction Motion.

41. THIS COURT ORDERS that any Person intending to oppose the Sanction Motion shall (i) file or have filed with the Court a Notice of Appearance and serve such Notice of Appearance on the Service List at least seven (7) days before the date set for the Sanction Motion; and (ii) serve on the Service List a notice setting out the basis for such opposition and a copy of the materials to be used to oppose the Sanction Motion that are available by at least seven (7) days before the date set for the Sanction Motion, or such shorter time as the Court, by Order, may allow.

42. THIS COURT ORDERS that in the event that the Sanction Motion is adjourned, only those Persons appearing on the Service List as of the date of service shall be served with notice of the adjourned date.

43. THIS COURT ORDERS that, subject to any further Order of the Court, in the event of any conflict, inconsistency, ambiguity or difference between the provisions of the Plan and this Meeting Order, the terms, conditions and provisions of the Plan shall govern and be paramount, and any such provision of this Meeting Order shall be deemed to be amended to the extent necessary to eliminate any such conflict, inconsistency, ambiguity or difference.

EXTENSION OF STAY PERIOD

44. THIS COURT ORDERS that the Stay Period (as defined in paragraph 17 of the Initial Order) is hereby extended until and including June 6, 2016.

EXTENSION OF NOTICE OF OBJECTION BAR DATE

45. THIS COURT ORDERS that the definition of “Notice of Objection Bar Date” set out at paragraph 3(aa) of the Claims Procedure Order (issued by Regional Senior Justice Morawetz on June 11, 2015, as amended) is hereby amended to extend the Notice of Objection Bar Date to 28 days following June 6, 2016 or such later date as this Court may Order.

GENERAL PROVISIONS

46. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA and the Initial Order, shall assist the Target Canada Entities in connection with the matters described herein, and is hereby authorized and directed to take such other actions and fulfill such other roles as are contemplated by this Meeting Order.

47. THIS COURT ORDERS that the Target Canada Entities and the Monitor shall use reasonable discretion as to the adequacy of compliance with respect to the manner in which any forms hereunder are completed and executed and the time in which they are submitted and may

waive strict compliance with the requirements of this Meeting Order including with respect to the completion, execution and time of delivery of required forms.

48. THIS COURT ORDERS that the Monitor may, if necessary, apply to this Court for directions regarding its obligations under this Meeting Order.

49. THIS COURT ORDERS that any notice or other communication to be given under this Meeting Order by a Creditor to the Monitor or the Target Canada Entities shall be in writing in the substantially the form, if any, provided for in this Meeting Order and will be sufficiently given only if given by prepaid ordinary mail, registered mail, courier, personal delivery, facsimile transmission or e-mail addressed to:

Target Canada
Entities' Counsel: Osler, Hoskin & Harcourt LLP
P.O. Box 50, 1 First Canadian Place
100 King Street West
Toronto, ON M5X 1B8

Attention: Tracy C. Sandler / Jeremy E. Dacks
E-mail: tsandler@osler.com / jdacks@osler.com
Fax: (416) 862-6666

The Monitor: Alvarez & Marsal Canada Inc., Target Canada Monitor
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Attention: Alan J. Hutchens
E-mail: ahutchens@alvarezandmarsal.com
Fax: (416) 847-5201

With a copy to
Monitor's Counsel: Goodmans LLP
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7

Attention: Jay A. Carfagnini / Melaney J. Wagner
E-mail: jcarfagnini@goodmans.ca / mwagner@goodmans.ca
Fax: (416) 979-1234

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50. THIS COURT ORDERS that any such notice or other communication shall be deemed to have been received: (a) if sent by prepaid ordinary mail or registered mail, on the third Business Day after mailing in Ontario, the fifth Business Day after mailing within Canada (other than within Ontario), and the tenth Business Day after mailing internationally; (b) if sent by courier or personal delivery, on the next Business Day following dispatch; and (c) if delivered by facsimile transmission or e-mail by 5:00 p.m. on a Business Day, on such Business Day and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.

51. THIS COURT ORDERS that, in the event that the day on which any notice or communication required to be delivered pursuant to this Meeting Order is not a Business Day, then such notice or communication shall be required to be delivered on the next Business Day.

52. THIS COURT ORDERS that if, during any period during which notices or other communications are being given pursuant to this Meeting Order, a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary or registered mail and then not received shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery, facsimile transmission or e-mail in accordance with this Order.

