

**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**

**TWENTY-EIGHTH REPORT OF THE MONITOR
ALVAREZ & MARSAL CANADA INC.**

MAY 27, 2016

TABLE OF CONTENTS

1.0	INTRODUCTION.....	1
2.0	TERMS OF REFERENCE AND DISCLAIMER	4
3.0	THE SECOND AMENDED AND RESTATED JOINT PLAN OF COMPROMISE AND ARRANGEMENT.....	5
4.0	VOTING RESULTS FROM CREDITORS' MEETING	8
5.0	PHARMACY CHARTER SALE	9
6.0	CASH FLOW RESULTS RELATIVE TO FORECAST	13
7.0	EXTENSION OF THE STAY PERIOD.....	15
8.0	MONITOR'S CONCLUSIONS AND RECOMMENDATIONS	16

INDEX TO APPENDICES

Appendix A – List of the Applicants and Partnerships

Appendix B – Share Sale Agreement dated May 18, 2016

1.0 INTRODUCTION

- 1.1 On January 15, 2015, Target Canada Co. (“**TCC**”) and those companies listed in Appendix A (collectively, the “**Applicants**”), together with the Partnerships also listed in Appendix A (the “**Partnerships**”, and collectively with the Applicants, the “**Target Canada Entities**”), applied for and were granted protection by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”). Pursuant to an Order of this Court dated January 15, 2015, Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed Monitor of the Target Canada Entities in the CCAA proceedings (the “**Monitor**”). The proceedings commenced by the Applicants under the CCAA are referred to herein as the “**CCAA Proceedings**”.
- 1.2 On February 11, 2015, this Court issued the “**Amended and Restated Initial Order**” (hereinafter, unless the context otherwise requires, the “**Initial Order**”), which incorporates certain changes to the Initial Order granted January 15, 2015 that were described in the Second Report of the Monitor dated February 9, 2015.
- 1.3 In connection with the CCAA Proceedings, the Monitor has provided to this Court twenty-seven reports and three supplementary reports (the “**Supplementary Reports**”, and collectively, the “**Monitor’s Reports**”). A&M has also provided to this Court the Pre-Filing Report of the Proposed Monitor (the “**Pre-Filing Report**”) dated January 14, 2015 (together with the Monitor’s Reports, the “**Prior Reports**”). The Prior Reports, the Initial Order and other Court-filed documents and notices in these CCAA Proceedings are available on the Monitor’s website at alvarezandmarsal.com/targetcanada.

1.4 The purpose of this Twenty-Eighth Report of the Monitor (the “**Twenty-Eighth Report**”) is to provide this Court with:

- (i) information regarding the following:
 - (a) the Second Amended and Restated Joint Plan of Compromise and Arrangement (the “**Second Amended Plan**” or the “**Plan**”);
 - (b) the voting results from the creditors’ meeting held on May 25, 2016 (the “**Creditors’ Meeting**”);
 - (c) the Applicants’ motion (the “**Sanction Motion**”) for an order substantially in the form attached to the Applicants’ Motion Record dated May 26, 2016 (the “**Sanction and Vesting Order**”) seeking an order, among other things:
 - (1) declaring that the Creditors’ Meeting was duly convened and held, all in accordance with the Meeting Order issued April 13, 2016 in these CCAA proceedings (the “**Meeting Order**”);
 - (2) sanctioning and approving the Second Amended Plan;
 - (3) vesting all of the Target Canada Entities’ rights, title and interest in and to the IP Assets in Target Corporation (or its designee);
 - (4) extending the Stay Period to September 23, 2016;

- (5) extending the Notice of Objection Bar Date to the Plan Implementation Date and ordering that the Notice of Objection Bar Date will expire on the Plan Implementation Date;
- (d) the Applicants' motion for an order substantially in the form attached to the Applicants' Motion Record dated May 27, 2016 (the "**Pharmacy Charter Sales Order**") seeking an order, among other things:
 - (1) approving the Share Sale Agreement dated May 18, 2016 between TCC and 2519114 Ontario Inc. (the "**Purchaser**") with respect to the Shares of Target Canada Pharmacy (Ontario) Corp. ("**Pharmacy Corp.**"); and
 - (2) vesting TCC's right, title and interest in and to the Shares in the Purchaser; and
- (e) the receipts and disbursements of the Target Canada Entities for the period May 1 to 21, 2016; and
- (ii) the Monitor's conclusions and recommendations in connection with the foregoing.

1.5 This report is filed in connection with paragraph 37 of the Meeting Order, which requires the Monitor to provide a report to the Court as soon as practicable after the Creditors' Meeting with respect to:

- (i) the results of voting at the Creditors' Meeting on the Resolution;

- (ii) whether the Required Majority has approved the Plan;
- (iii) the separate tabulation for Disputed Claims required by paragraph 32 of the Meeting Order; and
- (iv) in its discretion, any other matter relating to the Target Canada Entities' motion seeking sanction of the Plan.

2.0 TERMS OF REFERENCE AND DISCLAIMER

- 2.1 In preparing this Twenty-Eighth Report, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records and financial information prepared by the Target Canada Entities and Target Corporation, and discussions with management of the Target Canada Entities and Target Corporation (collectively, the “**Information**”).
- 2.2 The Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“**CASs**”) pursuant to the *Chartered Professional Accountants Canada Handbook* and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under CASs in respect of the Information.
- 2.3 This Twenty-Eighth Report should be read in conjunction with the Affidavit of Mark J. Wong, General Counsel and Secretary of TCC in support of the Sanction and Vesting Order, sworn on May 26, 2016 (the “**Wong Affidavit – Sanction Order**”).

2.4 Unless otherwise indicated, capitalized terms not otherwise defined in this Twenty-Eighth Report are as defined in the Prior Reports, the Second Amended Plan, the Wong Affidavit – Sanction Order and the Initial Order.

2.5 Unless otherwise stated, all monetary amounts contained in this Twenty-Eighth Report are expressed in Canadian dollars.

3.0 THE SECOND AMENDED AND RESTATED JOINT PLAN OF COMPROMISE AND ARRANGEMENT

3.1 The Monitor provided an overview of the Amended Plan in the Twenty-Seventh Report. A copy of the Amended Plan was included in the Meeting Materials sent on April 19, 2016, in accordance with the Meeting Order, to each Affected Creditor at the address for such Affected Creditor set out in such Affected Creditors' Proof of Claim or to such other address subsequently provided to the Monitor by the Affected Creditor. A copy of the Amended Plan is also available on the Monitor's website. In addition, the Monitor caused the Notice of Creditors' Meeting to be published in newspapers in accordance with the Meeting Order.

Plan Modifications

3.2 On May 12, 2016, the Target Canada Entities, with the consent of the Monitor and the Plan Sponsor, made certain minor Plan Modifications that are of a technical and administrative nature. The Consultative Committee was consulted with respect to the Plan Modifications.

3.3 In accordance with paragraph 4 of the Meeting Order, the Target Canada Entities served on the Service List the Second Amended and Restated Joint Plan of Compromise and Arrangement dated May 19, 2016, along with a blackline identifying the Plan Modifications. These documents were also posted on the Monitor's website and were made available at the Creditors' Meeting. A blackline comparison showing the modifications to the Amended Plan is attached as Exhibit "C" to the Wong Affidavit – Sanction Order.

3.4 The Plan Modifications were as follows:

- (i) **Section 1.1:** The Initial Distribution Date will occur within *five* (rather than *two*) Business Days after the Plan Implementation Date. After discussions with TCC's banks, the Monitor and others, it became clear that this brief extension is needed to ensure orderly and accurate initial distributions.
- (ii) **Article 5:** To address limitations on the maximum amount permitted for a single cheque (such limits being imposed by the financial institution facilitating the payment of distributions contemplated under the Plan), TCC will have the option to make distributions by wire transfer.
- (iii) **Section 6.3(r):** The Target Canada Entities are now seeking to use a stand-alone Approval and Vesting Order to vest all, right, title and interest in the Pharmacy Shares in the Purchaser (as defined below) (rather than including such vesting in

the Sanction and Vesting Order for the Amended Plan).¹ The draft Order will be included in a separate motion record.

