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PLAINTIFF

SILVER POINT FINANCE, LLC

DEFENDANT

PARAGON CANADA ALEXIS, ULC,
ALEXIS PARAGON LIMITED PARTNERSHIP,
PARAGON TAMARACK ALEXIS GENERAL
PARTNERSHIP, AND PARAGON ALEXIS HOLDINGS
INC.

DOCUMENT

**SECOND REPORT OF ALVAREZ & MARSAL CANADA
INC., IN ITS CAPACITY AS COURT APPOINTED
RECEIVER AND MANAGER OVER THE PROPERTY
OF PARAGON CANADA ALEXIS ULC, ALEXIS
PARAGON LIMITED PARTNERSHIP, AND PARAGON
TAMARACK ALEXIS GENERAL PARTNERSHIP AND
THE FIRST REPORT OF ALVAREZ & MARSAL
CANADA INC., IN ITS CAPACITY AS TRUSTEE OF
PARAGON CANADA ALEXIS ULC, ALEXIS PARAGON
LIMITED PARTNERSHIP, PARAGON TAMARACK
ALEXIS GENERAL PARTNERSHIP AND PARAGON
ALEXIS HOLDINGS INC.**

June 23, 2015

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

RECEIVER AND TRUSTEE

ALVAREZ & MARSAL CANADA INC.
Bow Valley Square I
Suite 570, 202 – 6th Avenue SW
Calgary, Alberta T2P 2R9
Tim Reid
Telephone: (403) 538-4756 / (403) 538-4736
Email: treid@alvarezandmarsal.com

COUNSEL

PARLEE McLAWS LLP
Jeremy Hockin, Q.C.
1500 Manulife Place
10180 – 101 Street
Edmonton, Alberta T5J 4K1
Phone: (780) 423-8532
Fax: (780) 423-2870
Email: jhockin@parlee.com
File# : 73150-1

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INTRODUCTION

1. On January 31, 2014 (the “Receivership Date”), pursuant an order of the Honourable Mr. Justice D.R.G. Thomas (the “Receivership Order”) of the Court of Queen’s Bench of Alberta (the “Court”), Alvarez & Marsal Canada Inc. (“A&M”) was appointed as receiver and manager (the “Receiver”), without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “Property”) of Paragon Canada Alexis, ULC (“PCA”) and Alexis Paragon Limited Partnership (“APLP”) (collectively, the “Eagle River Group” or the “Companies”) and Paragon Tamarack Alexis General Partnership (“PTA”) pursuant to section 13(2) of the Judicature Act, R.S.A. 2000, c.J-2 and section 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the “BIA”) and 65(7) of the Personal Property Security Act, R.S.A. 2000, c. P-7 in the within action (the “Receivership Proceedings”).
2. The Receivership Order authorizes the Receiver, among other things, to manage, operate and carry on the business of the Eagle River Group and to take possession and control of the property of the Eagle River Group and any and all proceeds, receipts and disbursements arising out of or from the Property, and to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business with the approval of the Court.
3. In connection with managing and carrying on the business of the Eagle River Group, the Receiver also managed the affairs of Alexis Casino Limited Partnership (“ACLPL”) up until the closing of the Transaction as PCA was the manager of the Casino facility operated by ACLPL under the a Casino Management Agreement between PCA and ACLPL (the “CMA”). Further information on PCA’s role as manager of the Casino facility was provided in the Receiver’s First Report in clauses 16 to 18.
4. Concurrent with the appointment of the Receiver, the Notices of Intention (“NOI”) to file Proposals for Paragon Alexis Holdings Inc. (“PAHI”), PTA, PCA

and APLP were terminated and deemed bankruptcies occurred. A&M was appointed as trustee in the bankruptcies (“Trustee”) replacing PriceWaterhouseCoopers, the trustee named under the NOI.

5. On March 19, 2014, the Court approved the sale of all of the assets, business and undertakings of the Eagle River Group to Alexis Hotel Corporation (“AHC”) (“Transaction”). The Transaction was completed on June 24, 2014.
6. The Receiver has completed its administration of the Receivership proceedings and is seeking amongst other things, the approval of its accounts, to distribute the remaining funds and obtain its discharge.
7. The Trustee has completed its administration of the bankruptcy proceedings and is seeking approval of its accounts and to obtain its discharge. The Trustee has submitted its Final Receipts and Disbursements to the Office of the Superintendent of Bankruptcy, but has not yet received their comments.
8. The purpose of this second report of the Receiver and the first report of the Trustee (the “Second Report” or the “Report”) is to provide the Court with information in respect of the following:
 - a) activities of the Receiver since the date of the Receiver’s First report on March 17, 2014 and the activities of the Trustee since its appointment;
 - b) closing of the asset purchase agreement (the “APA”) negotiated between the Receiver and AHC relating to the purchase of all of the assets, business and undertakings of the Eagle River Group;
 - c) receipts and disbursements for the period from January 31, 2014 to June 24, 2014 for Alexis Casino Limited Partnership (“ACLP”) and from January 31, 2014 to June 12, 2015 for APLP;

- d) approval of the Receiver's and the Trustee's professional fees and disbursements as well as those of the Receiver's legal counsel, Parlee McLaws LLP ("Parlee");
 - e) distribution of remaining funds in the possession of the Receiver;
 - f) dissolution and termination of the APLP Limited Partnership;
 - g) destruction of records of the Defendants and ACLP in the possession of the Receiver or Trustee;
 - h) the Receiver's discharge including a release from any liability in respect other than gross negligence or willful misconduct in acting in its capacity as Receiver of the Defendants and manager of ACLP through PCA; and
 - i) the Trustee's discharge.
9. Capitalized words or terms not defined or ascribed a meaning herein shall have the meaning ascribed in the Receivership Order.
10. All references to dollars are in Canadian currency unless otherwise noted.

TERMS OF REFERENCE

11. In preparing this Second Report, the Receiver and the Trustee have relied primarily upon the representations of select management and employees of the Eagle River Group as well as unaudited financial information contained in the Eagle River Group's books and records. Neither the Receiver nor the Trustee have performed an audit, review or other verification of such information. An examination of the financial forecast as outlined in the Canadian Institute of Chartered Accountants ("CICA") Handbook has not been performed. Future oriented financial information relied upon in this Report is based on management's assumptions regarding future events and actual results achieved will vary from this information and the variations may be material.

