

T A B E

THIS IS EXHIBIT "E" TO THE
AFFIDAVIT OF MARK J. WONG
SWORN MAY 19, 2015



Commissioner for Taking Affidavits

EXECUTION COPY

TARGET CANADA CO.
as the Tenant

- and -

VANPROP INVESTMENTS LTD.
as the Landlord

LEASE SURRENDER AGREEMENT
May 13, 2015

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THIS LEASE SURRENDER AGREEMENT dated with effect as of May 13, 2015

BETWEEN:

TARGET CANADA CO. (the “**Tenant**”)

OF THE FIRST PART,

- and -

VANPROP INVESTMENTS LTD. (the “**Landlord**”)

OF THE SECOND PART,

RECITALS:

- A. The Tenant and certain of its affiliates applied for and together with the limited partnerships listed on Schedule “A” to the Initial Order (the Tenant, its affiliates and the limited partnerships being collectively, the “**Applicants**”) were granted protection by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), and Alvarez & Marsal Canada Inc. (the “**Monitor**”) was appointed by the Court as the monitor of the Tenant pursuant to an Order of the Court dated January 15, 2015, as amended and restated on February 11, 2015, and as further amended, restated and/or amended and restated from time to time (collectively, the “**Initial Order**”).
- B. On February 11, 2015, the Court entered an order approving the process for the disposition of the Tenant's real property interests and the procedures set forth therein (as same may be amended from time to time, the “**Sale Procedures**”).
- C. Pursuant to the Sale Procedures, the Landlord submitted a Landlord LOI for the purchase of a lease with respect to leased premises the Tenant uses or used in its operations, and has been invited to submit a Landlord Qualified Bid in accordance with the Sale Procedures.
- D. The Landlord hereby offers to accept a surrender from the Tenant of the Tenant’s right, title and interest in and to the Lease, the Real Property Interests and the Premises and to accept the resiliation of such Lease on the terms and conditions set out herein (the “**Offer**”).
- E. This Agreement is subject to approval by the Court, and the completion of the Transaction is subject to the Court issuing the Approval and Vesting Order and the Monitor releasing the Monitor’s Certificate, all as more particularly described herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth in this Agreement and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Tenant and the Landlord (individually, a “**Party**” and collectively, the “**Parties**”) covenant and agree as follows:

ARTICLE 1 DEFINITIONS

1.1 Definitions

Unless otherwise provided for herein, all capitalized terms set out below when used in this Agreement shall have the meaning ascribed thereto unless the context expressly or by necessary implication otherwise requires:

“**Agency Agreement**” has the meaning ascribed thereto in the Agency Agreement Order.

“**Agency Agreement Order**” means the Approval Order – Agency Agreement of the Court dated February 4, 2015, as amended, restated and/or amended and restated from time to time.

“**Agent**” has the meaning ascribed thereto in the Agency Agreement Order.

“**Agreement**” means this agreement constituted by the Tenant’s acceptance of the Offer together with all schedules and instruments in written amendment or confirmation of it and the expression “**Section**” followed by a number means and refers to the ascribed thereto Section of this Agreement.

“**Applicants**” has the meaning ascribed thereto in Recital A.

“**Approval and Vesting Order**” means an order issued by the Court approving this Agreement and the transactions contemplated by this Agreement, and surrendering to the Landlord all of the Tenant’s right, title and interest in and to the Lease and the Real Property Interests free and clear of all Encumbrances other than the Permitted Encumbrances, which order shall be substantially in the form of Schedule “E”.

“**Auctions**” has the meaning ascribed thereto in the Sale Procedures.

“**Authorization**” means, with respect to any Person, any order, permit, approval, waiver, licence or similar authorization of any Governmental Authority having jurisdiction over the Person.

“**Backup Bidder**” has the meaning ascribed thereto in the Sale Procedures.

“**Business Day**” means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Toronto, Ontario.

“**CCAA**” has the meaning ascribed thereto in Recital A.

“**CCAA Proceedings**” means the proceedings commenced by the Applicants before the Court under the CCAA, court file no. CV-15-10832-00CL.

“**Claims**” means claims, demands, complaints, grievances, actions, applications, suits, causes of action, Orders, charges, indictments, prosecutions, informations or other similar processes, assessments or reassessments, equitable interests, options, preferential arrangements of any kind or nature, assignments, restrictions, financing statements, deposit arrangements, rights of others, leases, sub-leases, licences, rights of first refusal or similar restrictions, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, including loss of value,

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reasonable professional fees, including fees and disbursements of legal counsel on a full indemnity basis, and all actual and documented costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing.

“**Closing**” has the meaning ascribed thereto in Section 7.5(a).

“**Closing Date**” has the meaning ascribed thereto in Section 7.5(a).

“**Closing Documents**” means those documents and deliveries to be delivered in connection with the Closing as contemplated in this Agreement including those set out in Section 7.4.

“**Competing Bidder**” has the meaning ascribed thereto in the Sale Procedures.

“**Confidentiality Agreement**” means the confidentiality and non-disclosure agreement between the Landlord and the Tenant dated February 19, 2015 with respect to confidentiality, access and other matters in connection with the Transaction, as amended or supplemented in writing from time to time.

“**Contracts**” means, collectively, all of the Tenant’s contracts and agreements to enter into contracts with respect to the operation, fire protection, servicing, maintenance, repair and cleaning of the Premises, or the furnishing of supplies or services to the Premises, any property management or asset management contracts, any employment contracts and any insurance contracts entered into by the Tenant or any manager or agent on behalf of the Tenant with respect to the Premises or the Lease.

“**Court**” has the meaning ascribed thereto in Recital A.

“**Encumbrance**” means any restriction, reservation, easement, servitude, right-of-way, encroachment, mortgage, charge, pledge, hypothec, prior claims, lien (statutory or otherwise), security interest, title retention agreement or arrangement, assignment, claim, prior claim, liability (direct, indirect, absolute or contingent), obligation, trust, deemed trust, right of retention, judgment, writ of seizure or execution, notice of sale, contractual right, option, right of first refusal, or any other right or interest, of any nature or any other arrangement or condition whether or not registered, published or filed, statutory or otherwise, secured or unsecured.

“**Excise Tax Act**” means the *Excise Tax Act*, R.S.C., 1985, c. E-15, as amended, restated, supplemented or substituted from time to time.

“**Excluded Assets**” means those assets (in each case, as of the Closing Date) described in Schedule “C”.

“**Execution Date**” means the date of this Agreement as set out on the top of page 1 hereof.

“**Financial Advisor**” means Lazard Frères & Co. LLC.

“**FF&E**” means the fixtures, improvements, tools, signs, furniture, machinery, equipment, furnishings and fixtures including shelves, counters, video cameras and equipment, security systems, point-of-sales systems and related appurtenances, telecommunications systems and related appurtenances, electric light fixtures, elevating devices and equipment and trade fixtures located at the Premises, in each case, to the extent owned by the Tenant as of the Closing Date,

including those items listed on Schedule “J” hereto. However, FF&E excludes the emergency generator on the Premises and the Landlord’s traffic counters.

“**Guarantees**” means the promises, assurances, guarantees and/or indemnities provided by or on behalf of Target to the Landlord, if any, in respect of any or all of the liabilities and obligations of the Tenant under the Lease and/or with respect to the Premises and/or the Property. Any one such promises, assurances, guarantees and/or indemnities is referred to as a “**Guarantee**”.

“**Governmental Authorities**” means governments, regulatory authorities, governmental departments, agencies, agents, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power.

“**GST Certificate, Undertaking and Indemnity**” mean the Landlord’s certificate to be in substantially the form set out in Schedule “F”.

“**Initial Order**” has the meaning ascribed thereto in Recital A.

“**Interim Period**” means the period between the close of business on the Execution Date and the Closing on the Closing Date.

“**Inventory**” includes all inventory, stock, supplies and all other items to be sold from any of the Premises.

“**Landlord**” has the meaning ascribed thereto on page 1 hereof.

“**Landlord LOI**” has the meaning ascribed thereto in the Sale Procedures.

“**Landlord Qualified Bid**” has the meaning ascribed thereto in the Sale Procedures.

“**Laws**” means any and all applicable laws, including all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, ruling or awards, and general principles of common and civil law and equity, binding on or affecting the Person referred to in the context in which the word is used.

“**Lease**” means the lease to occupy the Premises assigned in favour of the Tenant and listed in Schedule “B”.

“**Lease Amendment and Surrender Agreement**” means, with respect to the Lease, an amendment and surrender of lease in substantially the form attached as Schedule “H”.

“**Monitor**” has the meaning ascribed thereto in Recital A.

“**Monitor’s Certificate**” means the certificate filed with the Court by the Monitor certifying receipt of confirmation from the Landlord and the Tenant that all conditions of Closing in Sections 7.1, 7.2 and 7.3 of this Agreement have been satisfied or waived.

“**Notice**” has the meaning ascribed thereto in Section 8.17.

“**Off-Title Compliance Matters**” means open permits or files, work orders, Orders, deficiency notices, directives, notices of violation, non-compliance and/or complaint and/or other outstanding matters or matters of non-compliance with the zoning and/or other requirements of any Governmental Authorities or any open building permits.

“**Offer**” has the meaning ascribed thereto in Recital D.

“**Orders**” means orders, injunctions, judgments, administrative complaints, decrees, rulings, awards, assessments, directions, instructions, penalties or sanctions issued, filed or imposed by any Governmental Authority or arbitrator.

“**Outside Date**” has the meaning ascribed thereto in the Sale Procedures.

“**Permitted Encumbrances**” means, collectively: (a) any Encumbrances encumbering the freehold or other ownership interest in the Property or any other Landlord’s interest in the Property, but excludes any Encumbrances solely encumbering the Tenant’s leasehold interest in and to any Property situated outside of the Province of Québec on which the Premises are located; (b) Encumbrances resulting from the Landlord’s actions or omissions; and (c) the items identified in Schedule “K” hereto.

“**Person**” means an individual, partnership, corporation, trust, unincorporated organization, company, government, or any department or agency thereof, and the successors and assigns thereof or the heirs, executors, administrators or other legal representatives of an individual.

“**Premises**” means, collectively, the lands and premises which are leased to the Tenant pursuant to the Lease.

“**Property**” means collectively, the real or immovable property of which the Premises form part for the purposes of the Lease and includes the Landlord’s freehold ownership interest therein.

“**Property Claims**” means any and all Claims which the Landlord ever had, now has or hereafter can, shall or may have against the Tenant or Target in respect of the Lease, the Real Property Interests, the Premises, the Guarantees and/or the Property.

“**Qualified Bid Deadline**” has the meaning ascribed thereto in the Sale Procedures.

“**Real Property Interests**” means all properties, assets, interests and rights of the Tenant which are related to the operation at the Premises, which for greater certainty do not include Excluded Assets but include: (a) the Tenant’s right, title and interest, including its leasehold interest at common law and its rights as a lessee under civil law, in and to the Lease and the Premises, including, if any, the benefit of all easements, restrictive covenants, access rights, licences to use any common areas or rooftop areas of the buildings or shopping centre of which the Premises form part, rights to renew or extend the term of any Lease, options and similar rights of first offer, first refusal or first opportunity or otherwise to lease or purchase (if any), parking rights and signage rights; (b) any right, title or interest the Tenant may have or claim in the emergency generator on the Premises or the Landlord’s traffic counters, to the extent left on the Premises on the Closing Date; and (c) the FF&E which are left on the Premises on the Closing Date.

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“**Release of Property Claims**” means a release by the Landlord of any Property Claims against the Tenant, Target and all predecessors in interest to the Tenant under any of the Lease, in substantially the form attached as Schedule “L”

“**Release of Tenant Claims**” has the meaning ascribed thereto in Section 3.8.

“**Sale Procedures**” has the meaning ascribed thereto in Recital B.

“**Surrender Consideration**” has the meaning ascribed thereto in Section 3.1.

“**Successful Bid**” has the meaning ascribed thereto in the Sale Procedures.

“**Successful Bidder**” has the meaning ascribed thereto in the Sale Procedures.

“**Taxes**” means land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp or similar taxes, including GST and British Columbia provincial sales tax.

“**Target**” means Target Corporation and its successors and assigns.

“**Tenant**” has the meaning ascribed thereto on page 1 hereof.

“**Transaction**” means collectively the transactions contemplated in this Agreement.

ARTICLE 2 SURRENDER TRANSACTION

2.1 Offer and Acceptance

- (a) Subject to the Initial Order and the Sale Procedures, the Tenant hereby agrees to surrender and the Landlord hereby agrees to accept a surrender of the Lease and the Real Property Interests on the Closing Date in accordance with the terms and conditions of this Agreement.
- (b) Upon acceptance of this Offer by the Tenant, this Offer shall constitute a binding agreement to surrender the Lease and the Real Property Interests, on the terms of this Agreement.

2.2 As Is, Where Is

Notwithstanding the foregoing or anything else contained herein or elsewhere, the Landlord acknowledges and agrees in favour of the Tenant that as of the Execution Date and the Closing Date:

- (a) Except for:
 - (i) the Tenant’s representations and warranties set out in Section 6.1,
 - (ii) the Tenant’s covenants set out in Sections 5.1 and 5.2,

the Landlord is accepting the surrender of the Lease and the Real Property Interests and accepting the Premises on an “as is, where is” basis, without any

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written or oral statements, representations, warranties, promises or guaranties of any nature or kind whatsoever, either legal or conventional, express or implied (by operation of law or otherwise), as to the state of title thereto, the state of any Encumbrances, the condition of any of the Premises and the Real Property Interests and the status of any of the Lease or the Encumbrances, the existence of any default on the part of the Tenant, the physical, environmental or other condition of, in, on, under or in the vicinity of any of the Premises, the existence of any Encumbrance and/or Off-Title Compliance Matters affecting the Lease, the Real Property Interests, the Premises or the Permitted Encumbrances, the structural integrity or any other aspect of the physical condition of the Premises, the conformity of the Premises to past, current or future applicable zoning or building code requirements or other applicable Laws, the existence of soil instability, past soil repairs, soil additions or conditions of soil fill or any other matter affecting the stability or integrity of the Premises, the sufficiency of any drainage, the availability of public utilities, access, parking and/or services for the Premises, the fitness or suitability of the Premises for occupancy or any intended use (including matters relating to health and safety), the potential for further development of the Premises, the existence of land use, zoning or building entitlements affecting the Premises, the presence, release or use of wastes of any nature, hazardous materials, pollutants, contaminants or other regulated substances in, under, on or about the Premises or any neighbouring lands; and without limiting the foregoing, any and all conditions or warranties expressed or implied pursuant to the *Sale of Goods Act (Ontario)* or the *Sale of Goods Act (British Columbia)* will not apply and are hereby waived by the Landlord and the Parties agree to exclude;

- (b) any disclosure in respect of the Lease, the Real Property Interests and/or the Premises, if any, was made available to the Landlord solely as a courtesy but the Landlord is not entitled to rely on such disclosure, and it is expressly acknowledged by the Landlord that no written or oral statement, representation, warranty, promise or guarantee of any nature or kind whatsoever, either legal or conventional, express or implied (by operation of law or otherwise), is made by the Tenant and/or the Monitor and/or their respective legal counsel, the Financial Advisor or other advisors or representatives as to the accuracy, currency or completeness of any such disclosure, and each of them expressly disclaims any and all liabilities with respect to such disclosure and any and all errors therein or omissions therefrom;
- (c) except with respect to the Tenant's representations, warranties and covenants in this Agreement or the Closing Documents, the Landlord hereby unconditionally and irrevocably waives any and all actual or potential rights or Claims the Landlord might have against the Tenant pursuant to any warranty, legal or conventional, express or implied, of any kind or type relating to the Lease, the Real Property Interests, the Premises or any other assets or any other aspect of the Transaction. Such waiver is absolute, unlimited and includes, but is not limited to, waiver of express warranties, implied warranties, any warranties at law and/or in equity, warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and Claims of every kind and type,

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including, but not limited to, Claims regarding defects, whether or not discoverable, product liability Claims, or similar Claims, and to all other extent or later created or conceived of strict liability or strict liability type Claims and rights;

- (d) the Landlord conducted its own independent review, inspection, diligence and investigations and forming its own independent opinions and conclusions in respect of the Lease, the Real Property Interests and the Premises. The Landlord's decision to make this Offer and enter into this Agreement was made of its own accord without reference to or reliance upon any disclosure made by the Tenant and/or the Monitor and/or their respective legal counsel, the Financial Advisor or other advisors or representatives. The Landlord acknowledges having been given a reasonable and adequate opportunity to conduct its own independent diligence prior to entering in this Agreement; and
- (e) the Lease, the Real Property Interests or the Premises may be subject to certain Off-Title Compliance Matters, municipal requirements, including building or zoning by-laws and regulations, servitudes, easements for hydro, gas, telephone affecting same, and like services to the Premises, and restrictions and covenants affecting the Premises, including but not limited to the Permitted Encumbrances. Without limiting the foregoing, the Tenant shall not be responsible for rectification of any matters disclosed by any Governmental Authority or quasi-governmental authority having jurisdiction.

The Tenant has no and shall have no obligations or responsibility to the Landlord after Closing with respect to any matter relating to the Lease, the Premises or the Property or the condition thereof save and only to the extent expressly provided in this Agreement. This Section 2.2 shall survive and not merge on Closing and all Closing Documents shall incorporate this Section 2.2 by reference.

ARTICLE 3 CONSIDERATION

3.1 Surrender Consideration

The consideration payable by the Landlord to the Tenant for the Transaction shall be FIFTY THOUSAND DOLLARS (\$50,000.00) (the "**Surrender Consideration**") exclusive of all Taxes. Subject only to adjustment in accordance with this Agreement, the Surrender Consideration shall be paid to the Tenant by wire transfer of immediately available funds from any of the five largest (by asset size) Schedule I Canadian chartered banks pursuant to the Large Value Transfer System as administered by the Canadian Payments Association payable to the Monitor or as it may direct on the Closing Date.

3.2 Deposit

- Intentionally deleted -

3.3 Surrender Consideration Allocation

On or prior to the Closing Date, the Landlord and the Tenant, each acting reasonably, shall agree as to the allocation of the Surrender Consideration as between the Real Property Interests. The Landlord and the Tenant shall adopt such allocations for the purposes of all tax returns, elections and filings respectively made by them or on their behalf provided that if the parties cannot agree upon such an allocation, on or prior to the Closing Date, the Agreement shall still constitute a binding agreement and the Transaction shall proceed.

3.4 Lease Amendment and Surrender Agreement

The Landlord shall execute and deliver to the Tenant on the Closing Date the Lease Amendment and Surrender Agreement for the Lease.

3.5 Property Claims

The Landlord covenants with the Tenant that it shall, as and from the Closing Date, assign, release and quit claim to the Tenant and Target all of the Landlord's right, title and interest in and to the Property Claims, other than Claims against the Tenant in any way relating to or arising from the Tenant's obligations or liabilities under this Agreement which are expressly stated to survive the Closing, together with any and all benefits, advantages, privileges and rights relating thereto or arising and flowing therefrom, to have and to hold the same unto the Tenant, its successors and assigns, forever. On Closing, the Landlord shall execute and deliver to the Tenant and Target a Release of Property Claims, excluding Claims against the Tenant in any way relating to or arising from (i) the Tenant's obligations or liabilities under this Agreement which are expressly stated to survive the Closing or (ii) the Closing Documents.

3.6 Letters of Credit and Deposits

- Intentionally deleted -

3.7 Trade-Marks

Notwithstanding the foregoing or anything else contained herein or elsewhere, the Landlord acknowledges and agrees that: (a) no signs, trade-marks, trade-names, logos, commercial symbols, business names or other intellectual property rights identifying "Target" or "Target Canada" are conveyed or intended to be conveyed to the Landlord as part of the Transaction; and (b) all right, title and interest of the Tenant in and to all of its existing signs, trade-marks, trade-names, logos, commercial symbols, business names or other intellectual property rights identifying "Target" or "Target Canada" or containing the words "Target" are hereby specifically reserved and excluded from the Transaction. This Section shall survive and not merge on Closing.

3.8 Release of Tenant Claims

On Closing, the Tenant shall execute and deliver a release in the form attached as Schedule "M" (the "Release of Tenant Claims") in favour of the Landlord Releasees whereby the Tenant will fully and unconditionally release and forever discharge each of the Landlord Releasees of and from any and all Claims which each or Tenant ever had, now has or hereafter can, shall or may

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have against any of the Landlord Releasees, whether in respect of the period prior to or after Closing, in any way relating to or arising from: (a) any of the Real Property Interests, the Lease, the Premises and the Property, but excluding Claims in any way relating to or arising from (i) the Landlord's obligations or liabilities under this Agreement which are expressly stated to survive the Closing of this Agreement; and (ii) the Closing Documents. This Section 3.8 shall not merge upon Closing but shall survive Closing.

ARTICLE 4 ADJUSTMENTS

4.1 Statement of Adjustments and Absence of Post-Closing Adjustments

The Tenant shall prepare a draft statement of adjustments and deliver same with supporting documentation to the Landlord for its review and approval no later than two (2) Business Days prior to the Closing Date. If the amount of any adjustments required to be made pursuant to this Agreement cannot be reasonably determined as of the Closing Date, an estimate shall be made by the Landlord and the Tenant as of the Closing Date based upon the best information available to the Parties at such time, each Party acting reasonably and such estimate shall serve as a final determination. There shall be no further adjustments or readjustments after Closing of any amounts adjusted or intended to be adjusted on the statement of adjustments pursuant to this Agreement and the amounts set out on the statement of adjustments shall be final.

