

Tab C

THIS IS EXHIBIT "C" TO THE
AFFIDAVIT OF MARK J. WONG
SWORN MAY 4, 2015



Commissioner for Taking Affidavits

Execution Copy

TARGET CANADA CO.

as the Vendor

- and -

THE CADILLAC FAIRVIEW CORPORATION LIMITED

as the Purchaser

AGREEMENT OF PURCHASE AND SALE

May 4, 2015

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THIS AGREEMENT OF PURCHASE AND SALE dated with effect as of May 4, 2015

BETWEEN:

TARGET CANADA CO.
(the “**Vendor**”)

OF THE FIRST PART,

- and -

THE CADILLAC FAIRVIEW CORPORATION LIMITED
(the “**Purchaser**”)

OF THE SECOND PART,

RECITALS:

- A. The Vendor operates or operated a chain of retail department stores throughout Canada under the “Target” banner.
- B. The Vendor and certain of its affiliates applied for and together with the limited partnerships listed on Schedule “A” to the Initial Order (collectively, for the purposes of this Agreement described as 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 Vendor, 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. On February 11, 2015, the Court entered an order approving the process for the disposition of the Vendor's real or immovable property interests and the procedures set forth therein (as same may be amended from time to time, the “**Sale Procedures**”).
- D. Pursuant to the Sale Procedures, the Purchaser submitted a Qualified LOI for the purchase of certain real or immovable property interests that the Vendor owns and has been invited to submit a Qualified Bid in accordance with the Sale Procedures.
- E. The Purchaser hereby offers to acquire from the Vendor, all of the Vendor’s right, title and interest in and to the Subject Assets on the terms and conditions set out herein (the “**Offer**”).
- F. 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.

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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 Vendor and the Purchaser (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 Vendor’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 B.

“Approval and Vesting Order” means an order issued by the Court approving this Agreement and the transactions contemplated by this Agreement, and conveying to and vesting in the Purchaser and/or any Nominee all of the Vendor’s legal and beneficial right, title and interest in and to the Subject Assets, free and clear of all Encumbrances other than the Permitted Encumbrances, which order shall be substantially in the form of Schedule “D”.

“Assignment and Assumption of Permitted Encumbrances” means an assignment by the Vendor and an assumption by the Purchaser of the Vendor’s right, title and interest and all liability, covenants and obligations in, to and under any Permitted Encumbrances. The agreement evidencing same shall include an indemnity given by the Purchaser in favour of the Vendor from and against any Claims arising pursuant to or in connection with any of the Permitted Encumbrances, and shall be in substantially the form attached as Schedule “F”.

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

“Balance” has the meaning ascribed thereto in Section 3.1(b).

“Beneficial Conveyance” means a general conveyance dated as of the Closing Date whereby the Vendor will transfer all of its beneficial right, title and interest in and to the Subject Assets to the Purchaser.

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“**Buildings**” means, individually or collectively, as the context requires, all of the buildings and structures located on, in or under the Lands, but, for greater certainty, excluding the Excluded Assets.

“**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 B.

“**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, 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, except the Balance, 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.

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

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

“**Deposit**” has the meaning ascribed thereto in Section 3.1(a).

“**Encumbrance**” means any restrictive covenant, easement, servitude, right-of-way, encroachment, mortgage, charge, pledge, hypothec, prior claim, 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

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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*” 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 “B”.

“**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**” includes all tools, signs, furniture, machinery, equipment, furnishings and fixtures including shelves, video cameras and equipment, security systems, point-of-sales systems and related appurtenances, telecommunications systems and related appurtenances (but excluding electric light fixtures and elevating devices and equipment and the items listed on Schedule “G”), and Trade Fixtures located at the Property and owned, leased or licensed by the Vendor, if any.

“**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 Purchaser’s certificate to be in substantially the form set out in Schedule “E”.

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

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

“**Inventory**” means all inventory, stock, supplies and all other items to be sold by the Vendor excluding, for greater certainty, the items listed in Schedule “G”.

“**Joint Direction**” has the meaning ascribed thereto in Section 3.2(d).

“**Lands**” means the lands and premises legally described in Schedule “A”.

“**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.

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“**Lien Nominee**” means 8239959 Canada Inc.

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

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

“**Nominee**” has the meaning ascribed thereto in Section 8.22.

“**Notice**” has the meaning ascribed thereto in Section 8.15.

“**Off-Title Compliance Matters**” means open building permits or files, work 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 and Orders related thereto.

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

“**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.

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

“**Plans**” means all documentation in the Vendor’s possession relevant to the construction of the Buildings including, working drawings, detail drawings, shop drawings, approved municipal plans, structural, mechanical, electrical and engineering plans, site plans, other documentation prepared to illustrate or define a particular aspect of the Buildings, consultants' contracts, construction contracts, and plans submitted with all building permits issued for the Property, to the extent made available on the electronic data site maintained by the Financial Advisor with respect to information and material regarding the Subject Assets.

“**Property**” means, collectively, the Lands and the Buildings.

“**Purchase Price**” has the meaning ascribed thereto in Section 3.1.

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

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

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

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

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“**Realty Tax Appeals**” has the meaning ascribed thereto in Section 4.3(a).

“**Release**” has the meaning ascribed thereto in Section 3.1(b).

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

“**Subject Assets**” means all of the right, title and interest of the Vendor, in and to: (a) the Property; (b) the Warranties; and (c) the fixtures listed in Schedule “G” but excludes, the Vendor’s right, title and interest in and to each of the Excluded Assets and any and all other assets of the Vendor relating to the Property not included in the foregoing.

“**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, registration, sales, goods and services, harmonized sales, use, value-added, excise, stamp or similar taxes imposed by any Governmental Authority under applicable Laws, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority in respect thereof.

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

“**Trade Fixtures**” means the fixtures, shelves, counters, equipment, and other improvements used in connection with the operation of the Subject Assets and which are owned, leased or licensed by the Vendor including those listed on Schedule “H” but excluding any items listed on Schedule “G”.

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

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

“**Warranties**” means any existing warranties and guarantees in favour of the Vendor in connection with the construction, condition or operation of the Buildings or any component thereof or any improvements made to the Buildings or any component thereof (other than the Excluded Assets) which are assignable without the consent of the counterparty thereto.

ARTICLE 2 SALE TRANSACTION

2.1 Offer and Acceptance

- (a) Subject to the Initial Order and the Sale Procedures, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser hereby agrees to purchase and assume from the Vendor, the Subject Assets on the Closing Date in accordance with the terms and conditions of this Agreement.
- (b) Upon acceptance of this Offer by the Vendor, this Offer shall constitute a binding agreement to acquire the Subject Assets, on the terms of this Agreement.

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2.2 As Is, Where Is

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

- (a) except as expressly stated in this Agreement, the Purchaser is purchasing the Subject Assets (including the state of title thereto and/or the state of any Encumbrances and Permitted Encumbrances) and accepting and assuming the Subject Assets on an "as is, where is" basis, without any written or oral statements, representations, warranties, promises or guarantees of any nature or kind whatsoever, either legal or conventional, express or implied (by operation of law or otherwise), as to the condition of any of the Subject Assets, the Permitted Encumbrances, the rentable area of the Buildings, the existence of any default on the part of the Vendor, the physical, environmental or other condition of, in, on, under or in the vicinity of the Property, the use permitted at the Property, the existence of any Encumbrance and/or Off-Title Compliance Matters affecting the Subject Assets, or any other aspects of any of the Subject Assets and the Permitted Encumbrances, the structural integrity or any other aspect of the physical condition of any Subject Assets, the conformity of any Building to any Plans or specifications (including, but not limited to, any Plans and specifications that may have been or which may be provided to the Purchaser), the conformity of the Property 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 Lands, or any Building situated on or as part of the Property, the sufficiency of any drainage, whether the Property is located wholly or partially in a flood plain or a flood hazard boundary or similar area, the existence or non-existence of underground and/or above ground storage tanks, the availability of public utilities, access, parking and/or services for the Property, the fitness or suitability of the Property for occupancy or any intended use (including matters relating to health and safety), the potential for further development of the Property, the existence of land use, zoning or building entitlements affecting the Property, the presence, release or use of wastes of any nature, hazardous materials, pollutants, contaminants or other regulated substances in, under, on or about the Property 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* (Manitoba) will not apply and are hereby waived by the Purchaser;
- (b) it is expressly acknowledged by the Purchaser that, except as expressly stated in this Agreement, 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 Vendor 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 disclosure in respect of any of the Subject Assets made to the Purchaser, and each

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of them expressly disclaims any and all liabilities with respect to such disclosure and any and all errors therein or omissions therefrom;

- (c) the Purchaser hereby unconditionally and irrevocably waives any and all actual or potential rights or Claims the Purchaser might have against the Vendor pursuant to any warranty, legal or conventional, express or implied, of any kind or type relating to the Subject Assets or any other aspect of the Transaction save and except the representations and warranties of the Vendor expressly stated in this Agreement. 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, 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 Purchaser was given the opportunity to conduct its own independent review, inspection, diligence and investigations and to form its own independent opinions and conclusions in respect of the Subject Assets prior to entering in this Agreement. The Purchaser'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 in respect of any of the Subject Assets;
- (e) the Vendor shall not be responsible for making any repairs, replacements, renovations, alterations, improvements or upgrades in or to the Property or any part thereof, and it shall be the sole responsibility of the Purchaser to make, at the Purchaser's sole cost, any repairs, replacements, renovations, alterations, improvements and upgrades in or to the Property following Closing as may be required by the Purchaser to make the Property suitable for its purposes;
- (f) during the Interim Period, the Vendor shall be entitled to, but is not obligated to, remove any and all chattels, personal property, Trade Fixtures, Inventory, FF&E and any other Excluded Assets from the Property that the Vendor elects to remove, but shall not remove any of the items listed on Schedule "G". The Vendor will deliver possession of any Trade Fixtures and FF&E (other than those included in the Excluded Assets) as same may be found on the Property on the Closing Date without a bill of sale, representation, warranty or other title documentation and shall make no adjustment in the Purchase Price with respect thereto; and
- (g) the Subject Assets may be subject to certain Off-Title Compliance Matters, municipal requirements, including building or zoning by-laws and regulations, easements or servitudes for hydro, gas, telephone affecting the Subject Assets, and like services to the Property, and restrictions and covenants which run with the land, including but not limited to the Permitted Encumbrances. Without limiting the foregoing, the Vendor shall not be responsible for rectification of any

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matters disclosed by any Governmental Authority or quasi-governmental authority having jurisdiction.