- (iv) **Section 7.1(b)**: The Amended Plan has been clarified to provide for a release of affiliates of A&M.
- (v) **Section 8.2(x)**: The Administration Charge and the Directors' Charge – which will continue during the pendency of the Plan in accordance with Section 6.3(g) – will be released upon delivery of the Monitor's Plan Completion Certificate.
- (vi) **Schedule "B" – Domain Names**: Certain amendments were made to the list of domain names comprising the IP Assets to add one omitted domain name and to delete three domain names due to lapsed registrations.²

3.5 In accordance with paragraph 4 of the Meeting Order, these Plan Modifications formed part of and were incorporated into the Plan that was voted on at the Creditors' Meeting.

Plan Implementation

3.6 If this Court sanctions the Plan, the Target Canada Entities are currently targeting June 28, 2016 as the Plan Implementation Date.

3.7 Given the current status of the CCAA Proceedings, including the unanimous approval of the Plan at the Creditors' Meeting (discussed below), the Sanction and Vesting Order sought by the Applicants contemplates the discharge of the Consultative Committee,

¹ The use of a stand-alone order is consistent with the terms of the Share Sale Agreement and the sales process conducted in respect of the Pharmacy Shares (defined below).

² These amendments do not impact the Monitor's view expressed in the Twenty-Seventh Report that the aggregate value of the domain names does not exceed \$50,000.

effective as of the Plan Implementation Date, as well as the payment of any outstanding amounts to committee members to that date.

4.0 VOTING RESULTS FROM CREDITORS' MEETING

4.1 The Creditors' Meeting occurred, as scheduled, on May 25, 2016 at the Toronto Board of Trade. In accordance with the Meeting Order, Douglas McIntosh, President of A&M, acted as chair of the Creditors' Meeting. Representatives of Goodmans LLP and A&M acted as secretary and scrutineers of the Creditors' Meeting, respectively.

4.2 As provided in the Meeting Order, Creditors voted on a resolution to approve the Second Amended Plan. The results of the voting at the Creditors' Meeting are summarized as follows:

Category	Convenience Class Claims ⁽ⁱ⁾		Affected Creditors		Total			
	#	\$ Value	#	\$ Value	#	%	\$ Value	%
Voting Claims "For" the Plan	641	7,365,983	605	546,751,387	1,246	100.0%	554,117,370	100.0%
Voting Claims "Against" the Plan	-	-	-	-	-	0.0%	-	0.0%
Total	641	7,365,983	605	546,751,387	1,246	100.0%	554,117,370	100.0%

(i) Includes 61 Claimants who opted into the Convenience Class by submitting a Convenience Class Election Form in accordance with the Plan and the Meeting Order. Convenience Class Claims are deemed to vote in favour of the Plan pursuant to the Meeting Order.

4.3 The vote in favour of the Second Amended Plan was unanimous (there were no votes against the Plan), with 1,246 Affected Creditors representing approximately \$554 million of Claims voting (or deemed to have voted pursuant to the Meeting Order) in favour of the Plan. Accordingly, the Required Majority was achieved.³

³76 of the 1,246 Affected Creditors who voted on the Second Amended Plan have Disputed Claims. These Claimants all voted in favour of the Plan.

5.0 PHARMACY CHARTER SALE

5.1 Pharmacy Corp. is a “Pre-1954 Charter Company”, as contemplated in Section 142(4) of the *Drug and Pharmacies Regulations Act* (Ontario), being originally incorporated on May 26, 1914 and being in operation as a pharmacy on May 14, 1954. Generally, the “Pre-54” exemption allows a non-pharmacist to own and operate a retail pharmacy in Ontario provided that a majority of the directors are licensed pharmacists.⁴

5.2 As described in the affidavit of Mark J. Wong sworn April 6, 2016, in support of the motion for the Meeting Order (the “**Wong Affidavit – Meeting Order**”), the Monitor, with the assistance of the Target Canada Entities, commenced a process (the “**Pharmacy Sales Process**”) seeking to market and, ultimately, enter into a Pharmacy Share Sale Agreement to sell all of the shares of Pharmacy Corp. (the “**Pharmacy Shares**”).

5.3 The Pharmacy Sales Process, which was initiated by the Monitor on April 7, 2016, included the following marketing activities:

- (i) directly contacting parties who had previously indicated interest in purchasing the Pharmacy Shares to either TCC or the Monitor;
- (ii) publishing online advertisements with respect to the Pharmacy Sales Process on the Ontario Pharmacists Association and the Rogers Health Network;
- (iii) publishing advertisements in both of the Rogers Health Network - Pharmacists Newsletter and the Rogers Health Network – Physicians Newsletter; and

⁴ The Monitor understands that, absent this exception, applicable legislation requires a pharmacy to be owned and operated by a licensed pharmacist.

(iv) posting notice of the Pharmacy Sales Process on the Monitor's website.

5.4 To participate in the Pharmacy Sales Process, an interested party was required to deliver an executed confidentiality agreement in form and substance satisfactory to the Monitor and the Target Canada Entities (a "**Confidentiality Agreement**").

5.5 As a result of the marketing efforts conducted by the Monitor:

(i) 31 interested parties contacted or were contacted by the Monitor;

(ii) eight interested parties (all of which were unrelated third parties) delivered Confidentiality Agreements and were provided with an opportunity to review information relating to Pharmacy Corp., including a form of share purchase agreement developed by TCC, in consultation with the Monitor;

(iii) four interested parties submitted bids by the bid deadline of May 6, 2016; and

(iv) at the Monitor's invitation, two of the interested parties submitted revised bids on May 13, 2016, and were further invited to submit final offers by 5:00 pm on May 16, 2016.

5.6 The Monitor and the Target Canada Entities evaluated the bids received, with consideration to the following criteria:

(i) purchase price;

(ii) terms of the proposed purchase agreement; and

(iii) any factors affecting the speed, certainty and value of the transaction.

5.7 On May 16, 2016, upon the recommendation of the Monitor, the Target Canada Entities selected the bid of the Purchaser, and on May 18, 2016, the Purchaser and TCC entered into a share purchase agreement (the “**Purchase Agreement**”).

5.8 The Purchase Agreement, attached hereto as Appendix B includes, among other standard terms and conditions, the following provisions:⁵

- (i) the Purchaser will pay the Purchase Price of \$478,000 for the Pharmacy Shares, exclusive of all applicable sales and transfer Taxes (if any);
- (ii) the Purchaser has provided a Deposit of \$119,500 that is being held by the Monitor and will be credited against the Purchase Price at Closing;
- (iii) the Closing will take place one Business Day after the Plan Implementation Date or such other date as the parties may mutually agree upon;
- (iv) the Pharmacy Corp. shares will be sold on an “as is, where is” basis, without representations or warranties of any kind (except those contained in the Purchase Agreement, including as to title);
- (v) the Monitor will be entitled to file the Monitor’s Certificate with the CCAA Court upon receiving written confirmation from each Party that all applicable conditions of Closing have been satisfied or waived, as the case may be; and
- (vi) pursuant to the Approval and Vesting Order, the corporate name of the Corporation will be changed to a name not including the words “Target”.

⁵Capitalized terms not otherwise defined shall have the meanings ascribed to them in the Purchase Agreement.

Monitor's Recommendation Regarding the sale of the Pharmacy Shares

- 5.9 The Monitor recommends that the Court grant the Applicants' requested approval and vesting order in respect of the Pharmacy Shares.
- 5.10 In assessing whether to provide its support to the Applicants' entering into, and seeking the Court's approval, in respect of the sale of the Pharmacy Shares, the Monitor considered the following:
- (i) paragraph 12(a) of the Initial Order granted the Target Canada Entities the ability to dispose of redundant or non-material assets not exceeding \$1 million;
 - (ii) the Pharmacy Sales Process was fair and reasonable having regard to the nature and value of the Pharmacy Shares and was approved and implemented by the Monitor;
 - (iii) the Target Canada Entities provided advance notice of the Pharmacy Sales Process to the Service List and the Court, and attached the Pharmacy Sales Process to the Wong Affidavit – Meeting Order, which was posted to the Monitor's website;
 - (iv) the Purchase Agreement has limited conditions and is supported by a substantial deposit, and, pending Court approval of the transaction, the Monitor has no reason to doubt that the transaction will close as contemplated;
 - (v) the consideration to be received is the result of a competitive process and the proceeds to be received for the Pharmacy Shares is reasonable and fair, having

regard to the nature of the Pharmacy Shares (because the Pharmacy Shares represent a single-purpose asset, which value is determined by the current market demand of a “Pre-1954 Charter Company”, irrespective of whether the sales process was conducted in a CCAA or bankruptcy process, the purchase price would not be materially different); and

- (vi) upon closing, the Purchase Agreement will increase the net proceeds available for distribution to Creditors and is in the best interests of the stakeholders of the Target Canada Entities.

