

EXHIBIT "F"

This is Exhibit F referred to in the
affidavit of Mathieu Sfeen Beyette
sworn before me, this 27th
day of June 2014
[Signature]
A COMMISSIONER FOR TAKING AFFIDAVITS

R.Y. GIRARD

STRICTLY CONFIDENTIAL
WITHOUT PREJUDICE
FOR SETTLEMENT DISCUSSION PURPOSES ONLY

June 13, 2014

Metcalfe & Mansfield Alternative Investments VII Corp.,
in its capacity as issuer trustee of Devonshire Trust
c/o M. Robert Girard
Tour de la Bourse
800 Place Victoria
Bureau 3700, C. P. 242
Montreal, QC
H4Z 1E9

The Bank of New York Mellon,
(acting through its London Branch)
One Canada Square
London, E14 5AL
United Kingdom

Dear Mesdames/Sirs:

The purpose of this letter is to set forth our agreement concerning the action (Court File Nos. CV-09-0370103 and CV-09-8387CL) commenced in the Ontario Superior Court on January 13, 2009 between Barclays Bank PLC ("**Barclays**"), as Plaintiff, and Metcalfe & Mansfield Alternative Investments VII Corp., in its capacity as issuer trustee of Devonshire Trust, The Bank of New York Mellon, in its capacity as custodian under the Tri-Party Custody Agreement (as defined below), and CIBC Mellon Trust Company, in its capacity as indenture trustee under the Note Indenture (as defined below), as Defendants (the "**Litigation**").

In consideration of the mutual acknowledgements and promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Definitions:** Unless otherwise defined in this Agreement, terms with initial capitals shall have the meanings specified below:
 - (a) "ABCP Indemnity Trust Agreement" has the meaning set forth in Section 6(l) herein;
 - (b) "ABCP Plan" has the meaning set forth in Section 6(g)(ii) herein;
 - (c) "Actual/365 Fixed Basis" means a day count convention for calculating interest where each month is treated as having its actual number of days but where the year is assumed to have 365 days, thus providing an additional day of interest on a leap year (366 days of interest applied to an assumed 365-day year);

- (d) "Advance Tax Ruling" means the advance tax ruling to be requested by Devonshire and Devonshire Trust from the CRA seeking to confirm that Interest Distributions to Noteholders who are Non-Residents are not subject to withholding tax;
- (e) "affiliated companies" means affiliated companies within the meaning of the Ontario Securities Act, as amended, and the instruments, rules and regulations thereunder;
- (f) "Agreement" means this letter agreement, including all schedules hereto;
- (g) "Agreement Relating to the Mitigation of Loss" means the agreement, the form of which is annexed hereto as Schedule "D", to be entered into between Barclays and Devonshire;
- (h) "Aggregate Available Cash" has the meaning set forth in Section 6(g) herein;
- (i) "Anticipated Costs" means, as at any time, expenditures described in Schedule "C" which, as at such time, have been incurred and not yet paid as well as such expenditures which are required to be subsequently incurred in order to finally settle the estate of Devonshire but only to the extent that the aggregate amount of all such expenditures exceeds the balance then outstanding in the Costs Reserve;
- (j) "Balance of the Aggregate Available Cash" means an amount equal to the difference between the Aggregate Available Cash and the sum of the aggregate face amount of all of the Notes (CAD\$678,931,389), the Costs Reserve (CAD\$1,510,000) and the Indemnity Reserve (CAD\$5,000,000);
- (k) "Barclays" means Barclays Bank PLC, including, as the context requires, any of its subsidiaries, including the Barclays Subsidiaries and, for the purposes of Section 6(i) herein, all of their respective Representatives;
- (l) "Barclays' Loss" means the "Barclays' Loss" referred to in the decision of the Court of Appeal for Ontario, rendered July 26, 2013 in Court File No. C54400;
- (m) "Barclays Other Claims" has the meaning set forth in Section 6(b) herein;
- (n) "Barclays Subsidiaries" is the collective reference to each of the following companies which Barclays represents is wholly owned by it:
 - Hollygrice Limited;
 - Strickyard Limited;
 - Winhall Limited;
 - Hentock Limited;
 - Coskwo Limited;
 - Blaytell Limited;
 - Godler Limited