The Vendor has no and shall have no obligations or responsibility to the Purchaser after Closing with respect to any matter relating to the Subject Assets 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 PURCHASE PRICE

3.1 Purchase Price

The Purchase Price for the Subject Assets shall be EIGHTEEN MILLION FIVE HUNDRED THOUSAND DOLLARS (\$18,500,000.00) (the "**Purchase Price**") exclusive of all Taxes. Subject only to adjustment in accordance with this Agreement, the Purchase Price shall be paid to the Vendor as follows:

- (a) as to the sum of ONE MILLION, EIGHT HUNDRED FIFTY THOUSAND DOLLARS (\$1,850,000) (the "**Deposit**"), by wire transfer of immediately available funds from any of the five largest (by asset size) Canadian Schedule I chartered banks pursuant to the Large Value Transfer System as administered by the Canadian Payments Association payable to or to the order of the Monitor, in trust, on or prior to 3:00 p.m. (Toronto time) on the Business Day following the Execution Date, to be held in trust as a deposit and invested in accordance with the provisions of Section 3.2 below pending the completion or other termination of this Agreement;
- (b) as to the sum of TWO MILLION TWO HUNDRED NINE THOUSAND SEVEN HUNDRED TWELVE DOLLARS AND FORTY CENTS (\$2,209,712.40) by the Purchaser delivering to the Vendor on Closing a full release of the claim of Polo Park Holdings L.P. and the Lien Nominee against the Vendor in connection with site development work completed at the Property, substantially in the form attached hereto as Schedule "J" (the "**Release**"); and
- (c) as to the balance of the Purchase Price, plus or minus only the net adjustments to be made in accordance with this Agreement (the "**Balance**"), 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 in trust or as it may direct in writing on the Closing Date.

3.2 Deposit

- (a) Following receipt, the Deposit shall be invested by the Monitor, in trust, in an interest bearing account or term deposit or guaranteed investment certificate with or issued by one of the five (5) largest (by asset size) Canadian Schedule I Canadian chartered banks pending completion of the Transaction or earlier

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termination or non-completion of this Agreement. In holding and dealing with the Deposit and any interest earned thereon pursuant to this Agreement, the Monitor is not bound in any way by any agreement other than this Section 3.2, and the Monitor shall not and shall not be considered to assume any duty, liability or responsibility other than to hold the Deposit, and any interest earned thereon, in accordance with the provisions of this Section 3.2, and to pay the Deposit, and any interest earned thereon, to the Person 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 Deposit. In the case of such dispute, the Monitor may, in its sole, subjective and unreviewable discretion, or shall, if requested by any of the Parties, pay the Deposit and any and all interest earned thereon into Court, whereupon the Monitor shall have no further obligations relating to the Deposit or any interest earned thereon. The Monitor shall not, under any circumstances, be required to verify or determine the validity of any notice or other document whatsoever delivered to the Monitor and the Monitor is hereby relieved of any liability or responsibility for any Claims which may arise as a result of the acceptance by the Monitor of any such notice or other document in good faith.

- (b) If the Transaction is completed, the Deposit shall be paid to the Vendor forthwith on Closing and applied to the Purchase Price. Interest on the Deposit shall accrue from the date of deposit with the Monitor until the Closing or other termination or non-completion of this Agreement. If the Transaction is successfully completed, all interest earned on the Deposit until Closing shall be paid to the Purchaser within five (5) Business Days of Closing.
- (c) If the Transaction is terminated or not completed by reason of a breach by the Purchaser of its representations, warranties or covenants or other default of the Purchaser under this Agreement, the full amount of the Deposit together with all accrued interest earned thereon, if any, shall become the absolute property of, and may be retained by, the Vendor as liquidated damages (and not as a penalty) to compensate the Vendor for the expenses incurred and the delay caused and opportunities foregone as a result of the failure of the Transaction to close. The entitlement of the Vendor to receive and retain the Deposit together with all accrued interest earned thereon, if any, in such circumstances shall not limit the Vendor's right to exercise any other rights or remedies which the Vendor may have against the Purchaser in respect of such breach or default. If the Transaction is terminated or not completed for any other reason, the Deposit together with all interest accrued thereon, if any, shall be thereupon returned to the Purchaser.
- (d) In holding and dealing with the Deposit and any interest earned thereon pursuant to this Agreement, the Monitor shall release the Deposit and any interest earned thereon to the Persons becoming entitled thereto in accordance with the provisions of this Section 3.2 as evidenced by a joint direction in writing executed by the Vendor and the Purchaser (the "**Joint Direction**") except in the event of a dispute between the Parties as to entitlement to the Deposit and any interest earned thereon in which event the Monitor may, in its sole, unfettered and

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unreviewable discretion, pay the Deposit and any interest earned thereon into Court, whereupon the Monitor shall have no further obligations relating to the Deposit and any interest earned thereon or otherwise hereunder.

- (e) The Monitor shall not, under any circumstances, be required to verify or determine the validity of the Joint Direction and the Monitor is hereby relieved of any liability or responsibility for any loss or damage which may arise as the result of the acceptance by the Monitor of the Joint Direction in good faith.
- (f) Notwithstanding the foregoing or anything else contained herein or elsewhere, each of the Vendor and the Purchaser acknowledges and agrees that: (i) the Monitor's obligations hereunder are and shall remain limited to those specifically set out in this Section 3.2 and Sections 7.6 and 7.7; and (ii) Alvarez & Marsal Canada Inc. is acting solely in its capacity as the Court-appointed Monitor of the Vendor in the CCAA Proceedings and not in its personal or corporate capacity, and the Monitor has no liability in connection with this Agreement whatsoever, in its personal or corporate capacity or otherwise, save and except for and only to the extent of the Monitor's wilful misconduct.
- (g) The Parties acknowledge that the Monitor may rely upon the provisions of this Section 3.2 notwithstanding that the Monitor is not a party to this Agreement. The provisions of this Section 3.2 shall survive the termination or non-completion of the Transaction.

3.3 Purchase Price Allocation

On or prior to the Closing Date, the Vendor and the Purchaser, each acting reasonably, shall attempt to agree as to the allocation of the Purchase Price as between the Subject Assets. If the Vendor and the Purchaser agree on such an allocation on or prior to the Closing Date, they shall adopt such allocation 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 and each Party shall be entitled to use its own allocation.

3.4 Trade-Marks

Notwithstanding the foregoing or anything else contained herein or elsewhere, the Purchaser 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 Purchaser as part of the Subject Assets; and (b) all right, title and interest of the Vendor 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 Subject Assets. This Section 3.4 shall survive and shall not merge on Closing.

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ARTICLE 4 ADJUSTMENTS

4.1 Statement of Adjustments and Absence of Post-Closing Adjustments

The Vendor shall prepare a statement of adjustments and deliver same with supporting documentation to the Purchaser no later than five (5) 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 Vendor 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 General Adjustments

- (a) The adjustments shall include realty taxes, local improvement rates and charges and, except as set out in this Agreement, other adjustments established by usual practice in the municipality in which the Property is located for the purchase and sale of similar vacant retail properties. In addition, the adjustments shall include the other matters referred to in this Agreement which are stated to be the subject of adjustment and shall exclude the other matters in this Agreement which are stated not to be the subject of adjustment.
- (b) Adjustments shall be made as of the Closing Date and the Closing Date shall be for the account of the Purchaser. The Purchaser shall be responsible for all expenses and shall be entitled to all revenue from the Subject Assets for the period from and after the Closing Date. The Vendor shall be responsible for all expenses and entitled to all revenue from the Subject Assets for that period prior to the Closing Date.
- (c) The Purchaser shall be responsible for and pay all applicable Taxes payable in connection with the transfer of any of the Subject Assets by the Vendor to the Purchaser.
- (d) This Section 4.2 shall survive and shall not merge on Closing.

4.3 Realty Tax Appeals

- (a) The Vendor and the Purchaser acknowledge that with respect to the Property the Vendor may have instituted certain appeals and/or claims in respect of realty taxes or assessments for certain periods prior to the Closing Date and possibly including the tax year in which the Closing Date occurs (all such appeals and any associated reassessments are hereinafter collectively referred to as the “**Realty Tax Appeals**”).

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- (b) From and after the Closing Date, the Vendor shall, at its sole cost and expense, cease and discontinue all Realty Tax Appeals with respect to the Property.
- (c) This Section 4.3 shall survive and shall not merge on Closing.