4.2 Items of Adjustments Under the Lease

- (a) The Tenant and the Landlord shall adjust the rent (including basic or minimum rent and additional rent) and other amounts payable under the Lease which have been paid or pre-paid to the Landlord in respect of the Lease for any period prior to the Closing Date as well as the month in which the Closing Date occurs, with the Closing Date itself to be allocated to the Landlord.
- (b) Without limiting the generality of the foregoing, the Tenant and the Landlord shall as of the Closing Date adjust between themselves the following amounts:
 - (i) basic or minimum rent for the month in which the Closing occurs;
 - (ii) 2014 and 2015 adjustments for additional rent paid or payable by the Tenant, including common area maintenance costs and real property taxes and any adjustments required after reconciliation of actual amounts with estimated amounts. For greater certainty, there shall be no prior year reconciliations;
 - (iii) in favour of the Tenant, on account of any roof repair costs or other costs of improvements paid by the Tenant which were required to be reimbursed to the Tenant by the Landlord;
 - (iv) in favour of the Tenant, on account of any amount owing to the Tenant by the Landlord in respect of unpaid tenant allowance, rent free periods or other tenant inducements; and

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- (v) in favour of the Tenant, on account of any other credit/setoff that the Tenant is entitled to claim from the Landlord, e.g. credit against/deduction from future additional rent charges due to the Tenant having performed certain work or paid for certain costs which were the Landlord's responsibility.
- (c) The Landlord shall be responsible for and pay all applicable Taxes payable in connection with the Transaction.
- (d) The Landlord hereby waives any fees or charges payable to the Landlord under the Lease in respect of the Transaction, including, without limitation, any fees, penalties, or charges payable to any Landlord in respect of a surrender of a Lease and any obligation in respect of the payment of accelerated and/or increased rent which arises solely as a result of a surrender of a Lease.

4.3 Realty Tax Appeals

- Intentionally deleted -

4.4 Utilities

- (a) The Landlord shall not assume any contracts or agreements entered into by or on behalf of the Tenant for the supply of any utilities (including electricity, gas, water, fuel, telephone service, internet services, security and surveillance services or otherwise) at the Premises. On or before the Closing Date, the Tenant shall terminate all of its contracts and agreements for the supply of any utilities to the Premises. For the avoidance of doubt, there shall be no adjustment at Closing in respect of the payment of any utilities. The provisions of this Section 4.4(a) shall survive and not merge on Closing.
- (b) From and after the Closing Date, any and all utility charges and other related fees payable for the Premises, pursuant to any invoice or statement issued on or after the Closing Date, shall be the sole responsibility of the Landlord, and there shall be no adjustments between the Tenant and the Landlord of any utility charges or related fees paid by the Landlord pursuant to any such invoice or statement issued on or after the Closing Date.

ARTICLE 5 INTERIM PERIOD & LEASE MATTERS

5.1 Interim Period

- (a) During the Interim Period, the Landlord and the Tenant shall comply with each and every term and condition of the Lease as currently applicable in the CCAA Proceedings, subject only to the provisions of the Initial Order, the Agency Agreement Order, the Sale Procedures and the provisions of this Section.
- (b) The Tenant shall not be obligated to remove from the Premises the FF&E or the Excluded Assets.

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- (c) Notwithstanding any provision of the Lease, the Tenant shall have no obligation to operate in the Premises during the Interim Period and on Closing the Tenant shall surrender the Premises in a “broom-swept” clean condition and on the condition as of the Execution Date, ordinary wear and tear excepted, and, for greater certainty, the Tenant shall not be required to repair and/or reinstate the Premises.
- (d) In the event that prior to the Closing Date all or a part of the Premises or more is expropriated or notice of expropriation or intent to expropriate all or a part of the Premises is issued by any Governmental Authority, the Landlord shall immediately advise the Tenant thereof by Notice in writing. Notwithstanding the occurrence of any of the foregoing, the Landlord shall complete the Transaction contemplated herein in accordance with the terms hereof without reduction of the Surrender Consideration and all compensation for expropriation shall be payable to the Landlord and all right and claim of the Tenant to such amounts, if any, shall be assigned to the Landlord on a without recourse basis.
- (e) The Premises shall be and remain until Closing at the risk of the Tenant. In the event of material damage by fire or other hazard to the Premises or any part thereof occurring before the Closing Date, the Tenant shall immediately advise the Landlord thereof by Notice in writing. Notwithstanding the occurrence of any of the foregoing, the Landlord shall complete the Transaction contemplated herein in accordance with the terms hereof without reduction of the Surrender Consideration and the proceeds of any insurance available or actually paid or payable to the Tenant shall be paid and/or assigned to the Landlord on a without recourse basis.

The provisions of this Section 5.1 shall not merge on Closing and shall survive the Closing.

5.2 Contracts

The Tenant covenants to terminate effective as of the Closing Date, at its sole cost and expense, all Contracts insofar as they relate to the Premises.

5.3 Releases

- Intentionally deleted -

ARTICLE 6 REPRESENTATIONS, WARRANTIES & COVENANTS

6.1 Tenant’s Representations and Warranties

The Tenant represents and warrants to and in favour of the Landlord that as of the Execution Date and as of Closing as to the following and acknowledges and confirms that the Landlord is relying upon such representations and warranties in connection with the entering into of this Agreement:

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- (a) the execution, delivery and performance by the Tenant of this Agreement has been duly authorized by all necessary corporate action on the part of the Tenant subject to the Approval and Vesting Order and authorization as is required by the Court;
- (b) the Tenant is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada); and
- (c) the Tenant is a registrant for the purposes of the tax imposed under Part IX of the *Excise Tax Act*.

6.2 Landlord's Representations and Warranties

The Landlord represents and warrants to and in favour of the Tenant that as of the Execution Date and as of Closing as to the following and acknowledges and confirms that the Tenant is relying upon such representations and warranties in connection with the entering into of this Agreement:

- (a) the Landlord has been duly incorporated and is validly subsisting under the Laws of the jurisdiction of its incorporation, and has all requisite corporate capacity, power and authority to carry on its business as now conducted by it and to own its properties and assets and is qualified to carry on business under the Laws of the jurisdictions where it carries on a material portion of its business;
- (b) the Landlord is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada);
- (c) the Landlord is a registrant for the purposes of the tax imposed under Part IX of the *Excise Tax Act*;
- (d) the execution, delivery and performance by the Landlord of this Agreement:
 - (i) has been duly authorized by all necessary corporate action on the part of the Landlord;
 - (ii) does not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) require any consent or approval (other than those that have already been obtained) under, result in a breach or a violation of, or conflict with, any of the terms or provisions of its constating documents or by-laws or any contracts or instruments to which it is a party or pursuant to which any of its assets or property may be affected, including any consent or approval from a mortgagee or lender or its respective agent, servicer or *fondé de pouvoir* or such other creditor to the Landlord or its affiliates with security on all or part of a Property; and
 - (iii) will not result in the violation of any Laws;
- (e) the Lease is in good standing, save and except for the CCAA Proceedings and the Tenant ceasing to continuously operate the Premises as a department store;

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- (f) the Landlord is the registered and beneficial owner of the Property and the lessor under the Lease;
- (g) this Agreement has been duly executed and delivered by the Landlord and constitutes legal, valid and binding obligations of the Landlord, enforceable against it in accordance with their respective terms subject only to any limitation under applicable Laws relating to (i) bankruptcy, winding-up, insolvency, arrangement and other similar Laws of general application affecting the enforcement of creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction;
- (h) the Landlord has reviewed and is familiar with all of the terms and conditions of the Lease; and
- (i) the Landlord has, and will have at Closing, all funds on hand necessary to pay the Surrender Consideration.

The Landlord's representations and warranties shall survive Closing for a period of one (1) year thereafter.

6.3 Landlord's Covenants

- (a) The Landlord shall use commercially reasonable efforts to take all such actions as are within its power to control, and to cause other actions to be taken which are not within its power to control, so as to ensure compliance with each of the conditions and covenants set forth in Article 7 which are for the benefit of any other Party.
- (b) The Landlord will promptly notify the Tenant and the Tenant will promptly notify the Landlord upon:
 - (i) becoming aware of any Order or any complaint requesting an Order restraining or enjoining the execution of this Agreement or the consummation of the Transactions; or
 - (ii) receiving any notice from any Governmental Authority of its intention;
 - (iii) to institute a suit or proceeding to restrain or enjoin the execution of this Agreement or the consummation of the transactions contemplated by this Agreement; or
 - (iv) to nullify or render ineffective this Agreement or such transactions if consummated.

6.4 Tenant's Covenants

The Tenant agrees, that subject to the Initial Order and the Sale Procedures, to thereafter take all commercially reasonable actions as are within its power to control, and to use its commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to fulfill the conditions set forth in Article 7 which are in the Tenant's favour.

6.5 Tax Matters

In addition to the representations and warranties set forth in Section 6.2, the Landlord further warrants, represents and covenants to the Tenant, and acknowledges and confirms that the Tenant is relying on such representations and warranties, indemnities and covenants in connection with the entering into of this Agreement, that:

- (a) the Landlord is duly registered under Subdivision (d) of Division V of Part IX of the *Excise Tax Act* with respect to the goods and services tax, and that its registration number is: **105492417BC0001**, which registration shall be in full force and effect and shall not have been cancelled or revoked on the Closing Date;
- (b) the Landlord has entered into this Agreement and is accepting a surrender of the Lease and the Real Property Interests on the Closing Date, as principal for its own account and not as an agent, nominee, trustee or otherwise on behalf of another Person;
- (c) to the extent permitted under subsection 221(2) of the *Excise Tax Act* and any equivalent or corresponding provision under any applicable provincial or territorial legislation, the Landlord shall self-assess and remit directly to the appropriate Governmental Authority any Taxes including goods and services tax or harmonized sales tax, as the case may be, imposed under the *Excise Tax Act* and any similar value added or multi-staged tax or sales tax imposed by any applicable provincial or territorial legislation payable in connection with the Transaction, including the surrender of the Lease and the Real Property Interests;
- (d) on Closing, the Landlord will pay, in addition to the Surrender Consideration, and the Tenant will collect, any Taxes including transfer taxes as well as goods and services tax or harmonized sales tax, as the case may be, imposed under the *Excise Tax Act* and any similar value added or multi-staged tax or sales tax exigible on the Transaction, except to the extent that the Landlord is permitted under subsection 221(2) of the *Excise Tax Act* and any equivalent or corresponding provision under any applicable provincial or territorial legislation to self-assess and remit such Taxes directly to the appropriate Governmental Authority, and the Landlord shall have executed and delivered a certificate, undertaking and indemnity which includes its certification of its registration number issued under the *Excise Tax Act*, and incorporates the provisions of this Section 6.5 (the “**GST Certificate, Undertaking and Indemnity**”);
- (e) the Landlord shall make and file all required return(s) in accordance with the requirements of subsection 228(4) of the *Excise Tax Act* and any equivalent or corresponding provision under any applicable provincial or territorial legislation; and
- (f) the Landlord shall indemnify and save the Tenant harmless from and against any and all Taxes including transfer taxes and goods and services tax or harmonized sales tax, as the case may be, imposed under the *Excise Tax Act* and any similar value added or multi-staged tax or sales tax, penalties, costs and/or interest which may become payable by or assessed against the Tenant as a result of any failure

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by the Tenant to collect and remit any goods and services tax or harmonized sales tax payable under the *Excise Tax Act* or any similar value added or multi-staged tax or sales tax and applicable on the Transaction or as a result of any inaccuracy, misstatement or misrepresentation made by the Landlord on the Closing Date in connection with any matter raised in this Section 6.5 or contained in the GST Certificate, Undertaking and Indemnity or any failure by the Landlord to comply with the provisions of this Section 6.5 or the GST Certificate, Undertaking and Indemnity.

The provisions of this Section 6.5 shall survive and not merge on Closing.

6.6 Survival of Covenants

Except as otherwise expressly provided in this Agreement to the contrary, no representations, warranties, covenants or agreements of the Tenant or the Landlord in this Agreement shall survive the Closing.

ARTICLE 7 CLOSING

7.1 Conditions of Closing for the Benefit of the Landlord

The Landlord's obligation to complete the Transaction is subject to the following conditions to be fulfilled or performed, on or before the Closing Date, which conditions are for the exclusive benefit of the Landlord and may be waived, in whole or in part, by the Landlord:

- (a) the representations and warranties of the Tenant in Section 6.1 shall be true and correct as of the Closing Date with the same force and effect as if such representations and warranties were made on and as of such date;
- (b) the Tenant shall have performed and complied with all of the other terms and conditions in this Agreement on its part to be performed or complied with at or before Closing in all material respects and shall have executed and delivered or caused to have been executed and delivered to the Landlord at Closing all the Closing Documents contemplated or required to be so executed and delivered in this Agreement;
- (c) the Landlord shall have received the Closing Documents.

7.2 Conditions of Closing for the Benefit of the Tenant

The Tenant's obligation to complete the Transaction is subject to the following conditions to be fulfilled or performed, on or before the Closing Date, which conditions are for the exclusive benefit of the Tenant and may be waived, in whole or in part, by the Tenant:

- (a) the representations and warranties of the Landlord in Section 6.2 shall be true and correct as of the Closing Date with the same force and effect as if such representations and warranties were made on and as of such date;

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- (b) the Landlord shall have paid the Surrender Consideration in its entirety to the Monitor and shall have performed and complied with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before Closing in all material respects and shall have executed and delivered or caused to have been executed and delivered to the Tenant at Closing all the documents contemplated required to be so executed and delivered in this Agreement; and
- (c) the Tenant shall have received the Closing Documents.

7.3 Conditions of Closing for the Mutual Benefit of the Parties

The obligations of either the Tenant or the Landlord to complete the Transaction are subject to the following conditions to be fulfilled or performed, on or before the Closing Date, which conditions are for the mutual benefit of each of the parties and may only be waived, in whole or in part, by agreement of the parties to this Agreement:

- (a) the Approval and Vesting Order, substantially in the form attached hereto as Schedule "E", shall have been issued and entered by the Court on or before the date that is the earlier of: (i) October 1, 2015; and (ii) five (5) Business Days prior to the Outside Date (as such date may be amended from time to time), or such other date as may be agreed upon in writing by the Parties, and the Approval and Vesting Order shall not be subject to a stay; and
- (b) the Monitor shall have delivered the Monitor's Certificate.

7.4 Closing Documents

On or before Closing, subject to the provisions of this Agreement, the Tenant and the Landlord shall, execute or cause to be executed and shall deliver or cause to be delivered into escrow (in a sufficient number of copies or counterparts for the Landlord and the Tenant and, where applicable, in registerable form), the following, which shall be in form and substance reasonably satisfactory to the Landlord and the Tenant and their respective solicitors:

- (a) By the Tenant and the Landlord:
 - (i) the Lease Amendment and Surrender Agreement for the Lease; and
 - (ii) such other documents as each Party or each Party's solicitors shall reasonably require in good faith in accordance with this Agreement or as may be required under applicable Laws.
- (b) By the Tenant:
 - (i) the Approval and Vesting Order;
 - (ii) a direction regarding payment of the Surrender Consideration;
 - (iii) the Release of Tenant Claims;

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- (iv) the statement of adjustments evidencing the adjustments made at Closing;
 - (v) all master keys and duplicate keys relating to the Premises, if any, all security cards and access cards relating to the Premises, if any, and all combinations and passwords to vaults and combination locks and other security features located in the Premises, if any, in each case, to the extent in the possession of the Tenant; and
 - (vi) such other documents as the Landlord or the Landlord's solicitors shall reasonably require in good faith in accordance with this Agreement or as may be required under applicable Laws.
- (c) By the Landlord:
- (i) the Surrender Consideration plus all Taxes payable hereunder;
 - (ii) GST Certificate, Undertaking and Indemnity;
 - (iii) the Release of Property Claims; and
 - (iv) such other documents as the Tenant or the Tenant's solicitors shall reasonably require in good faith in accordance with this Agreement or as may be required under applicable Laws.

7.5 Closing Date

- (a) Subject to the Sale Procedures, the completion of the Transaction contemplated by this Agreement (the "**Closing**") shall take place at 10:00 a.m. (Toronto time) at the Toronto office of Osler, Hoskin and Harcourt LLP, on the date that is two (2) Business Days following the issuance of the Approval and Vesting Order, or at such other place on such other date and such other time as may be agreed upon in writing by the parties (the "**Closing Date**"), provided that in no event shall the Closing Date take place prior to the completion of any sale of Inventory and/or FF&E at any of the Premises.
- (b) Subject to satisfaction or waiver by the relevant Party or Parties, as applicable, of the conditions of closing in its favour contained in this Article 7, at Closing, the Landlord will pay or satisfy the Surrender Consideration in accordance with Article 3, and the Closing of the Transaction will take effect, pursuant to the Approval and Vesting Order, upon delivery of the Monitor's Certificate.

7.6 Confirmation of Satisfaction of Conditions

On the Closing Date, subject to satisfaction or waiver by the relevant Party or Parties, as applicable, of the conditions of Closing in its favour contained in Article 7, the parties or their respective solicitors shall confirm to the Monitor the satisfaction of all conditions to Closing, whereupon the Monitor shall deliver copies of the Monitor's Certificate to the Parties hereto and release the Surrender Consideration to the Tenant and following Closing forthwith file the Monitor's Certificate with the Court.

7.7 Closing

- (a) The Surrender Consideration shall be held by the Monitor, in trust in a separate interest bearing account, pending completion of the Transaction or earlier termination of this Agreement. In holding and dealing with the funds paid to the Monitor in trust and any interest earned thereon pursuant to this Agreement, the Monitor is not bound in any way by any agreement other than this Section 7.7 and the Monitor shall not assume or be deemed to assume any duty, liability or responsibility other than to hold the trust funds and any interest earned thereon in accordance with the provisions of this Section 7.7 and to pay the funds, and any interest earned thereon, to the Party becoming entitled thereto in accordance with the terms of this Agreement, except in the event of a dispute between the parties as to entitlement to the trust funds, of which the Monitor has been given notice in writing, the Monitor may, in its sole, subjective and unreviewable discretion, or shall, if requested by either of the parties, pay the trust funds and any and all interest earned thereon into court, whereupon the Monitor shall have no further obligations relating to the trust funds or any interest earned thereon or otherwise hereunder.
- (b) The Monitor shall not, under any circumstances, be required to verify or determine the validity of any written notice or other document whatsoever delivered to the Monitor in connection with the trust funds and the Monitor is hereby relieved of any liability or responsibility for any loss or damage which may arise as a result of the acceptance by the Monitor of any such written notice or other document in good faith, provided that the Monitor shall not be relieved of any liability or responsibility for any loss or damage which may arise if the Monitor releases the trust funds or any interest thereon to a Party after having received prior written notice from the other Party hereto claiming entitlement to such trust funds or a dispute to such entitlement.
- (c) The Monitor shall be entitled to rely upon any written instructions received from the Tenant in respect of the investment of the trust funds, provided any and all such investments shall be in guaranteed investment certificates or segregated accounts issued by or held at Schedule 1 Canadian chartered bank(s).
- (d) On or before Closing, the parties' respective solicitors shall exchange the Closing Documents in escrow and the Surrender Consideration shall be delivered to or paid to the order of the Monitor, in trust, and the Surrender Consideration shall remain in escrow with the Monitor until the Monitor has delivered the Monitor's Certificate to the Tenant and the Landlord, upon the occurrence of which the escrow shall be lifted, the Closing Documents shall take effect as of the date and time set out in the Monitor's Certificate, the entire amount of the Surrender Consideration shall be forthwith released to the Tenant and the Closing shall be deemed to have occurred as of such date and time and fully signed Closing Documents shall be released to each of the Tenant and Landlord.
- (e) The parties acknowledge that, notwithstanding that the Monitor is not a party to this Agreement, the Monitor may rely upon the provisions of this Section 7.7.

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- (f) This Section 7.7 shall survive the Closing or termination of this Agreement.

7.8 Filings and Authorizations

- (a) Each of the Tenant and the Landlord, as promptly as practicable after the execution of this Agreement, will make, or cause to be made, all such filings and submissions under all Laws applicable to it, as may be required for it to consummate the Transaction in accordance with the terms of this Agreement (other than the motion seeking approval of the Transaction and the issuance of the Approval and Vesting Order). The Tenant and the Landlord shall co-ordinate and cooperate with one another in exchanging such information and supplying such assistance as may be reasonably requested by each in connection with the foregoing including, providing each other with all notices and information supplied to or filed with any Governmental Authority (except for notices and information which the Tenant or the Landlord, in each case acting reasonably, considers highly confidential and sensitive which may be filed on a confidential basis), and all notices and correspondence received from any Governmental Authority.
- (b) The Landlord waives compliance with the *Bulk Sales Act* (Ontario) and any other similar bulk sales laws. This waiver shall survive the Closing or termination of this Agreement.
- (c) The Parties acknowledge and agree that the Monitor shall be entitled to file the Monitor's Certificate with the Court, without independent investigation, upon receiving written confirmation from the Tenant and the Landlord or their respective solicitors that all conditions of Closing have been satisfied or waived, and the Monitor shall have no liability to the Tenant or the Landlord or any other Person as a result of filing the Monitor's Certificate.

7.9 Court Matters

- (a) The Tenant shall consult and co-ordinate with the Landlord and their respective legal advisors regarding the parties upon whom the motion seeking the Approval and Vesting Order will be served.
- (b) The Landlord shall provide such information and take such actions as may be reasonably requested by the Tenant to assist the Tenant in obtaining the Approval and Vesting Order and any other order of the Court reasonably necessary to consummate the transactions contemplated by this Agreement.
- (c) Notwithstanding anything else contained in this Agreement or elsewhere, the Landlord acknowledges and agrees that the Tenant cannot guarantee that it will obtain the Approval and Vesting Order and the Approval and Vesting Order may or may not be granted by the Court.