53. THIS COURT ORDERS that all references to time in this Meeting Order shall mean prevailing local time in Toronto, Ontario and any references to an event occurring on a Business Day shall mean prior to 5:00 p.m. on the Business Day unless otherwise indicated.

54. THIS COURT ORDERS that references to the singular shall include the plural, references to the plural shall include the singular and to any gender shall include the other gender.

55. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative bodies, having jurisdiction in Canada or in the United States of America, to give effect to this Meeting Order and to assist the Target Canada Entities, the Monitor and their respective agents in carrying out the terms of this Meeting Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Target Canada Entities and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Target Canada Entities and the Monitor and their respective agents in carrying out the terms of this Order.

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SCHEDULE "A"
PARTNERSHIPS

Target Canada Pharmacy Franchising LP
Target Canada Mobile LP
Target Canada Property LP

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**SCHEDULE “B”
NOTICE OF CREDITORS’ MEETING**

**IN THE MATTER OF THE *COMPANIES’ CREDITORS ARRANGEMENT
ACT*, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF THE TARGET CANADA ENTITIES**

**AMENDED AND RESTATED JOINT PLAN OF COMPROMISE AND
ARRANGEMENT**

NOTICE OF CREDITORS’ MEETING

TO: The Affected Creditors of Target Canada Co., Target Canada Health Co., Target Canada Mobile GP Co., Target Canada Pharmacy (BC) Corp., Target Canada Pharmacy (Ontario) Corp., Target Canada Pharmacy Corp., Target Canada Pharmacy (SK) Corp., Target Canada Property LLC, Target Canada Pharmacy Franchising LP, Target Canada Mobile LP and Target Canada Property LP (collectively, the “**Target Canada Entities**”)

NOTICE IS HEREBY GIVEN that a meeting of the Affected Creditors of the Target Canada Entities will be held on May 25, 2016 at 10:00 a.m. at the Toronto Region Board of Trade, 77 Adelaide Street West, Toronto, ON M5X 1C1 (the “**Creditors’ Meeting**”) for the following purposes:

1. to consider and, if deemed advisable, to pass, with or without variation, a resolution (the “**Resolution**”) approving the Amended and Restated Joint Plan of Compromise and Arrangement of the Target Canada Entities pursuant to the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) dated April ●, 2016 (as amended, restated, modified and/or supplemented from time to time in accordance with the terms thereof, the “**Plan**”); and
2. to transact such other business as may properly come before the Creditors’ Meeting or any adjournment or postponement thereof.

The Creditors’ Meeting is being held pursuant to an order (the “**Meeting Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made on April [13], 2016.

Capitalized terms used and not otherwise defined in this Notice have the respective meanings given to them in the Plan.

The Plan contemplates the compromise of Claims of the Affected Creditors. Quorum for the Creditors’ Meeting has been set by the Meeting Order as the presence, in person or by Proxy, at the Creditors’ Meeting of one Affected Creditor with a Voting Claim.

In order for the Plan to be approved and binding in accordance with the CCAA, the Resolution must be approved by that number of Affected Creditors representing at least a majority in number of Voting Claims, whose Affected Claims represent at least two-thirds in value of the Voting Claims of Affected Creditors who validly vote (in person or by Proxy) on the Resolution at the Creditors’ Meeting or were deemed to vote on the Resolution as provided for in the Meeting Order (the “**Required Majority**”). Each Affected Creditor will be entitled to one vote at the Creditors’ Meeting, which vote will have the value of such person’s Voting Claim as determined in accordance with the Claims Procedure Order and the Meeting Order. If approved by the Required Majority, the Plan must also be sanctioned by the Court under the CCAA. Subject to the satisfaction of the other conditions precedent to implementation of the Plan, all Affected Creditors will then receive the treatment set forth in the Plan.

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Deemed Voting in Favour of the Plan

Convenience Class Creditors will be deemed to vote in favour of the Plan.

Forms and Proxies**Convenience Class Claim Election**

Affected Creditors with one or more Proven Claims in an amount in excess of Cdn\$25,000 may file with the Monitor a Convenience Class Claim Election, pursuant to which such Affected Creditor may elect to be treated as a Convenience Class Creditor and receive only the Cash Elected Amount of Cdn\$25,000 and shall be deemed thereby to vote in favour of the Plan, prior to 10:00 a.m. (Toronto Time) on May 24, 2016, or 24 hours (excluding Saturdays, Sundays and statutory holidays) prior to any adjourned, postponed or rescheduled Creditors' Meeting, or deposit such Convenience Class Claim Election with the Chair at the Creditors' Meeting (or any adjournment, postponement or other rescheduling thereof) immediately prior to the vote at the time specified by the Chair (the "Election/Proxy Deadline").