4.4 Utilities

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

ARTICLE 5 INTERIM PERIOD

5.1 Interim Period

- (a) During the Interim Period, the Vendor by itself or through its Agent under the Agency Agreement shall be entitled to, but not obligated to, remove or sell, or permit any other Persons to remove or sell, any and all chattels, personal property, Inventory, FF&E, Trade Fixtures and any other Excluded Assets or item of the type listed in Schedule "B" (but excluding for certainty any items listed on Schedule "G"), from the Property in the manner deemed appropriate by the Vendor subject only to such express reservations granted to the Purchaser in accordance with this Agreement, the Initial Order, the Agency Agreement Order and the Sale Procedures.
- (b) In the event that prior to the Closing Date all or a part of the Property is expropriated or notice of expropriation or intent to expropriate all or a part of the Property is issued by any Governmental Authority, the Vendor shall immediately advise the Purchaser thereof by Notice in writing. Notwithstanding the occurrence of any of the foregoing, the Purchaser shall complete the Transaction contemplated herein in accordance with the terms hereof without reduction of the Purchase Price and all compensation for expropriation shall be payable to the

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Purchaser and all right, title and interest of the Vendor to such amounts, if any, shall be assigned to the Purchaser on a without recourse basis.

- (c) The Subject Assets shall be and remain until Closing at the risk of the Vendor. In the event of material damage by fire or other hazard to the Subject Assets or any part thereof occurring before the Closing Date, the Vendor shall immediately advise the Purchaser thereof by Notice in writing. Notwithstanding the occurrence of any of the foregoing, the Purchaser shall complete the Transaction contemplated herein in accordance with the terms hereof without reduction of the Purchase Price and the proceeds of any insurance available or actually paid or payable to the Vendor shall be paid and/or assigned to the Purchaser.
- (d) During the Interim Period, the Vendor shall continue to maintain its existing insurance coverage (including any self-insurance, if currently existing) on the Property and shall not take any action to interrupt the services of all utilities currently maintained at the Property, provided that the Vendor shall have no obligation to stock, open, staff, operate or continuously operate any business at the Property and further provided that the Vendor shall not be responsible for making any repairs, replacements, renovations, alterations, improvements or upgrades in or to the Property or any part thereof.
- (e) During the Interim Period, the Vendor shall not enter into or grant any new Encumbrances, including without limitation, any leases, licenses, or other rights to use or occupy all or any part of the Property.
- (f) On or before the Closing Date, the Vendor shall vacate the Property and leave the Premises in a broom-swept condition. Any Excluded Assets left on the Property on the Closing Date shall become the property of the Purchaser without notice or compensation to Vendor and there shall be no adjustment to the Purchase Price with respect thereto.
- (g) The provisions of this 5.1 shall survive and shall not merge on Closing.

5.2 Contracts

The Vendor covenants to terminate effective as of the Closing Date, at its sole cost and expense, all Contracts.

ARTICLE 6 REPRESENTATIONS, WARRANTIES & COVENANTS

6.1 Vendor's Representations and Warranties

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

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- (a) the Vendor is an unlimited liability company incorporated pursuant to the laws of the Province of Nova Scotia and, subject to the issuance of the Approval and Vesting Order, has all necessary corporate power, authority and capacity to enter into this Agreement and to carry out its obligations hereunder;
- (b) the execution, delivery and performance by the Vendor of this Agreement has been duly authorized by all necessary corporate action on the part of the Vendor subject to the Approval and Vesting Order and authorization as is required by the Court;
- (c) the Vendor is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada);
- (d) the Vendor is a registrant for the purposes of the tax imposed under Part IX of the *Excise Tax Act*;
- (e) subject to obtaining the Approval and Vesting Order, this Agreement will constitute a valid and binding obligation of the Vendor enforceable against it in accordance with its terms;
- (f) subject to obtaining the Approval and Vesting Order, the Vendor is not party to, bound or affected by or subject to any material: (i) indenture, mortgage, lease, agreement, obligation or instrument, (ii) charter or by-law provision, or (iii) Laws, which, in each case, would be violated, breached by, or under which default would occur as a result of its execution and delivery of, or the performance of its obligations under, this Agreement or any other agreement to be entered into under the terms of this Agreement; and
- (g) the Financial Advisor and the Broker (as defined in the Sale Procedures) are the only real estate agents or brokers that the Tenant has used in connection with the Transaction.

6.2 Purchaser's Representations and Warranties

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

- (a) the Purchaser 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 Purchaser is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada);

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- (c) the Purchaser 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 Purchaser of this Agreement:
 - (i) has been duly authorized by all necessary corporate action on the part of the Purchaser;
 - (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 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; and
 - (iii) will not result in the violation of any Laws;
- (e) this Agreement has been duly executed and delivered by the Purchaser and constitutes legal, valid and binding obligations of the Purchaser, 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; and
- (f) the Purchaser has, and will have at Closing, all funds on hand necessary to pay the Purchase Price.

6.3 Purchaser's Covenants

- (a) The Purchaser shall take all such commercially reasonable actions as are within its power or control, and shall use commercially reasonable efforts to cause other actions to be taken which are not within its power or control, so as to fulfill each of the conditions set forth in Article 7 which are for the benefit of the Vendor.
- (b) The Purchaser will promptly notify the Vendor and the Vendor will promptly notify the Purchaser 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 Transaction; or
 - (ii) receiving any notice from any Governmental Authority of its intention:
 - (A) to institute a suit or proceeding to restrain or enjoin the execution of this Agreement or the consummation of the Transaction; or

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- (B) to nullify or render ineffective this Agreement or such Transaction if consummated.

6.4 Vendor's Covenants

Subject to the Initial Order and the Sale Procedures, the Vendor shall take all commercially reasonable actions as are within its power to control, and shall use commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to fulfill each of the conditions and covenants set forth in Article 5 and Article 6 and the conditions set forth in Article 7 which are for the benefit of the Purchaser.

6.5 Tax Matters

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

- (a) the Purchaser 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, which registration shall be in full force and effect and shall not have been cancelled or revoked on the Closing Date;
- (b) the Purchaser has entered into this Agreement and is purchasing the Subject Assets 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) in accordance with subsections 221(2) and 228(4) of the *Excise Tax Act* and any equivalent or corresponding provision under any applicable provincial legislation, the Purchaser shall self-assess and remit directly to the appropriate Governmental Authority any goods and services tax imposed under the *Excise Tax Act* and any similar value added or multi-staged tax or sales tax imposed by any applicable provincial legislation payable in connection with the purchase and sale of the Subject Assets, including the transfer of the Vendor's real or immovable property interests in the corresponding Subject Assets;
- (d) on Closing, the Purchaser will pay, in addition to the Purchase Price, and the Vendor will collect, any goods and services tax imposed under the *Excise Tax Act* and any similar value added or multi staged tax or sales tax exigible on the purchase and sale transaction of the Subject Assets, except to the extent that the Purchaser is required under subsections 221(2) and 228(4) of the *Excise Tax Act* and any equivalent or corresponding provision under any applicable provincial legislation to self-assess and remit such Taxes directly to the appropriate Governmental Authority, and the Purchaser 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**");

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- (e) the Purchaser 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 legislation; and
- (f) except to the extent of the Vendor's failure to remit any Taxes collected on Closing, if any, to the applicable Governmental Authority, the Purchaser shall indemnify and save the Vendor harmless from and against any and all goods and services tax 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 Vendor as a result of any failure by the Vendor 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 under any applicable provincial legislation and applicable on the sale and conveyance of the Subject Assets by the Vendor to the Purchaser or as a result of any inaccuracy, misstatement, or misrepresentation made by the Purchaser in connection with any matter raised in this Section 6.5 or in the GST Certificate, Undertaking and Indemnity or any failure by the Purchaser 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 Vendor or the Purchaser in this Agreement shall survive the Closing.

ARTICLE 7 CLOSING

7.1 Conditions of Closing for the Benefit of the Purchaser

The Purchaser's obligation to complete the purchase and sale of the Subject Assets 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 Purchaser and may be waived, in whole or in part, by the Purchaser:

- (a) the representations and warranties of the Vendor 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 and the Purchaser shall have received a certificate from an officer of the Vendor confirming, to his or her knowledge, without personal liability such truth and correctness of such representations and warranties; and
- (b) the Vendor 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 Purchaser at Closing all the

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Closing Documents contemplated or required to be so executed and delivered in this Agreement.

7.2 Conditions of Closing for the Benefit of the Vendor

The Vendor's obligation to complete the purchase and sale of the Subject Assets 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 Vendor and may be waived, in whole or in part, by the Vendor:

- (a) the representations and warranties of the Purchaser 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 and the Vendor shall have received a certificate from an officer of the Purchaser confirming, to his or her knowledge, without personal liability such truth and correctness of such representations and warranties; and
- (b) the Purchaser shall have paid the Balance in its entirety to the Monitor in trust 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 Vendor at Closing all the Closing Documents contemplated required to be so executed and delivered in this Agreement.

7.3 Conditions of Closing for the Mutual Benefit of the Parties

The obligations of each of the Vendor and the Purchaser to complete the purchase and sale of the Subject Assets 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 "D", shall have been issued and entered by the Court on or before June 23, 2015 (or such other date as may be agreed upon in writing by the Parties) and shall not be subject to a stay;
- (b) the Monitor shall have delivered the Monitor's Certificate; and
- (c) no Order shall have been issued which restricts or prevents the completion of the Transaction.

