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JUDICIAL CENTRE OF CALGARY
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Jan 13, 2021 @ 10:00AM
Justice Neufeld

COURT FILE NUMBER	2001-05123
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANTS	CONNECT FIRST CREDIT UNION LTD., as the successor in interest to FIRST CALGARY SAVINGS & CREDIT UNION LTD. and FIRST CALGARY FINANCIAL CREDIT UNION LIMITED
RESPONDENTS	WILLOW PARK LIMITED PARTNERSHIP, WILLOW PARK CAPITAL CORP., WESLEY CHURCH BUILDING LIMITED PARTNERSHIP, WESLEY CHURCH BUILDING INC., PARAMOUNT BUILDING LIMITED PARTNERSHIP and PARAMOUNT BUILDING LTD.
DOCUMENT	**SECOND REPORT OF THE RECEIVER** **JANUARY 5, 2021**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**RECEIVER** ERNST & YOUNG INC. Calgary City Centre 2200, 215 2nd Street SW Calgary, AB T2P 1M4 Attention: Peter Chisholm / Dylan Holwell Telephone: (403) 206-5061 / (403) 206-5431 Fax: (403) 206-5075 Email: peter.chisholm@ca.ey.com / dylan.holwell@ca.ey.com **COUNSEL** MLT AIKINS LLP 2100 – 222 3RD Avenue SW Calgary, AB T2P 0B4 Attention: Ryan Zahara Telephone: (403) 693-5420 Email: rzahara@mltaikins.com

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APPENDICES

INTRODUCTION

1. On December 10, 2019, IEC Ltd. Audeamus Capital Corp. and certain other affiliates and related entities (collectively, the "**Applicants**") that are members of the Strategic Group of Companies (the "**Strategic Group**") sought and obtained an order (the "**Initial Order**") granting an initial stay of proceedings (the "**Stay**") in favour of the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C-36, as amended (the "**CCAA**").

2. The Initial Order appointed Hardie & Kelly Inc. as monitor in the CCAA proceedings (the "**CCAA Proceedings**") and provided limited relief to the Applicants, including, but not limited to, the Stay in favour of the Applicants and their assets through to December 20, 2019. The Initial Order also provided a Stay in favour of the limited partnerships whose general partners are Applicants.

3. On December 20, 2019 (the "**Interim Receivership Date**"), this Honourable Court granted an order (the "**Interim Receivership Order**") pursuant to section 47(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, section 13(2) of the *Judicature Act*, RSA 2000, c J-2, and section 49(2) of the *Law and Property Act*, RSA 2000, c L-7. The Interim Receivership Order appointed Alvarez and Marsal Canada Inc., LIT as interim receiver and manager (the "**Interim Receiver**"), without security, of the assets of the Applicants and the Stay LPs (the "**Interim Receivership Proceedings**").

4. Ernst & Young Inc. ("**EYI**") was appointed receiver (the "**Receiver**") of the property, assets and undertakings of Willow Park Limited Partnership ("**Willow Park LP**") and Willow Park Capital Corp. ("**Willow Park GP**") (together, "**Willow Park**"), Paramount Building Limited Partnership ("**Paramount LP**") and Paramount Building Ltd. ("**Paramount GP**") (together, "**Paramount**"), and Wesley Church Building Limited Partnership ("**Wesley Church LP**") and Wesley Church Building Inc. ("**Wesley Church GP**") (together, "**Wesley Church**"), pursuant to an Order (the "**Receivership Order**") of this Honourable Court dated April 14, 2020 (the "**Receivership Date**").

5. Willow Park, Paramount and Wesley Church are collectively referred to herein as the "**Debtors**". The Debtor's primary assets include their respective interests in real property located in Calgary, Alberta.

6. The Willow Park Property, the Paramount Property and the Wesley Church Property (each as defined later in this First Report) are collectively referred herein as the "**Properties**".

7. The Receivership Order authorized the Receiver to, among other things, take possession and control of the Properties, to receive, protect and maintain control of the Properties, and to market and solicit offers to sell the Properties.

8. The purpose of this second report of the Receiver (the "**Second Report**") is to provide this Honourable Court with the Receiver's comments with respect to:

a) The Sales Process completed by the Receiver, with the assistance of the Sales Agent, to solicit offers from parties interested in acquiring the Willow Park Property;

b) The agreement of purchase and sale (the "**Willow Park PSA**") with 0884595 BC Ltd., doing business as Schej Realty, ("**Schej Realty**") to purchase the Willow Park Property (the "**Willow Park Transaction**") and the Receiver's request for approval of the Willow Park Transaction;

c) The Receiver's proposed schedule of distribution of net sales proceeds from the Willow Park Transaction (the "**Willow Park Distribution**") and request for approval thereof;

d) The assignment of the Wesley Church Indebtedness (as defined below) and associated security from Connect First to Global Equity Fund Ltd. ("**GEF**");

e) The Receiver's request for its the discharge as the Receiver of Wesley Church;

f) The approval of the Receiver and its legal counsel's fees and costs associated with administering the receivership proceedings of Wesley Church; and

g) The Receiver's recommendations.

BACKGROUND

9. Willow Park GP, Paramount GP and Wesley Church GP are corporations incorporated pursuant to the laws of the Province of Alberta with registered offices in Calgary, Alberta. The Debtors are beneficial owners and operators of commercial real estate property located in Calgary, Alberta.

Willow Park Limited Partnership and Willow Park Capital Corp.

10. Willow Park GP is the registered owner of a commercial property municipally located at 10325 Bonaventure Drive SE, Calgary, Alberta (the "**Willow Park Property**"). Willow Park LP is the beneficial owner of the Willow Park Property.

11. Willow Park and Connect First Credit Union Ltd. ("**Connect First**"), which is the successor of First Calgary Savings & Credit Union Ltd. and First Calgary Financial Credit Union Limited (together, "**First Calgary**"), entered into a commitment letter dated May 22, 2009, as amended, pursuant to which Connect First agreed to advance $16.0 million to Willow Park by way of a mortgage (the "**Willow Park Mortgage**"). The Willow Park Mortgage is guaranteed by Riaz Mamdani (founder and chief executive officer of the Strategic Group), as guarantor, to and in favour of Connect First.

12. Connect First also has an assignment of rents and leases registered on title to the Willow Park Property, as well as a general security agreement granted by Willow Park GP in favour of Connect First.

13. As at the Interim Receivership Date, Willow Park was indebted to Connect First in the amount of approximately $11.1 million plus interest accruing thereafter, exclusive of enforcement expenses, legal fees and other out of pocket costs and disbursements (the "**Willow Park Indebtedness**").

14. Computershare Trust Company of Canada ("**Computershare**"), as mortgage custodian on behalf of Trez Capital Limited Partnership, has a mortgage registered against the Willow Park Property that ranks subordinate to the mortgage registered by Connect First (the "**Computershare Mortgage**"). As at the Interim Receivership Date, Willow Park was indebted to Computershare, as mortgage custodian, in the amount of approximately $4.5 million.

Wesley Church Building Limited Partnership and Wesley Church Building Inc.

15. Wesley Church GP is the registered owner of a commercial property municipally located at 1315 – 7th Street SW, Calgary, Alberta (the "**Wesley Church Property**"). Wesley Church LP is the beneficial owner of the Wesley Church Property.

16. Wesley Church and Connect First, as successor of First Calgary, entered into a commitment letter dated June 21, 2007 and a renewal offer letter dated October 30, 2012, pursuant to which Connect First agreed to advance $670,000 to Wesley Church by way of a mortgage (the "**Wesley Church Mortgage**"). The Wesley Church Mortgage is guaranteed by Riaz Mamdani (founder and chief executive officer of the Strategic Group), as guarantor, to and in favour of Connect First.

17. Connect First is the only party with a mortgage, an assignment of rents and leases and a specific security agreement registered on title to the Wesley Church Property. As at the Interim Receivership Date, Wesley Church was indebted to Connect First in the amount of approximately

$341,000 plus interest accruing thereafter, exclusive of enforcement expenses, legal fees and other out of pocket costs and disbursements (the "**Wesley Church Indebtedness**").

Paramount Building Limited Partnership and Paramount Building Ltd.

18. Paramount GP is the registered owner of a commercial property municipally located at 1011 – 1st Street SW, Calgary, Alberta (the "**Paramount Property**"). Paramount LP is the beneficial owner of the Paramount Property.

19. Paramount and Connect First, as successor of First Calgary, entered into a commitment letter dated September 20, 2012 and a renewal offer letter dated April 25, 2018, pursuant to which Connect First agreed to advance $9.25 million to Paramount by way of a mortgage (the "**Paramount Mortgage**"). The Paramount Mortgage is guaranteed by IE Corp., as corporate guarantor, and Riaz Mamdani (founder and chief executive officer of the Strategic Group), as personal guarantor, to and in favour of Connect First.

20. Connect First is the only party with a mortgage, an assignment of rents and leases and a general security agreement registered on title to the Paramount Property. As at the Interim Receivership Date, Paramount was indebted to Connect First in the amount of approximately $5.3 million, plus interest accruing thereafter, exclusive of enforcement expenses, legal fees and other out of pocket costs and disbursements (the "**Paramount Indebtedness**").

Sales Process and Distribution of Net Rents

21. On October 6, 2020, this Court granted an Order (the "**Sales Process Order**") approving, amongst other things, a sales process (the "**Sales Process**") for Willow Park Property, the Wesley Church Property and the Paramount Building Property (collectively, the "**Properties**"). The Sales Process Order also approved the engagement of Ernst & Young Orenda Corporate Finance Inc. (the "**Sales Agent**") by the Receiver to act as the sales agent in the Sales Process.

22. The Sales Process Order further authorized the Receiver to distribute net rents of the Willow Park Property to Connect First on a monthly basis, provided sufficient amounts were retained to pay all of the ongoing operating costs for Willow Park.

23. Additional information is available on the Receiver's website as follows:

    a) Willow Park - www.ey.com/ca/willowpark

    b) Paramount - www.ey.com/ca/paramountbuilding

c) Wesley Church - www.ey.com/ca/wesleychurch

TERMS OF REFERENCE AND DISCLAIMER

24. In preparing this Second Report, the Receiver has relied upon certain unaudited, draft, and/or internal financial information prepared by the Debtor's representatives, the Debtor's books and records, and publicly available information filed in the CCAA Proceedings and Interim Receivership Proceedings. The Receiver has not performed an audit, review or other verification of such information.

25. Capitalized terms not otherwise defined in this Second Report are as defined in the Receivership Order, the first report of the Receiver dated September 28, 2020 (the "**First Report**") and the Sales Process.

26. All references to dollars are in Canadian currency unless otherwise noted.

THE WILLOW PARK TRANSACTION

27. The Receiver with the assistance of the Sales Agent, marketed the Willow Park Property through the formal, two-phase deadline-based Sales Process approved by this Court. The Sales Process was developed by the Receiver in consultation with the Sales Agent and Connect First and was approved by the Sales Process Order granted by this Court.

28. The Sales Agent is a national practice consisting of real estate professionals with a diverse set of competencies and expertise, including sales mandates involving distressed commercial real estate properties and Court-supervised sales processes.

Phase I of the Sale Process

29. Below is a summary of the marketing activities completed by the Receiver and Sales Agent during Phase I of the Sales Process for the Willow Park Property:

    a) Preparation of (1) a non-confidential teaser letter (the "**Teaser Letter**") describing the opportunity to acquire the Willow Park Property and inviting recipients of the Teaser Letter to express their interest pursuant to the Sale Process, (2) a non-disclosure agreement (the "**NDA**"), and (3) a confidential information memorandum ("**CIM**") containing further information regarding the Willow Park Property and acquisition opportunity;

    b) The Sales Agent, with the assistance of the Receiver, established and populated an electronic data room (the "**Data Room**") that contained due diligence materials relevant to the Willow Park Property;

c) The Receiver issued a press release via *Canada Newswire* on October 14, 2020, advertising the opportunity to acquire the Willow Park Property and providing key milestone and details of the Sales Process;

d) The opportunity to acquire the Willow Park Property was advertised in the *Calgary Herald* on October 16th, 2020;

e) The Receiver listed the Willow Park Property on LoopNet and CoStar, the world's largest online platforms for advertising commercial real estate properties;

f) The Marketing Teaser, NDA and Sales Process were posted on the Receiver's website;

g) The Receiver and Sales Agent directly contacted 280 potential buyers to advise of the Sales Process for Willow Park Property and provide a copy of the Teaser Letter. These parties were based upon a list of real estate investors developed by the Sales Agent including developers, investment firms, REITs, high net worth individuals and real estate brokerages; and

h) The Receiver and Sales Agent responded to due diligence queries from parties that executed NDAs and actively coordinated property tours at the Willow Park Property.

30. All potential bidders that executed an NDA (each, a "**Qualified Phase I Bidder**") pursuant to the Sale Process were provided with the CIM, access to the Data Room and a template form of agreement of purchase and sale (the "**Template PSA**"), prepared by the Receiver for purposes of Qualified Bidders submitting an offer to purchase the Willow Park Property. During Phase I of the Sales Process, 26 parties executed NDAs and became Qualified Phase I Bidders.

31. The deadline for Qualified Phase I Bidders to submit a non-binding letter of intent (the "**Non-Binding LOI**") offer to purchase was 12:00 P.M. (Calgary time) on November 23, 2020 (the "**Phase I Bid Deadline**"). In total, five Non-Binding LOIs were submitted by Qualified Phase I Bidders.

32. The Receiver, with the assistance of Sales Agent and in consultation with Connect First, evaluated the Non-Binding LOIs and deemed three of the Non-Binding LOIs to be Qualified Phase II Bidders. The Receiver did not invite two of the Qualified Phase I Bidders to Phase II of the Sales Process as their proposed purchase prices were materially lower than the Qualified Phase II Bidders and not considered competitive by the Receiver.

Phase II of the Sale Process

33. During Phase II of the Sales Process, the Receiver, with the assistance of the Selling Agent, allowed each Phase II Qualified Bidder access to additional due diligence information, property tours and assisted with other due diligence requirements in order for such parties to formulate a Qualified Binding Offer for the Willow Park Property.

34. Under the terms of the Sales Process as approved by the Sales Process Order, Qualified Binding Offers were due on December 14, 2020, with transactions anticipated to close on or before January 11, 2021. Pursuant to paragraph 31 of the Sales Process, the Receiver had the right to amend the Phase II Bid Deadline and the Receiver elected to extend the Phase II Bid Deadline from December 14, 2020 to December 18, 2020 and notified all Phase II Qualified Bidders of the extension.

35. On December 18, 2020 by 12:00 PM MST (the revised Phase II Bid Deadline), the Receiver and Selling Agent received multiple Qualified Binding Offers to purchase the Willow Park Property. The Receiver, with the assistance of the Selling Agent and in consultation with Connect First, reviewed the Qualified Binding Offers and determined that the offer from Schej Realty to purchase the Willow Park Property was estimated to provide the highest recovery to Willow Park's stakeholders.

36. On December 31, 2020, the Receiver (as Vendor) and the Schej Realty (as Purchaser) entered into the Willow Park PSA, subject to the approval of this Honourable Court.