Pilkbull Limited;

Harflane Limited;

and "Barclays Subsidiary" means anyone thereof;

- (o) "BNY" means The Bank of New York Mellon (previously known as Bank of New York as successor to JPMorgan Chase Bank N.A.), acting through its London Branch, in its capacity as custodian under the Tri-Party Custody Agreement;
- (p) "BOC Daily 1M BA Rate" means the daily rate for bankers' acceptances with a one-month term, as calculated and published as part of series V39068 by the Bank of Canada;
- (q) "Business Day" means a business day in the Provinces of Quebec and Ontario, Canada;
- (r) "CCAA" means the *Companies' Creditors Arrangement Act* (Canada), as amended;
- (s) "CCAA Plan" means the plan of arrangement and compromise among Devonshire and its creditors, including Barclays and its affiliated companies (as applicable), reflecting in substance the implementation terms set forth in Section 6 hereof, a current draft of which is attached hereto as Schedule "F";
- (t) "CCAA Procedure" means an application by Devonshire and subsequent procedures for the approval, sanction and implementation of the CCAA Plan;
- (u) "CCAA Release" has the meaning set forth in Section 6(i) herein;
- (v) "CIBC Mellon" means CIBC Mellon Trust Company in its capacity as indenture trustee under the Note Indenture and the Supplemental Indenture;
- (w) "Class A Notes" means the outstanding Class A Series A Notes of Devonshire issued under the Supplemental Indenture;
- (x) "Class E Notes" means the outstanding Class E Series A Notes of Devonshire issued under the Supplemental Indenture;
- (y) "Class FRN Notes" means the outstanding Class FRN Series A Notes of Devonshire issued under the Supplemental Indenture;
- (z) "Clearance Certificate" means a certificate issued to Devonshire or Devonshire Trust, as the case may be, under the terms of either subsection 159(2) of the *Income Tax Act* (Canada) or Section 14 of the *Tax Administration Act* (Québec) in each case relating to taxes that may be required to be paid or withheld by Devonshire or Devonshire Trust or the Monitor on behalf of Devonshire or Devonshire Trust on or prior to December 31, 2014 in order to receive such Clearance Certificate and "Clearance Certificates" shall be the collective reference to both such certificates;
- (aa) "Collateral Deficiency" has the meaning set forth in Section 6(c) herein;
- (bb) "Consulting Agreement" means that certain agreement entered into as of January 21, 2009 among the Consulting Firm, Quanto, MMCC and Devonshire;

- (cc) "Consulting Firm" means 9205-3701 Quebec Inc., in its capacity as consultant to Devonshire and, for the purposes of Section 6(i) herein, all of its Representatives;
- (dd) "Costs Reserve" has the meaning set forth in Section 6(g) herein;
- (ee) "CRA" means the Canada Revenue Agency;
- (ff) "Devonshire" means Metcalfe & Mansfield Alternative Investments VII Corp. in its capacity as issuer trustee of Devonshire Trust and, for the purposes of Section 6(i) herein, all of its Representatives;
- (gg) "Devonshire Trust" means Devonshire Trust, a trust constituted under the laws of the Province of Ontario;
- (hh) "First Interest Distribution" has the meaning set forth in Section 6(g)(ii) herein;
- (ii) "Funds Transfer Date" means the date on which the funds transfers contemplated in Sections 6(c), 6(d), 6(f) and 6(g) are to occur as contemplated in Sections 5.2.3 and 14.1.7 of the CCAA Plan;
- (jj) "Indemnified Party" means any person having the right to make an Indemnity Claim;
- (kk) "Indemnity Claim" means (i) any claim for indemnity which may be made by Devonshire under and in accordance with the rights of indemnity granted to it, in its favour or in favour of any of its Representatives by Devonshire Trust pursuant to the Settlement Deed, which rights of indemnity, it is hereby acknowledged for greater certainty, also serve to indemnify Devonshire against losses suffered by it or any of its Representatives as a consequence of indemnities granted by Devonshire pursuant to any Programme Agreement and whether such Indemnity Claim is asserted before or after any Programme Agreement upon which Devonshire may rely in order to make such indemnity claim has been terminated, it being expressly deemed for all purposes of this Agreement and any CCAA Procedure that the indemnity provisions of the Programme Agreements shall remain in full force and effect even following any termination thereof, (ii) any claim for indemnity by Devonshire or any Representative thereof on account of taxes payable or amounts required to have been withheld by Devonshire Trust for which it or any of its Representatives may be held liable under the provisions of either one of subsection 159(3) of the *Income Tax Act* (Canada) or Section 14 of the *Tax Administration Act* (Québec) as a consequence of a distribution made under the terms of Section 6 hereof or under the provisions of any CCAA Procedure, and (iii) any claim for indemnity in respect of the cost of defence of Devonshire or any Representative thereof against any claim by a third party that, whether or not successful, would entitle Devonshire or any such Representative to make a claim for indemnity described in (i) or (ii) above on account of any such costs of defence, as well as any reasonable costs and expenses incurred by Devonshire or any of its Representatives in enforcing their rights hereunder or under any CCAA Procedure;
- (ll) "Indemnity Reserve" has the meaning set forth in Section 6(g) herein;
- (mm) "Initial CCAA Order" means the initial order in the CCAA Procedure;