7.4 Closing Documents

On or before Closing, subject to the provisions of this Agreement, the Vendor and the Purchaser 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 Purchaser and the Vendor and, where applicable, in registerable form), the following, which shall be in form and substance reasonably satisfactory to the Purchaser and the Vendor and their respective solicitors:

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- (a) By the Vendor and the Purchaser:
 - (i) the Assignment and Assumption of Permitted Encumbrances; 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 Vendor:
 - (i) the Beneficial Conveyance
 - (ii) a certified copy of the Approval and Vesting Order;
 - (iii) a direction regarding payment of the Deposit and the Balance;
 - (iv) the statement of adjustments evidencing the adjustments made at Closing;
 - (v) an assignment of Warranties, to the extent there are any and are in the Vendor's possession and to the further extent that they are assignable without consent;
 - (vi) all master keys and duplicate keys relating to the Buildings, if any, all security cards and access cards relating to the Buildings, if any, and all combinations and passwords to vaults and combination locks and other security features located in the Buildings, if any, in each case, to the extent in the possession of the Vendor; and
 - (vii) such other documents as the Purchaser or the Purchaser's solicitors shall reasonably require in good faith in accordance with this Agreement or as may be required under applicable Laws.

- (c) By the Purchaser:
 - (i) the Balance plus all Taxes required to be collected by the Vendor pursuant to Section 6.5(d), if any;
 - (ii) the GST Certificate, Undertaking and Indemnity;
 - (iii) the Release; and
 - (iv) such other documents as the Vendor or the Vendor'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 and the issuance of the Approval and Vesting Order, the completion of the transaction of purchase and sale contemplated by this

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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 later of (i) June 1, 2015 or (ii) the first Monday which is not less than three (3) 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 the Property.

- (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 Purchaser will pay or satisfy the Purchase Price in accordance with Article 3, and the Closing of the purchase and sale transaction of the Subject Assets will take effect, pursuant to the Approval and Vesting Order, upon delivery of the Monitor’s Certificate. The Closing shall be deemed to be effective as of the date and time set out in 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 this Article 7, the Parties or their respective solicitors shall confirm to the Monitor the satisfaction of all conditions to Closing, whereupon the Monitor shall execute and deliver copies of the Monitor’s Certificate to the Parties hereto and release the Deposit and the Balance to the Vendor and following Closing forthwith file the Monitor’s Certificate with the Court.

7.7 Closing

- (a) Subject always to Section 3.2 hereof, the Deposit and the Balance 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 Section 3.2 and 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

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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 Vendor 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 I Canadian chartered bank(s).
- (d) On or before Closing, the Parties' respective solicitors shall exchange the Closing Documents in escrow and the Balance shall be delivered to or paid to the order of the Monitor, in trust, and the Deposit and the Balance shall remain in escrow with the Monitor until the Monitor has delivered the Monitor's Certificate to the Vendor and the Purchaser, 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 Deposit and the Balance shall be forthwith released to the Vendor 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 Vendor and the Purchaser.
- (e) The parties acknowledge that, notwithstanding that the Monitor is not a party to this Agreement, the Monitor may rely upon the provisions of Section 3.2 hereof and this Section 7.7.
- (f) This Section 7.7 shall survive the Closing or termination of this Agreement.

7.8 Filings and Authorizations

- (a) Each of the Vendor and the Purchaser, 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 purchase and sale of the Subject Assets 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 Vendor and the Purchaser 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 Vendor or the Purchaser, 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.

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- (b) The Purchaser waives compliance with the *Bulk Sales Act* (Ontario), Section 45 of the *Tax Administration and Miscellaneous Taxes Act* (Manitoba) 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 Vendor and the Purchaser or their respective solicitors that all conditions of Closing have been satisfied or waived, and the Monitor shall have no liability to the Vendor or the Purchaser or any other Person as a result of filing the Monitor's Certificate. The Monitor shall execute, deliver and file the Monitor's Certificate upon the Approval and Vesting Order having been issued and entered and the Purchaser and the Vendor or their respective solicitors confirming to the Monitor that the conditions to Closing have been satisfied or waived.

7.9 Court Matters

- (a) The Vendor shall consult and co-ordinate with the Purchaser and their respective legal advisors regarding the parties upon whom the motion seeking the Approval and Vesting Order will be served. In this regard, the Vendor shall provide the Purchaser with draft motion materials (including for clarity any affidavits in support thereof) prior to serving same.
- (b) The Purchaser shall provide such information and take such actions as may be reasonably requested by the Vendor to assist the Vendor in obtaining the Approval and Vesting Order and any other order of the Court reasonably necessary to consummate the Transaction including, any Court ordered assignment of the Contracts.
- (c) Notwithstanding anything else contained in this Agreement or elsewhere, the Purchaser acknowledges and agrees that the Vendor 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. From the Execution Date until the earlier of the Closing or termination of this Agreement, the Vendor shall not solicit or approach another party or enter into or participate in any negotiations or discussions with another party, or invite another party to submit any offer, regarding any transaction for all or part of the Property.

7.10 Termination

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

- (a) by mutual consent of the Vendor and the Purchaser;
- (b) by the Purchaser if any of the conditions in Section 7.1 have not been satisfied on or before the time ascribed for the satisfaction of such condition and the Purchaser has not waived such condition;

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- (c) by the Vendor if any of the conditions in Section 7.2 have not been satisfied on or before the time ascribed for the satisfaction of such condition and the Vendor has not waived such condition; or
- (d) by either Party if:
 - (i) any of the conditions in Section 7.3 have not been satisfied on or before the time ascribed 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 Purchaser acknowledges that this Agreement is a Qualified Bid under the Sale Procedures and the Vendor is entitled to disclose this Agreement and all information provided by the Purchaser in connection herewith to Competing Bidders, including, in connection with the Auctions. In addition, the Vendor shall be entitled to disclose this Agreement and all information provided by the Purchaser in connection herewith to the Court, the Monitor, and parties in interest to the CCAA Proceedings.

8.2 Time of the Essence

Time shall be of the essence of this Agreement.

8.3 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to the Transaction 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 Transaction.

8.4 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

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waiver be binding unless executed in writing by the Party to be bound by the waiver.

- (b) No failure on the part of the Vendor or the Purchaser 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.

8.5 Further Assurances

Each of the Parties covenants and agrees to do such things and to execute such further conveyances, transfers, documents and assurances as may be deemed necessary or advisable from time to time in order to effectively transfer the Subject Assets to the Purchaser and carry out the terms and conditions of this Agreement in accordance with their true intent. The provisions of this Section 8.5 shall survive and shall not merge on Closing.

8.6 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.

8.7 Governing Law

This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of Manitoba and the federal laws of Canada applicable therein. Each Party irrevocably and unconditionally 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.

8.8 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.*

8.9 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.

8.10 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.

8.11 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.

8.12 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.

8.13 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.

8.14 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.

8.15 Notice

Any notice, consent or approval required or permitted to be given in connection with this Agreement (a “**Notice**”) shall be in writing and shall be sufficiently given if delivered (whether in person, by courier service or other personal method of delivery), or if transmitted by facsimile or e-mail:

- (a) To the Vendor:

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

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

With a copy to:

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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
Fax: (416) 865-6666
Email: tsandler@osler.com & hmckean@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
Fax: (416) 847-5201
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
Fax: (416) 979-1234
Email: jcarfagnini@goodmans.ca & kherlin@goodmans.ca

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

The Cadillac Fairview Corporation Limited
5th Floor
20 Queen St. W.
Toronto, ON M5H 3R4

Attn: Russell Goin, Executive Vice President, Investments
Fax: (416) 598-8515
Email: russell.goin@cadillacfairview.com

With a copy to:

Torys LLP
79 Wellington St. W., 30th Floor

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Box 270, TD South Tower
Toronto, ON M5K 1N2

Attn: David Dell & David Bish
Fax: (416) 865-7380
Email: ddell@torys.com & dbish@torys.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 with confirmation of transmission by the originating facsimile before 5:00 p.m. (local time in the place of receipt) on a Business Day, on the same Business Day, and otherwise on the next Business Day following the date of confirmation of transmission by the originating facsimile, or (iv) if sent by email before 5:00 p.m. (local time in the place of receipt) on a Business Day, on the same Business Day and otherwise on the next Business Day following the date of sending. 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 8.17, 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.

8.16 Subdivision Control Legislation

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

8.17 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 Purchaser's solicitors on behalf of the Purchaser and by the Vendor's solicitors on behalf of the Vendor and any tender of Closing Documents may be made upon the Vendor's solicitors and the Purchaser's solicitors, as the case may be.

8.18 No Registration of Agreement

The Purchaser 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 Subject Assets 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 Subject Assets and/or any part thereof and the Purchaser 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 Subject Assets and/or any part thereof prior to the successful completion of the Transaction contemplated herein on the Closing Date. The Purchaser shall indemnify and save the Vendor harmless from and against any and all

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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 Vendor 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.

8.19 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 Purchaser shall be solely responsible for and shall pay, in addition to the Purchase Price, any land transfer taxes and transfer duties payable on the transfer of the Subject Assets, all registration fees and other costs payable in respect of registration of any documents to be registered by the Purchaser at Closing. The Vendor shall be solely responsible for and shall pay all fees, expenses and commissions payable to the Monitor, the Financial Advisor, and/or the Broker (as defined in the Sale Procedure) in respect of the Transaction pursuant to this Agreement. This Section 8.19 shall survive the Closing or the termination of this Agreement.

8.20 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.

8.21 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.