Willow Park PSA

37. Key terms of the Willow Park PSA are as follows:

a) In accordance with the Sale Process, the Receiver is holding a deposit equivalent to 10% of the purchase price (5% of the deposit was received on December 21, 2020 and 5% of the deposit was received on January 5, 2021);

b) The Willow Park Transaction is subject to the approval of this Honourable Court;

c) The Willow Park Transaction is subject to close on the later of:

   i. January 15, 2020; and

   ii. 10 business days following the date upon which all conditions under the Willow Park PSA have been satisfied; and

d) Schej Realty shall assume all of the tenant leases associated with the Willow Park Property and those contracts identified to be assumed by Schej Realty in the Willow Park PSA.

38. The Receiver considers the closing risk associated with the Willow Park Transaction to be minimal, as all conditions have been waived or will be satisfied prior to seeking Court approval or would be expected shortly thereafter.

39. In the Receiver's view, the details of the Successful Bid received, and the purchase price set out in the Willow Park PSA are commercially sensitive information, which could negatively impact the monetization of the Willow Park Property if made public. The Receiver believes this information should remain confidential until closing of the Willow Park Transaction in order to preserve the integrity of the Sale Process, in the event the Willow Park Transaction does not close.

40. A copy of the Willow Park PSA, with the purchase price and deposit amount redacted, is attached to this Second Report as Appendix '**A**'.

41. The Receiver will issue a Confidential Supplement to this Second Report (the "**Confidential Supplement**"), which will contain an unredacted version of the Willow Park PSA for this Honourable Court, and the Receiver will seek to have the Confidential Supplement sealed.

RECEIVER'S COMMENTS ON THE WILLOW PARK TRANSACTION

42. The Receiver believes the approval of the Willow Park Transaction is in the best interest of all stakeholders for the following reasons:

a) It arose from the Sale Process, which was approved by this Honourable Court pursuant to the Sales Process Order and implemented by the Receiver, with the assistance of Selling Agent and in consultation with Connect First. The Receiver believes the Sale Process was carried out in good faith and with due diligence in meeting the key milestone of the Sale Process, including the soliciting of bids which ultimately resulted in the Willow Park PSA;

b) There was a broad marketing of the Willow Park Property to a large number of potential purchasers over a reasonable timeframe;

c) The Willow Park PSA was negotiated between the parties at arm's length, in good faith, and is commercially reasonable in the circumstances;

d) The Willow Park PSA represents the highest and best Qualified Binding Offer for the Willow Park Property;

e) The Receiver believes the consideration in the Willow Park PSA is commercially reasonable, in the best interest of Willow Park's creditors and other stakeholders and will maximize available recovery to creditors, in the circumstances; and

f) The Willow Park Transaction is supported by Connect First, the first-ranking secured creditor of Willow Park.

DISTRIBUTION OF NET SALE PROCEEDS

43. As discussed in the First Report, the Receiver obtained a security opinion from its legal counsel indicating that, subject to the customary assumptions and qualifications, the security granted by Willow Park to Connect First constitutes valid and enforceable security over the Willow Park Property. Based upon searches conducted at the Alberta Personal Property Registry and at the Land Titles Office, it appears that Connect First holds a first charge security interest against Willow Park.

44. The Sales Process Order authorized the Receiver to make interim distributions to Connect First of net rents collected from the Willow Park Property and, to date, the Receiver has distributed \$500,000 of net rents to Connect First (the "**Interim Distribution**").

45. Should this Honourable Court approve the Willow Park Transaction, the Receiver is seeking to distribute the sales proceeds from the Willow Park Transaction, net of a reserve required to complete the administration of the receivership, to Connect First (defined above as the "**Willow Park Distribution**").

46. After receipt of the Interim Distribution and the proposed Willow Park Distribution, Connect First is estimated to suffer a shortfall on the Willow Park Indebtedness and no funds will be available for distribution to other creditors of Willow Park.

47. The Receiver has been advised by the Interim Receiver of a possible GST liability of Willow Park arising prior to the Receivership Date in the amount of \$8,217.50, of which \$7,955.30 represents a deemed trust claim. The deemed trust portion of the CRA's claim shall be paid by the Receiver. The Interim Receiver is also holding a reserve to settle GST liabilities arising during the period its appointment and other potential costs incurred by the Interim Receiver. The Receiver is not aware of any other liabilities outstanding as at the Receivership Date that rank in priority to the Willow Park Indebtedness owed to Connect First.

48. The Receiver will provide to this Court a final statement of receipts and disbursements including the net sales proceeds collected from the Willow Park Distribution and the distributions to Connect First when the Receiver seeks its discharge after closing the Willow Park Transaction.

DISCHARGE OF THE RECEIVER OF WESLEY CHURCH

Activities of the Receiver and Statement of Receipts and Disbursements

49. Since its appointment, the Receiver's primary activities with respect to Wesley Church have been to ensure the Wesley Church Property is insured and secured, to retain a property manager to manage Wesley Church on the Receiver's behalf, collect rents from the tenant of the Wesley Church Property and to complete the Sales Process for the Willow Park Property in accordance with the Sales Process Order.

50. The Receiver has prepared a statement of receipts and disbursements for Wesley Church, from the Receivership Date through to November 30, 2020 (the "**Reporting Period**").

Wesley Church **Statement of Receipts and Disbursements** ***$CAD, unaudited***		**Exhibit 1.0**
	Notes	
Receipts		
Rental income	*a*	89,172
Net advance from Willow Park	*b*	21,300
Advances of net rents from Interim Receiver	*c*	40,831
Total receipts		**151,303**
Disbursements		
Operating costs and property mangement fees	*d*	(34,098)
Insurance	*e*	(59,767)
Total disbursements		**(93,865)**
Net change in cash		**57,438**
Opening cash balance		**-**
Ending cash balance		**57,438**

51. Notes to the Wesley Church R&D are as follows:

a) Rental income of approximately $110,472 was collected during the Reporting Period;

b) Willow Park advanced $59,767 to Wesley Church in June 2020 to fund its insurance premium for coverage during the period of June 1, 2020 to May 31, 2020. As at November, 30, 2020, Wesley Church had repaid $38,467 and the remaining balance will be repaid by Wesley Church by January 31, 2021;

b) The Interim Receiver transferred approximately $40,831 to the Receiver's trust account established for Wesley Church, representing net rents held by the Interim Receiver and collected during the Interim Receivership Proceedings;

c) Operating costs, utilities and property management fees incurred at Wesley Church totalled approximately $34,000 during the Reporting Period; and

d) Insurance for the period of June 1, 2020 to May 31, 2021 on the Wesley Church Property was approximately $60,000.

52. The Receiver, with the assistance of the Sales Agent, completed Phase I of the Sales Process for the Wesley Church Property. Multiple Qualified Phase I Bidders submitted Non-Binding LOIs on or before the Phase I Bid Deadline of November 23, 2020 at 12:00 P.M. MST.

53. Prior to launching Phase II of the Sales Process, the Receiver was notified that the owners of Wesley Church had identified an investor, GEF, to purchase the Wesley Church Indebtedness owed to Connect First and that it was GEF's intention to terminate the receivership proceedings of Wesley Church.

54. On December 18, 2020, GEF issued payment to Connect Frist to acquire the Wesley Church Indebtedness and associated security.

55. GEF requested that the Receiver terminate the Sales Process for Wesley Church and schedule an application (the "**Discharge Application**") to seek its discharge as Receiver of Wesley Church. The Receiver, with the assistance of the Sales Agent, notified bidders participating in the Sales Process of Wesley Church that the process was suspended.

56. In connection with seeking its discharge, the Receiver provided GEF with an estimate of the fees of the Receiver and its legal counsel to complete the administration of the receivership of Wesley Church and funding required to settle outstanding operating costs associated with the Wesley Church Property incurred during the period of the Receivership Date to December 31, 2020 (the "**Wesley Church Funding Requirement**") .

57. Exhibit 2.0 below represents the categories and amounts associated with the Wesley Church Funding Requirement.

Wesley Church Forecast Receivership Costs *$CAD, unaudited*		Exhibit 2.0
	Notes	
Cash balance as at November 30, 2020		**57,438**
Forecast operating cash flow - December 2020	*a*	3,855
Repayment of advance from Willow Park	*b*	(21,300)
Settlement of billed professional fees	*c*	(39,053)
Forecast cash balance as at December 31, 2020		**940**
Forecast professional fees (WIP plus fees to complete)		
Receiver	*d*	(20,000)
Receiver's legal counsel	*d*	(16,420)
Selling Agent	*e*	(25,000)
Total estimated professional fees		**(61,420)**
Reserve for operating liabilities / management fees	*f*	(13,000)
Estimated GST liability	*g*	(2,500)
Operating liability reserve		**(15,500)**
Wesley Church Funding Requirement		**(75,980)**

58. Notes to Exhibit 2.0 – Wesley Church Funding Requirement:

a) Forecast net operating income from the Wesley Church Property, after settlement of operating costs and property management fees, for December 2020;

b) Willow Park advanced $59,767 in June 2020 to fund the insurance premium associated with the Wesley Church Property. Wesley Church has repaid $38,467 and settled the remaining $21,300 in December 2020;

c) The Receiver and its legal counsel's billed fees paid in December 2020;

d) Work-in-progress as at November 30, 2020 plus estimated fees of the Receiver and its legal counsel to complete the administration of the receivership of Wesley Church;

e) As the Sales Process for the Wesley Church is to be terminated, in accordance with the engagement letter between the Receiver and the Sales Agent, the Sales Agent is to be compensated a fee based upon hours spent marketing the Wesley Church Property and agreed upon hourly rates consistent with those of the Receiver;

f) The Receiver has calculated a reserve of one month's operating expense to cover costs incurred by the Receiver associated with the Wesley Church Property but not yet billed by suppliers; and

g) The Receiver has estimated a reserve for net GST owing to the Canada Revenue Agency from GST collected on rental income since the Receivership Date.

59. The Wesley Church Funding Requirement was received by the Receiver from GEF on December 21, 2020 and is forecast to be sufficient to settle fees of the Receiver and its counsel and operating costs incurred associated with the Wesley Church Property since the Receivership Date.

Discharge of the Receiver

60. The Receiver will use the funds on hand from net rents collected from the Wesley Church Property and the Wesley Church Funding Requirement to settle outstanding administrative and operating costs incurred by the Receiver in connection with Wesley Church and the GST Claim. The Receiver will also terminate or assign to Willow Park the property management agreement entered into with Colliers Macaulay Nicolls Inc. to mange the Wesley Church Property. If any remaining funds continue to be held by the Receiver after settlement of these liabilities, they will be paid to GEF as a partial refund of the Wesley Church Funding Requirement.

61. The only known creditors of Wesley Church per its books and records are Connect First and an estimated GST liability of $1,764.84 (the "**Wesley GST Claim**") owed to the CRA as at the appointment of the Interim Receiver. The Receiver shall settle the Wesley GST Claim from cash on hand. The Receiver understands that the Interim Receiver is continuing to hold a reserve of $19,000 that will be used to settle the deemed trust portion of the GST liability of Wesley Church arising prior to the Receivership Date.

62. As there are no known creditors of Wesley Church that will be prejudiced by the Receiver's discharge and GEF, the primary secured creditor of Wesley Church, has requested the Receiver's discharge, the Receiver is supportive of its discharge as Receiver of Wesley Church. The Receiver would continue as Receiver of Willow Park and Paramount pursuant to the Receivership.

APPROVAL OF PROFESSIONAL FEES – WESLEY CHURCH

30. Since the Receivership Date, the Receiver and its legal counsel have been separately recording and allocating their time between Willow Park, Paramount and Wesley Church. Professional fees

and costs incurred by the Receiver and its legal counsel in connection with administering the receivership of Wesley Church are described in Exhibit 3.0, below, and are as follows:

a) Receiver's billed fees and costs total $30,3034 (plus applicable taxes) for the period of the Receivership Date to October 9, 2020; and

b) Receiver's legal counsel's billed fees and costs total $20,761 (plus applicable taxes) for the period of the Receivership Date to November 30, 2020.

31. Copies of the Receiver's invoices and the Receiver's legal counsel's invoices contain privileged information and are not attached but are available to this Honourable Court if requested.

32. The Receiver and the Receiver's legal counsel estimate that the professional fees necessary to complete the administration of the receivership, including unbilled work-in-progress, will not exceed $25,000 for the Receiver and $20,000 for its legal counsel. These estimated fees are included in Exhibit 2.0, below.

33. The Receiver respectfully requests that this Honourable Court approve the Receiver's and the Receiver's legal counsels' fees and disbursements, including the estimate to conclude the receivership administration, described in Exhibit 3.0, below.

Wesley Church **Exhibit 3.0**
Schedule of Professional Fees
$CAD

Receiver Fees	**Invoice Date**	**Sub-total**	**GST**	**Total**
Invoice - CA125C500005849	October 16, 2020	30,034.00	1,501.70	31,535.70
WIP + estimate to complete receivership		20,000.00	1,000.00	21,000.00
Total Receiver Fees		***50,034.00***	***2,501.70***	***52,535.70***

Legal Fees - MLT Aikins LLP	**Invoice Date**	**Sub-total**	**GST**	**Total**
Invoice #6153003	September 22, 2020	7,161.00	356.05	7,517.05
Invoice #6162899	November 6, 2020	3,392.50	169.63	3,562.13
Invoice #6168803	December 7, 2020	10,207.50	510.38	10,717.88
WIP + estimate to complete receivership		16,420.00	821.00	17,241.00
Total legal fees		***37,181.00***	***1,857.06***	***39,038.06***
Total Receiver plus legal counsel fees		***87,215.00***	***4,358.76***	***91,573.76***

RECOMMENDATIONS

63. The Receiver respectfully recommends that this Honourable Court approve:

a) The sale and vesting of Willow Park's interest in the Willow Park Property to the Schej Realty, pursuant to the Willow Park PSA;

b) The Willow Park Distribution;

c) An Order sealing the Confidential Supplement on the Court file;

d) The discharge of the Receiver of Wesley Church; and

e) The fees and costs of the Receiver and its legal counsel in respect of Wesley Church.

Dated at Calgary, Alberta this 5th day of January, 2021.

ERNST & YOUNG INC.
in its capacity as the Receiver
of the Debtors

Peter Chisholm, CPA, CA, CIRP, LIT
Senior Vice President

Appendix A

Redacted Willow Park PSA

WILLOW PARK LIMITED PARTNERSHIP by and through its Court-appointed receiver and manager, Ernst & Young Inc., not acting in its personal or corporate capacity

and

0884595 BC LTD. (DBA SCHEJ REALTY)

AGREEMENT OF PURCHASE AND SALE

December 18, 2020

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SCHEDULES

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE dated as of December 18, 2020,

BETWEEN:

WILLOW PARK LIMITED PARTNERSHIP by and through its Court-appointed receiver and manager, Ernst & Young Inc., not acting in its personal or corporate capacity (the "**Vendor**")

- and -

0884595 BC LTD. (DBA SCHEJ REALTY) (the "**Purchaser**")

WHEREAS:

A. Pursuant to an order of the Court granted on April 14, 2020 (the "**Receivership Order"**), Ernst & Young Inc. was appointed receiver and manager, without security, of all of the Lands and all current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situated including all proceeds thereof, of Willow Park Limited Partnership and Willow Park Capital Corp. (the "**Receivership Assets**");

B. Pursuant to the Receivership Order, the Vendor has the authority to sell any or all of the Receivership Assets with the approval of the Court in respect of any transaction in which the purchase price exceeds $500,000; and

C. The Vendor has conducted a sales process (the "**Sales Process**") with the approval of the Court pursuant to the Receivership Order, intended to solicit interest in a sale of certain Receivership Assets; and

D. The Vendor wishes to sell to the Purchaser, and the Purchaser wishes to purchase from the Vendor, the Vendor's Interest in the Property (as defined below), subject to the terms and conditions set forth herein and subject to Court Approval (as defined below).

