

TAB 3

Revised: January 21, 2014

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE ———) WEEKDAY THURSDAY, THE # 4TH
)
REGIONAL SENIOR JUSTICE ———) DAY OF MONTH JUNE, 20YR 2015
)
MORAWETZ)

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

~~BETWEEN:~~

~~PLAINTIFF~~

Plaintiff

~~-and-~~

~~DEFENDANT~~

Defendant

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

APPROVAL AND VESTING ORDER – BACKUP BID FOR CORNWALL DC

THIS MOTION, made by [RECEIVER'S NAME] in its capacity as the Court appointed receiver (the "Receiver") of the undertaking, property and assets of [DEBTOR] (the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and [NAME OF PURCHASER]

Draft

DEBTOR: 120102711

(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") ~~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 1501 Industrial Park Drive, Cornwall, Ontario, together with certain ancillary assets (the "Transaction") contemplated by a form of Agreement of Purchase and Sale (the "Backup Bid APA") among Target Canada Co. ("TCC"), as Vendor, and Trans-Plus V.M. Inc., as Purchaser (the "Purchaser"), dated May 7, 2015 and certain related relief,~~ was heard this day at 330 University Avenue, Toronto, Ontario,

ON READING the ~~Report~~ Notice of Motion of the Applicants, the Affidavit of Mark Wong sworn on May 25, 2015 including the exhibits thereto (the "Wong Affidavit"), and the ~~Report of Alvarez & Marsal Canada Inc., in its capacity as Monitor (the "Monitor"), filed, and on hearing the submissions of counsel for the Receiver, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list,~~ respective counsel for the Applicants and the Partnerships listed on Schedule "A" hereto, the Monitor, Target Corporation, the Purchaser, and such other counsel as were present, no one else appearing although ~~properly~~ duly served as appears from the affidavit of [NAME] sworn [DATE] ~~Affidavit of Service of Robert Carson sworn May 7, 2015, filed⁴:~~

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

⁴ This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.

proceedings dated January 15, 2015 (the “Initial Order”), or in the Backup Bid APA, as applicable.

EFFECT OF THIS ORDER

3. THIS COURT ORDERS AND DECLARES that this Order shall not be effective unless and until the Monitor delivers a certificate to TCC and the Purchaser substantially in the form attached as Schedule “B” (the “Monitor’s Backup Bid Certificate”) stating that: (i) Wal-Mart Canada Corp. (“Wal-Mart”) has failed to close the Transaction approved by the Approval and Vesting Order in these proceedings dated May 20, 2015 approving the Agreement of Purchase and Sale among TCC and Wal-Mart dated May 7, 2015 in respect of the Subject Assets (the “May 20 Vesting Order”); (ii) TCC has advised the Assignee that it is the Successful Bidder in respect of the Subject Assets; and (iii) TCC has executed the Backup Bid APA. For greater certainty, this Order shall not become effective if the Monitor files the Monitor’s Certificate described in paragraph 4 of the May 20 Vesting Order.

APPROVAL OF THE BACKUP BID APA

4. ~~1-~~THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved;² and and ratified and that the execution of the Sale Agreement by the Receiver³ Backup Bid APA by TCC is hereby authorized and approved, and ratified with such minor amendments as the Receiver may deem necessary. The Receiver TCC (with the consent of the Monitor) and the Purchaser may agree to in writing. TCC is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser, including the sale, assignment and transfer by TCC of its right, title and interest in and to the Subject Assets to the Purchaser and the Monitor shall be authorized to take such additional steps

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.~~

in furtherance of its responsibilities under the Backup Bid APA. The legal descriptions and applicable land registry offices with respect to the Subject Assets are as set out on Schedule "D" hereto.

5. ~~2.~~ THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver~~Monitor~~'s certificate to the Purchaser substantially in the form attached as Schedule A~~"C"~~ hereto (the "Receiver's"Monitor's Closing Certificate"), all of the Debtor~~TCC~~'s right, title and interest in and to the ~~Purchased Assets described in the Sale Agreement [and listed on Schedule B hereto]~~ Subject Assets shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies~~leases, notices of lease, subleases, licenses, levies, restrictions, rights of retention, judgments, notices of sale, contractual rights, options, liabilities (direct, indirect, absolute or contingent), obligations,~~ charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise in respect of the Subject Assets (collectively, the "Claims"⁵), including, without limiting the generality of the foregoing: (i) ~~any encumbrances or charges created by the Order of the Honourable Justice [NAME] dated [DATE];~~ (ii)

(a) the Administration Charge, the KERP Charge, the Directors' Charge, the Financial Advisor Subordinated Charge, the DIP Lender's Charge, the Agent's Charge and Security Interest (collectively, the "CCAA Charges");

(b) all charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act (Ontario), or any other personal property registry system; and (iii) system; and

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.

(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 “E” hereto), and, for greater certainty, this Court orders that all of the Claims and Encumbrances affecting or relating to the ~~Purchased~~ Subject Assets are hereby expunged and discharged as against the ~~Purchased~~ Subject Assets and the real property described in Schedule “D”.

