

**THE QUEEN'S BENCH
WINNIPEG CENTRE**

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

**AND IN THE MATTER OF A PROPOSED PLAN
OF COMPROMISE OR ARRANGEMENT WITH RESPECT TO
ARCTIC GLACIER INCOME FUND, ARCTIC GLACIER INC
ARCTIC GLACIER INTERNATIONAL INC. AND THE ADDITIONAL
APPLICANTS LISTED ON APPENDIX "A" HERETO
(COLLECTIVELY, "THE APPLICANTS")**

**TWENTY-SECOND REPORT OF THE MONITOR
ALVAREZ & MARSAL CANADA INC.
May 27, 2015**

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1. INTRODUCTION

- 1.1 Pursuant to an order of the Court of Queen's Bench (Winnipeg Centre) (the "**Canadian Court**") dated February 22, 2012 (the "**Initial Order**"), Alvarez & Marsal Canada Inc. ("**A&M**") was appointed as Monitor (the "**Monitor**") in respect of an application filed by Arctic Glacier Income Fund ("**AGIF**"), Arctic Glacier Inc., Arctic Glacier International Inc. and those entities listed on **Appendix "A"**, (collectively the "**Applicants**", together with Glacier Valley Ice Company L.P., the "**Arctic Glacier Parties**") seeking certain relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"). The proceedings commenced by the Applicants under the Initial Order are referred to herein as the "**CCAA Proceedings**". The United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**") recognized the CCAA Proceedings as a foreign main proceeding and appointed the Monitor as foreign representative of the Applicants by Order dated March 16, 2012 (the "**Recognition Order**").
- 1.2 The Monitor has previously filed twenty-one reports with the Canadian Court. Capitalized terms used but not otherwise defined in this report (the "**Twenty-Second Report**") are as defined in the orders previously granted by, or in the reports previously filed by the Monitor with, the Canadian Court, and the Applicants' consolidated plan of compromise or arrangement dated May 21, 2014, as amended on August 26, 2014 and January 21, 2015, as may be further amended, supplemented or restated from time to time in accordance with the terms therein (the "**Plan**").
- 1.3 The Sale Transaction for substantially all of the Arctic Glacier Parties' business and assets closed on July 27, 2012. The business formerly operated by the Arctic Glacier Parties

continues to be carried on by the Purchaser (Arctic Glacier, LLC, formerly H.I.G. Zamboni, LLC). The Monitor continues to hold significant funds for distribution.

- 1.4 On September 5, 2012, the Canadian Court issued an order approving a claims process (the “**Claims Process**”) and, among other things, authorizing, directing and empowering the Monitor to take such actions as contemplated by the Claims Process (the “**Claims Procedure Order**”). The Claims Procedure Order provided for a Claims Bar Date of October 31, 2012 in respect of the Proofs of Claim and the DO&T Proofs of Claim. The U.S. Court recognized the Claims Procedure Order by Order dated September 14, 2012.
- 1.5 The Claims Procedure Order contemplated a further order of the Canadian Court to provide an appropriate process for resolving disputed Claims. Accordingly, on March 7, 2013, the Canadian Court issued an order (the “**Claims Officer Order**”) to that effect.
- 1.6 On May 21, 2014, the Canadian Court issued an order (the “**Meeting Order**”) in respect of the Plan. On June 6, 2014, the U.S. Court entered an Order recognizing and giving full force and effect in the United States to the Meeting Order.
- 1.7 Following the deemed Creditors’ Meeting and the Unitholders’ Meeting held on August 11, 2014, the Canadian Court issued an order on September 5, 2014 that, among other things, sanctioned and approved the Plan (the “**Sanction Order**”). On September 16, 2014, the U.S. Court entered an Order recognizing and giving full effect in the United States to the Sanction Order.
- 1.8 As more particularly described in the Seventeenth Report of the Monitor dated August 26, 2014 (the “**Seventeenth Report**”), the Monitor noted that, among other things:

- a) the implementation of the Plan was conditional upon the fulfillment of certain conditions precedent on or prior to the Plan Implementation Date;
- b) one of the conditions precedent to implementation of the Plan was that the Monitor and the CPS be satisfied that (i) all tax returns required to be filed by or on behalf of the Arctic Glacier Parties have been or will be duly filed in all appropriate jurisdictions; and (ii) all taxes required to be paid in respect thereof have been or will be paid (the “**10.3(d) Condition**”);
- c) based on the enquiries made by the Monitor, the Monitor became aware that certain of the Arctic Glacier Parties did not file sales tax returns (and in some cases, obtain associated documents in respect thereof) or collect and remit sales taxes in certain U.S. states and localities (the “**Outstanding States**”) where the Arctic Glacier Parties conducted business and completed sales (the “**Sales Tax Issue**”);
- d) the Monitor and the Arctic Glacier Parties were investigating whether such sales tax returns ought to have been filed and what measures, if any, were necessary to ensure that the 10.3(d) Condition was satisfied; and
- e) the Monitor would file a subsequent report to provide an update in respect of the Sales Tax Issue and its impact, if any, on the Plan, including, without limitation, the various reserves contemplated in the Plan and any consequent delay in the then anticipated Plan Implementation Date of October 15, 2014.

1.9 On October 15, 2014, the Monitor issued the Supplement to the Seventeenth Report of the Monitor (the “**Seventeenth Report Supplement**”), which advised stakeholders that certain conditions precedent to Plan implementation had not been fulfilled, that the Monitor and

the Applicants continued to work diligently towards satisfying all conditions precedent to Plan implementation, and that the Monitor would provide additional information to stakeholders in the form of a court report in the following weeks.

- 1.10 On November 7, 2014, the Monitor issued the Twentieth Report of the Monitor dated November 7, 2014 (the “**Twentieth Report**”), in support of its motion (the “**November Stay Extension Motion**”) for an Order, among other things, extending the Stay Period to June 15, 2015 and approving the Monitor’s disallowance in full of the Claim filed by Geysir Sales Corporation, Inc. The Canadian Court granted this Order on November 25, 2014.
- 1.11 A&M, in its capacity as Monitor and as foreign representative of the Applicants, filed the Nineteenth Report of the Monitor (the “**Nineteenth Report**”), excluding the Confidential Appendix, and served motion materials in the U.S. on November 7, 2014 in connection with the Sales Tax Issue (the “**U.S. Sales Tax Motion**”). The U.S. Sales Tax Motion was heard by the U.S. Court on December 12, 2014. The U.S. Court granted an Order (the “**U.S. Plan Implementation Order**”) that, among other things:
- a) established limits on the maximum potential claims of various U.S. state and local sales taxing authorities in the Outstanding States (the “**Taxing Authorities**”) for asserted sales taxes and/or associated interest and penalties;
 - b) approved deadlines for the Taxing Authorities to dispute the determination of the aforementioned limits to the Taxing Authorities’ potential claims;
 - c) approved the form and manner of notice provided to such Taxing Authorities;

- d) declared that the process followed by the Monitor and the CPS to ascertain potential sales tax liability, and the steps taken by the Monitor and the CPS to address any outstanding sales tax obligations and liabilities, are:
- i. sufficient to fulfill the 10.3(d) Condition;
 - ii. reasonable under the circumstances;
 - iii. consistent with the Monitor's and the CPS's duties under the Initial Order, the Recognition Order and applicable U.S. law; and
 - iv. in the best interests of the Arctic Glacier Parties, the Taxing Authorities, the creditors of the Arctic Glacier Parties, the Unitholders and all other parties with an interest in the Chapter 15 Proceedings.

1.12 The purpose of this Twenty-Second Report is to provide the Canadian Court, the U.S. Court, Affected Creditors, Unitholders and other interested parties with an update regarding:

- a) certain technical, administrative amendments made to the Plan since the date of the Twentieth Report (November 18, 2014), that did not affect the economic interests of stakeholders;
- b) the implementation of the Plan;
- c) distributions from AGIF to the Unitholders;
- d) the proposed Unitholder claims procedure Order (the “**Unitholder Claims Procedure Order**”);

- e) post-Plan implementation steps to be completed by the Arctic Glacier Parties and the Monitor;
- f) the Sales Tax Issue;
- g) the Claims Process;
- h) the Arctic Glacier Parties' receipts and disbursements for the period from November 15, 2014 to May 22, 2015; and
- i) the Monitor's activities since the date of the Twentieth Report.

1.13 Further information regarding the CCAA Proceedings and the concurrent Chapter 15 Proceedings, and all previous reports of the Monitor, can be found on the Monitor's website at <http://www.alvarezandmarsal.com/artic-glacier-income-fund-artic-glacier-inc-and-subsidiaries> (the "**Website**").

2. TERMS OF REFERENCE

2.1 In preparing this Twenty-Second Report, the Monitor has necessarily relied upon unaudited financial and other information supplied, and representations made, by certain former senior management of the Arctic Glacier Parties, including the Arctic Glacier Parties' former Director of Tax ("**Senior Management**"). Although this information has been subject to review, the Monitor has not conducted an audit or otherwise attempted to verify the accuracy or completeness of any of the information received.

2.2 Certain of the information referred to in this Twenty-Second Report consists of "forward-looking information" within the meaning of applicable securities laws, including financial forecasts and/or projections or refers to financial forecasts and/or projections. An

examination or review of financial forecasts and projections and procedures, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed. Any future-oriented financial information and forward-looking statements are not guarantees of future events and involve risks and uncertainties that are difficult to predict. Any future-oriented financial information referred to in this Twenty-Second Report was, in part, prepared based on estimates and assumptions provided by Senior Management. Readers are cautioned that since financial forecasts and/or projections are based upon assumptions about future events and conditions that are not ascertainable, actual results may vary from the projections, and such variations could be material.

2.3 The information contained in this Twenty-Second Report is not intended to be relied upon by any investor in any transaction with the Arctic Glacier Parties or in relation to any transfer or assignment of the Trust Units of AGIF.

2.4 Unless otherwise stated, all monetary amounts contained in this Twenty-Second Report are expressed in United States dollars, which is the Arctic Glacier Parties' common reporting currency.

3. AMENDMENTS TO THE PLAN

3.1 As described in the Twentieth Report, the Plan implementation date was anticipated to be on or about January 8, 2015. On January 9, 2015, AGIF released a press release announcing a delay in implementing the Plan. As of January 9, 2015, the Applicants were dealing with numerous local U.S. state authorities to address technical closing issues related to certain U.S. subsidiaries, which issues had to be addressed to complete various steps contemplated in the Plan.

3.2 In connection with these closing issues, certain technical amendments were made to the Plan on January 21, 2015. The Monitor has been advised by the Arctic Glacier Parties that all of the amendments made to the Plan are of an administrative nature and were required to give better effect to the implementation of the Plan and the Sanction Order. In addition, all such amendments were made with the consent of the Monitor. The Monitor posted a copy of the Plan, as amended on January 21, 2015, on the Website on January 22, 2015. A blackline illustrating the January 21, 2015 amendments is attached as **Appendix “B”** hereto.

4. PLAN IMPLEMENTATION

4.1 On January 22, 2015 (the “**Plan Implementation Date**”), the Arctic Glacier Parties, with the assistance of the Monitor, implemented the Plan. Accordingly, on the Plan Implementation Date, the Plan (including, without limitation, the transactions, arrangements, reorganizations, assignments, cancellations, compromises, settlements, extinguishments, discharges, injunctions and releases set out therein) became binding and effective in accordance with the provisions therein pursuant to the Sanction Order. On the Plan Implementation Date and pursuant to the Plan, the Monitor, on behalf of the Arctic Glacier Parties, *inter alia*:

- a) used the Available Funds to fund the following reserves and distribution cash pools:
 - i. Administrative Costs Reserve;
 - ii. Insurance Deductible Reserve;
 - iii. Unresolved Claims Reserve;

- iv. Affected Creditors' Distribution Cash Pool; and
 - v. Unitholders' Distribution Cash Pool;
- b) distributed the Affected Creditors' Distribution Cash Pool to each Affected Creditor, in the amount of such Affected Creditor's Distribution Claim; and
- c) transferred \$54,498,863.58 (the "**Initial Distribution**") from the Unitholders' Distribution Cash Pool to the Transfer Agent for distribution to Registered Unitholders as of December 18, 2014 (the "**Initial Unitholder Distribution Record Date**") who the Transfer Agent was aware of and had contact information in respect of, based on each such Registered Unitholder's Pro Rata Share (a) for such Registered Unitholder, in respect of Trust Units held solely for and on behalf of itself, as applicable; or (b) for distribution by such Registered Unitholder to (i) Beneficial Unitholders, as applicable, or (ii) participant holders of the Trust Units or the intermediary holders of the Trust Units, or the agents of such Nominees, for subsequent distribution to the applicable Beneficial Unitholders.

4.2 On January 26, 2015, the Monitor filed a certificate with the Canadian Court which confirmed that the conditions precedent set out in Section 10.3 of the Plan had been satisfied or waived in accordance with the Plan and that the Plan Implementation Date had occurred.

5. UPDATE REGARDING UNITHOLDER DISTRIBUTIONS

Initial Unitholder Distribution

5.1 Pursuant to the Plan, the Monitor declared a Unitholder Distribution Record Date of December 18, 2014, being the Initial Unitholder Distribution Record Date. As more

particularly described in Section 5.4(c), this information was published in several newspapers on December 11, 2014. On December 15, 2014, by way of a news release (the “**Record Date Release**”, attached hereto as **Appendix “C”**), AGIF made a further announcement of the Initial Unitholder Distribution Record Date. On January 21, 2015, AGIF announced by way of a news release, attached hereto as **Appendix “D”**, that the Plan would be implemented on January 22, 2015 and that the rate of the distribution would be \$0.15557 per Trust Unit.

- 5.2 Pursuant to the Plan, the Monitor transferred the aggregate value of the Initial Distribution, on behalf and for the account of AGIF, to the Transfer Agent on the Plan Implementation Date. The Monitor is advised that the Transfer Agent distributed the initial distribution to AGIF’s Registered Unitholders as of the Initial Unitholder Distribution Record Date within five Business Days of the Plan Implementation Date, as required by the Plan.

Dissemination of Record Date Release

- 5.3 On January 23, 2015, at 10:50 AM ET the Investment Industry Regulatory Organization of Canada (“**IIROC**”) halted trading of AGIF’s Trust Units (the “**Trading Halt**”). Subsequently, IIROC and the Canadian Securities Exchange (the “**CSE**”) contacted AGIF to discuss the dissemination of the Record Date Release. Certain Unitholders and brokers also contacted AGIF and/or the Monitor in connection with Unitholder entitlement to the initial distribution.

- 5.4 Following the Trading Halt, AGIF and the Monitor engaged in discussions regarding the dissemination of the Record Date Release. The Monitor is advised that the following steps were taken in December 2014 to disseminate the Record Date Release:

- a) A notice announcing the declaration of December 18, 2014 as the Initial Unitholder Distribution Record Date was published in the following daily newspapers on December 11, 2014: (i) The Winnipeg Free Press; (ii) The Globe and Mail; and (iii) The Wall Street Journal;
- b) The Record Date Release was posted to the System for Electronic Document Analysis and Retrieval website, www.sedar.com, and on the CSE website, www.cnsx.ca, on December 15, 2014;
- c) On December 15, 2014 the Record Date Release was also sent to Stockwatch Canada's news dissemination service ("**Stockwatch**"), with instructions to disseminate the information to the market generally; and
- d) A Material Change Report which described and appended the Record Date Release was filed on www.sedar.com on December 15, 2014.¹

5.5 It has come to the attention of AGIF and the Monitor that the Record Date Release was not further disseminated by Stockwatch when it was instructed on December 15, 2014 to do so by AGIF. Following discussions with representatives of the CSE and IIROC after issuance of the Trading Halt, AGIF issued a further news release on January 28, 2015, a copy of which is attached as **Appendix "E"** hereto, which provided additional details regarding the initial distribution and the value of the funds being held by the Monitor, on behalf of the Arctic Glacier Parties, as of the Plan Implementation Date (as further described below). As a result, the Trading Halt was lifted on January 28, 2015 at 3:00 PM ET. Following

¹ AGIF has advised the Monitor that all steps typically taken by AGIF to disseminate news releases were taken in connection with the Record Date Release, including dissemination by way of Stockwatch.

discussions with AGIF and the Monitor, Stockwatch posted the Record Date Release to www.stockwatch.com on February 6, 2015.

Unitholder Complaint

5.6 Certain Persons have contacted AGIF and/or the Monitor and asserted that they did not receive a portion of the Initial Distribution despite being entitled to it. One such Person has asserted that he was entitled to, but did not receive, approximately \$2 million of the Initial Distribution. AGIF, in consultation with the Monitor, has considered these assertions (collectively, the “**Unitholder Assertions**”) and reviewed the steps that were taken to effect the Initial Distribution.

5.7 The Plan required that:

- a) the Monitor declare a Unitholder Distribution Record Date prior to any distribution from the Unitholders’ Distribution Cash Pool; and
- b) the Monitor transfer the Initial Distribution, on behalf and for the account of AGIF, from the Unitholders’ Distribution Cash Pool to the Transfer Agent on the Plan Implementation Date (collectively, the “**Preliminary Distribution Steps**”).

5.8 The Preliminary Distribution Steps were the only actions which the Plan required AGIF (by way of the Monitor acting on its behalf) or the Monitor take to deliver the Initial Distribution and the Monitor has confirmed that each of the Preliminary Distribution Steps were taken.

5.9 The Preliminary Distribution Steps were mandated by the Plan and the Sanction Order. On the Plan Implementation Date, the Plan provides that AGIF was released from, *inter alia*, claims related to the Plan and the CCAA Proceedings. Consequently, it is AGIF’s position

that it is not responsible for errors, if any, in the delivery of the Initial Distribution after the Preliminary Distribution Steps had been completed.

6. THE PROPOSED UNITHOLDER CLAIMS PROCESS

6.1 In this section, all capitalized terms not defined elsewhere have the meaning ascribed to them in the draft Unitholder Claims Procedure Order.

6.2 As a result of the Unitholder Assertions, the Monitor recommends establishing a procedure for the identification and determination of all claims that may be asserted or made in whole or in part against AGIF arising from any action or omission occurring on or after the setting of the Initial Unitholder Distribution Record Date in connection with or related to the Initial Distribution (the “**Initial Distribution Claims**”). While the Monitor has confirmed that the Preliminary Distribution Steps were fulfilled pursuant to and in accordance with the Plan, it is recommending this given that such a procedure will allow for an orderly, comprehensive and timely resolution of potential issues arising from the Unitholder Assertions. Furthermore, the Unitholder Claims Procedure provides for a process whereby the Monitor will assist those who did not receive a portion of the Initial Distribution despite allegedly being entitled to it, if so found to be the case, in the determination of the cause of such error, if any.

6.3 The draft Unitholder Claims Procedure Order contemplates the following claims:

- a) Initial Distribution Claims against AGIF;
- b) Claims against AGIF’s Officers or Trustees in connection with the Initial Distribution Claims (“**O&T Claims**”); and

- c) Claims which are based on rights of any Officer or Trustee against AGIF which arose as a result of any Person filing an O&T Proof of Claim in respect of such Officer or Trustee for which such Officer or Trustee is entitled to be indemnified by AGIF (“**O&T Indemnity Claims**” and, collectively, the “**Unitholder Claims**”).

Unitholder Claims Bar Date

6.4 The Monitor proposes that any Person asserting an Initial Distribution Claim or an O&T Claim be required to file an Initial Distribution Proof of Claim or O&T Proof of Claim, respectively, with the Monitor by 5:00 pm Winnipeg Time on July 28, 2015 (the “**Unitholder Claims Bar Date**”). The Monitor believes that a Unitholder Claims Bar Date of July 28, 2015 is reasonable given that it provides sufficient time from the date of this motion for potential holders of Initial Distribution Claims or O&T Claims to evaluate such claims against AGIF or its Officers or Trustees.

6.5 The Monitor proposes that if any Officer or Trustee seeks to assert an O&T Indemnity Claim, in response to an O&T Proof of Claim, such Officer or Trustee will be required to file an O&T Indemnity Proof of Claim with the Monitor within fifteen Business Days after the date of receipt of the applicable O&T Proof of Claim by such Officer or Trustee. The Monitor believes that the period of fifteen Business Days is a reasonable period for Officers or Trustees to evaluate and submit any O&T Indemnity Proof of Claim they may have against AGIF.

Notice

6.6 The draft Unitholder Claims Procedure Order provides for the following notifications of the Unitholder claim process contemplated therein:

- a) The Monitor shall, no later than two Business Days following the making of the Unitholder Claims Procedure Order, post a copy of the Distribution Proof of Claim Document Package on the Monitor's website; and
- b) The Monitor shall, no later than five Business Days following the making of the Unitholder Claims Procedure Order, cause the Notice to Unitholder Claimants to be published once in: (i) the Globe and Mail (National Edition), (ii) the Wall Street Journal (National Edition), and (iii) the Winnipeg Free Press.

Adjudicating Claims

6.7 The draft Unitholder Claims Procedure Order provides that, after reviewing each Initial Distribution Proof of Claim or O&T Claim that is filed with the Monitor on or before the Unitholder Claims Bar Date, if any, the Monitor shall promptly thereafter contact each Unitholder Claimant to discuss their Initial Distribution Claim and/or O&T Claim, reasonably assist them by providing information in the possession and control of the Monitor in relation to their Initial Distribution Claim and/or O&T Claim, and reasonably assist them in ascertaining (i) whether they were entitled to a portion of the Initial Distribution pursuant to the Plan and did not receive such portion, and (ii) the cause of such error, if such error was made. The Monitor shall provide such assistance to Unitholder Claimants between the Unitholder Claims Bar Date and September 8, 2015 (the “**Resolution Deadline**”).