ACTIVITIES OF THE RECEIVER AND THE TRUSTEE

Activities of the Receiver

12. From the date of the First Report of the Receiver until the closing of the Transaction the Receiver's activities included the following:
 - a) attending the head office location of the Eagle River Group to oversee operations until closing of the Transaction;
 - b) maintaining the Receiver's trust accounts for the Eagle River Group;
 - c) conducting meetings with employees regarding WEPP, terminations and the impact of the APA;
 - d) meeting with the Eagle River Group's employees including the general manager, financial controller and general accountant on operational, finance and other matters;
 - e) attending regular management meetings;
 - f) discussing various regulatory matters with AGLC;
 - g) instructing the Receiver's independent legal counsel, Parlee McLaws LLP ("Parlee") on various matters, including the APA and Holdback Agreement;
 - h) managing day to day operations of the Eagle River Group, including employee supervision, banking arrangements, payroll processing, purchase order approvals and payments to suppliers;
 - i) liaising with insurance brokers on claims and various other insurance matters;

- j) meeting with various creditors and suppliers (or their representatives), employees and other stakeholders including regulators and related parties;
- k) closing the Transaction pursuant to the terms of the APA and Sale Approval Order;
- l) prepared and implemented a transition plan for the transfer of the casino and gas station operations to AHC;
- m) providing instructions to accounting and tax advisors on the preparation of final financial statements and tax returns for Eagle River Group entities;
- n) managing day to day banking arrangements with assistance from the financial controller and general accountant;
- o) attending to information technology related matters including accounting and surveillance system upgrades;
- p) preparing regular receipts and disbursement statements for the Eagle River Group's operations;
- q) preparing monthly cash flow forecasts and budgets for the Eagle River Group and monitoring of actual cash balances;
- r) arranging funds for the ongoing operations of the Eagle River Group and preparing regular reports on the use of the funds;
- s) attending inventory counts for the closing of the Transaction; and
- t) correspondence with CRA on withholding tax and GST audits and GST filings;
- u) finalizing WCB reporting;

- v) preparing the Statement of Receipts and Disbursements;

Activities of the Trustee

- w) dealing with the creditors of the estate and monitoring the activities of the Receiver; and
- x) preparing the accounts of the Trustee and convening and chairing a final inspector's meeting to approve same.

MATTERS TO COMPLETE

13. From the date of the closing of the Transaction until the date of this Second Report, the Receiver's activities have included the following:
 - a) dealing with various information requests and audits for CRA;
 - b) dealing with issues relating to the termination and dissolution of the limited partnership, APLP;
 - c) providing instructions on the preparation of financial statements for the Eagle River Group;
 - d) providing instructions on the preparation and filing of final tax returns for the Eagle River Group; and
 - e) dealing with various other matters including information requests from WCB and Service Canada, settlement of an insurance claim and the payment of final cheques signed by the Receiver.
14. Administration of the Receivership and the bankruptcy proceedings are complete other than those matters addressed herein including the filing of regulatory reports, payment of outstanding professional fees, refund of Holdback Amounts, closure of various bank accounts and the dissolution of APLP, all of which will be dealt with upon the Receiver's and Trustee's discharge.

CLOSING OF THE ASSET PURCHASE AGREEMENT

15. Pursuant to the Sale Approval and Vesting Order (“Sale Approval Order”), the Receiver was authorized to execute the APA and other documents required to complete the Transaction.
16. In accordance with the provisions of the APA the Receiver and its counsel compiled all of the various information and documentation necessary to close the Transaction. The Transaction was completed on June 24, 2014.
17. As discussed in paragraph 12, the Receiver continued to oversee the operations of the Eagle River Group until the Transaction closed.

COMBINED STATEMENT OF RECEIPTS AND DISBURSEMENTS

18. A summary of the actual combined cash flow for the period from January 31, 2014 to June 18, 2015 is set out below. This cash flow includes receipts and disbursements relating to the Eagle River Group and ACLP since PCA managed the Casino Facility under the CMA. The Receiver’s involvement in managing the Casino terminated upon the closing of the APA. The combined cash flow includes receipts and disbursement of ACLP from January 31, 2014 to June 24, 2014 and the receipts and disbursement of APLP from January 31, 2014 to June 18, 2015.

Eagle River Casino & Travel Plaza**Combined Statement of Receipts & Disbursements for Alexis Paragon Limited Partnership, Paragon Canada Alexis ULC and Alexis Casino Limited Partnership (note (a))**

For the period January 31, 2014 to June 18, 2015

(\$000's)

	Note	
Receipts		
Cage receipts relating to slots	b	7,398
Table games revenue		608
Off track betting revenue		70
WCLC lottery revenue		36
Poker revenue		3
Fuel receipts		2,904
Gas bar product receipts		1,008
Food and beverage		750
Other operating receipts and refunds		206
Total Receipts		12,983
Disbursements		
Payments to AGLC		6,357
Payments to Alexis Hotel Corporation		1,771
Payments to Northern ISGA Foundation		157
Jackpot paid by cheque		301
Off track betting and WCLC payments		65
Fuel purchases		2,625
Husky fuel deposits		-
Gas bar product purchases		958
Critical suppliers arrears payments		276
Payroll expenses		1,093
Food & beverage and general operating expenses		1,522
Professional fees paid		1,192
Total Disbursements		16,318
Total Total Receipts From Operations Less Disbursements		(3,335)
FNDF monies received under Memoranda of Agreements		2,800
Balance FNDF funds received from Alexis First Nation		580
Husky Rebates		244
Total Receipts less Total Disbursements		\$ 289
Opening balances as at January 31, 2014	c	360
Closing balances as at June 18, 2015		\$ 649

Notes:

(a) ACLP has been included in the above analysis as PCA managed the casino under the Casino Management Agreement up until the closing of the Transaction.

(b) These amounts include bank deposits from ATMs, and debit/credit cards and are stated net of coin note orders.

(c) The opening and closing balances are bank balances and do not include cash held for operating the casino.

19. Total receipts of \$13.0 million include the following receipts:

- a) operating receipts of the casino which include gross receipts from slot machine, table games, betting and lottery ticket sales excluding

amounts due to third parties such as AGLC which are included in disbursements below.

- b) restaurant and bar sales; and
 - c) gas station sales which include fuel and convenience store items such as tobacco sales and food and beverage sales.
20. Other operating receipts include GST refunds and other miscellaneous operating receipts.
21. Total disbursements of \$15.9 million include the payments to:
- a) AGLC of \$6.4 million in accordance with ACLP's gaming licensing agreement;
 - b) AHC relating to the Transaction and the release of surplus holdback amounts to ACLP;
 - c) Northern IGSA Foundation for operating the table games at the casino;
 - d) jackpot payments to customers;
 - e) third party gaming vendors such as off track betting system and lottery providers;
 - f) fuel deposits and purchases from Husky Oil Limited ("Husky") amounting to \$2.6 million to supply gas and diesel for the gas station;
 - g) tobacco and other suppliers for the gas station convenience store operations totalling \$1.0 million;
 - h) critical vendors at the Receivership Date to ensure the continued operations of the casino and the gas station;