6.0 CASH FLOW RESULTS RELATIVE TO FORECAST

- 6.1 Receipts and disbursements for the period May 1 to 21, 2016 (the “**Reporting Period**”, noting that cash flow results through April 30, 2016 were reported in the Twenty-Seventh Report) as compared to the cash flow forecast that was attached as Appendix B to the Twenty-Sixth Report (the “**Cash Flow Forecast**”), are summarized on the following page.

(\$ in 000's CAD, unless otherwise noted)

Period Ended	Cumulative		
	Budget 21-May	Actual 21-May	Variance B / (W)
OPERATING RECEIPTS			
Sales Receipts	\$ -	\$ -	\$ -
Other Receipts	270	268	(2)
TOTAL RECEIPTS	270	268	(2)
OPERATING DISBURSEMENTS			
Employee Payments	30	40	(10)
Rent & Occupancy	-	-	-
DC / Logistics	-	-	-
Normal Course Taxes	-	-	-
Professional Fees	750	768	(18)
All Other	300	270	30
Current Operating Disbursements	1,080	1,078	2
OPERATING CASH FLOW	(810)	(809)	1
INTERCOMPANY DISBURSEMENTS			
Intercompany Services	-	-	-
DIP Interest	-	-	-
Intercompany Disbursements	-	-	-
NET CASHFLOW	\$ (810)	\$ (809)	\$ 1
WEEKLY LIQUIDITY			
Beginning Bank Cash Balance [1]	\$ 795,877	\$ 796,492	\$ 615
(+/-) Net Cash Flow	(810)	(809)	1
(+/-) Change in Cheque Float	-	(17)	(17)
(+/-) DIP Draws/(Repayments)	-	-	-
(+/-) FX Translation	-	14	14
Ending Bank Cash Balance [2]	795,067	795,680	613

[1] Cash Balances were actualized in the Twenty-Seventh Report and the variance relative to the Cash Flow Forecast attached as Appendix "B" to the Twenty-Sixth Report was previously commented on.

[2] Actuals assume \$1.30 CAD/ \$1.00 USD.

6.2 During the Reporting Period, there were no significant differences between the Target Canada Entities' total actual and forecast receipts and disbursements.

6.3 The closing cash balance as at May 21, 2016 was approximately \$795.7 million, as compared to the projected cash balance of \$795.1 million.

6.4 The Initial Order entitles the Target Canada Entities to continue to utilize their existing Cash Management System, as described in the Pre-Filing report. The Cash Management System of the Target Canada Entities continues to operate in the same manner as it had prior to the commencement of the CCAA Proceedings, with the exception that all 133 retail Stores were closed to the public on or before April 12, 2015.

6.5 The Creditors' Meeting has occurred and the Court hearing for sanctioning the Seconded Amended Plan is scheduled for June 2, 2016. It is clear that the Target Canada Entities have sufficient liquidity to implement the Plan. Accordingly, the Target Canada Entities have not prepared an updated and extended cash flow forecast through the proposed extended Stay Period of September 23, 2016. In the Illustrative Recoveries Analysis included in the Twenty-Seventh Report, the Monitor estimated that cash available for distribution to Affected Creditors would range from \$780 million to \$785 million (before considering estimated Cash to be contributed to the TCC Cash Pool by Propco). As set out above, the current closing cash position is \$795.7 million. The Monitor anticipates that, following the determination and establishment of the Administrative Reserve, the amount of cash available for distribution to Affected Creditors will be within the higher end of the above range (and possibly above that range), subject to any reserves required for unresolved Claims, in accordance with the Plan.

7.0 EXTENSION OF THE STAY PERIOD

7.1 Pursuant to the Meeting Order, the Stay Period is set to expire on June 6, 2016. The Applicants are seeking an extension of the Stay Period to September 23, 2016.

7.2 The Monitor supports the Applicants' motion to extend the Stay Period to September 23, 2016 for the following reasons:

- (i) subject to the Court granting the Sanction and Vesting Order, the extension will facilitate the implementation of the Plan, including distributions to Creditors;

- (ii) the extension will provide the Monitor with the time required to continue to advance the Claims Process in accordance with the Claims Procedure Order;
- (iii) the Applicants have sufficient liquidity through to September 23, 2016; and
- (iv) the Applicants continue to act in good faith and with due diligence and have made significant progress in these CCAA Proceedings in convening the successful Meeting of Creditors and moving to sanction and implement the Plan.

8.0 MONITOR'S CONCLUSIONS AND RECOMMENDATIONS

8.1 The Monitor recommends that the Court sanction the Second Amended Plan for the following reasons:

- (i) the Required Majority was achieved with Affected Creditors voting unanimously in favour of the Plan at the Creditors' Meeting;
- (ii) the Second Amended Plan is in compliance with the CCAA and the Orders of this Court;
- (iii) as set out in the Twenty-Seventh Report, based on the Monitor's review of the Second Amended Plan and noting the Monitor's commentary therein with respect to the Plan, in the Monitor's view the Plan is fair and reasonable; and
- (iv) no party has delivered an objection to the Sanction Motion in accordance with paragraph 41 of the Meeting Order.


8.2 In addition, the Monitor recommends that the Court grant the Sale Approval and Vesting Order with respect to the Pharmacy Shares.

All of which is respectfully submitted to this Court this 27th day of May, 2016.

**Alvarez & Marsal Canada Inc., in its capacity
as Monitor of Target Canada Co., and
the other Applicants listed on Appendix A**

Per: 

Name: Douglas R. McIntosh
Title: President

Per: 

Name: Alan J. Hutchens
Title: Senior Vice-President

APPENDIX “A”

Applicants

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 (SK) Corp.

Target Canada Pharmacy Corp.

Target Canada Property LLC

Partnerships

Target Canada Pharmacy Franchising LP

Target Canada Mobile LP

Target Canada Property LP

APPENDIX B

(see attached)

SHARE SALE AGREEMENT

THIS AGREEMENT is made the 18th day of May , 2016.

BETWEEN:

TARGET CANADA CO., an unlimited company formed under the laws of the Province of Nova Scotia

(the “**Vendor**”)

- and -

2519114 ONTARIO INC., a company incorporated pursuant to the laws of Ontario

(the “**Purchaser**”)

WHEREAS pursuant to an order (as amended, the “**Initial Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**CCAA Court**”), the Vendor and certain of its subsidiaries and affiliates, including the Corporation (as defined below) (collectively, the “**Target Canada Entities**”) applied for and were granted creditor protection on January 15, 2015 under the *Companies’ Creditors Arrangement Act* (“**CCAA**”);

AND WHEREAS the Target Canada Entities are in the process of winding down their business under the CCAA in accordance with the Initial Order;

AND WHEREAS the Vendor owns all of the issued and outstanding shares in the capital (the “**Shares**”) of Target Canada Pharmacy (Ontario) Corp., a corporation duly incorporated under the laws of the Province of Ontario (the “**Corporation**”), and wishes to sell the Shares to the Purchaser, and the Purchaser wishes to purchase the Shares from the Vendor;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the covenants, agreements, terms, conditions, warranties, and payments set forth and provided for in this Agreement, the parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless there is something inconsistent in the subject matter or context:

“**Agreement**” means this agreement to purchase and sell the Shares of the Corporation;

“**Approval and Vesting Order**” means an Order of the CCAA Court, substantially in the form attached as Schedule “A” hereto, *inter alia*, approving this Agreement and vesting in the Purchaser all of the Shares free and clear of all Encumbrances;

“Business Day” means any day, other than a Saturday or Sunday, on which banks in the city of Toronto are open for commercial banking business during normal banking hours;

“CCAA” has the meaning assigned to it in the Recitals;

“CCAA Court” has the meaning assigned to it in the Recitals;

“CCAA Proceedings” means the CCAA proceedings of the Vendor and certain of its subsidiaries and affiliates (Court File No. CV-15-10832-00CL);

“Claims” means claims, demands, complaints, grievances, actions, applications, suits, causes of action, Orders, charges, indictments, prosecutions, or other similar processes, assessments or reassessments, equitable interests, options, preferential arrangements of any kind or nature, assignments, restrictions, financing statements, deposit arrangements, rights of others, leases, sub-leases, licences, rights of first refusal or similar restrictions, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, including loss of value, reasonable professional fees, including fees and disbursements of legal counsel, and all actual and documented costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing;

“Closing” means the completion of the sale to and purchase by the Purchaser of the Shares;

“Closing Date” means one (1) Business Day following the Plan Implementation Date, or such other date as the parties may mutually agree upon;

“Confidentiality Agreement” means the confidentiality agreement between the Vendor and the Purchaser dated April 8 , 2016.