6.8 The draft Unitholder Claims Procedure Order contemplates the appointment of a Unitholder Claims Officer to adjudicate Initial Distribution Claims and O&T Claims that are not withdrawn by the Resolution Deadline, if any. The draft Unitholder Claims Procedure Order also provides that the Unitholder Claims Officer shall resolve any O&T

Indemnity Claims related to O&T Claims that are not withdrawn by the Resolution Deadline.

6.9 The proposed Unitholder Claims Officer is the Honourable former Justice Jack Ground, who was appointed as a Claims Officer pursuant to the Claims Officer Order and is familiar with the Arctic Glacier Parties' CCAA Proceedings.

6.10 The Monitor will request that the Honourable former Justice Jack Ground, an arbitrator and mediator with Neeson Arbitration Chambers, act as a Claims Officer in these CCAA Proceedings, subject to being appointed by this Honourable Court. The Honourable Mr. Ground is a retired judge of the Ontario Superior Court and acted as Supervising Judge of the Commercial List.

6.11 The Monitor proposes that the Unitholder Claims Officer be empowered to determine:

- a) The validity and value of Initial Distribution Claims and O&T Claims (if any are filed and not subsequently withdrawn by the Resolution Deadline);
- b) The validity and value of O&T Indemnity Claims related to O&T Claims that are not withdrawn by the Resolution Deadline; and
- c) By whom, and to what extent, the costs of any hearing before a Unitholder Claims Officer shall be paid.

6.12 The Monitor also proposes that the Unitholder Claims Officer shall be entitled to reasonable compensation for the performance of his duties, which compensation is to be paid by AGIF forthwith upon receipt of each invoice tendered by the Unitholder Claims Officer.

6.13 In light of the fact that Senior Management is no longer employed by the Applicants, the draft Unitholder Claims Procedure Order contains a provision that any requirement of the Monitor to consult with or obtain the consent of AGIF shall be satisfied by consulting with or obtaining the consent of the CPS.

Role of the Monitor

6.14 The Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA and the Orders in the CCAA Proceedings shall administer the proposed Unitholder claims process by, among other things:

- a) Publishing the Notice to Unitholder Claimants;
- b) Reviewing Initial Distribution Proofs of Claim and O&T Proofs of Claim, in consultation with AGIF;
- c) Sending O&T Proofs of Claim received to the affected Officers and Trustees;
- d) Reviewing O&T Indemnity Proofs of Claim; and
- e) Providing certain assistance, as described above, to the Unitholder Claimants up to the Resolution Deadline.

6.15 The Monitor will provide an update with respect to Initial Distribution Proofs of Claim and O&T Proofs of Claim that are filed by the Distribution Claims Bard Date in a subsequent report.

7. POST-PLAN IMPLEMENTATION DATE TRANSACTIONS

7.1 Pursuant to the Plan, each of the Arctic Glacier Parties, or the Monitor on their behalf, as the case may be, shall take the following steps after the Plan Implementation Date:

- a) the Monitor, on behalf of the Arctic Glacier Parties, shall take all steps necessary to pay any amounts required to be paid to an Affected Creditor or to the Unitholders after the Plan Implementation Date, in accordance with Plan;
- b) (i) the Monitor, on behalf of the Arctic Glacier Parties, shall take all steps necessary to make any distributions, payments, or transfers in order to fund, or otherwise in connection with, the making of the payments referred to in subparagraph (a) above; and (ii) the Arctic Glacier Parties, in consultation with the Monitor, shall take all steps necessary to undertake any other transactions as between the Arctic Glacier Parties in order to fund, or otherwise take steps in connection with, the making of the payments referred to in subparagraph (a) above; and
- c) (i) each of the Arctic Glacier Parties, in consultation with the Monitor, shall take all steps necessary to merge, wind-up, liquidate, terminate, and/or dissolve or undertake any other steps in connection therewith, including causing AGIF's Trust Units to cease to be listed and traded on the Canadian Securities Exchange on (and for greater certainty, not prior to) the Final Distribution Date; and (ii) the Monitor, on behalf of the Arctic Glacier Parties, shall make any distributions, payments or transfers in connection therewith.

7.2 The Monitor will provide updates with respect to these post-Plan implementation transactions in subsequent reports.

8. THE U.S. SALES TAX ISSUE

- 8.1 The Monitor, in its capacity as foreign representative of the Arctic Glacier Parties, has contacted the Taxing Authorities for the purpose of resolving the Sales Tax Issue in accordance with the U.S. Plan Implementation Order. As described above, the U.S. Plan Implementation Order established limits on the claims which the Taxing Authorities can make against the Arctic Glacier Parties for sales tax and/or associated interest and penalties. As described in the Nineteenth Report, the aggregate value of these limits is \$1,937,165. Accordingly, the Monitor has earmarked \$2 million of the \$10 million Administrative Costs Reserve to provide a reserve for the payment of any outstanding sales taxes, interest and penalties payable by any of the Arctic Glacier Parties.
- 8.2 The Monitor provided each Taxing Authority with a calculation (the “**Tax Calculation**”) of the potential sales tax liability, including interest and penalties, of the Arctic Glacier Parties, if any, to the applicable Taxing Authority. The Monitor asked that each Taxing Authority either accept the Tax Calculation or provide a letter of objection which describes the basis for the objection and provides supporting materials by April 13, 2015. The Monitor has reserved the right to seek an order of the U.S. Court resolving any outstanding matters related to the Sales Tax Issue in the event that a Taxing Authority fails to so respond by such date.
- 8.3 The Monitor plans to pay the value of the Tax Calculation to each Taxing Authority that accepts it in full and final satisfaction of any and all sales tax liability, including penalties and interest, of the Arctic Glacier Parties. Such payments will be made out of the Administrative Costs Reserve and in accordance with the Plan.

8.4 A total of 59 Taxing Authorities were contacted by the Monitor with combined Tax Calculations totalling \$774,867. Of the 59 Taxing Authorities contacted, the Tax Calculation for 33 of them was nil. To date, the Monitor has received responses from 36 of the Taxing Authorities (18 of these with Tax Calculations greater than nil (the “**Positive Sales Tax Responses**”). One of the Positive Sales Tax Responses was settled at an amount greater than the corresponding Tax Calculation, but less than the amount reserved in respect of that Taxing Authority. The remainder of the Positive Sales Tax Responses accepted the respective Tax Calculation as the balance owing. The total accepted amount of the combined Positive Sales Tax Responses is \$821,713. The Monitor has also received two responses from Taxing Authorities that have requested additional information prior to responding in respect of their Tax Calculations. The Monitor is working to provide the information requested by these Taxing Authorities.

8.5 The Monitor will provide further updates regarding the Sales Tax Issue in subsequent reports.

9. THE CLAIMS PROCESS

9.1 In this section, all capitalized terms not defined elsewhere have the meaning ascribed to them in the Claims Procedure Order and Claims Officer Order.

9.2 As reported in the Fifteenth Report, the Seventeenth Report and the Twentieth Report, the Monitor received 83 Proofs of Claim, with Claim amounts totaling at least \$547.5 million (combined currency), including the Deemed Proven Claims of the DOJ and the Direct Purchaser Claimants, and also received 4 DO&T Proofs of Claim.

9.3 Of the 83 Claims received:

- 23 Claims have been proven in amounts totalling approximately \$33.5 million (the “**Proven Claims**”);
- 3 Claims totalling approximately \$16.0 million are yet to be resolved (the “**Unresolved Claims**”); and
- Approximately \$498.0 million of the total amount of Claims filed has been disallowed, withdrawn or compromised.

9.4 All creditors holding a Proven Claim as of the Plan Implementation Date received payment in full on account of their Proven Claims, with interest, on the Plan Implementation Date.

9.5 The three Unresolved Claims are summarized in the following table:

The Arctic Glacier Parties - Summary of Unresolved Claims	
	Amount of Claim (\$000's)
McNulty Claim	13,610
State of California Franchise Tax Board	2,194
City of New York	218
TOTAL, excluding interest	16,022

9.6 As described in the Fifteenth Report and the Twentieth Report, the Plan provides for the establishment and administration of the Unresolved Claims Reserve. Including interest, the amount of the Unresolved Claims Reserve is currently approximately \$16.56 million.

The McNulty Claim

9.7 The Monitor provided an update on the McNulty Claim in its twenty-first report dated April 27, 2015 (the “**Twenty-First Report**”).

- 9.8 As reported therein, the parties asked the Canadian Court to provide a date for the parties to participate in a Judicially Assisted Dispute Resolution mediation session (“**JADR**”). The JADR mediation was scheduled to occur on April 29, 2015, in Winnipeg, with the assistance of a Judge of the Canadian Court in Winnipeg. Although the Arctic Glacier Parties, Mr. McNulty, the Monitor and their respective counsel attended the JADR, it did not lead to a settlement of the McNulty Claim. The parties are taking steps to move forward with the adjudication of the McNulty Claim.
- 9.9 In particular, as reported in paragraphs 3.11 to 3.13 of the Twenty-First Report, McNulty's counsel filed a motion for leave to amend his Claim in the Claim adjudication with Claims Officer Ground, seeking to add an antitrust claim. After receiving submissions from the Arctic Glacier Parties opposing the amendment, Claims Officer Ground permitted McNulty to amend his Claim in the claims adjudication. The parties are updating the timetable for the Claim adjudication, including attempting to resolve discovery disputes.
- 9.10 The motions described in the Twenty-First Report brought by McNulty and the Arctic Glacier Parties in the Michigan Court have not been scheduled.

The State of California Franchise Tax Board Claim

- 9.11 The State of California Franchise Tax Board filed a Claim for \$2.194 million in respect of franchise taxes alleged to be owing in association with the purchase of Jack Frost Ice Service, Inc. (“**Jack Frost**”) by the Applicant, Arctic Glacier California Inc. (the “**Franchise Tax Claim**”).
- 9.12 To the extent that any amounts may be owing in respect of the Franchise Tax Claim, the Monitor understands that, pursuant to the provisions of the agreement governing the purchase and sale of Jack Frost, such amounts are the obligation of the former owners of

Jack Frost. The former owners of Jack Frost have acknowledged these indemnification obligations to the Applicants. In support of their indemnity obligations, the former owners of Jack Frost have deposited \$100,000 in an escrow account, pending resolution of this Claim.

9.13 The former owners of Jack Frost disputed the assessment underlying the Franchise Tax Claim through an Administrative Settlement Process with the State of California Franchise Tax Board (the “**FTB**”). It is the Monitor’s understanding that the former owners of Jack Frost and the FTB are currently preparing settlement documents. The Monitor has informed the parties that any settlement must include a withdrawal of the Franchise Tax Claim. Based on discussions with representatives of the FTB, any settlement must be approved by the Board of the FTB.

9.14 The Monitor will provide a further update regarding the Franchise Tax Claim in a subsequent report.

9.15 The Unresolved Claims Reserve includes approximately \$2.26 million in respect of the Franchise Tax Claim, which is the face amount of the Claim, plus interest estimated to be accrued at the anticipated Plan Implementation Date.

The City of New York Claim

9.16 The Claim submitted by the City of New York (the “**NYC Claim**”) is for \$218,025 and is comprised of:

- general corporate taxes of \$60,750 in respect of the Applicant, Diamond Ice Cube Company Inc. (“**Diamond Ice**”); commercial rent tax of \$135,000 in respect of the Applicant, Arctic Glacier New York Inc.; and commercial motor vehicle tax of

\$1,620 in respect of Arctic Glacier Losquadro Inc., a predecessor company to the Applicant, Arctic Glacier New York Inc., all for the period January 1, 2008 to February 22, 2012;

- general corporate taxes of \$20,250 in respect of the Applicant, AGII for the period January 1 to February 22, 2012; and
- commercial motor vehicle taxes of \$405 in respect of Diamond Ice for the period June 1 to 20, 2009.

9.17 On September 12, 2013, the Monitor issued a Notice of Revision or Disallowance in respect of the NYC Claim disallowing the Claim in its entirety on the basis that:

- a) The corporate taxes of Diamond Ice, for the period to which the NYC Claim relates, were reported as part of the consolidated AGII tax returns and any and all taxes for the period were paid when due;
- b) The corporate taxes of AGIF for the period January 1 to February 22, 2012 were reported in the AGIF tax return filed for the year ended December 31, 2012 (which was filed after the Claims Bar Date) and all taxes for the period were paid when due;
- c) The Monitor understands that commercial rent tax is only payable by commercial tenants of leased premises located in Manhattan, south of 96th Street and the Applicants did not have any leased premises located in that area; and

d) The Applicants' former Director of Tax has advised the Monitor that all commercial motor vehicle taxes due for the period in question were paid by the Applicants when due.

9.18 The deadline for the City of New York to respond to the Notice of Disallowance in respect of its claim was set as October 3, 2013. On October 1, 2013, at the request of the City of New York, the Monitor adjourned the Dispute Period until such time as the City of New York had an opportunity to request and review certain information and agreed that, following further review and discussion, should the Monitor determine it to be necessary for the City of New York to file a response to the Notice of Disallowance, the Monitor will so inform the City of New York in writing, and the City of New York will thereupon file a response on or before the tenth calendar day thereafter.

9.19 Pursuant to the provisions of the Transition Services Agreement, the Monitor requested the Applicants' former Director of Tax to assist in providing the information requested by the City of New York. On March 31, 2014, the Monitor provided the City of New York information that, in the Monitor's view, is sufficient to support the disallowance of its Claim.

9.20 The City of New York requested additional information. After making efforts to locate the requested information, the Monitor has determined that the request is too onerous and not proportional to the amount claimed. The Monitor intends to advise the City of New York that it is required to respond to the Notice of Disallowance and, as agreed to, will provide the City of New York ten calendar days from the date of such notice to respond.

9.21 The Unresolved Claims Reserve includes approximately \$224,400 in respect of the NYC Claim, which is the face amount of the Claim, plus interest estimated to be accrued at the anticipated Plan Implementation Date.

10. RECEIPTS AND DISBURSEMENTS SINCE THE TWENTIETH REPORT

10.1 As discussed in the Twentieth Report, on November 14, 2014, the Monitor was holding approximately \$114.7 million on behalf of the Applicants.

10.2 During the period from November 16, 2014 to May 22, 2015 (the “**Reporting Period**”), the Applicants had U.S. dollar net cash outflows totalling approximately \$89.3 million, and Canadian dollar net cash flow of approximately CAD\$2.7 million (which includes foreign exchange gains of approximately CAD\$2.5 million on the transfer of U.S. currency to the Canadian dollar bank account in order to meet obligations denominated in Canadian dollars).

10.3 Disbursements consist primarily of distributions to creditors with Proven Claims, distributions to Unitholders, and payments to Taxing Authorities in respect of the sales tax issue described in section 8 of this Twenty-Second Report. Disbursements also include U.S. dollar professional fees and expenses totaling approximately \$1.1 million and Canadian dollar professional fees and expenses of approximately CAD\$2.2 million which collectively include the fees and expenses paid to the Monitor, its legal counsel, the CPS, the Applicants’ legal counsel, Genetelli Consulting Group and other professionals retained by the Applicants to assist with these CCAA Proceedings. Other disbursements also include fees and expenses paid to the Directors and Trustees, income taxes, insurance and disbursements of an administrative nature of approximately \$324,000 and CAD\$216,000.

10.4 As at May 22, 2015, the Monitor is holding approximately \$25 million and CAD\$3 million, all of which is being held in interest-bearing bank accounts in the name of the Monitor, on behalf of the Applicants.

11. THE STAY EXTENSION

11.1 Pursuant to the Initial Order and subsequent Orders of the Court, the Stay Period was granted and extended until June 15, 2015.

11.2 The Monitor requests an extension of the Stay Period to November 16, 2015. The Monitor believes that the Applicants have acted and continue to act in good faith and with due diligence.

11.3 The Monitor believes that an extension of the Stay Period until November 16, 2015 is appropriate, as it will allow additional time for the Monitor, in consultation with the Applicants, to, among other things:

- a) continue working towards a resolution of the Unresolved Claims;
- b) continue to implement the steps contemplated by the Plan; and
- c) carry out the claims process provided in the Unitholder Claims Procedure Order, if such Order is granted.

12. ACTIVITIES OF THE MONITOR

12.1 In addition to the activities of the Monitor described above, the Monitor's activities from the date of the Twentieth Report, being November 18, 2014, have included the following:

- Drafting Amendments to the Plan;

- Taking steps to implement the Plan;
- Communicating with AGIF and with the CSE, IIROC and Stockwatch regarding the dissemination of the Record Date Release;
- Preparing for completion of the post-Plan Implementation Date transactions, including the merger, wind-up, liquidation, termination and/or dissolution of the Arctic Glacier Parties in accordance with the Plan;
- Continuing to participate in conference calls between the Monitor, the Monitor's legal counsel, the Applicants' legal counsel and the CPS to discuss the status of various outstanding matters;
- Responding to enquiries from Unitholders and other stakeholders;
- Continuing to make non-confidential materials filed with the Canadian Court and with the U.S. Court publicly available on the Website;
- Drafting the Twenty-First Report and this Twenty-Second Report;
- Continuing to act as foreign representative in the Chapter 15 Proceedings;
- Continuing to fulfill the Monitor's responsibilities pursuant to the Claims Procedure Order and the Claims Officer Order;
- Communicating with insurance adjusters and with various plaintiffs' counsel regarding certain open insurance claims;
- Attending the November Stay Extension Motion and the U.S. Sates Tax Motion;

- Continuing to investigate the Sales Tax Issue in consultation with the CPS, the Applicants' counsel, and both the Monitor's Canadian and U.S. counsel;
- Arranging for the preparation and filing of the AGIF tax return for the year ended December 31, 2014;
- Arranging for the preparation and filing of requests for extension of time to file tax returns for the year ended December 31, 2014 for the U.S. Applicants;
- Maintaining estate bank accounts, overseeing and accounting for the Applicants' receipts and disbursements pursuant to the Transition Order, and reviewing professional fee invoices and providing same to the CPS for review and discussion;
- Preparing and filing monthly GST/HST returns and various other statutory returns;
- Preparing for and attending the JADR mediation session in connection with the McNulty Claim;
- Assisting the Arctic Glacier Parties with their response to motions brought by McNulty in the Michigan Court and the claim adjudication before Claims Officer Ground; and
- Together with its counsel and AGIF's counsel, developing the proposed Unitholder claims procedure.

All of which is respectfully submitted to the Canadian Court this 27th day of May, 2015.

**Alvarez & Marsal Canada Inc., in its capacity
as Monitor and Foreign Representative of Arctic Glacier Income Fund,
Arctic Glacier Inc., Arctic Glacier International Inc. and
the other Applicants listed on Appendix "A".**



Per: Alan Hutchens, Senior Vice President

APPENDIX “A”

Arctic Glacier California Inc.
Arctic Glacier Grayling Inc.
Arctic Glacier Lansing Inc.
Arctic Glacier Michigan Inc.
Arctic Glacier Minnesota Inc.
Arctic Glacier Nebraska Inc.
Arctic Glacier Newburgh Inc.
Arctic Glacier New York Inc.
Arctic Glacier Oregon Inc.
Arctic Glacier Party Time Inc.
Arctic Glacier Pennsylvania Inc.
Arctic Glacier Rochester Inc.
Arctic Glacier Services Inc.
Arctic Glacier Texas Inc.
Arctic Glacier Vernon Inc.
Arctic Glacier Wisconsin Inc.
Diamond Ice Cube Company Inc.
Diamond Newport Corporation
Glacier Ice Company, Inc.
Ice Perfection Systems Inc.
ICESurance Inc.
Jack Frost Ice Service, Inc.
Knowlton Enterprises, Inc.
Mountain Water Ice Company
R&K Trucking, Inc.
Winkler Lucas Ice and Fuel Company
Wonderland Ice, Inc.