6. ~~3-~~ THIS COURT ORDERS that upon the delivery of the Monitor’s Closing Certificate to the Purchaser, and 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 “D” hereto (the “Real Property”) in fee simple, and is hereby directed to specifically discharge, delete and expunge from title to the Real Property real property described in Schedule “D” all of the Claims Encumbrances listed in Schedule C “D” hereto.

7. ~~4-~~ THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ ~~from~~ received on the sale Closing of the Purchased Assets Transaction shall stand in the place and stead of the ~~Purchased~~ Subject Assets; and that from and after the delivery of the ~~Receiver’s~~ Monitor’s Closing Certificate all Claims and Encumbrances shall attach to the net proceeds ~~from the sale of the Purchased Assets~~ therefrom with the same priority as they had with respect to the ~~Purchased~~ Subject Assets immediately prior

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”.

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.

8. ~~5-~~ THIS COURT ORDERS AND DIRECTS the Receiver Monitor to file with the Court a copy of the Receiver's Monitor's Backup Bid Certificate and the Monitor's Closing Certificate, in each case forthwith after delivery thereof in accordance with the terms of the Backup Bid APA and this Order.

9. ~~6-~~ THIS COURT ORDERS that, ~~pursuant to clause 7(3)(c) of the Canada Personal Information Protection and Electronic Documents Act,~~ the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees listed on Schedule "A" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor. nothing herein or in the Backup Bid APA affects:

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

GENERAL PROVISIONS

10. ~~7-~~ THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;

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

~~7~~

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

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

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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DOCUMENT-120192711

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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FOUNDED 1994

SCHEDULE "B"

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

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

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

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

BETWEEN:-

~~PLAINTIFF~~

Plaintiff

~~-and-~~

~~DEFENDANT~~

Defendant

RECEIVER/MONITOR'S BACKUP BID CERTIFICATE

RECITALS

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

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have the meanings ascribed to them in the Order of the Court dated June [4], 2015 (the “Backup Bid Approval and Vesting Order”) approving the form of the Agreement of Purchase and Sale entered into among Target Canada Co. (“TCC”) and Trans-Plus V.M. Inc. (the “Purchaser”) dated May 7, 2015 (the “Backup Bid APA”), a copy of which is attached as Exhibit B to the Affidavit of Mark Wong dated May 25, 2015 (the “Wong Affidavit”).

- B. ~~Pursuant to an 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") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 4 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver. The Backup Bid Approval and Vesting Order states that it will not become effective unless and until the Monitor files this certificate.~~
- C. ~~Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.~~

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THE RECEIVER/MONITOR CERTIFIES the following:

- 3 -

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; Wal-Mart Canada Corp. has failed to close the Transaction approved by the May 20 Vesting Order.~~
2. ~~The conditions to Closing as set out in section 6 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and TCC has advised the Purchaser that it is the Successful Bidder in respect of the Subject Assets.~~
3. ~~The Transaction has been completed to the satisfaction of the Receiver; TCC has executed the Backup Bid APA.~~
4. This Monitor's Backup Bid Certificate was delivered by the ~~Receiver~~Monitor at _____ [TIME] on _____ [DATE].

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

Per: _____

Name:

Title:

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SCHEDULE "C"Court File No. CV-15-10832-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Schedule B—Purchased Assets

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 CLOSING CERTIFICATERECITALS

- A. All undefined terms in this Monitor's Certificate have the meanings ascribed to them in the Order of the Court dated June [4], 2015 (the "Approval and Vesting Order") approving the Agreement of Purchase and Sale entered into among Target Canada Co. ("TCC") and Trans-Plus V.M. Inc. (the "Purchaser") dated May 7, 2015 (the "Backup Bid APA"), a copy of which is attached as Exhibit B to the Affidavit of Mark Wong sworn May 25, 2015.
- B. Pursuant to the Approval and Vesting Order the Court approved the Backup Bid APA and provided for the vesting in the Purchaser of TCC's right, title and interest in and to the Subject Assets, which vesting is to be effective with respect to the Subject Assets upon the delivery by the Monitor to the Purchaser and TCC of a certificate confirming (i) the conditions to Closing as set out in sections 7.1, 7.2 and 7.3 of the Backup Bid APA have

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MONITOR - 1211421-1

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.

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

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

Per: _____

Name:

Title:

Draft

MONITOR-120403111

Revised: January 21, 2014

SCHEDULE "D"