- i) employees for payroll expenses and CRA for payroll withholding taxes totalling \$1.1 million;
 - j) various vendors for the provision of food and beverage supplies, other supplies and services relating to the operations of the casino and the gas stations; and
 - k) the Monitor, its legal counsel and Kingston Ross Pasnak LLP (“KRP”), accountants, for professional fees relating to the Receivership and the preparation of financial statements and tax returns for the Eagle River Group. The professional fees of the Receiver and its legal counsel have been paid up to May 31, 2015. There are estimated unpaid professional fees (before applicable taxes) of \$110,000 to be paid to complete the administration of the Receivership and the bankruptcy. These amounts include \$43,000 for the Receiver, \$30,000 for the Trustee, \$25,000 for the Receiver’s legal counsel and \$12,000 for KRP.
22. During the Receivership the Receiver received \$2.8 million of First Nations Development Funds (“FNDF”) monies under various memoranda of agreements. These funds were used by APLP to fund fuel purchases. In addition, the Receiver received \$580,000 in FNDF from the Alexis First Nation.
23. Total receipts less total disbursements for the Receivership from January 31, 2014 to June 18, 2015 were \$289,000 resulting in a closing balance on hand of \$649,000 as at June 18, 2015.

PROPOSED DISTRIBUTION OF REMAINING FUNDS

24. As part of the Transaction, the Receiver, AHC, Silver Point, and various related parties entered into a Flow of Funds, Holdback and Indemnity Agreement (“Holdback Agreement”). A copy of this Agreement is attached as Appendix “A”. Among other things, the Holdback Agreement provided that the Receiver

was entitled to holdback a cash reserve from the Purchased Assets at closing in an amount and on terms to be agreed between the Receiver, AHC and Silver Point.

25. The holdback amounts (“Holdback Amounts”) were to be used to pay known or potential expenses or claims such as vendor and payroll obligations of ACLP and potential claims against PCA, PTA or APLP or the Receiver and the Receiver’s fees including its counsel, the Trustee’s fees and other operating costs. These amounts are currently held in bank accounts controlled by the Receiver.
26. The Receiver could at its discretion return Holdback Amounts if not required to satisfy obligations of the Receiver. During the Receivership, \$237,000 of the Holdback Amounts were returned to ACLP and have been included in the above disbursements as noted in clause 21(b) above .
27. Upon the discharge of the Receiver by this Court, the Receiver will remit any remaining amounts to AHC or ACLP as the case may be. The anticipated amount to be returned, after payments of remaining anticipated professional fees of \$110,000 and receipt of estimated GST refunds, is \$539,000.

PROFESSIONAL FEES

28. Summarized in the table below are the professional fees and disbursements of the Receiver and its legal counsel Parlee (and applicable taxes) for the period from January 31, 2014 to May 31, 2015.

Eagle River Casino Summary of Professional Fees and Disbursements For the Period from January 31 to May 31, 2015					
Firm	Fees	Disbursements	HST/Taxes	Total	
Alvarez & Marsal Canada Inc.	\$ 856,993.00	\$ 20,662.66	\$ 43,882.60	\$ 921,538.26	
Parlee McLaws LLP	190,047.50	4,326.82	9,802.17	204,176.49	
Total	\$ 1,047,040.50	\$ 24,989.48	\$ 53,684.77	\$ 1,125,714.75	

29. Attached as Appendix “B” is a summary of the Receiver’s professional fees and disbursements for the period ending May 31, 2015 which total \$921,538.26,

including out of pocket disbursements of \$20,662.66 and applicable taxes of \$43,882.60.

30. Attached as Appendix “C” is a summary of the professional fees and disbursements charged by the Receiver’s legal counsel, Parlee, for the period ending December 31, 2014, which total \$204,176.49 including out of pocket disbursements of \$4,329.82 and applicable taxes of \$9,802.17.
31. The Receiver is of the view that its professional fees and disbursements have been properly incurred and are fair and reasonable in the circumstances, as are its estimated fees and disbursements associated with the discharge of its duties as Receiver and completion of the administration of the Receivership Proceedings.
32. The Receiver also considers that Parlee’s fees and disbursements have been necessarily incurred and that the hours and rates charged are fair and reasonable given the circumstances, as are Parlee’s estimated fees and disbursements to the completion of the Receivership Proceedings.
33. The Receiver is not aware of any creditor or any stakeholder in the Receivership Proceedings that has taken issue with the professional fees charged. Copies of the Receiver’s and the Trustee’s invoices and those of the Receiver’s legal counsel are available upon request.
34. The Trustee seeks approval of its Statement of Receipts and Disbursements and professional fees from the inception of the bankruptcy of PCA and APLP until its discharge of \$28,119 (exclusive of applicable taxes). Attached as Appendix “D” hereto is the Trustee and the Inspector’s resolution approving same. The Trustee’s fees were guaranteed by the Receiver but have not yet been paid. The material has been submitted to the Official Receiver and the Trustee is awaiting a response.

- a) The Trustee advises the Court that its fees are calculated based on time spent at standard rates and in the Trustee's view are appropriate in the circumstance; and
 - b) The Trustee requests the Court approve its accounts.
35. As noted in paragraph 21(k), the Receiver and Parlee anticipate additional fees and disbursements of approximately \$68,000 (exclusive of applicable taxes) to deal with various outstanding matters.
36. To cover various outstanding professional fees, the Receiver proposes to holdback \$110,000 (before applicable taxes), which includes the fees of the Receiver, its legal counsel, KRP and the Trustee, to be paid to complete the administration of the receivership and the bankruptcies and requests the Court dispense with the approval of the actual fees incurred without further order.

TERMINATION AND DISSOLUTION OF ALEXIS PARAGON LIMITED PARTNERSHIP

37. Unlike the situation with corporations, limited partnerships do not dissolve or terminate or otherwise cease to exist if annual returns are not filed. Limited partnerships are governed by their partnership agreement which addresses the events which can give rise to dissolution and termination of the limited partnership. APLP's partnership agreement contains provisions which deal with the termination and dissolution of the APLP limited partnership (the "APLP Limited Partnership") in the event of the appointment of a receiver or the bankruptcy of the General Partner, PCA. Both of these situations apply to APLP. Through its legal and tax advisors, Alexis Trustee Corp. ("ATC"), the limited partner of APLP, has requested that the APLP Limited Partnership be terminated and dissolved upon the discharge of the Receiver to ensure that there are no future potential tax related issues arising for ATC.
38. ATC is seeking a declaration from this Court that, upon the final discharge of the

Receiver, the partnership is terminated and dissolved with a further direction to the Registrar of Corporations that the APLP Limited Partnership certificate be cancelled.

39. The Receiver believes that the termination and dissolution of the APLP Limited Partnership is appropriate given the circumstances.