APPENDIX "B"

THE QUEEN'S BENCH

Winnipeg Centre

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

**AND IN THE MATTER OF
A PROPOSED PLAN OF COMPROMISE OR
ARRANGEMENT WITH RESPECT TO ARCTIC GLACIER INCOME FUND, ARCTIC
GLACIER INC., ARCTIC GLACIER INTERNATIONAL INC. and the ADDITIONAL
APPLICANTS LISTED ON SCHEDULE "A" HERETO**

(collectively, the "APPLICANTS")

AMENDED AND RESTATED CONSOLIDATED

PLAN OF COMPROMISE OR ARRANGEMENT

concerning, affecting and involving

**ARCTIC GLACIER INCOME FUND, ARCTIC GLACIER INC., ARCTIC GLACIER
INTERNATIONAL INC., GLACIER VALLEY ICE COMPANY, L.P. and the
ADDITIONAL APPLICANTS LISTED ON SCHEDULE "A" HERETO**

~~August 26, 2014~~ January 21, 2015

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THE QUEEN'S BENCH

Winnipeg Centre

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

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR
ARRANGEMENT WITH RESPECT TO ARCTIC GLACIER INCOME FUND, ARCTIC
GLACIER INC., ARCTIC GLACIER INTERNATIONAL INC. and the ADDITIONAL
APPLICANTS LISTED IN SCHEDULE "A" HERETO

(collectively, the "APPLICANTS")

CONSOLIDATED PLAN OF COMPROMISE OR ARRANGEMENT

WHEREAS the Applicants and Glacier Valley Ice Company, L.P. (collectively, the "**Arctic Glacier Parties**") are insolvent;

AND WHEREAS the Applicants obtained an Order made by the Honourable Madam Justice Spivak of the Court of the Queen's Bench of Manitoba (the "**CCAA Court**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") dated February 22, 2012 (the "**Initial Order**") that, among other things, appointed Alvarez & Marsal Canada Inc. as Monitor (the "**Monitor**") of the Applicants and permitted the Applicants to file with the CCAA Court one or more plans of compromise or arrangement;

AND WHEREAS the Initial Order was recognized by the U.S. Bankruptcy Court pursuant to Chapter 15 of the U.S. Bankruptcy Code;

AND WHEREAS pursuant to and in accordance with the Initial Order, the Applicants conducted a Sale and Investor Solicitation Process (the "**SISP**") for the purpose of offering the opportunity for potential investors to purchase or invest in the business and operations of the Applicants;

AND WHEREAS on June 7, 2012, the Applicants entered into an agreement in accordance with the SISP (the "**Asset Purchase Agreement**") with Arctic Glacier, LLC (formerly H.I.G. Zamboni, LLC, the "**Purchaser**") providing for the purchase and sale of substantially all of the assets, undertaking and property of the Applicants (other than the assets of Arctic Glacier Income Fund (the "**Fund**")) used in the conduct of the Applicants' business (the "**Assets**");

AND WHEREAS the Asset Purchase Agreement was approved by the CCAA Court by an Order dated June 21, 2012, which was amended by an Order dated July 12, 2012, (the "**Canadian Vesting and Approval Order**");

AND WHEREAS the Canadian Vesting and Approval Order was recognized by an Order of the U.S. Bankruptcy Court in the Chapter 15 Proceedings on July 17, 2012;

AND WHEREAS the transactions contemplated by the Asset Purchase Agreement were completed on July 27, 2012 and, on closing, the Purchaser assumed the Assumed Liabilities (as defined in the Asset Purchase Agreement) and the Purchaser paid the cash portion of the Purchase Price (as defined in the Asset Purchase Agreement) by payment of certain obligations of the Applicants and by payment of the balance of approximately \$130.2 million which is being held by the Monitor in trust pending directions from the CCAA Court;

AND WHEREAS the Applicants no longer carry on any active business and the Available Funds (as defined herein) represent the entire estate available for the benefit of the creditors of the Applicants and the Unitholders;

AND WHEREAS the Monitor obtained an order made by the Honourable Madam Justice Spivak of the CCAA Court on September 5, 2012, as amended, extended, restated or varied from time to time, which, among other things, provided for a claims process and set the Claims Bar Date (the “**Claims Procedure Order**”);

AND WHEREAS pursuant to the Claims Procedure Order, the CCAA Court established a procedure which, among other things, required all Persons having an Affected Claim to file a proof of such Affected Claim with the Monitor on or before the Claims Bar Date or the DO&T Indemnity Claims Bar Date, as applicable;

AND WHEREAS the Claims Procedure Order was recognized by the U.S. Bankruptcy Court on September 14, 2012;

AND WHEREAS the CCAA Court provided for the appointment of claims officers and established the claims officers’ authority for adjudicating disputed Affected Claims by order of the Honourable Madam Justice Spivak made on March 7, 2013 (the “**Claims Officer Order**”);

AND WHEREAS the Fund is a publicly traded limited purpose income trust established by the Declaration of Trust;

AND WHEREAS the Consolidated CCAA Plan will facilitate distributions to Affected Creditors and, to the extent of a sufficient surplus of Available Funds, the Unitholders;

NOW THEREFORE the Applicants hereby propose this Consolidated CCAA Plan to the Affected Creditors and the Unitholders under and pursuant to the CCAA:

ARTICLE 1 INTERPRETATION

1.1 Definitions

For the purposes of the Consolidated CCAA Plan, the following terms shall have the following meanings ascribed thereto:

“**Administration Charge**” has the meaning given to that term in paragraph 50 of the Initial Order.

“**Administrative Costs Reserve**” has the meaning given to that term in Section 5.2 of the Consolidated CCAA Plan.

“**Administrative Reserve Costs**” means administrative claims and costs outstanding on the Plan Implementation Date (or arising thereafter) falling within one or more categories to be specified by the Monitor, including, without limitation: (a) amounts in respect of the fees and costs to be incurred by (i) the Monitor, its counsel and its advisors; (ii) the Arctic Glacier Parties, their counsel and their advisors; (iii) the Trustees and their counsel; and (iv) the CPS, in each case on a solicitor and own client full indemnity basis (as applicable) with respect to the performance of such parties’ duties and obligations whether arising before or after the Plan Implementation Date; (b) amounts secured by the Charges that remain owing on the Plan Implementation Date, if any; (c) amounts in respect of existing or future taxes, expenses and other disbursements that are or may become payable; (d) amounts in respect of outstanding Crown Claims, if any; (e) amounts in respect of potential cost awards regarding litigation associated with Claims; and (f) amounts in respect of general contingency costs.

“**Affected Claim**” means any Claim or DO&T Claim that is not an Excluded Claim.

“**Affected Creditor**” means any Person having an Affected Claim (including a Class Claim, DOJ Claim, DO&T Claim and/or a DO&T Indemnity Claim), but only with respect to and to the extent of such Affected Claim, and includes, without limitation, the transferee or assignee of an Affected Claim transferred and recognized as a Claimant in accordance with the Claims Procedure Order or a trustee, executor, liquidator, receiver, receiver and manager or other Person acting on behalf of or through such Person.

“**Affected Creditors’ Class**” has the meaning given to that term in Section 3.2 of the Consolidated CCAA Plan.

“**Affected Creditors’ Distribution Cash Pool**” has the meaning given to that term in Section 5.5 of the Consolidated CCAA Plan.

“**Aggregate Interest Amount**” means the aggregate amount of interest to be paid on the Plan Implementation Date with respect to: (a) all Proven Claims (other than the Deemed Proven Claims, the Canadian Direct Purchaser Proven Claim and the Indirect Purchaser Proven Claim); and (b) all Unresolved Claims on the assumption (for calculation purposes only) that such Unresolved Claims will become Proven Claims in the full amount asserted by the holders of the Unresolved Claims in their respective Proofs of Claim; in each case calculated using the Applicable Interest Rate.

“**AGI-AGIF Payables**” has the meaning given to that term in Step [2619](#) in Schedule “B” of the Consolidated CCAA Plan.

“**AGI-AGIF Total Distribution Amount**” means the amount determined by the formula $(A+B) - C$, where A is the amount of the Unitholders’ Distribution Cash Pool as of the Plan Implementation Date immediately prior to the completion of Step [3023](#) of Schedule “B” of the Consolidated CCAA Plan, B is the aggregate of the amounts to be paid in satisfaction of the Proven Claims pursuant to Step [2922](#) of Schedule “B” of the Consolidated CCAA Plan, C is the portion of the Available Funds held by the Monitor on

behalf of the Fund immediately prior to the completion of Step [2720](#) of Schedule “B” of the Consolidated CCAA Plan.

“**AGI-AGII Payables**” has the meaning given to that term in Step [2215](#) in Schedule “B” of the Consolidated CCAA Plan.

“**AGIF-AGI Payables**” has the meaning given to that term in Step [2619](#) in Schedule “B” of the Consolidated CCAA Plan.

“**AGII-AGI Payables**” has the meaning given to that term in Step [2215](#) in Schedule “B” of the Consolidated CCAA Plan.

“**AGII-AGI Total Distribution Amount**” means the amount determined by the formula $(A+B+C) - D$, where A is the amount of the Unitholders’ Distribution Cash Pool as of the Plan Implementation Date immediately prior to the completion of Step [3023](#) of Schedule “B” of the Consolidated CCAA Plan, B is the aggregate of the amounts to be paid in satisfaction of the Proven Claims pursuant to Step [2922](#) of Schedule “B” of the Consolidated CCAA Plan, C is the aggregate of the amounts to be paid in satisfaction of the Proven Claims pursuant to Step [2518](#) of Schedule “B” of the Consolidated CCAA Plan, and D is the portion of the Available Funds held by the Monitor on behalf of Arctic Glacier Inc. and the Fund immediately prior to the completion of Step [2316](#) of Schedule “B” of the Consolidated CCAA Plan.

“**Applicable Interest Rate**” means the rate of interest to be paid on each Proven Claim (other than the Deemed Proven Claims, the Canadian Direct Purchaser Proven Claim and the Indirect Purchaser Proven Claim), as such rate is set out in the Sanction Order.

“**Applicable Law**” means, in respect of any Person, property, transaction, event or other matter, any law, statute, regulation, code, ordinance, principle of common law or equity, municipal by-law, treaty, or order, domestic or foreign, applicable to that Person, property, transaction, event or other matter and all applicable requirements, requests, official directives, rules, consents, approvals, authorizations, guidelines, and policies, in each case, having the force of law, of any Government Authority having or purporting to have authority over that Person, property, transaction, event or other matter and regarded by such Government Authority as requiring compliance.

“**Arctic Glacier Parties**” has the meaning given to that term in the recitals hereto.

“**Asset Purchase Agreement**” has the meaning given to that term in the recitals hereto.

“**Assets**” has the meaning given to that term in the recitals hereto.

“**Assumed Liabilities**” means the liabilities the Purchaser assumed, fulfilled, performed and discharged pursuant to Section 2.03 of the Asset Purchase Agreement.

“**Available Funds**” means the total of (i) the proceeds of the sale or disposition of the Assets that have been paid by the Purchaser and are being held by the Monitor; (ii) the cash balances transferred by the Arctic Glacier Parties to the Monitor, in the hands of the Monitor at the Effective Time on the Plan Implementation Date; (iii) all other monies

held by the Monitor, on behalf of the Arctic Glacier Parties, that are in the hands of the Monitor at the Effective Time on the Plan Implementation Date; and (iv) all monies received by the Monitor, on behalf of the Arctic Glacier Parties, following the Plan Implementation Date; less (v) the amount required to effect payment of the Recovered Fees on the Plan Implementation Date.

“**Beneficial Unitholder**” means a holder of a beneficial interest in one or more Trust Units that are held by a Registered Unitholder for and on its behalf.

“**BIA**” means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended.

“**Business Day**” means a day, other than a Saturday or a Sunday, on which banks are generally open for business in Winnipeg, Manitoba.

“**Canadian Direct Purchaser Proven Claim**” means an Affected Claim in favour of the Canadian Retail Litigation Claimants, as provided for in the Canadian Retail Litigation Settlement Agreement.

“**Canadian Retail Litigation Settlement Agreement**” means the settlement agreement entered into as of May 4, 2011 between 1008021 Alberta Ltd., Louise Knowles c.o.b. as Special Event Marketing, Grand-Slam Concert, Productions Ltd., Arctic Glacier, Inc. and Reddy Ice Holdings, Inc., as approved by the Ontario Superior Court of Justice on July 11, 2013.

“**Canadian Retail Litigation Claimants**” has the meaning ascribed to it in the Claims Procedure Order.

“**Canadian Vesting and Approval Order**” has the meaning given to that term in the recitals hereto.

“**CCAA**” has the meaning given to that term in the recitals hereto.

“**CCAA Court**” has the meaning given to that term in the recitals hereto.

“**CCAA Proceedings**” means the proceedings commenced by the Applicants in the CCAA Court at Winnipeg, Manitoba under Court File No. CI 12-01-76323.

“**CEPA Claim**” means the Proven Claim of the California Environmental Protection Agency – Department of Toxic Substance Control against Mountain Water Ice Company.

“**Chapter 15 Proceedings**” means proceedings commenced by the Monitor in the State of Delaware in which the CCAA Proceedings have been recognized pursuant to Chapter 15 of the U.S. Bankruptcy Code.

“**Charges**” means the Administration Charge, Directors’ Charge, Critical Supplier Charge, Inter-Company Balances Charge and Class Counsel Charge.

“**Claim**” means any right or claim of any Person, including an Equity Claim, that may be asserted or made in whole or in part against an Arctic Glacier Party, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind

whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, including any right or ability of any Person (including Directors, Officers and Trustees) to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof (A) is based in whole or in part on facts arising prior to the Claims Bar Date (B) relates to a time period prior to the Claims Bar Date, or (C) is a right or claim of any kind that would be a claim provable in bankruptcy within the meaning of the BIA had the Arctic Glacier Party become bankrupt on the Claims Bar Date.

“**Claimant**” means any Person having an Affected Claim and includes the transferee or assignee of an Affected Claim or a trustee, executor, liquidator, receiver, receiver and manager, or other Person acting on behalf of or through any such Person.

“**Claims Bar Date**” means October 31, 2012.

“**Claims Procedure Order**” has the meaning given to that term in the recitals hereto.

“**Claims Officer Order**” has the meaning given to that term in the recitals hereto.

“**Class Claim**” has the meaning ascribed to it in the Claims Procedure Order.

“**Class Counsel Charge**” has the meaning given to that term in paragraph 6 of the Order made by the CCAA Court dated October 16, 2013, and titled the “Indirect Proven Claim Settlement Order”.

“**Class Representative**” has the meaning ascribed to it in the Claims Procedure Order.

“**Consolidated CCAA Plan**” means this Plan of Compromise or Arrangement as amended, supplemented or restated from time to time in accordance with the terms hereof.

“**CPS**” means 7088418 Canada Inc. o/a Grandview Advisors and any successor thereto appointed by the CCAA Court.

“**Creditors’ Meeting**” means the meeting of Affected Creditors that will be deemed to occur pursuant to the Meeting Order with a deemed vote of Affected Creditors in favour of a resolution to approve the Consolidated CCAA Plan.

“**Critical Supplier Charge**” has the meaning given to that term in paragraph 36 of the Initial Order.

“**Crown Claims**” has the meaning given to that term in Section 6.6 of the Consolidated CCAA Plan.

“**Declaration of Trust**” means the Second Amended and Restated Declaration of Trust made as of December 6, 2004 among Robert Nagy, James E. Clark, Peter Hyndman, David Swaine and Gary Filmon, as Trustees, Laxus Holdings Inc., as Settlor, and the Registered Unitholders, as amended from time to time.

“**Deemed Proven Claims**” means: (i) an Affected Claim in favour of the Direct Purchaser Claimants in the principal amount of US\$10,000,000 plus applicable interest against the Fund, Arctic Glacier Inc. and Arctic Glacier International Inc. at the interest rate set out in the Sanction Order; and (ii) the DOJ Claim.

“**Direct Purchaser Claim**” means a Claim in favour of the members of the class(es) described in the statements of claim issued in the Direct Purchaser Litigation against the Fund, Arctic Glacier Inc. and Arctic Glacier International Inc.

“**Direct Purchaser Claimants**” has the meaning ascribed to it in the Claims Procedure Order.

“**Direct Purchaser Litigation**” means In re Packaged Ice Antitrust Litigation Direct Purchaser Class, as certified by the United States District Court for the Eastern District of Michigan on December 13, 2011 (Dkt. No. 406, 08-md-1952 E.D. Mich.).

“**Direct Purchaser Settlement Agreement**” means the settlement agreement dated March 30, 2011 between the Fund, Arctic Glacier Inc., Arctic Glacier International Inc. and the Plaintiffs (as defined therein), as approved by the United States District Court for the Eastern District of Michigan on December 13, 2011.

“**Director**” means any Person who is or was or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or *de facto* director of an Arctic Glacier Party.

“**Director’s Charge**” has the meaning given to that term in paragraph 40 of the Initial Order.

“**Distribution Claim**” means with respect to: (i) each of the Deemed Proven Claims, the amount of each such Proven Claim, which shall include accrued interest calculated at the interest rates set out in the Sanction Order in respect of each such Proven Claim; (ii) the Canadian Direct Purchaser Proven Claim, the amount of such Proven Claim (iii) the Indirect Purchaser Proven Claim, the amount of such Proven Claim; and (iv) each other Affected Creditor’s Proven Claim, the aggregate of each such Affected Creditor’s Proven Claim and the applicable portion of the Aggregate Interest Amount in respect of such Proven Claim.

“Distribution Date” means any date from time to time set by the Monitor in accordance with the provisions of the Consolidated CCAA Plan, which shall include the Final Distribution Date, to effect distributions from the Available Funds to Affected Creditors in respect of Distribution Claims and/or distributions to Unitholders, other than distributions that occur on the Plan Implementation Date pursuant to Section 8.3 herein.

“DO&T Claim” means (i) any right or claim of any Person that might have been asserted or made in whole or in part against one or more Directors, Officers or Trustees that relates to a Claim for which such Directors, Officers or Trustees are by law liable to pay in their capacity as Directors, Officers or Trustees, or (ii) any right or claim of any Person that might have been asserted or made in whole or in part against one or more Directors, Officers or Trustees, in that capacity, whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, including by reason of the commission of a tort (intentional or unintentional), by reason of any breach of contract or other agreement (oral or written), by reason of any breach of duty (including any legal, statutory, equitable or fiduciary duty) or by reason of any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and whether or not any indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof, is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature, including any right or ability of any Person to advance a claim for contribution or indemnity from any such Directors, Officers or Trustees or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation, and any interest accrued thereon or costs payable in respect thereof (A) is based in whole or in part on facts arising prior to the Claims Bar Date; or (B) relates to a time period prior to the Claims Bar Date, but not including an Excluded Claim.

“DO&T Indemnity Claim” means any existing or future right or claim of any Director, Officer or Trustee against an Arctic Glacier Party which arose or arises as a result of any Person filing a DO&T Proof of Claim in respect of such Director, Officer or Trustee for which such Director, Officer or Trustee is entitled to be indemnified by such Arctic Glacier Party.

“DO&T Indemnity Claims Bar Date” has the meaning set out in paragraph 21 of the Claims Procedure Order.

“DO&T Proof of Claim” means any Proof of Claim filed in respect of a DO&T Claim in accordance with the Claims Procedure Order.

“DOJ Claim” means an Affected Claim in favour of the United States Department of Justice against Arctic Glacier International Inc. in the amount of US\$7,032,046.96 as of July 9, 2012, plus applicable interest at the interest rate set out in the Sanction Order.

“Effective Time” means 12:01 a.m. on the Plan Implementation Date or such other time on such date as the Arctic Glacier Parties and the Monitor may agree.

“**Equity Claim**” has the meaning set forth in Section 2(1) of the CCAA.

“**Excluded Claim**” means:

- (a) Crown Claims;
- (b) any Claim entitled to the benefit of the Charges;
- (c) any Claim of an Arctic Glacier Party against another Arctic Glacier Party;
- (d) any Claim in respect of Assumed Liabilities; and
- (e) any Claim entitled to the benefit of any applicable insurance policy, excluding any such Claim or portion thereof that is recoverable as against an Arctic Glacier Party, Director, Officer or Trustee, as applicable.

“**Filing Date**” means February 22, 2012.

“**Final Distribution Date**” means the date determined by the Monitor, acting reasonably, following the payment in full or final reservation of all Administrative Reserve Costs and the resolution of all Unresolved Claims.

“**Fund**” has the meaning given to that term in the recitals hereto.

“**Government Authority**” means any governmental, regulatory or administrative authority, department, agency, commission, bureau, official, minister, board, panel, tribunal, Crown corporation, Crown ministry, court or dispute settlement panel or other law, rule or regulation-making or enforcing entity having or purporting to have jurisdiction on behalf of any nation, or province, territory or state or other subdivision thereof or any municipality, district or other subdivision thereof or other geographic or political subdivision of any of them or exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power.

“**Indirect Purchaser Claim Settlement Agreement**” means the settlement agreement entered into as of October 22, 2013, individually and on behalf of the Settlement Class (as defined in the Indirect Purchaser Claim Settlement Agreement), certain Arctic Glacier Parties and the Monitor, as approved by the U.S. Bankruptcy Court on February 27, 2014.

“**Indirect Purchaser Claimants**” has the meaning ascribed to it in the Claims Procedure Order.

“**Indirect Purchaser Proven Claim**” means an Affected Claim in favour of the Indirect Purchaser Claimants, as provided for in the Indirect Purchaser Claim Settlement Agreement, less certain noticing costs and the fees and expenses of UpShot Services LLC that have been paid by the Monitor, on behalf of the Applicants, in accordance with the Indirect Purchaser Settlement.

“**Initial Order**” has the meaning given to that term in the recitals hereto.

“**Insurance Deductible Reserve**” has the meaning given to that term in Section 5.3 of the Consolidated CCAA Plan.

“**Inter-Company Balances Charge**” has the meaning given to that term in paragraph 16 of the Initial Order.

“**IRC**” means the Internal Revenue Code of 1986, as amended.

“**Meeting Order**” means the Order of the CCAA Court under the CCAA that, among other things, sets the date for the Creditors’ Meeting and the Unitholders’ Meeting, as same may be amended, restated or varied from time to time.

“**Monitor**” has the meaning given to that term in the recitals hereto.

“**Monitor’s Website**” means www.alvarezandmarsal.com/arctic-glacier-income-fund-arctic-glacier-inc.-and-subsidiaries.

“**Nominees**” has the meaning given to that term in Section 6.2 of the Consolidated CCAA Plan.

“**Officer**” means anyone who is or was or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of an Arctic Glacier Party.

“**Person**” is to be broadly interpreted and includes any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, Government Authority or any agency, regulatory body, officer or instrumentality thereof or any other entity, wherever situate or domiciled, and whether or not having legal status, and whether acting on their own or in a representative capacity.

“**PID Charge Amount**” has the meaning given to that term in Section 8.2 of the Consolidated CCAA Plan.

“**Plan Implementation Date**” means the date on which the Consolidated CCAA Plan becomes effective, which shall be the Business Day on which the Monitor has ~~filed~~ with delivered to the ~~CCAA Court~~ Arctic Glacier Parties a certificate confirming that, among other things, all conditions to implementation of the Consolidated CCAA Plan pursuant to Section 10.3 have been satisfied or waived.

“**Plan Sanction Date**” means the date the Sanction Order is made by the CCAA Court.