7.10 Termination

This Agreement may, by notice in writing given at or prior to Closing, be terminated:

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- (a) by the Landlord if any of the conditions in Section 7.1 have not been satisfied on or before the time ascribed thereto for the satisfaction of such condition and the Landlord has not waived such condition;
- (b) by the Tenant if any of the conditions in Section 7.2 have not been satisfied on or before the time ascribed thereto for the satisfaction of such condition and the Tenant has not waived such condition; or
- (c) by either Party if:
 - (i) any of the conditions precedent in Section 7.3 have not been satisfied on or before the time ascribed thereto for the satisfaction of such condition and the parties have not waived such condition; or
 - (ii) if the Closing has not occurred on or prior to the Outside Date (as defined in the Sale Procedures), or on or before such later date as the parties agree to in writing, provided that a Party may not terminate this Agreement pursuant to this Section if it has failed to perform any one or more of its obligations or covenants under this Agreement and the Closing has not occurred because of such failure.

ARTICLE 8 OTHER PROVISIONS

8.1 Confidentiality

The Landlord acknowledges that this Agreement is a Landlord Qualified Bid under the Sale Procedures and the Tenant shall be entitled to disclose this Agreement and all information provided by the Landlord in connection herewith to Competing Bidders, including, in connection with the Auctions. In addition, the Tenant shall be entitled to disclose this Agreement and all information provided by the Landlord in connection herewith, to the Court, the Monitor and parties in interest to the CCAA Proceedings. This Section and the Confidentiality Agreement shall survive and not merge on Closing.

8.2 Leasehold Interest

- Intentionally deleted -

8.3 Québec Interpretation Clause

- Intentionally deleted -

8.4 Time of the Essence

Time shall be of the essence of this Agreement.

8.5 Entire Agreement

This Agreement and the Confidentiality Agreement constitute the entire agreement between the parties with respect to the transactions contemplated in this Agreement and supersedes all prior

agreements, understandings, negotiations and discussions, whether oral or written, of the parties with respect to the subject matter of this Agreement. There are no representations, warranties, covenants, conditions or other agreements, legal or conventional, express or implied, collateral, statutory or otherwise, between the parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement. The parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement.

8.6 Waiver

- (a) No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar), nor shall such waiver be binding unless executed in writing by the Party to be bound by the waiver.
- (b) No failure on the part of the Tenant or the Landlord to exercise, and no delay in exercising any right under this Agreement shall operate as a waiver of such right; nor shall any single or partial exercise of any such right preclude any other or further exercise of such right or the exercise of any other right.

8.7 Further Assurances

Each of the parties covenants and agrees to do such things, to attend such meetings and to execute such further surrenders, releases, conveyances, transfers, documents and assurances as may be deemed necessary or advisable from time to time in order to effectively surrender the Lease and the Real Property Interests to the Landlord and carry out the terms and conditions of this Agreement in accordance with their true intent.

8.8 Severability

If any provision of this Agreement shall be determined by a court of competent jurisdiction to be illegal, invalid or unenforceable, that provision shall be severed from this Agreement and the remaining provisions shall continue in full force and effect.

8.9 Governing Law

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of Ontario and the federal laws of Canada applicable therein. Each Party irrevocably and unconditionally submits to the jurisdiction of the courts of the Province of Ontario with respect to any action or proceeding arising out of or relating to the Transaction, and waives, to the fullest extent permitted by applicable Laws, any objection that it may now or hereafter have to the venue of any action or proceeding arising out of or relating to the Transaction in any court of the Province of Ontario. Each of the Parties hereby irrevocably waives, to the fullest extent permitted by applicable Laws, the defence of an inconvenient forum to the maintenance of such action or proceeding in any such court.

8.10 English Language

The parties hereto have requested that this Agreement be drafted in English only. *Les parties aux présentes ont demandé à ce que la présente convention soit rédigée en anglais seulement.*

8.11 Statute References

Any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time.

8.12 Headings

The division of this Agreement into Sections, the insertion of headings is for convenience of reference only and are not to be considered in, and shall not affect, the construction or interpretation of any provision of this Agreement.

8.13 References

Where in this Agreement reference is made to an article or section, the reference is to an article or section in this Agreement unless the context indicates the reference is to some other agreement. The terms “this Agreement”, “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. The word “includes” or “including” shall mean “includes without limitation” or “including without limitation”, respectively. The word “or” is not exclusive.

8.14 Number and Gender

Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders.

8.15 Business Days

If any payment is required to be made or other action is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be made or taken on the next Business Day. All actions to be made or taken by a particular Business Day must be made or taken by no later than 4:30 p.m. (Toronto time) on a Business Day and any action made or taken thereafter shall be deemed to have been made and received on the next Business Day.

8.16 Currency and Payment Obligations

Except as otherwise expressly provided in this Agreement all dollar amounts referred to in this Agreement are stated in Canadian Dollars.

8.17 Notice

Any notice, consent or approval required or permitted to be given in connection with this Agreement or the Lease (a “Notice”) shall be in writing and shall be sufficiently given if

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delivered (whether in person, by courier service or other personal method of delivery), or if transmitted by facsimile or e-mail:

(a) To the Tenant:

Target Canada Co.
5570 Explorer Drive
Mississauga, ON L4W 0C3

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 & Heather McKean
Email: tsandler@osler.com & hmcckean@osler.com

With a copy to:

Alvarez & Marsal Canada Inc.
200 Bay St., Suite 2900
P.O. Box 22
Toronto, ON M5J 2J1

Attn: Doug R. McIntosh
Email: dmcintosh@alvarezandmarsal.com

With a copy to:

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

Attn: Jay A. Carfagnini & Ken Herlin
Email: jcarfagnini@goodmans.ca & kherlin@goodmans.ca

(b) in the case of a Notice to the Landlord at:

Vanprop Investments Ltd.
Suite 1800, 510 West Georgia Street,
Vancouver, BC V6B 0M3

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Attn: C. Decatur Howe
E-mail: cdh@bht.com

With a copy to:

Bull, Housser & Tupper LLP
Suite 1800, 510 West Georgia Street,
Vancouver, BC V6B 0M3

Attn: Kieran Siddall
E-mail: kes@bht.com

A Notice is deemed to be given and received (i) if sent by personal delivery or same day courier, on the date of delivery if it is a Business Day and the delivery was made prior to 5:00 p.m. (local time in the place of receipt) and otherwise on the next Business Day, (ii) if sent by overnight courier, on the next Business Day, or (iii) if transmitted by facsimile, on the Business Day following the date of confirmation of transmission by the originating facsimile, or (iv) if sent by email, when the sender receives an email from the recipient acknowledging receipt, provided that an automatic "read receipt" does not constitute acknowledgment of an email for purposes of this section. Any Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed. Subject to Section 8.19, sending a copy of a Notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the Notice to that Party. The failure to send a copy of a Notice to legal counsel does not invalidate delivery of that Notice to a Party.

8.18 Subdivision Control Legislation

This Agreement and the Transaction are subject to compliance with the applicable subdivision control legislation to the extent applicable.

8.19 Solicitors as Agent and Tender

Any Notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement (including, without limitation, any agreement to amend this Agreement) may be given or delivered and accepted or received by the Landlord's solicitors on behalf of the Landlord and by the Tenant's solicitors on behalf of the Tenant and any tender of Closing Documents may be made upon the Tenant's solicitors and the Landlord's solicitors, as the case may be.

8.20 No Registration of Agreement

The Landlord covenants and agrees not to register or cause or permit to be registered this Agreement or any notice of this Agreement on title to any of the Properties and that no reference to or notice of it or any caution, certificate of pending litigation or other similar court process in respect thereof shall be registered on title to the Property and/or any part thereof and the Landlord shall be deemed to be in material default under this Agreement if it makes, or causes or permits, any registration to be made on title to the Property and/or any part thereof prior to the

successful completion of the Transaction contemplated herein on the Closing Date. The Landlord shall indemnify and save the Tenant harmless from and against any and all Claims whatsoever arising from or with respect to any such registration, including, all the legal fees, on a full indemnity basis, including those incurred by the Tenant with respect to obtaining the removal of such registration. This indemnity shall survive and not merge on the expiration, non-completion and/or termination of this Agreement for any reason.

8.21 Third Party Costs

Each of the Parties hereto shall be responsible for the costs of their own solicitors, respectively, in respect of the Transaction. The Landlord shall be solely responsible for and shall pay, in addition to the Surrender Consideration, any land transfer taxes payable in connection with the Transaction, all registration taxes, fees and other costs payable in respect of registration of any documents to be registered by the Landlord at Closing and all federal and provincial sales and other taxes payable upon or in connection with the Transaction, including, goods and services tax or harmonized sales tax or any similar value added or multi-staged tax imposed by any applicable provincial or territorial legislation, as the case may be, and any other provincial sales taxes. This Section 8.21 shall survive the Closing or the termination of this Agreement.

8.22 Interpretation

The parties hereto acknowledge and agree that: (a) each Party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to their revision, (b) the rule of construction to the effect that any ambiguities are resolved against the drafting Party shall not be employed in the interpretation of this Agreement, and (c) the terms and provisions of this Agreement shall be construed fairly as to all parties hereto and not in favour of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement.

8.23 No Third Party Beneficiaries

Each Party hereto intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person, other than the Parties hereto and the Monitor, and no Person, other than the Parties hereto and the Monitor, shall be entitled to rely on the provisions hereof in any Claim, proceeding, hearing or other forum.

8.24 Enurement

This Agreement shall become effective when executed by the Tenant and the Landlord and after that time shall be binding upon and enure to the benefit of the parties and their respective heirs, executors, personal legal representatives, successors and permitted assigns. The Landlord has and shall have no right to assign, convey and/or transfer its rights and/or obligations hereunder or to effect a "change of control" so as to indirectly effect the foregoing, without in each case first obtaining the prior written consent of the Tenant, which consent may be arbitrarily and unreasonably withheld by the Tenant.

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8.25 Counterparts and Delivery

All parties agree that this Agreement may be executed in counterpart and transmitted by telecopier or e-mail (PDF) and that the reproduction of signatures in counterpart by way of telecopier or e-mail (PDF) will be treated as though such reproduction were executed originals.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF the parties have executed this Agreement.

TARGET CANADA CO.

By: Paul Pitt

Name: Paul E. Pitt
Title: CEO

By: _____

Name:
Title:

VANPROP INVESTMENTS LTD.

By: _____

Name: C. Decatur Howe
Title: Director

IN WITNESS WHEREOF the parties have executed this Agreement.

TARGET CANADA CO.

By: _____

Name:

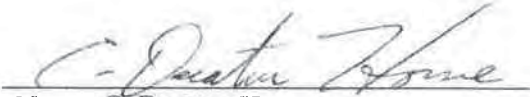
Title:

By: _____

Name:

Title:

VANPROP INVESTMENTS LTD.

By: 

Name: C. Decatur Howe

Title: Director

SCHEDULE "A"
PREMISES

That portion of the building located on the lands located at 5300 No. 3 Road, Richmond, British Columbia legally described as:

Parcel Identifier: 004-037-995
Lot 80 Except: Part Road on Plan LMP46129
Sections 3 and 4
Block 4 North
Range 6 West
New Westminster District
Plan 50405

consisting of approximately 138,877 square feet and identified as premises number 501 on the Explanatory Plan filed in the New Westminster Land Title Office under number 53559 and more particularly shown outlined in red on the plan attached to the Lease as Schedule "A"

SCHEDULE "B"
LEASE PARTICULARS

The lease dated the 31st of May 2001 between the Landlord and Zellers Inc., as assigned to Target Canada Co. by an Assignment and Assumption of Lease Agreement made as of September 23, 2011 between Zellers Inc. and Target Canada Co.

SCHEDULE "C"
EXCLUDED ASSETS

1. All chattels and personal or movable property which are owned by the Tenant;
2. All intellectual property or proprietary rights, whether registered or not, and any intangible property, owned, used or held by the Tenant;
3. All items, materials and signs bearing the logo, trade-mark, trade-name or business name or other mark or design of the Tenant;
4. All Inventory;
5. All FF&E which have been removed from the Premises by or on behalf of the Tenant prior to Closing;
6. All computers and related systems and information storage media;
7. All video cameras and equipment;
8. All point-of-sales systems and all appurtenances thereto;
9. All balers and compactors;
10. Any property belonging to the subtenants, franchisees or licensees of the Tenant or other occupants of the Premises;
11. All insurance policies of the Tenant;
12. Any and all assets not located at a Premises or any asset not used directly and exclusively at the Premises;
13. All rights and interests in trade-marks, trade-names, logos, commercial symbols and business names containing "Target" or any other proprietary wording or intellectual property rights of the Tenant or any of its affiliates (including, the websites); and
14. The FF&E listed on Schedule "J".

For the avoidance of doubt, the emergency generator on the Premises and the traffic counters the Landlord has installed belong to the Landlord and do not form any part of "Excluded Assets".

SCHEDULE "D"
SURRENDER CONSIDERATION ALLOCATION

Not applicable

SCHEDULE “E”

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	●, THE ● TH
REGIONAL SENIOR JUSTICE)	DAY OF ●, 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 (collectively the “**Applicants**”)

APPROVAL AND VESTING ORDER – LEASE SURRENDER AGREEMENT

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the “**CCAA**”) for an order, *inter alia*, approving: the lease surrender and resiliation (the “**Transaction**”) contemplated by a Lease Surrender Agreement among Target Canada Co. (“**TCC**”), as Tenant, and ● as Landlord (the “**Landlord**”) dated ●, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the “**Lease Surrender Agreement**”) and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of ● sworn on ●, 2015 including the exhibits thereto (the “**● Affidavit**”), and the ● Report (the “**Monitor's ● Report**”) of Alvarez & Marsal Canada Inc., in its capacity as Monitor (the “**Monitor**”), filed, and on hearing the submissions of respective counsel for the Applicants and the Partnerships listed on Schedule “A” hereto, the Monitor, Target Corporation, the Landlord, and such other

counsel as were present, no one else appearing although duly served as appears from the Affidavit of Service of ● sworn ●, 2015, filed:

SERVICE AND DEFINITIONS

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 hereby dispenses with further service thereof.

2. THIS COURT ORDERS that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Amended and Restated Initial Order in these proceedings dated January 15, 2015 (the “**Initial Order**”), or in the Lease Surrender Agreement, as applicable.

APPROVAL OF THE LEASE SURRENDER AGREEMENT

3. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved and ratified and that the execution of the Lease Surrender Agreement by TCC is hereby approved and ratified with such minor amendments as TCC (with the consent of the Monitor) and the Landlord may agree to in writing. TCC is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction, including the surrender by TCC of its right, title and interest in and to the Lease and the Real Property Interests to the Landlord and the Monitor shall be authorized to take such additional steps in furtherance of its responsibilities under the Lease Surrender Agreement. The legal descriptions and applicable land registry offices with respect to the Premises are as set out on Schedule “C” hereto.

4. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor’s certificate to the Landlord substantially in the form attached as Schedule “B” hereto (the “**Monitor’s Certificate**”), all of TCC’s right, title and interest in and to the Lease and the Real Property Interests and the right, title and interest, if any, of any predecessor in interest of TCC in and to the Lease and the Real Property Interests, to the extent same was assigned or otherwise transferred to TCC, shall be surrendered to the Landlord (with the Lease being resiliated) free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise),

liens, executions, leases, notices of lease, subleases, licenses, levies, restrictions, rights of retention, judgments, notices of sale, contractual rights, options, liabilities (direct, indirect, absolute or contingent), obligations, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise in respect of the Lease and the Real Property Interests (collectively, the “**Claims**”), including, without limiting the generality of the foregoing:

- (a) the Administration Charge, the KERP Charge, the Directors’ Charge, the Financial Advisor Subordinated Charge, the DIP Lender’s Charge, the Agent’s Charge and Security Interest (collectively, the “**CCAA Charges**”);
- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario), the *British Columbia Personal Property Security Act* or any other personal property registry system; and
- (c) those Claims listed on Schedule “C” hereto;

(all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the Permitted Encumbrances listed on Schedule “D” hereto) and, for greater certainty, this Court orders that all of the Claims and Encumbrances affecting or relating to the Lease, the Real Property Interests and/or the Premises are hereby expunged and discharged as against the Lease, the Real Property Interests and/or the Premises and the real or immovable property described in Schedule “C”

5. THIS COURT ORDERS that upon the registration in the applicable land registry office of a certified copy of this Order in the manner prescribed by the applicable land registry office, the applicable Land Registrar is hereby directed to specifically discharge, cancel, delete and expunge from title to the applicable real or immovable property described in Schedule “C” all of the Encumbrances listed in Schedule “C” hereto.

6. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds received on the Closing of the Transaction shall stand in the place and stead of the Lease and the Real Property Interests and that from and after the delivery of the Monitor’s Certificate all Claims and Encumbrances shall attach to the net proceeds therefrom with the same priority as they had with respect to the Lease and the Real Property

Interests immediately prior to the Closing of the Transaction, as if the Transaction had not been completed.

7. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

8. THIS COURT ORDERS subject to the terms of the Lease Surrender Agreement nothing herein affects:

- (a) the rights and obligations of TCC and the Agent under the Agency Agreement dated January 29, 2015, as amended (the "**Agency Agreement**"); and
- (b) the terms of the Approval Order – Agency Agreement granted, February 4, 2015 (the "**Agency Agreement Approval Order**") including the Sales Guidelines attached as Schedule "B" thereto.

GENERAL PROVISIONS

9. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of TCC and any bankruptcy order issued pursuant to any such applications; or
- (c) any assignment in bankruptcy made in respect of TCC;

the surrender of the Lease and the Real Property Interests to the Landlord and the resiliation of the Lease pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of TCC and shall not be void or voidable by creditors of TCC, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

10. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario) and any equivalent legislation in any other jurisdiction in which the Premises are located and that this Order shall be registered notwithstanding the requirements of section 191(1) of the *Land Titles Act*, R.S.A. 2000, c L-4 and any equivalent provisions in equivalent legislation in any other jurisdiction in which the Premises are located.

11. 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 Order and to assist TCC, 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 TCC 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 TCC and the Monitor and their respective agents in carrying out the terms of this Order.

SCHEDULE "A"
PARTNERSHIPS

Target Canada Pharmacy Franchising LP

Target Canada Mobile LP

Target Canada Property LP

SCHEDULE "B"

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE) ●, THE ●TH
REGIONAL SENIOR JUSTICE) DAY OF ●, 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 (collectively, the "Applicants")

MONITOR'S CERTIFICATE

RECITALS

- A. All undefined terms in this Monitor's Certificate have the meanings ascribed to them in the Order of the Court dated ●, 2015 (the "Approval Order") approving the Lease Surrender Agreement entered into among Target Canada Co. ("TCC") and ● (the "Landlord") dated ●, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the "Lease Surrender Agreement") a copy of which is attached as Exhibit ● to the Affidavit of ● dated ●, 2015.
- B. Pursuant to the Approval Order, the Court approved the Lease Surrender Agreement and provided for the surrender to Landlord of TCC's right, title and interest in and to the Lease and the Real Property Interests, which surrender is to be effective with respect to the Lease and the Real Property Interests upon the delivery by the Monitor to the Landlord and TCC of a certificate confirming (i) the conditions to Closing as set out in sections 7.1, 7.2 and 7.3 of the Lease Surrender Agreement have been satisfied or waived

by the Landlord and TCC, as applicable; and (ii) the Transaction has been completed to the satisfaction of the Monitor.

THE MONITOR CERTIFIES the following:

- 1. The conditions to Closing as set out in section 7.1, 7.2 and 7.3 of the Lease Surrender Agreement have been satisfied or waived by the Landlord and TCC, as applicable; and
- 2. The Transaction has been completed to the satisfaction of the Monitor.

This Monitor's Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE].

ALVAREZ & MARSAL CANADA INC., in its capacity as Court-appointed Monitor of Target Canada Co., *et al.* and not in its personal or corporate capacity

Per: _____
Name:
Title:

SCHEDULE "C"

No.	Location/Address	Province	Land Title Office	Legal Description	Encumbrances to be Expunged/Deleted
3534	Lansdowne Centre, 5300 No. 3 Road, Richmond BC	British Columbia	New Westminster	<p>That portion of the building located on the lands located at 5300 No. 3 Road, Richmond, British Columbia legally described as:</p> <p style="padding-left: 40px;">Parcel Identifier: 004-037-995 Lot 80 Except: Part Road on Plan LMP46129 Sections 3 and 4 Block 4 North Range 6 West New Westminster District Plan 50405</p> <p>consisting of approximately 138,877 square feet and identified as premises number 501 on the Explanatory Plan filed in the New Westminster Land Title Office under number 53559</p>	

SCHEDULE "D" - PERMITTED ENCUMBRANCES

"Permitted Encumbrances" means, collectively: (a) any Encumbrances (as defined in the Lease Surrender Agreement) encumbering the freehold or other ownership interest in the Property (as defined in the Lease Surrender Agreement) or any other Landlord's interest in the Property, but excludes any Encumbrances solely encumbering the Tenant's leasehold interest in and to any Property situated outside of the Province of Québec on which the Premises (as defined in the Lease Surrender Agreement) are located; (b) Encumbrances resulting from the Landlord's actions or omissions; and (c) the items identified in Schedule "K" of the Lease Surrender Agreement.