RECEIVER'S RECOMMENDATIONS

40. The Receiver recommends that the Court approve the application for an order:
- a) approving the Receiver's activities;
 - b) approving the Receiver's fees and disbursements and those of its legal counsel;
 - c) discharging the Receiver from its duties under the Initial Order;
 - d) discharging the Trustee from its duties;
 - e) directing the termination and dissolution of the APLP Limited Partnership; and
 - f) releasing the Receiver (and its directors, officers and employees) from any liability in respect of the Receiver's acts and omissions in its capacity as Receiver of the Defendants and ACLP.

All of which is respectfully submitted this 23rd day of June, 2015.

**ALVAREZ & MARSAL CANADA INC.,
in its capacity as Receiver of
Paragon Canada Alexis, ULC,
Alexis Paragon Limited Partnership,
and Paragon Tamarack Alexis
General Partnership**



Tim Reid, CA•CIRP
Senior Vice-President

**The Eagle River Group
Flow of Funds, Holdback and Indemnity Agreement**

FLOW OF FUNDS, HOLDBACK AND INDEMNITY AGREEMENT

THIS AGREEMENT dated as of the 24th day of June, 2014 (as amended, restated, supplemented or otherwise modified from time to time, the “**Agreement**”)

AMONG:

ALEXIS HOTEL CORPORATION, a corporation incorporated pursuant to the laws of the Province of Alberta (“**AHC**”),

ALEXIS TRUSTEE CORP., a corporation incorporated pursuant to the laws of the Province of Alberta (“**ATC**”),

ALEXIS FIRST NATION BUSINESS TRUST (“**ABT**”), as represented by its trustee, **ATC**,

ALEXIS CASINO CORPORATION, a corporation incorporated pursuant to the laws of the Province of Alberta (“**ACC**”),

ALEXIS CASINO LIMITED PARTNERSHIP (“**ACL**”), as represented by its general partner, **ACC**, and

ALEXIS LAND MANAGEMENT CORP. (“**ALMC**”), a corporation incorporated pursuant to the laws of the Province of Alberta

(collectively, the “**Alexis Entities**”)

– and –

ALVAREZ AND MARSAL CANADA INC., solely in its capacity as court-appointed receiver and manager of Alexis Paragon Limited Partnership (“**APLP**”), Paragon Canada Alexis ULC (“**PCA**”), and Paragon Tamarack Alexis General Partnership (“**PTA**”) (in such capacity, the “**Receiver**”)

– and –

SILVER POINT FINANCE, LLC (“**Silver Point**”)

– and –

SPCP GROUP, LLC (“**SPCP**”)

WHEREAS:

- A. On the application of Silver Point, Alvarez & Marsal Canada Inc. was appointed as receiver and manager of PCA, APLP and PTA (together with Paragon Alexis Holdings Inc., the “**Original Debtors**”) and as the bankruptcy trustee of the Original Debtors (in such capacity, the “**Trustee**”) by Order of the Honourable Mr. Justice D.R.G. Thomas of the Court of Queen’s Bench of Alberta (the “**Court**”) dated January 31, 2014 (the “**Receivership Order**”).
- B. The Receiver, as vendor, and AHC, as purchaser, have entered into an Asset Purchase Agreement (the “**APA**”) dated as of March 10, 2014, pursuant to which the Receiver has agreed to sell to AHC, and AHC has agreed to purchase from the Receiver, all of the right, title and interest in and to the Purchased Assets (as such term is defined in the APA) on the terms and conditions of the APA. The APA was approved by the Court pursuant to an Order dated March 17, 2014 (the “**Sale Approval and Vesting Order**”).
- C. AHC, as borrower, and ABT, ATC, ACC, ALMC (on a limited recourse basis) and ACLP (the “**Guarantors**”), as guarantors, intend to enter into a credit agreement dated as of the date hereof with Silver Point, as collateral agent, administrative agent and lead arranger and the lenders listed therein (as amended, restated, supplemented or otherwise modified from time to time, the “**Credit Agreement**”).
- D. The closing of the transactions contemplated in the APA and the Credit Agreement are to occur simultaneously (the “**Closing**”) once all conditions precedent set forth in the APA and the Credit Agreement have been satisfied or waived by the applicable parties.
- E. Pursuant to section 3.1(z) of the Credit Agreement, it is a condition to Closing that all FNDF Funds (as defined in the Credit Agreement) presently held by ATC and any additional FNDF Funds received by ATC prior to Closing, less \$250,000 to be retained by ATC and less any applicable bank fees and charges not to exceed \$5,000, shall be paid into the Company Blocked Account (as defined in the Credit Agreement) (the “**ATC FNDF Payment**”).
- F. The APA provides that, as consideration for the purchase of the Purchased Assets (as defined in the APA), AHC shall, on Closing: (a) assume, on a first lien secured basis, the obligation to pay Silver Point \$29.5 million of the Existing Debt (as defined in the APA) owed by PCA to Silver Point under the Original Credit Agreement (as defined in the APA), which assumed debt shall be governed by the Credit Agreement, guaranteed by the Guarantors and secured by new first lien security acceptable to Silver Point, and (b) pay to the Receiver \$3.5 million in cash, which sum shall be adjusted by an amount of up to \$500,000 to credit AHC for cash expended by the Receiver from certain accounts of APLP to the extent that such cash expenditures are

attributable to the fees and expenses of the Receiver and its counsel (as so adjusted, the “**Closing Purchase Price Payment**”).

- G. It has been determined by the parties hereto (each a “**Party**” and collectively the “**Parties**”) that, in accordance with the adjustment provided for in section 3.1(b) of the APA, the amount owing by AHC to the Receiver in respect of the Closing Purchase Price Payment is \$3 million.
- H. The Sale Approval and Vesting Order provides that the Receiver is authorized and directed to make a distribution to Silver Point, concurrently with the Closing, of an amount equal to the Closing Purchase Price Payment (the “**Silver Point Purchase Price Distribution Payment**”).
- I. Pursuant to section 2.10 of the APA, as part of the conveyance of the Purchased Assets to AHC on Closing, the Receiver is required to pay to AHC all cash amounts held by the Receiver that constitute Purchased Assets less the amount of the Holdback (as defined below) (the “**Purchased Asset Cash Payment**”).
- J. Section 3.2 of APA provides that the Receiver shall be entitled to hold back a cash reserve from the Purchase Assets on Closing in an amount and on terms to be agreed between the Receiver, AHC and Silver Point (the “**Holdback**”).
- K. Section 9.2 of the Credit Agreement provides that AHC and the Guarantors shall pay certain costs and expenses of Silver Point as more particularly described therein (the “**Silver Point Expenses Payment**”).
- L. Pursuant to a Fee Letter entered into in connection with the Credit Agreement as of the date hereof, AHC is required to pay an administrative fee to Silver Point, in its capacity as administrative agent and collateral agent (the “**Agent**”) in the amount of \$125,000 per annum, the first payment of which shall occur on Closing (the “**Closing Administrative Fee Payment**”);
- M. SPCP, which is the lender of the Existing Debt, as assignor, and the Alexis Entities, as assignees, intend to enter into a Debt Assignment Agreement dated as of the date hereof pursuant to which, concurrently with the Closing, SPCP will assign \$2 million of the Existing Debt to the assignees in consideration for a payment of \$1 million by AHC, on behalf of the assignees, to SPCP (the “**Debt Purchase Payment**”).
- N. Silver Point requires that \$25,222.50 be paid by AHC to FCT Insurance Company Ltd. (“**FCT**”) on Closing (the “**Title Insurance Payment**”) in respect of policy premiums for the title insurance policy to be entered into on Closing.
- O. The APA provides that the Casino Management Agreement originally executed by ACLP and PCA will be terminated on Closing and PCA and APLP by their receiver and manager (the “**Original Operator**”) will thereupon cease to manage the Casino (as defined in the APA). The Original Operator will have incurred obligations on