“**Pro Rata Share**” means, in respect of the Unitholders’ Distribution Cash Pool, the percentage that the Trust Units held by a Unitholder at the applicable Unitholder Distribution Record Date bears to the aggregate of all Trust Units, calculated as at the applicable Unitholder Distribution Record Date.

“Proof of Claim” means any proof of claim in respect of an Affected Claim filed in accordance with the Claims Procedure Order.

“Proven Claim” means each of the Deemed Proven Claims, the Canadian Direct Purchaser Proven Claim, the Indirect Purchaser Proven Claim and each Affected Claim that has been accepted as a proven Affected Claim by the Monitor or, if it was an Unresolved Claim, has been finally adjudicated in accordance with the Claims Officer Order, settled or accepted by the Monitor, in each case, for the amount settled, accepted or adjudicated as being owing.

“Proven Claim Amount” has the meaning given to that term in Section 7.3 of the Consolidated CCAA Plan.

“Purchase Price” has the meaning ascribed thereto in the Asset Purchase Agreement.

“Purchaser” has the meaning given to that term in the recitals hereto.

“Recognition Order” means an order of the U.S. Bankruptcy Court recognizing an Order of the CCAA Court in the Chapter 15 Proceedings.

“Recovered Fees” has the meaning given to that term in Section 8.3 of the Consolidated CCAA Plan.

“Registered Unitholder” means, as of the Unitholder Record Date, each holder of one or more Trust Units that, at such time, are outstanding and entitled to the benefits of the Declaration of Trust, as shown on the register of such holders maintained by the Transfer Agent or by the Trustees on behalf of the Fund.

“Releasees” has the meaning given to that term in Section 9.1 of the Consolidated CCAA Plan.

“Required Unitholder Majority” has the meaning given to that term in Section 4.5 of the Consolidated CCAA Plan.

“Return of Capital Amount” has the meaning given to that term in Step ~~28~~21 in Schedule “B” of the Consolidated CCAA Plan.

“Sanction Order” means an order by the CCAA Court which, among other things, shall sanction and approve the Consolidated CCAA Plan under the CCAA and shall include provisions as may be necessary or appropriate to give effect to the Consolidated CCAA Plan, including provisions in substance similar to those set out in Section 10.2 of the Consolidated CCAA Plan.

“SISP” has the meaning given that term in the recitals hereto.

“Step ~~32~~32 Companies” has the meaning given to that term in Step ~~32~~32 in Schedule “B” of the Consolidated CCAA Plan.

“Step ~~107~~107 Companies” has the meaning given to that term in Step ~~107~~107 in Schedule “B” of the Consolidated CCAA Plan.

“**Step 139 Companies**” has the meaning given to that term in Step 139 in Schedule “B” of the Consolidated CCAA Plan.

“**Step 1711 Companies**” has the meaning given to that term in Step 1311 in Schedule “B” of the Consolidated CCAA Plan.

“**Tax Statutes**” means all legislative or administrative enactments governing federal, state, local, or foreign income, premium, property (real or personal), sales, excise, employment, payroll, withholding, gross receipts, license, severance, stamp, occupation, windfall profits, environmental, customs duties, capital stock, franchise, profits, social security (or similar, including FICA), unemployment, disability, use, transfer, registration, value added, alternative or add-on minimum, estimated or other tax of any kind or any charge of any kind in the nature of (or similar to) taxes whatsoever, including any interest, penalty or addition thereto, including, without limiting the generality of the foregoing, the IRC, section 159 of the *Income Tax Act* (Canada), section 270 of the *Excise Tax Act* (Canada); section 117 of the *Taxation Act, 2007* (Ontario); section 107 of the *Corporations Tax Act* (Ontario); section 22 of the *Retail Sales Tax Act* (Ontario); section 34 of the *Income Tax Act* (British Columbia); section 222 of the *Provincial Sales Tax Act* (British Columbia); section 49 of the *Alberta Corporate Tax Act*; section 85 of the *Income Tax Act, 2000* (Saskatchewan); section 48 of the *Revenue and Financial Services Act* (Saskatchewan); section 22 of the *Income Tax Act* (Manitoba); section 73 of the *Tax Administration and Miscellaneous Taxes Act* (Manitoba); section 14 of the *Tax Administration Act* (Quebec); and section 313 of the *Act Respecting the Quebec Sales Tax*.

“**Transfer Agent**” means such company as may from time to time be appointed by the Fund to act as registrar and transfer agent of the Trust Units, together with any sub-transfer agent duly appointed by the Transfer Agent.

~~“**Transferred Shares**” has the meaning given to that term in Step 6 in Schedule “B” of the Consolidated CCAA Plan.~~

“**Trust Unit**” means, as of the Unitholder Record Date or the applicable Unitholder Distribution Record Date, as the case may be, each trust unit of the Fund authorized and issued under the Declaration of Trust that, at such time, is outstanding and entitled to the benefits of the Declaration of Trust.

“**Trustee**” means any Person who is or was or may be deemed to be or have been, whether by statute, operation of law or otherwise, a trustee or *de facto* trustee of the Fund, in such capacity and includes James E. Clark, David Swaine and Gary Filmon.

“**Unitholder Distribution**” has the meaning given to that term in Section 6.2 of the Consolidated CCAA Plan.

“**Unitholder Distribution Record Date**” means the date(s) determined from time to time by the Monitor that are, in each case, at least 21 days prior to a contemplated Unitholder

Distribution including, without limitation, the contemplated Unitholder Distribution on the Plan Implementation Date.

“**Unitholder Record Date**” means June 16, 2014.

“**Unitholders**” means, collectively, (a) each Registered Unitholder that holds one or more Trust Units solely for and on behalf of itself; and (b) each Beneficial Unitholder.

“**Unitholders’ Distribution Cash Pool**” has the meaning given to that term in Section 5.6 of the Consolidated CCAA Plan.

“**Unitholders’ Meeting**” means a meeting of Unitholders held pursuant to the Meeting Order to consider and vote on a resolution to approve the Consolidated CCAA Plan and any other matters related to the Consolidated CCAA Plan or its implementation.

“**Unresolved Claim**” means an Affected Claim, in the amount specified in the corresponding Proof of Claim, that has not been finally determined as a Proven Claim in accordance with the Claims Procedure Order, the Claims Officer Order and the Meeting Order.

“**Unresolved Claims Reserve**” has the meaning given to that term in Section 5.4 of the Consolidated CCAA Plan.

“**U.S. Bankruptcy Code**” means Title 11 of the United States Code.

“**U.S. Bankruptcy Court**” means the U.S. Bankruptcy Court for the District of Delaware.

“**Withholding Obligation**” has the meaning given to that term in Section 6.13 of the Consolidated CCAA Plan.

1.2 Certain Rules of Interpretation

For the purposes of the Consolidated CCAA Plan:

- (a) any reference in the Consolidated CCAA Plan to a contract, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions;
- (b) any reference in the Consolidated CCAA Plan to an Order or an existing document or exhibit filed or to be filed means such Order, document or exhibit as it may have been or may be amended, modified, or supplemented;
- (c) unless otherwise specified, all references to currency are to Canadian dollars;
- (d) the division of the Consolidated CCAA Plan into “Articles” and “Sections” and the insertion of a table of contents are for convenience of reference only and do not affect the construction or interpretation of the Consolidated CCAA Plan, nor

are the descriptive headings of “Articles” and “Sections” intended as complete or accurate descriptions of the content thereof;

- (e) the use of words in the singular or plural, or with a particular gender, including a definition, shall not limit the scope or exclude the application of any provision of the Consolidated CCAA Plan or a Schedule hereto to such Person (or Persons) or circumstances as the context otherwise permits;
- (f) the words “includes” and “including” and similar terms of inclusion shall not, unless expressly modified by the words “only” or “solely”, be construed as terms of limitation, but rather shall mean “includes but is not limited to” and “including but not limited to”, so that references to included matters shall be regarded as illustrative without being either characterizing or exhaustive;
- (g) unless otherwise specified, all references as to time herein and any document issued pursuant hereto shall mean local time in Winnipeg, Manitoba, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. CST or CDT, as the case may be, on such Business Day;
- (h) 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 succeeding Business Day if the last day of the period is not a Business Day;
- (i) unless otherwise provided, any reference to the U.S. Bankruptcy Code and to a statute or other enactment of parliament or a legislature includes all regulations made thereunder, all amendments to or re-enactments of such statute or regulations in force from time to time, and, if applicable, any statute or regulation that supplements or supersedes such statute or regulation;
- (j) references to a specified “Article” or “Section” shall, unless something in the subject matter or context is inconsistent therewith, be construed as references to that specified Article or Section of the Consolidated CCAA Plan, whereas the terms “the Consolidated CCAA Plan”, “hereof”, “herein”, “hereto”, “hereunder” and similar expressions shall be deemed to refer generally to the Consolidated CCAA Plan and not to any particular “article”, “section” or other portion of the Consolidated CCAA Plan and include any documents supplemental hereto; and
- (k) the word “or” is not exclusive.

1.3 Successors and Assigns

The Consolidated CCAA Plan shall be binding upon and shall enure to the benefit of the heirs, administrators, executors, legal representatives, successors and assigns of any Person or party named or referred to in the Consolidated CCAA Plan, including the Arctic Glacier Parties, all Affected Creditors, the Directors and Officers, the Unitholders, the Trustees and the Releasees.

1.4 Governing Law

The Consolidated CCAA Plan shall be governed by and construed in accordance with the laws of the Province of Manitoba and the federal laws of Canada applicable therein. All questions as to the interpretation or application of the Consolidated CCAA Plan and all proceedings taken in connection with the Consolidated CCAA Plan and its provisions shall be subject to the exclusive jurisdiction of the CCAA Court.

1.5 Schedules

The following are the Schedules to the Consolidated CCAA Plan, which are incorporated by reference into the Consolidated CCAA Plan and form a part of it:

Schedule "A"	Additional Applicants
Schedule "B"	Specified Plan Implementation Date Steps

ARTICLE 2 PURPOSE AND EFFECT OF THE CONSOLIDATED CCAA PLAN

2.1 Purpose

The purpose of the Consolidated CCAA Plan is to:

- (a) permit the settlement and/or determination of all Affected Claims in accordance with the Claims Procedure Order and the Claims Officer Order;
- (b) provide for the distribution of a sufficient amount of the Available Funds to holders of Proven Claims to satisfy such Proven Claims in full (plus applicable interest, if any, calculated at the interest rate set out in the Sanction Order);
- (c) provide for the distribution of any surplus of the Available Funds to each Unitholder, in the amount of their Pro Rata Share, free and clear of any Claims of Affected Creditors; and
- (d) effect the wind-up and dissolution of certain of the Arctic Glacier Parties pursuant to and in accordance with the timing and manner set out in the Consolidated CCAA Plan.

2.2 Persons Affected

The Consolidated CCAA Plan provides for the complete satisfaction of all Proven Claims of Affected Creditors, plus payment of applicable interest, if any, calculated at the interest rate set out in the Sanction Order, in respect of such Proven Claims. The Consolidated CCAA Plan also provides for distributions from time to time to Unitholders from the Unitholders' Distribution Cash Pool based on each Unitholder's Pro Rata Share to the extent that there are Available Funds to fund such distribution, following which the Trust Units will be terminated and the Fund shall cease to be listed and traded on the Canadian National Stock Exchange. The Consolidated CCAA Plan will become effective at the Effective Time on the Plan Implementation Date and shall be binding on and enure to the benefit of the Arctic Glacier

Parties, the Affected Creditors, the Directors and Officers, the Unitholders, the Trustees and all other Persons named or referred to in, or subject to, the Consolidated CCAA Plan.

2.3 Persons Not Affected

For greater certainty, the Consolidated CCAA Plan does not affect the holders of Excluded Claims with respect to and to the extent of their Excluded Claims. Nothing in the Consolidated CCAA Plan shall affect the Arctic Glacier Parties' rights and defences, both legal and equitable, with respect to any Excluded Claims, including, but not limited to, all rights with respect to legal and equitable defences or entitlements to set-offs or recoupment against such Excluded Claims.

ARTICLE 3 CLASSIFICATION OF CREDITORS, VOTING AND RELATED MATTERS

3.1 Claims Procedure

The procedure for determining the validity and quantum of the Affected Claims for voting and distribution purposes under the Consolidated CCAA Plan shall be governed by the Claims Procedure Order, the Claims Officer Order, the Meeting Order, the CCAA and the Consolidated CCAA Plan.

3.2 Classification of Creditors

For the purposes of voting on the Consolidated CCAA Plan, there will be one consolidated class of creditors, which will be composed of all of the Affected Creditors (the "Affected Creditors' Class").

3.3 Claims of Affected Creditors

Affected Creditors shall:

- (a) prove their Affected Claims in accordance with the Claims Procedure Order and the Claims Officer Order;
- (b) be deemed to vote their Proven Claims or Unresolved Claims, as the case may be, at the Creditors' Meeting in favour of the resolution to approve the Consolidated CCAA Plan; and
- (c) receive the rights and distributions provided for under and pursuant to the Consolidated CCAA Plan and the Sanction Order.

3.4 Creditors' Meeting

The Creditors' Meeting shall be held in accordance with the Consolidated CCAA Plan, the Meeting Order, the Claims Procedure Order and the Claims Officer Order. Pursuant to the Meeting Order, the Creditors' Meeting shall be deemed to have been duly called and held on August 11, 2014 and every Affected Creditor shall be deemed to have voted in favour of a resolution to approve the Consolidated CCAA Plan.

3.5 Voting

Pursuant to the Meeting Order: (a) the Affected Creditors' Class shall be deemed to have voted in favour of a resolution to approve the Consolidated CCAA Plan at the Creditors' Meeting on August 11, 2014; and (b) the vote on the Consolidated CCAA Plan at the Creditors' Meeting shall be deemed to have been decided unanimously in favour of the resolution to approve the Consolidated CCAA Plan.

3.6 Guarantees and Similar Covenants

No Person who has a Claim under any guarantee, surety, indemnity or similar covenant in respect of any Claim which is affected pursuant to the Consolidated CCAA Plan or who has any right to claim over in respect of or to be subrogated to the rights of any Person in respect of a Claim which is affected pursuant to the Consolidated CCAA Plan shall be entitled to any greater rights as against the Arctic Glacier Parties than the Person whose Claim is affected pursuant to the Consolidated CCAA Plan.

3.7 Set-Off

The law of set-off applies to all Affected Claims.

ARTICLE 4

CLASSIFICATION OF UNITHOLDERS, VOTING AND RELATED MATTERS

4.1 Unitholder Procedure

The procedure for determining the amount of Trust Units held by each Unitholder for voting and distribution purposes under the Consolidated CCAA Plan shall be governed by the Meeting Order, the CCAA and the Consolidated CCAA Plan.

4.2 Classification of Unitholders

For the purposes of considering and voting on the Consolidated CCAA Plan, there will be one consolidated class of Unitholders, which shall be comprised of Unitholders as at the Unitholder Record Date.

4.3 Unitholders' Meeting

The Unitholders' Meeting will be called and held on August 11, 2014 pursuant to the Meeting Order for the purpose of considering and voting on the Consolidated CCAA Plan. The resolution to, among other things, approve the Consolidated CCAA Plan will be passed if it receives an affirmative vote of the Required Unitholder Majority. Notice of the Unitholders' Meeting will be provided to all Unitholders as at Unitholder Record Date.

The quorum required at the Unitholders' Meeting shall be one Registered Unitholder or Beneficial Unitholder present at such meeting in person or by proxy and entitled to vote on the resolution to approve, among other things, the Consolidated CCAA Plan.

4.4 Voting

Each Unitholder shall be entitled to one vote for each Trust Unit held by such Unitholder on the Unitholder Record Date which, if voted in person or by proxy at the Unitholders' Meeting, shall be recorded as a vote for or against the Consolidated CCAA Plan, as the case may be.

4.5 Approval by Unitholders

The proposed resolution to approve the Consolidated CCAA Plan must receive the affirmative votes of more than 66 2/3% of the votes attached to Trust Units represented at the Unitholders' Meeting and cast in accordance with the Meeting Order (the "**Required Unitholder Majority**").

4.6 Guarantees and Similar Covenants

No Person who holds an interest in the Trust Units under any guarantee, surety, indemnity or similar covenant in respect of the Trust Units or who has any right to claim over in respect of or to be subrogated to the rights of any Unitholder in respect of the Trust Units being affected pursuant to the Consolidated CCAA Plan shall be entitled to any greater rights as against the Arctic Glacier Parties than the Unitholders.

ARTICLE 5 AVAILABLE FUNDS, RESERVES AND CASH POOLS

5.1 Available Funds

The Monitor shall hold the Available Funds, on behalf of the Arctic Glacier Parties, in one or more separate interest-bearing accounts for each of the following reserves and pools (each as more particularly described herein): (a) Administrative Costs Reserve; (b) Insurance Deductible Reserve; (c) Unresolved Claims Reserve; (d) Affected Creditors' Distribution Cash Pool; and (e) Unitholders' Distribution Cash Pool.

5.2 Administrative Costs Reserve

On the Plan Implementation Date and in accordance with the Plan Implementation Date steps and transactions set out in Section 8.3 of the Consolidated CCAA Plan, an administrative costs reserve (the "**Administrative Costs Reserve**") shall be established out of the Available Funds in the amount of US\$10,000,000, which is to be held by the Monitor, on behalf of the Arctic Glacier Parties, for the purpose of paying the Administrative Reserve Costs in accordance with the Consolidated CCAA Plan.

5.3 Insurance Deductible Reserve

On the Plan Implementation Date and in accordance with the Plan Implementation Date steps and transactions set out in Section 8.3 of the Consolidated CCAA Plan, an insurance deductible reserve (the "**Insurance Deductible Reserve**") shall be established out of the Available Funds in the amount of US\$850,000, which is to be held by the Monitor, on behalf of the Arctic Glacier Parties, for the purpose of covering the payment of the deductible portion of the run-off of any litigation covered by insurance.

The quantum of the Insurance Deductible Reserve has been agreed to with the insurer and is intended to cover: (i) the deductible amounts currently outstanding as determined by the Monitor, in consultation with the Arctic Glacier Parties; (ii) deductible amounts that may become payable in respect of currently open claims as determined by the Monitor, in consultation with the Arctic Glacier Parties; and (iii) based on historical claim rates, deductible amounts for further claims related to the period prior to July 27, 2012 that have not yet been filed with the Monitor.

Any final remaining balance in the Insurance Deductible Reserve, as determined by the Monitor, will be deemed to have been transferred to the Administrative Costs Reserve on such date as is determined by the Monitor.

If an agreement is reached between the Monitor, on behalf of the Arctic Glacier Parties, and the insurer of the Arctic Glacier Parties with respect to the purchase of a “buy-out” policy (as an alternative to holding the Insurance Deductible Reserve), then the required payment by the Arctic Glacier Parties for such “buy-out” policy shall be paid by the Monitor, on behalf of the Arctic Glacier Parties, to the insurer of the Arctic Glacier Parties using funds in the Insurance Deductible Reserve. Following the completion of such purchase, any remaining balance in the Insurance Deductible Reserve will be deemed to have been transferred to the Administrative Costs Reserve on such date as is determined by the Monitor.

The Monitor shall have no obligation to make any payment out of the Insurance Deductible Reserve, and nothing in the Consolidated CCAA Plan, the Meeting Order or the Sanction Order shall be construed as obligating the Monitor to make any such payment if, in the Monitor’s sole and unfettered discretion, the cost of making any such payment is prohibitive for so doing in relation to the quantum of the contemplated payment.

5.4 Unresolved Claims Reserve

On the Plan Implementation Date and in accordance with the Plan Implementation Date steps and transactions set out in Section 8.3 of the Consolidated CCAA Plan, an unresolved claims reserve (the “**Unresolved Claims Reserve**”) shall be established out of the Available Funds and be held by the Monitor, on behalf of the Arctic Glacier Parties, in escrow in accordance with the Consolidated CCAA Plan in an amount equal to (a) the aggregate amount that would have been paid to all Affected Creditors holding Unresolved Claims in accordance with the Consolidated CCAA Plan (calculated on the basis of the amounts specified in such Affected Creditors’ Proofs of Claim) if such Unresolved Claims had been Proven Claims on the Plan Implementation Date; and (b) the applicable portion of the Aggregate Interest Amount in respect of such Unresolved Claims.

5.5 Composition of the Affected Creditors’ Distribution Cash Pool

On the Plan Implementation Date, an Affected Creditors’ distribution cash pool (the “**Affected Creditors’ Distribution Cash Pool**”) shall be established from the Available Funds in an amount equal to:

- (a) all Proven Claims of Affected Creditors with Affected Claims denominated in Canadian dollars on the Plan Implementation Date plus the applicable portion of the Aggregate Interest Amount in respect of such Proven Claims (save and except for the Canadian Direct Purchaser Proven Claim); and

- (b) all Proven Claims of Affected Creditors with Affected Claims denominated in United States dollars on the Plan Implementation Date plus the applicable portion of the Aggregate Interest Amount in respect of such Proven Claims (save and except for the Deemed Proven Claims, which shall include accrued interest calculated at the interest rates set out in the Sanction Order in respect of each such Proven Claims, and the Indirect Purchaser Proven Claim).

The Monitor shall hold the monies in the Affected Creditors' Distribution Cash Pool, on behalf of the Arctic Glacier Parties, in escrow for distribution to Affected Creditors with Proven Claims pursuant to and in accordance with the Consolidated CCAA Plan. The Available Funds in the Affected Creditors' Distribution Cash Pool shall be denominated in Canadian dollars or United States dollars depending upon whether the Proven Claim is denominated in Canadian dollars or United States dollars.