Proxy Form

An Affected Creditor may attend at the Creditors' Meeting in person or may appoint another person as its proxyholder by inserting the name of such person in the space provided in the form of Proxy provided to Affected Creditors by the Monitor, or by completing another valid form of Proxy. Persons appointed as proxyholders need not be Affected Creditors.

In order to be effective, proxies must be received by the Monitor at Alvarez & Marsal Canada Inc., 200 Bay Street, Suite 2900, P.O. Box 22, Toronto, ON M5J 2J1 (Attention: Steven Glustein), facsimile: (416) 847-5201, e-mail: targetcanadamonitor@alvarezandmarsal.com, prior to the Election/Proxy Deadline.

If an Affected Creditor (other than those who are deemed to vote in favour of the Plan as set out above) specifies a choice with respect to voting on the Resolution on a Proxy, the Proxy will be voted in accordance with the specification so made. **In absence of such specification, a Proxy will be voted FOR the Resolution provided that the proxyholder does not otherwise exercise its right to vote at the Creditors' Meeting.**

NOTICE IS ALSO HEREBY GIVEN that if the Plan is approved by the Required Majority at the Creditors' Meeting, the Target Canada Entities intend to bring a motion before the Court on June 2, 2016 at 9:30 a.m. (Toronto time) at the Court located at 330 University Avenue, Toronto, Ontario M5G 1R8. The motion will be seeking the granting of the Sanction and Vesting Order sanctioning the Plan under the CCAA and for ancillary relief consequent upon such sanction. Any Affected Creditor that wishes to appear or be represented, and to present evidence or arguments, at such Court hearing must file with the Court a Notice of Appearance and serve such Notice of Appearance on the Service List at least seven (7) days before such Court hearing. Any Affected Creditor that wishes to oppose the relief sought at such Court hearing shall serve on the Service List a notice setting out the basis for such opposition and a copy of the materials to be used at such hearing at least seven (7) days before the date set for such hearing, or such shorter time as the Court, by Order, may allow. A copy of the Service List may be obtained by contacting the Monitor at the particulars set out above or from the Monitor's website set out below.

This Notice is given by the Target Canada Entities pursuant to the Meeting Order.

You may view copies of the documents relating to this process on the Monitor's website at www.alvarezandmarsal.com/targetcanada.

DATED this ● day of ●, ●.

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**SCHEDULE “C”
FORM OF PROXY**

**PROXY AND INSTRUCTIONS
FOR AFFECTED CREDITORS IN THE MATTER OF THE PROPOSED
AMENDED AND RESTATED JOINT PLAN OF COMPROMISE AND
ARRANGEMENT OF
THE TARGET CANADA ENTITIES**

MEETING OF AFFECTED CREDITORS

to be held pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made on April [13], 2016 (the “**Meeting Order**”) in connection with the Amended and Restated Joint Plan of Compromise and Arrangement of the Target Canada Entities dated April ●, 2016 (as amended, restated, modified and/or supplemented from time to time, the “**Plan**”)

on May 25, 2016 at 10:00 a.m. (Toronto time) at

Toronto Region Board of Trade
77 Adelaide Street West
Toronto, ON M5X 1C1

and at any adjournment, postponement or other rescheduling thereof (the “**Creditors’ Meeting**”)

PLEASE COMPLETE, SIGN AND DATE THIS PROXY AND (I) RETURN IT TO ALVAREZ & MARSAL CANADA INC. BY 10:00 A.M. (TORONTO TIME) ON MAY 24, 2016, OR 24 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND STATUTORY HOLIDAYS) PRIOR TO ANY ADJOURNED, POSTPONED OR RESCHEDULED CREDITORS’ MEETING, OR (II) DEPOSIT THIS PROXY WITH THE CHAIR AT THE CREDITORS’ MEETING (OR ANY ADJOURNMENT, POSTPONEMENT OR OTHER RESCHEDULING THEREOF) IMMEDIATELY PRIOR TO THE VOTE AT THE TIME SPECIFIED BY THE CHAIR (THE “**ELECTION/PROXY DEADLINE**”). PLEASE RETURN OR DEPOSIT YOUR ORIGINAL PROXY SO THAT IT IS ACTUALLY RECEIVED BY THE MONITOR OR THE CHAIR ON OR BEFORE THE ELECTION/PROXY DEADLINE.