behalf of ACLP on or after the date of the Receivership Order but prior to the Closing, and at the time of Closing certain of such obligations will remain outstanding as accounts payable, accrued liabilities and unpaid cheques (such outstanding obligations being the “**ACLP Obligations**”). ACLP is to pay such ACLP Obligations in the ordinary course of business following Closing.

- P. The Original Operator has also employed and supplied workers for the Casino and will have an outstanding payroll liability of approximately \$85,000 in respect of services rendered prior to Closing (the “**ACLP Payroll Obligations**”), which is to be paid by the Receiver on the first payroll date following Closing.
- Q. The Parties wish to enter into this Agreement to set forth the arrangements among them with respect to (i) the terms and the amount of the Holdback and (ii) the flow of funds on Closing, including the ATC FNDF Payment, the Closing Purchase Price Payment, the Silver Point Purchase Price Distribution Payment, the Purchased Asset Cash Payment, the Closing Administrative Fee Payment, the Silver Point Expenses Payment, the Debt Purchase Payment and the Title Insurance Payment.

NOW THEREFORE in consideration of the respective covenants, agreements, representations and warranties herein contained, and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each Party, the Parties hereby agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, all capitalized words and phrases used but not defined herein shall have the meanings given to them in the Credit Agreement or the Asset Purchase Agreement, as applicable.

1.2 Headings

The division of this Agreement into articles and sections is for convenience of reference only and shall not affect the construction or interpretation hereof. Unless otherwise indicated, any reference in this Agreement to an article or section refers to the specified article or section of this Agreement.

1.3 Interpretation

For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (a) words importing the singular include the plural and *vice versa* and words importing gender include all genders;

- (b) the word “**including**” shall mean “**including without limitation**” and shall not be construed to limit any general statement which it follows to the specific or similar items or matters immediately following it;
- (c) any reference to a statute shall mean the statute in force as of the date hereof, together with all regulations promulgated thereunder, as the same may be amended, re-enacted, consolidated and/or replaced from time to time, and any successor statute thereto, unless otherwise expressly provided;
- (d) any reference to the sign “\$” shall be deemed to be a reference to lawful money of Canada, unless otherwise expressly provided;
- (e) accounting terms shall be construed in accordance with Canadian generally accepted accounting principles, consistently applied; and
- (f) any reference to an entity (including, a limited partnership) shall include and shall be deemed to be a reference to any entity that is a successor of such entity.

ARTICLE 2 RECEIVER’S HOLDBACK AND INDEMNITY

2.1 Holdback

The Holdback shall consist of the ACLP Obligations Holdback, the ACLP Payroll Holdback, the Potential Claims Holdback and the Receiver’s Fees and Operating Cost Holdback (each as defined below). The terms of Article 2 of this Agreement constitute the terms to be agreed between AHC, the Receiver and Silver Point as referred to in section 3.2 of the APA, and the execution of this Agreement satisfies the condition precedent set forth in section 9.1(d) of the APA. The Receiver shall administer the Holdback in accordance with Article 2 of this Agreement.

2.2 Holdback Terms and Amounts

Notwithstanding the conveyance of the Purchased Assets to AHC on Closing:

- (a) The Receiver shall be entitled to hold back a cash reserve from the accounts maintained by the Original Operator in respect of ACLP in the amount of up to \$257,000 on account of the ACLP Obligations incurred on or after the date of the Receivership Order but prior to the Closing to the extent that such obligations remain unpaid on Closing (the “**ACLP Obligations Holdback**”). ACLP shall satisfy such ACLP Obligations in the ordinary course of business after Closing. Upon confirmation in writing by ACLP to the Receiver after Closing that any such ACLP Obligations or any portion thereof have been satisfied by or on behalf of ACLP, the Receiver shall forthwith remit to ACLP from the ACLP Obligations Holdback such amount as the Receiver considers appropriate, acting reasonably.
- (b) The Receiver shall be entitled to hold back a cash reserve from the accounts maintained by the Original Operator in respect of ACLP in the amount of \$85,000

(the “**ACLP Payroll Holdback**”) to satisfy the ACLP Payroll Obligations. The Receiver shall satisfy the ACLP Payroll Obligations on the first payroll date following Closing.

- (c) The Receiver shall hold back a cash reserve from the Purchased Assets in the amount of \$400,000 on account of any potential claims against PCA, PTA or APLP (or the Receiver as the receiver and manager of such entities) or for any ACLP Obligations satisfied by the Receiver (the “**Potential Claims Holdback**”). The Receiver shall be entitled to deploy the Potential Claims Holdback in its reasonable discretion to satisfy the duties and obligations of the Receiver until the Discharge Date (as defined below). The Potential Claims Holdback will initially include \$275,000 of funds received by the Receiver from the APLP FNDF blocked account (the “**MOA Funds**”) pursuant to the Memorandum of Agreement dated April 24, 2014 (“**MOA**”). The Parties acknowledge that the MOA Funds have not been used to purchase fuel in the manner described by the MOA. AHC and the Receiver agree as follows in relation to the MOA Funds:
 - (i) unless the Discharge Date has occurred prior to any of the dates listed in this sub-clause, AHC shall pay to the Receiver the following amounts in cash that is free from any regulatory restrictions (i.e. cash that does not constitute FNDF Funds): \$100,000 on July 4, 2014; \$100,000 on July 11, 2014; and \$75,000 on July 18, 2014 (each an “**Unrestricted Cash Payment**”);
 - (ii) concurrently with the payment by AHC to the Receiver of any Unrestricted Cash Payment, the Receiver shall pay to AHC a corresponding amount of MOA Funds.
- (d) The Receiver shall hold back a cash reserve of \$430,000 (such amount to be adjusted upward or downward in the Receiver’s reasonable discretion depending on the amounts outstanding in respect of the items noted in sub-clauses (i) and (ii) of this paragraph at the time of Closing, but if so adjusted such adjustment shall not reduce the Silver Point Purchase Price Distribution Payment or the Purchased Asset Cash Payment) to pay (i) the unpaid cheques, accounts payable, accrued liabilities and payroll of APLP incurred on or after the date of the Receivership Order but prior to the Closing to the extent that such obligations remain unpaid on Closing and (ii) the reasonable fees and disbursements of the Receiver, the Trustee and its counsel incurred prior to the Discharge Date (the “**Receiver’s Fees and Operating Cost Holdback**”).
- (e) If any amounts remain in the ACLP Obligations Holdback, the ACLP Payroll Holdback, the Potential Claims Holdback or the Receiver’s Fees and Operating Cost Holdback at the time of the discharge of the Receiver by the Court (the “**Discharge Date**”), the Receiver shall remit such remaining amounts to AHC or ACLP, as the case may be, on the Discharge Date.