“Corporation” has the meaning assigned to it in the Recitals;

“Deposit” means the sum of \$119,500.00;

“Encumbrances” means any right, title or interest of any Person in the Shares, including any security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges (including the Charges as defined in and created by the Initial Order), Claims, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise;

“Governmental Authorities” means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities:

- (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them;
- or

(b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

“**Initial Order**” has the meaning assigned to it in the Recitals;

“**Monitor**” means Alvarez & Marsal Canada Inc., in its capacity as court-appointed monitor of the Vendor in the CCAA Proceedings;

“**Laws**” means currently existing applicable statutes, by-laws, rules, regulations, Orders, ordinances or judgments, in each case of any Governmental Authority having the force of law;

“**Monitor’s Certificate**” means the certificate delivered to each of the Parties and filed with the CCAA Court by the Monitor certifying receipt of confirmation from each relevant Party that all conditions of Closing in its favour contained in Article 7, Article 8 and Article 9 which are for the benefit of such Party have been satisfied or waived;

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

“**Parties**” means the Vendor and the Purchaser collectively, and “**Party**” means any one of them;

“**Person**” means an individual, sole proprietorship, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or governmental entity;

“**Plan**” means the amended and restated joint plan of compromise and arrangement of the Target Canada Entities pursuant to the CCAA dated April 6, 2016, as amended, restated, supplemented or modified from time to time;

“**Plan Implementation Date**” has the meaning assigned to it in the Plan;

“**Purchase Price**” has the meaning assigned to it in Section 3.1;

“**Shares**” has the meaning assigned to it in the Recitals;

“**Target Canada Entities**” has the meaning assigned to it in the Recitals;

“**Tax Returns**” means returns, reports, declarations, elections, notices, filings, forms, statements and other documents (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed or required to be made, prepared or filed by Law in respect of Taxes;

“**Taxes**” means taxes, duties, fees, premiums, assessments, imposts, levies and other similar charges imposed by any Governmental Authority under applicable Law, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any

Governmental Authority in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees; and

“Unanimous Shareholder Declaration” means the unanimous shareholder declaration executed by the Vendor as sole shareholder of the Corporation on January 14, 2015.

1.2 Certain Rules of Interpretation

In this Agreement:

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

- (i) **Time** – Time is of the essence in the performance of the Parties’ respective obligations.
- (j) **Time Periods** – Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done, shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

1.3 Entire Agreement

This Agreement, the Confidentiality Agreement and the other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and set out all the covenants, promises, warranties, representations, conditions and agreements between the Parties in connection with the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise. There are no covenants, promises, warranties, representations, conditions or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral, whether statutory or otherwise, between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement.

1.4 Schedules

The schedules to this Agreement listed below are an integral part of this Agreement:

<u>Schedule</u>	<u>Description</u>
“A”	Approval and Vesting Order
“B”	Articles of Incorporation/Letters Patent

ARTICLE 2 PURCHASE AND SALE

2.1 Action by Vendor and Purchaser

Subject to the provisions of this Agreement, at the Closing Date:

- (a) **Purchase and Sale of Shares** – the Vendor shall sell and the Purchaser shall purchase the Shares free and clear of all Encumbrances;
- (b) **Payment of Purchase Price** – the Purchaser shall pay the Purchase Price as provided in Sections 3.1 and 3.3;
- (c) **“As Is, Where is” Sale** – the Purchaser acknowledges to and in favour of the Vendor that the Purchaser has conducted its own investigations and inspections of the Shares and that the Purchaser is responsible for conducting its own investigations of all matters and things connected with or in any way related to the Shares, that the Purchaser has relied upon its own investigations and inspections in entering into this Agreement, that the Purchaser is purchasing the Shares on an

“as is, where is” basis as at the Closing Date, and that the Purchaser hereby acknowledges that the Vendor has made no representations, warranties, statements or promises with respect to the Shares, save and except as are contained herein, including as to title, and that any and all conditions and warranties expressed or implied by the *Sale of Goods Act* (Ontario) do not apply to the sale of the Shares and are hereby waived by the Purchaser;

- (d) **Transfer and Delivery of Shares** – the Vendor shall transfer and deliver to the Purchaser share certificates representing the Shares duly endorsed in blank for transfer, or accompanied by irrevocable security transfer powers of attorney duly executed in blank, in either case by the holders of record; and
- (e) **Other Documents** – the Vendor and the Purchaser shall deliver such other documents as may be necessary to complete the transaction provided for in this Agreement.

2.2 Place of Closing

The Closing shall take place on the Closing Date at the offices of Osler, Hoskin & Harcourt LLP, Suite 6300, 1 First Canadian Place, Toronto, Ontario, M5X 1B8 or at such other place as may be agreed upon by the Vendor and the Purchaser. The Closing shall be deemed to be effective as of the date and time set out in the Monitor’s Certificate.

ARTICLE 3 PURCHASE PRICE

3.1 The Purchase Price

The amount payable by the Purchaser for the Shares (the “**Purchase Price**”), exclusive of all applicable sales and transfer Taxes (if any), shall be the amount of Four Hundred and Seventy-Eight Thousand Dollars (\$478,000.00).

3.2 Deposit

- (a) The Vendor acknowledges and confirms receipt by the Monitor, on behalf of the Vendor, from the Purchaser of the Deposit.
- (b) If the Closing does not occur by reason of the default of the Purchaser, the full amount of the Deposit shall become the property of and be transferred to and retained by the Vendor to compensate it for expenses incurred in connection with the transactions contemplated in this Agreement and the delay caused to the Vendor’s efforts to sell the Shares. The entitlement of the Vendor to receive and retain the Deposit in such circumstances shall not limit the Vendor’s right to exercise any other rights which the Vendor may have against the Purchaser in respect of such default.
- (c) If the Closing does not occur for any reason other than the default of the Purchaser, the full amount of the Deposit shall be returned by Monitor, on behalf of the Vendor to the Purchaser.

3.3 Satisfaction of Purchase Price

The Purchaser shall satisfy the Purchase Price at the Closing Time by:

- (a) the release of the Deposit for the benefit of the Vendor; and
- (b) payment to the Vendor of \$478,000.00 less the amount of the Deposit by way of wire transfer of immediately available funds to the account specified by the Monitor.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE VENDOR

The Vendor represents and warrants to the Purchaser the matters set out below.

4.1 Incorporation and Corporate Power

The Corporation is duly incorporated and validly existing under the laws of the Province of Ontario and, subject to the Initial Order, has all necessary corporate power, authority and capacity to own its assets and to carry on its business as presently conducted.

4.2 Valid 54 Charter Company

The Corporation is a "Pre-54 Charter Company" as contemplated in section 142(4) of the *Drug and Pharmacies Regulation Act*, R.S.O. 1990, c. H.4, being originally incorporated on May 26, 1914 and being in operation as a pharmacy on May 14, 1954.

4.3 Residence of the Vendor

The Vendor is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada).