Please use this Proxy form if you do not wish to attend the Creditors’ Meeting to vote in person but wish to appoint a proxyholder to attend the Creditors’ Meeting, vote your Voting Claim to accept or reject the Plan and otherwise act for and on your behalf at the Creditors’ Meeting and any adjournment(s), postponement(s) or rescheduling(s) thereof.

The Plan is included in the Meeting Materials delivered by the Monitor to all Affected Creditors, copies of which you have received. All capitalized terms used but not defined in this Proxy shall have the meanings ascribed to such terms in the Plan.

You should review the Plan before you vote. In addition, on April [13], 2016, the Court issued the Meeting Order establishing certain procedures for the conduct of the Creditors’ Meeting, a copy of which is included in the Meeting Materials. The Meeting Order contains important information regarding the voting process. Please read the Meeting Order and the instructions sent with this Proxy prior to submitting this Proxy.

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If the Plan is approved by the Required Majority and is sanctioned by the Court, it will be binding on you whether or not you vote.

Convenience Class Creditors do not need to complete or return a Proxy as they are deemed to vote in favour of the Plan pursuant to the Meeting Order and the Plan.

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APPOINTMENT OF PROXYHOLDER AND VOTE

By checking one of the two boxes below, the undersigned Affected Creditor hereby revokes all proxies previously given and nominates, constitutes and appoints either (*if no box is checked, the Monitor will act as your proxyholder*):

- _____, or
- a representative of Alvarez & Marsal Canada Inc. in its capacity as Monitor of the Target Canada Entities

as proxyholder, with full power of substitution, to attend, vote and otherwise act for and on behalf of the undersigned at the Creditors' Meeting and at adjournment(s), postponement(s) and rescheduling(s) thereof, and to vote the amount of the Affected Creditors' Voting Claim. Without limiting the generality of the power hereby conferred, the person named as proxyholder is specifically directed to vote as shown below. The person named as proxyholder is also directed to vote at the proxyholder's discretion and otherwise act for and on behalf of the undersigned with respect to any amendments or variations to the Plan and to any matters that may come before the Creditors' Meeting or at any adjournment, postponement or rescheduling thereof and to vote the amount of the Affected Creditor's Voting Claim as follows (*mark only one*):

- Vote **FOR** the approval of the Plan, or
- Vote **AGAINST** the approval of the Plan

Please note that if no specification is made above, the Affected Creditor will be deemed to have voted FOR approval of the Plan at the Creditors' Meeting provided the Affected Creditor does not otherwise exercise its right to vote at the Creditors' Meeting.

DATED at _____ this _____ day of _____, 20__.

AFFECTED CREDITOR'S SIGNATURE:

(Print Legal Name of Affected Creditor)

(Print Legal Name of Assignee, if applicable)

(Signature of the Affected Creditor/Assignee or an Authorized Signing Officer of the Affected Creditor/Assignee)

(Print Name and Title of Authorized Signing Officer of the Affected Creditor/Assignee, if applicable)

(Mailing Address of the Affected Creditor/Assignee)

(Telephone Number and E-mail of the Affected Creditor/Assignee or Authorized Signing Officer of the Affected Creditor/Assignee)

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YOUR PROXY MUST BE RECEIVED (I) BY THE MONITOR AT THE ADDRESS LISTED BELOW OR (II) BY THE CHAIR AT THE CREDITORS' MEETING BEFORE THE ELECTION/PROXY DEADLINE.

**ALVAREZ & MARSAL CANADA INC.
MONITOR OF THE TARGET CANADA ENTITIES**

**200 Bay Street
Suite 2900
P.O. Box 22
Toronto, ON
M5J 2J1**

**Attention: Steven Glustein
Facsimile: (416) 847-5201
E-mail: targetcanadamonitor@alvarezandmarsal.com**

IF YOU HAVE ANY QUESTIONS REGARDING THIS PROXY OR THE VOTING PROCEDURES, OR IF YOU NEED AN ADDITIONAL COPY OR ADDITIONAL COPIES OF THE ENCLOSED MATERIALS, PLEASE CONTACT THE MONITOR AT targetcanadamonitor@alvarezandmarsal.com OR VISIT THE MONITOR'S WEBSITE AT www.alvarezandmarsal.com/targetcanada

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INSTRUCTIONS FOR COMPLETION OF PROXY