SCHEDULE "F"
LANDLORD'S GST CERTIFICATE, UNDERTAKING AND INDEMNITY

TO: Target Canada Co. (the "Tenant")

RE: Lease Surrender Agreement dated May 9, 2015, made between the Tenant, as Tenant, and Vanprop Investments Ltd., as Landlord, (the "Landlord") (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the "Lease Surrender Agreement") for the surrender of the Lease (as such terms are defined in the Lease Surrender Agreement)

In consideration of the completion of the transaction set out in the Agreement, the Landlord hereby certifies and agrees as follows:

- a) the Lease the Real Property Interests are being surrendered to the Landlord as principal for its own account and not as an agent, nominee, trustee or otherwise on behalf of or for another Person;
- b) the Landlord is registered under Subdivision (d) of Division V of Part IX of the *Excise Tax Act* (Canada) (the "*Excise Tax Act*") for the collection and remittance of goods and services tax ("GST") and its registration number is **105492417BC0001** and such registration is in good standing and has not been varied, cancelled or revoked;
- c) the Landlord shall be liable for, shall self-assess and shall remit to the appropriate governmental authority, all GST which is payable under the *Excise Tax Act*, in connection with the surrender of the Lease and the Real Property Interests, all in accordance with the *Excise Tax Act*;
- d) the Landlord shall indemnify and save harmless the Tenant from and against any and all GST penalties, interest and/or other costs which may become payable by or be assessed against the Tenant as a result of any failure by the Tenant to collect and remit any GST applicable on the surrender of the Lease and the Real Property Interests by the Tenant to the Landlord or as a result of any inaccuracy, misstatement or misrepresentation by the Landlord in this GST Certificate, Undertaking and Indemnity or any failure by the Landlord to comply with the provisions of this GST Certificate, Undertaking and Indemnity; and
- e) this GST Certificate, Undertaking and Indemnity shall survive and not merge upon closing of the above-noted transaction.

This GST Certificate, Undertaking and Indemnity may be executed in counterpart and transmitted by telecopier or e-mail (PDF) and the reproduction of signatures in counterpart by

way of telecopier or e-mail (PDF) will be treated as though such reproduction were executed originals.

DATED _____, 2015.

VANPROP INVESTMENTS LTD.

By: _____
Name: ●
Title: Director

SCHEDULE "G"
FORM OF ASSIGNMENT AND ASSUMPTION OF ASSUMED LIABILITIES

Not applicable

SCHEDULE "H"
FORM OF AMENDMENT AND SURRENDER OF LEASE

THIS AGREEMENT is made as of the ● day of May, 2015 (the "**Effective Date**")

B E T W E E N:

TARGET CANADA CO.
(the "**Tenant**")

- and -

VANPROP INVESTMENTS LTD.
(the "**Landlord**")

RECITALS:

- A. Pursuant to a lease dated the 31st of May 2001 between the Landlord and Zellers Inc., as assigned to Target Canada Co. by an Assignment and Assumption of Lease Agreement made as of September 23, 2011 between Zellers Inc. and Target Canada Co., as same is assigned, amended, restated, renewed or supplemented from time to time, including but not limited to those documents listed in Schedule "A" attached hereto (collectively, the "**Lease**"), the Landlord leased to the Tenant certain premises at Lansdowne Centre, 5300 No. 3 Road in the City of Richmond, in the Province of British Columbia as more particularly described in the Lease (the "**Premises**").
- B. The Tenant and certain of its affiliates applied for and together with the limited partnerships listed in Schedule "A" to the Initial Order (the Tenant, its affiliates and the limited partnerships being collectively, the "**Applicants**") were granted protection by the Ontario Superior Court of Justice (Commercial List) (the "**Court**") under the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), and Alvarez & Marsal Canada Inc. (the "**Monitor**") was appointed the monitor of the Tenant, pursuant to an Order of the Court dated January 15, 2015, as amended and restated on February 11, 2015, and as further amended, restated and/or amended and restated from time to time (collectively, the "**Initial Order**").
- C. The Tenant and the Landlord entered into a lease surrender agreement dated ●, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the "**Lease Surrender Agreement**") whereby, among other things, the Tenant agreed to surrender to the Landlord, and the Landlord agreed to accept a surrender of, all of the Tenant's right, title and interest in and to the Lease and the resiliation of the Lease.
- D. The Tenant and the Landlord are entering into this Agreement to provide for the surrender and resiliation of the Lease by the Tenant to the Landlord in accordance with the Lease Surrender Agreement and the Approval and Vesting Order.

- E. Unless otherwise expressly provided for herein, all capitalized terms when used in this Agreement have the same meaning given to such terms in the Lease Surrender Agreement, or if no meaning is given in the Lease Surrender Agreement, in the Lease.

THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE 1 TERMINATION AND SURRENDER

1.1 Amendment and Early Termination of Lease

The Lease is hereby amended and the Landlord and the Tenant hereby agree that the Lease has expired and is terminated, as of 11:59 p.m. on the day immediately preceding the Effective Date (the “**Termination Date**”), and neither the Tenant nor the Landlord shall have any further liabilities or obligations under the Lease, financial or otherwise, as of and as from the Termination Date.

1.2 Surrender by Tenant

The Tenant hereby surrenders to the Landlord, as of the Termination Date, and the Landlord hereby accepts such surrender from the Tenant, the Lease and the Premises demised by the Lease and all the Tenant’s rights, title and interest thereunder, with the intent that the unexpired residue of the term of the Lease including, without limitation, any rights or options to renew or extend hereby merge and are extinguished in the reversion expectant thereon, on the terms and conditions set out in the Lease Surrender Agreement.

1.3 Adjustments

All adjustments under the Lease shall be dealt with in accordance with the Lease Surrender Agreement.

1.4 Paramountcy

The rights and obligations of the parties respectively with respect to the Lease shall be governed by the Lease Surrender Agreement. In the event of any conflict, inconsistency, ambiguity or difference between the provisions of this Agreement and of the Lease Surrender Agreement, then the provisions of the Lease Surrender Agreement shall govern and be paramount, and any such provision in this Agreement shall be deemed to be amended, to the extent necessary to eliminate any such conflict, inconsistency, ambiguity or difference.

ARTICLE 2 GENERAL

2.1 Time of the Essence

Time shall be of the essence of this Agreement.

2.2 Enurement

This Agreement shall become effective when executed by the Tenant and the Landlord and after that time shall be binding upon and enure to the benefit of the parties and their respective heirs, executors, personal legal representatives, successors and permitted assigns. Neither this Agreement nor any of the rights or obligations under this Agreement shall be assignable or transferable by either party without the consent of the other party.

2.3 Entire Agreement

This Agreement and the Lease Surrender Agreement constitute the entire agreement between the parties with respect to the surrender of the Lease contemplated in the Lease Surrender Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties with respect to the subject matter of this Agreement. There are no representations, warranties, covenants, conditions or other agreements, legal or conventional, express or implied, collateral, statutory or otherwise, between the parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement and the Lease Surrender Agreement. The parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement and the Lease Surrender Agreement.

2.4 Waiver

- (a) No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar), nor shall such waiver be binding unless executed in writing by the party to be bound by the waiver.
- (b) No failure on the part of the Tenant or the Landlord to exercise, and no delay in exercising any right under this Agreement shall operate as a waiver of such right; nor shall any single or partial exercise of any such right preclude any other or further exercise of such right or the exercise of any other right.

2.5 Further Assurances

Each of the parties covenants and agrees to do such things, to attend such meetings and to execute such further surrenders, releases, conveyances, transfers, documents and assurances as may be deemed necessary or advisable from time to time in order to effectively surrender the Lease to the Landlord and carry out the terms and conditions of this Agreement in accordance with their true intent.

2.6 Severability

If any provision of this Agreement shall be determined to be illegal, invalid or unenforceable, that provision shall be severed from this Agreement and the remaining provisions shall continue in full force and effect.

2.7 Governing Law

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of in which the Premises are located and the federal laws of Canada applicable therein.

2.8 CCAA Proceedings

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

2.9 English Language

The parties hereto have requested that this Agreement be drafted in English only. *Les parties aux présentes ont demandé à ce que la présente convention soit rédigée en anglais seulement.*

2.10 Statute References

Any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time.

2.11 Headings

The division of this Agreement into Sections, the insertion of headings is for convenience of reference only and are not to be considered in, and shall not affect, the construction or interpretation of any provision of this Agreement.

2.12 References

Where in this Agreement reference is made to an article or section, the reference is to an article or section in this Agreement unless the context indicates the reference is to some other agreement. The terms “this Agreement”, “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. The word “includes” or “including” shall mean “includes without limitation” or “including without limitation”, respectively. The word “or” is not exclusive.

2.13 Number and Gender

Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders.

2.14 Business Days

If any payment is required to be made or other action is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be made or

taken on the next Business Day. All actions to be made or taken by a particular Business Day must be made or taken by no later than 4:30 p.m. (Toronto time) on a Business Day and any action made or taken thereafter shall be deemed to have been made and received on the next Business Day.

2.15 Notice

Any notice, consent or approval required or permitted to be given in connection with this Agreement or the Lease (a “**Notice**”) shall be in writing and shall be sufficiently given if delivered or transmitted in accordance with the Lease Surrender Agreement.

2.16 Counterparts and Delivery

All parties agree that this Agreement may be executed in counterpart and transmitted by telecopier or e-mail (PDF) and that the reproduction of signatures in counterpart by way of telecopier or e-mail (PDF) will be treated as though such reproduction were executed originals.

[Signature pages follow.]

IN WITNESS WHEREOF the Tenant has executed this Agreement.

TARGET CANADA CO.

By: _____

Name: ●

Title: ●

By: _____

Name: ●

Title: ●

IN WITNESS WHEREOF the Landlord has executed this Agreement.

VANPROP INVESTMENTS LTD.

By: _____
Name: C. Decatur Howe
Title: Director

SCHEDULE "A" – LEASE PARTICULARS

Lease dated the 31st of May 2001 between the Landlord and Zellers Inc., as assigned to Target Canada Co. by an Assignment and Assumption of Lease Agreement made as of September 23, 2011 between Zellers Inc. and Target Canada Co. for premises at Lansdowne Centre, 5300 No. 3 Road, Richmond British Columbia

SCHEDULE "I"
FORM OF ASSIGNMENT AND ASSUMPTION OF REALTY TAX APPEALS

Not Applicable

SCHEDULE "J"
LIST OF FF&E

All FF&E but, for clarity, not including the emergency generator on the Premises or the Landlord's traffic counters

SCHEDULE "K"
PERMITTED ENCUMBRANCES

Not Applicable

SCHEDULE "L"
FORM OF RELEASE OF PROPERTY CLAIMS

TO: TARGET CANADA CO. (the "Tenant")

AND TO: TARGET CORPORATION ("Target")

AND TO: ALL PREDECESSORS IN INTEREST TO THE TENANT UNDER ANY OF THE LEASES (the "Predecessors")

FROM: VANPROP INVESTMENTS LTD. (the "Landlord")

RE: Lease Surrender Agreement between the Tenant and the Landlord dated May ●, 2015 (as amended, modified, restated and/or supplemented from time to time, the "Lease Surrender Agreement")

WHEREAS:

- A. The Tenant and certain of its affiliates applied for and together with the limited partnerships listed on Schedule "A" to the Initial Order (the Tenant, its affiliates and the limited partnerships being collectively, the "**Applicants**") were granted protection by the Ontario Superior Court of Justice (Commercial List) (the "**Court**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), and Alvarez & Marsal Canada Inc. was appointed the monitor of the Tenant, pursuant to an Order of the Court dated January 15, 2015, as amended and restated on February 11, 2015, and as further amended, restated and/or amended and restated from time to time (collectively, the "**Initial Order**").
- B. The Tenant and the Landlord entered into a lease surrender agreement dated ●, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the "**Lease Surrender Agreement**") whereby, among other things, the Tenant agreed to surrender to the Landlord, and the Landlord agreed to accept a surrender of, all of the Tenant's right, title and interest in and to the Lease.
- C. On ●, 2015, the Court issued an Approval and Vesting Order approving the Lease Surrender Agreement, pursuant to which the Tenant shall surrender to the Landlord the Lease on the terms and conditions set out in the Lease Surrender Agreement.
- D. The Lease Surrender Agreement contemplates that the Landlord shall execute and deliver a release on the Closing Date to the Tenant and Target pursuant to which the Landlord will release and forever discharge the Tenant and Target from all claims in respect of each of the Lease, the Premises, the Guarantees and the Property.
- E. The Landlord desires to execute and deliver this Release to the Tenant and Target in satisfaction of the foregoing obligation.

- F. Unless otherwise expressly provided for herein, all capitalized terms when used in this Release have the same meaning given to such terms in the Lease Surrender Agreement.

NOW THEREFORE in consideration of the payment of TEN DOLLARS (\$10.00) and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agree as follows:

1. The Landlord, on its own behalf and on behalf of its subsidiary, affiliated, and associated corporations and entities and all of their respective successors and assigns (collectively the “**Releasors**”, and individually, a “**Releasor**”), hereby forever fully and unconditionally remises, releases, acquits, waives and forever discharges each of the Tenant, the other Applicants, Target and the Predecessors and each of their respective subsidiaries, affiliates, and associates and each of their respective members, partners, directors, officers, employees, agents, shareholders, successors and permitted assigns (collectively, the “**Releasees**” and individually, a “**Releasee**”) from any and all actual or potential claims, demands, complaints, grievances, actions, applications, proceedings, suits, causes of action, Orders, charges, indictments, prosecutions, informations or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, dues, accounts, bonds, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, reasonable professional fees, including fees and disbursements of legal counsel on a full indemnity basis, and all actual and documented costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing (collectively, the “**Claims**”), whether known or unknown, howsoever arising of every nature and kind whatsoever that the Releasors ever had, now have or hereafter can, shall or may have against any of the Releasees in any way relating to or arising from any of the Lease, the Premises, the Property and/or the Guarantees, including, for greater certainty, but without limitation, any obligations to repair any damage to the Premises resulting from the removal of any FF&E or to restore the Premises and all costs and expenses relating thereto, but excluding Claims against the Tenant in any way relating to or arising from (i) the Tenant's obligations or liabilities under the Lease Surrender Agreement which are expressly stated to survive the Closing or (ii) the Closing Documents. Without limiting the generality of the foregoing, the Releasors shall not have any Claims in the CCAA Proceedings or in any subsequent bankruptcy proceeding under the *Bankruptcy and Insolvency Act* (Canada) in connection with the Claims.
2. Each of the Releasors covenants and agrees not to make any Claims against any Person which might Claim over against any of the Releasees, or who might claim contribution or indemnity from any of the Releasees in connection with the matters which are herein released. In the event that any of the Releasors hereafter makes any Claims against any of the Releasees or against any Person who may Claim over or claim contribution or indemnity against any of the Releasees with respect to any of the matters herein released then:
 - (i) such Releasor shall immediately discontinue such Claim;

- (ii) such Releasor shall be liable for all legal and related costs and expenses incurred by the affected member of the other on a full indemnity basis; and
 - (iii) this Release contained shall:
 - (A) operate conclusively as an estoppel and complete bar to any such Claim;
 - (B) may be pleaded as a complete defence and reply in the event of such Claim; and
 - (C) may be relied upon in any proceeding to dismiss such Claim and no objection will be raised by the party which commenced such Claim to the effect that the other parties to such Claim are not parties to this Release.
3. Each of the Releasors acknowledges and declares that: (a) it has had an adequate opportunity to read and consider this Release and to obtain such advice in regard to it as it should consider advisable; (b) it fully understands the nature and effect of this Release; and (c) this Release has been duly and voluntarily authorized, executed and delivered and it has the capacity and authority to execute and deliver it.
 4. This Release shall not be deemed to be any admission of liability on the part of the Releasees and liability is specifically denied by each of them.
 5. Each of the Releasors covenants and agrees to do such things, to attend such meetings and to execute such further surrenders, releases, conveyances, transfers, documents and assurances as may be deemed necessary or advisable from time to time in order to effectively carry out the terms and conditions of this Release in accordance with their true intent.
 6. If any provision of this Release shall be determined to be illegal, invalid or unenforceable, that provision shall be severed from this Release and the remaining provisions shall continue in full force and effect.
 7. This Release shall enure to the benefit of each of the Releasees and its heirs, attorneys, guardians, estate trustees, executors, successors, assigns and representatives and be binding upon each of the Releasors and its heirs, attorneys, guardians, estate trustees, executors, successors, assigns and representatives.
 8. This Release shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.
 9. The terms of this Release constitute the entire agreement between the parties relating to the subject matter hereof.

10. This Release may be executed by the parties in counterparts and may be executed and delivered by facsimile or electronic transmission and all such counterparts and facsimiles or electronic transmissions shall together constitute one and the same agreement.

[Remainder of Page Intentionally Left Blank]

IN WITNESS OF WHICH the parties have duly executed this Release this ____ day of ●, 2015.

VANPROP INVESTMENTS LTD.

By: _____

Name:

Title:

By: _____

Name:

Title:

SCHEDULE "M"

FORM OF RELEASE OF TENANT CLAIMS

RELEASE OF TENANT CLAIMS

TO: VANPROP INVESTMENTS LTD. AND ITS AFFILIATES, DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, SHAREHOLDERS, SUCCESSORS AND PERMITTED ASSIGNS (collectively, the "Landlord Releasees", and individually, a "Landlord Releasee")

FROM: TARGET CANADA CO. (the "Tenant")

RE: Lease Surrender Agreement between the Tenant and the Landlord dated May ●, 2015 (as amended, modified, restated and/or supplemented from time to time, the "Lease Surrender Agreement")

WHEREAS:

- A. One of the Releasers, the Tenant, and certain of its Affiliates applied for and together with the limited partnerships listed on Schedule "A" to the Initial Order (as defined below) were granted protection by the Ontario Superior Court of Justice (Commercial List) (the "Court") under the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "CCAA"), and Alvarez & Marsal Canada Inc. (the "Monitor") was appointed the monitor of the Tenant, pursuant to an Order of the Court dated January 15, 2015, as amended and restated on February 11, 2015, and as further amended, restated and/or amended and restated from time to time (collectively, the "Initial Order").
- B. On [____], 2015, the Court issued an Approval and Vesting Order approving the Lease Surrender Agreement, pursuant to which the Tenant shall surrender and the Landlord shall accept a surrender from the Tenant of the Real Property Interests at the Property, on the terms and conditions set out in the Lease Surrender Agreement.
- C. Section 3.8 of the Lease Surrender Agreement contemplates that the Tenant shall execute and deliver a release on the Closing Date to the Landlord Releasees pursuant to which the Tenant will release and forever discharge all claims arising out of or relating to: (i) the Real Property Interests; (ii) the Lease; (iii) the Premises; and (iv) the Property ((i)-(iv), collectively, the "Release Matters").
- D. The Tenant has surrendered to the Landlord all of its right, title and interest in and to the Lease and the Landlord has accepted same. Accordingly, the Tenant desire to execute and deliver this Release to the Landlord Releasees in satisfaction of the foregoing obligation.

- E. Unless otherwise provided herein, all capitalized terms used in this Release have the meaning ascribed to them in the Lease Surrender Agreement.

NOW THEREFORE in consideration of the payment of TEN DOLLARS (\$10.00) and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned agree as follows:

1. The Tenant, on its own behalf and on behalf of its Affiliates and all of their respective successors and assigns (collectively the "Releasers", and individually, a "Releasor"), hereby forever fully and unconditionally remises, releases, acquits, waives and forever discharges each of the Landlord Releasees from any and all actual or potential claims, demands, complaints, grievances, actions, applications, suits, causes of action, Orders, charges, indictments, prosecutions, informations or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, dues, accounts, bonds, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including fees and disbursements of legal counsel, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing (collectively, the "Claims"), whether known or unknown, howsoever arising of every nature and kind whatsoever that the Releasers ever had, now have or hereafter can, shall or may have against any of the Landlord Releasees, in any way relating to or arising from any of the Release Matters but excluding Claims in any way relating to or arising from: (a) the Landlord's obligations or liabilities under the Lease Surrender Agreement which are expressly stated to survive the Closing; or (b) the Closing Documents.
2. Each of the Releasers agrees not to make any claims or demands or take any proceedings against any other person, corporation or entity which might claim over against any of the Landlord Releasees, or who might claim contribution or indemnity from any of the Landlord Releasees, in connection with the matters which are herein released. In the event that any of the Releasers hereafter makes any claims or demands or takes any other proceedings against any of the Landlord Releasees or against any person who may claim over or claim contribution or indemnity against any of the Landlord Releasees with respect to any of the matters herein released, this Release may be raised as an estoppel and complete bar to any such claim, demand or proceeding.
3. Each of the Releasers acknowledges and declares that: (a) it has had an adequate opportunity to read and consider this Release and to obtain such advice in regard to it as it should consider advisable; (b) it fully understands the nature and effect of this Release; and (c) this Release has been duly executed voluntarily.

- 4. This Release shall not be deemed to be any admission of liability on the part of the Landlord Releasees, and liability is specifically denied by them.
- 5. All of the foregoing shall enure to the benefit of each of the Landlord Releasees and their respective heirs, attorneys, guardians, estate trustees, executors, successors, assigns and representatives and be binding upon each of the Releasors and their respective heirs, attorneys, guardians, estate trustees, executors, successors, assigns and representatives.
- 6. This Release shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- 7. The terms of this Release constitute the entire agreement between the parties relating to the subject matter hereof.
- 8. This Release may be executed by the parties in counterparts and may be executed and delivered by facsimile or electronic transmission and all such counterparts and facsimiles or electronic transmissions shall together constitute one and the same agreement.