<u>No.</u>	<u>Location/ Address</u>	<u>Province</u>	<u>Land Registry Office</u>	<u>Legal Description</u>	<u>Encumbrances to be Expunged/ Deleted</u>
1.	<u>Distribution Facility</u> <u>1501 Industrial Park Drive, Cornwall</u>	<u>ON</u>	<u>LRO #52</u>	<p><u>PIN 60143-0291 (LT)</u> <u>PT E1/2 LT 3 CON 2 CORNWALL PTS 1-3 52R7413; SUBJECT TO AN EASEMENT AS IN TC37528; TOGETHER WITH AN EASEMENT OVER PTS 4, 8, 10, 13, 16, 17, 18, 21, 23, 31, 44, 45, 46, 47, 48 & 51 52R7413 & PT 5 52R3165 AS IN ST39176; CITY OF CORNWALL.</u></p> <p><u>PIN 60143-0293</u> <u>PT LT 2 CON 2 CORNWALL PTS 6, 7 & 9 52R7413; SUBJECT TO AN EASEMENT AS IN TC37534; TOGETHER WITH AN EASEMENT OVER PTS 4, 8, 10, 13, 16, 17, 18, 21, 23, 31, 44, 45, 46, 47, 48 & 51 52R7413 & PT 5 52R3165 AS IN ST39176; CITY OF CORNWALL.</u></p> <p><u>PIN 60143-0295</u> <u>PT LT 2 CON 2 CORNWALL PTS 12, 14 & 15 52R7413; SUBJECT TO AN EASEMENT AS IN TC37582; TOGETHER WITH AN EASEMENT OVER PTS 4, 8, 10, 13, 16, 17, 18, 21, 23, 31, 44, 45, 46, 47, 48 & 51 52R7413 & PT 5 52R3165 AS IN ST39176; CITY OF CORNWALL.</u></p> <p><u>PIN 60143-0297</u> <u>PT LT 1 CON 2 CORNWALL PTS 19, 20 & 22 52R7413; SUBJECT TO AN EASEMENT AS IN TC37581; TOGETHER WITH AN EASEMENT OVER PTS 4, 8, 10, 13, 16, 17, 18, 21, 23, 31, 44, 45, 46, 47, 48 & 51 52R7413 & PT 5 52R3165 AS IN ST39176; CITY OF CORNWALL.</u></p> <p><u>PIN 60143-0299</u> <u>PT LT 1, A CON 2 CORNWALL; PT W1/2 LT B CON 2 CORNWALL; PT E1/2 LT B CON 2 CORNWALL PTS 24, 25, 26, 27, 28, 29, 30, 32, 34, 35, 37, 38, 40, 49 & 50 52R7413; PARTIAL RELEASE OF TC37532 & TC37533 OVER PTS 5, 6, 7, 9 & 10 52R7356 AS IN ST34255; SUBJECT TO AN EASEMENT AS IN S55541; SUBJECT TO AN EASEMENT AS IN TC37532; SUBJECT TO AN EASEMENT AS IN TC37533; SUBJECT TO AN EASEMENT AS IN TC44364; TOGETHER WITH AN EASEMENT OVER PTS 4, 8, 10, 13, 16, 17, 18, 21, 23, 31, 44, 45, 46, 47, 48 & 51 52R7413 & PT 5 52R3165 AS IN ST39176; CITY OF CORNWALL.</u></p>	<u>NIL</u>

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REGISTERED INSTRUMENT

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

~~Schedule D— Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property
(unaffected by the Vesting Order)~~

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DOCSTOR-120492711

SCHEDULE "E"
PERMITTED ENCUMBRANCES

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

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TAB 4

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) THURSDAY, THE 4TH
)
REGIONAL SENIOR JUSTICE) DAY OF JUNE, 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 – BACKUP BID FOR CORNWALL DC

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 1501 Industrial Park Drive, Cornwall, Ontario, together with certain ancillary assets (the "**Transaction**") contemplated by a form of Agreement of Purchase and Sale (the "**Backup Bid APA**") among Target Canada Co. ("**TCC**"), as Vendor, and Trans-Plus V.M. Inc., as Purchaser (the "**Purchaser**"), dated May 7, 2015 and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of Mark Wong sworn on May 25, 2015 including the exhibits thereto (the "**Wong Affidavit**"), and the ● Report of Alvarez & Marsal Canada Inc., in its capacity as Monitor (the "**Monitor**"), filed, and on hearing the submissions of respective counsel for the Applicants and the Partnerships listed on Schedule "A" hereto, the Monitor, Target Corporation, the Purchaser, and such other counsel as were

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present, no one else appearing although duly served as appears from the Affidavit of Service of Robert Carson sworn May ●, 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 Backup Bid APA, as applicable.

EFFECT OF THIS ORDER

3. THIS COURT ORDERS AND DECLARES that this Order shall not be effective unless and until the Monitor delivers a certificate to TCC and the Purchaser substantially in the form attached as Schedule “B” (the “**Monitor’s Backup Bid Certificate**”) stating that: (i) Wal-Mart Canada Corp. (“**Wal-Mart**”) has failed to close the Transaction approved by the Approval and Vesting Order in these proceedings dated May 20, 2015 approving the Agreement of Purchase and Sale among TCC and Wal-Mart dated May 7, 2015 in respect of the Subject Assets (the “**May 20 Vesting Order**”); (ii) TCC has advised the Assignee that it is the Successful Bidder in respect of the Subject Assets; and (iii) TCC has executed the Backup Bid APA. For greater certainty, this Order shall not become effective if the Monitor files the Monitor’s Certificate described in paragraph 4 of the May 20 Vesting Order.

APPROVAL OF THE BACKUP BID APA

4. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved and ratified and that the execution of the Backup Bid APA by TCC is hereby approved and ratified with such minor amendments as TCC (with the consent of the Monitor) and the Purchaser may agree to in writing. TCC is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction, including the sale, assignment and transfer by TCC of its right, title and interest in and to the Subject Assets to the Purchaser and the Monitor shall be authorized to take such

additional steps in furtherance of its responsibilities under the Backup Bid APA. The legal descriptions and applicable land registry offices with respect to the Subject Assets are as set out on Schedule “D” hereto.

5. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor’s certificate to the Purchaser substantially in the form attached as Schedule “C” hereto (the “**Monitor’s Closing Certificate**”), all of TCC’s right, title and interest in and to the Subject Assets shall vest absolutely in the Purchaser free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, leases, notices of lease, subleases, licenses, levies, restrictions, rights of retention, judgments, notices of sale, contractual rights, options, liabilities (direct, indirect, absolute or contingent), obligations, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise in respect of the Subject Assets (collectively, the “**Claims**”), including, without limiting the generality of the foregoing:

- (a) the Administration Charge, the KERP Charge, the Directors’ Charge, the Financial Advisor Subordinated Charge, the DIP Lender’s Charge, the Agent’s Charge and Security Interest (collectively, the “**CCAA Charges**”);
- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario), 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 “E” 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 property described in Schedule “D”.

6. THIS COURT ORDERS that upon the delivery of the Monitor’s Closing Certificate to the Purchaser, and upon the registration in the applicable land registry office of a certified copy of this Order in the manner prescribed by the applicable land registry office, the

applicable Land Registrar is hereby directed to enter the Purchaser as the owner of the real property identified in Schedule “D” hereto in fee simple, and is hereby directed to specifically discharge, delete and expunge from title to the real property described in Schedule “D” all of the Encumbrances listed in Schedule “D” hereto.

7. 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 Closing 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.

8. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor’s Backup Bid Certificate and the Monitor’s Closing Certificate, in each case forthwith after delivery thereof in accordance with the terms of the Backup Bid APA and this Order.

9. THIS COURT ORDERS that nothing herein or in the Backup Bid APA affects:

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

GENERAL PROVISIONS

10. THIS COURT ORDERS that, notwithstanding:

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

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

11. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

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

SCHEDULE "A"
PARTNERSHIPS

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

Draft

SCHEDULE “B”

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

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

MONITOR’S BACKUP BID CERTIFICATE**RECITALS**

- A. All undefined terms in this Monitor’s Backup Bid Certificate have the meanings ascribed to them in the Order of the Court dated June [4], 2015 (the “**Backup Bid Approval and Vesting Order**”) approving the form of the Agreement of Purchase and Sale entered into among Target Canada Co. (“**TCC**”) and Trans-Plus V.M. Inc. (the “**Purchaser**”) dated May 7, 2015 (the “**Backup Bid APA**”), a copy of which is attached as Exhibit B to the Affidavit of Mark Wong dated May 25, 2015 (the “**Wong Affidavit**”).
- B. The Backup Bid Approval and Vesting Order states that it will not become effective unless and until the Monitor files this certificate.

Draft

THE MONITOR CERTIFIES the following:

- 1. Wal-Mart Canada Corp. has failed to close the Transaction approved by the May 20 Vesting Order.
- 2. TCC has advised the Purchaser that it is the Successful Bidder in respect of the Subject Assets.
- 3. TCC has executed the Backup Bid APA.

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

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

Per: _____

Name:

Title:

Draft

SCHEDULE “C”

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

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

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

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

MONITOR’S CLOSING CERTIFICATE**RECITALS**

- A. All undefined terms in this Monitor’s Certificate have the meanings ascribed to them in the Order of the Court dated June [4], 2015 (the “**Approval and Vesting Order**”) approving the Agreement of Purchase and Sale entered into among Target Canada Co. (“**TCC**”) and Trans-Plus V.M. Inc. (the “**Purchaser**”) dated May 7, 2015 (the “**Backup Bid APA**”), a copy of which is attached as Exhibit B to the Affidavit of Mark Wong sworn May 25, 2015.
- B. Pursuant to the Approval and Vesting Order the Court approved the Backup Bid APA and provided for the vesting in the Purchaser of TCC’s right, title and interest in and to the Subject Assets, which vesting is to be effective with respect to the Subject Assets upon the delivery by the Monitor to the Purchaser and TCC of a certificate confirming (i) the conditions to Closing as set out in sections 7.1, 7.2 and 7.3 of the Backup Bid 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.

Draft

THE MONITOR CERTIFIES the following:

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

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

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

Per: _____

Name:

Title:

Draft

SCHEDULE "D"