- (nn) "Initial Seller Payments" means the aggregate payments of CAD \$600 million made by Devonshire to Barclays pursuant to the Swaps;
- (oo) "Interest Distribution" refers to any one of the First Interest Distribution, the Second Interest Distribution or any other distribution on account of interest on the Notes referred to in either one of Sections 6(g) or 6(l), and "Interest Distributions" is the collective reference to all such distributions;
- (pp) "MMCC" means Metcalfe & Mansfield Capital Corporation, as settlor of, and administrative agent to, Devonshire and, for the purposes of Section 6(i) herein, all of its Representatives;
- (qq) "Monitor" means the monitor appointed in respect of the CCAA Procedure;
- (rr) "NBCN" means NBCN Inc. in its capacity as issuing and paying agent under the Note Indenture and the Supplemental Indenture;
- (ss) "Next Litigation Steps" has the meaning set forth in Section 4 herein;
- (tt) "Non-Resident" means a "non-resident" of Canada within the meaning of the *Income Tax Act* (Canada);
- (uu) "Note Indenture" means the Trust Indenture made as of August 2, 2006 among Devonshire, CIBC Mellon and NBCN;
- (vv) "Noteholders" means the holders of Notes;
- (ww) "Notes" means collectively, the Class A Notes, the Class E Notes and the Class FRN Notes;
- (xx) "Payment Agreement" means the agreement, the form of which is annexed hereto as Schedule "E", to be entered into between Barclays, Devonshire and the Monitor;
- (yy) "Plan Implementation Date" means the Business Day on which the conditions precedent to implementation of the CCAA Plan as set out in Article 14 thereof have been satisfied, fulfilled or waived, as applicable, and the Monitor has completed and filed its certificate in accordance with Section 14.3 of the CCAA Plan;
- (zz) "Programme Agreements" has the meaning set forth in the Note Indenture and shall include the Consultation Agreement and any of the Termination Agreements, as well as all agreements, instruments and documents in which rights of indemnity have been granted by Devonshire;
- (aaa) "Quanto" means Quanto Financial Corporation in its capacity as financial agent to Devonshire and, for the purposes of Section 6(i) herein, all of its Representatives;
- (bbb) "Representative" of a party means any current or former trustee, director, officer, employee, shareholder, affiliated company, agent, representative or advisor of that party, including accountants, counsel, consultants and financial advisors;