IN WITNESS OF WHICH the parties have duly executed this Release this ____ day of _____, 2015.

TARGET CANADA CO.

By: _____
 Name:
 Title:

**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

AFFIDAVIT OF MARK J. WONG

(Motion for Approval of Agreement of Purchase and Sale with
Park Place Acquisition Corporation,
and Lease Surrender Agreements with each of
The Berezan Real Estate Partnership, Cominar Real Estate
Investment Trust and Vanprop Investments Ltd.)

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)

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Fax: (416) 862-6666

Lawyers for the Applicants

Matter No: 1159785

TAB 3

Revised: January 21, 2014

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE _____) ~~WEEKDAY~~WEDNESDAY, THE # 20TH
)
REGIONAL SENIOR JUSTICE _____) DAY OF MONTHMAY, 20YR2015
)
MORAWETZ)

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

BETWEEN:-

~~PLAINTIFF~~

Plaintiff

~~-and-~~

~~DEFENDANT~~

Defendant

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")

APPROVAL AND VESTING ORDER – PARK PLACE

THIS MOTION, made by ~~[RECEIVER'S NAME]~~ in its capacity as the Court appointed receiver (the "Receiver") of the undertaking, property and assets of ~~[DEBTOR]~~ (the "Debtor") for an order approving the sale transaction (the "Transaction") the Applicants, pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1985, c. c-36, as amended (the "CCAA") for an

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MASTER LIST

order approving: the sale of lands and buildings located at 30 North Village Way, Barrie, Ontario, together with certain ancillary assets (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and [NAME OF PURCHASER] (the "Purchaser") dated [DATE] and appended to the Report of the Receiver dated [DATE] (the "Report"); and vesting in the Purchaser the Debtor's* right, title and interest in and to the *assets described in the Sale Agreement (the "Purchased Assets") Agreement of Purchase and Sale (the "APA") among Target Canada Co. ("TCC"), as Vendor, and Park Place Acquisition Corporation, as Purchaser (the "Purchaser") dated May 6, 2015 and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of Mark Wong sworn on ●, 2015 including the exhibits thereto (the "Wong Affidavit"), and the ● Report (the "Monitor's ● Report") of Alvarez & Marsal Canada Inc., in its capacity as Monitor (the "Monitor"), filed, and on hearing the submissions of counsel for the Receiver, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, respective counsel for the Applicants and the Partnerships listed on Schedule "A" hereto, the Monitor, Target Corporation, the Purchaser, and such other counsel as were present, no one else appearing although properly duly served as appears from the affidavit of [NAME] sworn [DATE] filed, Affidavit of Service of Geoffrey Grove sworn May 14, 2015, filed:

SERVICE AND DEFINITIONS

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 hereby dispenses with further service thereof.
2. THIS COURT ORDERS that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Amended and Restated Initial Order in these proceedings dated January 15, 2015 (the "Initial Order"), or in the APA, as applicable.

¹ This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.

APPROVAL OF THE APA

3. ~~1.~~ THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved;² and ratified and that the execution of the ~~Sale Agreement~~APA by the ~~Receiver~~³TCC is hereby ~~authorized and approved, and ratified~~ with such minor amendments as the ~~Receiver~~ may deem necessary. The Receiver TCC (with the consent of the Monitor) and the Purchaser may agree to in writing. TCC is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser*.* including the sale, assignment and transfer by TCC of its* right, title and interest in and to the *Subject Assets to the Purchaser and the Monitor shall be authorized to take such additional steps in furtherance of its responsibilities under the APA. The legal descriptions and applicable land registry offices with respect to the Subject Assets are as set out on Schedule "C" hereto*.*

4. ~~2.~~ THIS COURT ORDERS AND DECLARES that upon the delivery of a ~~Receiver~~Monitor's certificate to the Purchaser substantially in the form attached as Schedule A~~"B"~~ hereto (the "~~Receiver~~Monitor's Certificate"), all of the ~~Debtor~~TCC's right, title and interest in and to the ~~Purchased Assets described in the Sale Agreement [and listed on Schedule B hereto]~~Subject Assets shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, ~~levies~~leases, notices of lease, subleases, licenses, levies, restrictions, rights of retention, judgments, notices of sale, contractual rights, options, liabilities (direct, indirect, absolute or contingent), obligations, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise in

² In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court's endorsement.

³ In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.

⁴ To allow this Order to be free-standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule.

respect of the Subject Assets (collectively, the "Claims"⁵), including, without limiting the generality of the foregoing:—(i) ~~any encumbrances or charges created by the Order of the Honourable Justice [NAME] dated [DATE]; (ii)~~

- (a) the Administration Charge, the KERP Charge, the Directors' Charge, the Financial Advisor Subordinated Charge, the DIP Lender's Charge, the Agent's Charge and Security Interest (collectively, the "CCAA Charges");
- (b) all charges, security interests or claims evidenced by registrations pursuant to the Ontario Personal Property Security Act (Ontario) or any other personal property registry system; and (iii)
- (c) those Claims listed on Schedule C hereto "C" hereto;

(all of which are collectively referred to as the "Encumbrances"⁵, which term shall not include the ~~permitted encumbrances, easements and restrictive covenants listed on Schedule D~~) Permitted Encumbrances listed on Schedule "D" hereto), and, for greater certainty, this Court orders that all of the Claims and other Encumbrances affecting or relating to the ~~Purchased~~ Subject Assets are hereby expunged and discharged as against the ~~Purchased Assets~~ Subject Assets and the real property described in Schedule "C".

5. ~~3.~~ THIS COURT ORDERS that upon the registration in the ~~Land Registry Office for the [Registry Division of {LOCATION}] of a Transfer/Deed of Land in the form prescribed by the Land Registration Reform Act duly executed by the Receiver~~ Land Titles Division of {LOCATION} of an Application for Vesting Order in the form prescribed by the Land Titles Act

⁵The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittee's view that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.

and/or the *Land Registration Reform Act*⁶, the applicable land registry office of a certified copy of this Order in the manner prescribed by the applicable land registry office, the applicable Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B "C" hereto (the "Real Property") in fee simple, and is hereby directed to specifically discharge, delete and expunge from title to the Real Property applicable real property described in Schedule "C" all of the Claims Encumbrances listed in Schedule "C" hereto.

6. ~~4-~~ THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ ~~from~~ received on the sale Closing of the Purchased Assets Transaction shall stand in the place and stead of the ~~Purchased~~ Subject Assets, and that from and after the delivery of the Receiver Monitor's Certificate all Claims and Encumbrances shall attach to the net proceeds ~~from the sale of the Purchased Assets~~ therefrom with the same priority as they had with respect to the ~~Purchased~~ Subject Assets immediately prior to the sale⁸, ~~as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale Closing of the Transaction, as if the Transaction had not been completed.~~

7. ~~5-~~ THIS COURT ORDERS AND DIRECTS the Receiver Monitor to file with the Court a copy of the Receiver Monitor's Certificate, forthwith after delivery thereof in accordance with the terms of the APA.

8. THIS COURT ORDERS subject to the terms of the APA nothing herein affects:

(a) the rights and obligations of TCC and the Agent under the Agency Agreement dated January 29, 2015, as amended; and

⁶ Elect the language appropriate to the land registry system (Registry vs. Land Titles).

⁷ The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".

⁸ This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.

- (b) ~~6. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada Personal Information Protection and Electronic Documents Act, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees listed on Schedule "A" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.~~ the terms of the Approval Order – Agency Agreement granted, February 4, 2015 including the Sales Guidelines attached as Schedule "B" thereto.

GENERAL PROVISIONS

9. ~~7-~~ THIS COURT ORDERS that, notwithstanding:
- (a) the pendency of these proceedings;
 - (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor TCC and any bankruptcy order issued pursuant to any such applications; ~~and/or~~
 - (c) any assignment in bankruptcy made in respect of the Debtor TCC;

the vesting of the ~~Purchased~~ Subject Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor TCC and shall not be void or voidable by creditors of the Debtor TCC, nor shall it constitute nor be deemed

~~7~~

to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

10. ~~8-~~ THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario) and any equivalent legislation in any other jurisdiction in which all or any part of the Subject Assets are located and that this Order shall be registered notwithstanding the requirements of section 191(1) of the *Land Titles Act*, R.S.A. 2000, c L-4 and equivalent provisions in equivalent legislation in any other jurisdiction in which all or any part of the Subject Assets are located.

11. ~~9-~~ THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative ~~body~~ bodies, having jurisdiction in Canada or in the United States of America, to give effect to this Order and to assist TCC, the ~~Receiver~~ Monitor and ~~its~~ 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 TCC and to the Receiver ~~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 TCC and the Receiver ~~Monitor~~ and ~~its~~ their respective agents in carrying out the terms of this Order.

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THE COURT REPORTERS

Schedule A—Form of Receiver’s Certificate

SCHEDULE “A”
PARTNERSHIPS

Target Canada Pharmacy Franchising LP

Target Canada Mobile LP

Target Canada Property LP

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PROCESSED BY 20140227/14

SCHEDULE "B"

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

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

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")

BETWEEN:-

PLAINTIFF

Plaintiff

- and -

DEFENDANT

Defendant

RECEIVER/MONITOR'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable [NAME OF JUDGE] of the Ontario Superior Court of Justice (the "Court") dated [DATE OF ORDER], [NAME OF RECEIVER] was appointed as the receiver (the "Receiver") of the undertaking, property and assets of [DEBTOR] (the "Debtor"). All undefined terms in this Monitor's Certificate have the meanings ascribed to them in the Order of the Court dated [May 20], 2015 (the "Approval and Vesting Order")

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- 2 -

approving the Agreement of Purchase and Sale entered into among Target Canada Co. ("TCC") and Park Place Acquisition Corporation (the "Purchaser") dated May 6, 2015 (the "APA"), a copy of which is attached as Exhibit ● to the Affidavit of Mark Wong dated ●, 2015.

B. Pursuant to an~~the Approval and Vesting Order of the Court dated [DATE],~~ the Court approved the ~~agreement of purchase and sale made as of [DATE OF AGREEMENT] (the "Sale Agreement") between the Receiver [Debtor] and [NAME OF PURCHASER] (the "Purchaser")~~APA and provided for the vesting in the Purchaser of ~~the Debtor~~TCC's right, title and interest in and to the ~~Purchased~~Subject Assets, which vesting is to be effective with respect to the ~~Purchased~~Subject Assets upon the delivery by the Receiver~~Monitor~~ to the Purchaser and TCC of a certificate confirming (i) the payment by the Purchaser ~~of the Purchase Price for the Purchased Assets;~~ (ii) ~~that the conditions to Closing as set out in section ● sections 7.1, 7.2 and 7.3 of the Sale Agreement~~APA have been satisfied or waived by the Receiver and the Purchaser and TCC, as applicable; and ~~(#iii)~~ the Transaction has been completed to the satisfaction of the Receiver~~Monitor~~.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER~~MONITOR~~ CERTIFIES the following:

1. ~~The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;~~2. ~~The conditions to Closing as set out in section ● 7.1, 7.2 and 7.3 of the Sale Agreement~~APA have been satisfied or waived by the Receiver and the Purchaser and TCC, as applicable; and
- 3.~~2.~~ The Transaction has been completed to the satisfaction of the Receiver~~Monitor~~.
4. This Monitor's Certificate was delivered by the Receiver~~Monitor~~ at _____ [TIME] on _____ [DATE].

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- 3 -

~~{NAME OF RECEIVER}~~ ALVAREZ & MARSAL CANADA INC., in its capacity as ~~Receiver of the undertaking, property and assets of {DEBTOR}~~, Court-appointed Monitor of Target Canada Co., et al. and not in its personal or corporate capacity

Per: _____

Name:

Title:

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Schedule B – Purchased Assets

SCHEDULE “C”

No.	Location/ Address	Province	Land Registry Office	Legal Description	Encumbrances to be Expunged/ Deleted
1.	Park Place 30 North Village Way, Barrie	ON	LRO #51	<p><u>PIN 58734-0296 (LT)</u> <u>PT LT 8 CON 12 INNISFIL BEING PT 1 PL 51R38934; TOGETHER WITH AN EASEMENT OVER PT LT 8 CON 12 BEING PT 25 PL 51R37438 AS IN SC839161; TOGETHER WITH AN EASEMENT OVER PT LT 7 & 8 CON 12 BEING PT 24 PL 51R37438 AS IN SC839162; TOGETHER WITH AN EASEMENT OVER PT LTS 8 & 9 CON 12 BEING PTS 116, 117, 118, 119 & 120 PL 51R37438 AS IN SC839164; TOGETHER WITH AN EASEMENT OVER PT LT 8 CON 12 BEING PTS 2 & 3 PL 51R38934 AS IN SC1069614; SUBJECT TO AN EASEMENT IN GROSS AS IN SC1116339; TOWN OF INNISFIL</u></p>	<p>(a) <u>Instrument No. SC1190838</u> registered January 10, 2011; being a Construction Lien in favour of North American (Park Place) Corporation, a lien claimant, in the amount of \$634,464.78 for the construction and installation of site improvement work and utilities</p> <p>(b) <u>Instrument No. SC1191232</u> registered February 2, 2011; being a Construction Lien in favour of 1291609 Ontario Ltd as lien claimant, in the amount of \$337,816.85 for underground electrical, storm and sanitary watermains, road work, curbs, sidewalks, asphalt and landscaping.</p> <p>(c) <u>Instrument No. SC1195845</u> registered March 2, 2015 being a Certificate of Action in favour North American (Park Place) Corporation perfecting the Construction Lien registered as Instrument No SC1190838</p>

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Revised: January 21, 2014

~~Schedule C – Claims to be deleted and expunged from title to Real Property~~

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14045708-121103711

~~Schedule D—Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property~~

~~(unaffected by the Vesting Order)~~

SCHEDULE “D”
PERMITTED ENCUMBRANCES

“Permitted Encumbrances” means, collectively: (a) any Encumbrances resulting from the Purchaser’s actions or omissions; and (b) the items identified in Schedule “I” of the APA.

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TAB 4

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	WEDNESDAY, THE 20 TH
)	
REGIONAL SENIOR JUSTICE)	DAY OF MAY, 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 (collectively the “**Applicants**”)

APPROVAL AND VESTING ORDER – PARK PLACE

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the “**CCAA**”) for an order approving: the sale of lands and buildings located at 30 North Village Way, Barrie, Ontario, together with certain ancillary assets (the “**Transaction**”) contemplated by an Agreement of Purchase and Sale (the “**APA**”) among Target Canada Co. (“**TCC**”), as Vendor, and Park Place Acquisition Corporation, as Purchaser (the “**Purchaser**”) dated May 6, 2015 and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of Mark Wong sworn on ●, 2015 including the exhibits thereto (the “**Wong Affidavit**”), and the ● Report (the “**Monitor’s ● Report**”) of Alvarez & Marsal Canada Inc., in its capacity as Monitor (the “**Monitor**”), filed, and on hearing the submissions of respective counsel for the Applicants and the Partnerships listed on Schedule “A” hereto, the Monitor, Target Corporation, the Purchaser, and

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such other counsel as were present, no one else appearing although duly served as appears from the Affidavit of Service of Geoffrey Grove sworn May 14, 2015, filed:

SERVICE AND DEFINITIONS

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 hereby dispenses with further service thereof.

2. THIS COURT ORDERS that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Amended and Restated Initial Order in these proceedings dated January 15, 2015 (the “**Initial Order**”), or in the APA, as applicable.

APPROVAL OF THE APA

3. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved and ratified and that the execution of the APA by TCC is hereby approved and ratified with such minor amendments as TCC (with the consent of the Monitor) and the Purchaser may agree to in writing. TCC is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction, including the sale, assignment and transfer by TCC of its right, title and interest in and to the Subject Assets to the Purchaser and the Monitor shall be authorized to take such additional steps in furtherance of its responsibilities under the APA. The legal descriptions and applicable land registry offices with respect to the Subject Assets are as set out on Schedule “C” hereto.

4. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor’s certificate to the Purchaser substantially in the form attached as Schedule “B” hereto (the “**Monitor’s Certificate**”), all of TCC’s right, title and interest in and to the Subject Assets shall vest absolutely in the Purchaser free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, leases, notices of lease, subleases, licenses, levies, restrictions, rights of retention, judgments, notices of sale, contractual rights, options, liabilities (direct, indirect, absolute or contingent), obligations, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and

whether secured, unsecured or otherwise in respect of the Subject Assets (collectively, the “**Claims**”), including, without limiting the generality of the foregoing:

- (a) the Administration Charge, the KERP Charge, the Directors’ Charge, the Financial Advisor Subordinated Charge, the DIP Lender’s Charge, the Agent’s Charge and Security Interest (collectively, the “**CCAA Charges**”);
- (b) all charges, security interests or claims evidenced by registrations pursuant to the Ontario *Personal Property Security Act* or any other personal property registry system; and
- (c) those Claims listed on Schedule “C” hereto;

(all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the Permitted Encumbrances listed on Schedule “D” hereto), and, for greater certainty, this Court orders that all of the Claims and other Encumbrances affecting or relating to the Subject Assets are hereby expunged and discharged as against the Subject Assets and the real property described in Schedule “C”.

5. THIS COURT ORDERS that upon the registration in the applicable land registry office of a certified copy of this Order in the manner prescribed by the applicable land registry office, the applicable Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule “C” hereto in fee simple and is hereby directed to specifically discharge, delete and expunge from title to the applicable real property described in Schedule “C” all of the Encumbrances listed in Schedule “C” hereto.

6. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds received on the Closing of the Transaction shall stand in the place and stead of the Subject Assets and that from and after the delivery of the Monitor’s Certificate all Claims and Encumbrances shall attach to the net proceeds therefrom with the same priority as they had with respect to the Subject Assets immediately prior to the Closing of the Transaction, as if the Transaction had not been completed.

7. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof in accordance with the terms of the APA.

8. THIS COURT ORDERS subject to the terms of the APA nothing herein affects:

- (a) the rights and obligations of TCC and the Agent under the Agency Agreement dated January 29, 2015, as amended; and
- (b) the terms of the Approval Order – Agency Agreement granted, February 4, 2015 including the Sales Guidelines attached as Schedule “B” thereto.

GENERAL PROVISIONS

9. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of TCC and any bankruptcy order issued pursuant to any such applications; or
- (c) any assignment in bankruptcy made in respect of TCC;

the vesting of the Subject Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of TCC and shall not be void or voidable by creditors of TCC, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

10. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario) and any equivalent legislation in any other jurisdiction in which all or any part of the Subject Assets are located and that this Order shall be registered notwithstanding the requirements of section 191(1) of the *Land Titles Act*, R.S.A. 2000, c L-4 and equivalent provisions in equivalent legislation in any other jurisdiction in which all or any part of the Subject Assets are located.

11. 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 Order and to assist TCC, 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 TCC 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 TCC and the Monitor and their respective agents in carrying out the terms of this Order.

SCHEDULE "A"
PARTNERSHIPS

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

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SCHEDULE “B”

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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**”)

MONITOR’S CERTIFICATE

RECITALS

A. All undefined terms in this Monitor’s Certificate have the meanings ascribed to them in the Order of the Court dated [May 20], 2015 (the “**Approval and Vesting Order**”) approving the Agreement of Purchase and Sale entered into among Target Canada Co. (“**TCC**”) and Park Place Acquisition Corporation (the “**Purchaser**”) dated May 6, 2015 (the “**APA**”), a copy of which is attached as Exhibit ● to the Affidavit of Mark Wong dated ●, 2015.

B. Pursuant to the Approval and Vesting Order the Court approved the APA and provided for the vesting in the Purchaser of TCC’s right, title and interest in and to the Subject Assets, which vesting is to be effective with respect to the Subject Assets upon the delivery by the Monitor to the Purchaser and TCC of a certificate confirming (i) the conditions to Closing as set out in sections 7.1, 7.2 and 7.3 of the APA have been satisfied or waived by the Purchaser and TCC, as applicable; and (ii) the Transaction has been completed to the satisfaction of the Monitor.

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THE MONITOR CERTIFIES the following:

- 1. The conditions to Closing as set out in section 7.1, 7.2 and 7.3 of the APA have been satisfied or waived by the Purchaser and TCC, as applicable; and
- 2. The Transaction has been completed to the satisfaction of the Monitor.

This Monitor's Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE].

ALVAREZ & MARSAL CANADA INC., in its capacity as Court-appointed Monitor of Target Canada Co., *et al.* and not in its personal or corporate capacity

Per: _____

Name:

Title:

Draft

SCHEDULE "C"

No.	Location/ Address	Province	Land Registry Office	Legal Description	Encumbrances to be Expunged/ Deleted
1.	Park Place 30 North Village Way, Barrie	ON	LRO #51	<p>PIN 58734-0296 (LT)</p> <p>PT LT 8 CON 12 INNISFIL BEING PT 1 PL 51R38934; TOGETHER WITH AN EASEMENT OVER PT LT 8 CON 12 BEING PT 25 PL 51R37438 AS IN SC839161; TOGETHER WITH AN EASEMENT OVER PT LT 7 & 8 CON 12 BEING PT 24 PL 51R37438 AS IN SC839162; TOGETHER WITH AN EASEMENT OVER PT LTS 8 & 9 CON 12 BEING PTS 116, 117, 118, 119 & 120 PL 51R37438 AS IN SC839164; TOGETHER WITH AN EASEMENT OVER PT LT 8 CON 12 BEING PTS 2 & 3 PL 51R38934 AS IN SC1069614; SUBJECT TO AN EASEMENT IN GROSS AS IN SC1116339; TOWN OF INNISFIL</p>	<p>(a) Instrument No. SC1190838 registered January 10, 2015 being a Construction Lien in favour of North American (Park Place) Corporation, as lien claimant, in the amount of \$634,464.78 for the construction and installation of site improvement work and utilities</p> <p>(b) Instrument No. SC1191232 registered February 2, 2015 being a Construction Lien in favour of 1291609 Ontario Ltd, as lien claimant, in the amount of \$337,816.85 for underground electrical, storm and sanitary watermains, road work, curbs, sidewalks, asphalt and landscaping.</p> <p>(c) Instrument No. SC1195845 registered March 2, 2015 being a Certificate of Action in favour North American (Park Place) Corporation perfecting the Construction Lien registered as Instrument No. SC1190838</p>

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SCHEDULE "D"
PERMITTED ENCUMBRANCES

"Permitted Encumbrances" means, collectively: (a) any Encumbrances resulting from the Purchaser's actions or omissions; and (b) the items identified in Schedule "I" of the APA.