4.4 No Subsidiaries

The Corporation does not own, or have any interest in, any shares or have an ownership interest in any other person.

4.5 Status of the Vendor and Right to Sell

The Vendor is an unlimited company formed under the laws of the Province of Nova Scotia. The Vendor is the sole registered and beneficial owner of the Shares. Subject to the Initial Order and the Approval and Vesting Order, the Vendor has the exclusive right to dispose of the Shares as provided in this Agreement and such disposition will not violate, contravene, breach or offend against or result in any default under any contract, charter or by-law provision, Order, judgment, decree, licence, permit or Law, to which the Vendor is a party or subject or by which the Vendor is bound or affected. Other than the Unanimous Shareholder Declaration, the Shares are not subject to the terms of any shareholders agreement.

4.6 Due Authorization and Enforceability of Obligations

Subject to obtaining the Approval and Vesting Order, this Agreement will constitute a valid and binding obligation of the Vendor enforceable against it in accordance with its terms.

4.7 Absence of Conflicts

Subject to obtaining the Approval and Vesting Order, the Vendor is not a party to, bound by or affected by or subject to any material:

- (a) indenture, mortgage, lease, agreement, obligation or instrument;
- (b) charter or by-law provision; or
- (c) Laws;

which would be violated, breached by, or under which default would occur as a result of the execution and delivery of, or the performance of its obligations under, this Agreement or any other agreement to be entered into under the terms of this Agreement.

4.8 Capitalization

The authorized share capital of the Corporation consists of 250 shares, all of which are issued to the Vendor and are outstanding as fully paid and non-assessable shares of the Corporation with a stated capital of \$1.00 in the aggregate. There are no outstanding subscriptions, options, rights, warrants or other agreements or commitments obligating the Corporation to sell or issue any additional shares of any class or any securities convertible into any class of shares.

4.9 Corporate Records

Copies of the articles of incorporation/letters patent and any articles of amendment of the Corporation are attached as Schedule "B" (the "**Articles**"). The Corporation has not taken any corporate action to amend the Articles or to dissolve the Corporation or otherwise terminate its corporate existence.

4.10 No Broker

The Vendor has carried on all negotiations relating to this Agreement and the transactions contemplated in this Agreement directly and without intervention on its behalf of any other party in such manner as could give rise to any valid claim for a brokerage commission, finder's fee or other like payment.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the Vendor the matters set out below.

5.1 Incorporation and Corporate Power

The Purchaser is 2519114 Ontario Inc., a corporation incorporated pursuant to the laws of Ontario, and has all necessary corporate power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement.

5.2 Residence of the Purchaser

The Purchaser is not a non-resident of Canada for the purposes of the *Income Tax Act* (Canada).

5.3 Due Authorization and Enforceability of Obligations

This Agreement constitutes a valid and binding obligation of the Purchaser enforceable against it in accordance with its terms.

5.4 Absence of Conflicts

The Purchaser is not a party to, bound by or affected by or subject to any material:

- (a) indenture, mortgage, lease, agreement, obligation or instrument;
- (b) charter or by-law provision; or
- (c) Laws;

which would be violated, breached by, or under which default would occur as a result of the execution and delivery of, or the performance of its obligations under, this Agreement or any other agreement to be entered into under the terms of this Agreement.

5.5 No Broker

The Purchaser has carried on all negotiations relating to this Agreement and the transactions contemplated in this Agreement directly and without intervention on its behalf of any other party in such manner as could give rise to any valid claim for a brokerage commission, finder's fee or other like payment.

ARTICLE 6 NON-WAIVER; SURVIVAL

6.1 Non-Waiver

No waiver of any condition or other provisions, in whole or in part, shall constitute a waiver of any other condition or provision (whether or not similar) nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

6.2 Nature and Survival

None of the representations and warranties contained in this Agreement on the part of either of the Parties shall survive the Closing, the execution and delivery under this Agreement of any

bills of sale, instruments of conveyance, assignments or other instruments of transfer of title to the Shares, and the payment of the consideration for the Shares.

ARTICLE 7 PURCHASER'S CONDITIONS PRECEDENT

The obligation of the Purchaser to complete the purchase of the Shares under this Agreement shall be subject to the satisfaction of, or compliance with, on or before the Closing Date, each of the following conditions precedent (each of which is acknowledged to be inserted for the exclusive benefit of the Purchaser and may be waived by it in whole or in part):

7.1 Truth and Accuracy of Representations of Vendor on the Closing Date

All of the representations and warranties of the Vendor made in or pursuant to this Agreement shall be true and correct in all material respects on the Closing Date and with the same effect as if made at and as of the Closing Date (except as such representations or warranties may be effected by the occurrence of events or transactions expressly contemplated and permitted by this Agreement), and the Purchaser shall have received a certificate from a senior officer of the Vendor confirming to his or her knowledge (after due inquiry), without personal liability such truth and correctness of such representations and warranties.

7.2 Compliance with Vendor Covenants

The Vendor shall have performed or complied with, in all material respects, all its obligations, covenants and agreements under this Agreement and the Purchaser shall have received a certificate from a senior officer of the Vendor confirming to his or her knowledge (after due inquiry), without personal liability such performance or compliance, as the case may be.

7.3 Receipt of Closing Documentation

The Purchaser shall have received copies of all such documentation or other evidence as it may reasonably request in order to establish the consummation of the transactions contemplated by this Agreement and the taking of all corporate proceedings in connection with such transactions in compliance with these conditions.

7.4 No Proceedings

There shall be no Order issued delaying, restricting or preventing, and no pending or threatened Claim or judicial or administrative proceeding, or investigation against any Party by any Person for the purpose of enjoining or preventing the consummation of the transactions contemplated in this Agreement or otherwise claiming that the consummation of such transactions is improper or would give rise to proceedings under any Laws.

7.5 Encumbrances

The Vendor shall have obtained the Approval and Vesting Order vesting title to the Shares in the Purchaser free and clear of all Encumbrances and, at the Closing Time, such order shall not have been stayed, suspended, set aside, varied or appealed and no motion to stay, suspend the operation of, set aside or vary such order shall have been served or threatened.

7.6 Plan Implementation Date

The Plan Implementation Date shall have occurred.

If any of the foregoing conditions in this Article have not been fulfilled by Closing, the Purchaser may terminate this Agreement by notice to the Vendor, in which event the Purchaser shall be released from all obligations under this Agreement, and unless the Purchaser can show that the condition relied upon could reasonably have been performed by the Vendor, the Vendor shall also be released from all obligations under this Agreement. However, the Purchaser, acting in its sole discretion, may waive compliance with any condition in whole or in part, without prejudice to its rights of termination in the event of non-fulfilment of any other condition.

ARTICLE 8 VENDOR'S CONDITIONS PRECEDENT

The obligation of the Vendor to complete the purchase of the Shares under this Agreement shall be subject to the satisfaction of, or compliance with, on or before the Closing Date, each of the following conditions precedent (each of which is acknowledged to be inserted for the exclusive benefit of the Vendor and may be waived by it in whole or in part):

8.1 Truth and Accuracy of Representations of Purchaser on the Closing Date

All of the representations and warranties of the Purchaser made in or pursuant to this Agreement shall be true and correct in all material respects on the Closing Date and with the same effect as if made at and as of the Closing Date (except as such representations or warranties may be effected by the occurrence of events or transactions expressly contemplated and permitted by this Agreement), and the Vendor shall have received a certificate from a senior officer of the Purchaser confirming to his or her knowledge (after due inquiry), without personal liability such truth and correctness of such representations and warranties.

8.2 Compliance with Vendor Covenants

The Purchaser shall have performed or complied with, in all material respects, all its obligations, covenants and agreements under this Agreement and the Vendor shall have received a certificate from a senior officer of the Purchaser confirming to his or her knowledge (after due inquiry), without personal liability such performance or compliance, as the case may be.

8.3 Receipt of Closing Documentation

The Vendor shall have received copies of all such documentation or other evidence as it may reasonably request in order to establish the consummation of the transactions contemplated by this Agreement and the taking of all corporate proceedings in connection with such transactions in compliance with these conditions.