NOW THEREFORE, this Agreement witnesses that in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and adequacy of which are acknowledged by each Party to the other, the Parties covenant and agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement:

(a) "**Affiliate**" means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with that specified Person. For the purposes of this definition, "control" (including with correlative meanings, controlling, controlled by and under common control with) means the power to direct or cause the direction of the management and policies of that Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise and, it being understood and agreed that with respect to a corporation or partnership, control shall mean direct or indirect ownership of more than 50% of the voting shares in any such corporation or of the general partnership interest or voting interest in any such partnership;

(b) "**Agreement**" means this agreement of purchase and sale and any schedules attached hereto which are referred to in this agreement, together with any amendment or supplement thereto;

(c) "**Applicable Law**" means, in respect of any Person, asset, transaction, event or circumstance: (i) statutes (including regulations enacted thereunder); (ii) judgments, decrees and orders of courts of competent jurisdiction (including the common law); (iii) regulations, orders, ordinances and directives issued by Governmental Authorities; and (iv) the terms and conditions of all permits, licenses, approvals and authorizations, in each case which are applicable to such Person, asset, transaction, event or circumstance;

(d) "**Approval and Vesting Order**" means an order of the Court approving the Transaction in accordance with the provisions of this Agreement, and vesting all of the Vendor's Interest in and to the Property in the Purchaser, such order to be substantially in the form attached hereto as Schedule 1.1(d) together with such modifications and amendments to such form as may be approved by the Vendor and the Purchaser, acting reasonably;

(e) "**Assignment and Assumption Agreement**" means an assignment and assumption agreement, in form and substance satisfactory to the Vendor and the Purchaser, acting reasonably, evidencing the assignment to the Purchaser of the Vendor's Interest in, to and under the Assumed Contracts and the assumption by the Purchaser of all of the Assumed Liabilities under or in respect of the Assumed Contracts, substantially in the form attached hereto as Schedule 1.1(e);

(f) "**Assumed Contracts**" means all agreements, contracts, understandings, commitments, licenses, easements, restrictions, leases and permits related to the Property which are disclosed in the Data Room Information as of the date hereof and which are not Excluded Contracts;

(g) "**Assumed Environmental Liabilities**" has the meaning ascribed to that term in Section 10.1(a);

(h) "**Assumed Liabilities**" means, collectively, all liabilities and obligations arising from the possession, ownership and/or use of the Property following Closing including all Assumed Environmental Liabilities and Assumed Obligations;

(i) "**Assumed Obligations**" has the meaning ascribed to that term in Section 2.4;

(j) "**Business Day**" means any day other than a Saturday, Sunday or a statutory holiday in the City of Calgary in the Province of Alberta;

(k) "**Claim**" means any right, claim, cause of action or complaint of any Person that may be asserted or made in whole or in part against the Vendor, its Affiliates and their respective Representatives, 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 without limitation, 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, without limitation, 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, present or future, known or unknown, by guarantee, surety or otherwise, and whether or not any right, claim, cause of action or complaint is executory or anticipatory in nature;

(l) "**Closing**" means the completion of the purchase by the Purchaser, and sale by the Vendor, of the Vendor's Interest in and to the Property and the completion of all other transactions contemplated by this Agreement that are to occur contemporaneously with such purchase and sale, all subject to and in accordance with the terms and conditions of this Agreement;

(m) "**Closing Cash Payment**" has the meaning ascribed to that term in Section 3.3(b);

(n) "**Closing Date**" means the date on which Closing occurs, being the later of January 15, 2021 or the date that is 10 Business Days following the date upon which all conditions in Sections 12.1, 12.2 and 12.3 have been satisfied or waived, *provided, however*, that the Closing Date shall not be later than the Outside Date, *and provided further,* that if the land registry office in which title to the Lands is registered is not open for business on such date, the Closing Date shall be the next day on which such land registry office is open;

(o) "**Confidentiality Agreement**" means the confidentiality agreement among the Vendor and the Purchaser dated November 9, 2020;

(p) "**Consequential Damages**" has the meaning ascribed to that term in Section 15.5;

(q) "**Court**" means the Court of Queen's Bench of Alberta, Judicial Centre of Calgary;

(r) "**Court Approval**" means both the issuance of the Approval and Vesting Order by the Court approving the sale of the Property;

(s) "**Court Orders**" means, collectively, the Receivership Order, the Sales Process Order and the Approval and Vesting Order;

(t) "**CRA**" means the Canada Revenue Agency;

(u) "**Cure Costs**" means, in respect of any Assumed Contract, all amounts, costs and expenses required to be paid to remedy all of the Vendor's monetary defaults in relation to the Assumed Contracts or otherwise required to secure a counterparty's or any other necessary Person's consent to the assignment of an Assumed Contract or as may be required pursuant to the Approval and Vesting Order, and includes any other fees and expenses required to be paid to a counterparty or any other Person in connection with the assignment of an Assumed Contract;

(v) "**Data Room Information**" means all information made available (by the Vendor or otherwise) for the Purchaser's review in electronic form in relation to the Vendor, its Affiliates and/or the Property;

(w) "**Deposit**" has the meaning ascribed to that term in Section 3.2(a);

(x) "**Encumbrances**" means any pledges, liens, encumbrances, claims, charges, options or other security interests of any kind or other agreement or arrangement having the effect of conferring security;

(y) "**Environmental Laws**" has the meaning ascribed to that term in Section 10.1(b);

(z) "**Environmental Liabilities**" has the meaning ascribed to that term in Section 10.1(c);

(aa) "**Estoppel Certificate**" means an estoppel certificate from each tenant in such form as may be prescribed by the applicable Lease or in such other form as may be agreed upon by the Vendor and the Purchaser, each acting reasonably, or as may be typically provided by the applicable tenant;

(bb) "**Excluded Contract**" means all contracts which are not Assumed Contracts and all Unassignable Contracts for which the required consent to assignment has not been obtained pursuant to Section 2.3(a);

(cc) "**General Partner**" means Willow Park Capital Corp., a corporation incorporated under the laws of the Province of Alberta, being the general partner of the Vendor and the registered owner of the Lands;

(dd) "**Governmental Authority**" means any domestic or foreign government, whether federal, provincial, state, territorial or municipal; and any governmental agency, ministry, department, tribunal, commission, bureau, board, court (including the Court) or other instrumentality exercising or purporting to exercise legislative, judicial, regulatory or administrative functions of, or pertaining to, government, having jurisdiction over a Party, the Property or this Transaction;

(ee) "**GST**" means taxes, interest, penalties and other additions thereto imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and "**GST Legislation**" means such act and regulations collectively;

(ff) "**Lands**" means those lands described in Schedule 1.1(ff) attached hereto;

(gg) "**Lease(s)**" has the meaning ascribed to that term in Section 11.4;

(hh) "**Legal Proceeding**" means any litigation, action, suit, investigation, hearing, claim, complaint, grievance, arbitration proceeding or other proceeding and includes any appeal or review or retrial of any of the foregoing and any application for same;

(ii) "**Losses and Liabilities**" means any and all assessments, charges, costs, damages, debts, expenses, fines, liabilities, losses, obligations and penalties, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, Claim by any Governmental Authority or any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority, and those arising under any contract, agreement, arrangement, commitment or undertaking and costs and expenses of any Legal Proceeding, assessment, judgment, settlement or compromise relating thereto, and all interest, fines and penalties and reasonable legal fees and expenses incurred in connection therewith (on a full indemnity basis);

(jj) "**Notice of Loss**" has the meaning ascribed to that term in Section 8.1(b);

(kk) "**Notice Period**" has the meaning ascribed to that term in Section 9.2(b);

(ll) "**Outside Date**" means February 28, 2021 or such other date as the Parties may agree, with the consent of the Vendor;

(mm) "**Parties**" means, collectively, the Purchaser and the Vendor, and "**Party**" means any one of them;

(nn) "**Permitted Encumbrances**" means the Encumbrances set forth in Schedule 1.1(mm) attached hereto;

(oo) "**Person**" means any individual, corporation, limited or unlimited liability company, joint venture, partnership (limited or general), trust, trustee, executory, Governmental Authority, or other entity however designated or instituted;

(pp) "**Property**" means the Vendor's Interest in: (i) the Lands and all improvements located thereon; and (ii) the Assumed Contracts;

(qq) "**Purchase Price**" has the meaning ascribed to that term in Section 3.1;

(rr) "**Purchaser**" has the meaning ascribed to that term in the preamble hereto;

(ss) "**Purchaser's Solicitors**" means Blake, Cassels & Graydon LLP or such other firm or firms of solicitors as are retained or engaged by the Purchaser from time to time and notice of which is provided to the Vendor;

(tt) "**Receivership Assets**" has the meaning ascribed thereto in Recital A;

(uu) "**Receivership Proceedings**" means the proceedings commenced pursuant to the Receivership Order;

(vv) "**Rechargeable Sums**" has the meaning ascribed to that term in Section 4.3;

(ww) "**Rechargeable Sums Estimate**" has the meaning ascribed to that term in Section 4.3;

(xx) "**Remediation and Reclamation Obligations**" has the meaning ascribed to that term in Section 10.1(d);

(yy) "**Representative**" means, in respect of a Person, each director, officer, employee, agent, legal counsel, accountant, consultant, contractor, professional advisor and other representative of such Person and its Affiliates;

(zz) "**Sales Process** " has the meaning ascribed to that term in the recitals hereto;

(aaa) "**Sales Process Order**" has the meaning ascribed to that term in the recitals hereto;

(bbb) "**Statement of Adjustments**" has the meaning ascribed to that term in Section 4.1;

(ccc) "**Substantial Damage or Destruction**" has the meaning ascribed to that term in Section 8.1(b)(i);

(ddd) "**Tax**" means all taxes, assessments, charges, dues, duties, rates, fees, imposts, levies and similar charges of any kind lawfully levied, assessed or imposed by any Governmental Authority under any applicable federal, provincial, territorial, municipal and local, foreign, or other statutes, ordinances or regulations imposing a tax, including income, capital, capital gains, goods and services, sales, use, consumption, excise, value added (including GST and any Harmonized Sales Tax), business, real property, personal property, transfer, franchise, withholding, payroll, or employer health taxes, Canada Pension Plan contributions, employment insurance premiums, and provincial workers' compensation payments, levy, assessment, whether computed on a separate, combined, unitary, or consolidated basis or any other manner, including any interest, penalties and fines associated therewith;

(eee) "**Tax Return**" shall mean any report, return, information statement, schedule, attachment, payee statement or other information required to be provided to any Governmental Authority with respect to Taxes or any amendment thereof;

(fff) "**Third Party**" means any Person who is not a Party;

(ggg) "**Third Party Claim**" means any Claim by a Third Party asserted against the Vendor for which the Purchaser has indemnified the Vendor or is otherwise responsible pursuant to this Agreement;

(hhh) "**Transaction**" means the transaction for the purchase and sale of the Property as contemplated in this Agreement;

(iii) "**Transfer Taxes**" means all present and future transfer taxes, sales taxes, use taxes, production taxes, value-added taxes, goods and services taxes, land transfer taxes, registration and recording fees, and any other similar or like taxes and charges imposed by a Governmental Authority in connection with the sale, transfer or registration of the transfer of the Property, including GST and Harmonized Sales Tax;

(jjj) "**Unassignable Contracts**" has the meaning ascribed to that term in Section 2.3(a);

(kkk) "**Vendor**" has the meaning ascribed to that term in the preamble hereto;

(lll) "**Vendor's Interest**" means, when used in relation to any asset, undertaking or property, all the right, title and interest, if any, of the Vendor and the General Partner in such asset, undertaking or property; and

(mmm) "**Vendor's Solicitors**" means MLT Aikins LLP or such other firm or firms of solicitors as are retained or engaged by the Vendor from time to time and notice of which is provided to the Purchaser.

1.2 Interpretation

The following rules of construction shall apply to this Agreement unless the context otherwise requires:

(a) All references to monetary amounts, unless indicated to the contrary, are to the lawful currency of Canada.

(b) Words importing the singular include the plural and vice versa, and words importing gender include the masculine, feminine and neuter genders.

(c) The word "include" and "including" and derivatives thereof shall be read as if followed by the phrase "without limitation".

(d) The words "hereto", "herein", "hereof", "hereby", "hereunder" and similar expressions refer to this Agreement and not to any particular provision of this Agreement.

(e) The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning or interpretation hereof.

(f) Reference to any Article, Section or Schedule means an Article, Section or Schedule of this Agreement unless otherwise specified.

(g) If any provision of a Schedule hereto conflicts with or is at variance with any provision in the body of this Agreement, the provisions in the body of this Agreement shall prevail to the extent of the conflict.

(h) All documents executed and delivered pursuant to the provisions of this Agreement are subordinate to the provisions hereof and the provisions hereof shall govern and prevail in the event of a conflict.

(i) This Agreement has been negotiated by each Party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting Party does not apply to the construction or interpretation of this Agreement.

(j) Reference to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof.

(k) References to an Applicable Law means such Applicable Law as amended from time to time and includes any successor Applicable Law thereto any regulations promulgated thereunder.

1.3 Schedules

The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

Schedule 1.1(d)	Form of Approval and Vesting Order
Schedule 1.1(e)	Form of Assignment and Assumption Agreement
Schedule 1.1(ff)	Lands

Schedule 1.1(mm) Permitted Encumbrances

1.4 Interpretation if Closing Does Not Occur

If Closing does not occur, each provision of this Agreement which presumes that the Purchaser has acquired the Property shall be construed as having been contingent upon Closing having occurred.

ARTICLE 2
PURCHASE AND SALE

2.1 Agreement of Purchase and Sale

Subject to the terms and conditions of this Agreement, and in consideration of the Purchase Price and the assumption of the Assumed Liabilities, the Vendor hereby agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase, accept and receive from the Vendor, all of the Vendor's Interest in and to the Property, in each case free and clear of all Encumbrances (other than Permitted Encumbrances).

2.2 Transfer of Property and Assumption of Liabilities

Provided that Closing occurs and subject to the terms and conditions of this Agreement, possession, risk, and legal and beneficial ownership of the Property shall transfer from the Vendor to the Purchaser on the Closing Date, and the Purchaser agrees to assume, discharge, perform and fulfil all obligations and liabilities, known or unknown, of the Vendor with respect to the Property (including the Assumed Liabilities), from and after the Closing Date.