8.22 Enurement

This Agreement shall become effective when executed and delivered by the Vendor and the Purchaser 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 Purchaser shall have the right, without the consent of but on written notice to the Vendor, to: (i) assign its rights under this Agreement to Ontrea Inc. or to Polo Park Holdings LP (an "Assignee"), or (ii) direct that title to the Property and/or any of the other Subject Assets be conveyed and transferred to and vested in a nominee on its behalf or on behalf of an Assignee (a "Nominee"), provided that in the event of any such assignment or direction the Purchaser shall not be released from any of its obligations under this Agreement prior to Closing.

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8.23 Counterparts and Delivery

All Parties agree that this Agreement and any amendments hereto (and any other agreements, Notices or documents contemplated hereby) may be executed in counterparts 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: 

Name: Mark Utting
Title: General Counsel

By: 

Name: A. Act
Title: CEO

THE CADILLAC FAIRVIEW CORPORATION LIMITED

By: _____

Name: _____
Title: _____

By: _____

Name: _____
Title: _____

IN WITNESS WHEREOF the Parties have executed this Agreement.

TARGET CANADA CO.

By: _____

Name:

Title:

By: _____

Name:

Title:

**THE CADILLAC FAIRVIEW
CORPORATION LIMITED**

By: Russell J. Goin

Name: RUSSELL GOIN

Title: EXECUTIVE VICE PRESIDENT, Investments

By: Karl Kroghner

Name: KARL KROGHNER

Title: SENIOR VICE PRESIDENT, INVESTMENTS

**SCHEDULE "A"
LANDS**

MUNICIPAL ADDRESS:

875 ST JAMES ST.
WINNIPEG, MB R3G 0V9

LEGAL DESCRIPTION:

LOT 1 PLAN 54622 WLTO
IN RL 42 PARISH OF ST JAMES

SCHEDULE "B"
EXCLUDED ASSETS

1. All chattels and personal or movable property which are owned by the Vendor;
2. All intellectual property or proprietary rights, whether registered or not, and any intangible property, owned, used or held by the Vendor;
3. All items, materials and signs bearing the logo, trade-mark, trade-name or business name or other mark or design of the Vendor;
4. All FF&E which have been removed from the Property by or on behalf of the Vendor prior to Closing;
5. All Inventory;
6. All Trade Fixtures which have been removed from the Property by or on behalf of the Vendor prior to Closing;
7. All computers and related systems and information storage media;
8. All video cameras and equipment;
9. All point-of-sales systems and all appurtenances thereto;
10. All generators, balers and compactors;
11. All insurance policies of the Vendor;
12. 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 Vendor or any of its affiliates (including, the websites);
13. All rights of the Vendor against the Purchaser pursuant to this Agreement;
14. Any FF&E and Trade Fixtures listed on Schedule "H" which have been removed from the Property by or on behalf of the Vendor prior to Closing.

SCHEDULE "C"
INTENTIONALLY DELETED

**SCHEDULE “D”
FORM OF APPROVAL AND VESTING ORDER**

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

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE)	THURSDAY, THE 5 TH
REGIONAL SENIOR JUSTICE)	DAY OF MARCH, 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

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 875 St. James St., Winnipeg, Manitoba, 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 ■ as Purchaser (the “**Purchaser**”) dated ■, 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 ■ 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,

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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 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 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 **[beneficial]** right, title and interest in and to the Subject Assets (as defined in the APA) to the Purchaser **[and the sale, assignment and transfer by TCC of its registered legal right, title and interest in and to the Subject Assets to *[insert name of nominee, if applicable]* on behalf of 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 **[beneficial]** right, title and interest in and to the Subject Assets shall be sold, assigned and transferred to and vested in the Purchaser **[and all of TTC's**

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registered legal right, title and interest in and to the Subject Assets shall be sold, assigned and transferred to and vested in *[insert name of nominee, if applicable]* on behalf of the Purchaser, in each case], 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 *Personal Property Security Act* (Manitoba) 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 Subject Assets are hereby expunged and discharged as against the Subject Assets and the real or immovable property described in Schedule “C”.

5. THIS COURT ORDERS and directs that upon the registration of a Certified Copy of this Order in the Winnipeg Land Titles Office in the manner prescribed by the Winnipeg Land Titles Office, the District Registrar thereof shall immediately cancel Certificate of Title No. 2677330/1 now standing in the name of Target Canada Co. and shall immediately thereafter issue a new Certificate of Title for the subject property in the name of *[insert name of Purchaser or nominee, as the case may be]* free and clear of any and all Encumbrances except for the

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Encumbrances listed in Schedule “D” hereto, notwithstanding that the time for appeal of this Approval and Vesting Order has not expired **[and, if applicable, add “and notwithstanding that all interested parties have not consented to this Approval and Vesting Order.”]**

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 that 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 (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;

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the sale, assignment and transfer of the Subject Assets to 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 section 45 of the *Tax Administration and Miscellaneous Taxes Act* (Manitoba) and any 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

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 and Vesting Order**") approving the Agreement of Purchase and Sale entered into among Target Canada Co. ("**TCC**") and ■ (the "**Purchaser**") dated ■, 2015 (the "**APA**"), a copy of which is attached as Exhibit ■ to the Affidavit of ■ dated ■, 2015.

B. Pursuant to the Approval and Vesting Order the Court approved the APA and provided for the sale, assignment and transfer to the Purchaser [*and insert name of nominee, if applicable*] of TCC's right, title and interest in and to the Subject Assets, which sale, assignment and transfer 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

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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.

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.
- 3. 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*

By: _____
Name:
Title:

SCHEDULE "C"

No	Location/Address	Province	Land Registry Office	Legal Description	Encumbrances to be Expunged/ Deleted
7012	875 St. James St. Winnipeg R3G 0V9	Manitoba	Winnipeg Land Titles Office	LOT 1 PLAN 54622 WLTO IN RL 42 PARISH OF ST JAMES	Claim For Lien in favour of 8239959 Canada Inc. in the amount of \$2,209,712.40 (Registration# 4569615)

SCHEDULE "D"**PERMITTED ENCUMBRANCES**

- (a) Caveat No. 3662064/1 registered August 20, 2008 in respect of an easement for utilities in favour of MTS ALLSTREAM INC.
- (a) Caveat No. 3662065/1 registered August 20, 2008 in respect of an easement for utilities in favour of MTS ALLSTREAM INC.
- (b) Caveat No. 3662066/1 registered August 20, 2008 in respect of an easement for utilities in favour of MTS ALLSTREAM INC.
- (c) Caveat No. 4365381/1 registered June 13, 2013 in respect of a statutory easement in favour of THE CITY OF WINNIPEG.
- (d) Caveat No. 4386890/1 registered August 6, 2013 in respect of an easement and restrictive covenant in favour of 8239959 CANADA INC.
- (e) Caveat No. 4386891/1 registered August 6, 2013 in respect of an easement and restrictive covenant in favour of TARGET CANADA CO.

SCHEDULE "E"

**PURCHASER'S GST CERTIFICATE,
UNDERTAKING AND INDEMNITY**

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

AND TO: Osler, Hoskin & Harcourt LLP, the Vendor's solicitors

RE: Agreement of Purchase and Sale dated ■, 2015, made between the Vendor, as Vendor, and ■, as Purchaser, (the "**Purchaser**"), as amended from time to time (the "**Purchase Agreement**"), for the purchase and sale of the Property and other Subject Assets (as such terms are defined in the Purchase Agreement)

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

- (a) the Subject Assets are being purchased by the Purchaser as principal for its own account and not as an agent, nominee, trustee or otherwise on behalf of or for another Person;
- (b) the Purchaser 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 ■ and such registration is in good standing and has not been varied, cancelled or revoked;
- (c) the Purchaser 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 transfer of the Subject Assets, all in accordance with the *Excise Tax Act*;
- (d) except to the extent of the Vendor's failure to remit any taxes collected on closing, if any, to the applicable governmental authority, the Purchaser shall indemnify and save harmless the Vendor from and against any and all GST, penalties, interest and/or other costs which may become payable by or be assessed against the Vendor as a result of any failure by the Vendor to collect and remit any GST applicable on the sale and conveyance of the Subject Assets by the Vendor to the Purchaser or as a result of any inaccuracy, misstatement or misrepresentation by the Purchaser in this GST Certificate, Undertaking and Indemnity or any failure by the Purchaser 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 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.

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DATED _____, 2015.

■

By: _____

Name: ■

Title: ■

By: _____

Name: ■

Title: ■

SCHEDULE "F"

FORM OF ASSIGNMENT AND ASSUMPTION OF PERMITTED ENCUMBRANCES

THIS AGREEMENT is made as of the _____ day of _____, 2015 (the "Effective Date")

B E T W E E N:

TARGET CANADA CO.

(the "Vendor")

- and --

■

(the "Purchaser")

RECITALS:

- A. The Vendor and certain of its affiliates applied for and together with the limited partnerships listed in Schedule "A" to the Initial Order (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 Vendor, pursuant to an Order of the Court dated January 15, 2015, as amended and restated on February 1, 2015, and as further amended, restated and/or amended and restated from time to time (collectively, the "Initial Order").
- B. The Vendor and the Purchaser entered into an agreement of purchase and sale dated ■, 2015 (the "Purchase Agreement"), whereby, among other things, the Vendor agreed to assign to the Purchaser all of the Vendor's right, title and interest in and to the Permitted Encumbrances.
- C. The Purchase Agreement was approved by the Court pursuant to the Order dated ■ (the "Approval and Vesting Order").
- D. The Vendor and the Purchaser are entering into this Agreement to provide for the assignment and assumption of the Permitted Encumbrances by the Vendor to the Purchaser in accordance with the Purchase 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 Purchase Agreement.