No.	Location/ Address	Province	Land Registry Office	Legal Description	Encumbrances to be Expunged/ Deleted
1.	Distribution Facility 1501 Industrial Park Drive, Cornwall	ON	LRO #52	<p>PIN 60143-0291 (LT) PT E1/2 LT 3 CON 2 CORNWALL PTS 1-3 52R7413; SUBJECT TO AN EASEMENT AS IN TC37528; TOGETHER WITH AN EASEMENT OVER PTS 4, 8, 10, 13, 16, 17, 18, 21, 23, 31, 44, 45, 46, 47, 48 & 51 52R7413 & PT 5 52R3165 AS IN ST39176; CITY OF CORNWALL</p> <p>PIN 60143-0293 PT LT 2 CON 2 CORNWALL PTS 6, 7 & 9 52R7413; SUBJECT TO AN EASEMENT AS IN TC37534; TOGETHER WITH AN EASEMENT OVER PTS 4, 8, 10, 13, 16, 17, 18, 21, 23, 31, 44, 45, 46, 47, 48 & 51 52R7413 & PT 5 52R3165 AS IN ST39176; CITY OF CORNWALL</p> <p>PIN 60143-0295 PT LT 2 CON 2 CORNWALL PTS 12, 14 & 15 52R7413; SUBJECT TO AN EASEMENT AS IN TC37582; TOGETHER WITH AN EASEMENT OVER PTS 4, 8, 10, 13, 16, 17, 18, 21, 23, 31, 44, 45, 46, 47, 48 & 51 52R7413 & PT 5 52R3165 AS IN ST39176; CITY OF CORNWALL</p> <p>PIN 60143-0297 PT LT 1 CON 2 CORNWALL PTS 19, 20 & 22 52R7413; SUBJECT TO AN EASEMENT AS IN TC37581; TOGETHER WITH AN EASEMENT OVER PTS 4, 8, 10, 13, 16, 17, 18, 21, 23, 31, 44, 45, 46, 47, 48 & 51 52R7413 & PT 5 52R3165 AS IN ST39176; CITY OF CORNWALL</p> <p>PIN 60143-0299 PT LT 1, A CON 2 CORNWALL; PT W1/2 LT B CON 2 CORNWALL; PT E1/2 LT B CON 2 CORNWALL PTS 24, 25, 26, 27, 28, 29, 30, 32, 34, 35, 37, 38, 40, 49 & 50 52R7413; PARTIAL RELEASE OF TC37532 & TC37533 OVER PTS 5, 6, 7, 9 & 10 52R7356 AS IN ST34255; SUBJECT TO AN EASEMENT AS IN S55541; SUBJECT TO AN EASEMENT AS IN TC37532; SUBJECT TO AN EASEMENT AS IN TC37533; SUBJECT TO AN EASEMENT AS IN TC44364; TOGETHER WITH AN EASEMENT OVER PTS 4, 8, 10, 13, 16, 17, 18, 21, 23, 31, 44, 45, 46, 47, 48 & 51 52R7413 & PT 5 52R3165 AS IN ST39176; CITY OF CORNWALL.</p>	NIL

Draft

**SCHEDULE “E”
PERMITTED ENCUMBRANCES**

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

Draft

TAB 5

Revised: January 21, 2014

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE ———) ~~WEEKDAY~~THURSDAY, THE # 4TH
)
REGIONAL SENIOR JUSTICE ———) DAY OF MONTHJUNE, 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 – BACKUP BID FOR MILTON DC

THIS MOTION, made by ~~[RECEIVER'S NAME]~~ in its capacity as the Court appointed receiver (the "Receiver") of the undertaking, property and assets of ~~[DEBTOR]~~ (the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and ~~[NAME OF PURCHASER]~~

Draft

DOES NOT FOR FILE

(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")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 8450 Boston Church Road, Milton, Ontario, together with certain ancillary assets (the "Transaction") contemplated by a form of Agreement of Purchase and Sale (the "Backup Bid APA") among Target Canada Co. ("TCC"), as Vendor, and CLP Milton Ltd., as Purchaser (the "Purchaser"), dated May 7, 2015 and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the ReportNotice of Motion of the Applicants, the Affidavit of Mark Wong sworn on May 25, 2015 including the exhibits thereto (the "Wong Affidavit"), and the ● Report of Alvarez & Marsal Canada Inc., in its capacity as Monitor (the "Monitor"), filed, and on hearing the submissions of counsel for the Receiver, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, respective counsel for the Applicants and the Partnerships listed on Schedule "A" hereto, the Monitor, Target Corporation, the Purchaser, and such other counsel as were present, no one else appearing although properlyduly served as appears from the affidavit of [NAME] sworn [DATE]Affidavit of Service of Robert Carson sworn May ●, 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

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

proceedings dated January 15, 2015 (the “Initial Order”), or in the Backup Bid APA, as applicable.

EFFECT OF THIS ORDER

3. THIS COURT ORDERS AND DECLARES that this Order shall not be effective unless and until the Monitor delivers a certificate to TCC and the Purchaser substantially in the form attached as Schedule “B” (the “Monitor’s Backup Bid Certificate”) stating that: (i) Lowe’s Companies Canada, ULC (“Lowe’s”) has failed to close the Transaction approved by the Approval and Vesting Order in these proceedings dated May 20, 2015 approving the Agreement of Purchase and Sale among TCC and Lowe’s dated May 7, 2015 in respect of the Subject Assets (the “May 20 Vesting Order”); (ii) TCC has advised the Assignee that it is the Successful Bidder in respect of the Subject Assets; and (iii) TCC has executed the Backup Bid APA. For greater certainty, this Order shall not become effective if the Monitor files the Monitor’s Certificate described in paragraph 4 of the May 20 Vesting Order.