- (f) The Receiver may make periodic transfers of the Holdback amounts to AHC prior to the Discharge Date if, in the Receiver's opinion, it is not necessary to hold such amounts to the purposes described in this section 2.2.
- (g) The Receiver shall provide an accounting of the Holdback amounts to Silver Point and AHC upon request and shall provide a final accounting of the Holdback amounts to Silver Point and AHC on the Discharge Date.
- (h) For greater certainty, nothing in this Agreement affects or alters the priorities of the creditors of the Original Debtors.

2.3 Indemnification

Each of the Alexis Entities agrees to indemnify, pay and hold harmless the Receiver from and against any and all liabilities, obligations, losses, damages, claims, costs, expenses and disbursements of any kind (including the reasonable fees and disbursements of counsel) arising after Closing but prior to the Discharge Date that are incurred by the Receiver as a result of the Receiver's duties, obligations or conduct as Receiver (the "**Indemnified Liabilities**"), provided that (i) the Alexis Entities shall not have any obligation with respect to any Indemnified Liabilities to the extent such Indemnified Liabilities arise from the gross negligence or willful misconduct of the Receiver; (ii) the maximum amount of the Alexis Entities' indemnification obligations under this section 2.3 (the "**Indemnification Obligations**") is \$1 million; (iii) recourse against ALMC with respect to its obligations under this section 2.3 is limited to the assets owned by ALMC that relate to the Eagle River Casino & Travel Plaza; (iv) prior to seeking indemnification under this section 2.3, the Receiver will first (a) use its best efforts to seek protection under the limitation of liability clause set forth in paragraph 16 of the Receivership Order (as amended by paragraph 8 of the Sale Approval and Vesting Order) and (b) use and exhaust the Holdback to satisfy any Indemnified Liabilities; and (v) the indemnity obligations in this section 2.3 shall terminate automatically without any further action upon the discharge of the Receiver on the Discharge Date.

2.4 Indemnification Demand and Payment

If any Indemnification Obligations become owing by the Alexis Entities to the Receiver pursuant to section 2.3 hereof, then the Receiver shall deliver to the Alexis Entities (with a copy to Silver Point) a written demand for the payment of such Indemnification Obligations, specifying in detail the particulars of the applicable Indemnified Liabilities and the steps taken by the Receiver pursuant to section 2.3(iv) hereof (the "**Indemnification Demand**"). If there is a dispute between the Parties as to whether any such Indemnification Obligations are properly owing by the Alexis Entities or the amount of such Indemnification Obligations, each of the Parties shall have the right, for a period of 30 days from the delivery of the Indemnification Demand, to refer the dispute to the Court for final determination (with all rights of appeal waived). The Alexis Entities shall pay any Indemnification Obligations owing to the Receiver: (i) within 30 days of delivery by the Receiver of the Indemnification Demand if no dispute is referred to the Court of Queen's Bench; and (ii) within 30 days of any determination of the matter by the Court (the "**Indemnification Payment Deadline**"). If the Alexis Entities fail to pay any Indemnification Obligations on or prior to the Indemnification Deadline, an Event of Default (as defined in the

Credit Agreement) shall be deemed to occur under section 7.1(b) of the Credit Agreement (notwithstanding any minimum amount set forth therein) and Silver Point, in its capacity as collateral agent under the Credit Agreement, shall have the right to exercise any of its rights and remedies provided for in the Credit Documents (as defined in the Credit Agreement) in respect of such Event of Default.

**ARTICLE 3
FLOW OF FUNDS ON CLOSING**

3.1 Closing Payments

The Parties hereby agree and irrevocably direct that the following payments shall be made in the following manner on or immediately prior to Closing, as applicable:

- (a) **ATC FNDF Payment:** ATC is required to pay the ATC FNDF Payment to AHC immediately prior to the Closing, and such amount is to be received and maintained by AHC in the Company Blocked Account. The Parties agree that the amount of the ATC FNDF Payment is \$6,064,844.80, and the Parties hereby agree and irrevocably direct that the following payment shall be made immediately prior to Closing in full satisfaction of the ATC FNDF Payment:

Payor	Recipient	Amount	Instructions
ATC	AHC	\$6,064,844.80	Wire transfer to AHC Account listed on Schedule A

- (b) **Closing Purchase Price Payment / Silver Point Purchase Price Distribution Payment:** AHC is required to pay the Closing Purchase Price Payment to the Receiver on Closing, and the Receiver is required to pay the Silver Point Purchase Price Distribution Payment to Silver Point on Closing, each payment being in the amount of \$3 million. The Parties agree and irrevocably direct that the following payment shall be made on Closing in full satisfaction of the Closing Purchase Price Payment and the Silver Point Purchase Price Distribution Payment:

Payor	Recipient	Amount	Instructions
AHC	Silver Point	\$3,000,000	Wire transfer to Silver Point Account listed on Schedule B

- (c) **Purchased Asset Cash Payment:** The Receiver is required to pay the Purchased Asset Cash Payment to AHC on Closing. The Parties hereby agree that the amount of the Purchased Asset Cash Payment is \$1,154,791.19, and the Parties hereby agree and irrevocably direct that the following payments shall be made in the following manner on Closing in full satisfaction of the Purchased Asset Cash Payment:

Payor	Recipient	Amount	Instructions
Receiver	AHC	\$1,154,791.19 ¹	Wire transfer to AHC Account listed on Schedule A

- (d) **Closing Administrative Fee Payment:** AHC is required to pay the Closing Administrative Fee Payment to Silver Point on Closing in the amount of \$125,000. The Parties hereby agree and irrevocably direct that the following payment shall be made on Closing on account of the Closing Administrative Fee Payment:

Payor	Recipient	Amount	Instructions
AHC	Silver Point	\$125,000	Wire transfer to Silver Point Account listed on Schedule B

- (e) **Silver Point Expenses Payment:** AHC is required to pay the Silver Point Expenses Payment to Silver Point on Closing. The Parties hereby agree that the amount of the Silver Point Expenses Payment is US\$782,676.33 and \$426,233.65, and the Parties hereby agree and irrevocably direct that the following payments shall be made on Closing on account of the Silver Point Expenses Payment, provided that it is acknowledged and agreed by the Alexis Entities that any costs or expenses of Silver Point that arise or become due after Closing and that are required to be reimbursed pursuant to section 9.2 of the Credit Agreement shall be reimbursed to Silver Point after Closing as set forth in section 9.2 of the Credit Agreement:

¹ Of this amount, (i) \$579,771.19 will consist of funds received by the Receiver from the APLP FNDF blocked account, and (ii) \$575,000 will consist of funds from APLP's general account maintained by the Receiver.