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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 ASSIGNMENT

1.1 Assignment by Vendor

The Vendor assigns and transfers to the Purchaser, as of the Effective Date, all of the Vendor's obligations, rights, title and interest, both at law and at equity, in and to the Permitted Encumbrances listed in Schedule "A" attached hereto and all related rights, benefits and advantages thereto (collectively, the "Assigned Interest").

1.2 Assumption by Purchaser

The Purchaser hereby accepts the assignment of the Assigned Interest provided for in this Agreement and assumes all of the Vendor's obligations, right, title and interest in and to the Assigned Interest from and after the Effective Date.

1.3 Indemnity

The Purchaser hereby covenants with the Vendor, as of and from the Effective Date to indemnify and save the Vendor harmless from any and all Claims arising from, relating to or in connection with any non-payment of amounts payable on the part of the Vendor to be paid from time to time under the Permitted Encumbrances, or any non-observance or non-performance of any of the terms, agreements, covenants, obligations and conditions on the part of the Vendor under the Permitted Encumbrances to be paid, observed or performed from time to time, in each case in respect of the period on or after the Effective Date, or otherwise arising, incurred or accrued on or after the Effective Date whether in respect of the period before or after the Effective Date, including, without limitation, any default as a consequence of the closing of the Transaction contemplated by the Purchase Agreement.

1.4 Paramountcy

The rights and obligations of the parties respectively with respect to the Permitted Encumbrances and any other Subject Assets shall be governed by the Purchase Agreement. In the event of any conflict, inconsistency, ambiguity or difference between the provisions of this Agreement and of the Purchase Agreement, then the provisions of the Purchase 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 and delivered by the Vendor and the Purchaser 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 Purchase Agreement constitute the entire agreement between the parties with respect to the assignment and assumption of the Permitted Encumbrances contemplated in the Purchase Agreement and supersede 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 Purchase 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 Purchase 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 Vendor or the Purchaser 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 conveyances, transfers, documents and assurances as may be deemed necessary or advisable from time to time in order to effectively transfer the Permitted Encumbrances to the Purchaser 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 in which the Property is 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 Purchase 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.

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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 (a "Notice") shall be in writing and shall be sufficiently given if delivered or transmitted in accordance with the Purchase 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 Vendor has executed this Agreement.

TARGET CANADA CO.

By: _____
Name: ■
Title: ■

By: _____
Name: ■
Title: ■

IN WITNESS WHEREOF the Purchaser has executed this Agreement.

■

By: _____

Name: ■
Title: ■

By: _____

Name: ■
Title: ■

SCHEDULE "A"

to the Assignment and Assumption of Permitted Encumbrances

PERMITTED ENCUMBRANCES**GENERAL ENCUMBRANCES**

- (a) The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown including, without limitation, the reservation of any royalties, mines and minerals in the Crown or in any other person.
- (b) Subdivision agreements, site plan control agreements, development agreements, heritage easements and agreements relating thereto, servicing agreements, utility agreements, permits, licenses, airport zoning regulations and other similar agreements with Governmental Authorities or private or public utilities affecting the development or use of any Property.
- (c) Rail siding agreements or facility, cost sharing, servicing, reciprocal use or other similar agreements.
- (d) Any easements, servitudes, or rights-of-way in favour of any Governmental Authority, any private or public utility, any railway company or any adjoining owner.
- (e) Any unregistered easements, servitudes, rights-of-way or other unregistered interests or claims not disclosed by registered title in respect of the provision of utilities to the Property.
- (f) Any rights of expropriation, access or use or any other similar rights conferred or reserved by applicable Law.
- (g) Encumbrances for real or immovable property taxes (which term includes charges, rates and assessments) or charges for electricity, power, gas, water and other services and utilities in connection with the Property that have accrued but are not yet due and owing or, if due and owing, are adjusted for on Closing.
- (h) Restrictive covenants, private deed restrictions and other similar land use control agreements.
- (i) Minor encroachments by the Property over neighbouring lands and/or permitted under agreements with neighbouring landowners and minor encroachments over the Property by improvements of neighbouring landowners and/or permitted under agreements with neighbouring landowners.
- (j) The provisions of all applicable Laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning of the Property.

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- (k) The exceptions and qualifications contained in Section 58(1) of *The Real Property Act* (Manitoba) (other than paragraphs (d), (e) and (f) thereof).
- (l) Security given to a public utility or any municipality or governmental or other public authority when required by the operations of the Property in the ordinary course of business, including, without limitation, the right of the municipality to acquire portions of the Property for road widening or interchange construction and the right of the municipality to complete improvements, landscaping or remedy deficiencies in any pedestrian walkways or traffic control or monitoring to be provided to the Property.
- (m) Any minor title defects, irregularities, easements, servitudes, encroachments, rights-of-way or other discrepancies in title or possession relating to the Property which would be disclosed by an up-to-date plan of survey, real property report, certificate of location, or technical description.
- (n) Permits, licenses, agreements, servitudes, easements, (including, without limitation, heritage easements and agreements relating thereto), restrictions, restrictive covenants, options, rights-of-way, public ways, rights in the nature of an easement or servitude and other similar rights in land granted to or reserved by other persons (including, without in any way limiting the generality of the foregoing, permits, licenses, agreements, easements, rights-of-way, sidewalks, public ways, and rights in the nature of easements or servitudes for sewers, drains, steam, gas and water mains or electric light and power or telephone and telegraph conduits, poles, wires and cables) (other than those described in paragraph (d) and (e) of this Schedule) which do not materially impair the current use, operation or marketability of the Property.
- (o) Undetermined or inchoate liens incidental to construction, renovations or current operations, a claim for which shall not at the time have been registered against the Property or of which notice in writing shall not at the time have been given to the Vendor pursuant to *The Builders' Lien Act* (Manitoba) or similar legislation, and in respect of any of the foregoing cases, the Vendor has, where applicable, complied with the holdback or other similar provisions or requirements of the relevant construction contracts.
- (p) Any and all statutory liens, charges, adverse claims, prior claims, security interests, deemed trusts or other encumbrances of any nature whatsoever which are not registered on the title to the Property and of which the Vendor does not have notice, claimed or held by Her Majesty the Queen in Right of Canada, Her Majesty the Queen in Right of any province, or by any other governmental department, agency or authority under or pursuant to any applicable legislation, statute or regulation.
- (q) Any reference plans or plans registered pursuant to *The Real Property Act* (Manitoba).

- 3 -

- (r) All Off-Title Compliance Matters.
- (s) Any unregistered interests in the Property of which the Purchaser has actual notice.
- (t) All instruments which are registered against title to the Property with the consent of the Purchaser.

SPECIFIC ENCUMBRANCES

The characterization or descriptions of those items on the balance of this Schedule "I" is prepared for purposes of convenience only and for accurate reference, recourse should be had to the registration itself.

- (a) Caveat No. 3662064/1 registered August 20, 2008 in respect of an easement for utilities in favour of MTS ALLSTREAM INC.
- (b) Caveat No. 3662065/1 registered August 20, 2008 in respect of an easement for utilities in favour of MTS ALLSTREAM INC.
- (c) Caveat No. 3662066/1 registered August 20, 2008 in respect of an easement for utilities in favour of MTS ALLSTREAM INC.
- (d) Caveat No. 4365381/1 registered June 13, 2013 in respect of a statutory easement in favour of THE CITY OF WINNIPEG.
- (e) Caveat No. 4386890/1 registered August 6, 2013 in respect of an easement and restrictive covenant in favour of 8239959 CANADA INC.
- (f) Caveat No. 4386891/1 registered August 6, 2013 in respect of an easement and restrictive covenant in favour of TARGET CANADA CO.

SCHEDULE "G"
ITEMS NOT TO BE REMOVED FROM THE PROPERTY

1. Elevators and related systems and equipment.
2. Escalators and related systems and equipment.
3. Any HVAC systems and equipment.
4. Ceiling lights and tiles.
5. Flooring.
6. All washrooms (sinks, toilets, urinals & stall partition) and fixtures.
7. All doors and related hardware - exterior, interior and loading.
8. All roofing systems.
9. Fire safety systems & equipment (other than removable fire extinguishers).
10. Any mechanical, electrical and plumbing systems and equipment.

SCHEDULE "H"
**LIST OF FF&E AND TRADE FIXTURES THAT MAY BE
REMOVED FROM THE PROPERTY**

1. All shelving units back of house & in the store.
2. Refrigeration units, coolers and walk-in coolers.
3. Checkout counters.
4. Non-affixed kiosks.
5. Branding Signage (Interior & Exterior).
6. All office equipment inventory.
7. Shopping carts & corrals (even if located outside of the Premises).
8. Security systems including all video and security cameras and equipment (provided Tenant shall not remove cabling in place) and entrance sensors used for merchandise security.
9. All computers and related systems and information storage media.
10. All point-of-sales systems and all appurtenances thereto.
11. All generators, balers and compactors.