2.3 Assignment of Assumed Contracts and Third Party Consents

(a) In the event that there are any Assumed Contacts which are not assignable by the Vendor to the Purchaser in whole or in part without the consent, approval or waiver of any party or parties to them, if any such consents, approvals or waivers therefor have not yet been obtained as of the Closing Date (any such Assumed Contracts, collectively, the "**Unassignable Contracts**"), then:

(i) each of the Parties shall use reasonable commercial efforts to obtain, as may be required by the terms of such Assumed Contracts, consents or approvals to the assignment of such Assumed Contracts; provided that to the extent that any Cure Costs are payable with respect to any Assumed Contract, the Vendor shall be responsible for and shall pay all such Cure Costs, which shall be paid directly to the applicable counterparty at or prior to Closing;

(ii) pending the effective transfer or assignment of the relevant Unassignable Contracts, the Vendor shall hold the rights, entitlements, benefits, remedies, duties and obligations under such Unassignable Contracts in trust for the exclusive benefit of the Purchaser as bare trustee and agent;

(iii) the Vendor will, at the request and expense and under the direction of the Purchaser, in the name of the Vendor or otherwise as the Purchaser shall reasonably specify, take all such reasonable actions and do all such reasonable things as shall, in the reasonable opinion of the Purchaser, be necessary or desirable in order that the rights, entitlements, benefits, remedies, duties and obligations of the Vendor under any such Unassignable Contract may be enjoyed, received or performed, as the case may be, in accordance with the terms of such Unassignable Contract, including that all monies receivable under such Unassignable Contract may be received by the Purchaser and that all rights and licenses under such Unassignable Contracts may be exercised by the Purchaser;

(iv) the Vendor shall, no later than 60 days after receipt of funds and determination of all application costs or expenses, pay over to the Purchaser all such monies collected by the Vendor in respect of such Unassignable Contracts following the Closing Date, net of any unpaid related costs or expenses (including any Taxes that are payable in respect of the receipt of such amounts);

(v) to the extent permitted by the applicable Unassignable Contract:

(A) the Purchaser will pay, perform and discharge the duties and obligations under such Unassignable Contract, on behalf of the Vendor, until such time as the effective transfer or assignment of the relevant Unassignable Contracts to the Purchaser; and

(B) the Vendor will use reasonable commercial efforts to exercise the rights, entitlements, benefits and remedies under such Unassignable Contracts, on behalf of the Purchaser until such time as the effective transfer or assignment of the relevant Unassignable Contracts to the Purchaser, or such Unassignable Contracts expire or otherwise terminate;

(vi) the Vendor shall have no liability as a consequence of the Vendor taking any action or causing anything to be done under this Section 2.3, and the Purchaser shall be responsible and liable for, and, as a separate covenant, shall hereby indemnify and save harmless the Vendor, its Affiliates and their respective Representatives against, all costs and expenses reasonably incurred by the Vendor, its Affiliates or their respective Representatives as a consequence of or in connection with this Section 2.3; and

(vii) the Vendor shall maintain its existence, and shall continue to be licensed, registered or otherwise qualified and authorized to conduct its affairs and carry on business as is necessary to fulfill its obligations as set out in this Section 2.3 until the earlier of the expiry or assignment of the last Unassignable Contract; *provided, however*, that the Vendor's obligations under this Section 2.3 shall expire and terminate and cease to be in effect on the date that is 60 days following Closing, at which time all Unassignable Contracts for which required consent is required for the assignment of such Unassignable Contract which has not been obtained by such date shall be deemed to be an Excluded Contract under this Agreement, without any adjustment of any kind whatsoever to the Purchase Price.

(b) Nothing in this Agreement shall constitute an agreement to assign, and shall not be construed as an assignment of, or an attempt to assign to the Purchaser, any Unassignable Contract until such time as the necessary consents or approvals with respect to the assignment are obtained.

(c) Both before and after Closing, each of the Parties shall use all commercially reasonable efforts to obtain any and all approvals required under Applicable Law and any and all material consents of Third Parties required to permit this Transaction to be completed. The Parties acknowledge that the acquisition of such consents shall not be a condition precedent to Closing. It shall be the sole obligation of the Purchaser, at the Purchaser's sole cost and expense, to provide any and all financial assurances, deposits or security that may be required by Governmental Authorities or any Third Parties to permit the transfer of the Property, including the Assumed Contracts, to the Purchaser.

(d) Notwithstanding the generality of Section 2.3(c), the Purchaser shall, prior to Closing, post or satisfy all necessary security, deposits, letters of credit, guarantees or other financial assurances necessary to take possession of the Property and to satisfy the security required by the Assumed Contracts.

2.4 Assumed Liabilities and Assumed Obligations

Following Closing, the Purchaser shall assume, perform, discharge and pay when due all of the Assumed Liabilities, including liabilities and obligations arising pursuant to the Assumed Contracts (collectively, the "**Assumed Obligations**"). For greater certainty, the Purchaser acknowledges and agrees that the Assumed Obligations and the Assumed Liabilities are inextricably linked to the Property.

ARTICLE 3
PURCHASE PRICE

3.1 Purchase Price

The consideration payable by the Purchaser for the Property shall be the sum of [redacted] **DOLLARS** (the "**Purchase Price**"). The Purchase Price shall be satisfied in accordance with Section 3.3, and subject to adjustment only as set forth in Article 4. The Purchaser and Vendor acknowledge and agree that the Purchase Price reflects the fair market value of the Property as of the Closing Date, having due regard to the Assumed Liabilities connected to and embedded in the Property that depress the value of the Property.

3.2 Deposit

(a) The Purchaser shall pay to the Vendor, by certified cheque, bank draft, solicitor's trust cheque or electronic wire transfer a deposit of [redacted] upon the Purchaser's execution of this Agreement (such amount together with the initial deposit in the amount of [redacted] previously received by the Vendor on December 21, 2020 is referred to herein as the "**Deposit**"). Such Deposit (in the aggregate amount of [redacted] and equal to ten (10) percent of the Purchase Price) shall be delivered to and held by the Vendor pursuant to Section 3.2(b) and 3.2(c) below.

(b) If the Vendor does not execute or deliver this Agreement to the Purchaser on or before January 4th, 2021, then the initial Deposit shall be returned to the Purchaser forthwith and this Agreement shall be terminated and each Party shall be released from all obligations and liabilities hereunder. If Closing occurs in accordance with the terms and conditions of this Agreement, the Deposit shall be credited against the Purchase Price, in partial satisfaction of the Purchaser's obligation to pay the Purchase Price at Closing.

(c) If this Agreement is terminated:

(i) (A) pursuant to Section 14.1(a) by mutual agreement of the Parties, or (B) pursuant to Sections 14.1(b), 14.1(c) or 14.1(d) by the Purchaserthen the Deposit shall be returned to the Purchaser; or

(ii) for any other reason, the full amount of the Deposit shall be forfeited to the Vendor,

and, subject to Section 14.2, each Party shall be released from all obligations and liabilities under or in connection with this Agreement. In the event of termination of this Agreement under Section 3.2(c)(ii) pursuant to which the Vendor shall be entitled to retain the Deposit, the Parties agree that the amount of the Deposit constitutes a genuine pre-estimate of liquidated damages representing the Vendor's Losses and Liabilities as a result of Closing not occurring and as the Vendor's sole right or remedy, at law or in equity, with respect to such default by the Purchaser. The Purchaser hereby waives any claim or defence that the amount of the Deposit is a penalty or is otherwise not a genuine pre-estimate of the Vendor's damages.

3.3 Satisfaction of the Purchase Price

At Closing, the Purchase Price shall be paid and satisfied as follows:

(a) as to the amount of the Deposit, by crediting and set-off of the Deposit against the amount of the Purchase Price by an amount equal to the Deposit; and

(b) as to the balance of the Purchase Price (as adjusted pursuant to Article 4, the "**Closing Cash Payment**"), the Purchaser shall pay to the Vendor or the Vendor's Solicitors (in trust for and on behalf of the Vendor) such amount by certified cheque, bank draft, solicitor's certified trust cheque or electronic wire transfer.

ARTICLE 4
ADJUSTMENTS

4.1 Statement of Adjustments

The Vendor shall prepare and deliver to the Purchaser at least five (5) Business Days prior to Closing a statement setting forth the Vendor's good faith calculation of the adjustments to the Purchase Price contemplated by this Article 4 (the "**Statement of Adjustments**"). The Statement of Adjustments shall be used to calculate the Purchase Price payable at Closing in accordance with Section 3.3, and shall be deemed final and binding for all purposes in connection with the adjustments contemplated by this Article 4.

4.2 Pro Rata Adjustments

Items of revenue and expense, including, but not limited to, Taxes (other than Transfer Taxes), utilities, interest and rents with respect to the Lands, as would customarily be adjusted for in a similar transaction in Alberta, shall be adjusted between the Purchaser and the Vendor as of 12:01 a.m. on the Closing Date. The Vendor shall be responsible for all expenses and entitled to all revenue accrued from the Property for that period ending on the Closing Date and thereafter the Purchaser shall be responsible for all expenses (except as otherwise provided in this Agreement) and shall be entitled to all revenue accruing from the Property. The Vendor shall deliver to the Purchaser a draft statement of adjustments not less than **five (5) Business Days** prior to Closing which shall include details of the calculations contained herein. A final statement of adjustments shall be delivered to the Purchaser on Closing. The adjustments shall include all operating costs and recoveries, realty taxes, local improvement rates and charges, current rents (but specifically excluding arrears), percentage rent, prepaid rents, rent free periods, security deposits, current expense and operating recoveries from the Tenants, utility deposits and/or letters of credit posted with Governmental Authorities (to the extent disclosed to the Purchaser) and other adjustments established by usual practice in the City of Calgary for the purchase and sale of similar properties.

4.3 Rechargeable Sums

The parties acknowledge that, under the terms of certain Leases, portions of certain payments, such as realty taxes and operating costs, although paid by the landlord, are actually charged to and payable by the tenants under such Leases (the "**Rechargeable Sums**") and are collected from such tenant in monthly instalments on the basis of the landlord's estimates (the "**Rechargeable Sum Estimates**"). The Rechargeable Sum Estimates are subject to adjustment with the tenants when the total amounts of the Rechargeable Sums are finally determined. For greater certainty, Rechargeable Sums shall not include any expenditures or any portion thereof which are not recoverable from the tenants under the Leases. It is agreed that, with respect to the Rechargeable Sums and the Rechargeable Sum Estimates, adjustments shall be made as between the Vendor and the Purchaser as follows:

(a) the Vendor shall provide to the Purchaser, together with the statement of adjustments, a statement which sets out the amounts of the Rechargeable Sum Estimates collected from each tenant, as well as the amounts expended on account of the Rechargeable Sums by the Vendor, in each case since the beginning of the current fiscal year, calendar year or tax year, as appropriate, for the Property up to and including the Closing Date;

(b) if such statement indicates that the Vendor has collected more Rechargeable Sum Estimates than the Vendor has expended or accrued on account of the Rechargeable Sums for such period, the amount of such difference shall be credited to the Purchaser as of the Closing Date and the Vendor and the Purchaser shall make the required adjustment with the tenants in respect of such over-collection in accordance with the terms of the Leases and there shall be an appropriate readjustment as between the Vendor and the Purchaser, as soon as reasonably practicable thereafter; and

(c) if the statement indicates that the Vendor has collected less Rechargeable Sum Estimates than the Vendor has expended or accrued on account of the Rechargeable Sums for such period, then the amount of the actual difference shall be credited to the Vendor as of the Closing Date and the Vendor and the Purchaser shall make the required adjustment with the tenants in respect of such under collection in accordance with the terms of the Leases and there shall be an appropriate readjustment as between the Vendor and the Purchaser as soon as reasonably practicable thereafter; provided that if the Rechargeable Sums are not fully recovered from the tenants for the applicable period, the amount of such difference shall be readjusted on a pro rata basis as between such period prior to the Closing Date (which shall be for the sole account of the Vendor) and such period after the Closing Date (which shall be for the account of the Purchaser) unless the dispute with the tenant relates to a specific time period prior to the Closing Date in which case the Vendor shall not be entitled to the credit.

The Purchaser shall be responsible to conclude all final reconciliations and to make all payments and satisfy all obligations with all tenants relating to the Rechargeable Sums and Rechargeable Sum Estimates, provided however that the Vendor and the Purchaser shall readjust any amounts as between them which they determine, each acting reasonably, as a result of such final reconciliations with tenants or as a result of an audit by or dispute with a tenant, were incorrectly or inaccurately adjusted or neglected to be adjusted between the Purchaser and the Vendor pursuant to the terms thereof.

ARTICLE 5
TRANSFER TAXES

5.1 Transfer Taxes

The Parties agree that:

(a) the Purchase Price does not include Transfer Taxes and the Purchaser shall be liable for and shall pay, and be solely responsible for, any and all Transfer Taxes pertaining to the Purchaser's acquisition of the Property; and

(b) the Purchaser shall indemnify the Vendor for, from and against any Transfer Taxes (including any interest or penalties imposed by a Governmental Authority) that the Vendor is required to pay or for which the Vendor may become liable as a result of any failure by the Purchaser to self-assess, pay or remit such Transfer Taxes (including GST in accordance with Section 5.2).