Payor	Recipient	Amount	Instructions
AHC	Silver Point	US\$782,676.33	Wire transfer to Silver Point Account listed on Schedule C
AHC	Silver Point	\$426,233.65	Wire transfer to Silver Point Account listed on Schedule B

- (f) **Debt Purchase Payment:** AHC is required to pay the Debt Purchase Payment to Silver Point on Closing in the amount of \$1 million. The Parties hereby agree and irrevocably direct that the following payment shall be made on Closing in full satisfaction of the Debt Purchase Payment:

Payor	Recipient	Amount	Instructions
AHC	SPCP	\$1,000,000	Wire transfer to SPCP Account listed on Schedule D

- (g) **Title Insurance Payment:** AHC is required to pay the Title Insurance Payment to FCT on Closing in the amount of \$25,222.50. The Parties hereby agree and irrevocably direct that the following payment shall be made on Closing in full satisfaction of the Title Insurance Payment:

Payor	Recipient	Amount	Instructions
AHC	FCT	\$25,222.50	Wire transfer to FCT Account listed on Schedule E

ARTICLE 4 GENERAL PROVISIONS

4.1 Binding Agreement

Subject to the restrictions on assignment and transfer herein contained, this Agreement will enure to the benefit of and be and be binding upon the Parties and their respective successors and assigns.

4.2 Modification and Changes

This Agreement cannot be amended or modified except pursuant to an instrument in writing executed by each of the Parties.

4.3 Severability and Enforceability

If any provision of this Agreement is determined to be invalid, illegal or unenforceable as written, such provision shall be enforced to the maximum extent permitted by applicable law, failing which such provision will be deemed to be severable from this Agreement and will not affect the remainder of this Agreement.

4.4 Time of Essence

Time shall in all respects be of the essence hereof.

4.5 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta and laws of Canada applicable therein.

4.6 Termination and Survival of Covenants

This agreement will terminate automatically and without further action on the Discharge Date, provided that any covenant, term or provision of this Agreement which, in order to be effective must survive the termination of this Agreement, shall survive any such termination.

4.7 Waivers

Failure by any Party to insist upon the strict performance of any covenant, agreement, term or condition of this Agreement, or to exercise any right or remedy consequent upon the breach thereof, shall not constitute a waiver of any such breach or any subsequent breach of such covenant, agreement, term and condition. No covenant, agreement, term or condition of this Agreement and no breach thereof shall be waived, altered or modified except by written instrument. No waiver of any breach shall affect or alter this Agreement, but each and every covenant, agreement, term and condition of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

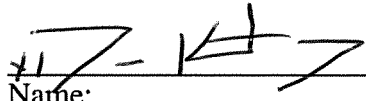
4.8 Counterparts

This Agreement may be executed in counterparts and PDFs, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument.

[signature pages follow]

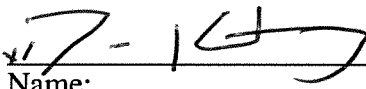
IN WITNESS WHEREOF the parties hereto have executed this Agreement under the hands of their duly authorized officers on the date above first written.

ALEXIS HOTEL CORPORATION

Per: 
Name:
Title: **Don Kootenay
President**

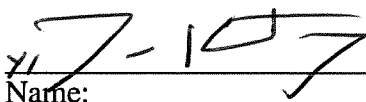
Per: _____
Name:
Title:

ALEXIS TRUSTEE CORP.

Per: 
Name:
Title: **Don Kootenay
President**

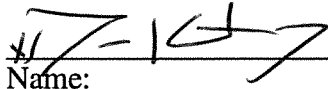
Per: _____
Name:
Title:

**ALEXIS FIRST NATION BUSINESS TRUST,
as represented by its trustee, ALEXIS TRUSTEE
CORP.**

Per: 
Name:
Title: **Don Kootenay
President**

Per: _____
Name:
Title:

ALEXIS CASINO CORPORATION

Per: 
Name:
Title: **Don Kootenay**
President

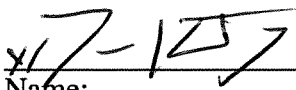
Per: _____
Name:
Title:

ALEXIS CASINO LIMITED PARTNERSHIP,
as represented by its general partner, **ALEXIS**
CASINO CORPORATION

Per: 
Name:
Title: **Don Kootenay**
President

Per: _____
Name:
Title:

ALEXIS LAND MANAGEMENT CORP.

Per: 
Name:
Title: **Don Kootenay**
Director

Per: _____
Name:
Title:

ALVAREZ & MARSAL CANADA INC., solely
in its capacity as court-appointed receiver and
manager of the assets of Alexis/Paragon Limited
Partnership, Paragon Canada Alexis ULC and
Paragon Tamarack General Partnership

Per: _____

Name: *Tim Reid*

Title: *SVP of A&M Canada Inc*

Per: _____

Name:

Title:

SILVER POINT FINANCE, LLC

Per: _____

Name: _____

Title: *Michael A. Gatto
Authorized Signatory*

Per: _____

Name:

Title:

SPCP GROUP, LLC

Per: _____

Name: _____

Title: *Michael A. Gatto
Authorized Signatory*

Per: _____

Name:

Title:

BAAT

SCHEDULE A
AHC ACCOUNT

Note: This is the Company Blocked Account (as defined in the Credit Agreement)

Notice Instructions:

Alexis Hotel Corporation

PO Box 10

Whitecourt, AB T7S 1N3

Ph: 780.655.2240, 780.619.7467, 780.706.7510

Fax: 780.706.7509

Email: don@aclp.ca, ryan@almcorp.ca, emoncur@eaglerivercasino.ca,
cpastion@eaglerivercasino.ca,

Reference: ATC / A&M Transfer

Wire Instructions:

Beneficiary Name: Alexis Hotel Corporation

Beneficiary Address: Box 10

Beneficiary Address: Whitecourt, AB T7S 1N3

Bank Name: Bank of Nova Scotia

Bank Account: 12989 02988 16

Account Name: Alexis Hotel Corporation – FNDF

Transit Number: 12989

Bank Code: 002

Currency Code: CAD

Bank Address: 2850 Sunridge Boulevard NE

Calgary, Alberta

Canada, T1Y 6G2

Swift Code: NOSCCATT

Clearing Code: /CC000212989

SCHEDULE B

SILVER POINT ACCOUNT (CAD\$)