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TAB 5

Court File No. CV-13-10832-0001

Court File No. :

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE -----) ~~WEEKDAY~~ WEDNESDAY, THE # 20TH
REGIONAL SENIOR JUSTICE -----) DAY OF MONTH MAY, 20YR 2015
MORAWETZ)

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

BETWEEN:-

~~PLAINTIFF~~

Plaintiff

~~-and-~~

~~DEFENDANT~~

Defendant

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")

APPROVAL AND VESTING ORDER – LEASE SURRENDER AGREEMENT
(BEREZAN)

THIS MOTION, made by [RECEIVER'S NAME] in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of [DEBTOR] (the "Debtor") for an order the Applicants, pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1985, c. c-36, as amended (the "CCAA") for an order, *inter alia*, approving; the ~~sale transaction~~ lease

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surrender and resiliation (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and [NAME OF PURCHASER] (the "Purchaser") dated [DATE] and appended to the Report of the Receiver dated [DATE] (the "Report"); and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets") contemplated by a Lease Surrender Agreement among Target Canada Co. ("TCC"), as Tenant, and The Berezan Real Estate Partnership as Landlord (the "Landlord") dated May 6, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the "Lease Surrender Agreement") and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of Mark Wong sworn on ●, 2015 including the exhibits thereto (the "Wong Affidavit"), and the ● Report (the "Monitor's ● Report") of Alvarez & Marsal Canada Inc., in its capacity as Monitor (the "Monitor"), filed, and on hearing the submissions of counsel for the Receiver, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, respective counsel for the Applicants and the Partnerships listed on Schedule "A" hereto, the Monitor, Target Corporation, the Landlord, and such other counsel as were present, no one else appearing although properly duly served as appears from the affidavit of [NAME] sworn [DATE] filed¹ Affidavit of Service of Geoffrey Grove sworn May 14, 2015, filed:

SERVICE AND DEFINITIONS

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 hereby dispenses with further service thereof.
2. THIS COURT ORDERS that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Amended and Restated Initial Order in these proceedings

¹ This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.

dated January 15, 2015 (the "Initial Order"), or in the Lease Surrender Agreement, as applicable.

APPROVAL OF THE LEASE SURRENDER AGREEMENT

~~1.3.~~ THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved;² and ratified and that the execution of the Sale Lease Surrender Agreement by the Receiver³TCC is hereby authorized and approved, and ratified with such minor amendments as the Receiver may deem necessary. The Receiver TCC (with the consent of the Monitor) and the Landlord may agree to in writing. TCC is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser, including the surrender by TCC of its right, title and interest in and to the Leases and the Real Property Interests to the Landlord and the Monitor shall be authorized to take such additional steps in furtherance of its responsibilities under the Lease Surrender Agreement. The legal descriptions and applicable land registry offices with respect to the Premises are as set out on Schedule "C" hereto.

~~2.4.~~ THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver⁴Monitor's certificate to the Purchaser⁴Landlord substantially in the form attached as Schedule A⁴"B" hereto (the "Receiver"⁴"Monitor's Certificate"⁴), all of the Debtor⁴TCC's right, title and interest in and to the Purchased Assets described in the Sale Agreement [and listed on Schedule B hereto]⁴ shall vest absolutely in the Purchaser⁴Leases and the Real Property Interests and the right, title and interest, if any, of any predecessor in interest of TCC in and to the Leases and the Real Property Interests, to the extent same was assigned or otherwise transferred to TCC, shall be surrendered to the Landlord (with the Leases being resiliated) free and clear of and from any and all security

² In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court's endorsement.

³ In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.

⁴ To allow this Order to be free-standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule.

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interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, ~~levies~~leases, notices of lease, subleases, licenses, levies, restrictions, rights of retention, judgments, notices of sale, contractual rights, options, liabilities (direct, indirect, absolute or contingent), obligations, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise in respect of the Leases and the Real Property Interests (collectively, the "Claims"⁵), including, without limiting the generality of the foregoing: ~~(i) any encumbrances or charges created by the Order of the Honourable Justice [NAME] dated [DATE]; (ii) *all charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act (*Ontario*) or any other personal property registry system; and (iii) those Claims listed on Schedule *C hereto~~ (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D*) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

- A) the Administration Charge, the KERP Charge, the Directors' Charge, the Financial Advisor Subordinated Charge, the DIP Lender's Charge, the Agent's Charge and Security Interest (collectively, the "CCAA Charges");
- B) *all charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act (*British Columbia*) or any other personal property registry system; and*
- C) **those Claims listed on Schedule "C" hereto;

(all of which are collectively referred to as the "Encumbrances", which term shall not include the Permitted Encumbrances listed on Schedule "D" hereto*) and, for greater certainty,

⁵The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittee's view that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.

this Court orders that all of the *Claims and *Encumbrances affecting or relating to the *Leases, the Real Property Interests and/or the Premises* are hereby expunged and discharged as against the *Leases, the Real Property Interests and/or the Premises and the real or immovable property described in Schedule "C"

~~3-5. THIS COURT ORDERS that upon the registration in the Land Registry Office for the [Registry Division of {LOCATION}] of a Transfer/Deed of Land in the form prescribed by the Land Registration Reform Act duly executed by the Receiver][Land Titles Division of {LOCATION}] of an Application for Vesting Order in the form prescribed by the Land Titles Act and/or the Land Registration Reform Act]⁶; the applicable land registry office of a certified copy of this Order in the manner prescribed by the applicable land registry office, the applicable Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to specifically discharge, cancel, delete and expunge from title to the Real Property applicable real or immovable property described in Schedule "C" all of the Claims Encumbrances listed in Schedule "C" hereto.~~

~~4-6. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ from received on the sale Closing of the Purchased Assets Transaction shall stand in the place and stead of the Purchased Assets Leases and the Real Property Interests and that from and after the delivery of the Receiver/Monitor's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets therefrom with the same priority as they had with respect to the Purchased Assets Leases and the Real Property Interests immediately prior to the sale⁸; as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale Closing of the Transaction, as if the Transaction had not been completed.~~

⁶ Elect the language appropriate to the land registry system (Registry vs. Land Titles).

⁷ The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".

⁸ This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.

~~5.7.~~ THIS COURT ORDERS AND DIRECTS the Receiver~~Monitor~~ to file with the Court a copy of the Receiver~~Monitor's~~ Certificate, forthwith after delivery thereof.

~~THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada Personal Information Protection and Electronic Documents Act, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees listed on Schedule "A" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.~~

8. THIS COURT ORDERS that nothing herein or in the Lease Surrender Agreement affects:

- A) the rights and obligations of TCC and the Agent under the Agency Agreement dated January 29, 2015, as amended; and
- B) the terms of the Approval Order – Agency Agreement granted, February 4, 2015 including the Sales Guidelines attached as Schedule "B" thereto.

GENERAL PROVISIONS

~~7.9.~~ THIS COURT ORDERS that, notwithstanding:

- A) ~~(a)~~ the pendency of these proceedings;
- B) ~~(b)~~ any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor~~TCC~~ and any bankruptcy order issued pursuant to any such applications; ~~and or~~
- C) ~~(c)~~ any assignment in bankruptcy made in respect of the Debtor~~TCC~~;

~~the vesting of the Purchased Assets in the Purchaser~~surrender of the Leases and the Real Property Interests to the Landlord and the resiliation of the Leases pursuant to this Order shall be binding

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on any trustee in bankruptcy that may be appointed in respect of the Debtor TCC and shall not be void or voidable by creditors of the Debtor TCC, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

~~8-11.~~ THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario) and any equivalent legislation in any other jurisdiction in which the Premises are located and that this Order shall be registered notwithstanding the requirements of section 191(1) of the *Land Titles Act*, R.S.A. 2000, c L-4 and any equivalent provisions in equivalent legislation in any other jurisdiction in which the Premises are located.

~~9-12.~~ THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body/bodies, having jurisdiction in Canada or in the United States of America, to give effect to this Order and to assist TCC, the Receiver/Monitor and ~~its~~ 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 TCC and to the Receiver/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 TCC and the Receiver/Monitor and ~~its~~ their respective agents in carrying out the terms of this Order.

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Revised: January 21, 2014

Schedule A—Form of Receiver’s Certificate

SCHEDULE “A”
PARTNERSHIPS

Target Canada Pharmacy Franchising LP

Target Canada Mobile LP

Target Canada Property LP

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SCHEDULE "B"

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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")

BETWEEN:-

PLAINTIFF

Plaintiff

- and -

DEFENDANT

Defendant

RECEIVER/MONITOR'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable [NAME OF JUDGE] of the Ontario Superior Court of Justice (the "Court") dated [DATE OF ORDER], [NAME OF RECEIVER] was appointed as the receiver (the "Receiver") of the undertaking, property and assets of [DEBTOR] (the "Debtor"). All undefined terms in this Monitor's Certificate have the meanings ascribed to them in the Order of the Court dated [May 20], 2015 (the

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“Approval Order”) approving the Lease Surrender Agreement entered into among Target Canada Co. (“TCC”) and The Berezan Real Estate Partnership (the “Landlord”) dated May 6, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the “Lease Surrender Agreement”) a copy of which is attached as Exhibit ● to the Affidavit of Mark Wong dated ●, 2015.

- B. Pursuant to ~~an~~ the Approval Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of [DATE OF AGREEMENT] (the “Sale Agreement”) between the Receiver [Debtor] and [NAME OF PURCHASER] (the “Purchaser”) Lease Surrender Agreement and provided for the vesting in the Purchaser of the Debtor surrender to Landlord of TCC’s right, title and interest in and to the Purchased Assets Leases and the Real Property Interests, which vesting surrender is to be effective with respect to the Purchased Assets Leases and the Real Property Interests upon the delivery by the Receiver Monitor to the Purchaser Landlord and TCC of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in ~~section ●~~ sections 7.1, 7.2 and 7.3 of the Sale Lease Surrender Agreement have been satisfied or waived by the Receiver Landlord and the Purchaser TCC, as applicable; and (iii) the Transaction has been completed to the satisfaction of the Receiver. ~~C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement~~ Monitor.

THE RECEIVER MONITOR CERTIFIES the following:

- ~~1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement:~~
1. ~~2.~~ The conditions to Closing as set out in ~~section ●~~ 7.1, 7.2 and 7.3 of the Sale Lease Surrender Agreement have been satisfied or waived by the Receiver Landlord and the Purchaser TCC, as applicable; and

2. ~~3.~~ The Transaction has been completed to the satisfaction of the ~~Receiver~~ Monitor.

4. This Monitor's Certificate was delivered by the ~~Receiver~~ Monitor at _____ [TIME] on _____ [DATE].

~~[NAME OF RECEIVER]~~ ALVAREZ & MARSAL CANADA INC., in its capacity as ~~Receiver of the undertaking, property and assets of [DEBTOR],~~ Court-appointed Monitor of Target Canada Co., *et al.* and not in its personal or corporate capacity

Per: _____

Name:

Title:

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Revised: January 21, 2014

SCHEDULE "C"

<u>No.</u>	<u>Location/ Address</u>	<u>Province</u>	<u>Land Registry Office</u>	<u>Legal Description</u>	<u>Encumbrances to be Expunged/ Deleted</u>
1.	Sahali Centre Mall 945 Columbia St W Kamloops	BC	Kamloops Land Title Office	<u>Parcel Identifier: 001-473-697</u> <u>LOT A SECTION 6 TOWNSHIP 20</u> <u>RANGE 17 WEST OF THE 6TH</u> <u>MERIDIAN KAMLOOPS DIVISION</u> <u>YALE DISTRICT PLAN 25955 EXCEPT</u> <u>PLAN KAP53797</u>	<u>NIL</u>

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PROCESSED BY: 12/14/2014

Schedule B—Purchased Assets

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148N-NTOR-120103714

Schedule C—Claims to be deleted and expunged from title to Real Property

~~Schedule D— Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property~~

~~(unaffected by the Vesting Order)~~

SCHEDULE “D” - PERMITTED ENCUMBRANCES

“Permitted Encumbrances” means, collectively: (a) any Encumbrances (as defined in the Lease Surrender Agreement) encumbering the freehold or other ownership interest in the Property (as defined in the Lease Surrender Agreement) or any other Landlord’s interest in the Property, but excludes any Encumbrances solely encumbering the Tenant’s leasehold interest in and to any Property situated outside of the Province of Québec on which the Premises (as defined in the Lease Surrender Agreement) are located; (b) Encumbrances resulting from the Landlord’s actions or omissions; and (c) the items identified in Schedule “K” of the Lease Surrender Agreement.

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TAB 6

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) WEDNESDAY, THE 20TH
REGIONAL SENIOR JUSTICE) DAY OF MAY, 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 (collectively the "**Applicants**")

**APPROVAL AND VESTING ORDER – LEASE SURRENDER AGREEMENT
(BEREZAN)**

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the "**CCAA**") for an order, *inter alia*, approving: the lease surrender and resiliation (the "**Transaction**") contemplated by a Lease Surrender Agreement among Target Canada Co. ("**TCC**"), as Tenant, and The Berezan Real Estate Partnership as Landlord (the "**Landlord**") dated May 6, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the "**Lease Surrender Agreement**") and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of Mark Wong sworn on ●, 2015 including the exhibits thereto (the "**Wong Affidavit**"), and the ● Report (the "**Monitor's ● Report**") of Alvarez & Marsal Canada Inc., in its capacity as Monitor (the "**Monitor**"), filed, and on hearing the submissions of respective counsel for the Applicants and the Partnerships listed on Schedule "A" hereto, the Monitor, Target Corporation, the Landlord, and

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such other counsel as were present, no one else appearing although duly served as appears from the Affidavit of Service of Geoffrey Grove sworn May 14, 2015, filed:

SERVICE AND DEFINITIONS

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 hereby dispenses with further service thereof.

2. THIS COURT ORDERS that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Amended and Restated Initial Order in these proceedings dated January 15, 2015 (the “**Initial Order**”), or in the Lease Surrender Agreement, as applicable.

APPROVAL OF THE LEASE SURRENDER AGREEMENT

3. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved and ratified and that the execution of the Lease Surrender Agreement by TCC is hereby approved and ratified with such minor amendments as TCC (with the consent of the Monitor) and the Landlord may agree to in writing. TCC is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction, including the surrender by TCC of its right, title and interest in and to the Leases and the Real Property Interests to the Landlord and the Monitor shall be authorized to take such additional steps in furtherance of its responsibilities under the Lease Surrender Agreement. The legal descriptions and applicable land registry offices with respect to the Premises are as set out on Schedule “C” hereto.

4. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor’s certificate to the Landlord substantially in the form attached as Schedule “B” hereto (the “**Monitor’s Certificate**”), all of TCC’s right, title and interest in and to the Leases and the Real Property Interests and the right, title and interest, if any, of any predecessor in interest of TCC in and to the Leases and the Real Property Interests, to the extent same was assigned or otherwise transferred to TCC, shall be surrendered to the Landlord (with the Leases being resiliated) free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, leases, notices of lease, subleases, licenses, levies, restrictions, rights of retention,

judgments, notices of sale, contractual rights, options, liabilities (direct, indirect, absolute or contingent), obligations, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise in respect of the Leases and the Real Property Interests (collectively, the “**Claims**”), including, without limiting the generality of the foregoing:

- A) the Administration Charge, the KERP Charge, the Directors’ Charge, the Financial Advisor Subordinated Charge, the DIP Lender’s Charge, the Agent’s Charge and Security Interest (collectively, the “**CCAA Charges**”);
- B) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (British Columbia) or any other personal property registry system; and
- C) those Claims listed on Schedule “C” hereto;

(all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the Permitted Encumbrances listed on Schedule “D” hereto) and, for greater certainty, this Court orders that all of the Claims and Encumbrances affecting or relating to the Leases, the Real Property Interests and/or the Premises are hereby expunged and discharged as against the Leases, the Real Property Interests and/or the Premises and the real or immovable property described in Schedule “C”

5. THIS COURT ORDERS that upon the registration in the applicable land registry office of a certified copy of this Order in the manner prescribed by the applicable land registry office, the applicable Land Registrar is hereby directed to specifically discharge, cancel, delete and expunge from title to the applicable real or immovable property described in Schedule “C” all of the Encumbrances listed in Schedule “C” hereto.

6. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds received on the Closing of the Transaction shall stand in the place and stead of the Leases and the Real Property Interests and that from and after the delivery of the Monitor’s Certificate all Claims and Encumbrances shall attach to the net proceeds therefrom with the same priority as they had with respect to the Leases and the Real Property Interests immediately prior to the Closing of the Transaction, as if the Transaction had not been completed.

7. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.
8. THIS COURT ORDERS that nothing herein or in the Lease Surrender Agreement affects:
- A) the rights and obligations of TCC and the Agent under the Agency Agreement dated January 29, 2015, as amended; and
 - B) the terms of the Approval Order – Agency Agreement granted, February 4, 2015 including the Sales Guidelines attached as Schedule “B” thereto.

GENERAL PROVISIONS

9. THIS COURT ORDERS that, notwithstanding:
- A) the pendency of these proceedings;
 - B) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of TCC and any bankruptcy order issued pursuant to any such applications; or
 - C) any assignment in bankruptcy made in respect of TCC;

the surrender of the Leases and the Real Property Interests to the Landlord and the resiliation of the Leases pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of TCC and shall not be void or voidable by creditors of TCC, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

11. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario) and any equivalent legislation in any other jurisdiction in which the Premises are located and that this Order shall be registered notwithstanding the requirements of section 191(1) of the *Land Titles Act*, R.S.A. 2000, c L-4 and any equivalent provisions in equivalent legislation in any other jurisdiction in which the Premises are located.

12. 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 Order and to assist TCC, 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 TCC 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 TCC and the Monitor and their respective agents in carrying out the terms of this Order.

SCHEDULE "A"
PARTNERSHIPS

Target Canada Pharmacy Franchising LP

Target Canada Mobile LP

Target Canada Property LP

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SCHEDULE “B”

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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**”)

MONITOR’S CERTIFICATE

RECITALS

- A. All undefined terms in this Monitor’s Certificate have the meanings ascribed to them in the Order of the Court dated [May 20], 2015 (the “**Approval Order**”) approving the Lease Surrender Agreement entered into among Target Canada Co. (“**TCC**”) and The Berezan Real Estate Partnership (the “**Landlord**”) dated May 6, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the “**Lease Surrender Agreement**”) a copy of which is attached as Exhibit ● to the Affidavit of Mark Wong dated ●, 2015.
- B. Pursuant to the Approval Order, the Court approved the Lease Surrender Agreement and provided for the surrender to Landlord of TCC’s right, title and interest in and to the Leases and the Real Property Interests, which surrender is to be effective with respect to the Leases and the Real Property Interests upon the delivery by the Monitor to the Landlord and TCC of a certificate confirming (i) the conditions to Closing as set out in sections 7.1, 7.2 and 7.3 of the Lease Surrender Agreement have been satisfied or waived by the Landlord and TCC, as applicable; and (ii) the Transaction has been completed to the satisfaction of the Monitor.

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THE MONITOR CERTIFIES the following:

- 1. The conditions to Closing as set out in section 7.1, 7.2 and 7.3 of the Lease Surrender Agreement have been satisfied or waived by the Landlord and TCC, as applicable; and
- 2. The Transaction has been completed to the satisfaction of the Monitor.

This Monitor's Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE].

ALVAREZ & MARSAL CANADA INC., in its capacity as Court-appointed Monitor of Target Canada Co., *et al.* and not in its personal or corporate capacity

Per: _____
Name:
Title:

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SCHEDULE "C"

No.	Location/ Address	Province	Land Registry Office	Legal Description	Encumbrances to be Expunged/ Deleted
1.	Sahali Centre Mall 945 Columbia St W, Kamloops	BC	Kamloops Land Title Office	Parcel Identifier: 001-473-697 LOT A SECTION 6 TOWNSHIP 20 RANGE 17 WEST OF THE 6TH MERIDIAN KAMLOOPS DIVISION YALE DISTRICT PLAN 25955 EXCEPT PLAN KAP53797	NIL

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SCHEDULE “D” - PERMITTED ENCUMBRANCES

“**Permitted Encumbrances**” means, collectively: (a) any Encumbrances (as defined in the Lease Surrender Agreement) encumbering the freehold or other ownership interest in the Property (as defined in the Lease Surrender Agreement) or any other Landlord’s interest in the Property, but excludes any Encumbrances solely encumbering the Tenant’s leasehold interest in and to any Property situated outside of the Province of Québec on which the Premises (as defined in the Lease Surrender Agreement) are located; (b) Encumbrances resulting from the Landlord’s actions or omissions; and (c) the items identified in Schedule “K” of the Lease Surrender Agreement.