5.2 GST

Notwithstanding the generality of Section 5.1, the Purchaser shall pay to the Vendor or the Vendor’s Solicitors by certified cheque, bank draft, solicitor's certified trust cheque or electronic wire transfer on Closing all GST payable in respect of the Transaction in accordance with the GST Legislation. Notwithstanding the foregoing, if the Purchaser is registered under the GST Legislation, then provided that the Purchaser delivers on Closing: (i) an officer's certificate of the Purchaser confirming that the Purchaser is buying the Property for its own account and not on behalf of any other Person; and (ii) an undertaking and indemnity under which the Purchaser covenants to remit all exigible GST and to indemnify the Vendor against any damages (including any interest or penalties imposed by a Governmental Authority) by reason of the failure of the Purchaser so to do, the Vendor will not collect GST from the Purchaser and the Purchaser will file returns and remit any GST exigible when and to the extent required by the GST Legislation.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES

6.1 Vendor's Representations

The Vendor hereby represents and warrants to the Purchaser that:

(a) subject to Court Approval being obtained, the Vendor has taken all necessary corporate or other acts to authorize the execution and delivery by it of this Agreement;

(b) subject to Court Approval being obtained, this Agreement has been duly executed and delivered by the Vendor and constitutes a legal, valid and binding obligation of the Vendor and is enforceable against the Vendor in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;

(c) with respect to the GST imposed under the GST Legislation, the Vendor is registered under the GST Legislation and will continue to be registered at the Closing Date in accordance with the provisions of the GST Legislation and that its GST registration number is **[**TO BE PROVIDED PRIOR TO CLOSING DATE**]**;

(d) the Purchaser will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by the Vendor; and

(e) No written notice has been received by the Vendor, its Affiliates and their respective Representatives, of any Claims in existence, contemplated, pending or threatened with respect to the Property that would have a material adverse effect on the Property, including, without limitation, the value thereof, or seeking to prevent the consummation of the Transaction

6.2 Purchaser's Representations

The Purchaser hereby represents and warrants to the Vendor that:

(a) it is, as applicable, a corporation duly incorporated or a limited partnership duly formed and validly subsisting under the laws of the jurisdiction of its incorporation or formation and has the requisite power and authority to enter into this Agreement and to complete the Transaction;

(b) it has taken all necessary corporate or other acts to authorize the execution, delivery and performance by it of this Agreement;

(c) if the Lands are located in areas defined as controlled lands under the *Foreign Ownership of Lands Regulations* (Alberta), that it is not a foreign controlled corporation within the meaning of such term as defined in such regulations;

(d) neither the execution of this Agreement nor its performance by the Purchaser will result in a breach of any term or provision or constitute a default under any indenture, mortgage, deed of trust or any other agreement to which the Purchaser is a party or by which it is bound which breach could materially affect the ability of the Purchaser to perform its obligations hereunder;

(e) the execution, delivery and performance of this Agreement by the Purchaser does not and will not require any consent, approval, authorization or other order of, action by, filing with or notification to, any Governmental Authority, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent or materially delay the consummation by the Purchaser of this Transaction;

(f) this Agreement has been duly executed and delivered by it and constitutes a legal, valid and binding obligation of the Purchaser and is enforceable against the Purchaser in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Applicable Laws relating to creditors' rights generally and subject to general principles of equity;

(g) the Purchaser is not a non-Canadian Person within the meaning of the *Investment Canada Act* (Canada) nor a non-resident of Canada for the purposes of the *Income Tax Act* (Canada);

(h) the Vendor will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the Transaction because of any action taken by, or agreement or understanding reached by the Purchaser;

(i) on the Closing Date, the Purchaser will meet all requirements of Governmental Authorities to purchase and accept a transfer of the Property;

(j) the Purchaser will have the financial resources necessary to pay, as and when due from the Purchaser, the Purchase Price (including the Deposit), the Transfer Taxes, its legal fees and expenses, registration costs and any other amounts payable by the Purchaser pursuant hereto; and

(k) the Purchaser has the financial resources necessary to post or satisfy all necessary security, deposits, letters of credit, guarantees or other financial assurances necessary to take possession of the Property and to satisfy the security required by the Assumed Contracts.

6.3 Enforcement of Representations and Warranties

(a) The representations and warranties of each Party contained in this Agreement shall merge on Closing and shall thereafter be of no further force and effect. Effective upon the occurrence of Closing, each Party hereby releases and forever discharges each other Party from any breach of any representations and warranties set forth in this Agreement. For greater certainty, none of representations and warranties contained in this Article 6 shall survive Closing and, the Purchaser's sole recourse for any material breach of representation or warranty by the Vendor shall be for the Purchaser to not complete the Transaction in accordance with this Agreement.

(b) The representations and warranties of the Vendor made herein or pursuant hereto are made for the exclusive benefit of the Purchaser, and the representations and warranties of the Purchaser made herein or pursuant hereto are made for the exclusive benefit of the Vendor, as the case may be, and are not transferable and may not be made the subject of any right of subrogation in favour of any other Person.

(c) The Parties expressly acknowledge and agree that the provisions of this Section 6.3 and the limit on each Party's liability set out in this Section 6.3 are intended by the Parties as a limitation of liability that represents a fair and equitable allocation of the risks and liabilities that each Party has agreed to assume in connection with the subject matter hereof and is not an agreement within the provision of subsection 7(2) of the *Limitations Act* (Alberta).

ARTICLE 7
"AS IS, WHERE IS" AND NO ADDITIONAL REPRESENTATIONS AND WARRANTIES

7.1 Due Diligence Acknowledgement

The Purchaser acknowledges and agrees that:

(a) it was solely responsible to perform any inspections it deemed pertinent to the purchase of the Property and to be satisfied as to the condition of the Property prior to entering into this Agreement with the Vendor;

(b) notwithstanding the fact that it was permitted to review any diligence materials and disclosures provided by the Vendor, including the Data Room Information, the Vendor assumes no liability for errors or omissions in such diligence materials and disclosure or any other property listings or advertising, promotional or publicity statements and materials, and makes no representations or warranties in respect thereof;

(c) by entering into this Agreement with the Vendor, the Purchaser shall be deemed to represent, warrant and agree with respect to the Property that:

  (i) the Purchaser has inspected the Property and is familiar and satisfied with the physical condition thereof and has conducted such investigation of the Property as the Purchaser has determined appropriate;

  (ii) none of the Vendor, its Affiliates or their respective Representatives have made any oral or written representation, warranty, promise or guarantee whatsoever to the Purchaser, expressed or implied, and in particular, that no such representations, warranties, guarantees, or promises have been made with respect to the physical condition, operation, or any other matter or thing affecting or related to the Property and/or the offering or sale of the Property;

  (iii) the Purchaser has not relied upon any representation, warranty, guarantee or promise or upon any statement made or any information provided concerning the Property, including the Data Room Information made available to the Purchaser by the Vendor, its Affiliates or their respective Representatives;

  (iv) the Purchaser has entered into this Agreement after having relied solely on its own independent investigation, inspection, analysis, appraisal and evaluation of the Property and the facts and circumstances related thereto;

  (v) any information provided or to be provided by or on behalf of the Vendor with respect to the Property, including all Data Room Information, was obtained from information provided to the Vendor and the Vendor has not made any independent investigation or verification of such information, and makes no representations as to the accuracy or completeness of such information;

  (vi) without limiting the generality of the foregoing, the Vendor was not under any obligation to disclose to the Purchaser, and shall have no liability for its failure to disclose to the Purchaser, any information known to it relating to the Property except as may be required by any Applicable Law; and

  (vii) none of the Vendor, its Affiliates or their respective Representatives are liable or bound in any manner by any oral or written statements, representations or information pertaining to the Property, or the operation thereof, made or furnished by any real estate broker, agent, employee, or other Person.

7.2 "As Is, Where Is", No Additional Representations

(a) Without limiting any other provision of this Agreement, the Purchaser acknowledges and agrees that it is acquiring the Property on an "as is, where is" and "without recourse" basis with all defects, both patent and latent, and with all faults, whether known or unknown, presently existing or that may hereafter arise. The Purchaser acknowledges and agrees that the Vendor, its Affiliates and their respective Representatives have not made, do not make and specifically negate and disclaim any representation, warranty, promise, covenant, agreement or guaranty of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to the Property. For greater certainty, but without limitation, except as expressly set forth in this Agreement, none of the Vendor, its Affiliates or their respective Representatives make any condition, representation or warranty whatsoever, express or implied, with respect to:

(i) the value, nature, quality or condition of the Property, including, without limitation, the water, soil and geology;

(ii) the income to be derived from the Property, if any;

(iii) the suitability of the Property for any and all purposes, activities and uses which the Purchaser may desire to conduct thereon;

(iv) the compliance of or by the Property or its operation with any Applicable Law (including Environmental Laws);

(v) the habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Property;

(vi) the validity or enforceability of the Assumed Contracts or the ability to assign any Unassignable Contracts;

(vii) any regulatory approvals, permits and licenses, consents or authorizations that may be needed to complete the purchase of the Property contemplated by this Agreement;

(viii) the manner or quality of the construction or materials, if any, incorporated into the Property;

(ix) the manner, quality, state of repair or lack of repair of the Property;

(x) the existence of any view from the Property or that any existing view will not be obstructed in the future;

(xi) the conformity of any plans or specifications for the Property that may be provided to the Purchaser;

(xii) the conformity of the Property to applicable zoning by-law or building code requirements and whether the Property complies with any existing land use or zoning by-laws or regulations, or municipal development agreements or plans;

(xiii) the existence of soil instability, past soil repairs, susceptibility to landslides, sufficiency of under-shoring, sufficiency of drainage, or any other matter affecting the stability or integrity of the Property or any buildings or improvements situated thereon;

(xiv) whether the Property is located in a seismic hazards zone or a flood hazard zone;

(xv) the presence of termites or other pests and any damage to the Property and/or its improvements that may have occurred as a result;

(xvi) the condition of any improvements included in this Agreement;

(xvii) the size and dimensions of the Property, including the aggregate net developable acres;

(xviii) the nature and quantum of the Assumed Liabilities; and

(xix) any other matter with respect to the Property.

(b) The Purchaser acknowledges that the release and disclaimer described in this Article 7 is intended to be very broad and the Purchaser expressly waives and relinquishes any rights or benefits it may have under any Applicable Law designed to invalidate releases of unknown or unsuspected claims.

(c) Except for its express rights under this Agreement, the Purchaser hereby waives all rights and remedies (whether now existing or hereinafter arising and including all common law, tort, contractual and statutory rights and remedies) against the Vendor, its Affiliates and their respective Representatives in respect of the Property and any representations or statements made or information or data furnished to the Purchaser or its Representatives in connection herewith (whether made or furnished orally or by electronic, faxed, written or other means). Such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, implied warranties, any warranties contained in the *Sale of Goods Act* (Alberta) (or similar applicable statutes, all as may be amended, repealed or replaced), warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects, whether or not discoverable or latent, product liability claims, or similar claims, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights.

ARTICLE 8
RISK, INSURANCE AND EXPROPRIATION

8.1 Risk

(a) The Property will be at the sole risk and responsibility of the Vendor until the Closing Date, and thereafter at the sole risk and responsibility of the Purchaser;

(b) If, prior to Closing, damage or destruction of the Property or any part thereof occurs, then the Vendor shall deliver a notice (the "**Notice of Loss**") to the Purchaser specifying the nature and extent of the damage or destruction and:

(i) if the cost of repair or restoration of the damage or destruction, as determined by an independent, arm's length architect, engineer or other qualified expert retained by the Vendor, will exceed an amount that is equal to ten percent (10%) of the Purchase Price ("**Substantial Damage or Destruction**"), then the Purchaser and the Vendor shall adjust the Purchase Price by an amount which is equal to the amount of the damage or destruction, as determined herein, and the Closing shall occur; and

(ii) the Vendor shall assign to the Purchaser on Closing the proceeds of any insurance taken out by or on behalf of the Vendor in respect of such damage or destruction to pay for the costs of repairing such damage or destruction (except for that portion of the insurance proceeds, if any, required to reimburse the Vendor for repair or restoration work the Vendor has done prior to Closing with respect to such damage or destruction, which shall be retained by the Vendor). The Vendor agrees to take all actions and steps that may be required to permit the Purchaser to receive the insurance proceeds which are to be paid to the Purchaser pursuant to this Section 0.

If the damage or destruction occurs at such time that there is insufficient time for an independent, arm's length architect, engineer or other qualified expert retained by the Vendor to make a determination on the amount of any damage or destruction pursuant to Section 8.1(b)(i), the Closing Date shall be extended to a date that is ten (10) Business Days after the earlier of the date such determination as to amount is made, , or if such date is not a Business Day, then the next Business Day thereafter. This Section 0 shall survive Closing.

8.2 Insurance

Any property, liability and other insurance maintained by the Vendor shall not be transferred at Closing and shall remain the responsibility of the Vendor until the Closing Date. The Purchaser shall be responsible for placing its own property, liability and other insurance coverage with respect to the Property in respect of the period from and after 12:01 a.m. on the Closing Date.

8.3 Expropriation

If before the Closing Date:

(a) all or substantially all of the Property is expropriated or seized by any Governmental Authority or any other Person in accordance with Applicable Law or if notice of any such expropriation or seizure shall have been given in accordance with Applicable Law, the Purchaser, in its discretion, acting reasonably, shall have the option, exercisable by notice to the Vendor given prior to the Closing Date to either: (i) complete the Transaction; or (ii) terminate this Agreement as provided in Section 14.1(b); or

(b) if less than all or substantially all of the Property is expropriated or seized by any Governmental Authority or any other Person in accordance with Applicable Law or if notice of any such expropriation or seizure shall have been given in accordance with Applicable Law, the Purchaser shall be required to complete the Transaction, without any reduction or adjustment to the Purchase Price; *provided, however*, that any monetary compensation received by the Vendor in connection with an expropriation or seizure described in this Section 8.3 shall be received by the Vendor in trust for, and paid to the Purchaser.

ARTICLE 9
INDEMNIFICATION

9.1 Indemnification Given by Purchaser

If Closing occurs, the Purchaser shall:

(a) be liable to the Vendor, its Affiliates and their respective Representatives for; and

(b) as a separate covenant, indemnify and save harmless the Vendor, its Affiliates and their respective Representatives from and against,

all Losses and Liabilities suffered, sustained, paid or incurred by the Vendor, its Affiliates or their respective Representatives related to or in connection with the Property and the Assumed Liabilities, arising or accruing, on or after the Closing Date; including: (i) all Losses and Liabilities attributable to the ownership, operation, use, construction or maintenance of the Property following the Closing Date; and (ii) any other Losses and Liabilities for which the Purchaser has agreed to indemnify the Vendor pursuant to this Agreement. The Purchaser's indemnity obligations set forth in this Section 9.1 shall survive the Closing Date indefinitely pursuant to Section 15.3.

9.2 Third Party Claims

(a) If the Vendor receives written notice of the commencement or assertion of any Third Party Claim, following Closing, for which the Purchaser is liable (or has otherwise agreed to indemnify the Vendor, its Affiliates or their respective Representatives against) pursuant to this Agreement, the Vendor shall give the Purchaser reasonably prompt notice thereof, but in any event no later than ten (10) days after receipt of such notice of such Third Party Claim. Such notice to the Purchaser shall describe the Third Party Claim in reasonable detail and shall indicate, if reasonably practicable, the estimated amount (or the method of computation of the amount) of the Losses and Liabilities that has been or may be sustained by the Vendor, and a reference to the provisions of this Agreement upon which such claim is based.

(b) The Purchaser may participate in the defence of any Third Party Claim by giving notice to that effect to the Vendor not later than ten (10) days after receiving notice of that Third Party Claim (the "**Notice Period**") so long as: (i) the Purchaser first acknowledges to the Vendor, in writing, liability to the Vendor under this Agreement with respect to such Third Party Claim and that the outcome of such Third Party Claim does not alter or diminish the Purchaser's obligation to indemnify the Vendor pursuant to this Agreement, subject to the Purchaser's right to contest in good faith the Third Party Claim; (ii) the Purchaser has the financial resources to defend against the Third Party Claim and fulfill any indemnification obligations and has provided the Vendor with evidence thereof; (iii) the Third Party Claim involves monetary damages; and (iv) the Purchaser participates in the defence of the Third Party Claim actively and diligently. The Purchaser's right to do so shall be subject to the rights of any insurer or other third party who has potential liability in respect of that Third Party Claim. The Purchaser shall pay all of its own expenses of participating in or assuming such defence. In the event that the Purchaser elects to participate in the defence of a Third Party Claim pursuant to this Section 9.2(b), then the Vendor shall cooperate in good faith in the defence of each Third Party Claim and may participate in such defence assisted by counsel of its own choice at its own expense.