5.6 Composition of the Unitholders' Distribution Cash Pool

On the Plan Implementation Date, a Unitholders' distribution cash pool (the "**Unitholders' Distribution Cash Pool**") shall be established out of the Available Funds in an amount equal to the Available Funds less the amounts used to fund the: (a) Administrative Costs Reserve; (b) Insurance Deductible Reserve; (c) Unresolved Claims Reserve; and (d) Affected Creditors' Distribution Cash Pool. The Monitor shall hold the Unitholders' Distribution Cash Pool in a separate interest-bearing account in escrow for distribution to the Unitholders in accordance with the Consolidated CCAA Plan.

5.7 Remaining Funds

Any final remaining balance in the Administrative Costs Reserve or the Unitholders' Distribution Cash Pool that have not been distributed by the Final Distribution Date on account of the cost of making any such distribution being prohibitive for so doing in relation to the quantum of the distribution contemplated in the Consolidated CCAA Plan will be paid to a charity in Winnipeg, Manitoba that will be determined at a later date.

ARTICLE 6 PROVISIONS REGARDING DISTRIBUTIONS AND PAYMENTS

6.1 Distributions from the Affected Creditors' Distribution Cash Pool

The Affected Creditors' Distribution Cash Pool shall be distributed by the Monitor, on behalf and for the account of the Arctic Glacier Parties, on the Plan Implementation Date or on any Distribution Date, as the case may be, to each Affected Creditor in the amount of such Affected Creditor's Distribution Claim by way of cheque sent by prepaid ordinary mail to the address for such Affected Creditor specified in the Proof of Claim filed by such Affected Creditor.

Following the distribution to be made by the Monitor, on behalf of the Arctic Glacier Parties, to Affected Creditors on the Plan Implementation Date pursuant to, and in accordance with, Section 8.3 of the Consolidated CCAA Plan, the Monitor shall have no further obligation to make any payment out of the Affected Creditors' Distribution Cash Pool, and nothing in the Consolidated CCAA Plan, the Meeting Order or the Sanction Order shall be construed as

obligating the Monitor to make any such payment if, in the Monitor's sole and unfettered discretion, the cost of making any such payment is prohibitive for so doing in relation to the quantum of the contemplated payment.

6.2 Distributions from the Unitholders' Distribution Cash Pool

The Monitor shall declare a Unitholder Distribution Record Date prior to any distribution, deemed or otherwise, from the Unitholders' Distribution Cash Pool. On the Plan Implementation Date or on any Distribution Date, as the case may be, the Monitor shall transfer amounts as determined by the Monitor in accordance with the Consolidated CCAA Plan, on behalf and for the account of the Fund, from the Unitholders' Distribution Cash Pool (each such transfer being a "**Unitholder Distribution**") to the Transfer Agent. As soon as reasonably practicable, and in no event later than five (5) Business Days following receipt of the Unitholder Distribution, the Transfer Agent shall distribute each Unitholder Distribution, on behalf and for the account of the Fund, by way of cheque sent by prepaid ordinary mail or by way of wire transfer to each Registered Unitholder, as of the applicable Unitholder Distribution Record Date that the Transfer Agent is aware of and has contact information in respect of, based on each Registered Unitholder's Pro Rata Share (a) for such Registered Unitholder, in respect of Trust Units held by such Registered Unitholder solely for and on behalf of itself, as applicable; or (b) for distribution by such Registered Unitholder to (i) Beneficial Unitholders, as applicable, or (ii) participant holders of the Trust Units or the intermediary holders of the Trust Units (collectively, the "**Nominees**"), or the agents of such Nominees for subsequent distribution to the applicable Beneficial Unitholders.

The Monitor shall have no obligation to make any payment out of the Unitholders' Distribution Cash Pool, and nothing in the Consolidated CCAA Plan, the Meeting Order or the Sanction Order shall be construed as obligating the Monitor to make any such payment if, in the Monitor's sole and unfettered discretion, the cost of making any such payment is prohibitive for so doing in relation to the quantum of the contemplated payment.

6.3 Payment of Administrative Reserve Costs

On the Plan Implementation Date, the Administrative Costs Reserve will be funded in accordance with Section 5.2 of the Consolidated CCAA Plan and shall be administered in accordance with the Consolidated CCAA Plan.

Any final remaining balance in the Administrative Costs Reserve following (a) payment in full or final reservation of all Administrative Reserve Costs, as determined by the Monitor; and (b) declaration by the Monitor of a Unitholder Distribution Record Date; shall be transferred by the Monitor to the Transfer Agent and shall be deemed to have first been transferred to the Unitholders' Distribution Cash Pool and then distributed therefrom by the Monitor, on behalf of the Fund, to the Transfer Agent. As soon as reasonably practicable and in no event later than five (5) Business Days following its receipt, such remaining final balance shall then be distributed by the Transfer Agent, on behalf and for the account of the Fund, to each Registered Unitholder, as of the applicable Unitholder Distribution Record Date that the Transfer Agent is aware of and has contact information in respect of in the manner prescribed in Section 6.2 herein based on each Registered Unitholder's Pro Rata Share (a) for such Registered Unitholder, in respect of Trust Units held by such Registered Unitholder solely for and on behalf of itself, as applicable; or (b) for distribution by such Registered Unitholder to (i) Beneficial Unitholders, as applicable, or (ii)

Nominees, or the agents of such Nominees for subsequent distribution to the applicable Beneficial Unitholders.

The Monitor shall have no obligation to make any payment or transfer out of the Administrative Costs Reserve, and nothing in the Consolidated CCAA Plan, the Meeting Order or the Sanction Order shall be construed as obligating the Monitor to make any such payment if, in the Monitor's sole and unfettered discretion, the cost of making any such payment is prohibitive for so doing in relation to the quantum of the contemplated payment.

6.4 Payment of Insurance Deductible Reserve Costs

On the Plan Implementation Date, the Insurance Deductible Reserve will be funded in accordance with Section 5.3 of the Consolidated CCAA Plan and shall be administered in accordance with the Consolidated CCAA Plan.

6.5 Cancellation of Instruments Evidencing Affected Claims

Following completion of the steps and transactions in the sequence set forth in Section 8.3 of the Consolidated CCAA Plan, all agreements, invoices and other instruments evidencing Affected Claims will not entitle any holder thereof to any compensation or participation other than as expressly provided for in the Consolidated CCAA Plan and will be cancelled and will be null and void.

6.6 Crown Priority Claims

Within six (6) months after the Plan Sanction Date, the Monitor, on behalf of the Arctic Glacier Parties, shall pay in full to Her Majesty in Right of Canada or any province all amounts of a kind that could be subject to a demand under Section 6(3) of the CCAA that were outstanding on the Filing Date and which have not been paid by the Plan Implementation Date ("**Crown Claims**").

6.7 Currency

Unless specifically provided for in the Consolidated CCAA Plan or the Sanction Order, for the purposes of distribution, an Affected Claim shall be denominated in the currency in which it is owed and all payments and distributions to the Affected Creditors on account of their Affected Claims shall be made in the currency in which they are owed. To the extent that there are insufficient funds to pay an Affected Claim in the currency in which it is owed, the Monitor shall be authorized to convert the currency on a date that is within five (5) Business Days of the Plan Implementation Date or any Distribution Date, as the case may be.

6.8 Interest

The interest rate that will be used to calculate the quantum of the Deemed Proven Claims and the Aggregate Interest Amount in respect of each other Proven Claim (save and except for the Canadian Direct Purchaser Proven Claim and the Indirect Purchaser Proven Claim) will be specified in the Sanction Order.

6.9 Treatment of Undeliverable Distributions

If any Affected Creditor's distribution by way of cheque is returned as undeliverable or is not cashed, no further distributions to such Affected Creditor shall be made unless and until the Arctic Glacier Parties and the Monitor are notified by such Affected Creditor of such Affected Creditor's current address, at which time all such distributions shall be made to such Affected Creditor without interest accruing on account of the cheque being undeliverable or not cashed. All claims for undeliverable or uncashed distributions in respect of Proven Claims will expire six (6) months after the date of such distribution, after which date the Proven Claims of any Affected Creditor or successor of such Affected Creditor with respect to such unclaimed or uncashed distributions shall be forever discharged and forever barred, without any compensation therefor, notwithstanding any federal, state or provincial laws to the contrary, at which time the cash amount held by the Monitor in relation to such Proven Claims will be, or will be deemed to be, transferred to the Administrative Costs Reserve, and will be distributed in accordance with the terms of the Consolidated CCAA Plan. Nothing contained in the Consolidated CCAA Plan shall require the Arctic Glacier Parties or the Monitor to attempt to locate any Affected Creditor.

If any distribution to a Registered Unitholder by way of cheque is returned as undeliverable or is not cashed, no further distributions to such Registered Unitholder shall be effected unless and until the Arctic Glacier Parties, the Monitor and the Transfer Agent are notified by or on behalf of such Registered Unitholder of such Registered Unitholder's current address, at which time all such distributions shall be effected towards such Registered Unitholder without interest. All claims for undeliverable or uncashed distributions to a Registered Unitholder will expire six (6) months after the date of such distribution, after which date the entitlement of any Registered Unitholder, as provided for in this Consolidated CCAA Plan, or of any successor of such Registered Unitholder with respect to such unclaimed or uncashed distribution shall be forever discharged and forever barred, without any compensation therefor, notwithstanding any federal, state or provincial laws to the contrary, at which time the cash amount held by the Transfer Agent in relation to such distribution will be transferred by the Transfer Agent to the Monitor and shall be held by the Monitor, on behalf of the Arctic Glacier Parties, in the Administrative Costs Reserve, and will be distributed in accordance with the terms of the Consolidated CCAA Plan. Nothing contained in the Consolidated CCAA Plan shall require the Arctic Glacier Parties, the Trustees, the Transfer Agent or the Monitor to attempt to locate any Registered Unitholder.

6.10 Assignment of Claims for Voting and Distribution Purposes

(a) Assignment of Claims Prior to the Creditors' Meeting

Subject to any restrictions contained in Applicable Laws, Affected Creditors may transfer or assign the whole of their Claims (or where a Claim includes an indemnity claim, the whole of their Claims other than that part of the Claim relative to the indemnity) prior to the Creditors' Meeting provided that the Arctic Glacier Parties and the Monitor shall not be obliged to deal with any transferee or assignee as an Affected Creditor in respect thereof unless and until actual notice of the transfer or assignment, together with satisfactory evidence of such transfer or assignment has been given to the Arctic Glacier Parties and the Monitor by 5:00 p.m. (Toronto time) on the day that is at least five (5) Business Days immediately prior to the Creditors' Meeting, or such other date as the Monitor may agree. In the event of such notice of transfer or assignment prior to the Creditors' Meeting, the transferee or assignee shall, for all purposes, be treated as the

Affected Creditor of the assigned or transferred Claim, will be bound by any and all notices previously given to the transferor or assignor in respect of such Claim and shall be bound, in all respects, by any and all notices given and by the Orders of the CCAA Court in the CCAA Proceedings. For greater certainty, other than as described above, the Arctic Glacier Parties shall not recognize partial transfers or assignments of Claims.

(b) *Assignment of Claims Subsequent to the Creditors' Meeting*

Subject to any restrictions contained in Applicable Laws, Affected Creditors may transfer or assign the whole of their Claims (or where a Claim includes an indemnity claim, the whole of their Claims other than that part of the Claim relative to the indemnity) after the Creditors' Meeting provided that the Arctic Glacier Parties and the Monitor shall not be obliged to deal with any transferee or assignee as an Affected Creditor and the Monitor shall not be obliged to make any distributions to the transferee or assignee in respect thereof unless and until actual notice of the transfer or assignment, together with evidence of the transfer or assignment and a letter of direction executed by the transferor or assignor, all satisfactory to the Arctic Glacier Parties and the Monitor, has been given to the Arctic Glacier Parties and the Monitor by 5:00 p.m. on the day that is at least five (5) Business Days immediately prior to the Plan Implementation Date or any Distribution Date(s), as the case may be, or such other date as the Monitor may agree. Thereafter, the transferee or assignee shall, for all purposes, be treated as the Affected Creditor of the assigned or transferred Claim, will be bound by any notices previously given to the transferor or assignor in respect of such Claim and shall be bound, in all respects, by notices given and steps taken, and by the orders of the CCAA Court in the CCAA Proceedings. For greater certainty, other than as described above, the Arctic Glacier Parties shall not recognize partial transfers or assignments of Claims.

6.11 Assignment of Trust Units for Voting Purposes

Subject to any restrictions contained in Applicable Laws, Unitholders may transfer or assign their Trust Units provided that the Arctic Glacier Parties, the Transfer Agent and the Monitor shall not be obliged to deal with any transferee or assignee of a Unitholder in respect thereof for purposes of their eligibility to consider and vote on the Consolidated CCAA Plan unless and until actual notice of the transfer or assignment, together with satisfactory evidence of such transfer or assignment has been given to and received by the Arctic Glacier Parties, the Transfer Agent and the Monitor by 5:00 p.m. (Toronto time) on the day immediately prior to the Unitholder Record Date. In the event of receipt of such notice of transfer or assignment prior to the Unitholder Record Date (as provided for in the immediately preceding sentence), the transferee or assignee shall, for all purposes be treated as the Unitholder of the assigned or transferred Trust Units, will be bound by any and all notices previously given to the transferor or assignor in respect of such Trust Units and shall be bound, in all respects, by any and all notices given and steps taken, and by the Orders of the CCAA Court in the CCAA Proceedings. For greater certainty, the Arctic Glacier Parties and the Transfer Agent shall not recognize partial transfers or assignments of Trust Units. In addition, under no circumstances shall the Arctic Glacier Parties, the Transfer Agent and the Monitor be obliged to deal with any transferee or assignee of a Unitholder for purposes of their eligibility to consider and vote on the Consolidated CCAA Plan who are not reflected as a Unitholder on the Unitholder Record Date.

6.12 Allocation of Distributions

All distributions made by the Monitor, on behalf of the Arctic Glacier Parties, pursuant to the Consolidated CCAA Plan shall be first in consideration for the outstanding principal amount of the Claims and secondly in consideration for accrued and unpaid interest and penalties, if any, which forms part of such Claims.

6.13 Withholding and Reporting Requirements

The Arctic Glacier Parties and the Monitor shall be entitled to deduct and withhold, or direct the Transfer Agent to deduct and withhold, from any distribution, payment or consideration otherwise payable to an Affected Creditor or Unitholder such amounts (a “**Withholding Obligation**”) as the Arctic Glacier Parties, the Monitor or the Transfer Agent, as the case may be, is required or entitled to deduct and withhold with respect to such payment under the *Income Tax Act* (Canada), the IRC, or any other provision of any Applicable Law. To the extent that amounts are so deducted or withheld and remitted to the applicable Government Authority or as required by Applicable Law, such amounts deducted or withheld shall be treated for all purposes of the Consolidated CCAA Plan as having been paid to such Person as the remainder of the payment in respect of which such withholding and deduction were made. For greater certainty, no distribution, payment or other consideration shall be made to or on behalf of a holder of a Proven Claim or a Unitholder pursuant to the Consolidated CCAA Plan unless and until such Person has made arrangements satisfactory to the Arctic Glacier Parties, the Monitor, or the Transfer Agent, as the case may be, for the payment and satisfaction of any Withholding Obligations imposed on the Arctic Glacier Parties, the Monitor or the Transfer Agent by any Government Authority.

ARTICLE 7

PROCEDURE FOR DISTRIBUTIONS REGARDING UNRESOLVED CLAIMS

7.1 No Distribution Pending Allowance

Notwithstanding any other provision of the Consolidated CCAA Plan, no payments or distributions shall be made with respect to all or any portion of an Unresolved Claim unless and to the extent it has become a Proven Claim, in whole or in part.

7.2 Unresolved Claims Reserve

On the Plan Implementation Date, the Monitor shall establish and maintain the Unresolved Claims Reserve from the Available Funds, in accordance with Section 5.4 of the Consolidated CCAA Plan.

7.3 Distributions After Unresolved Claims Resolved

The Unresolved Claims shall be finally determined in accordance with the Claims Procedure Order and the Claims Officer Order. If an Affected Creditor’s Unresolved Claim is finally determined to be a Proven Claim pursuant to and in accordance with the Claims Procedure Order and the Claims Officer Order or if an Affected Creditor’s Unresolved Claim is accepted, in each case, in whole or in part, (a) the Monitor, on behalf of the Arctic Glacier Parties, shall distribute the amount from the Unresolved Claims Reserve equal to such Affected

Creditor's Distribution Claim, if any, that would have been distributed on the Plan Implementation Date or on a Distribution Date, as the case may be, had such Affected Claim been a Proven Claim (the "**Proven Claim Amount**") to such Affected Creditor in full satisfaction, payment, settlement, release and discharge of such Affected Creditor's Distribution Claim; and (b) that Proven Claim Amount shall be deemed to have first been transferred to the Affected Creditors' Distribution Cash Pool and then paid therefrom by the Monitor, on behalf of the Arctic Glacier Parties. When all Unresolved Claims have been finally determined in accordance with the Claims Procedure Order and the Claims Officer Order and when all Proven Claim Amounts have been paid, any balance that remains in the Unresolved Claims Reserve will be deemed to be transferred to the Administrative Costs Reserve.

The Monitor shall have no obligation to make any payment out of the Unresolved Claims Reserve, and nothing in the Consolidated CCAA Plan, the Meeting Order or the Sanction Order shall be construed as obligating the Monitor to make any such payment if, in the Monitor's sole and unfettered discretion, the cost of making any such payment is prohibitive for so doing in relation to the quantum of the contemplated payment.

ARTICLE 8 COMPANY REORGANIZATION

8.1 Corporate Authorizations

The adoption, execution, delivery, implementation and consummation of all matters contemplated under the Consolidated CCAA Plan involving corporate action of the Arctic Glacier Parties will occur and be effective as of the Plan Implementation Date, and will be authorized and approved under the Consolidated CCAA Plan and by the CCAA Court, where appropriate, as part of the Sanction Order, in all respects and for all purposes without any requirement of further action by any shareholders, Unitholders, Directors, Officers or Trustees. All necessary approvals to take actions shall be deemed to have been obtained from the Directors, Trustees, Unitholders or shareholders of the Arctic Glacier Parties, as applicable, including the deemed passing by the Unitholders or shareholders of any resolution or special resolution and no shareholders' agreement or Unitholders' agreement or agreement between a shareholder or Unitholder (as applicable) and another Person limiting in any way the right to vote shares or Trust Units (as applicable) held by such shareholder(s) or Unitholder(s) (as applicable) with respect to any of the steps contemplated by the Consolidated CCAA Plan shall be deemed to be effective and shall have no force and effect.

8.2 Charges

The beneficiaries of the Charges shall provide the Monitor with evidence of all outstanding, invoiced obligations, liabilities, fees and disbursements secured by the Charges as of three (3) Business Days prior to the Plan Implementation Date, along with a reasonable estimate of the additional obligations, liabilities, fees and disbursements that are secured by the Charges and will be incurred up to the Plan Implementation Date (collectively, the "**PID Charge Amount**"). On the Plan Implementation Date, the PID Charge Amount shall be fully paid by the Monitor, on behalf of the Arctic Glacier Parties. Upon receipt by the Monitor of confirmation from each of the beneficiaries of the Charges that it has received the applicable portion of the PID Charge Amount that was paid by the Monitor, on behalf of the Arctic Glacier Parties, on the Plan Implementation Date, the Monitor shall file a certificate with the CCAA Court confirming

that all outstanding, invoiced obligations, liabilities, fees and disbursements secured by the Charges as of the Plan Implementation Date have been paid and thereafter, the Charges shall be and be deemed to be discharged from the assets of the Arctic Glacier Parties without the need for any other formality.

8.3 Plan Implementation Date Steps and Transactions

The steps, transactions, settlements and releases to be effected in the implementation of the Consolidated CCAA Plan shall occur, and be deemed to have occurred, in the following order without any further act of formality, beginning at the Effective Time on the Plan Implementation Date:

- (a) the Monitor, on behalf of the Arctic Glacier Parties, shall use the Available Funds to fund the following reserves and distribution cash pools in the order specified below:
 - (i) Administrative Costs Reserve;
 - (ii) Insurance Deductible Reserve;
 - (iii) Unresolved Claims Reserve;
 - (iv) Affected Creditors' Distribution Cash Pool; and
 - (v) Unitholders' Distribution Cash Pool; andadminister such reserves and distribution cash pools pursuant to and in accordance with the Consolidated CCAA Plan;
- (b) the Monitor, on behalf of the Arctic Glacier Parties, shall pay from the Administrative Costs Reserve the applicable portion of the PID Charge Amount, if any, to each of the beneficiaries of the Charges;
- (c) the Arctic Glacier Parties shall pay to the Monitor an amount of \$426,252.16 (including HST) in respect of the discounted component of fees earned by Alvarez & Marsal Canada Inc. during the period of November 21, 2011 to December 31, 2012 (the "**Recovered Fees**");
- (d) the steps, assumptions, distributions, transfers, payments, contributions, ~~liquidations, dissolutions, wind-ups~~, reduction of capital, settlements and releases set out in Schedule "B" of the Consolidated CCAA Plan shall be deemed to be completed in the order specified therein; and
- (e) the releases referred to in Section 9 of the Consolidated CCAA Plan shall become effective in accordance with the Consolidated CCAA Plan.