TAB 7

Court File No. CV-15-10832-0001

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE _____) WEEKDAY WEDNESDAY, THE # 20TH
REGIONAL SENIOR JUSTICE _____) DAY OF MONTH MAY, 20YR 2015
MORAWETZ)

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

BETWEEN:-

~~PLAINTIFF~~

Plaintiff

~~and~~

~~DEFENDANT~~

Defendant

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")

APPROVAL AND VESTING ORDER – LEASE SURRENDER AGREEMENT
(COMINAR)

THIS MOTION, made by ~~{RECEIVER'S NAME}~~ in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of ~~{DEBTOR}~~ (the "Debtor") for ~~an order~~ the Applicants, pursuant to the *Companies' Creditors Arrangement Act, R.S.C. 1985, c.*

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c-36, as amended (the "CCAA") for an order, *inter alia*, approving; the sale transaction/lease surrender and resiliation (the "**Transaction**") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and [NAME OF PURCHASER] (the "Purchaser") dated [DATE] and appended to the Report of the Receiver dated [DATE] (the "Report"); and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets")") contemplated by a Lease Surrender Agreement among Target Canada Co. ("TCC"), as Tenant, and Cominar Real Estate Investment Trust as Landlord (the "**Landlord**") dated May 13, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the "**Lease Surrender Agreement**") and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of Mark Wong sworn on ●, 2015 including the exhibits thereto (the "**Wong Affidavit**"), and the ● Report (the "**Monitor's ● Report**") of Alvarez & Marsal Canada Inc., in its capacity as Monitor (the "**Monitor**"), filed, and on hearing the submissions of counsel for the Receiver, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, respective counsel for the Applicants and the Partnerships listed on Schedule "A" hereto, the Monitor, Target Corporation, the Landlord, and such other counsel as were present, no one else appearing although properly duly served as appears from the affidavit of [NAME] sworn [DATE] filed¹ Affidavit of Service of Geoffrey Grove sworn May 14, 2015, filed:

SERVICE AND DEFINITIONS

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 hereby dispenses with further service thereof.
2. THIS COURT ORDERS that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Amended and Restated Initial Order in these

¹ This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.

proceedings dated January 15, 2015 (the "Initial Order"), or in the Lease Surrender Agreement, as applicable.

APPROVAL OF THE LEASE SURRENDER AGREEMENT

3. ~~1-~~ THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved,² and ratified and that the execution of the ~~Sale~~Lease Surrender Agreement by the Receiver³TCC is hereby ~~authorized and approved, and ratified~~ with such minor amendments as the Receiver may deem necessary. ~~The Receiver~~TCC (with the consent of the Monitor) and the Landlord may agree in writing. TCC is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction ~~and for the conveyance of the Purchased Assets to the Purchaser, including the surrender by TCC of its right, title and interest in and to the Leases and the Real Property Interests to the Landlord and the Monitor shall be authorized to take such additional steps in furtherance of its responsibilities under the Lease Surrender Agreement. The legal descriptions and applicable land registry offices with respect to the Premises are as set out on Schedule "C" hereto.~~

4. ~~2-~~ THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver~~Monitor~~'s certificate to the ~~Purchaser~~Landlord substantially in the form attached as Schedule A~~"B"~~ hereto (the "~~Receiver~~"Monitor's Certificate"), all of the ~~Debtor~~TCC's right, title and interest in and to the ~~Purchased Assets described in the Sale Agreement (and listed on Schedule B hereto)~~⁴ shall vest absolutely in the ~~Purchaser~~Leases and the Real Property Interests and the right, title and interest, if any, of any predecessor in interest of TCC in and to the Leases and the Real Property Interests, to the extent same was assigned or otherwise transferred to TCC, shall be surrendered to the Landlord (with the Leases being resiliated) free and clear of and from

² In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court's endorsement.

³ In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.

⁴ To allow this Order to be free-standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule.

any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, ~~levies, leases, notices of lease, subleases, licenses, levies, restrictions, rights of retention, judgments, notices of sale, contractual rights, options, liabilities (direct, indirect, absolute or contingent), obligations,~~ charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise in respect of the Leases and the Real Property Interests (collectively, the "Claims"⁵), including, without limiting the generality of the foregoing: (i) ~~any encumbrances or charges created by the Order of the Honourable Justice [NAME] dated [DATE];~~ (ii) ~~*all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act (Ontario)* or any other personal property registry system;~~ and (iii) ~~those Claims listed on Schedule C hereto~~ ~~*(all of which are collectively referred to as the *Encumbrances** which term shall not include the *permitted encumbrances, easements and restrictive covenants listed on Schedule D*)~~ and, for greater certainty, this Court orders that all of the ~~**Encumbrances affecting or relating to the *Purchased Assets*~~ are hereby expunged and discharged as against the ~~*Purchased Assets~~.

- (a) the Administration Charge, the KERP Charge, the Directors' Charge, the Financial Advisor Subordinated Charge, the DIP Lender's Charge, the Agent's Charge and Security Interest (collectively, the "CCAA Charges");
- (b) ~~*all charges, security interests or claims evidenced by registrations pursuant to the *Civil Code of Québec,* or any other personal property registry system; and *~~
- (c) ~~**those Claims listed on Schedule C** hereto;~~

~~*(all of which are collectively referred to as the ****Encumbrances**** which term shall not include the *Permitted Encumbrances listed on Schedule "D" hereto*) and, for greater certainty,~~

⁵The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittee's view that a non-specific vesting-out of "rights, titles and interests" is vague and therefore undesirable.

this Court orders that all of the *Claims and *Encumbrances affecting or relating to the *Leases, the Real Property Interests and/or the Premises* are hereby expunged and discharged as against the *Leases, the Real Property Interests and/or the Premises and the real or immovable property described in Schedule "C"

5. ~~3-~~ THIS COURT ORDERS that upon the registration in the Land Registry Office for the ~~{Registry Division of {LOCATION}}~~ of a Transfer/Deed of Land in the form prescribed by the ~~Land Registration Reform Act~~ duly executed by the Receiver~~[[Land Titles Division of {LOCATION} of an Application for Vesting Order in the form prescribed by the Land Titles Act and/or the Land Registration Reform Act]]~~⁶, the applicable land registry office of a certified copy of this Order in the manner prescribed by the applicable land registry office, the applicable Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to specifically discharge, cancel, delete and expunge from title to the Real Property applicable real or immovable property described in Schedule "C" all of the Claims Encumbrances listed in Schedule "C" hereto.

6. ~~4-~~ THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ ~~from~~ received on the sale Closing of the Purchased Assets Transaction shall stand in the place and stead of the ~~Purchased Assets, Leases and the Real Property Interests~~ and that from and after the delivery of the Receiver/Monitor's Certificate all Claims and Encumbrances shall attach to the net proceeds ~~from the sale of the Purchased Assets therefrom~~ with the same priority as they had with respect to the ~~Purchased Assets, Leases and the Real Property Interests~~ immediately prior to the sale⁸; ~~as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or~~

⁶ Elect the language appropriate to the land registry system (Registry vs. Land Titles).

⁷ The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".

⁸ This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.

~~the vesting of the Purchased Assets in the Purchaser; surrender of the Leases and the Real Property Interests to the Landlord and the resiliation of the Leases~~ pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of ~~the Debtor~~ TCC and shall not be void or voidable by creditors of ~~the Debtor~~ TCC, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

10. ~~8.~~ THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario) and any equivalent legislation in any other jurisdiction in which the Premises are located and that this Order shall be registered notwithstanding the requirements of section 191(1) of the *Land Titles Act*, R.S.A. 2000, c L-4 and any equivalent provisions in equivalent legislation in any other jurisdiction in which the Premises are located.

11. ~~9.~~ THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative ~~body~~ bodies, having jurisdiction in Canada or in the United States of America, to give effect to this Order and to assist TCC, the Receiver Monitor and ~~its~~ 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 TCC and to the Receiver 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 TCC and the Receiver Monitor and ~~its~~ their respective agents in carrying out the terms of this Order.

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Revised: January 21, 2014

Schedule A—Form of Receiver’s Certificate

SCHEDULE “A”
PARTNERSHIPS

Target Canada Pharmacy Franchising LP

Target Canada Mobile LP

Target Canada Property LP

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REVISED JANUARY 21, 2014

SCHEDULE "B"

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

~~BETWEEN:~~

~~PLAINTIFF~~

Plaintiff

~~- and -~~

~~DEFENDANT~~

Defendant

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")

RECEIVER/MONITOR'S CERTIFICATE

RECITALS

- A. Pursuant to an Order of the Honourable [NAME OF JUDGE] of the Ontario Superior Court of Justice (the "Court") dated [DATE OF ORDER], [NAME OF RECEIVER] was appointed as the receiver (the "Receiver") of the undertaking, property and assets of [DEBTOR] (the "Debtor"). All undefined terms in this Monitor's Certificate have the meanings ascribed to them in the Order of the Court dated [May 20], 2015 (the

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- 2 -

“Approval Order”) approving the Lease Surrender Agreement entered into among Target Canada Co. (“TCC”) and Cominar Real Estate Investment Trust (the “Landlord”) dated May 13, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the “Lease Surrender Agreement”) a copy of which is attached as Exhibit ● to the Affidavit of Mark Wong, dated ●, 2015.

- B. Pursuant to ~~an~~ the Approval Order of the Court dated [DATE], the Court approved the ~~agreement of purchase and sale made as of [DATE OF AGREEMENT]~~ (the “Sale Agreement”) between the ~~Receiver [Debtor]~~ and ~~[NAME OF PURCHASER]~~ (the “Purchaser”) Lease Surrender Agreement and provided for the vesting in the Purchaser of the ~~Debtor’s~~ surrender to Landlord of TCC’s right, title and interest in and to the ~~Purchased Assets~~ Leases and the Real Property Interests, which ~~vestings~~ surrender is to be effective with respect to the ~~Purchased Assets~~ Leases and the Real Property Interests upon the delivery by the ~~Receiver~~ Monitor to the ~~Purchaser~~ Landlord and TCC of a certificate confirming (i) the ~~payment by the Purchaser of the Purchase Price for the Purchased Assets~~; (ii) that the conditions to Closing as set out in ~~section ●~~ sections 7.1, 7.2 and 7.3 of the ~~Sale~~ Lease Surrender Agreement have been satisfied or waived by the ~~Receiver~~ Landlord and the ~~Purchaser~~ TCC, as applicable; and (iii) the Transaction has been completed to the satisfaction of the ~~Receiver~~ Monitor.
- C. ~~Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.~~

THE RECEIVER MONITOR CERTIFIES the following:

- I. ~~The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;~~

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- 1. ~~2.~~ The conditions to Closing as set out in section ~~7.1, 7.2 and 7.3~~ of the ~~Sale Lease Surrender~~ Agreement have been satisfied or waived by the ~~Receiver~~ Landlord and the ~~Purchaser~~ TCC, as applicable; and
- 2. ~~3.~~ The Transaction has been completed to the satisfaction of the ~~Receiver~~ Monitor.
- 4. This Monitor's Certificate was delivered by the ~~Receiver~~ Monitor at _____ [TIME] on _____ [DATE].

~~[NAME OF RECEIVER]~~ ALVAREZ & MARSAL CANADA INC., in its capacity as ~~Receiver of the undertaking, property and assets of [DEBTOR]~~, Court-appointed Monitor of Target Canada Co., et al. and not in its personal or corporate capacity

Per: _____
 Name:
 Title:

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Revised: January 21, 2014

Schedule B—Purchased Assets

SCHEDULE “C”

<u>No.</u>	<u>Location/Address</u>	<u>Province</u>	<u>Land Registry Office</u>	<u>Legal Description</u>	<u>Encumbrances to be Expunged/Deleted</u>
7000	1600, boulevard Le Corbusier, Laval (Quebec) H7S 1Z2	Quebec	Laval	1 730 881, 2 925 714, 2 925 716, 2 925 717, 2 925 718 and 1 730 879, cadastre of Quebec	Notice of lease registered under #19 320 299

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PROCESSED BY THE REGISTRAR

Revised: January 21, 2014

~~Schedule C — Claims to be deleted and expunged from title to Real Property~~

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~~Schedule D— Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property~~

~~(unaffected by the Vesting Order)~~

SCHEDULE “D” - PERMITTED ENCUMBRANCES

“Permitted Encumbrances” means, collectively: (a) any Encumbrances (as defined in the Lease Surrender Agreement) encumbering the freehold or other ownership interest in the Property (as defined in the Lease Surrender Agreement) or any other Landlord’s interest in the Property, but excludes any Encumbrances which were created or caused by the Tenant and any Encumbrances solely encumbering the Tenant’s leasehold interest in and to any Property; (b) Encumbrances resulting from the Landlord’s actions or omissions; and (c) the items identified in Schedule “K” of the Lease Surrender Agreement.

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TAB 8

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	WEDNESDAY, THE 20 TH
REGIONAL SENIOR JUSTICE)	DAY OF MAY, 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 (collectively the "**Applicants**")

**APPROVAL AND VESTING ORDER – LEASE SURRENDER AGREEMENT
(COMINAR)**

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the "**CCAA**") for an order, *inter alia*, approving: the lease surrender and resiliation (the "**Transaction**") contemplated by a Lease Surrender Agreement among Target Canada Co. ("**TCC**"), as Tenant, and Cominar Real Estate Investment Trust as Landlord (the "**Landlord**") dated May 13, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the "**Lease Surrender Agreement**") and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of Mark Wong sworn on ●, 2015 including the exhibits thereto (the "**Wong Affidavit**"), and the ● Report (the "**Monitor's ● Report**") of Alvarez & Marsal Canada Inc., in its capacity as Monitor (the "**Monitor**"), filed, and on hearing the submissions of respective counsel for the Applicants and the Partnerships listed on Schedule "A" hereto, the Monitor, Target Corporation, the Landlord, and

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such other counsel as were present, no one else appearing although duly served as appears from the Affidavit of Service of Geoffrey Grove sworn May 14, 2015, filed:

SERVICE AND DEFINITIONS

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 hereby dispenses with further service thereof.

2. THIS COURT ORDERS that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Amended and Restated Initial Order in these proceedings dated January 15, 2015 (the “**Initial Order**”), or in the Lease Surrender Agreement, as applicable.

APPROVAL OF THE LEASE SURRENDER AGREEMENT

3. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved and ratified and that the execution of the Lease Surrender Agreement by TCC is hereby approved and ratified with such minor amendments as TCC (with the consent of the Monitor) and the Landlord may agree to in writing. TCC is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction, including the surrender by TCC of its right, title and interest in and to the Leases and the Real Property Interests to the Landlord and the Monitor shall be authorized to take such additional steps in furtherance of its responsibilities under the Lease Surrender Agreement. The legal descriptions and applicable land registry offices with respect to the Premises are as set out on Schedule “C” hereto.

4. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor’s certificate to the Landlord substantially in the form attached as Schedule “B” hereto (the “**Monitor’s Certificate**”), all of TCC’s right, title and interest in and to the Leases and the Real Property Interests and the right, title and interest, if any, of any predecessor in interest of TCC in and to the Leases and the Real Property Interests, to the extent same was assigned or otherwise transferred to TCC, shall be surrendered to the Landlord (with the Leases being resiliated) free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, leases, notices of lease, subleases, licenses, levies, restrictions, rights of retention,

judgments, notices of sale, contractual rights, options, liabilities (direct, indirect, absolute or contingent), obligations, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise in respect of the Leases and the Real Property Interests (collectively, the “**Claims**”), including, without limiting the generality of the foregoing:

- (a) the Administration Charge, the KERP Charge, the Directors’ Charge, the Financial Advisor Subordinated Charge, the DIP Lender’s Charge, the Agent’s Charge and Security Interest (collectively, the “**CCAA Charges**”);
- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Civil Code of Québec*, or any other personal property registry system; and
- (c) those Claims listed on Schedule “C” hereto;

(all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the Permitted Encumbrances listed on Schedule “D” hereto) and, for greater certainty, this Court orders that all of the Claims and Encumbrances affecting or relating to the Leases, the Real Property Interests and/or the Premises are hereby expunged and discharged as against the Leases, the Real Property Interests and/or the Premises and the real or immovable property described in Schedule “C”

5. THIS COURT ORDERS that upon the registration in the applicable land registry office of a certified copy of this Order in the manner prescribed by the applicable land registry office, the applicable Land Registrar is hereby directed to specifically discharge, cancel, delete and expunge from title to the applicable real or immovable property described in Schedule “C” all of the Encumbrances listed in Schedule “C” hereto.

6. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds received on the Closing of the Transaction shall stand in the place and stead of the Leases and the Real Property Interests and that from and after the delivery of the Monitor’s Certificate all Claims and Encumbrances shall attach to the net proceeds therefrom with the same priority as they had with respect to the Leases and the Real Property Interests immediately prior to the Closing of the Transaction, as if the Transaction had not been completed.

7. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

8. THIS COURT ORDERS that subject to the terms of the Lease Surrender Agreement nothing herein affects:

- (a) the rights and obligations of TCC and the Agent under the Agency Agreement dated January 29, 2015, as amended; and
- (b) the terms of the Approval Order – Agency Agreement granted, February 4, 2015 including the Sales Guidelines attached as Schedule "B" thereto.

GENERAL PROVISIONS

9. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of TCC and any bankruptcy order issued pursuant to any such applications; or
- (c) any assignment in bankruptcy made in respect of TCC;

the surrender of the Leases and the Real Property Interests to the Landlord and the resiliation of the Leases pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of TCC and shall not be void or voidable by creditors of TCC, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

10. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario) and any equivalent legislation in any other jurisdiction in which the Premises are located and that this Order shall be registered notwithstanding the requirements of section 191(1) of the *Land Titles Act*, R.S.A. 2000, c L-4 and

any equivalent provisions in equivalent legislation in any other jurisdiction in which the Premises are located.

11. 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 Order and to assist TCC, 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 TCC 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 TCC and the Monitor and their respective agents in carrying out the terms of this Order.

SCHEDULE "A"
PARTNERSHIPS

Target Canada Pharmacy Franchising LP

Target Canada Mobile LP

Target Canada Property LP

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SCHEDULE “B”

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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**”)

MONITOR’S CERTIFICATE

RECITALS

- A. All undefined terms in this Monitor’s Certificate have the meanings ascribed to them in the Order of the Court dated [May 20], 2015 (the “**Approval Order**”) approving the Lease Surrender Agreement entered into among Target Canada Co. (“**TCC**”) and Cominar Real Estate Investment Trust (the “**Landlord**”) dated May 13, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the “**Lease Surrender Agreement**”) a copy of which is attached as Exhibit ● to the Affidavit of Mark Wong dated ●, 2015.
- B. Pursuant to the Approval Order, the Court approved the Lease Surrender Agreement and provided for the surrender to Landlord of TCC’s right, title and interest in and to the Leases and the Real Property Interests, which surrender is to be effective with respect to the Leases and the Real Property Interests upon the delivery by the Monitor to the Landlord and TCC of a certificate confirming (i) the conditions to Closing as set out in sections 7.1, 7.2 and 7.3 of the Lease Surrender Agreement have been satisfied or waived by the Landlord and TCC, as applicable; and (ii) the Transaction has been completed to the satisfaction of the Monitor.

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THE MONITOR CERTIFIES the following:

- 1. The conditions to Closing as set out in section 7.1, 7.2 and 7.3 of the Lease Surrender Agreement have been satisfied or waived by the Landlord and TCC, as applicable; and
- 2. The Transaction has been completed to the satisfaction of the Monitor.

This Monitor's Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE].

ALVAREZ & MARSAL CANADA INC., in its capacity as Court-appointed Monitor of Target Canada Co., *et al.* and not in its personal or corporate capacity

Per: _____
Name:
Title:

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SCHEDULE "C"

No.	Location/Address	Province	Land Registry Office	Legal Description	Encumbrances to be Expunged/Deleted
7000	1600, boulevard Le Corbusier, Laval (Quebec) H7S 1Z2	Quebec	Laval	1 730 881, 2 925 714, 2 925 716, 2 925 717, 2 925 718 and 1 730 879, cadastre of Quebec	Notice of lease registered under #19 320 299

SCHEDULE "D" - PERMITTED ENCUMBRANCES

"Permitted Encumbrances" means, collectively: (a) any Encumbrances (as defined in the Lease Surrender Agreement) encumbering the freehold or other ownership interest in the Property (as defined in the Lease Surrender Agreement) or any other Landlord's interest in the Property, but excludes any Encumbrances which were created or caused by the Tenant and any Encumbrances solely encumbering the Tenant's leasehold interest in and to any Property; (b) Encumbrances resulting from the Landlord's actions or omissions; and (c) the items identified in Schedule "K" of the Lease Surrender Agreement.