- (ccc) "Second Interest Distribution" has the meaning set forth in Section 6(g)(iii) herein;
 - (ddd) "Settlement Deed" means the Settlement Deed made as of August 2, 2006 between MMCC and Devonshire;
 - (eee) "Settlement Deficiency" has the meaning set forth in Section 6(d) herein;
 - (fff) "Settlement Amount" has the meaning set forth in Section 6(c) herein;
 - (ggg) "Special Order" has the meaning set forth in Section 6 herein;
 - (hhh) "Supplemental Indenture" means the Series A Supplemental Indenture, made as of August 2, 2006, among Devonshire, CIBC Mellon and NBCN pursuant to the Note Indenture, as amended by the first supplement made as of December 21, 2007 among the same parties;
 - (iii) "Swaps" means the two levered super-senior credit default swaps dated as of August 16, 2006 and August 25, 2006, respectively, between Barclays and Devonshire;
 - (jjj) "Tax Indemnity Claim" means a claim for indemnity described in clause (ii) of the definition of Indemnity Claims;
 - (kkk) "Tax Reserve" has the meaning set forth in Section 6(g) herein;
 - (lll) "Termination Agreements" means any agreement to which Devonshire or Devonshire Trust is a party under the terms of which a Programme Agreement has been terminated and "Termination Agreements" is the collective reference to all of the Termination Agreements;
 - (mmm) "Threatened Litigation" has the meaning set forth in Section 6(l) herein;
 - (nnn) "Trial 2" means any second trial between Barclays and Devonshire contemplated by the Bifurcation Order of the Ontario Superior Court dated October 2, 2009 in the Litigation;
 - (ooo) "Tri-Party Custody Agreement" means the Amended and Restated Tri-Party Custody Agreement dated December 1, 2006 among Barclays, Devonshire and BNY (as successor to JPMorgan Chase Bank N.A.), as custodian; and
 - (ppp) "Withholding Tax Reserve" has the meaning set forth in Section 6(g)(ii)(A) herein.
2. **Noteholders:** Barclays and Devonshire acknowledge and agree that, at the date hereof and to the best of their knowledge, the Noteholders and their respective holdings of Notes are as set out on Schedule A hereto. Each of Barclays and Devonshire shall promptly notify the other parties if it becomes aware that any of the information in Schedule A hereto is incorrect or has changed.
 3. **Assets and Liabilities of Devonshire Trust:** Devonshire confirms to Barclays that, to the best of its knowledge, the assets and liabilities of Devonshire Trust as at June 1, 2014 are as set out in Schedule B hereto. Devonshire shall promptly notify Barclays if it becomes

aware that any of the information in Schedule B hereto is incorrect or has changed in any material manner.

4. **Effect of this Agreement:** This Agreement shall be a binding and enforceable agreement between the parties hereto and the parties hereto further undertake and agree that subject to Section 8 hereof, none of Barclays, any of its affiliated companies or Devonshire shall take any steps to advance to Trial 2, if applicable, or to take any other steps whatsoever (however characterized) in furtherance of the Litigation (the "Next Litigation Steps") other than:
 - (a) cooperation and steps to effectuate the settlement set forth herein and in accordance with the terms hereof;
 - (b) the execution by Barclays and Devonshire of the Agreement Relating to the Mitigation of Loss; and
 - (c) the filing of the Special Orders.
5. **Implementation of the Settlement:** The parties hereto agree that the settlement set forth in this Agreement will be implemented by the filing, before the Superior Court of Ontario, by Devonshire, of an application in respect of the CCAA Procedure, and Devonshire shall use all commercially reasonable efforts to file such initial application within 30 days following the date hereof, followed promptly by the liquidation of the assets of Devonshire and, after provision for the payment of all proper costs and expenses of Devonshire, including taxes and the fees, expenses and other amounts related to the CCAA Procedure, the compromise of the Notes and the winding-up of Devonshire, all as part of the CCAA Procedure contemplated by this Agreement.
6. **Implementation Terms:** The CCAA Procedure shall provide for the following (which, in the case of each of the actions referred to in Sections 6(b), 6(c), 6(d), 6(e) and 6(f) below, shall be conditional upon the concurrent performance of each of the others pursuant to the CCAA Procedure (as defined below) as approved by a court of competent jurisdiction):
 - (a) the application under the CCAA Procedure shall provide for an Administrative Charge of CAD\$400,000 and a Directors' and Officers' Charge of CAD\$250,000;
 - (b) on the Plan Implementation Date, Barclays shall subordinate its claim in the Litigation (including, without limitation, the Barclays' Loss claim in respect of the Litigation under the Agreement Relating to the Mitigation of Loss) and all other claims (contractual or otherwise), other than its claims and those of the Barclays Subsidiaries as Noteholders pro rata with all other Noteholders and, but only for the purposes of Sections 6(c) and 6(f), its claim to the CAD\$600,000,000 and accrued interest held by BNY under the Tri-Party Custody Agreement that Barclays and/or its affiliated companies may have against Devonshire Trust (and its Representatives) (such claim in the Litigation and all such other claims including claims that Barclays and its affiliated companies may have against Devonshire and Devonshire Trust or could have were Barclays to have obtained a favourable final judgment in the event Trial 2 had proceeded, including the Barclays' Loss, shall be collectively referred to herein as the "Barclays Other