1. All capitalized terms used but not defined in this Proxy shall have the meanings ascribed to such terms in the Amended and Restated Joint Plan of Compromise and Arrangement of the Target Canada Entities dated April ●, 2016 (the “**Plan**”), a copy of which you have received.
2. Please read and follow these instructions carefully. Your Proxy must actually be received (i) by the Monitor at Alvarez & Marsal Canada Inc., Monitor of the Target Canada Entities, 200 Bay Street, Suite 2900, P.O. Box 22, Toronto, ON M5J 2J1 (Attention: Steven Glustein), facsimile: (416) 847-5201, e-mail: targetcanadamonitor@alvarezandmarsal.com prior to 10:00 a.m. (Toronto time) on May 24, 2016 or 24 hours (excluding Saturdays, Sundays and statutory holidays) prior to the time of any adjournment, postponement or rescheduling of the Creditors’ Meeting or (ii) by the Chair at the Creditors’ Meeting (or any adjournment, postponement or rescheduling thereof) immediately prior to the vote at the time specified by the Chair (the “**Election/Proxy Deadline**”). If your Proxy is not received by the Election/Proxy Deadline, unless such time is extended, your Proxy will not be counted.
3. The aggregate amount of your Claim in respect of which you are entitled to vote (your “**Voting Claim**”) shall be your Proven Claim, or with respect to a Disputed Claim, the amount as determined by the Monitor to be your Voting Claim in accordance the Claims Procedure Order and the Meeting Order.
4. Each Affected Creditor who has a right to vote at the Creditors’ Meeting has the right to appoint a person (who need not be an Affected Creditor) to attend, act and vote for and on behalf of the Affected Creditor and such right may be exercised by inserting in the space provided the name of the person to be appointed, or to select a representative of the Monitor as its proxyholder. If no proxyholder is selected, the Affected Creditor will be deemed to have appointed any officer of Alvarez & Marsal Canada Inc., in its capacity as Monitor, or such other person as Alvarez & Marsal Canada Inc. may designate, as proxyholder of the Affected Creditor, with power of substitution, to attend on behalf of and act for the Affected Creditor at the Creditors’ Meeting to be held in connection with the Plan and at any and all adjournments, postponements or other rescheduling thereof.
5. Check the appropriate box to vote for or against the Plan. **If you do not check either box, you will be deemed to have voted FOR approval of the Plan provided you do not otherwise exercise your right to vote at the Creditors’ Meeting.**
6. Sign the Proxy – your original signature is required on the Proxy to appoint a proxyholder and vote at the Creditors’ Meeting. If you are completing the proxy as a duly authorized representative of a corporation or other entity, indicate your relationship with such corporation or other entity and the capacity in which you are signing, and if subsequently requested, provide proof of your authorization to so sign. In addition, please provide your name, mailing address, telephone number and e-mail address.
7. Return the completed Proxy to the Monitor at Alvarez & Marsal Canada Inc., Monitor of the Target Canada Entities, 200 Bay Street, Suite 2900, P.O. Box 22, Toronto, ON M5J 2J1 (Attention: Steven Glustein), facsimile: (416) 847-5201, e-mail: targetcanadamonitor@alvarezandmarsal.com, so that it is actually received by no later than the Election/Proxy Deadline.

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8. If you need additional Proxies, please immediately contact the Monitor.
9. If multiple Proxies are received from the same person with respect to the same Claims prior to the Election/Proxy Deadline, the latest dated, validly executed Proxy timely received will supersede and revoke any earlier received Proxy. However, if a holder of Claims casts Proxies received by the Monitor dated with the same date, but which are voted inconsistently, such Proxies will not be counted. If a Proxy is not dated in the space provided, it shall be deemed dated as of the date it is received by the Monitor.
10. If an Affected Creditor (other than a Convenience Class Creditor) validly submits a Proxy to the Monitor and subsequently attends the Creditors' Meeting and votes in person inconsistently, such Affected Creditor's vote at the Creditors' Meeting will supersede and revoke the earlier received Proxy.
11. Proxies may be accepted for purposes of an adjourned, postponed or other rescheduled Creditors' Meeting if received by the Monitor by the Election/Proxy Deadline.
12. Any Proxy that is illegible or contains insufficient information to permit the identification of the claimant will not be counted.
13. After the Election/Proxy Deadline, no Proxy may be withdrawn or modified, except by an Affected Creditor voting in person at the Creditors' Meeting, without the prior consent of the Monitor and the Target Canada Entities.
14. If you are an Affected Creditor with one or more Proven Claims in an amount in excess of Cdn\$25,000, you may elect to receive the Cash Elected Amount in full and final satisfaction of your Affected Claims by completing the Convenience Class Claim Election contained in the Meeting Materials you received from the Monitor. If you elect to receive the Cash Elected Amount, you will be deemed to have voted in favour of the Plan and do not need to complete this Proxy.