Notice Instructions

Silver Point Finance, LLC

2 Greenwich Plaza, 1st Floor

Greenwich, CT 06830

Attn: Arbab Khalid

Phone: 203-542-4441

Fax: 201-719-2157

Email: 12017192157@tls.ldsprod.com, creditadmin@silverpointcapital.com

Reference: Alexis Hotel Corporation

Wiring Instructions

Citibank Toronto, Bank 260

Swift Code: CITICATT

Transit # 10032, ID 0082

A/C: 2211630011

INO: Citibank NA Private Banking

BIC: CITIUS33PBG

FFC: Silver Point Finance, LLC 50200081

Reference: Alexis Hotel Corporation

SCHEDULE C

SILVER POINT ACCOUNT (US\$)

Notice Instructions

Silver Point Finance, LLC
2 Greenwich Plaza, 1st Floor
Greenwich, CT 06830
Attn: Michael Barbuto
Phone: 203-542-4286
Fax: 203-542-4386
Email: mbarbuto@silverpointcapital.com
Reference: Alexis Hotel Corporation

Wiring Instructions

Bank: Citibank
Bank ABA: 021000089
Account #: 9977664469
Account Name: Silver Point Finance, LLC
Reference: Alexis Hotel Corporation

SCHEDULE D

SPCP ACCOUNT

Notice Instructions

SPCP Group, LLC
2 Greenwich Plaza, 1st Floor
Greenwich, CT 06830
Attn: Arbab Khalid
Phone: 203-542-4441
Fax: 201-719-2157
Email: 12017192157@tls.ldsprod.com
Reference: Alexis Hotel Corporation

Wiring Instructions

SWIFT CODE: ROYCCAT2
BANK NAME: ROYAL BANK OF CANADA
CITY: TORONTO
A/C #: 095912282556
BIC: GOLDUS33
ENTITY NAME: GOLDMAN SACHS & CO., NEW YORK
FFC A/C NAME: SPCP Group, LLC
FFC to A/C: 002263192
Reference: Alexis Hotel Corporation

SCHEDULE E
FCT ACCOUNT

Notice Instructions:

FCT Insurance Company Ltd.
2235 Sheridan Garden Drive, Oakville, Ontario, L6J 7Y5
Attn: MaryAnn Durham
Phone: 905.287.3280 | 888.771.0065 x 763280
Fax: 905.287.1009 | 866.566.8599
Email: mdurham@fct.ca
Reference Number: 14162002508
Policy Number.: 140611002587

Wiring Instructions:

Beneficiary Name: FCT Insurance Company Limited
Beneficiary Bank: TD Bank, 55 King Street W., Toronto, ON M5K 1A2
Beneficiary Bank Transit No: 10202
Beneficiary Bank Code: 004
Beneficiary Bank Account No: 0690-5253156
Reference Number: 14162002508
Policy Number: 140611002587

Appendix B

The Eagle River Group Summary of the Receiver's Professional Fees and Disbursement for the period from January 31, 2014 to May 31, 2015

All amounts are in Canadian dollars

Invoice Number	Period Ended	Proceeding	Fees	Disbursements	HST/GST	Total
1	January 30, 2014	Pre-Receivership	\$ 73,740.00		\$ 3,687.00	\$ 77,427.00
2	March 14, 2014	Receivership	336,885.00	\$ 9,831.98	\$ 17,335.85	364,052.83
3	April 30, 2014	Receivership	156,420.00	3,298.01	\$ 7,985.90	167,703.91
4	May 31, 2014	Receivership	74,452.50	2,979.32	\$ 3,871.59	81,303.41
5	June 30, 2014	Receivership	112,486.00	2,486.86	\$ 5,748.64	120,721.50
6	July 31, 2014	Receivership	19,172.50	1,117.30	\$ 1,014.29	21,304.09
7	August 31, 2014	Receivership	25,180.00	685.03	\$ 1,293.25	27,158.28
8	September 30, 2014	Receivership	7,107.50	107.65	\$ 360.76	7,575.91
9	October 31, 2014	Receivership	16,704.00	56.12	\$ 838.01	17,598.13
10	November 30, 2014	Receivership	10,821.00	-	\$ 541.05	11,362.05
11	December 31, 2014	Receivership	3,797.50	-	\$ 189.88	3,987.38
12	January 31, 2015	Receivership	2,763.00	32.89	\$ 139.79	2,935.68
13	February 28, 2015	Receivership	2,012.50	67.50	\$ 104.00	2,184.00
14	March 31, 2015	Receivership	5,901.50	-	\$ 295.08	6,196.58
15	April 30, 2015	Receivership	4,792.50	-	\$ 239.63	5,032.13
16	May 31, 2015	Receivership	4,757.50	-	\$ 237.88	4,995.38
			<u>\$ 856,993.00</u>	<u>\$ 20,662.66</u>	<u>\$ 43,882.60</u>	<u>\$ 921,538.26</u>

Appendix C

The Eagle River Group Summary of the Fees and Disbursement of the Receiver's Legal Counsel for the period from January 31, 2013 to May 31, 2015

All amounts are in Canadian dollars

Invoice Number	Period Ended	Fees	Other Charges	Disbursements	HST/GST/PST	Total
Parlee McLaws LLP						
640654	20-Feb-2014	\$ 34,233.50	\$ 778.80	\$ 189.00	\$ 1,803.07	\$ 37,004.37
630918	28-Feb-2014	18,616.50	459.51	331.35	980.66	20,388.02
632335	24-Mar-2014	29,528.00	1,105.60	233.31	1,546.35	32,413.26
633270	31-Mar-2014	5,341.00	17.80	7.73	268.33	5,634.86
634666	30-Apr-2014	21,718.50	409.95	85.00	1,134.67	23,348.12
636960	31-May-2014	13,716.50	79.45	-	692.80	14,488.75
638383	30-Jun-2014	60,938.00	515.60	73.22	3,076.34	64,603.16
647070	31-Dec-2014	5,955.50	43.50	-	299.95	6,298.95
		<u>\$ 190,047.50</u>	<u>\$ 3,410.21</u>	<u>\$ 919.61</u>	<u>\$ 9,802.17</u>	<u>\$ 204,179.49</u>

Appendix D

**The Eagle River Group
Summary of Trustee's Professional Fees and Disbursements
For the period January 31, 2014 to January 31, 2015**

All amounts are in Canadian dollars

Invoice Number	Period Ended	Proceeding	Fees	Disbursements	HST/GST	Total
1	January 31, 2015	Trustee in Bankruptcy	\$ 28,119.00		\$ 1,405.95	\$ 29,524.95
			<u>\$ 28,119.00</u>	<u>\$ -</u>	<u>\$ 1,405.95</u>	<u>\$ 29,524.95</u>