SCHEDULE "I"
PERMITTED ENCUMBRANCES

GENERAL ENCUMBRANCES

- (a) The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown including, without limitation, the reservation of any royalties, mines and minerals in the Crown or in any other person.
- (b) Subdivision agreements, site plan control agreements, development agreements, heritage easements and agreements relating thereto, servicing agreements, utility agreements, permits, licenses, airport zoning regulations and other similar agreements with Governmental Authorities or private or public utilities affecting the development or use of any Property.
- (c) Rail siding agreements or facility, cost sharing, servicing, reciprocal use or other similar agreements.
- (d) Any easements, servitudes, or rights-of-way in favour of any Governmental Authority, any private or public utility, any railway company or any adjoining owner.
- (e) Any unregistered easements, servitudes, rights-of-way or other unregistered interests or claims not disclosed by registered title in respect of the provision of utilities to the Property.
- (f) Any rights of expropriation, access or use or any other similar rights conferred or reserved by applicable Law.
- (g) Encumbrances for real or immovable property taxes (which term includes charges, rates and assessments) or charges for electricity, power, gas, water and other services and utilities in connection with the Property that have accrued but are not yet due and owing or, if due and owing, are adjusted for on Closing.
- (h) Restrictive covenants, private deed restrictions and other similar land use control agreements.
- (i) Minor encroachments by the Property over neighbouring lands and/or permitted under agreements with neighbouring landowners and minor encroachments over the Property by improvements of neighbouring landowners and/or permitted under agreements with neighbouring landowners.
- (j) The provisions of all applicable Laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning of the Property.
- (k) The exceptions and qualifications contained in Section 58(1) of *The Real Property Act* (Manitoba) (other than paragraphs (d), (e) and (f) thereof).

- 2 -

- (l) Security given to a public utility or any municipality or governmental or other public authority when required by the operations of the Property in the ordinary course of business, including, without limitation, the right of the municipality to acquire portions of the Property for road widening or interchange construction and the right of the municipality to complete improvements, landscaping or remedy deficiencies in any pedestrian walkways or traffic control or monitoring to be provided to the Property.
- (m) Any minor title defects, irregularities, easements, servitudes, encroachments, rights-of-way or other discrepancies in title or possession relating to the Property which would be disclosed by an up-to-date plan of survey, real property report, certificate of location, or technical description.
- (n) Permits, licenses, agreements, servitudes, easements, (including, without limitation, heritage easements and agreements relating thereto), restrictions, restrictive covenants, options, rights-of-way, public ways, rights in the nature of an easement or servitude and other similar rights in land granted to or reserved by other persons (including, without in any way limiting the generality of the foregoing, permits, licenses, agreements, easements, rights-of-way, sidewalks, public ways, and rights in the nature of easements or servitudes for sewers, drains, steam, gas and water mains or electric light and power or telephone and telegraph conduits, poles, wires and cables) (other than those described in paragraph (d) and (e) of this Schedule) which do not materially impair the current use, operation or marketability of the Property.
- (o) Undetermined or inchoate liens incidental to construction, renovations or current operations, a claim for which shall not at the time have been registered against the Property or of which notice in writing shall not at the time have been given to the Vendor pursuant to *The Builders' Lien Act* (Manitoba) or similar legislation, and in respect of any of the foregoing cases, the Vendor has, where applicable, complied with the holdback or other similar provisions or requirements of the relevant construction contracts.
- (p) Any and all statutory liens, charges, adverse claims, prior claims, security interests, deemed trusts or other encumbrances of any nature whatsoever which are not registered on the title to the Property and of which the Vendor does not have notice, claimed or held by Her Majesty the Queen in Right of Canada, Her Majesty the Queen in Right of any province, or by any other governmental department, agency or authority under or pursuant to any applicable legislation, statute or regulation.
- (q) Any reference plans or plans registered pursuant to *The Real Property Act* (Manitoba).
- (r) All Off-Title Compliance Matters.

- 3 -

- (s) Any unregistered interests in the Property of which the Purchaser has actual notice.
- (t) All instruments which are registered against title to a Property with the consent of the Purchaser.

SPECIFIC ENCUMBRANCES

The characterization or descriptions of those items on the balance of this Schedule "I" is prepared for purposes of convenience only and for accurate reference, recourse should be had to the registration itself.

- (a) Caveat No. 3662064/1 registered August 20, 2008 in respect of an easement for utilities in favour of MTS ALLSTREAM INC.
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- (d) Caveat No. 4365381/1 registered June 13, 2013 in respect of a statutory easement in favour of THE CITY OF WINNIPEG.
- (e) Caveat No. 4386890/1 registered August 6, 2013 in respect of an easement and restrictive covenant in favour of 8239959 CANADA INC.
- (f) Caveat No. 4386891/1 registered August 6, 2013 in respect of an easement and restrictive covenant in favour of TARGET CANADA CO.

SCHEDULE "J"
RELEASE

TO: TARGET CANADA CO. (the "**Vendor**")

FROM: POLO PARK HOLDINGS L.P., as represented by its general partners, The Cadillac Fairview Corporation Limited and Shindico Realty Inc., and 8239959 CANADA INC. (collectively, the "**Claimants**")

RE: Agreement of Purchase and Sale between the Vendor and ■ as Purchaser dated ■, 2015 (as amended, modified, restated and/or supplemented from time to time, the "**Purchase Agreement**")

WHEREAS:

- A. The Vendor, 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 Vendor, 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 Vendor and The Cadillac Fairview Corporation Limited (the "**Purchaser**") entered into an agreement of purchase and sale dated ■, 2015 (said agreement, as amended, extended, supplemented, restated and/or amended and restated from time to time being collectively, the "**Purchase Agreement**") whereby the Vendor agreed to sell to the Purchaser, and the Purchaser agreed to purchase from the Vendor, the real property described in Schedule "A" to the Purchase Agreement (the "**Property**")
- C. On ■, 2015, the Court issued an Approval Order approving the Purchase Agreement pursuant to which the Vendor shall transfer the Property to the Purchaser, on the terms and conditions set out in the Purchase Agreement.
- D. The Purchase Agreement contemplates that the Claimants shall execute and deliver a release on the Closing Date to the Vendor pursuant to which the Claimants will release and forever discharge the Vendor from all claims arising out of or relating to the Builders Lien registered against the Property on January 15, 2015 as registration #4569615 in the Winnipeg Land Titles Office (the "**Lien Claim**").
- E. The Vendor has transferred to the Purchaser all of its right, title and interest in and to the Property and, accordingly, the Claimants desire to execute and deliver this Release to the Vendor in satisfaction of the foregoing obligation.
- F. Unless otherwise provided for herein, all capitalized terms used in this Release have the meaning ascribed to them in the Purchase Agreement.

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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. Each of the Claimants, on its own behalf and on behalf of its respective successors and assigns (collectively, the “**Releasors**” and individually a “**Releasor**”), hereby forever fully and unconditionally remises, releases, acquits, waives and forever discharges the Vendor and its Affiliates, 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 the Releasees in any way relating to or arising from the Lien Claim.
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:
 - (a) such Releasor shall immediately discontinue such Claim upon receipt of written notice from a Releasee;
 - (b) such Releasor shall be liable for all legal and related costs and expenses incurred by the affected Releasee on a full indemnity basis; and
 - (c) this Release:
 - (i) shall operate conclusively as an estoppel and complete bar to any such Claim; and
 - (ii) may be pleaded as a complete defence and reply in the event of such Claim; and
 - (iii) 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.

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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 executed 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 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 by a court of competent jurisdiction 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 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.
8. This Release shall be governed by the laws of the Province of Manitoba 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.

**POLO PARK HOLDINGS L.P.
by its general partners**

**THE CADILLAC FAIRVIEW
CORPORATION LIMITED**

By: _____
Name:
Title:

By: _____
Name:
Title:

SHINDICO REALTY INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

8239959 CANADA INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

Tab 3

Revised: January 21, 2014

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE _____) ~~WEEKDAY~~TUESDAY, THE # 19TH
)
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 — LEASE SURRENDER AGREEMENT

Draft

DOCSTOR-1201927114

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 "CCA") for an order, *inter alia*, approving; the sale~~ lease surrender and resiliation transaction (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") "Transaction" contemplated by a Lease Surrender Agreement among Target Canada Co. ("TCC"), as Tenant, and CF/Realty Holdings Inc., Ontrea Inc., Market Mall Leaseholds Inc., Les Promenades St-Bruno Leaseholds Inc., Les Galeries d'Anjou Leaseholds Inc., and Chinook (2014) Inc. (collectively, the "**Landlord Entities**") dated May 4, 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 May 4, 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 Entities, 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 Robert Carson sworn May 4, 2015, filed:

[†]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.

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,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 Entities 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 Surrendered Leases, the Surrendered Real Property Interests and the Surrendered Premises (collectively, the "Surrendered Assets") to the applicable Landlord Entities 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 Surrendered Assets are as set out on Schedule "C" hereto.~~

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. ~~2.~~ THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver~~Monitor~~'s certificate to the Purchaser~~Landlord Entities~~ 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, Surrendered Assets and the right, title and interest, if any, of any predecessor in interest of TCC in and to the Surrendered Assets, to the extent same was assigned or otherwise transferred to TCC, shall be surrendered to the applicable Landlord Entities (with the Surrendered 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, 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 Surrendered 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 Personal Property Security Act (Ontario), the Civil Code of Québec or the Alberta

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.

⁵ The "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.

Personal Property Security Act 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”~~ “Encumbrances”, 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 Encumbrances affecting or relating to the ~~Purchased~~ Surrendered Assets are hereby expunged and discharged as against the ~~Purchased Assets~~ Surrendered Assets 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~~ Surrendered 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

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”.

priority as they had with respect to the ~~Purchased~~Surrendered 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. 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 Lease Surrender Agreement.

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 (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.