Claims”), to the claims of all other creditors of Devonshire Trust. The Barclays Other Claims shall be extinguished on the Plan Implementation Date. Furthermore, the Barclays Other Claims shall also be released pursuant to the CCAA Release referred to in Section 6(i). Barclays and its affiliated companies shall have no right to vote the amount of the Barclays Other Claims under the CCAA Procedure and shall not constitute a separate class of creditors, its and their rights to vote being limited exclusively to the right to vote as Noteholders. For the avoidance of doubt, Barclays shall not have the right to vote its claim to the CAD\$600,000,000 and accrued interest held by BNY under the Tri-Party Custody Agreement;

- (c) pursuant to the provisions of Article 7 of the Tri-Party Custody Agreement, each of Barclays, in its capacity as “Buyer” and Devonshire, in its capacity as “Seller” under the Tri-Party Custody Agreement, hereby jointly and irrevocably instruct BNY, effective on the Funds Transfer Date, to pay to Devonshire from the monies held by BNY under the Tri-Party Custody Agreement:
- (i) the amount of CAD\$532,668,082.00;
 - (ii) the amount of CAD\$1,061,916.00;
 - (iii) the amount of CAD\$58,412,380; and
 - (iv) such additional amount in CAD\$ (being interest on the amounts in clauses (i), (ii) and (iii) above calculated from and including June 1, 2014 to but excluding the Funds Transfer Date at a rate per annum equal to the BOC Daily 1M BA Rate, reset each Business Day, plus 1%, calculated on an Actual/365 Fixed Basis and compounded daily) as shall be specified to BNY in writing by the Monitor;

provided, however, that the maximum amount that BNY shall be required to pay to Devonshire pursuant to the foregoing shall be an amount equal to the aggregate amount held by BNY under the Tri-Party Custody Agreement on the Funds Transfer Date, and, to the extent that on the Funds Transfer Date the aggregate sum of the amounts referred to in clauses (i), (ii), (iii) and (iv) above (such sum being referred to herein as the “**Settlement Amount**”) exceeds the amounts held by BNY under the Tri-Party Custody Agreement (the deficiency, if any, between the sum of the aforesaid amounts and the monies held by BNY under the Tri-Party Custody Agreement shall be referred to as the “**Collateral Deficiency**”), BNY shall not be required to pay such Collateral Deficiency to Devonshire;

BNY hereby accepts the foregoing instructions and agrees to make such payments to Devonshire on the Funds Transfer Date;

upon the “Sanction Order” (as defined in the CCAA Plan) becoming final, Devonshire and Barclays shall irrevocably instruct BNY to pay to the Monitor, on the Funds Transfer Date, all amounts that BNY would otherwise have paid

to Devonshire on such date pursuant to this Section 6(c) and BNY hereby agrees to accept such instructions and, upon receipt thereof, to make such payment to the Monitor on the Funds Transfer Date;

- (d) to the extent that on the Funds Transfer Date the amount received by Devonshire or, as the case may be, by the Monitor from BNY under clause (c) above is less than the Settlement Amount (the difference between the Settlement Amount and the amount received by Devonshire or, as the case may be, by the Monitor from BNY under clause (c) above shall be referred to as the "Settlement Deficiency"), whether by reason of the existence of a Collateral Deficiency or for any other reason, Barclays shall, on the Funds Transfer Date, pay to Devonshire or, as the case may be, the Monitor, an amount equal to the Settlement Deficiency such that the sum of the amount received by Devonshire or, as the case may be, by the Monitor from Barclays under this clause (d) and the amount it received from BNY under clause (c) above is equal to the Settlement Amount;

upon the "Sanction Order" (as defined in the CCAA Plan) becoming final, Devonshire shall irrevocably instruct Barclays to pay the Settlement Deficiency, if any, to the Monitor, on the Funds Transfer Date;