8.4 Post-Plan Implementation Date Transactions

As specified herein, each of the Fund, Arctic Glacier Inc. and Arctic Glacier International Inc. Parties, or the Monitor on their behalf, as the case may be, shall take the following steps after the Plan Implementation Date:

- (a) the Monitor, on behalf of the Arctic Glacier Parties, shall take all steps necessary to pay any amounts required to be paid to an Affected Creditor or to the Unitholders after the Plan Implementation Date pursuant to, and in accordance with, this Consolidated CCAA Plan;
- (b) (i) the Monitor, on behalf of the Arctic Glacier Parties, shall take all steps necessary to make any distributions, payments, or transfers in order to fund, or otherwise in connection with, the making of the payments referred to in subparagraph (a) above; and (ii) the ~~Fund, Arctic Glacier Inc. and Arctic Glacier International Inc. Parties~~, in consultation with the Monitor, shall take all steps necessary to undertake any other transactions as between the ~~Fund, Arctic Glacier Inc. and Arctic Glacier International Inc. Parties~~ in order to fund, or otherwise take steps in connection with, the making of the payments referred to in subparagraph (a) above; and
- (c) (i) each of the Fund, Arctic Glacier Inc. and Arctic Glacier International Inc. Parties, in consultation with the Monitor, shall take all steps necessary to merge, wind-up, liquidate, terminate, and/or dissolve ~~each of Arctic Glacier International Inc., Arctic Glacier Inc. and the Fund~~ or undertake any other steps in connection therewith, including causing the Fund's units to cease to be listed and traded on the Canadian National Stock Exchange on (and for greater certainty, not prior to) the Final Distribution Date; and (ii) the Monitor, on behalf of the Arctic Glacier Parties, shall make any distributions, payments or transfers in connection therewith;

in each case, as tax efficiently for the Arctic Glacier Parties as is reasonably possible.

ARTICLE 9 RELEASES

9.1 Consolidated CCAA Plan Releases

On the Plan Implementation Date and in accordance with the sequential steps and transactions set out in Section 8.3 of the Consolidated CCAA Plan, the Arctic Glacier Parties, the Monitor, Alvarez and Marsal Canada Inc. and its affiliates, the CPS, the Trustees, the Directors and the Officers, each and every present and former employee who filed or could have filed an indemnity claim or a DO&T Indemnity Claim against the Arctic Glacier Parties, each and every affiliate, subsidiary, member (including members of any committee or governance council), auditor, financial advisor, legal counsel and agent thereof and any Person claiming to be liable derivatively through any or all of the foregoing Persons (the “**Releasees**”) shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, orders, including for injunctive relief or specific performance and compliance orders, expenses, executions and other recoveries

on account of any liability, obligation, demand or cause of action of whatever nature which any Person may be entitled to assert, including any and all claims in respect of the payment and receipt of proceeds and statutory liabilities of Trustees, Directors, Officers and employees of the Arctic Glacier Parties and any alleged fiduciary or other duty (whether acting as a Trustee, Director, Officer, member or employee or acting in any other capacity in connection with the Arctic Glacier Parties' business or an individual Arctic Glacier Party), whether known or unknown, matured or unmatured, direct, indirect or derivative, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to the later of the Plan Implementation Date and the date on which actions are taken to implement the Consolidated CCAA Plan that are in any way related to, or arising out of or in connection with the Claims, the Arctic Glacier Parties' business and affairs whenever or however conducted, the Consolidated CCAA Plan, the CCAA Proceedings, any Claim that has been barred or extinguished pursuant to the Claims Procedure Order or the Claims Officer Order (excepting only Releasees in respect of Unresolved Claims, unless and until such Unresolved Claims become Proven Claims in accordance with the Claims Procedure Order and the Claims Officer Order), and all claims arising out of such actions or omissions shall be forever waived and released (other than the right to enforce the Arctic Glacier Parties' obligations under the Consolidated CCAA Plan or any related document), all to the full extent permitted by applicable law, provided that nothing in the Consolidated CCAA Plan shall release or discharge a Releasee from any obligation created by or existing under the Consolidated CCAA Plan or any related document.

ARTICLE 10

COURT SANCTION, CONDITIONS PRECEDENT AND IMPLEMENTATION

10.1 Application for Sanction Order

If the Required Unitholder Majority approves the Consolidated CCAA Plan, the Applicants shall apply for the Sanction Order on or before the date set for the hearing of the Sanction Order or such later date as the CCAA Court may set.

10.2 Sanction Order

The Sanction Order shall, among other things, include provisions in substance similar to the following:

- (a) declare that each of the Creditors' Meeting and the Unitholders' Meeting shall have been duly called and held in accordance with the Meeting Order;
- (b) declare that (i) the Consolidated CCAA Plan has been unanimously approved by the Affected Creditors in conformity with the CCAA; (ii) the Consolidated CCAA Plan has been approved by the required majorities of Unitholders in conformity with the Meeting Order; (iii) the activities of the Arctic Glacier Parties have been in reasonable compliance with the provisions of the CCAA and the Orders of the CCAA Court made in the CCAA Proceeding in all respects; (iv) the CCAA Court is satisfied that the Arctic Glacier Parties have not done or purported to do anything that is not authorized by the CCAA; and

- (v) the Consolidated CCAA Plan and the transactions contemplated thereby are fair and reasonable;
- (c) declare that as of the Effective Time, the Consolidated CCAA Plan and all associated steps, settlements, transactions, arrangements and releases effected thereby are approved, binding and effective upon the Arctic Glacier Parties, all Affected Creditors, the Directors and Officers, the Unitholders, the Trustees, the Releasees and all other Persons named or referred to in, or subject to, the Consolidated CCAA Plan and their respective heirs, executors, administrators and other legal representatives, successors and assigns;
- (d) declare that the steps to be taken and the releases to be effective on the Plan Implementation Date are deemed to occur and be effected in the sequential order contemplated by the Consolidated CCAA Plan on the Plan Implementation Date, beginning at the Effective Time;
- (e) settle, discharge and release the Arctic Glacier Parties from any and all Affected Claims of any nature in accordance with the Consolidated CCAA Plan, and declare that the ability of any Person to proceed against the Arctic Glacier Parties in respect of or relating to any Affected Claims shall be forever discharged and restrained, and all proceedings with respect to, in connection with or relating to such Affected Claims are permanently stayed, subject only to (i) the right of Affected Creditors with Unresolved Claims to continue pursuing such Unresolved Claims in accordance with the Claims Procedure Order, the Claims Officer Order and the Consolidated CCAA Plan; and (ii) the right of Affected Creditors and Unitholders to receive payments and distributions pursuant to the Consolidated CCAA Plan;
- (f) stay the commencing, taking, applying for or issuing or continuing of any and all steps or proceedings, including without limitation, administrative hearings and orders, declarations or assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against any Releasee in respect of all Claims and any matter which is released pursuant to the Consolidated CCAA Plan;
- (g) declare the interest rates that will be used to calculate the amount of interest to be paid to Affected Creditors, if applicable;
- (h) extend the stay of proceedings under the Initial Order;
- (i) declare that on or following the Plan Implementation Date, the Monitor shall be and is authorized and directed to make payments out of the Administrative Costs Reserve, on behalf of the Arctic Glacier Parties, in respect of the payment of Administrative Reserve Costs by way of cheque (sent by prepaid ordinary mail to the Monitor's last known address for such recipient Persons) or by wire transfer (in accordance with wire transfer instructions, if provided by such recipient Persons to the Monitor at least three (3) Business Days prior to the payment date set by the Monitor);

- (j) declare that all payments and distributions by or at the direction of the Monitor, in each case on behalf of the Arctic Glacier Parties or the Fund, as applicable, under the Consolidated CCAA Plan are for the account of the Arctic Glacier Parties or the Fund, as applicable, and the fulfillment of their obligations under Consolidated CCAA Plan;
- (k) declare that none of the Monitor, the CPS, the Trustees and the Applicants shall incur any liability as a result of payments and distributions to the Unitholders, in each case on behalf of the Fund, once such distribution or payment has been made by the Monitor to, and confirmation of receipt has been received by the Monitor from, the Transfer Agent;
- (l) declare that the Monitor and the CPS shall not incur any liability under the Tax Statutes as a result of the completion of the steps or transactions contemplated by the Consolidated CCAA Plan, including in respect of its making any payments or distributions ordered or permitted under the Consolidated CCAA Plan or the Sanction Order and including any steps or transactions contemplated by Section 8.4 of this Consolidated CCAA Plan, and are released, remised and discharged from any claims against them under or pursuant to the Tax Statutes or otherwise at law, arising in respect of the completion of the steps or transactions contemplated by the Consolidated CCAA Plan, including in respect of its making any payments or distributions ordered or permitted under the Consolidated CCAA Plan or the Sanction Order and including any steps or transactions contemplated by Section 8.4 of this Consolidated CCAA Plan, and that any claims of such a nature are forever barred and extinguished;
- (m) subject to payment thereof, declare that each of the Charges shall be terminated, discharged and released upon the filing by the Monitor with the CCAA Court of the certificate contemplated by Section 8.2 of the Consolidated CCAA Plan;
- (n) declare that any Affected Claims for which a Proof of Claim has not been filed by the Claims Bar Date or the DO&T Indemnity Claims Bar Date, as applicable, shall be forever barred and extinguished;
- (o) authorize and direct the Monitor to, on and after the Plan Implementation Date, (i) complete the claims procedure established in the Claims Procedure Order and Claims Officer Order; and (ii) take such further steps and seek such amendments to the Claims Procedure Order, Claims Officer Order or additional orders of the CCAA Court as the Monitor considers necessary or appropriate in order to fully determine, resolve or deal with any Claims;
- (p) declare that, in addition to its prescribed rights under the CCAA and the powers granted by the CCAA Court, the powers granted to the Monitor are expanded as may be required to, and the Monitor is empowered and authorized on and after the Plan Implementation Date to, take such additional actions and execute such documents, in the name of and on behalf of the Arctic Glacier Parties, as the Monitor considers necessary or desirable in order to perform its functions and fulfill its obligations under the Consolidated CCAA Plan, the Sanction Order and any order of the CCAA Court in the CCAA Proceedings and to facilitate the

implementation of the Consolidated CCAA Plan and the completion of the CCAA proceedings, including to: (i) administer and distribute the Available Funds; (ii) establish and hold the Administrative Costs Reserve, the Insurance Deductible Reserve, the Unresolved Claims Reserve, the Affected Creditors' Distribution Cash Pool and the Unitholders' Distribution Cash Pool; (iii) resolve any Unresolved Claims; (iv) effect payments in respect of Proven Claims to the Affected Creditors and effect distributions to the Transfer Agent in respect of distributions to be made to Unitholders; (v) take such steps, if and as may be necessary, to address Excluded Claims in accordance with the Consolidated CCAA Plan, the Claims Procedure Order and the Claims Officer Order; and (vi) take such steps as are necessary to effect the post-Plan Implementation Date steps and transactions set out in Section 8.4 of the Consolidated CCAA Plan; and, in each case where the Monitor takes such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons including the Arctic Glacier Parties, and without interference from any other Person;

- (q) authorize the Monitor, in the name of and on behalf of the Arctic Glacier Parties, to prepare and file the Arctic Glacier Parties' tax returns based solely upon information provided by the Arctic Glacier Parties and on the basis that the Monitor shall incur no liability or obligation to any Person with respect to such returns or related documentation;
- (r) declare that on and after the Plan Implementation Date, the Monitor shall be at liberty to engage such Persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under the Consolidated CCAA Plan, the Sanction Order or any other order of the CCAA Court and to facilitate the completion of the CCAA proceedings;
- (s) declare that upon completion by the Monitor of its duties in respect of the Arctic Glacier Parties pursuant to the CCAA and any orders in the CCAA Proceedings, including, without limitation, the Monitor's duties in respect of the claims process and distributions made by the Monitor in accordance with the Consolidated CCAA Plan, the Monitor may file with the CCAA Court a certificate of Consolidated CCAA Plan termination stating that all of its duties in respect of the Arctic Glacier Parties pursuant to the CCAA and the orders in the CCAA Proceedings have been completed and thereupon, Alvarez & Marsal Canada Inc. shall be deemed to be discharged from its duties as Monitor of the Arctic Glacier Parties and released of all claims relating to its activities as Monitor;
- (t) declare that the Arctic Glacier Parties, the CPS and the Monitor may apply to the CCAA Court for advice and direction in respect of any matters arising from or under the Consolidated CCAA Plan; and
- (u) such other relief which the Arctic Glacier Parties or the Monitor may request.

10.3 Conditions Precedent to Implementation of the Consolidated CCAA Plan

The implementation of the Consolidated CCAA Plan shall be conditional upon the fulfillment of the following conditions on or prior to the Plan Implementation Date, as the case may be:

(a) *Consolidated CCAA Plan Approval*

The Affected Creditor Class shall have been deemed to have unanimously voted in favour of the Consolidated CCAA Plan at the Creditors' Meeting and the Consolidated CCAA Plan shall be approved by the Required Unitholder Majority.

(b) *Plan Sanction Order*

The Sanction Order shall have been made and be in full force and effect, and all applicable appeal periods in respect thereof shall have expired and any appeals therefrom shall have been finally disposed of, leaving the Sanction Order wholly operable.

(c) *Recognition Order*

A Recognition Order in the Chapter 15 Proceedings shall have been made recognizing the Sanction Order and such order shall be in full force and effect, and all applicable appeal periods in respect thereof shall have expired and any appeals therefrom shall have been finally disposed of, leaving such Recognition Order wholly operable.

(d) *Resolution of Certain Liabilities*

CPS and the Monitor are satisfied that (a) all tax returns required to be filed by or on behalf of the Arctic Glacier Parties have or will be duly filed in all appropriate jurisdictions; and (b) all taxes required to be paid in respect thereof have or will be paid.

10.4 Monitor's Certificate

Upon CPS and the Monitor determining, based on inquiries and consultation with the Arctic Glacier Parties or otherwise, that the conditions to implementation of the Consolidated CCAA Plan set out in Section 10.3 have been satisfied or waived, the Monitor shall deliver to the Arctic Glacier Parties a certificate which states that all conditions precedent set out in Section 10.3 have been satisfied or waived and that the Plan Implementation Date has occurred. Following the Plan Implementation Date, the Monitor shall file such certificate with the CCAA Court.

ARTICLE 11 GENERAL

11.1 Binding Effect

On the Plan Implementation Date:

- (a) the Consolidated CCAA Plan will become effective at the Effective Time;
- (b) the treatment of Affected Claims under the Consolidated CCAA Plan shall be final and binding for all purposes and enure to the benefit of the Arctic Glacier Parties, all Affected Creditors, the Directors and Officers, the Unitholders, the Trustees, the Releasees and all other Persons and parties named or referred to in, or subject to, the Consolidated CCAA Plan and their respective heirs, executors, administrators and other legal representatives, successors and assigns;
- (c) all Affected Claims shall be forever discharged and released, excepting only (i) the right of Affected Creditors with Unresolved Claims to continue pursuing such Unresolved Claims in accordance with the Claims Procedure Order, the Claims Officer Order and the Consolidated CCAA Plan; and (ii) the obligation of the Arctic Glacier Parties to make payments and distributions in respect of such Affected Claims in the manner and to the extent provided for in the Consolidated CCAA Plan;
- (d) each Affected Creditor will be deemed to have consented and agreed to all of the provisions of the Consolidated CCAA Plan, in its entirety;
- (e) each Unitholder will be deemed to have consented and agreed to all of the provisions of the Consolidated CCAA Plan, in its entirety; and
- (f) each Affected Creditor and Unitholder shall be deemed to have executed and delivered to the Arctic Glacier Parties all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out the Consolidated CCAA Plan in its entirety.

11.2 Waiver of Defaults

From and after the Plan Implementation Date, all Persons shall be deemed to have waived any and all defaults of the Arctic Glacier Parties then existing or previously committed by the Arctic Glacier Parties, or caused by the Arctic Glacier Parties, any of the provisions in the Consolidated CCAA Plan or steps contemplated in the Consolidated CCAA Plan, or non-compliance with any covenant, warranty, representation, term, provision, condition or obligation, expressed or implied, in any contract, instrument, credit document, lease, guarantee, agreement for sale or other agreement, written or oral, and any and all amendments or supplements thereto, existing between such Person and the Arctic Glacier Parties and any and all notices of default and demands for payment or any step or proceeding taken or commenced in connection therewith under any such agreement shall be deemed to have been rescinded and of no further force or effect, provided that nothing shall be deemed to excuse the Arctic Glacier Parties from performing their obligations under the Consolidated CCAA Plan or be a waiver of

defaults by the Arctic Glacier Parties under the Consolidated CCAA Plan and the related documents. This Section does not affect the rights of any Person to pursue any recoveries for an Affected Claim that may be obtained from a guarantor and any security granted by such guarantor.

11.3 Claims Bar Date

Nothing in the Consolidated CCAA Plan extends or shall be interpreted as extending or amending the Claims Bar Date or the DO&T Indemnity Claims Bar Date, as applicable, or gives or shall be interpreted as giving any rights to any Person in respect of Affected Claims that have been barred or extinguished pursuant to the Claims Procedure Order or the Claims Officer Order.

11.4 Deeming Provisions

In the Consolidated CCAA Plan, the deeming provisions are not rebuttable and are conclusive and irrevocable.

11.5 Non-Consummation

The Arctic Glacier Parties reserve the right to revoke or withdraw the Consolidated CCAA Plan at any time prior to the Plan Sanction Date. If the Arctic Glacier Parties revoke or withdraw the Consolidated CCAA Plan, if the Sanction Order is not issued, or if the Plan Implementation Date does not occur, (a) the Consolidated CCAA Plan shall be null and void in all respects, (b) any settlement or compromise embodied in the Consolidated CCAA Plan including the fixing or limiting to an amount certain any Claim, or any document or agreement executed pursuant to the Consolidated CCAA Plan shall be deemed null and void, and (c) nothing contained in the Consolidated CCAA Plan, and no acts taken in preparation for consummation of the Consolidated CCAA Plan, shall (i) constitute or be deemed to constitute a waiver or release of any Affected Claims by or against the Arctic Glacier Parties or any other Person; (ii) prejudice in any manner the rights of the Arctic Glacier Parties or any other Person in any further proceedings involving the Arctic Glacier Parties; or (iii) constitute an admission of any sort by the Arctic Glacier Parties or any other Person.

11.6 Modification of the Consolidated CCAA Plan

- (a) The Arctic Glacier Parties reserve the right, at any time and from time to time, to amend, restate, modify and/or supplement the Consolidated CCAA Plan, provided that any such amendment, restatement, modification or supplement must be contained in a written document which is filed with the CCAA Court and (i) if made prior to the Creditors' Meeting and/or the Unitholders' Meeting, communicated to the Affected Creditors and/or the Unitholders, as applicable, in the manner required by the CCAA Court (if so required); and (ii) if made following the Creditors' Meeting and/or the Unitholders' Meeting, approved by the CCAA Court following notice to the Affected Creditors and/or the Unitholders, as applicable.
- (b) Notwithstanding Section 11.6(a), any amendment, restatement, modification or supplement may be made by the Arctic Glacier Parties with the consent of the Monitor or pursuant to an Order following the Plan Sanction Date, provided that

it concerns a matter which, in the opinion of the Arctic Glacier Parties, acting reasonably, is of an administrative nature required to better give effect to the implementation of the Consolidated CCAA Plan and the Sanction Order or to cure any errors, omissions or ambiguities and is not materially adverse to the financial or economic interests of the Affected Creditors or the Unitholders.

- (c) Any amended, restated, modified or supplementary plan or plans of compromise filed with the CCAA Court and, if required by this Section, approved by the CCAA Court, shall, for all purposes, be and be deemed to be a part of and incorporated in the Consolidated CCAA Plan.
- (d) In the event that this Consolidated CCAA Plan is amended, the Monitor shall post such amended Consolidated CCAA Plan on the Monitor's Website and such posting shall constitute adequate notice of such amendment.

11.7 Paramountcy

From and after the Effective Time on the Plan Implementation Date, any conflict between:

- (a) the Consolidated CCAA Plan; and
- (b) the Meeting Order and the covenants, warranties, representations, terms, conditions, provisions or obligations, expressed or implied, of any contract, mortgage, security agreement, indenture, trust indenture, loan agreement, commitment letter, agreement for sale, articles or bylaws of the Arctic Glacier Parties, lease or other agreement, written or oral and any and all amendments or supplements thereto existing between one or more of the Affected Creditors or Unitholders, as the case may be, and the Arctic Glacier Parties as at the Plan Implementation Date;

will be deemed to be governed by the terms, conditions and provisions of the Consolidated CCAA Plan and the Sanction Order, which shall take precedence and priority.

11.8 Severability of Plan Provisions

If, prior to the Plan Sanction Date, any term or provision of the Consolidated CCAA Plan is held by the CCAA Court to be invalid, void or unenforceable, the CCAA Court, at the request of the Arctic Glacier Parties, shall have the power to either (a) sever such term or provision from the balance of the Consolidated CCAA Plan and provide the Arctic Glacier Parties with the option to proceed with the implementation of the balance of the Consolidated CCAA Plan as of and with effect from the Plan Implementation Date, or (b) alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, and provided that the Arctic Glacier Parties proceed with the implementation of the Consolidated CCAA Plan, the remainder of the terms and provisions of the Consolidated CCAA Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation.

11.9 Reviewable Transactions

Section 36.1 of the CCAA, sections 38 and 95 to 101 of the BIA and any other federal or provincial law relating to preferences, fraudulent conveyances or transfers at undervalue, shall not apply to the Consolidated CCAA Plan or to any payments or distributions made in connection with transactions entered into by or on behalf of the Arctic Glacier Parties, whether before or after the Filing Date, including to any and all of the payments, distributions and transactions contemplated by and to be implemented pursuant to the Consolidated CCAA Plan.

11.10 Responsibilities of the Monitor

Alvarez & Marsal Canada Inc. is acting in its capacity as Monitor in the CCAA Proceedings with respect to the Arctic Glacier Parties and the Consolidated CCAA Plan and not in its personal or corporate capacity, and will not be responsible or liable for any obligations of the Arctic Glacier Parties under the Consolidated CCAA Plan or otherwise.