APPROVAL OF THE BACKUP BID APA

4. ~~+-~~ THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved;² and and ratified and that the execution of the Sale Agreement by the Receiver³ Backup Bid APA by TCC is hereby authorized and approved, and ratified with such minor amendments as the Receiver may deem necessary. The Receiver TCC (with the consent of the Monitor) and the Purchaser may agree to in writing. TCC is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser, including the sale, assignment and transfer by TCC of its right, title and interest in and to the Subject Assets to the Purchaser and the Monitor shall be authorized to take such additional steps

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.

in furtherance of its responsibilities under the Backup Bid APA. The legal descriptions and applicable land registry offices with respect to the Subject Assets are as set out on Schedule "D" hereto.

5. ~~2-~~ THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver~~Monitor~~'s certificate to the Purchaser substantially in the form attached as Schedule A~~"C"~~ hereto (the "~~Receiver's~~"Monitor's Closing Certificate"), all of the ~~Debtor~~TCC's right, title and interest in and to the ~~Purchased Assets described in the Sale Agreement [and listed on Schedule B hereto]~~Subject Assets shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, ~~levies~~leases, notices of lease, subleases, licenses, levies, restrictions, rights of retention, judgments, notices of sale, contractual rights, options, liabilities (direct, indirect, absolute or contingent), obligations, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise in respect of the Subject Assets (collectively, the "Claims")⁵, including, without limiting the generality of the foregoing: (i) ~~any encumbrances or charges created by the Order of the Honourable Justice [NAME] dated [DATE];~~ (ii)

(a) the Administration Charge, the KERP Charge, the Directors' Charge, the Financial Advisor Subordinated Charge, the DIP Lender's Charge, the Agent's Charge and Security Interest (collectively, the "CCAA Charges");

(b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario), or any other personal property registry ~~system; and (iii) system; and~~

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.

(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 “E” hereto), and, for greater certainty, this Court orders that all of the Claims and Encumbrances affecting or relating to the ~~Purchased~~ Subject Assets are hereby expunged and discharged as against the ~~Purchased Assets~~ Subject Assets and the real property described in Schedule “D”.

6. ~~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)] delivery of the Monitor’s Closing Certificate to the Purchaser, and upon the registration in the applicable land registry office of an Application for Vesting Order in the form prescribed by the Land Titles Act and/or the Land Registration Reform Act]⁶; the prescribed form together with a certified copy of this Order attached thereto, title to the applicable real property described in Schedule “D” shall be vested in the Purchaser (or in such other name as the Purchaser may direct in writing) free and clear of the Encumbrances and the applicable Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B “D” hereto (the “Real Property”) in fee simple, and is hereby directed to specifically discharge, delete and expunge from title to the Real Property real property described in Schedule “D” all of the Claims Encumbrances listed in Schedule C “D” hereto.

7. ~~4-~~ THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ ~~from received on the sale~~ Closing of the ~~Purchased Assets Transaction~~ shall stand in the place and stead of the ~~Purchased Subject Assets~~; and that from and after the delivery of the ~~Receiver’s~~ Monitor’s Closing Certificate all Claims and Encumbrances shall attach to the net proceeds ~~from the sale of the Purchased Assets~~ therefrom with the same priority as they had with respect to the ~~Purchased Subject Assets~~ immediately prior

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”.

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.

8. ~~5.~~ THIS COURT ORDERS AND DIRECTS the ~~Receiver~~ Monitor to file with the Court a copy of the ~~Receiver's~~ Monitor's Backup Bid Certificate and the Monitor's Closing Certificate, in each case forthwith after delivery thereof in accordance with the terms of the Backup Bid APA and this Order.

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

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

GENERAL PROVISIONS

10. ~~7.~~ THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;

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

-7-

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

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

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.

Draft

DOCUMENT-1201027111

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

Draft

DOCSTOR-12010225114

SCHEDULE "B"

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

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

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

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

BETWEEN:-

~~PLAINTIFF~~

Plaintiff

~~—and—~~

~~DEFENDANT~~

Defendant

RECEIVER/MONITOR'S BACKUP BID CERTIFICATE

RECITALS

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

Draft

- 2 -

have the meanings ascribed to them in the Order of the Court dated June [4], 2015 (the “Backup Bid Approval and Vesting Order”) approving the form of the Agreement of Purchase and Sale entered into among Target Canada Co. (“TCC”) and CLP Milton Ltd. (the “Purchaser”) dated May 7, 2015 (the “Backup Bid APA”), a copy of which is attached as Exhibit C to the Affidavit of Mark Wong dated May 25, 2015 (the “Wong Affidavit”).

- B. ~~Pursuant to an 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”) and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 4 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver. The Backup Bid Approval and Vesting Order states that it will not become effective unless and until the Monitor files this certificate.~~
- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

Draft

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; Lowe’s~~

Companies Canada, ULC has failed to close the Transaction approved by the May 20 Vesting Order.

2. ~~The conditions to Closing as set out in section 4 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and~~ TCC has advised the Purchaser that it is the Successful Bidder in respect of the Subject Assets.

3. ~~The Transaction has been completed to the satisfaction of the Receiver.~~ TCC has executed the Backup Bid APA.