IF YOU HAVE ANY QUESTIONS REGARDING THIS PROXY OR THE VOTING PROCEDURES, OR IF YOU NEED AN ADDITIONAL COPY OR ADDITIONAL COPIES OF THE ENCLOSED MATERIALS, PLEASE CONTACT THE MONITOR AT targetcanadamonitor@alvarezandmarsal.com OR VISIT THE MONITOR'S WEBSITE AT www.alvarezandmarsal.com/targetcanada

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SCHEDULE "D"
FORM OF CONVENIENCE CLASS CLAIM ELECTION

**TO: ALVAREZ & MARSAL CANADA INC., in its capacity as Monitor of the Target
Canada Entities**

In connection with the Amended and Restated Joint Plan of Compromise and Arrangement of the Target Canada Entities pursuant to the *Companies' Creditors Arrangement Act* (Canada) dated April ●, 2016 (as amended, restated, modified and/or supplemented from time to time, the "**Plan**"), the undersigned hereby elects to be treated as a Convenience Class Creditor and thereby to receive the Cash Elected Amount of Cdn\$25,000 in full and final satisfaction of the Proven Claim(s) of the undersigned, and hereby acknowledges that the undersigned shall be deemed to vote its Voting Claim(s) in favour of the Plan at the Creditors' Meeting.

For the purposes of this election, terms not defined herein shall have the meanings ascribed thereto in the Plan.

DATED at _____ this ____ day of _____, 20__.

AFFECTED CREDITOR'S SIGNATURE:

(Print Legal Name of Affected Creditor)

(Print Legal Name of Assignee, if applicable)

(Signature of the Affected Creditor/Assignee or an Authorized
Signing Officer of the Affected Creditor/Assignee)

(Print Name and Title of Authorized Signing Officer of the
Affected Creditor/Assignee, if applicable)

(Mailing Address of the Affected Creditor/Assignee)

(Telephone Number and E-mail of the Affected
Creditor/Assignee or Authorized Signing Officer of the Affected
Creditor/Assignee)

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**SCHEDULE “E”
FORM OF RESOLUTION**

BE IT RESOLVED THAT:

1. The Amended and Restated Joint Plan of Compromise and Arrangement of Target Canada Co., Target Canada Health Co., Target Canada Mobile GP Co., Target Canada Pharmacy (BC) Corp., Target Canada Pharmacy (Ontario) Corp., Target Canada Pharmacy Corp., Target Canada Pharmacy (SK) Corp., Target Canada Property LLC, Target Canada Pharmacy Franchising LP, Target Canada Mobile LP, and Target Canada Property LP (collectively, the “**Target Canada Entities**”) pursuant to the *Companies’ Creditors Arrangement Act* (Canada) dated April ●, 2016 (the “**Plan**”), which Plan has been presented to this meeting and which is substantially in the form attached as Exhibit “●” to the Affidavit of Mark J. Wong sworn ●, 2016 (as such Plan may be amended, restated, supplemented and/or modified as provided for in the Plan) be and it is hereby accepted, approved, agreed to and authorized; and
2. any director or officer of each of the Target Canada Entities be and is hereby authorized and directed, for and on behalf of each of the Target Canada Entities, respectively (whether under its respective corporate seal or otherwise), to execute and deliver, or cause to be executed and delivered, any and all documents and instruments and to take or cause to be taken such other actions as he or she may deem necessary or desirable to implement this resolution and the matters authorized hereby, including the transactions required by the Plan, such determination to be conclusively evidenced by the execution and delivery of such documents or other instruments or the taking of any such actions.

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**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TARGET CANADA CO., *et al.***

Applicants

Court File No. CV-15-10832-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO

MOTION RECORD OF THE APPLICANTS

**(Motion to Accept Filing of the Amended Plan
and Authorize Creditors' Meeting)**

OSLER, HOSKIN & HARCOURT LLP

Box 50, 1 First Canadian Place
Toronto, Canada M5X 1B8

Tracy Sandler (LSUC #: 32443N)
Jeremy Dacks (LSUC #: 41851R)
Shawn Irving (LSUC #: 50035U)
Robert Carson (LSUC #: 57364H)

Tel: (416) 362-2111
Fax: (416) 862-6666

Lawyers for the Applicants

Matter No: 1159785