8.4 No Proceedings

There shall be no Order issued delaying, restricting or preventing, and no pending or threatened Claim or judicial or administrative proceeding, or investigation against any Party by any Person for the purpose of enjoining or preventing the consummation of the transactions contemplated in

this Agreement or otherwise claiming that the consummation of such transactions is improper or would give rise to proceedings under any Laws.

8.5 Encumbrances

The Vendor shall have obtained the Approval and Vesting Order vesting title to the Shares in the Purchaser free and clear of all Encumbrances and, at the Closing Time, such order shall not have been stayed, suspended, set aside, varied or appealed and no motion to stay, suspend the operation of, set aside or vary such order shall have been served or threatened.

8.6 Plan Implementation Date

The Plan Implementation Date shall have occurred.

If any of the foregoing conditions in this Article have not been fulfilled by Closing, the Vendor may terminate this Agreement by notice to the Purchaser, in which event the Vendor shall be released from all obligations under this Agreement, and unless the Vendor can show that the condition relied upon could reasonably have been performed by the Purchaser, the Purchaser shall also be released from all obligations under this Agreement. However, the Vendor, acting in its sole discretion, may waive compliance with any condition in whole or in part, without prejudice to its rights of termination in the event of non-fulfilment of any other condition.

ARTICLE 9 OTHER COVENANTS OF THE PARTIES

9.1 Actions to Satisfy Closing Conditions

- (a) Each of the Parties shall use commercially reasonable efforts to take all such actions as are within its power to control, and cause other actions to be taken which are not within its power to control, so as to ensure compliance with each of the conditions and covenants set forth in Article 7, Article 8 or Article 9 which are for the benefit of any other Party.
- (b) The Vendor shall cooperate with the Purchaser to determine the Persons for service in connection with the motion for the Approval and Vesting Order and shall serve all Persons having registered Encumbrances on the Shares and such other Persons as the Purchaser may reasonably request.

9.2 Confirmation of Satisfaction of Conditions

On the Closing Date, subject to satisfaction or waiver by each relevant Party of the conditions of Closing in its favour contained in Article 7, Article 8 or Article 9 which are for the benefit of such party, each Party shall confirm to the Monitor, in writing and delivered in accordance with the provisions of Section 10.3 herein, the satisfaction of all conditions to Closing, whereupon the Monitor shall deliver the Monitor's Certificate to each of the Parties and file the Monitor's Certificate with the CCAA Court.

9.3 Monitor's Certificate

The Parties hereby acknowledge and agree that the Monitor shall be entitled to file the Monitor's Certificate with the CCAA Court without independent investigation upon receiving written confirmation from each relevant Party that all conditions of Closing in its favour contained in Article 7, Article 8 or Article 9 which are for the benefit of such Party have been satisfied or waived, and the Monitor shall have no liability to the Parties or any other person as a result of filing the Monitor's Certificate. The Monitor shall file the Monitor's Certificate upon the Approval and Vesting Order having been obtained and the Parties having delivered the above-referenced confirmation to the Monitor in the manner set out in Section 9.2.

9.4 Change of Name

Pursuant to the Approval and Vesting Order, the corporate name of the Corporation shall be changed to a name not including the words "Target".

9.5 Preservation of Records

The Purchaser shall take all reasonable steps to preserve and keep the records of the Corporation delivered to it in connection with the completion of the transactions contemplated by this Agreement for a period of six years from the Closing Date, or for any longer period as may be required by any Laws or Governmental Authority, and shall make such records available to the Vendor and the Monitor on a timely basis, as may be requested by it / them.

9.6 Submission to Jurisdiction

- (a) Each Party submits to the exclusive jurisdiction of the CCAA Court in any action, application, reference or other proceeding arising out of or relating to this Agreement and consents to all claims in respect of any such action, application, reference or other proceeding being heard and determined in the CCAA Court. Each of the parties irrevocably waives, to the fullest extent it may effectively do so, the defence of an inconvenient forum to the maintenance of such action, application, reference or other proceeding.
- (b) The Parties shall not raise any objection to the venue of any action, application, reference or other proceeding arising out of or relating to this Agreement in the CCAA Court, including the objection that the proceedings have been brought in an inconvenient forum.
- (c) A final judgment in any such action, application, reference or other proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner specified by law and must not be re-litigated on the merits.

ARTICLE 10 GENERAL

10.1 Monitor's Capacity

Notwithstanding anything else contained herein or elsewhere, each of the Vendor and Purchaser acknowledges and agrees that: (a) the Monitor's obligations hereunder are limited to those

specifically set out in Sections 3.2 and 9.3; and (b) Alvarez & Marsal Canada Inc. is acting solely in its capacity as monitor of the Vendor in the CCAA Proceedings and not in its personal or corporate capacity, and has no liability in connection with this Agreement whatsoever, in its personal or corporate capacity or otherwise, save and except for the Monitor's gross negligence or willful misconduct.

10.2 Expenses

Each party shall be responsible for its own legal and accounting fees and other charges incurred in connection with the purchase and sale of the Shares, including without limitation the payment of any agent or broker fees and the costs incurred in connection with the preparation of this Agreement and all negotiations between the parties and the consummation of the transactions contemplated by this Agreement.

10.3 Notices

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

- (a) If to the Vendor at:

Target Canada Co.
c/o Osler, Hoskin & Harcourt LLP
1 First Canadian Place, Suite 6200
Toronto, ON M5X 1B8

Attention: Aaron Alt
Fax No: (416) 862-6666
E-Mail: aaron.alt@target.com

With a copy (which shall not constitute notice) to:

Osler, Hoskin & Harcourt LLP
1 First Canadian Place, Suite 6200
Toronto, ON M5X 1B8

Attention: Tracy Sandler
Fax No: (416) 862-6666
E-Mail: tsandler@osler.com

- (b) If to the Purchaser at:

2519114 Ontario Inc.
310 – 4580 Dufferin Street
Toronto, Ontario
M3H 5Y2

Attention: Dr. Rashmi Kumra

Fax No: 416-231-7305
E-Mail: pickeringdiagnostics@gmail.com

(c) If to the Monitor at:

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

Attention: Stephen Ferguson
Fax No: 416-847-5201
E-mail: sferguson@alvarezandmarsal.com

With a copy (which shall not constitute notice) to:

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

Attention: Melaney Wagner
Fax No: (416) 979-1234
E-Mail: mwagner@goodmans.ca

Any Notice delivered or transmitted to a Party as provided above shall be deemed to have been given or received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. (Toronto time). However, if the Notice is delivered or transmitted after 5:00 p.m. (Toronto time), or if such day is not a Business Day, then the Notice shall be deemed to have been given and received on the next Business Day. Any Party may, from time to time, change its address by giving Notice to the other Parties in accordance with the provisions of this Section.

10.4 Amendment

No amendment, supplement, modification or waiver of termination of this Agreement and, unless otherwise specified, no consent or approval by any Party, is binding unless executed in writing by the Party to be bound thereby.

10.5 Assignment

No Party may assign this Agreement or any rights or obligations under this Agreement without the prior written consent of each of the other Party.

10.6 Enurement

This Agreement enures to the benefit of and is binding upon the Parties and their respective successors (including any successor by reason of amalgamation of any Party) and permitted assigns.

10.7 Further Assurances

The Parties shall, with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party shall provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after the Closing provided that the costs and expenses of any actions taken after Closing at the request of a Party shall be the responsibility of such Party.


10.8 Execution and Delivery

This Agreement may be executed by the Parties in counterparts and the counterparts may be executed and delivered by electronic means, with all counterparts together constituting one agreement.

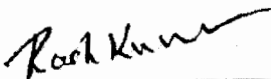
[remainder of page intentionally left blank]

IN WITNESS OF WHICH the parties have duly executed this Agreement.

TARGET CANADA CO.