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TAB 9

Revised: January 21, 2014

Court File No. _____

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE _____) WEEKDAY WEDNESDAY, THE # 20TH
REGIONAL SENIOR JUSTICE _____) DAY OF MONTH MAY, 20YR 2015
)
MORAWETZ)

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

BETWEEN:-

~~PLAINTIFF~~

Plaintiff

~~-and-~~

~~DEFENDANT~~

Defendant

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")

**APPROVAL AND VESTING ORDER – LEASE SURRENDER AGREEMENT
(VANPROP)**

THIS MOTION, made by [RECEIVER'S NAME] in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of [DEBTOR] (the "Debtor") for

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REGISTRAR - 2015-07-14

~~an order~~ the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the "CCAA") for an order, *inter alia*, approving: the sale transaction/lease surrender and resiliation (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and [NAME OF PURCHASER] (the "Purchaser") dated [DATE] and appended to the Report of the Receiver dated [DATE] (the "Report"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets")¹ contemplated by a Lease Surrender Agreement among Target Canada Co. ("TCC"), as Tenant, and Vanprop Investments Ltd. as Landlord (the "Landlord") dated May 13, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the "Lease Surrender Agreement") and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of Mark Wong sworn on ●, 2015 including the exhibits thereto (the "Wong Affidavit"), and the ● Report (the "Monitor's ● Report") of Alvarez & Marsal Canada Inc., in its capacity as Monitor (the "Monitor"), filed, and on hearing the submissions of counsel for the Receiver, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, respective counsel for the Applicants and the Partnerships listed on Schedule "A" hereto, the Monitor, Target Corporation, the Landlord, and such other counsel as were present, no one else appearing although properly/duly served as appears from the affidavit of [NAME] sworn [DATE] filed¹ Affidavit of Service of Geoffrey Grove sworn May 14, 2015, filed:

SERVICE AND DEFINITIONS

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 hereby dispenses with further service thereof.

¹ This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.

2. THIS COURT ORDERS that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Amended and Restated Initial Order in these proceedings dated January 15, 2015 (the "Initial Order"), or in the Lease Surrender Agreement, as applicable.

APPROVAL OF THE LEASE SURRENDER AGREEMENT

3. ~~1.~~ THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved,² and ratified and that the execution of the Sale Lease Surrender Agreement by the Receiver³TCC is hereby authorized and approved, and ratified with such minor amendments as the Receiver may deem necessary. The Receiver TCC (with the consent of the Monitor) and the Landlord may agree to in writing. TCC is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser, including the surrender by TCC of its right, title and interest in and to the Lease and the Real Property Interests to the Landlord and the Monitor shall be authorized to take such additional steps in furtherance of its responsibilities under the Lease Surrender Agreement. The legal descriptions and applicable land registry offices with respect to the Premises are as set out on Schedule "C" hereto.

4. ~~2.~~ THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver³Monitor's certificate to the Purchaser⁴Landlord substantially in the form attached as Schedule A⁴"B" hereto (the "~~Receiver~~"**"Monitor's Certificate"**), all of the Debtor³TCC's right, title and interest in and to the Purchased Assets described in the Sale Agreement ~~and listed on Schedule B hereto~~⁴ shall vest absolutely in the Purchaser⁴Lease and the Real Property Interests and the right, title and interest, if any, of any predecessor in interest of TCC in and to the Lease

²In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court's endorsement.

³In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.

⁴To allow this Order to be free-standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule.

and the Real Property Interests, to the extent same was assigned or otherwise transferred to TCC, shall be surrendered to the Landlord (with the Lease being resiliated) free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, leases, notices of lease, subleases, licenses, levies, restrictions, rights of retention, judgments, notices of sale, contractual rights, options, liabilities (direct, indirect, absolute or contingent), obligations, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise in respect of the Lease and the Real Property Interests (collectively, the "Claims"⁵), including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice [NAME] dated [DATE]; (ii) *all charges, security interests or claims evidenced by registrations pursuant to the **Personal Property Security Act* *(Ontario) *or any other personal property registry system; and (iii) *those Claims listed on Schedule C hereto *(all of which are collectively referred to as the **"Encumbrances"**, which term shall not include the *permitted encumbrances, easements and restrictive covenants listed on Schedule D*) and, for greater certainty, this Court orders that all of the **"Encumbrances affecting or relating to the Purchased Assets"* are hereby expunged and discharged as against the *Purchased Assets.

- (a) the Administration Charge, the KERP Charge, the Directors' Charge, the Financial Advisor Subordinated Charge, the DIP Lender's Charge, the Agent's Charge and Security Interest (collectively, the "CCAA Charges");
- (b) *all charges, security interests or claims evidenced by registrations pursuant to the **British Columbia Personal Property Security Act* **or any other personal property registry system; and *

⁵The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittee's view that a non-specific vesting-out of "rights, titles and interests" is vague and therefore undesirable.

(c) **those Claims listed on Schedule “C” hereto:

*(all of which are collectively referred to as the **“Encumbrances”**, which term shall not include the **“Permitted Encumbrances listed on Schedule “D” hereto***) and, for greater certainty, this Court orders that all of the **“Claims and Encumbrances affecting or relating to the Lease, the Real Property Interests and/or the Premises”** are hereby expunged and discharged as against the **“Lease, the Real Property Interests and/or the Premises and the real or immovable property described in Schedule “C”**

5. ~~3.~~ THIS COURT ORDERS that upon the registration in the Land Registry Office for the ~~[Registry Division of {LOCATION}]~~ of a Transfer/Deed of Land in the form prescribed by the ~~Land Registration Reform Act~~ duly executed by the Receiver~~][Land Titles Division of {LOCATION}]~~ of an Application for Vesting Order in the form prescribed by the ~~Land Titles Act~~ and/or the ~~Land Registration Reform Act~~⁶, the applicable land registry office of a certified copy of this Order in the manner prescribed by the applicable land registry office, the applicable Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the “Real Property”) in fee simple, and is hereby directed to specifically discharge, cancel, delete and expunge from title to the Real Property applicable real or immovable property described in Schedule “C” all of the Claims Encumbrances listed in Schedule “C” hereto.

6. ~~4.~~ THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ ~~from received on the sale~~ Closing of the Purchased Assets ~~Transaction~~ shall stand in the place and stead of the Purchased Assets ~~Lease and the Real Property Interests~~ and that from and after the delivery of the Receiver ~~Monitor’s~~ Certificate all Claims and Encumbrances shall attach to the net proceeds ~~from the sale of the Purchased Assets~~ therefrom with the same priority as they had with respect to the Purchased Assets ~~Lease~~

⁶ Elect the language appropriate to the land registry system (Registry vs. Land Titles).

⁷ The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds to arrive at “net proceeds”.

~~and the Real Property Interests immediately prior to the sale⁸, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale~~Closing of the Transaction, as if the Transaction had not been completed.

7. ~~5-~~THIS COURT ORDERS AND DIRECTS the Receiver~~Monitor~~ to file with the Court a copy of the Receiver~~Monitor~~'s Certificate, forthwith after delivery thereof.

8. ~~6-~~THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees listed on Schedule "A" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.subject to the terms of the Lease Surrender Agreement nothing herein affects:

- (a) the rights and obligations of TCC and the Agent under the Agency Agreement dated January 29, 2015, as amended; and
- (b) the terms of the Approval Order – Agency Agreement granted, February 4, 2015 including the Sales Guidelines attached as Schedule "B" thereto.

GENERAL PROVISIONS

9. ~~7-~~THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;

⁸This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.

- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the ~~Debtor~~ TCC and any bankruptcy order issued pursuant to any such applications; ~~and or~~
- (c) any assignment in bankruptcy made in respect of the ~~Debtor~~ TCC;

~~the vesting of the Purchased Assets in the Purchaser~~ surrender of the Lease and the Real Property Interests to the Landlord and the resiliation of the Lease pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the ~~Debtor~~ TCC and shall not be void or voidable by creditors of the ~~Debtor~~ TCC, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

10. ~~8.~~ THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario) and any equivalent legislation in any other jurisdiction in which the Premises are located and that this Order shall be registered notwithstanding the requirements of section 191(1) of the *Land Titles Act*, R.S.A. 2000, c L-4 and any equivalent provisions in equivalent legislation in any other jurisdiction in which the Premises are located.

11. ~~9.~~ THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative ~~body~~ bodies, having jurisdiction in Canada or in the United States of America, to give effect to this Order and to assist TCC, the Receiver ~~Monitor~~ and its 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 TCC and to the Receiver ~~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 TCC and the Receiver ~~Monitor~~ and its their respective agents in carrying out the terms of this Order.



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PHOTOGRAPH BY [unreadable]

Revised: January 21, 2014

Schedule A—Form of Receiver’s Certificate

SCHEDULE “A”
PARTNERSHIPS

Target Canada Pharmacy Franchising LP

Target Canada Mobile LP

Target Canada Property LP

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RECEIVED 12/21/14

TAB 10

SCHEDULE "B"

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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")

~~BETWEEN:-~~

~~PLAINTIFF~~

Plaintiff

~~- and -~~

~~DEFENDANT~~

Defendant

RECEIVER/MONITOR'S CERTIFICATE

RECITALS

- A. Pursuant to an Order of the Honourable [NAME OF JUDGE] of the Ontario Superior Court of Justice (the "Court") dated [DATE OF ORDER], [NAME OF RECEIVER] was appointed as the receiver (the "Receiver") of the undertaking, property and assets of [DEBTOR] (the "Debtor"). All undefined terms in this Monitor's Certificate have the meanings ascribed to them in the Order of the Court dated [May 20], 2015 (the

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"Approval Order") approving the Lease Surrender Agreement entered into among Target Canada Co. ("TCC") and Vanprop Investments Ltd. (the "Landlord") dated May 13, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the "Lease Surrender Agreement") a copy of which is attached as Exhibit ● to the Affidavit of Mark Wong dated ●, 2015.

- B. Pursuant to ~~an~~ the Approval Order of the Court dated [DATE], the Court approved the ~~agreement of purchase and sale made as of [DATE OF AGREEMENT] (the "Sale Agreement") between the Receiver [Debtor] and [NAME OF PURCHASER] (the "Purchaser")~~ Lease Surrender Agreement and provided for the vesting in the Purchaser of the ~~Debtor's~~ surrender to Landlord of TCC's right, title and interest in and to the ~~Purchased Assets~~ Lease and the Real Property Interests, which ~~vestings~~ surrender is to be effective with respect to the ~~Purchased Assets~~ Lease and the Real Property Interests upon the delivery by the ~~Receiver~~ Monitor to the ~~Purchaser~~ Landlord and TCC of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the ~~Purchased Assets~~; (ii) that the conditions to Closing as set out in ~~section ●~~ sections 7.1, 7.2 and 7.3 of the ~~Sale~~ Lease Surrender Agreement have been satisfied or waived by the ~~Receiver~~ Landlord and the ~~Purchaser~~ TCC, as applicable; and (iii) the Transaction has been completed to the satisfaction of the ~~Receiver~~. ~~Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement~~ Monitor.

THE RECEIVER MONITOR CERTIFIES the following:

- ~~1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;~~
1. ~~2.~~ The conditions to Closing as set out in ~~section ●~~ 7.1, 7.2 and 7.3 of the ~~Sale~~ Lease Surrender Agreement have been satisfied or waived by the ~~Receiver~~ Landlord and the ~~Purchaser~~ TCC, as applicable; and

2. ~~3.~~ The Transaction has been completed to the satisfaction of the ~~Receiver~~ Monitor.

4. This Monitor's Certificate was delivered by the ~~Receiver~~ Monitor at _____ [TIME] on _____ [DATE].

~~{NAME OF RECEIVER}~~ ALVAREZ & MARSAL CANADA INC., in its capacity as ~~Receiver of the undertaking, property and assets of {DEBTOR}~~ Court-appointed Monitor of Target Canada Co., et al. and not in its personal or corporate capacity

Per: _____

Name:

Title:

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Revised: January 21, 2014

SCHEDULE "C"

<u>No.</u>	<u>Location/Address</u>	<u>Province</u>	<u>Land Title Office</u>	<u>Legal Description</u>	<u>Encumbrances to be Expunged/Deleted</u>
3534	<u>Lansdowne Centre, 5300 No. 3 Road, Richmond BC</u>	<u>British Columbia</u>	<u>New Westminster</u>	<p><u>That portion of the building located on the lands located at 5300 No. 3 Road, Richmond, British Columbia legally described as:</u></p> <p style="padding-left: 40px;"><u>Parcel Identifier: 004-037-995</u> <u>Lot 80 Except: Part Road on Plan LMP46129 Sections 3 and 4 Block 4 North Range 6 West New Westminster District Plan 50405</u></p> <p><u>consisting of approximately 138,877 square feet and identified as premises number 501 on the Explanatory Plan filed in the New Westminster Land Title Office under number 53559</u></p>	

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~~Schedule C—Claims to be deleted and expunged from title to Real Property~~

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EXHIBIT 10-1 (2/1/23)

- 15 -

~~Schedule D—Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property~~

~~(unaffected by the Vesting Order)~~

SCHEDULE “D” - PERMITTED ENCUMBRANCES

“Permitted Encumbrances” means, collectively: (a) any Encumbrances (as defined in the Lease Surrender Agreement) encumbering the freehold or other ownership interest in the Property (as defined in the Lease Surrender Agreement) or any other Landlord’s interest in the Property, but excludes any Encumbrances solely encumbering the Tenant’s leasehold interest in and to any Property situated outside of the Province of Québec on which the Premises (as defined in the Lease Surrender Agreement) are located; (b) Encumbrances resulting from the Landlord’s actions or omissions; and (c) the items identified in Schedule “K” of the Lease Surrender Agreement.

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	WEDNESDAY, THE 20 TH
REGIONAL SENIOR JUSTICE)	DAY OF MAY, 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 (collectively the "**Applicants**")

**APPROVAL AND VESTING ORDER – LEASE SURRENDER AGREEMENT
(VANPROP)**

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the "**CCAA**") for an order, *inter alia*, approving: the lease surrender and resiliation (the "**Transaction**") contemplated by a Lease Surrender Agreement among Target Canada Co. ("**TCC**"), as Tenant, and Vanprop Investments Ltd. as Landlord (the "**Landlord**") dated May 13, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the "**Lease Surrender Agreement**") and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of Mark Wong sworn on ●, 2015 including the exhibits thereto (the "**Wong Affidavit**"), and the ● Report (the "**Monitor's ● Report**") of Alvarez & Marsal Canada Inc., in its capacity as Monitor (the "**Monitor**"), filed, and on hearing the submissions of respective counsel for the Applicants and the

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Partnerships listed on Schedule “A” hereto, the Monitor, Target Corporation, the Landlord, and such other counsel as were present, no one else appearing although duly served as appears from the Affidavit of Service of Geoffrey Grove sworn May 14, 2015, filed:

SERVICE AND DEFINITIONS

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 hereby dispenses with further service thereof.

2. THIS COURT ORDERS that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Amended and Restated Initial Order in these proceedings dated January 15, 2015 (the “**Initial Order**”), or in the Lease Surrender Agreement, as applicable.

APPROVAL OF THE LEASE SURRENDER AGREEMENT

3. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved and ratified and that the execution of the Lease Surrender Agreement by TCC is hereby approved and ratified with such minor amendments as TCC (with the consent of the Monitor) and the Landlord may agree to in writing. TCC is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction, including the surrender by TCC of its right, title and interest in and to the Lease and the Real Property Interests to the Landlord and the Monitor shall be authorized to take such additional steps in furtherance of its responsibilities under the Lease Surrender Agreement. The legal descriptions and applicable land registry offices with respect to the Premises are as set out on Schedule “C” hereto.

4. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor’s certificate to the Landlord substantially in the form attached as Schedule “B” hereto (the “**Monitor’s Certificate**”), all of TCC’s right, title and interest in and to the Lease and the Real Property Interests and the right, title and interest, if any, of any predecessor in interest of TCC in and to the Lease and the Real Property Interests, to the extent same was assigned or otherwise transferred to TCC, shall be surrendered to the Landlord (with the Lease being resiliated) free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens,

executions, leases, notices of lease, subleases, licenses, levies, restrictions, rights of retention, judgments, notices of sale, contractual rights, options, liabilities (direct, indirect, absolute or contingent), obligations, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise in respect of the Lease and the Real Property Interests (collectively, the “**Claims**”), including, without limiting the generality of the foregoing:

- (a) the Administration Charge, the KERP Charge, the Directors’ Charge, the Financial Advisor Subordinated Charge, the DIP Lender’s Charge, the Agent’s Charge and Security Interest (collectively, the “**CCAA Charges**”);
- (b) all charges, security interests or claims evidenced by registrations pursuant to the British Columbia *Personal Property Security Act* or any other personal property registry system; and
- (c) those Claims listed on Schedule “C” hereto;

(all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the Permitted Encumbrances listed on Schedule “D” hereto) and, for greater certainty, this Court orders that all of the Claims and Encumbrances affecting or relating to the Lease, the Real Property Interests and/or the Premises are hereby expunged and discharged as against the Lease, the Real Property Interests and/or the Premises and the real or immovable property described in Schedule “C”

5. THIS COURT ORDERS that upon the registration in the applicable land registry office of a certified copy of this Order in the manner prescribed by the applicable land registry office, the applicable Land Registrar is hereby directed to specifically discharge, cancel, delete and expunge from title to the applicable real or immovable property described in Schedule “C” all of the Encumbrances listed in Schedule “C” hereto.

6. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds received on the Closing of the Transaction shall stand in the place and stead of the Lease and the Real Property Interests and that from and after the delivery of the Monitor’s Certificate all Claims and Encumbrances shall attach to the net proceeds therefrom

with the same priority as they had with respect to the Lease and the Real Property Interests immediately prior to the Closing of the Transaction, as if the Transaction had not been completed.

7. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

8. THIS COURT ORDERS subject to the terms of the Lease Surrender Agreement nothing herein affects:

- (a) the rights and obligations of TCC and the Agent under the Agency Agreement dated January 29, 2015, as amended; and
- (b) the terms of the Approval Order – Agency Agreement granted, February 4, 2015 including the Sales Guidelines attached as Schedule "B" thereto.

GENERAL PROVISIONS

9. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of TCC and any bankruptcy order issued pursuant to any such applications; or
- (c) any assignment in bankruptcy made in respect of TCC;

the surrender of the Lease and the Real Property Interests to the Landlord and the resiliation of the Lease pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of TCC and shall not be void or voidable by creditors of TCC, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

10. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario) and any equivalent legislation in any other

jurisdiction in which the Premises are located and that this Order shall be registered notwithstanding the requirements of section 191(1) of the *Land Titles Act*, R.S.A. 2000, c L-4 and any equivalent provisions in equivalent legislation in any other jurisdiction in which the Premises are located.

11. 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 Order and to assist TCC, 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 TCC 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 TCC and the Monitor and their respective agents in carrying out the terms of this Order.

SCHEDULE "A"
PARTNERSHIPS

Target Canada Pharmacy Franchising LP

Target Canada Mobile LP

Target Canada Property LP

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SCHEDULE “B”

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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**”)

MONITOR’S CERTIFICATE

RECITALS

- A. All undefined terms in this Monitor’s Certificate have the meanings ascribed to them in the Order of the Court dated [May 20], 2015 (the “**Approval Order**”) approving the Lease Surrender Agreement entered into among Target Canada Co. (“**TCC**”) and Vanprop Investments Ltd. (the “**Landlord**”) dated May 13, 2015 (said agreement as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the “**Lease Surrender Agreement**”) a copy of which is attached as Exhibit ● to the Affidavit of Mark Wong dated ●, 2015.
- B. Pursuant to the Approval Order, the Court approved the Lease Surrender Agreement and provided for the surrender to Landlord of TCC’s right, title and interest in and to the Lease and the Real Property Interests, which surrender is to be effective with respect to the Lease and the Real Property Interests upon the delivery by the Monitor to the Landlord and TCC of a certificate confirming (i) the conditions to Closing as set out in sections 7.1, 7.2 and 7.3 of the Lease Surrender Agreement have been satisfied or waived by the Landlord and TCC, as applicable; and (ii) the Transaction has been completed to the satisfaction of the Monitor.

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THE MONITOR CERTIFIES the following:

- 1. The conditions to Closing as set out in section 7.1, 7.2 and 7.3 of the Lease Surrender Agreement have been satisfied or waived by the Landlord and TCC, as applicable; and
- 2. The Transaction has been completed to the satisfaction of the Monitor.

This Monitor's Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE].

ALVAREZ & MARSAL CANADA INC., in its capacity as Court-appointed Monitor of Target Canada Co., *et al.* and not in its personal or corporate capacity

Per: _____

Name:

Title:

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SCHEDULE "C"

No.	Location/Address	Province	Land Title Office	Legal Description	Encumbrances to be Expunged/Deleted
3534	Lansdowne Centre, 5300 No. 3 Road, Richmond BC	British Columbia	New Westminster	<p>That portion of the building located on the lands located at 5300 No. 3 Road, Richmond, British Columbia legally described as:</p> <p style="padding-left: 40px;">Parcel Identifier: 004-037-995 Lot 80 Except: Part Road on Plan LMP46129 Sections 3 and 4 Block 4 North Range 6 West New Westminster District Plan 50405</p> <p>consisting of approximately 138,877 square feet and identified as premises number 501 on the Explanatory Plan filed in the New Westminster Land Title Office under number 53559</p>	

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SCHEDULE “D” - PERMITTED ENCUMBRANCES

“**Permitted Encumbrances**” means, collectively: (a) any Encumbrances (as defined in the Lease Surrender Agreement) encumbering the freehold or other ownership interest in the Property (as defined in the Lease Surrender Agreement) or any other Landlord’s interest in the Property, but excludes any Encumbrances solely encumbering the Tenant’s leasehold interest in and to any Property situated outside of the Province of Québec on which the Premises (as defined in the Lease Surrender Agreement) are located; (b) Encumbrances resulting from the Landlord’s actions or omissions; and (c) the items identified in Schedule “K” of the Lease Surrender Agreement.

**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 for Approval of Agreement of Purchase and Sale with
Park Place Acquisition Corporation,
and Lease Surrender Agreements with each of
The Berezan Real Estate Partnership, Cominar Real Estate
Investment Trust and Vanprop Investments Ltd.)

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Lawyers for the Applicants

Matter No: 1159785