(c) If the Vendor has not received notice within the Notice Period that the Purchaser has elected to participate in the defence of such Third Party Claim in accordance with Section 9.2(b), or if the Purchaser has given such notice but thereafter fails or is unable to participate in the defence of such Third Party Claim actively and diligently, the Vendor may, at its option, elect to settle or compromise the Third Party Claim on terms of its choosing, or assume such defence assisted by counsel of its own choosing, and the Purchaser shall be liable for all reasonable costs and expenses paid or incurred in connection therewith and any Losses and Liabilities suffered or incurred by the Vendor with respect to such Third Party Claim.

9.3 Failure to Give Timely Notice

Notwithstanding that time is of the essence, a failure to give timely notice as provided in this Article 9 shall not affect the rights or obligations of any Party except and only to the extent that, as a result of such failure, any Party which was entitled to receive such notice was deprived of its right to recover any payment under any applicable insurance coverage or was otherwise prejudiced as a result of such failure.

9.4 No Merger

There shall not be any merger of any liability or indemnity hereunder in any assignment, conveyance, transfer or document delivered pursuant hereto notwithstanding any rule of law, equity or statute to the contrary and all such rules are hereby waived.

ARTICLE 10
ENVIRONMENTAL MATTERS

10.1 Defined Terms

For the purpose of this Agreement:

(a) "**Assumed Environmental Liabilities**" means all Environmental Liabilities arising or accruing before, on or after the Closing Date and related to or in connection with the Property;

(b) "**Environmental Laws**" means all statutes, regulations, ordinances, by-laws, and codes, now or hereafter in existence in Canada (whether federal, provincial or municipal) relating to the protection and preservation of the environment, occupational health and safety, transportation of dangerous goods or hazardous substances, including, without limitation, the *Environmental Protection and Enhancement Act* (Alberta), as amended, replaced, or restated from time to time;

(c) "**Environmental Liabilities**" means all claims, Losses and Liabilities, damages or expenses (whether accrued, actual, contingent, latent or otherwise), whenever arising, which relate to the Property, or arise from or in connection with past, present or future operations in respect thereof or which relate to or are associated with the environment, including, without limitation, Losses and Liabilities related to or arising from:

(i) the non-compliance with, the breach of or any liability under the applicable Environmental Laws;

(ii) presence, transportation, storage, use or disposal of toxic or hazardous substances;

(iii) release, spill, escape, emission, leak, discharge, migration or dispersal of toxic or hazardous substances;

(iv) removal, assessment, monitoring, sampling, response, abatement, clean-up, investigation, reporting of pollution or contamination of, or damage or other adverse effects to the environment; and

(v) Remediation and Reclamation Obligations;

including, without limitation, liabilities to compensate Third Parties for damages and Losses and Liabilities resulting from the items described in items (i) through (v) above and, for purposes of this Agreement, "the environment" includes, without limitation, the air, the surface and subsurface of the earth, bodies of water (including, without limitation, rivers, streams, lakes, aquifers, groundwater) and plant and animal life (including humans); and

(d) "**Remediation and Reclamation Obligations**" means all obligations to dismantle, decommission, abandon, remediate, restore and reclaim the surface or subsurface of lands associated with the Property, all as may be required in accordance with all applicable Environmental Laws.

10.2 Assumption of Environmental Liabilities

The Purchaser acknowledges that insofar as the environmental condition of the Property is concerned, and without limiting the generality of Section 7.2, it will acquire the Property on an "as is, where is" and "without recourse" basis. The Purchaser acknowledges that it has had the opportunity to inspect and assess the environmental condition of the Property and that it is not relying upon any representation or warranty of the Vendor, its Affiliates or their respective Representatives as to the environmental condition of the Property, Environmental Liabilities or Remediation and Reclamation Obligations. The Purchaser further agrees that, it shall be solely liable and responsible for any and all Losses and Liabilities which the Vendor, its Affiliates or their respective Representatives may suffer, sustain, pay or incur, as a result of any matter or thing arising out of, resulting from, attributable to or connected with any Assumed Environmental Liabilities. Once Closing has occurred and without limiting the foregoing, the Purchaser shall be solely responsible for all Assumed Environmental Liabilities, hereby releases the Vendor from any claims the Purchaser may have against the Vendor with respect to all such Assumed Environmental Liabilities, and acknowledges its indemnification obligations described in Article 9. The Purchaser and the Vendor acknowledge and agree that the Environmental Liabilities are future costs and obligations associated with ownership of the Property that are tied and connected to the ownership of the Property such that they are embedded with the Property. The Purchaser acknowledges and agrees that these covenants shall survive Closing.

ARTICLE 11
COVENANTS

11.1 Court Approval

(a) The Vendor shall prepare all materials, and shall as soon as reasonably practicable after execution of this Agreement: (i) bring an application for the issuance of the Approval and Vesting Order in the Court; and (ii) serve such parties as the Court and the Purchaser, acting reasonably, may require for applications and motions seeking the entry of the Approval and Vesting Order. The Purchaser, at its own expense, shall promptly provide to the Vendor all such information and assistance within the Purchaser's power as the Vendor may reasonably request to obtain the Approval and Vesting Order, including such information as may be required to reasonably evaluate the Purchaser's financial ability to perform its obligations hereunder. The application for the Approval and Vesting Order may be adjourned or rescheduled by the Vendor or their Representatives upon notice to the Purchaser.

(b) In the event an appeal is taken, or a stay pending appeal is requested, from the Court Orders, the Vendor shall promptly notify the Purchaser of such appeal or stay request and shall provide to the Purchaser a copy of the related notice of appeal or order of stay. The Vendor shall also provide the Purchaser with written notice of any motion or application filed in connection with any appeal from either of such orders.

(c) From and after the date of execution of this Agreement and prior to the Closing or the termination of this Agreement in accordance with Section 14.1, the Vendor shall not take any action that is intended to (or is reasonably likely to), or fail to take any action the intent (or the reasonably likely result) of which failure to act is to, result in the reversal, voiding, modification or staying of the Approval and Vesting Order, or this Agreement.

11.2 Court Filings

(a) From and after the date of execution of this Agreement and until the Closing Date, the Vendor shall use commercially reasonable efforts to deliver to the Purchaser copies of all pleadings, motions, notices, statements, schedules, applications, reports and other papers that relate, in whole or in part, to this Agreement, or to the Purchaser or its Representatives, that are to be filed by the Vendor in connection with the Court Approval in advance of their filing, before the filing of such papers, and shall provide the Purchaser with a reasonable opportunity to review and comment thereon.

(b) The Vendor shall act reasonably and in good faith in considering any comments provided by the Purchaser to such papers; *provided, however* that, subject in each case to the foregoing good faith obligations of the Vendor, the Vendor shall have no obligation to accept and incorporate the Purchaser's comments to such papers and neither the Vendor's inadvertent failure to comply with this Section 11.2, nor the Vendor's failure to comply with this Section 11.2 due to emergency circumstances, shall constitute a breach under this Agreement.

11.3 Conduct of Business Until Closing

(a) Except: (A) as expressly provided in this Agreement; (B) with the prior written consent of the Purchaser (not to be unreasonably withheld, conditioned or delayed); (C) as necessary or advisable in connection with the Receivership Proceedings; or (D) as otherwise provided in the Court Orders or any other order of the Court in connection with the Receivership Proceedings; following the date hereof and prior to Closing, to the extent reasonably practicable having regard to the Receivership Proceedings, the Vendor shall use commercially reasonable efforts to:

(i) operate and maintain the Property, or cause the Property to be operated and maintained, in accordance with good operating practice;

(ii) other than Permitted Encumbrances, not convey, encumber or otherwise dispose of any part of the Property, except in the ordinary course of normal day-to-day operations of the Property, consistent with good operating practice;

(iii) not enter into any new agreements or amend any existing agreements relating to the Property, consent to any application for zoning, rezoning, subdivision, development or re-development of the Property, or consent to any other activity or agreement which would result in any interest being registered on the title to the Lands; or

(iv) not authorize or agree, in writing or otherwise, to take any of the actions in respect of the foregoing.

(b) Until the Closing Date, the Vendor shall provide the Purchaser with all access to the Property as reasonably required by the Purchaser in order to allow for and assist the Purchaser with an orderly passing of the Property to the Purchaser following Closing in accordance herewith.

(c) The access to the Property to be afforded to the Purchaser and its Representatives pursuant to this Section 11.3 will be subject to the Assumed Contracts and all of the Vendor's health, safety and environmental rules, policies and procedures. Further, the Purchaser acknowledges and agrees that it shall:

(i) be solely liable and responsible for any and all Losses and Liabilities which the Vendor or its Representatives may suffer, sustain, pay or incur; and

(ii) as a separate covenant, indemnify and save harmless the Vendor and its Representatives harmless from any and all Claims or Losses and Liabilities whatsoever which may be brought against, suffered by or incurred by the Vendor or its Representatives;

arising out of, resulting from, attributable to or in any way connected with any access provided to the Purchaser or its Representatives pursuant to this Section 11.3.

(d) In the event that the Vendor becomes aware or receives written notice of a Claim with respect to the Property or seeking to prevent the consummation of the Transaction, the Vendor shall promptly notify the Purchaser of such Claim and shall provide to the Purchaser the details thereof.

11.4 Leases

The Purchaser acknowledges that it is purchasing the Property subject to any lease arrangement(s) entered into by the Vendor with respect to the Property (herein referred to as the "**Lease(s)**"), each of which shall be described as a Permitted Encumbrance in Schedule 1.1(mm), and which shall constitute an Assumed Contract, and in accordance with such acknowledgement, the Purchaser agrees that it is purchasing the Lands subject to the rights of any tenant as set out in any such Lease.

From and after the date of this Agreement, the Vendor shall not enter into new Leases or renew or extend the term of existing Leases, or to amend, terminate or accept the surrender of any Leases, in each case without the prior approval of the Purchaser, which approval may be unreasonably or arbitrarily withheld.

11.5 Possession

The Purchaser will have possession of the Property on the Closing Date, free from all Encumbrances, except for the Permitted Encumbrances. The Vendor shall deliver to the Purchaser on the Closing Date any keys, combinations, codes and other similar such items and information relating to the Property, if any.

11.6 Title Insurance

The Purchaser shall obtain title insurance coverage with a reputable title insurance provider in order to allow for the unconditional release of the Purchase Price on the Closing Date, notwithstanding that the Approval and Vesting Order may not be registered against title to the Lands as at such date. The Vendor shall use commercially reasonable efforts to assist the Purchaser in obtaining such title insurance coverage. The cost of obtaining any title insurance in connection with the purchase of the Property shall be at the sole cost of the Purchaser.

11.7 Tenant Estoppels

The Vendor shall use commercially reasonable efforts to have all the tenants under the Leases complete and execute estoppel certificates on or before the Closing Date and to promptly deliver each executed Estoppel Certificate to the Purchaser.

ARTICLE 12
CONDITIONS

12.1 Mutual Conditions

The respective obligations of the Parties to complete the purchase and sale of the Property are subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

(a) the Court shall have granted the Approval and Vesting Order;

(b) no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable order or Applicable Law which has the effect of: (i) making any of the transactions contemplated by this Agreement illegal; or (ii) otherwise prohibiting, preventing or restraining the Vendor from the sale of the Property; and

(c) the Closing is not otherwise prohibited by Applicable Law.

The foregoing conditions are for the mutual benefit of the Vendor and the Purchaser and may be asserted by the Vendor or the Purchaser regardless of the circumstances and may be waived only with the agreement of both the Vendor and the Purchaser.

12.2 Conditions for the Benefit of the Purchaser

The obligation of the Purchaser to complete the purchase of the Property is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

(a) all representations and warranties of the Vendor contained in Section 6.1 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time;

(b) the Vendor shall have complied with and performed, in all material respects, all of its covenants and obligations contained in this Agreement; and

(c) the Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at or before the Closing all the documents contemplated in Section 13.2.

The foregoing conditions are for the exclusive benefit of the Purchaser and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Purchaser may have.

12.3 Conditions for the Benefit of the Vendor

The obligation of the Vendor to complete the sale of the Property is subject to the following conditions being fulfilled or performed as at or prior to the Closing Date:

(a) all representations and warranties of the Purchaser contained in Section 6.2 of this Agreement shall be true and correct in all material respects as at the Closing Date with the same force and effect as if made at and as of such time;

(b) the Purchaser shall have complied with and performed in all material respects all of its covenants and obligations contained in this Agreement;

(c) the Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at or before the Closing all the documents contemplated in Section 13.3; and

(d) the Vendor has not lost its ability to convey the Property due to the appointment of a receiver or a receiver-manager, an order of the Court or otherwise pursuant to the Receivership Proceedings, provided such order or other action pursuant to the Receivership Proceedings is not at the voluntary initiative of the Vendor.

The foregoing conditions are for the exclusive benefit of the Vendor and may be waived by it in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which the Vendor may have.

12.4 Satisfaction of Conditions

Each of the Parties shall proceed diligently and in good faith and use all commercially reasonable efforts to fulfill and assist in the fulfillment of the conditions set forth in Sections 12.1, 12.2 and 12.3. In addition, each of the Parties agrees not to take any action that could reasonably be expected to preclude, delay or have an adverse effect on this Transaction or would render, or may reasonably be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect.

ARTICLE 13
CLOSING

13.1 Closing Date and Place of Closing

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Closing Date, or at such other time as the Parties may agree in writing.

13.2 Deliveries on Closing by the Vendor

The Vendor shall deliver (or cause to be delivered) to the Purchaser's Solicitor on or before the Closing Date:

(a) a Court certified copy of the Approval and Vesting Order;

(b) the Assignment and Assumption Agreement duly executed by the Vendor;

(c) all documents listed in Section 13.3 which contemplate execution by the Vendor;

(d) the executed Estoppel Certificates received from tenants of the Property; and

(e) any other documents, resolutions and certificates as is referred to in this Agreement or as the Purchaser may reasonably require to give effect to this Agreement.

13.3 Deliveries on Closing by the Purchaser

The Purchaser shall deliver (or cause to be delivered) to the Vendor's Solicitor on or before the Closing Date:

(a) the Closing Cash Payment in accordance with Section 3.3(b);

(b) payment of all Transfer Taxes payable on Closing to the Vendor (or evidence of self-assessment and payment by the Purchaser thereof to the relevant Governmental Authorities);

(c) the certificate of the Purchaser and the GST undertaking and indemnity referred to in Section 5.2;

(d) the Assignment and Assumption Agreement duly executed by the Purchaser;

(e) all documents listed in Section 13.2 which contemplate execution by the Purchaser;

(f) a copy of the Commitment to Title Insurance obtained by the Purchaser; and

(g) any other documents, resolutions and certificates as is referred to in this Agreement or as the Vendor may reasonably require to give effect to this Agreement.