11.11 Different Capacities

Persons who are affected by the Consolidated CCAA Plan may be affected in more than one capacity. Unless expressly provided herein to the contrary, a Person will be entitled to participate hereunder in each such capacity. Any action taken by a Person in one capacity will not affect such Person in any other capacity, unless expressly agreed by the Person in writing or unless its Claims overlap or are otherwise duplicative.

11.12 Notices

Any notice or other communication to be delivered hereunder must be in writing and reference the Consolidated CCAA Plan and may, subject as hereinafter provided, be made or given by personal delivery, ordinary mail or by facsimile or email addressed to the respective parties as follows:

If to the Arctic Glacier Parties:

c/o CPS
39 Wynford Drive
Toronto ON M3C 3K5
Attention: Bruce Robertson
Fax: 416-446-0050
Email: bkrobertson@yahoo.com

with copies to:

Aikins, MacAulay & Thorvaldson LLP
30th Floor Commodity Exchange Tower
360 Main Street, Winnipeg, Manitoba R3C 4G1
Attention: Hugh A. Adams and Dale R. Melanson
Fax: 204-957-4437
Email: haa@aikins.com / drm@aikins.com

Kevin P. McElcheran Professional Corporation

120 Adelaide St. West
Suite 420, P.O. Box 43
Toronto, Ontario M5H 1T1
Attention: Kevin P. McElcheran
Email: kevin@mcelcheranadr.com

If to an Affected Creditor:

to the address or facsimile number or email address for such Creditor specified in the Proof of Claim filed by such Creditor;

If to the Monitor:

Alvarez & Marsal Canada Inc.
200 Bay Street, Suite 2900
Toronto, Ontario M5J 2J1
Attention: Richard Morawetz/ Melanie MacKenzie
Fax: 416-847-5201
Email: rmorawetz@alvarezandmarsal.com/
mmackenzie@alvarezandmarsal.com

with a copy to:

Osler, Hoskin & Harcourt LLP
100 King Street West
1 First Canadian Place, Suite 6100, P.O. Box 50
Toronto, Ontario M5X 1B8
Attention: Jeremy Dacks / Marc S. Wasserman / Michael De Lellis
Fax: (416) 862-6666
Email: jdacks@osler.com/mwasserman@osler.com/mdelellis@osler.com

or to such other address as any party may from time to time notify the others in accordance with this Section. Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of faxing or sending by other means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered, faxed or sent before 5:00 p.m. CST or CDT, as the case may be, on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.

If, during any period during which notices or other communications are being given pursuant to this Consolidated CCAA Plan, a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary mail and then not received shall not, absent further Order of the CCAA Court, be effective and notices and

other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery or electronic or digital transmission in accordance with this Order.

11.13 Further Assurances

Each of the Persons named or referred to in, or subject to, the Consolidated CCAA Plan will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of the Consolidated CCAA Plan and to give effect to the transactions contemplated herein.

DATED as of the ~~26~~20th day of ~~August, 2014.~~January, 2015.

SCHEDULE "A"
ADDITIONAL APPLICANTS

Arctic Glacier California Inc.
Arctic Glacier Grayling Inc.
Arctic Glacier Lansing Inc.
Arctic Glacier Michigan Inc.
Arctic Glacier Minnesota Inc.
Arctic Glacier Nebraska Inc.
Arctic Glacier Newburgh Inc.
Arctic Glacier New York Inc.
Arctic Glacier Oregon Inc.
Arctic Glacier Party Time Inc.
Arctic Glacier Pennsylvania Inc.
Arctic Glacier Rochester Inc.
Arctic Glacier Services Inc.
Arctic Glacier Texas Inc.
Arctic Glacier Vernon Inc.
Arctic Glacier Wisconsin Inc.
Diamond Ice Cube Company Inc.
Diamond Newport Corporation
Glacier Ice Company, Inc.
Ice Perfection Systems Inc.
ICESurance Inc.
Jack Frost Ice Service, Inc.
Knowlton Enterprises, Inc.
Mountain Water Ice Company
R&K Trucking, Inc.
Winkler Lucas Ice and Fuel Company
Wonderland Ice, Inc.

SCHEDULE “B”
SPECIFIED PLAN IMPLEMENTATION DATE STEPS

In order ~~to effect the wind-up, liquidation and dissolution of certain of the Arctic Glacier Parties~~ to facilitate the satisfaction of Proven Claims and a distribution by the Fund to Unitholders pursuant to and in accordance with the Consolidated CCAA Plan, the following steps, assumptions, distributions, transfers, payments, contributions, ~~liquidations, dissolutions, wind-ups, reduction~~ reductions of capital, settlements and releases shall be deemed to occur (a) immediately after the completion of the step set out in Section 8.3(c) of the Consolidated CCAA Plan; (b) in the order specified in this Schedule “B”; and (c) in the manner specified in this Schedule “B”.

Step 1: Assumption of Liabilities of Glacier Valley Ice Company, L.P.

All of the liabilities of Glacier Valley Ice Company, L.P. shall be assumed by, and become liabilities of, its limited partner, Arctic Glacier California Inc. and such assumption shall constitute a contribution of capital by Arctic Glacier California Inc. to Glacier Valley Ice Company, L.P. in an amount equal to the aggregate amount of such liabilities.

~~**Step 2: Liquidation and dissolution of Glacier Valley Ice Company, L.P.**~~

~~Glacier Valley Ice Company, L.P. is wound up and dissolved and, upon such dissolution:~~

- ~~(a) a 99.9% undivided interest in each of the assets of Glacier Valley Ice Company, L.P. shall be distributed to, and become property of, its limited partner, Arctic Glacier California Inc.; and~~
- ~~(b) a 0.1% undivided interest in each of the assets of Glacier Valley Ice Company, L.P. shall be distributed to, and become property of, its general partner, Mountain Water Ice Company (California). **Step 3: Contribution of Intercompany Debts owing by Jack Frost Ice Service, Inc., Glacier Ice Company, Inc., Mountain Water Ice Company, Diamond Newport Corporation and Arctic Glacier Vernon Inc. (together, the “Step 32 Companies”)**~~
- (a) Arctic Glacier Inc. shall transfer any debt owing by a Step 32 Company to Arctic Glacier Inc. immediately prior to the completion of this Step 32(a) to Arctic Glacier International Inc. as a contribution to the capital stock of Arctic Glacier International Inc.
- (b) Arctic Glacier International Inc. shall transfer any debt owing by a Step 32 Company to Arctic Glacier International Inc. immediately prior to the completion of this Step 32(b) (including, for greater certainty, the intercompany debt contributed by Arctic Glacier Inc. to Arctic Glacier International Inc. pursuant to Step 32(a)) to Arctic Glacier California Inc. as a contribution to the capital stock of Arctic Glacier California Inc.
- (c) Arctic Glacier California Inc. shall transfer any debt owing by a Step 32 Company to Arctic Glacier California Inc. immediately prior to the completion of this Step 32(c) (including, for greater certainty, the intercompany debt contributed by Arctic

Glacier International Inc. to Arctic Glacier California Inc. pursuant to Step 32(b)) to the applicable Step 32 Company as a contribution to the capital stock of that Step 32 Company and, upon such contribution, such debt shall be cancelled.

Step 43: Assumption of Remaining Liabilities of the Step 32 Companies

All of the remaining liabilities of each Step 32 Company shall be assumed by, and become liabilities of Arctic Glacier California Inc. and such assumption shall constitute a contribution of capital by Arctic Glacier California Inc. to such Step 32 Company in an amount equal to the aggregate amount of such liabilities.

~~Step 5: Liquidation and dissolution of the Step 3 Companies~~^{4*}: Transfer of Shares of Winkler Lucas Ice and Fuel Company to Knowlton Enterprises Inc.*

~~Each of Step 3 Companies shall be liquidated and dissolved into Arctic Glacier California Inc. and, on such liquidation and dissolution:~~

- ~~(a) all of the assets of each of the Step 3 Companies shall be distributed to, and shall become property of, Arctic Glacier California Inc. and such assets shall be so received by Arctic Glacier California Inc. in respect of the shares of the capital stock of the Step 3 Companies; and~~
- ~~(b) all of the shares of each of the Step 3 Companies shall be cancelled.~~

~~Arctic Glacier California Inc. and each of the Step 3 Companies intend that this Consolidated CCAA Plan shall constitute a plan of liquidation within the meaning of the U.S. treasury regulations promulgated under Section 332 of the IRC.~~

~~Step 6*: Transfer of Shares of Winkler Lucas Ice and Fuel Company to Knowlton Enterprises Inc.*~~

All of the shares of Winkler Lucas Ice and Fuel Company that are owned by Arctic Glacier Michigan Inc. ~~(the “Transferred Shares”)~~ shall be transferred to Knowlton Enterprises Inc. and, in consideration therefore, Knowlton Enterprises Inc. shall be deemed to have issued to Arctic Glacier Michigan Inc. 2 shares of ~~its~~^{the} common stock ~~with a fair market value equal to the fair market value of the Transferred Shares~~ of Knowlton Enterprises Inc.

Step 75: Contribution of Intercompany Debts owing by Winkler Lucas Ice and Fuel Company

- (a) Arctic Glacier Inc. shall transfer any debt owing by Winkler Lucas Ice and Fuel Company to Arctic Glacier Inc. immediately prior to the completion of this Step ~~*7*~~⁵(a) to Arctic Glacier International Inc. as a contribution to the capital stock of Arctic Glacier International Inc.
- (b) Arctic Glacier International Inc. shall transfer any debt owing by Winkler Lucas Ice and Fuel Company to Arctic Glacier International Inc. immediately prior to the completion of this Step ~~*7*~~⁵(b) (including, for greater certainty, the intercompany

debt contributed by Arctic Glacier Inc. to Arctic Glacier International Inc. pursuant to Step ~~7~~5(a) to Arctic Glacier Michigan Inc. as a contribution to the capital stock of Arctic Glacier Michigan Inc.

- (c) Arctic Glacier Michigan Inc. shall transfer any debt owing by Winkler Lucas Ice and Fuel Company to Arctic Glacier Michigan Inc. immediately prior to the completion of this Step ~~7~~5(c) (including, for greater certainty, the intercompany debt contributed by Arctic Glacier International Inc. to Arctic Glacier Michigan Inc. pursuant to Step ~~7~~5(b)) to Knowlton Enterprises Inc. as a contribution to the capital stock of Knowlton Enterprises Inc.
- (d) Knowlton Enterprises Inc. shall transfer any debt owing by Winkler Lucas Ice and Fuel Company to Knowlton Enterprises Inc. immediately prior to the completion of this Step ~~7~~5(d) (including, for greater certainty, the intercompany debt contributed by Arctic Glacier Michigan Inc. to Knowlton Enterprises Inc. pursuant to Step ~~7~~5(c)) to Winkler Lucas Ice and Fuel Company as a contribution to the capital stock of Winkler Lucas Ice and Fuel Company, and, upon such contribution, such debt shall be cancelled.

Step ~~8~~6: Assumption of Remaining Liabilities of Winkler Lucas Ice and Fuel Company

All of the remaining liabilities of Winkler Lucas Ice and Fuel Company shall be assumed by, and become liabilities of Knowlton Enterprises Inc. and such assumption shall constitute a contribution of capital by Knowlton Enterprises Inc. to Winkler Lucas Ice and Fuel Company in an amount equal to the aggregate amount of such liabilities.

~~Step 9: Liquidation and dissolution of Winkler Lucas Ice and Fuel Company~~

~~Winkler Lucas Ice and Fuel Company shall be liquidated and dissolved into Knowlton Enterprises Inc. and, on such liquidation and dissolution:~~

- ~~(a) all of the assets of Winkler Lucas Ice and Fuel Company shall be distributed to, and shall become property of, Knowlton Enterprises Inc. and such assets shall be so received by Knowlton Enterprises Inc. in respect of the shares of the capital stock of Winkler Lucas Ice and Fuel Company; and~~
- ~~(b) all of the shares of Winkler Lucas Ice and Fuel Company shall be cancelled.~~

~~Knowlton Enterprises Inc. and Winkler Lucas Ice and Fuel Company intend that this Consolidated CCAA Plan shall constitute a plan of liquidation within the meaning of the U.S. treasury regulations promulgated under Section 332 of the IRC.~~**Step ~~10~~7: Contribution of Intercompany Debts owing by Arctic Glacier Lansing Inc., Arctic Glacier Grayling Inc, Arctic Glacier Party Time Inc., Wonderland Ice, Inc., R&K Trucking, Inc. and Knowlton Enterprises, Inc. (together, the “Step ~~10~~7 Companies”).**

- (a) Arctic Glacier Inc. shall transfer any debt owing by a Step ~~10~~7 Company to Arctic Glacier Inc. immediately prior to the completion of this Step ~~10~~7(a) to Arctic

Glacier International Inc. as a contribution to the capital stock of Arctic Glacier International Inc.

- (b) Arctic Glacier International Inc. shall transfer any debt owing by a Step ~~10~~7 Company to Arctic Glacier International Inc. immediately prior to the completion of this Step ~~10~~*~~7~~*(b) (including, for greater certainty, the intercompany debt contributed by Arctic Glacier Inc. to Arctic Glacier International Inc. pursuant to Step ~~10~~*~~7~~*(a)) to Arctic Glacier Michigan Inc. as a contribution to the capital stock of Arctic Glacier Michigan Inc.
- (c) Arctic Glacier Michigan Inc. shall transfer any debt owing by a Step ~~10~~7 Company to Arctic Glacier Michigan Inc. immediately prior to the completion of this Step ~~10~~*~~7~~*(c) (including, for greater certainty, the intercompany debt contributed by Arctic Glacier International Inc. to Arctic Glacier Michigan Inc. pursuant to Step ~~10~~7(b)) to the applicable Step ~~10~~7 Company as a contribution to the capital stock of that Step ~~10~~7 Company and, upon such contribution, such debt shall be cancelled.

Step ~~11~~8: Assumption of Remaining Liabilities of the Step ~~10~~7 Companies

All of the remaining liabilities of each Step ~~10~~7 Company shall be assumed by, and become liabilities of Arctic Glacier Michigan Inc. and such assumption shall constitute a contribution of capital by Arctic Glacier Michigan Inc. to such Step ~~10~~7 Company in an amount equal to the aggregate amount of such liabilities.

~~Step 12: Liquidation and dissolution of the Step 10 Companies.~~

~~Each of Step 10 Companies shall be liquidated and dissolved into Arctic Glacier Michigan Inc. and, on such liquidation and dissolution:~~

- ~~(a) all of the assets of each of the Step 10 Companies shall be distributed to, and shall become property of, Arctic Glacier Michigan Inc. and such assets shall be so received by Arctic Glacier Michigan Inc. in respect of shares of the capital stock of the Step 10 Companies; and~~
- ~~(b) all of the shares of each of the Step 10 companies shall be cancelled.~~

~~Arctic Glacier Michigan Inc. and each of the Step 10 Companies intend that this Consolidated CCAA Plan shall constitute a plan of liquidation within the meaning of the U.S. treasury regulations promulgated under Section 332 of the IRC.~~

Step ~~13~~9: Contribution of Intercompany Debts owing by Arctic Glacier Rochester Inc. and Diamond Ice Cube Company Inc. (the “Step ~~13~~9 Companies”).

- (a) Arctic Glacier Inc. shall transfer any debt owing by a Step ~~13~~9 Company to Arctic Glacier Inc. immediately prior to the completion of this Step ~~13~~9(a) to Arctic Glacier International Inc. as a contribution to the capital stock of Arctic Glacier International Inc.

- (b) Arctic Glacier International Inc. shall transfer any debt owing by a Step ~~139~~ Company to Arctic Glacier International Inc. immediately prior to the completion of this Step ~~139~~(b) (including, for greater certainty, the intercompany debt contributed by Arctic Glacier Inc. to Arctic Glacier International Inc. pursuant to Step ~~139~~(a)) to Arctic Glacier New York Inc. as a contribution to the capital stock of Arctic Glacier New York Inc.
- (c) Arctic Glacier New York Inc. shall transfer any debt owing by a Step ~~139~~ Company to Arctic Glacier New York Inc. immediately prior to the completion of this Step ~~139~~(c) (including, for greater certainty, the intercompany debt contributed by Arctic Glacier International Inc. to Arctic Glacier New York Inc. pursuant to Step ~~139~~(b)) to the applicable Step ~~139~~ Company as a contribution to the capital stock of that Step ~~139~~ Company and, upon such contribution, such debt shall be cancelled.

Step ~~1410~~: Assumption of Remaining Liabilities of the Step ~~139~~ Companies

All of the remaining liabilities of each Step ~~139~~ Company shall be assumed by, and become liabilities of Arctic Glacier New York Inc. and such assumption shall constitute a contribution of capital by Arctic Glacier New York Inc. to such Step ~~139~~ Company in an amount equal to the aggregate amount of such liabilities.

~~Step 15: Liquidation and dissolution of the Step 13 Companies~~

~~Each of Step 13 Companies shall be liquidated and dissolved into Arctic Glacier New York Inc. and, on such liquidation and dissolution:~~

- ~~(a) all of the assets of each of the Step 13 Companies shall be distributed to, and shall become property of, Arctic Glacier New York Inc. and such assets shall be so received by Arctic Glacier New York Inc. in respect of shares of the capital stock of the Step 13 Companies; and~~
- ~~(b) all of the shares of each of the Step 13 companies shall be cancelled.~~

~~Arctic Glacier New York Inc. and each of the Step 13 Companies intend that this Consolidated CCAA Plan shall constitute a plan of liquidation within the meaning of the U.S. treasury regulations promulgated under Section 332 of the IRC.~~

~~Step 16: Satisfaction of the CEPA Claim~~

~~The CEPA Claim* shall be deemed to have been fully paid and satisfied by Arctic Glacier *California* Inc., released and discharged, and such portion of the Affected Creditors' Distribution Cash Pool as is equal to the Distribution Claim in respect of the CEPA Claim shall be held by the Monitor on behalf of the California Environmental Protection Agency—Department of Toxic Substance Control and distributed by the Monitor in accordance with Section 6.1 of the Consolidated CCAA Plan.**~~**Step* 1711: Contribution of Intercompany Debts owing by Arctic Glacier Texas Inc., Arctic Glacier California Inc., Arctic Glacier Michigan Inc., Arctic Glacier Nebraska Inc., Arctic Glacier Wisconsin Inc., Arctic Glacier Minnesota Inc., Arctic Glacier New York Inc., Ice Perfection Systems Inc., Arctic Glacier**

Newburgh Inc., Arctic Glacier Pennsylvania Inc., Arctic Glacier Oregon Inc., Arctic Glacier Services Inc., and ICESurance Inc. (together, the “Step 17 Companies”)

- (a) Arctic Glacier Inc. shall transfer any debt owing by a Step 17 Company to Arctic Glacier Inc. immediately prior to the completion of this Step 17(a) to Arctic Glacier International Inc. as a contribution to the capital stock of Arctic Glacier International Inc.
- (b) Arctic Glacier International Inc. shall transfer any debt owing by a Step 17 Company to Arctic Glacier International Inc. immediately prior to the completion of this Step 17(b) (including, for greater certainty, the intercompany debt contributed by Arctic Glacier Inc. to Arctic Glacier International Inc. pursuant to Step 17(a) to the applicable Step 17 Company as a contribution to the capital stock of that Step 17 Company and, upon such contribution, such debt shall be cancelled.

Step 18: Assumption of Remaining Liabilities of the Step 17 Companies

All of the remaining liabilities of each Step 17 Company shall be assumed by, and become liabilities of Arctic Glacier International Inc. and such assumption shall constitute a contribution of capital by Arctic Glacier International Inc. to such Step 17 Company in an amount equal to the aggregate amount of such liabilities.

~~Step 19: Liquidation and dissolution of the Step 17 Companies~~^{13*}: Satisfaction of the Proven Claims against Arctic Glacier International Inc.*

~~Each of Step 17 Companies shall be liquidated and dissolved into Arctic Glacier International Inc. and, on such liquidation and dissolution:~~

- ~~(a) all of the assets of each of the Step 17 Companies shall be distributed to, and shall become property of, Arctic Glacier International Inc. and such assets shall be so received by Arctic Glacier International Inc. in respect of shares of the capital stock of the Step 17 Companies; and~~
- ~~(b) all of the shares of each of the Step 17 Companies shall be cancelled.~~

~~Arctic Glacier International Inc. and each of the Step 17 Companies intend that this Consolidated CCAA Plan shall constitute a plan of liquidation within the meaning of the U.S. treasury regulations promulgated under Section 332 of the IRC.~~

~~Step 20*~~: Satisfaction of the Proven Claims against Arctic Glacier International Inc.*

- (a) The DOJ Claim shall be deemed to have been fully paid and satisfied by Arctic Glacier International Inc., released and discharged and such portion of the Affected Creditors’ Distribution Cash Pool as is equal to the DOJ Claim shall be held by the Monitor on behalf of the US Department of Justice and distributed by the Monitor in accordance with Section 6.1 of the Consolidated CCAA Plan; ~~and~~
- (b) The portion of the Proven Claim of Macquarie Bank Limited that is denominated in US dollars shall be deemed to have been fully paid and satisfied by Arctic

Glacier International Inc., released and discharged and such portion of the Affected Creditors' Distribution Cash Pool as is equal to the Distribution Claim in respect of that portion of the Proven Claim shall be held by the Monitor on behalf of Macquarie Bank Limited and distributed by the Monitor in accordance with Section 6.1 of the Consolidated CCAA Plan ~~and~~ [and](#)

(c) The CEPA Claim assumed by Arctic Glacier International Inc. from Arctic Glacier California Inc. in Step 12* shall be deemed to have been fully paid and satisfied by Arctic Glacier *International* Inc., released and discharged, and such portion of the Affected Creditors' Distribution Cash Pool as is equal to the Distribution Claim in respect of the CEPA Claim shall be held by the Monitor on behalf of the California Environmental Protection Agency – Department of Toxic Substance Control and distributed by the Monitor in accordance with Section 6.1 of the Consolidated CCAA Plan.*

Step ~~21~~ 14: Contribution of Intercompany Debts owing by Arctic Glacier International Inc.