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

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

Per: _____

Name:

Title:

Draft

SCHEDULE "C"

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Schedule B—Purchased Assets

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 CLOSING CERTIFICATERECITALS

- A. All undefined terms in this Monitor's Certificate have the meanings ascribed to them in the Order of the Court dated June [4], 2015 (the "Approval and Vesting Order") approving the Agreement of Purchase and Sale entered into among Target Canada Co. ("TCC") and CLP Milton Ltd. (the "Purchaser") dated May 7, 2015 (the "Backup Bid APA"), a copy of which is attached as Exhibit C to the Affidavit of Mark Wong sworn May 25, 2015.
- B. Pursuant to the Approval and Vesting Order the Court approved the Backup Bid APA and provided for the vesting in the Purchaser of TCC's right, title and interest in and to the Subject Assets, which vesting is to be effective with respect to the Subject Assets upon the delivery by the Monitor to the Purchaser and TCC of a certificate confirming (i) the conditions to Closing as set out in sections 7.1, 7.2 and 7.3 of the Backup Bid APA have

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DOCUMENT IDENTIFICATION

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.

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

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

Per: _____

Name:

Title:

Draft

DOCSTOR-12011927114

Revised: January 21, 2014

SCHEDULE "D"

<u>No.</u>	<u>Location/ Address</u>	<u>Province</u>	<u>Land Registry Office</u>	<u>Legal Description</u>	<u>Encumbrances to be Expunged/ Deleted</u>
1.	Distribution Facility 8450 Boston Church Road Milton	ON	LRO #20	PIN 24977-0401 (LT) <u>BLOCK 2, PLAN 20M983, MILTON, S/T EASEMENT IN GROSS, HR516521 OVER PTS 2 & 3, 20R16916.; SUBJECT TO AN EASEMENT FOR ENTRY AS IN HR948925</u>	NIL

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

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 DOCUMENT 130102711

- 2 -

~~Schedule D—Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property
(unaffected by the Vesting Order)~~

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DOCSTOR-120192714

SCHEDULE "E"
PERMITTED ENCUMBRANCES

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

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TAB 6

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)	THURSDAY, THE 4 TH
)	
REGIONAL SENIOR JUSTICE)	DAY OF JUNE, 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 – BACKUP BID FOR MILTON DC

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 8450 Boston Church Road, Milton, Ontario, together with certain ancillary assets (the “**Transaction**”) contemplated by a form of Agreement of Purchase and Sale (the “**Backup Bid APA**”) among Target Canada Co. (“**TCC**”), as Vendor, and CLP Milton Ltd., as Purchaser (the “**Purchaser**”), dated May 7, 2015 and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of Mark Wong sworn on May 25, 2015 including the exhibits thereto (the “**Wong Affidavit**”), and the ● Report of Alvarez & Marsal Canada Inc., in its capacity as Monitor (the “**Monitor**”), filed, and on hearing the submissions of respective counsel for the Applicants and the Partnerships listed on Schedule “A” hereto, the Monitor, Target Corporation, the Purchaser, and such other counsel as were

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present, no one else appearing although duly served as appears from the Affidavit of Service of Robert Carson sworn May ●, 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 Backup Bid APA, as applicable.

EFFECT OF THIS ORDER

3. THIS COURT ORDERS AND DECLARES that this Order shall not be effective unless and until the Monitor delivers a certificate to TCC and the Purchaser substantially in the form attached as Schedule “B” (the “**Monitor’s Backup Bid Certificate**”) stating that: (i) Lowe’s Companies Canada, ULC (“**Lowe’s**”) has failed to close the Transaction approved by the Approval and Vesting Order in these proceedings dated May 20, 2015 approving the Agreement of Purchase and Sale among TCC and Lowe’s dated May 7, 2015 in respect of the Subject Assets (the “**May 20 Vesting Order**”); (ii) TCC has advised the Assignee that it is the Successful Bidder in respect of the Subject Assets; and (iii) TCC has executed the Backup Bid APA. For greater certainty, this Order shall not become effective if the Monitor files the Monitor’s Certificate described in paragraph 4 of the May 20 Vesting Order.

APPROVAL OF THE BACKUP BID APA

4. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved and ratified and that the execution of the Backup Bid APA by TCC is hereby approved and ratified with such minor amendments as TCC (with the consent of the Monitor) and the Purchaser may agree to in writing. TCC is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction, including the sale, assignment and transfer by TCC of its right, title and interest in and to the Subject Assets to the Purchaser and the Monitor shall be authorized to take such

additional steps in furtherance of its responsibilities under the Backup Bid APA. The legal descriptions and applicable land registry offices with respect to the Subject Assets are as set out on Schedule “D” hereto.

5. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor’s certificate to the Purchaser substantially in the form attached as Schedule “C” hereto (the “**Monitor’s Closing Certificate**”), all of TCC’s right, title and interest in and to the Subject Assets shall vest absolutely in the Purchaser free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, leases, notices of lease, subleases, licenses, levies, restrictions, rights of retention, judgments, notices of sale, contractual rights, options, liabilities (direct, indirect, absolute or contingent), obligations, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise in respect of the Subject Assets (collectively, the “**Claims**”), including, without limiting the generality of the foregoing:

- (a) the Administration Charge, the KERP Charge, the Directors’ Charge, the Financial Advisor Subordinated Charge, the DIP Lender’s Charge, the Agent’s Charge and Security Interest (collectively, the “**CCAA Charges**”);
- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario), 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 “E” 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 property described in Schedule “D”.