By: 
Name: Mark Wong
Title: General Counsel

2519114 ONTARIO INC.

By: 
Name: Dr. Rashmi Kumra
Title: Director

SCHEDULE "A"

APPROVAL AND VESTING ORDER

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

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE	)	●, THE ●
)	
JUSTICE ●	)	DAY OF ●, 2016
)	

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

(Share Sale Agreement)

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the "**CCAA**") for an order approving the share sale (the "**Transaction**") contemplated by a Share Sale Agreement among Target Canada Co. ("**TCC**"), as Vendor, and ●, as Purchaser (the "**Purchaser**"), dated ●, 2016 (the "**Share Sale Agreement**") and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of Mark J. Wong sworn on ●, 2016 including the exhibits thereto, 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, and such other counsel as were present, no one else appearing although duly served as appears from the Affidavit of Service of ● sworn ●, 2016, 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 Share Sale Agreement, as applicable.

APPROVAL OF THE SHARE SALE AGREEMENT

3. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved and ratified and that the execution of the Share Sale Agreement 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 and for the conveyance of the Shares to the Purchaser and the Monitor shall be authorized to take such additional steps in furtherance of its responsibilities under the Share Sale Agreement.

4. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor’s certificate to the Purchaser substantially in the form attached as Schedule “B” hereto (the “**Monitor’s Certificate**”), all of TCC’s right, title and interest in and to the Shares 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, charges, Claims (as defined in the Share Sale Agreement), or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (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, and the Agent's Charge and Security Interest (as defined in the Approval Order – Agency Agreement dated February 4, 2015) (collectively, the “**CCAA Charges**”); and
- (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;

(all of which are collectively referred to as the “**Encumbrances**”)

and, for greater certainty, this Court orders that all of the Claims and Encumbrances affecting or relating to the Shares are hereby expunged and discharged as against the Shares.

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

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

7. THIS COURT ORDERS that, in accordance with Section 9.4 of the Share Sale Agreement, the corporate name of Target Canada Pharmacy (Ontario) Corp. shall be changed to 12468 Ontario Inc.

GENERAL PROVISIONS

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

the vesting of the Shares 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.

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

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

SCHEDULE "A"
PARTNERSHIPS

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

SCHEDULE “B”

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

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

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

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

MONITOR’S CERTIFICATE

RECITALS:

A. All undefined terms in this Monitor’s Certificate have the meanings ascribed to them in the Order of the Court dated ●, 2016 (the “**Approval and Vesting Order**”) approving the Share Sale Agreement entered into among Target Canada Co. (“**TCC**”) and ● (the “**Purchaser**”) dated ●, 2016 (the “**Share Sale Agreement**”), a copy of which is attached as Exhibit ● to the Affidavit of Mark J. Wong dated ●, 2016.

B. The Approval and Vesting Order approved the Share Sale Agreement and provided for the vesting in the Purchaser of TCC’s right, title and interest in and to the Shares, which vesting is to be effective with respect to the Shares upon the delivery by the Monitor to the Purchaser and TCC of a certificate confirming (i) the conditions to Closing as set out in Articles 7, 8 and 9 of the Share Sale Agreement have been satisfied or waived by the Purchaser and TCC, as applicable; and (ii) the Transaction has been completed to the satisfaction of the Monitor.

THE MONITOR CERTIFIES the following:

1. The conditions to Closing as set out in Articles 7, 8 and 9 of the Share Sale Agreement 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 Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE].

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

Per: _____

Name:

Title:

SCHEDULE "B"

ARTICLES OF INCORPORATION/LETTERS PATENT



For Ministry Use Only
À l'usage exclusif du ministère

Consumer and
Ontario Business Services
CERTIFICATE
This is to certify that these articles
are effective on

Ministère des Services
aux consommateurs
et aux entreprises
CERTIFICAT
Ceci certifie que les présents statuts
entrent en vigueur le

Ontario Corporation Number
Numéro de la société en Ontario

12468

MARCH 29 MARS, 2006

Business Corporations Act / Loi sur les sociétés par actions

**ARTICLES OF AMENDMENT
STATUTS DE MODIFICATION**

Form 3
Business
Corporations
Act

Formule 3
Loi sur les
sociétés par
actions

1. The name of the corporation is: (Set out in BLOCK CAPITAL LETTERS)
Dénomination sociale actuelle de la société (écrire en LETTRES MAJUSCULES SEULEMENT) :

T	H	E		R	O	B	E	R	T		S	I	M	P	S	O	N		D	R	U	G		C	O	M	P	A	N
Y	,			L	I	M	I	T	E	D																			

2. The name of the corporation is changed to (if applicable): (Set out in BLOCK CAPITAL LETTERS)
Nouvelle dénomination sociale de la société (s'il y a lieu) (écrire en LETTRES MAJUSCULES SEULEMENT) :

N	/	A																										

3. Date of incorporation/amalgamation:
Date de la constitution ou de la fusion : **1914-05-26**

(Year, Month, Day)
(année, mois, jour)

4. Complete only if there is a change in the number of directors or the minimum / maximum number of directors.
Il faut remplir cette partie seulement si le nombre d'administrateurs ou si le nombre minimal ou maximal d'administrateurs a changé.

Number of directors is/are: **or** minimum and maximum number of directors is/are:
Nombre d'administrateurs : **ou** nombres minimum et maximum d'administrateurs :

Number **or** minimum and maximum
Nombre **ou** minimum et maximum

5. The articles of the corporation are amended as follows:
Les statuts de la société sont modifiés de la façon suivante :

The restriction on share transfer provided for in the articles is deleted and the following shall be substituted therefor:

"Restrictions, if any, on share transfers:

No securities of the Corporation, other than non-convertible debt securities, shall be transferred without the consent of either (a) a majority of the directors of the Corporation expressed by a resolution passed at a meeting of the board of directors or by an instrument or instruments in writing signed by a majority of the directors; or (b) the holders of at least 51% of the outstanding common shares of the Corporation expressed by a resolution passed at a meeting of such shareholders or by an instrument or instruments in writing signed by the holders of at least 51% of the outstanding common shares of the Corporation."

6. The amendment has been duly authorized as required by sections 168 and 170 (as applicable) of the *Business Corporations Act*.
La modification a été dûment autorisée conformément aux articles 168 et 170 (selon le cas) de la Loi sur les sociétés par actions.
7. The resolution authorizing the amendment was approved by the shareholders/directors (as applicable) of the corporation on
Les actionnaires ou les administrateurs (selon le cas) de la société ont approuvé la résolution autorisant la modification le

2006-Mar-27

(Year, Month, Day)
(année, mois, jour)

These articles are signed in duplicate.
Les présents statuts sont signés en double exemplaire.

THE ROBERT SIMPSON DRUG COMPANY, LIMITED

(Name of Corporation) (If the name is to be changed by these articles set out current name)
(Dénomination sociale de la société) (Si l'on demande un changement de nom, indiquer ci-dessus la dénomination sociale actuelle)

By/
Par :


(Signature)
(Signature)

Secretary

(Description of Office)
(Fonction)

Ontario
CERTIFICATE

This is to certify that these articles
 are effective on

CERTIFICAT

Ceci certifie que les présents statuts
 entrent en vigueur le

JANUARY 10 JANVIER, 2013



Director / Directrice
 Business Corporations Act / Loi sur les sociétés par actions

Form 3
 Business
 Corporations
 Act

Formule 3
 Loi sur les
 sociétés par
 actions

**ARTICLES OF AMENDMENT
 STATUTS DE MODIFICATION**

1. The name of the corporation is: (Set out in BLOCK CAPITAL LETTERS)
 Dénomination sociale actuelle de la société (écrire en LETTRES MAJUSCULES SEULEMENT) :

T	H	E		R	O	B	E	R	T		S	I	M	P	S	O	N		D	R	U	G		C	O	M	P	A	N	
Y	,			L	I	M	I	T	E	D																				

2. The name of the corporation is changed to (if applicable) : (Set out in BLOCK CAPITAL LETTERS)
 Nouvelle dénomination sociale de la société (s'il y a lieu) (écrire en LETTRES MAJUSCULES SEULEMENT) :

T	A	R	G	E	T		C	A	N	A	D	A		P	H	A	R	M	A	C	Y		(	O	N	T	A	R	I	
O	)			C	O	R	P	.																						