ARTICLE 14
TERMINATION

14.1 Grounds for Termination

This Agreement may be terminated at any time prior to Closing:

(a) by the mutual written agreement of the Vendor and the Purchaser, provided however that if this Agreement has been approved by the Court, any such termination shall require either the consent of the Vendor, or approval of the Court;

(b) by written notice from the Purchaser to the Vendor in accordance with Section 8.3(a);

(c) by the Purchaser, upon written notice to the Vendor, if there has been a material breach by the Vendor of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Purchaser, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 12.2 impossible by the Outside Date; or (ii) if such breach is curable, the Purchaser has provided prior written notice of such breach to the Vendor, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Vendor received such notice;

(d) by the Purchaser, upon written notice to the Vendor, any time after the Outside Date, if the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the Purchaser's breach of this Agreement;

(e) by the Vendor, upon written notice to the Purchaser, if there has been a material breach by the Purchaser of any material representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Vendor, and: (i) such breach is not curable and has rendered the satisfaction of any condition in Section 12.3 impossible by the Outside Date; or (ii) if such breach is curable, the Vendor has provided prior written notice of such breach to the Purchaser, and such breach has not been cured within ten (10) days (or, if not curable within ten (10) days, such longer period as is reasonable under the circumstances, not to exceed thirty (30) days) following the date upon which the Purchaser received such notice; or

(f) by the Vendor, upon written notice to the Purchaser, any time after the Outside Date, if the Closing has not occurred by the Outside Date and such failure to close was not caused by or as a result of the Vendor's breach of this Agreement.

14.2 Effect of Termination

Notwithstanding any termination of this Agreement by the Vendor or the Purchaser as permitted under Section 14.1, the provisions of Sections 3.2 (Deposit), 15.1 (Public Announcements), 15.4 (Governing Law), 15.5 (Consequential Damages), 15.11 (Costs and Expenses) and 15.15 (Third Party Beneficiaries) shall remain in full force and effect following any such permitted termination, and the Deposit shall be governed by Section 3.2.

ARTICLE 15
GENERAL

15.1 Public Announcements

(a) Subject to Section 15.1(b), if a Party intends to issue a press release or other public disclosure of this Agreement, the terms hereof or the Transaction, the disclosing Party shall provide the other Parties with an advance copy of any such press release or public disclosure with sufficient time to enable the other Parties to review such press release or other public disclosure and provide any comments. The disclosing Party shall not issue such press release or other public disclosure without the prior written consent of the other Parties, such consent not to be unreasonably withheld.

(b) Notwithstanding Section 15.1(a): (i) this Agreement may be filed by the Vendor with the Court; and (ii) the Transaction may be disclosed by the Vendor to the Court, subject to redacting confidential or sensitive information as permitted by Applicable Law. The Parties further agree that:

(i) the Vendor may prepare and file reports and other documents with the Court containing references to the Transaction and the terms of such Transaction; and

(ii) the Vendor and its professional advisors may prepare and file such reports and other documents with the Court containing references to the Transaction contemplated by this Agreement and the terms of such Transaction as may reasonably be necessary to obtain the Court Approvals and to complete the Transaction contemplated by this Agreement or to comply with their obligations to the Court.

15.2 Dissolution of Vendor

Subject to the Vendor's obligations in Section 2.3, the Purchaser acknowledges and agrees that nothing in this Agreement shall operate to prohibit or diminish in any way the right of the Vendor or any of its Affiliates to dissolve, wind-up or otherwise cease operations in any manner or at any time subsequent to the Closing Date as they may determine in their sole discretion, which may be exercised without regard to the impact any such action may have on the Vendor's ability to fulfil its obligations under this Agreement that survive Closing

15.3 Survival

Upon Closing, the obligations, covenants, representations and warranties of the Parties set out in this Agreement shall expire, be terminated and extinguished and of no further force or effect, provided that notwithstanding the Closing contemplated hereunder or the delivery of documents pursuant to this Agreement, the obligations and covenants of the Parties set out in Sections 2.3 (Assignment of Assumed Contracts and Third Party Consents), 6.3 (Enforcement of Representations and Warranties), 11.4 (Leases) and 11.5 (Possession), and Article 5 (Transfer Taxes), Article 7 ("As Is, Where Is" and No Additional Representations and Warranties), Article 9 (Indemnification), Article 10 (Environmental Matters) and Article 15 (General), shall survive Closing, shall remain in full force and effect, shall not merge as a result of Closing and shall be binding on the Parties indefinitely thereafter except as expressly stated to the contrary therein.

15.4 Governing Law

(a) This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (excluding any conflict of law rule or principle of such laws that might refer such interpretation or enforcement to the laws of another jurisdiction). The Parties attorn to the jurisdiction of the Court of Queen's Bench of Alberta, Judicial Centre of Calgary for the resolution of any such dispute arising under this Agreement.

(b) Each Party agrees that service of process on such Party as provided in Section 15.13 shall be deemed effective service of process on such Party.

15.5 Consequential Damages

Under no circumstance shall any of the Parties, their Representatives or their respective directors, officers, employees or agents be liable for any punitive, exemplary, consequential or indirect damages (including for greater certainty, any loss of profits) (collectively, "**Consequential Damages**") that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction, other than Consequential Damages for which the Vendor is liable as a result of a Third Party Claim (which liability of the Vendor shall be subject to and recoverable under Article 9 (Indemnification)).

15.6 Further Assurances

Each of the Parties hereto from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the Transaction and for more effectually carrying out the true intent and meaning of this Agreement.

15.7 Assignment

The Purchaser shall not, without the Vendor's prior written consent, assign any right or interest in this Agreement, which consent may be withheld in the Vendor's sole and absolute discretion, except that the Purchaser shall have the right to assign any or all of its rights, interests or obligations hereunder to one or more Affiliates of the Purchaser, provided that: (a) such Affiliate agrees to be bound by the terms of this Agreement; (b) the Purchaser shall remain liable hereunder for any breach of the terms of this Agreement by such Affiliate; (c) such assignment shall not release the Purchaser from any obligation or liability hereunder in favour of the Vendor; and (d) the Purchaser shall acknowledge and confirm its continuing obligations in favour of the Vendor in an assignment and assumption agreement in form and substance satisfactory to the Vendor.

15.8 Waiver

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver by any Party of any breach (whether actual or anticipated) of any of the terms, conditions, representations or warranties contained herein shall take effect or be binding upon that Party unless the waiver is expressed in writing under the authority of that Party. Any waiver so given shall extend only to the particular breach so waived and shall not limit or affect any rights with respect to any other or future breach.

15.9 Amendment

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party.

15.10 Time of the Essence

Time is of the essence in this Agreement.

15.11 Costs and Expenses

Unless otherwise provided for in this Agreement, each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisors) incurred by it in connection with this Agreement and the Transaction.

Notwithstanding any other provision of this Agreement, the Purchaser shall pay the cost of all surveys, title insurance policies and title reports ordered by the Purchaser.

15.12 Entire Agreement

This Agreement and the Confidentiality Agreement (the terms and conditions of which are incorporated by reference into this Agreement) constitute the entire agreement between the Parties with respect to the subject matter hereof and cancel and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, between the Parties with respect to the subject matter hereof. There are no conditions, covenants, agreements, representations, warranties or other provisions, whether oral or written, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof other than those contained in this Agreement or in the Confidentiality Agreement.

15.13 Notices

Any notice, direction or other communication given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or electronic mail and addressed:

(a) in the case of the Vendor:

Ernst & Young Inc., in its capacity as receiver of Willow Park Limited Partnership, and not in its personal or corporate capacity
2200, 215 – 2nd Street SW
Calgary, AB T2P 1M4

Attention: Peter Chisholm / Dylan Holwell
Email: peter.chisholm@ca.ey.com / dylan.holwell@ca.ey.com

With a copy to the Vendor's Solicitors:

MLT Aikins LLP
2100 – 222 3rd Ave SW
Calgary, Alberta T2P 0B4

Attention: Ryan Zahara
Email: rzahara@mltaikins.com

(b) In the case of the Purchaser:

Suite 300 – 960 Quayside Drive
New Westminster, British Columbia V3M 6G2

Attention: Drew Keddy, Saman Beheshti and Peter Chung
Email: drew.keddy@schejrealty.com, saman.beheshti@schejrealty.com, and chairman@primacorpventures.com

With a copy to the Purchaser's Solicitors:

Blake, Cassels & Graydon LLP
Suite 3500, 855 – 2nd Street SW

Calgary, Alberta T2P 4J8

Attention: Jay Geers
Email: jay.geers@blaks.com

A notice is deemed to be given and received if: (i) sent by personal delivery or courier, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day; or (ii) email, on the date of transmission if it is a Business Day and the transmission was made prior to 4:00 p.m. (local time in place of receipt), and otherwise on the next Business Day. A Party may change its address for service from time to time by providing a notice in accordance with the foregoing. Any subsequent notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a notice will be assumed not to be changed. Sending a copy of a notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the notice to that Party. The failure to send a copy of a notice to legal counsel does not invalidate delivery of that notice to a Party.

15.14 Enurement

This Agreement shall be binding upon, and enure to the benefit of, the Parties and their respective successors and permitted assigns.

15.15 Third Party Beneficiaries

Except as otherwise provided for in Article 9 (Indemnification), each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties and their successors and permitted assigns, and, except for the Representatives indemnified by the Purchaser pursuant to Article 9 (Indemnification), no Person, other than the Parties and their successors and permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum. Despite the foregoing, the Purchaser acknowledges to each of the Vendor's Representatives its direct rights against them under Article 9 (Indemnification) of this Agreement. To the extent required by Applicable Law to give full effect to these direct rights, the Purchaser agrees and acknowledges that the Vendor is acting as agent and/or as trustee of its Representatives.

15.16 Severability

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision validity or enforceability in any other jurisdiction.

15.17 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other electronic means of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

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IN WITNESS WHEREOF this Agreement has been properly executed by the Parties as of the date first above written.

WILLOW PARK LIMITED PARTNERSHIP, by and through its Court-appointed receiver and manager, Ernst & Young Inc., not acting in its personal or corporate capacity

Per: ______________________________
Name: Peter Chisholm
Title: Partner

Per: ______________________________
Name:
Title:

0884595 BC LTD. (DBA SCHEJ REALTY)

Per: ______________________________
Name: Peter Chung
Title: CEO Primacorp Ventures

Per: ______________________________
Name:
Title:

SCHEDULE 1.1(d)

Form of Approval and Vesting Order

COURT FILE NUMBER		Clerk's Stamp
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE		
PLAINTIFF		
DEFENDANT		
DOCUMENT	**APPROVAL AND VESTING ORDER** **(Sale by Receiver)**	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT		

DATE ON WHICH ORDER WAS PRONOUNCED: ______________________________

LOCATION WHERE ORDER WAS PRONOUNCED: ______________________________

NAME OF JUSTICE WHO MADE THIS ORDER: ______________________________

UPON THE APPLICATION by **[Receiver's Name]** in its capacity as the Court-appointed **[receiver/receiver and manager]** (the "Receiver") of the undertakings, property and assets of **[Debtor]** (the "Debtor") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Receiver and **[Name of Purchaser]** (the "Purchaser") dated **[Date]** and appended to the ___ Report of the Receiver dated **[Date]** (the "Report"), and vesting in the Purchaser (or its nominee)[1] the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets");

AND UPON HAVING READ the Receivership Order dated **[Date]** (the "Receivership Order"), the Report and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Receiver, the Purchaser **[Names of other parties appearing]**, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.[2]

APPROVAL OF TRANSACTION

2. The Transaction is hereby approved[3] and execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser (or its nominee).

VESTING OF PROPERTY

3. [Subject only to approval by the Alberta Energy Regulator ("Energy Regulator") of transfer of any applicable licenses, permits and approvals pursuant to section 24 of the *Oil and Gas Conservation Act* (Alberta) and section 18 of the *Pipeline Act* (Alberta)][4] upon delivery of a Receiver's certificate to the Purchaser (or its nominee) substantially in the form set out in **Schedule "A"** hereto (the "Receiver's Closing Certificate"), all of the Debtor's right, title and interest in and to the Purchased

[1] Ensure that there are no legal obstacles to the vesting of assets in a nominee (for example competition and anti-trust law). Should land be transferred and vested in a nominee, the Registrar of Land Titles requires the Purchaser to complete a Certificate of Nomination (which needs to be signed under seal if the Purchaser is a corporation. If the Purchaser is an individual, the signature needs to be witnessed with an affidavit of execution completed.)
[2] Ensure that the application and supporting materials are served on all affected parties including those whose interests will be vested off.
[3] In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding. If supported by evidence, the following sentence could be added at the beginning of paragraph 2: "The Transaction and Sale Agreement are commercially reasonable and in the best interest of the Debtor and its stakeholders."
[4] This bracketed clause, paragraph 4(b) and the bracketed words at the end of paragraph 6 are included when the Purchased Assets include mineral interests in land.

Assets [listed in **Schedule "B"** [5] hereto] shall vest absolutely in the name of the Purchaser (or its nominee), free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "Claims")[6] including, without limiting the generality of the foregoing:

(a) any encumbrances or charges created by the Receivership Order;

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

(c) any liens or claims of lien under the *Builders' Lien Act* (Alberta); and

(d) those Claims listed in Schedule "C" hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, caveats, interests, easements, and restrictive covenants listed in Schedule "D" (collectively, "Permitted Encumbrances"))

and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets

4. Upon delivery of the Receiver's Closing Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "Governmental Authorities") are hereby authorized, requested and directed to accept delivery of such Receiver's Closing Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey

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[5] To allow this Order to be free-standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule B.

[6] The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims may, in some cases, continue as against the net proceeds from sale of the claimed assets. In other cases, the ownership claimant may object to its ownership interest being vested out of the claimed assets. For example, it not clear that vesting orders can vest out overriding royalties or restrictive covenants which are interests in land. (In *Third Eye Capital Corp.* v *Dianor Resources Inc.*, 2018 ONCA 253 at paragraphs 108-130 the Ont. C.A. requested further argument regarding whether an overriding royalty which is an interest in land may nevertheless be vested out.) Similarly, other claimed rights, titles or interests may potentially be vested out if the Court is advised what rights are being affected and the affected persons are served. The Committee agrees with the view of the Ontario Committee that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.

to the Purchaser or its nominee clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing:

(a)[7] the Registrar of Land Titles ("Land Titles Registrar") for the lands defined below shall and is hereby authorized, requested and directed to forthwith:

(i) cancel existing Certificates of Title No. * for those lands and premises municipally described as *, and legally described as:

*
(the "Lands")

(ii) issue a new Certificate of Title for the Lands in the name of the Purchaser (or its nominee), namely, *;

(iii) transfer to the New Certificate of Title the existing instruments listed in Schedule "D", to this Order, and to issue and register against the New Certificate of Title such new caveats, utility rights of ways, easements or other instruments as are listed in Schedule "D"; and

(iv) discharge and expunge the Encumbrances listed in Schedule "C" to this Order and discharge and expunge any Claims including Encumbrances (but excluding Permitted Encumbrances) which may be registered after the date of the Sale Agreement against the existing Certificate of Title to the Lands;

(b)[8] Alberta Energy ("Energy Ministry") shall and is hereby authorized, requested and directed to forthwith:

(v) cancel and discharge those Claims including builders' liens, security notices, assignments under section 426 (formerly section 177) of the *Bank Act* (Canada) and other Encumbrances (but excluding Permitted Encumbrances) registered (whether before or after the date of this Order) against the estate or interest of the Debtor in and to any of the Purchased Assets located in the Province of Alberta; and

[7] Paragraph 4(a) is included when the Purchased Assets include titled lands.
[8] Paragraph 4(b) is included when the Purchased Assets include mineral interests in land.