9. THIS COURT ORDERS that notwithstanding anything contained in the Lease Surrender Agreement, or the Closing of the Transaction, the Landlord Entities shall be bound by and benefit from the Initial Order until the earlier of (a) six months from the date of this Order, and (b) the duration of the period during which any other owners, operators, managers or landlords of commercial shopping centres or other commercial properties in which there is a store, office or warehouse owned or operated by TCC or Target, is bound by or obtains any benefit from same. Without limiting the generality of the foregoing, during such period, the Landlord Entities shall benefit from the stay of proceedings provision provided for at paragraph 18 of the Initial Order.

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.

GENERAL PROVISIONS

10. ~~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 "•" 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.~~

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~~surrender of the ~~Purchased Assets in the Purchaser~~Surrendered Assets to the applicable Landlord Entities and the resiliation of the Surrendered 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.

11. ~~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 any of the Surrendered Premises are located and that this Order shall be~~

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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 any of the Surrendered Premises are located.

12. ~~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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SCHEDULE "B"

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:-

~~PLAINTIFF~~

Plaintiff

~~-and-~~

~~DEFENDANT~~

Defendant

<u>THE HONOURABLE</u>)	<u>TUESDAY, THE 19TH</u>
)	
<u>REGIONAL SENIOR JUSTICE</u>)	<u>DAY OF MAY, 2015</u>
)	
<u>MORAWETZ</u>)	

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

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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").

A. All undefined terms in this Monitor's Certificate have the meanings ascribed to them in the Order of the Court dated [May 19], 2015 (the "Approval Order") approving the Lease Surrender Agreement entered into among Target Canada Co. ("TCC") and CF/Realty Holdings Inc., Ontrea Inc., Market Mall Leaseholds Inc., Les Promenades St-Bruno Leaseholds Inc., Les Galeries d'Anjou Leaseholds Inc., and Chinook (2014) Inc. (collectively, the "Landlord Entities") dated May 4, 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 B to the Affidavit of Mark Wong dated May 4, 2015.

B. Pursuant to 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 surrender to the Purchaser Landlord Entities of the Debtor TCC's right, title and interest in and to the Purchased Assets, which vesting Surrendered Leases, Surrendered Real Property Interests and the Surrendered Premises, which surrender is to be effective with respect to the Purchased Assets Surrendered Leases, Surrendered Real Property Interests and the Surrendered Premises upon the delivery by the Receiver Monitor to the Purchaser Landlord Entities 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 sections 7.1, 7.2 and 7.3 of the Sale Lease Surrender Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) Landlord Entities and TCC, as applicable; and (ii) the Transaction has been completed

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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 and the Purchaser; and Landlord Entities and 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], in its capacity as Receiver of the undertaking, property and assets of [DEBTOR], and not in its personal capacity~~

Per: _____
Name:-
Title:-

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

By: _____
Name:
Title:

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Revised: January 21, 2014

Schedule B—Purchased Assets

SCHEDULE "C"

<u>No.</u>	<u>Location/Address</u>	<u>City/Province</u>	<u>Land Registry Office</u>	<u>Legal Description</u>	<u>Encumbrances to be Expunged/ Deleted</u>
1.	<u>Masonville Place</u> <u>1680 Richmond Street North</u>	<u>London, Ontario</u>	<u>Middlesex</u> <u>(No. 33)</u>	<u>PIN 08083-1820 LT</u> <u>Parcel 1-1, Section</u> <u>33M206 Block "1" Plan</u> <u>33M206; subject to</u> <u>LT81692</u> <u>London/London Township</u> <u>PIN 08083-1821 LT</u> <u>Parcel 2-1, Section</u> <u>33M206 Block "2" Plan</u> <u>33M206; subject to</u> <u>LT81692</u> <u>London/London Township</u> <u>PIN 08083-1822 LT</u> <u>Parcel 3-1, Section</u> <u>33M206 Block "3" Plan</u> <u>33M206; subject to</u> <u>LT81692</u> <u>London/London Township</u> <u>PIN 08083-1823 LT</u> <u>Parcel 4-1, Section</u> <u>33M206 Block "4" Plan</u> <u>33M206; subject to</u> <u>LT81692</u> <u>London/London Township</u> <u>PIN 08083-2233 LT</u> <u>Block 1 Plan 33M-103</u> <u>except Part 1, 33R-14445;</u> <u>subject to LT64230,</u> <u>LT93920; London</u> <u>PIN 08083-2235 LT</u> <u>Block 2 Plan 33M-103</u> <u>except Part 2, 33R-14445;</u> <u>subject to LT108246.</u>	<u>(a) Notice of Lease</u> <u>registered December 21,</u> <u>2005 as Instrument</u> <u>ER403900</u> <u>(b) Notice of Assignment</u> <u>of Lessee's Interest in</u> <u>Lease registered May 31,</u> <u>2011 as Instrument</u> <u>ER767018</u> <u>(c) Application (General)</u> <u>re Notice of Amendment of</u> <u>Lease registered June 3,</u> <u>2011 as Instrument</u> <u>ER767936</u>

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<u>No.</u>	<u>Location/Address</u>	<u>City/Province</u>	<u>Land Registry Office</u>	<u>Legal Description</u>	<u>Encumbrances to be Expunged/ Deleted</u>
				<u>London</u> <u>PIN 08083-0003 LT</u> <u>Part Lot 16, concession 4</u> <u>as in 670586, 674408,</u> <u>London/London Township</u> <u>[Note: Target Lease is</u> <u>not registered against</u> <u>this PIN]</u>	
2.	<u>Chinook Centre</u> <u>6455 Macleod Trail SW</u>	<u>Calgary, Alberta</u>	<u>Calgary Land</u> <u>Title Office</u>	<u>Title No. 101116164</u> <u>Plan 101 1638</u> <u>Block 1</u> <u>Lot 2</u> <u>Excepting thereout all</u> <u>mines and minerals.</u> <u>Area: 21.671 hectares</u> <u>(53.55 acres) more or less</u>	<u>(a) Caveat re Lease etc.</u> <u>registered May 2, 1999 as</u> <u>Instrument 991 034 162, as</u> <u>updated up Transfer of</u> <u>Caveat registered as</u> <u>Instrument 111 132 663)</u> <u>(b) Caveat re Amending</u> <u>Agreement etc. registered</u> <u>June 6, 2011 as Instrument</u> <u>111 139 187</u>
3.	<u>Market Mall</u> <u>3625 Shaganappi Trail NW</u>	<u>Calgary, Alberta</u>	<u>Calgary Land</u> <u>Title Office</u>	<u>Title No. 021 189 736</u> <u>Plan 0211955</u> <u>Block 1</u> <u>Lot 1</u> <u>Excepting thereout all</u> <u>mines and minerals.</u> <u>Area: 22.69 hectares</u> <u>(56.07 acres) more or less</u>	<u>Caveat re Lease etc.</u> <u>registered March 14, 2000</u> <u>as Instrument 001 068 195,</u> <u>as updated up Transfer of</u> <u>Caveat registered as</u> <u>Instrument 111 132 395)</u> <u>(b) Caveat re Lease</u> <u>Interest registered June 7,</u> <u>2011 as Instrument 111</u> <u>141 266</u> <u>(c) Builder's Lien in</u> <u>favour of Kone Inc.</u> <u>registered February 6, 2015</u> <u>as Instrument 151 039 519,</u>
4.	<u>Les Promenades Saint-Bruno</u> <u>1, boul. des Promenades</u>	<u>Saint-Bruno-de-</u> <u>Montarville,</u> <u>Quebec</u>	<u>Land</u> <u>Registry</u> <u>Office for the</u> <u>Registration</u> <u>Division of</u> <u>Chambly</u>	<u>An immovable located in</u> <u>the City of Saint-Bruno-d-</u> <u>Montarville, Province of</u> <u>Quebec, known and</u> <u>described as being</u> <u>composed of Lot 2 110</u> <u>816 and Lot 2 110 821,</u> <u>Registration Division of</u> <u>Chambly.</u>	<u>(a) Notice for Registration</u> <u>of the Rights Resulting</u> <u>from a Commercial Lease</u> <u>registered November 27,</u> <u>2001 under number 1</u> <u>120446</u> <u>(b) Notice of Amendment</u> <u>to Commercial Lease</u> <u>registered June 3, 2011</u>

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<u>No.</u>	<u>Location/Address</u>	<u>City/Province</u>	<u>Land Registry Office</u>	<u>Legal Description</u>	<u>Encumbrances to be Expunged/ Deleted</u>
					<u>under number 18 188 183</u>
5.	<u>Les Galeries d'Anjou 7999, boul. des-Galeries-d'Anjou</u>	<u>Montreal, Quebec</u>	<u>Land Registry Office for the Registration Division of Montreal</u>	<u>An immovable located in the City of Montreal, Province of Quebec, known and described as being composed of Lots 1 006 195 and 1 006 273 of the Cadastre of Quebec, Registration Division of Montreal</u>	<u>(a) Notice for Registration of the Rights Resulting from a Commercial Lease registered August 15, 2003 under number 10 644 948 (b) Notice of Amendment to Commercial Lease registered June 3, 2011 under number 18 188 567</u>

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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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~~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 Properties (as defined in the Lease Surrender Agreement) or any other Landlord Entity’s interest in the Properties, but excludes any Encumbrances solely encumbering the Tenant’s leasehold interest in and to any Properties situated outside of the Province of Québec on which any Surrendered Premises (as defined in the Lease Surrender Agreement) are located; (b) Encumbrances resulting from any Landlord Entity’s actions or omissions; and (c) the items identified in Schedule “L” of the Lease Surrender Agreement.

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