3. Date of incorporation/amalgamation:
 Date de la constitution ou de la fusion :

1914/05/26

(Year, Month, Day)
 (année, mois, jour)

4. **Complete only if there is a change in the number of directors or the minimum / maximum number of directors.
 Il faut remplir cette partie seulement si le nombre d'administrateurs ou si le nombre minimal ou maximal d'administrateurs a changé.**

Number of directors is/are: minimum and maximum number of directors is/are:
 Nombre d'administrateurs : nombres minimum et maximum d'administrateurs :

Number minimum and maximum
 Nombre minimum et maximum

or 1 5

5. The articles of the corporation are amended as follows:
 Les statuts de la société sont modifiés de la façon suivante :

to change its name to Target Canada Pharmacy (Ontario) Corp. and
 to change the number of directors to a minimum of one (1) and a maximum of five (5).

6. The amendment has been duly authorized as required by sections 168 and 170 (as applicable) of the *Business Corporations Act*.
La modification a été dûment autorisée conformément aux articles 168 et 170 (selon le cas) de la *Loi sur les sociétés par actions*.
7. The resolution authorizing the amendment was approved by the shareholders/directors (as applicable) of the corporation on
Les actionnaires ou les administrateurs (selon le cas) de la société ont approuvé la résolution autorisant la modification le

2012/12/07

(Year, Month, Day)
(année, mois, jour)

These articles are signed in duplicate.
Les présents statuts sont signés en double exemplaire.

THE ROBERT SIMPSON DRUG COMPANY, LIMITED

(Print name of corporation from Article 1 on page 1)
(Veuillez écrire le nom de la société de l'article un à la page une).

By/
Par :

(Signature)
(Signature)

DIRECTOR HEALTHCARE OPERATIONS

(Description of Office)
(Fonction)

or interest at the prescribed price hereinafter defined: (1) that in
case to ascertain whether any shareholder is willing to purchase any
such share or interest, the person, whether a shareholder of the Com-
pany or not, proposing to transfer the same, hereinafter called the
retiring shareholder, shall give notice in writing to the Company
that he desires to transfer the same, and such notice shall constitute
the Company his agent for the sale of the share or other interest to
any shareholder of the Company at the prescribed price; and that if
the Company shall within the space of thirty days after such notice
find a shareholder desiring to purchase such share or interest, here-
inafter called the purchasing shareholder, and shall give notice
in writing to the retiring shareholder, he shall be bound at such time
within fifteen days thereafter the Company shall appoint one
payment of the prescribed price to transfer such share or interest to
the purchasing shareholder; that if in any case the retiring
shareholder after becoming bound as aforesaid, makes default in trans-
ferring such share or interest, the Company may receive the purchase
money and shall thereupon cause the name of the purchasing share-
holder to be entered up in the register, the name of such share or
interest, and shall hold the purchase money in trust for the use of
shareholders, his executors administrators or assigns, and the receipt
of the Company for the purchase money shall be a good discharge to the
purchasing shareholder, and he shall not be bound to see to the ap-
plication thereof, and if the name of the purchasing shareholder
has been entered in the register in pursuance of this proviso, the aforesaid
proviso, and the purchasing shareholder shall be deemed and taken to
be the owner of the said share or interest; that if within the
space of thirty days after the giving of such notice, no shareholder
of the Company shall be found desiring to purchase such share or
interest, and shall give notice thereof in writing as aforesaid, the re-
tiring shareholder shall, within six calendar months after
the date of such notice, be at liberty to sell or transfer such share or interest to
any person and at any price, subject to the right of the Company to the
contract given by him in the case of partly paid stock; and if such
share is not sold within such six months, it shall be incumbent upon the
retiring shareholder to give notice again to the Company as aforesaid
provided with the like results; (2) that the prescribed price shall
be the amount paid in respect of such share; (3) that no shareholder of
the Company shall without the consent in writing of the shareholders
for the time being of the Company, be interested as a shareholder,
partner, director, manager, or otherwise, in any business in which
the Company is or may be engaged in carrying on its business; and if
it shall be proved to the satisfaction of the directors of the Company



that any shareholder has committed a breach of the clause they may
serve him with notice in writing, requiring him to do so; and if he
does not do so within the time therein specified, his share or
interest in such business shall be deemed to be transferred to the
Company, and he shall be deemed to be a shareholder of the Company.

eight days after the service of such notice, it shall be deemed to be
the satisfaction of the directors that the requisitions thereof have
been complied with, such shareholder shall be deemed to have
the Company with a transfer notice pursuant to clause 3 hereof, and
the Company shall be constituted his agent for the purpose of
of the same in pursuance of clauses 3, 4, 5, 6, and 7 above in part.
No shareholder or any shareholder of the Company shall be employed by the
Company in any capacity under contract with employment or liable
to be employed by the Company, the directors may at any time within
thirty days after such shareholder is deemed or ceases to be or treated
as a shareholder, resolve that such shareholder no longer and therefore
such shareholder shall be deemed to have left the Company with a
transfer notice pursuant to clause 3 hereof and the Company shall
be constituted his agent for the purpose of a transfer of the same in
pursuance of clause 3, 4, 5, 6, and 7 above in part. The
directors may resolve to register or transfer of a share upon the
directors are not of an unanimous opinion that it is desirable to
admit such proposed transfer as a shareholder, but the decision
shall not affect when the proposed transfer is made. The number
of the number of its shareholders, admission of persons, for and
the employment of the Company shall be deemed to have left the
Company for any holding, general or special, for any account or
single shares or, and unless it is to the point to be made
for any shares, admission or admission of the Company,
prohibited.

Given in our hand and Seal of office at the City of Toronto
in the said Province of Ontario this twenty sixth
day of May in the year of Our Lord one thousand nine
hundred and fourteen.

A. J. Hanna
Provincial Secretary.



Form No. 270. Cashier's Voucher
100-2-12

G50030

Department of Secretary and Registrar
Ontario.

TORONTO May 26 1911

Credit Robert Simpson Dry Co
with \$ 100 ⁰⁰/₁₀₀ received from Malton Co

account of Robert Simpson
S. J. Donnelly

voucher to be retained as a
receipt for above amount

Cashier

IN THE MATTER of the application of
NATHANIEL SOLMES NORDEN and others
for incorporation under The Ontario
Companies Act as

THE ROBERT SIMPSON DRUG COMPANY LIMITED

Under the provisions of Section 30 of The
Ontario Companies Act THE ROBERT SIMPSON COMPANY LIMITED
hereby consents to the use by the applicants herein of
the name of THE ROBERT SIMPSON DRUG COMPANY LIMITED in
connection with the objects set out in the application
of the said Nathaniel Solmes Norden and others for in-
corporation and for no other purpose whatever, and this
consent is given on condition that it shall not prejudice
in any way The Robert Simpson Company Limited in the full
use and enjoyment of their present incorporated name.

DATED at Toronto this 21st day of May 1914.

WITNESS

Alexander

THE ROBERT SIMPSON COMPANY

W. H. ...
W. H. ...
Secretary

WE, THE UNDERSIGNED, do hereby severally COVENANT and AGREE each with the other to become incorporated as an company under the provisions of the Organic

12468

James A. Co. under the name of The Robert Simpson Drug Company ... *five hundred and fifty shares of \$100.00 each* ... dollars each.

AND WE DO HEREBY severally and not one for the other, SUBSCRIBE for and AGREE to take the respective amounts of the capital stock of the said Company set

opposed, our respective names as hereunder and hereafter written, and to become shareholders in such Company to the said amounts.

IN WITNESS whereof we have signed.

SIGNATURES OF SUBSCRIBERS.	SEALS.	AMOUNTS OF SHARES.	DATES AND PLACES OF SUBSCRIPTION.	RESIDENCES OF SUBSCRIBERS.	SIGNATURES OF WITNESSES.
<i>W. H. Woodlee</i>		\$100.00	May 21	Yonkers	<i>W. A. Spator</i>
<i>E. N. Stewart</i>		\$100.00	" 21	"	<i>W. A. Spator</i>
<i>W. E. Decker</i>		100.00	" 21	"	<i>W. A. Spator</i>
<i>Samuel W.</i>		100.00	" 21	"	<i>W. A. Spator</i>
<i>William W.</i>		100.00	" 21	"	<i>W. A. Spator</i>

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

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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at Toronto

**TWENTY-EIGHTH REPORT OF THE
MONITOR**

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