(vi) transfer all Crown leases listed in Schedule "E" to this Order standing in the name of the Debtor, to the Purchaser (or its nominee) free and clear of all Claims including Encumbrances but excluding Permitted Encumbrances;

(c) the Registrar of the Alberta Personal Property Registry (the "PPR Registrar") shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Debtor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.

5. In order to effect the transfers and discharges described above, this Court directs each of the Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Receiver's Closing Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.

6. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Receiver of the Sale Agreement, [other than any required approval by the Energy Regulator referenced in paragraph 3 above.][9]

7. Upon delivery of the Receiver's Closing Certificate together with a certified copy of this Order, this Order shall be immediately registered by the Land Titles Registrar notwithstanding the requirements of section 191(1) of the *Land Titles Act*, RSA 2000, c.L-7 and notwithstanding that the appeal period in respect of this Order has not elapsed. The Land Titles Registrar is hereby directed to accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity.

8. For the purposes of determining the nature and priority of Claims, net proceeds[10] from sale of the Purchased Assets (to be held in an interest bearing trust account by the Receiver) shall stand in the place and stead of the Purchased Assets from and after delivery of the Receiver's Closing Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall

[9] The bracketed words in this paragraph are included when the Purchased Assets include mineral interests in land.
[10] The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".

not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the net proceeds from sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale. Unless otherwise ordered (whether before or after the date of this Order), the Receiver shall not make any distributions to creditors of net proceeds from sale of the Purchased Assets without further order of this Court, provided however the Receiver may apply any part of such net proceeds to repay any amounts the Receiver has borrowed for which it has issued a Receiver's Certificate pursuant to the Receivership Order.

9. Except as expressly provided for in the Sale Agreement or by section 5 of the Alberta *Employment Standards Code*, the Purchaser (or its nominee) shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Debtor.[11]

10. Upon completion of the Transaction, the Debtor and all persons who claim by, through or under the Debtor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser (or its nominee).[12]

11. The Purchaser (or its nominee) shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Debtor, or any person claiming by, through or against the Debtor.

[11] Successor employer liability is governed by section 5 of the *Employment Standards Code*, RSA 2000 c. E-9 as amended. Inclusion of the words "or by statute" in paragraph 9 ensures that paragraph 9 does not purport to abrogate statutory successor employee liability.

[12] Not all sale agreements require, nor do the terms of the Debtor's possession of human resources and payroll information always permit, disclosure and transfer of such information to the Purchaser. If disclosure and transfer of such information to the Purchaser is not required or permitted, then Section 10 of this Order should be deleted.

12. Immediately upon closing of the Transaction, holders of Permitted Encumbrances shall have no claim whatsoever against the Receiver.[13]

13. The Receiver is directed to file with the Court a copy of the Receiver's Closing Certificate forthwith after delivery thereof to the Purchaser (or its nominee).

14. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada) and section 20(e) of the Alberta *Personal Information Protection Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser (or its nominee) all human resources and payroll information in the Debtor's records pertaining to the Debtor's past and current employees. The Purchaser (or its nominee) shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Debtor was entitled.

MISCELLANEOUS MATTERS

15. Notwithstanding:

(a) the pendency of these proceedings and any declaration of insolvency made herein;

(b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the "BIA"), in respect of the Debtor, and any bankruptcy order issued pursuant to any such applications;

(c) any assignment in bankruptcy made in respect of the Debtor; and

(d) the provisions of any federal or provincial statute:

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

[13] The terms of the Permitted Encumbrance and Sale Agreement should be reviewed to determine whether an encumbrance also constitutes a charge against other assets not being sold (in addition to the Purchased Assets.) In that circumstance, absent agreement of the encumbrancer to the contrary, the Debtor may not be fully discharged so the encumbrancer does not lose its charge over the other assets it holds as security. Do not add the words "or the Debtor" to the end of paragraph 12 if an encumbrancer's claim against the Debtor should be reserved.

16. The Receiver, the Purchaser (or its nominee) and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in closing the Transaction.

17. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Receiver, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

18. Service of this Order shall be deemed good and sufficient by:

(a) Serving the same on:

(i) the persons listed on the service list created in these proceedings;

(ii) any other person served with notice of the application for this Order;

(iii) any other parties attending or represented at the application for this Order;

(iv) the Purchaser or the Purchaser's solicitors; and

(b) Posting a copy of this Order on the Receiver's website at: *

and service on any other person is hereby dispensed with.

19. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

____

Justice of the Court of Queen's Bench of Alberta

Schedule "A"

Form of Receiver's Certificate

COURT FILE NUMBER		Clerk's Stamp
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE		
PLAINTIFF		
DEFENDANT		
DOCUMENT	**RECEIVER'S CERTIFICATE**	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT		

RECITALS

A. Pursuant to an Order of the Honourable Justice **[Name]** of the Court of Queen's Bench of Alberta, Judicial District of __________ (the "Court") dated **[Date of Order]**, **[Name of Receiver]** was appointed as the receiver (the "Receiver") of the undertakings, property and assets of **[Debtor]** (the "Debtor").

B. Pursuant to an Order of the Court dated **[Date]**, the Court approved the agreement of purchase and sale made as of **[Date of Agreement]** (the "Sale Agreement") between the Receiver and **[Name of Purchaser]** (the "Purchaser") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section * of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser (or its nominee) has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;

2. The conditions to Closing as set out in section * of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser (or its nominee); and

3. The Transaction has been completed to the satisfaction of the Receiver.

4. This Certificate was delivered by the Receiver at **[Time]** on **[Date]**.

[Name of Receiver], in its capacity as Receiver of the undertakings, property and assets of [Debtor], and not in its personal capacity.

Per;____________________________

Name:

Title:

SCHEDULE 1.1(e)

Form of Assignment and Assumption Agreement

(attached)

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT is dated as of the **[●]** day of **[●]**, 2020,

BETWEEN:

WILLOW PARK LIMITED PARTNERSHIP, by and through its Court-appointed receiver and manager, Ernst & Young Inc., not acting in its personal or corporate capacity

- and -

[PURCHASER], a **[●]** (the "**Purchaser**")

WHEREAS:

A. Pursuant to that certain agreement of purchase and sale dated as of **[●]**, 2020 between the Vendor and the Purchaser (the "**Purchase Agreement**"), the Vendor has agreed to sell to the Purchaser the Property, which Property includes the Assumed Contracts; and

B. The Vendor wishes to assign to the Purchaser all of Vendor's Interest in, to and under the Assumed Contracts, and the Purchaser wishes to assume, perform and discharge of all of the Assumed Liabilities under or in respect of the Assumed Contracts;

NOW THEREFORE in consideration of good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the Vendor), the Parties agree as follows:

1. All capitalized terms used herein which have not been defined herein shall have the same meanings attributed thereto in the Purchase Agreement unless the context requires otherwise.

2. The Vendor hereby absolutely assigns and transfers to the Purchaser, effective as of date hereof, all of the Vendors' Interest in and to, and all benefits of the Vendor under, each of the Assumed Contracts.

3. The Purchaser hereby accepts the foregoing assignments and covenants with the Vendor that it will, from and after the date hereof, assume, discharge, perform and fulfill all the obligations and liabilities of the Vendor under each of the Assumed Contracts arising from and after the date hereof, and the Purchaser hereby agrees to save the Vendor harmless from any loss, liability, claim, damage or expense suffered or incurred by the Vendor as a result of any failure by the Purchaser to discharge, perform or fulfill such assumed obligations and liabilities as and from the date hereof.

4. Nothing in this Assignment and Assumption Agreement shall be construed as an attempt to assign to the Purchaser any Assumed Contract which, as a matter of law or by its terms, is not assignable in whole or in part without the consent of the other Person (or Persons) that is a party thereto and in respect of which no such consent has been received or the requirement for such consent has not been terminated, disclaimed, waived or otherwise disposed of by the Court Approval.

5. This Assignment and Assumption Agreement is made pursuant to the Purchase Agreement and is not in derogation of any of the rights of the Vendor or the Purchaser under the Purchase Agreement. The terms of the Purchase Agreement shall not merge in this Assignment and Assumption

Agreement. In the event of any conflict or inconsistency between this Assignment and the Purchase Agreement, the Purchase Agreement shall govern and prevail.

6. Each of the Parties hereto from and after the date hereof shall, from time to time, and at the request and expense of the Party requesting the same, do all such further acts and things and execute and deliver such further instruments, documents, matters, papers and assurances as may be reasonably requested to complete the matters contemplated herein and for more effectually carrying out the true intent and meaning of this Assignment and Assumption Agreement.

7. This Assignment and Assumption Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns and shall not be assignable by any Party without the prior written consent of the other Party, which consent will not be unreasonably withheld, delayed or conditioned.

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

9. This Assignment and Assumption Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement. Transmission by facsimile or other electronic means of an executed counterpart of this Assignment and Assumption Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF this Assignment and Assumption Agreement has been properly executed by the Parties as of the date first above written.

WILLOW PARK LIMITED PARTNERSHIP, by and through its Court-appointed receiver and manager, Ernst & Young Inc., not acting in its personal or corporate capacity

Per: ______________________________

Name:

Title:

[PURCHASER]

Per: ______________________________

Name: Peter Chung

Title: CEO Primacorp Ventures

SCHEDULE 1.1(ff)

Lands

Municipal Address: 10325 Willow Park Centre, Bonaventure Dr SE, Calgary, AB T2J 7E4
Legal Description:

FIRST
PLAN 6946JK
THAT PORTION OF BLOCK 3 WHICH LIES TO THE EAST OF THE WESTERLY 200 FEET THROUGHOUT THE SAID BLOCK 3 CONTAINING 0.43 OF A HECTARES (1.06 ACRES) MORE OR LESS
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

ATS REFERENCE: 5;1;23;15;NW

SECOND
PLAN 6946JK
THAT PORTION OF BLOCK 4 WHICH LIES TO THE EAST OF THE WESTERLY 150 FEET THROUGHOUT THE SAID BLOCK 4 CONTAINING 0.53 OF A HECTARE (1.31 ACRES) MORE OR LESS
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

ATS REFERENCE: 5;1;23;15;NW
ESTATE: FEE SIMPLE

MUNICIPALITY: CITY OF CALGARY

REFERENCE NUMBER: 061 446 700

SCHEDULE 1.1(mm)

Permitted Encumbrances

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown, including, without limitation, the reservation of any mines and minerals in the Crown or in any other person and any implied conditions set out in s.61(1) of the *Land Titles Act* (Alberta) as amended, replaced or restated from time to time;

2. Encumbrances given as security to a public utility or any Governmental Authority when required in the ordinary course of business but only insofar as they relate to any obligations or amounts not due as at the Closing Date;

3. All rights reserved to or vested in any Governmental Authority pursuant to Applicable Law to control or regulate the Property in any manner, including any unregistered, undetermined or inchoate liens, levies or claims in favour of the Crown, any province or municipality or any Governmental Authority;

4. Rights of expropriation, access or use or any similar right conferred or reserved by or in any statute of Alberta or Canada;

5. Applicable municipal by-laws, development agreements, subdivision agreements, site plan agreements, servicing or industrial agreements, utility agreements, airport zoning regulations, cost sharing reciprocal agreements and building and other zoning restrictions and other similar agreements with Governmental Authorities or private or public utilities affecting the development or use of the Property;

6. Any easements, servitudes, rights-of-way, licenses, agreements, restrictions that run with the land and other Encumbrances (including easements, rights-of-way and agreements for railways, sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables) which do not materially impair the use, operation or marketability of the Property (based on the current use of the Property) affected thereby;

7. Encumbrances respecting minor encroachments by the Property over neighbouring lands and/or permitted under agreements with the owners of such other lands and minor encroachments over the Property by improvements of abutting land owners, provided the same do not materially adversely affect the use or marketability of the Property;

8. Any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under contracts of the Vendor so long as the payment or the performance of such other obligation or act is not delinquent and provided that such Encumbrances or privileges do not materially affect the use or the operation of the assets affected thereby;

9. Encumbrances which will be vested out or otherwise discharged at Closing pursuant to the Approval and Vesting Order;

10. Encumbrances permitted or created pursuant to the terms of this Agreement;

11. The following specific Leases:

0110A	**Abe's Barber and Tanning Ltd.**
0110B	**1197515 Alberta Ltd. o/a Hair Fusion**
100	**A-Win Insurance Ltd.**
104	**R. Naik Professional Corporation**
106	**Feilong International Ltd. o/a Calais Pr**
108	**Olive Health Wellness Inc.**
111	**From Debt to Life Inc. (Subleased: UpSwing Therapy Limited)**
112	**Just 4 Eyes Inc.**
113	**Vacant**
114	**Nulife Pharmacy**
120	**Manila Store (2012) Inc. o/a Manila Store**
126	**MJC Sarino Corporation**
200	**Her Majesty The Queen (Alberta Infrastructure)**
300	**Her Majesty The Queen (Alberta Infrastructure)**
400B	**National Forest Products Ltd.**
402	**Kevin P Weeks Professional Corporation o/a Weeks Law**
403	**Vacant**
405	**Integrated Development, Educational, et al. O/A IDEAS Inc.**
408	**Adams MacFarlane Chartered Accountants**
410	**Prospera Chartered Accountants**
414	**Canada Brokerlink**
415	**1955342 Alberta Ltd. o/a Mergen Law**
418	**Chi-Hsan Wu o/a Oliwei Spa**

MAIN	Wellington's Fine Restaurants Ltd.

12. The following specific instruments registered against the title(s) to the Property:

Encumbrances, Liens, and Interests

Registration Number	Description
953KT	Utility Right of Way granted to Enmax Power Corporation Affected Land: 6946JK;4
6482LA	Easement Affected Land: 6946JK;4
2732LE	Easement Affected Land: 6946JK;3
791 206 675	Caveat in favour of the City of Calgary
051 158 968	Caveat Re: Lease in favour of Wellington’s Fine Restaurants Ltd.
051 354 099	Caveat Re: Non-Disturbance Agreement, etc. in favour of Wellington’s Fine Restaurants Ltd.
071 380 224	Caveat Re: Lease Interest in favour of Kevin P. Weeks Professional Corporation
091 171 802	Caveat Re: Lease in favour of Her Majesty the Queen in right of Alberta as represented by Minister of Infrastructure
101 002 411	Caveat Re: Lease Interest in favour of Joel Pedron and Leonilyn Pedron
161 142 993	Caveat Re: Lease Interest in favour of R. Naik Professional Corporation
161 293 325	Caveat Re: Lease Interest in favour of 1955342 Alberta Ltd.
171 021 732	Caveat Re: Lease Interest in favour of Her Majesty the Queen in right of Alberta as represented by Minister of Infrastructure
191 153 099	Caveat Re: Lease Interest in favour of Her Majesty the Queen in right of Alberta as represented by Minister of Infrastructure
201 065 969	Caveat Re: Lease Interest in favour of Manila Store (2012) Inc.
201 065 970	Caveat Re: Lease Interest in favour of Abe’s Barber and Tanning Ltd.

201 770 629	Caveat Re: Lease Interest in favour of 1197515 Alberta Ltd.
201 096 377	Caveat Re: Lease Interest in favour of Just 4Eyes Inc.