6. THIS COURT ORDERS that upon the delivery of the Monitor’s Closing Certificate to the Purchaser, and upon the registration in the applicable land registry office of an Application for Vesting Order in the prescribed form together with a certified copy of this Order

attached thereto, title to the applicable real property described in Schedule “D” shall be vested in the Purchaser (or in such other name as the Purchaser may direct in writing) free and clear of the Encumbrances and the applicable Land Registrar is hereby directed to enter the Purchaser as the owner of the real property identified in Schedule “D” hereto in fee simple, and is hereby directed to specifically discharge, delete and expunge from title to the real property described in Schedule “D” all of the Encumbrances listed in Schedule “D” hereto.

7. 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 Closing 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.

8. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor’s Backup Bid Certificate and the Monitor’s Closing Certificate, in each case forthwith after delivery thereof in accordance with the terms of the Backup Bid APA and this Order.

9. THIS COURT ORDERS that nothing herein or in the Backup Bid APA affects:

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

GENERAL PROVISIONS

10. THIS COURT ORDERS that, notwithstanding:

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

- (c) any assignment in bankruptcy made in respect of TCC;

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

11. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

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

SCHEDULE "A"
PARTNERSHIPS

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

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SCHEDULE “B”

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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

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

MONITOR’S BACKUP BID CERTIFICATE**RECITALS**

- A. All undefined terms in this Monitor’s Backup Bid Certificate have the meanings ascribed to them in the Order of the Court dated June [4], 2015 (the “**Backup Bid Approval and Vesting Order**”) approving the form of the Agreement of Purchase and Sale entered into among Target Canada Co. (“**TCC**”) and CLP Milton Ltd. (the “**Purchaser**”) dated May 7, 2015 (the “**Backup Bid APA**”), a copy of which is attached as Exhibit C to the Affidavit of Mark Wong dated May 25, 2015 (the “**Wong Affidavit**”).
- B. The Backup Bid Approval and Vesting Order states that it will not become effective unless and until the Monitor files this certificate.

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THE MONITOR CERTIFIES the following:

- 1. Lowe’s Companies Canada, ULC has failed to close the Transaction approved by the May 20 Vesting Order.
- 2. TCC has advised the Purchaser that it is the Successful Bidder in respect of the Subject Assets.
- 3. TCC has executed the Backup Bid APA.

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

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

Per: _____
Name:
Title:

Draft

SCHEDULE “C”

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

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

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

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

MONITOR’S CLOSING CERTIFICATE**RECITALS**

- A. All undefined terms in this Monitor’s Certificate have the meanings ascribed to them in the Order of the Court dated June [4], 2015 (the “**Approval and Vesting Order**”) approving the Agreement of Purchase and Sale entered into among Target Canada Co. (“**TCC**”) and CLP Milton Ltd. (the “**Purchaser**”) dated May 7, 2015 (the “**Backup Bid APA**”), a copy of which is attached as Exhibit C to the Affidavit of Mark Wong sworn May 25, 2015.
- B. Pursuant to the Approval and Vesting Order the Court approved the Backup Bid APA and provided for the vesting in the Purchaser of TCC’s right, title and interest in and to the Subject Assets, which vesting is to be effective with respect to the Subject Assets upon the delivery by the Monitor to the Purchaser and TCC of a certificate confirming (i) the conditions to Closing as set out in sections 7.1, 7.2 and 7.3 of the Backup Bid APA have been satisfied or waived by the Purchaser and TCC, as applicable; and (ii) the Transaction has been completed to the satisfaction of the Monitor.

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THE MONITOR CERTIFIES the following:

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

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

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

Per: _____

Name:

Title:

Draft

SCHEDULE "D"

No.	Location/ Address	Province	Land Registry Office	Legal Description	Encumbrances to be Expunged/ Deleted
1.	Distribution Facility 8450 Boston Church Road., Milton	ON	LRO #20	PIN 24977-0401 (LT) BLOCK 2, PLAN 20M983, MILTON. S/T EASEMENT IN GROSS HR516521 OVER PTS 2 & 3, 20R16916.; SUBJECT TO AN EASEMENT FOR ENTRY AS IN HR948925	NIL

Draft

**SCHEDULE “E”
PERMITTED ENCUMBRANCES**

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

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

Applicants

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

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

PROCEEDING COMMENCED AT
TORONTO

MOTION RECORD

**(Motion for Approval of Backup Bids for
Milton and Cornwall Distribution Centres)**

OSLER, HOSKIN & HARCOURT LLP

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

Tracy Sandler (LSUC #: 32443N)

Jeremy Dacks (LSUC #: 41851R)

Shawn Irving (LSUC #: 50035U)

Robert Carson (LSUC #: 57364H)

Tel: (416) 362-2111

Fax: (416) 862-6666

Lawyers for the Applicants

Matter No: 1159785