Arctic Glacier Income Fund shall transfer any debt owing by Arctic Glacier International Inc. to Arctic Glacier Income Fund immediately prior to the completion of this Step ~~21~~ 14 to Arctic Glacier Inc. as a contribution to the capital of Arctic Glacier Inc.

Step ~~22~~ 15: Set Off of intercompany debts between Arctic Glacier International Inc. and Arctic Glacier Inc.

All or such portion of the aggregate of any amounts owing by Arctic Glacier Inc. to Arctic Glacier International Inc. immediately prior to the completion of this Step ~~22~~ 15 (the “AGI-AGII Payables”) as is equal to the lesser of:

- (i) the amount of the AGI-AGII Payables, and
- (ii) the aggregate of any amounts owing by Arctic Glacier International Inc. to Arctic Glacier Inc. immediately prior to the completion of this Step ~~22~~ 15 (including, for greater certainty, the amount of intercompany debt contributed by Arctic Glacier Income Fund to Arctic Glacier Inc. pursuant to Step ~~21~~ 14) (the “AGII-AGI Payables”)

shall be fully and absolutely paid and satisfied by way of set off against all or such portion of the AGII-AGI Payables as is equal to the lesser of:

- (i) the amount of the AGII-AGI Payables, and
- (ii) the amount of the AGI-AGII Payables,

and, upon such set off, the portion of the AGI-AGII Payables and the portion of the AGII-AGI Payables that has been set off pursuant to the foregoing shall be deemed to have been absolutely paid and satisfied as a result of such set off.

Step ~~23~~ 16: Repayment of any remaining AGII-AGI Payables

Arctic Glacier International Inc. shall be deemed to have paid to Arctic Glacier Inc. an amount equal to the least of:

- (i) the aggregate amount of the AGII-AGI Payables, if any, that remains outstanding following the set off described in Step ~~22,15~~.
- (ii) the AGII-AGI Total Distribution Amount, and
- (iii) the Available Funds held by the Monitor on behalf of AGII immediately prior to the completion of this Step ~~23,16~~.

from the Available Funds held by the Monitor on behalf of Arctic Glacier International Inc. immediately prior to the completion of this Step ~~23,16~~ on account of the amount owing by Arctic Glacier International Inc. to Arctic Glacier Inc. under the AGII-AGI Payables and such amount shall be held by the Monitor on behalf of Arctic Glacier Inc.

Step ~~24,17~~: Distribution by Arctic Glacier International Inc.

Arctic Glacier International Inc. shall be deemed to have paid a distribution to Arctic Glacier Inc. on its shares of common stock in an amount equal to difference, if any, between the AGII-AGI Total Distribution Amount and the amount paid by Arctic Glacier International Inc. on Step ~~23,16~~ and such amount shall be held by the Monitor on behalf of Arctic Glacier Inc.

Step ~~25,18~~: Satisfaction of the Proven Claims against Arctic Glacier Inc.

- (a) The Proven Claim of Brisson, Rosemary shall be deemed to have been fully paid and satisfied by Arctic Glacier Inc., released and discharged and such portion of the Affected Creditors' Distribution Cash Pool as is equal to the Distribution Claim in respect of such Proven Claim shall be held by the Monitor on behalf of Brisson, Rosemary and distributed by the Monitor in accordance with Section 6.1 of the Consolidated CCAA Plan.
- (b) The Proven Claim of Fontaine, Mark shall be deemed to have been fully paid and satisfied by Arctic Glacier Inc., released and discharged and such portion of the Affected Creditors' Distribution Cash Pool as is equal to the Distribution Claim in respect of such Proven Claim shall be held by the Monitor on behalf of Fontaine, Mark and distributed by the Monitor in accordance with Section 6.1 of the Consolidated CCAA Plan.
- (c) The Proven Claim of Waddell, Garth shall be deemed to have been fully paid and satisfied by Arctic Glacier Inc., released and discharged and such portion of the Affected Creditors' Distribution Cash Pool as is equal to the Distribution Claim in respect of such Proven Claim shall be held by the Monitor on behalf of Waddell, Garth and distributed by the Monitor in accordance with Section 6.1 of the Consolidated CCAA Plan.
- (d) The Proven Claim of Winther, Neil shall be deemed to have been fully paid satisfied by Arctic Glacier Inc., released and discharged and such portion of the Affected Creditors' Distribution Cash Pool as is equal to the Distribution Claim in

respect of such Proven Claim shall be held by the Monitor on behalf of Winther, Neil and distributed by the Monitor in accordance with Section 6.1 of the Consolidated CCAA Plan.

- (e) The Proven Claim of Wohlgemuth, Michael shall be deemed to have been fully paid and satisfied by Arctic Glacier Inc., released and discharged and such portion of the Affected Creditors' Distribution Cash Pool as is equal to the Distribution Claim in respect of such Proven Claim shall be held by the Monitor on behalf of Wohlgemuth, Michael and distributed by the Monitor in accordance with Section 6.1 of the Consolidated CCAA Plan.
- (f) The Proven Claim of Bailey, Doug shall be deemed to have been fully paid and satisfied by Arctic Glacier Inc., released and discharged and such portion of the Affected Creditors' Distribution Cash Pool as is equal to the Distribution Claim in respect of such Proven Claim shall be held by the Monitor on behalf of Bailey, Doug and distributed by the Monitor in accordance with Section 6.1 of the Consolidated CCAA Plan.
- (g) The Proven Claim of Burrows, Keith shall be deemed to have been fully paid and satisfied by Arctic Glacier Inc., released and discharged and such portion of the Affected Creditors' Distribution Cash Pool as is equal to the Distribution Claim in respect of such Proven Claim shall be held by the Monitor on behalf of Burrows, Keith and distributed by the Monitor in accordance with Section 6.1 of the Consolidated CCAA Plan.
- (h) The Proven Claim of McMahon, Keith shall be deemed to have been fully paid and satisfied by Arctic Glacier Inc., released and discharged and such portion of the Affected Creditors' Distribution Cash Pool as is equal to the Distribution Claim in respect of such Proven Claim shall be held by the Monitor on behalf of McMahon, Keith and distributed by the Monitor in accordance with Section 6.1 of the Consolidated CCAA Plan.
- (i) The Proven Claim of Knowles, Louise shall be deemed to have been fully paid and satisfied by Arctic Glacier Inc., released and discharged and such portion of the Affected Creditors' Distribution Cash Pool as is equal to the Distribution Claim in respect of such Proven Claim shall be held by the Monitor on behalf of Knowles, Louise and distributed by the Monitor in accordance with Section 6.1 of the Consolidated CCAA Plan.
- (j) The Proven Claim of Corbin, Keith and Shirley shall be deemed to have been fully paid and satisfied by Arctic Glacier Inc., released and discharged and such portion of the Affected Creditors' Distribution Cash Pool as is equal to the Distribution Claim in respect of such Proven Claim shall be held by the Monitor on behalf of Corbin, Keith and Shirley and distributed by the Monitor in accordance with Section 6.1 of the Consolidated CCAA Plan.
- (k) The portion of the Proven Claim of Macquarie Bank Limited that is denominated in Canadian dollars shall be deemed to have been fully paid and satisfied by Arctic Glacier Inc., released and discharged and such portion of the Affected

Creditors' Distribution Cash Pool as is equal to the Distribution Claim in respect of such Proven Claim shall be held by the Monitor on behalf of Macquarie Bank Limited and distributed by the Monitor in accordance with Section 6.1 of the draft Consolidated CCAA Plan.

If all, or any portion of, such Proven Claims were liabilities of Arctic Glacier International Inc. (including liabilities assumed by Arctic Glacier International Inc. pursuant to this Consolidated CCAA Plan), the satisfaction of such, or the applicable portion of such, Proven Claims by Arctic Glacier Inc. shall be deemed to be a contribution by Arctic Glacier Inc. to the capital of Arctic Glacier International Inc. in an amount equal to the aggregate amount of such liabilities of Arctic Glacier International Inc.

Step ~~26~~19: Set Off of intercompany debts between Arctic Glacier Inc. and Arctic Glacier Income Fund.

All or such portion of the aggregate of any amounts owing by Arctic Glacier Income Fund to Arctic Glacier Inc. immediately prior to the completion of this Step ~~26~~19 (the "AGIF-AGI Payables") as is equal to the lesser of:

- (i) the amount of the AGIF-AGI Payables, and
- (ii) the aggregate of any amounts owing by Arctic Glacier Inc. to Arctic Glacier Income Fund immediately prior to the completion of this Step ~~26~~19 (the "AGI-AGIF Payables")

shall be fully and absolutely paid and satisfied by way of set off against all or such portion of the AGI-AGIF Payables as is equal to the lesser of:

- (i) the amount of the AGIF-AGI Payables, and
- (ii) the amount of the AGI-AGIF Payables,

and, upon such set off, the portion of the AGIF-AGI Payables and the portion of the AGI-AGIF Payables that has been set off pursuant to the foregoing shall be deemed to have been absolutely paid and satisfied as a result of such set off.

Step ~~27~~20: Repayment of any remaining AGI-AGIF Payables

Arctic Glacier Inc. shall be deemed to have paid to Arctic Glacier Income Fund an amount equal to the least of:

- (i) the aggregate amount of the AGI-AGIF Payables, if any, that remains outstanding following the set off described in Step ~~26~~19,
- (ii) the AGI-AGIF Total Distribution Amount, and
- (iii) the Available Funds held by the Monitor on behalf of AGI immediately prior to the completion of this Step ~~27~~20.

from the Available Funds held by the Monitor on behalf of Arctic Glacier Inc. immediately prior to the completion of this Step ~~27~~20 on account of the amount owing by Arctic Glacier Inc. to Arctic Glacier Income Fund under the AGI-AGIF Payables and such amount shall be held by the Monitor on behalf of Arctic Glacier Income Fund.

Step ~~28~~21: Return of Capital by Arctic Glacier Inc.

The stated capital of Arctic Glacier Inc. shall be reduced by an amount (the “**Return of Capital Amount**”) equal to the AGI-AGIF Total Distribution Amount less the amount of cash paid by AGI to AGIF on Step ~~27~~20, by deducting that amount from the stated capital account maintained by Arctic Glacier Inc. for its common shares, and Arctic Glacier Inc. shall be deemed to have made a distribution of the Return of Capital Amount on the reduction of stated capital to Arctic Glacier Income Fund. The amount of cash in the Affected Creditors’ Distribution Cash Pool and the Unitholders’ Distribution Cash Pool equal to the Return of Capital Amount shall be held by the Monitor on behalf of Arctic Glacier Income Fund.

Step ~~29~~22: Satisfaction of the Proven Claims against Arctic Glacier Income Fund and the Arctic Glacier Parties

All the Proven Claims against Arctic Glacier Income Fund and the Arctic Glacier Parties outstanding following the completion of Step 1 through ~~28~~21, including for greater certainty, the Direct Purchaser Claim, shall be deemed to have been fully paid and satisfied, released and discharged and the remainder of the Affected Creditors’ Distribution Cash Pool as is equal to the amount of the Distribution Claims in respect of such Proven Claims shall be held by the Monitor on behalf of the applicable creditors in respect of those Proven Claims and distributed by the Monitor in accordance with Section 6.1 of the Consolidated CCAA Plan.

If all, or any portion of, such Proven Claims were liabilities of Arctic Glacier Inc. and/or Arctic Glacier International Inc. (including, for greater certainty, any liabilities assumed by Arctic Glacier International Inc. on Step ~~18~~12), the satisfaction of such, or the applicable portion of such, Proven Claims by Arctic Glacier Income Fund shall be deemed to be a contribution by Arctic Glacier Income Fund to the capital of Arctic Glacier Inc. and (where applicable) from Arctic Glacier Inc. to Arctic Glacier International Inc. in amounts equal to the aggregate amount of such liabilities of Arctic Glacier Inc. and Arctic Glacier International Inc. respectively.

Step ~~30~~23: Distribution by Arctic Glacier Income Fund.

Arctic Glacier Income Fund shall be deemed to have paid a distribution to each Unitholder in the amount of their Pro Rata Share of the Unitholders’ Distribution Cash Pool immediately following the completion of Steps 1 through ~~29~~22 above and such amount shall be transferred by the Monitor to the Transfer Agent and distributed by the Transfer Agent to the Unitholders in accordance with Section 6.2 of the Consolidated CCAA Plan.

APPENDIX “C”

Arctic Glacier Income Fund Announces Unitholder Distribution Record Date

WINNIPEG, December 15, 2014 -- Arctic Glacier Income Fund (CNSX:AG.UN) (the “Fund”) announced on December 11, 2014 that unitholders of the Fund as of December 18, 2014 will be entitled to receive the initial distribution from the Fund pursuant to the Plan of Compromise or Arrangement of, *inter alia*, the Fund dated May 21, 2014, as amended on August 26, 2014 and approved by the unitholders on August 11, 2014. The date and value of this distribution will be announced by way of a press release once such information is determined.

More information about the Arctic Glacier Parties’ CCAA proceeding under the *Companies’ Creditors Arrangement Act* can be found on the website of Alvarez & Marsal Canada Inc., the Court-appointed monitor, at <http://www.alvarezandmarsal.com/arctic-glacier-income-fund-arctic-glacier-inc-and-subsiidiaries>.

Forward-Looking Statements

Certain statements included herein constitute “forward-looking statements”. All statements, other than statements of historical fact, included in this release that address future activities, events, developments or financial performance are forward-looking statements. These forward-looking statements can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “future” or “continue” or the negative thereof or similar variations. These forward-looking statements are based on certain assumptions and analyses made by the Fund and its management, in light of their experiences and their perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate in the circumstances. Investors are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties, assumptions and other factors, many of which are outside the control of the Fund, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, among other things, the CCAA process. Readers are cautioned that the foregoing list is not exhaustive. Such forward-looking statements should, therefore, be construed in light of such factors. If any of these risks or uncertainties were to materialize, or if the factors and assumptions underlying the forward-looking information were to prove incorrect, actual results could vary materially from those that are expressed or implied by the forward-looking information contained herein. All forward-looking statements attributable to the Fund, or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements set forth above. Readers are cautioned not to place undue reliance on forward-looking statements contained herein, which reflect the analysis of the management of the Fund, as appropriate, only as of the date of this release. For more information regarding these and other risks, readers should consult the Fund’s reports on file with applicable securities regulatory authorities accessible online by going to SEDAR at www.sedar.com. The Fund is under no obligation, and the Fund expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

About the Fund

Arctic Glacier Income Fund trust units are listed on the Canadian National Stock Exchange under the trading symbol AG.UN. There are 350.3 million trust units outstanding.

APPENDIX "D"

Arctic Glacier Income Fund Announces Distribution to Unitholders

WINNIPEG, January 21, 2015 – Arctic Glacier Income Fund (CNSX:AG.UN) (the “Fund”) announced today that the Plan of Compromise or Arrangement (the “Plan”) of, *inter alia*, the Fund dated May 21, 2014, as amended will be implemented on January 22, 2015 (the “Plan Implementation Date”).

On the Plan Implementation Date, unitholders of the Fund as of December 18, 2014 (the “Record Date”) will be entitled to receive an initial distribution from the Fund pursuant to the Plan of \$0.155570 USD per unit of the Fund held on the Record Date. Pursuant to the Plan, the Monitor will transfer the aggregate value of the initial distribution, on behalf and for the account of the Fund, to the Fund’s transfer agent (the “Transfer Agent”) on the Plan Implementation Date. The Plan requires that the Transfer Agent distribute the initial distribution to each of the Fund’s registered unitholders as soon as reasonably practicable and in no event later than five business days following the receipt of funds from the Monitor.

The amended Plan can be found on the website of Alvarez & Marsal Canada Inc., the Court-appointed monitor of the Fund and its subsidiaries, at <http://www.alvarezandmarsal.com/arctic-glacier-income-fund-arctic-glacier-inc-and-subsidiaries> (the “Monitor’s Website”).

More information about the Fund’s proceedings under the *Companies’ Creditors Arrangement Act* can be found on the Monitor’s Website.

Forward-Looking Statements

Certain statements included herein constitute “forward-looking statements”. All statements, other than statements of historical fact, included in this release that address future activities, events, developments or financial performance are forward-looking statements. These forward-looking statements can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “future” or “continue” or the negative thereof or similar variations. These forward-looking statements are based on certain assumptions and analyses made by the Fund and its management, in light of their experiences and their perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate in the circumstances. Investors are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties, assumptions and other factors, many of which are outside the control of the Fund, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, among other things, the CCAA process. Readers are cautioned that the foregoing list is not exhaustive. Such forward-looking statements should, therefore, be construed in light of such factors. If any of these risks or uncertainties were to materialize, or if the factors and assumptions underlying the forward-looking information were to prove incorrect, actual results could vary materially from those that are expressed or implied by the forward-looking information contained herein. All forward-looking statements attributable to the Fund, or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements set forth above. Readers are cautioned not to place undue reliance on forward-looking statements contained herein, which

reflect the analysis of the management of the Fund, as appropriate, only as of the date of this release. For more information regarding these and other risks, readers should consult the Fund's reports on file with applicable securities regulatory authorities accessible online by going to SEDAR at www.sedar.com. The Fund is under no obligation, and the Fund expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

About the Fund

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APPENDIX "E"

Arctic Glacier Income Fund Provides Update Regarding Unitholder Distribution

WINNIPEG, January 28, 2015 – Arctic Glacier Income Fund (CNSX:AG.UN) (the “Fund”) issued a press release on December 15, 2014 which announced that unitholders of the Fund as of December 18, 2014 (the “Record Date”) would be entitled to receive an initial distribution from the Fund pursuant to the Plan of Compromise or Arrangement of, *inter alia*, the Fund dated May 21, 2014, as amended (the “Plan”). This press release advised that the date and value of the initial distribution would be announced by way of a subsequent press release once such information was determined.

On January 21, 2015, the Fund issued a press release which announced that, on January 22, 2015 (the “Plan Implementation Date”), unitholders as of the Record Date would be entitled to receive an initial distribution of \$0.155570 USD per unit of the Fund held on the Record Date. Pursuant to the Plan, Alvarez & Marsal Canada Inc., in its capacity as the Court-appointed monitor (the “Monitor”) of the Fund and its subsidiaries (collectively, the “Arctic Glacier Parties”), transferred the aggregate value of this initial distribution, being \$54,498,863.58 USD, to the Fund’s transfer agent (the “Transfer Agent”) on behalf of the Fund on the Plan Implementation Date. The Plan requires that the Transfer Agent distribute this initial distribution to the Fund’s registered unitholders as of the Record Date as soon as reasonably practicable and in no event later than five business days following the receipt of the funds from the Monitor.

Pursuant to the Plan, the Monitor is holding the Administrative Costs Reserve, the Insurance Deductible Reserve and the Unresolved Claims Reserve (the “Reserves”, as such are described and defined in the Plan) on behalf of the Arctic Glacier Parties. The value of these Reserves on the Plan Implementation Date was \$10,000,000 USD, \$850,000 USD and \$16,562,220 USD, respectively, representing an aggregate value of \$27,412,220 USD.

Pursuant to the Plan, to the extent that there is any balance remaining in the Reserves following payment of all Administrative Reserve Costs (as such term is defined in the Plan), the Monitor, on behalf of the Arctic Glacier Parties, will declare subsequent unitholder distribution record dates as necessary to distribute the remaining balance. The date and value of any subsequent distributions will be announced by way of a press release. In such circumstances, the Monitor, on behalf of the Arctic Glacier Parties, will provide all subsequent distributions to the Transfer Agent who will then distribute such amounts on a *pro rata* basis to the unitholders holding units on the applicable subsequent unitholder distribution record dates, unless the cost of making any such payments is prohibitive relative to the remaining balance.

The Plan and further information about the Fund’s proceedings under the *Companies’ Creditors Arrangement Act* can be found on the Monitor’s website at <http://www.alvarezandmarsal.com/arctic-glacier-income-fund-arctic-glacier-inc-and-subsidiaries>.

Forward-Looking Statements

Certain statements included herein constitute “forward-looking statements”. All statements, other than statements of historical fact, included in this release that address future activities, events, developments or financial performance are forward-looking statements. These forward-looking

statements can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “future” or “continue” or the negative thereof or similar variations. These forward-looking statements are based on certain assumptions and analyses made by the Fund and its management, in light of their experiences and their perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate in the circumstances. Investors are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties, assumptions and other factors, many of which are outside the control of the Fund, which could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements include, among other things, the CCAA process. Readers are cautioned that the foregoing list is not exhaustive. Such forward-looking statements should, therefore, be construed in light of such factors. If any of these risks or uncertainties were to materialize, or if the factors and assumptions underlying the forward-looking information were to prove incorrect, actual results could vary materially from those that are expressed or implied by the forward-looking information contained herein. All forward-looking statements attributable to the Fund, or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements set forth above. Readers are cautioned not to place undue reliance on forward-looking statements contained herein, which reflect the analysis of the management of the Fund, as appropriate, only as of the date of this release. For more information regarding these and other risks, readers should consult the Fund’s reports on file with applicable securities regulatory authorities accessible online by going to SEDAR at www.sedar.com. The Fund is under no obligation, and the Fund expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

About the Fund

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