- (e) on the Plan Implementation Date, Devonshire shall renounce and forgo (without further action other than the concurrent consummation of the terms set forth in this Section 6) its right to payment of any and all amounts from Barclays on account of court costs, including interest thereon;
- (f) pursuant to the provisions of Article 7 of the Tri-Party Custody Agreement, each of Barclays, in its capacity as "Buyer", and Devonshire, in its capacity as "Seller", under the Tri-Party Custody Agreement, hereby jointly and irrevocably instruct BNY that, to the extent that on the Funds Transfer Date there does not exist a Collateral Deficiency, BNY shall (subject to the payments in clause (c) above having been made), from the monies held by BNY under the Tri-Party Custody Agreement, pay to Barclays CAD\$600,000,000, together with all accrued interest thereon, net of the amount paid to Devonshire or, as the case may be, the Monitor as provided in clause (c) above;

BNY hereby accepts the foregoing instruction and hereby agrees to make such payment to Barclays on the Funds Transfer Date;

- (g) upon the receipt of the payments in Sections 6(c) and 6(d) above, Devonshire shall liquidate its assets (the proceeds resulting from such liquidation plus the sums received under Sections 6(c) and 6(d) above shall be collectively referred to as the "Aggregate Available Cash") and, after provisions (1) in the amounts currently estimated to be approximately CAD\$1,510,000 (with any material increase of such amount to be approved by the Monitor, acting reasonably) on account of the expenditures identified in Schedule "C" (the "Costs Reserve"), (2) CAD\$5,000,000 on account of Indemnity Claims (the "Indemnity Reserve") that may arise and (3) the Balance of the Aggregate Available Cash (such amount being equal to CAD\$59,693,904 as of June 1, 2014) on account of taxes (the "Tax

Reserve") that may be required to be paid by Devonshire or the Monitor on behalf of Devonshire in order to receive the two Clearance Certificates, shall distribute the following amounts to the Noteholders (including for greater certainty, Barclays):

- (i) a first distribution to Noteholders in an aggregate amount equal to CAD\$678,931,389 as repayment in full of the entire aggregate outstanding face amount of all of the Notes, to be distributed to each of the Noteholders in respect of such Noteholders' respective Notes in accordance with the CCAA Plan;
- (ii) provided Devonshire shall have received both Clearance Certificates (it being understood that Devonshire would have already paid out of amounts held in the Tax Reserve, any taxes assessed by each of the governmental authorities having issued such Clearance Certificates), then out of the balance of the amounts held in the Tax Reserve (either pursuant to the opening paragraph of Section 6(g) or through the operation of Section 6(l)), a first distribution to the Noteholders on account of interest payment obligations on the Notes (the "**First Interest Distribution**"), shall be made in accordance with the CCAA Plan at such time and in such amounts from the Tax Reserve as Devonshire, acting reasonably, determines from time to time will not be required to satisfy the tax liabilities, if any, of Devonshire, such First Interest Distribution to be calculated and distributed to Noteholders on the same basis as in the CCAA proceedings and other documents filed by the Pan-Canadian Investors Committee on March 17, 2008 (the "**ABCP Plan**"), provided however, that with respect to the First Interest Distribution that is to be made to such of the Noteholders who are Non-Residents:
 - (A) where the Advance Tax Ruling has not been received at the time of such First Interest Distribution, the entire amount that would otherwise have been distributed to such Non-Resident Noteholders will be transferred into a withholding tax reserve (the "**Withholding Tax Reserve**") and shall only be distributed to them upon receipt of the Advance Tax Ruling and in accordance with its provisions; provided, however, that to the extent that prior to the receipt of the Advance Tax Ruling a written confirmation has been received from the CRA authorizing a distribution on account of interest be made to the Noteholders who are Non-Residents provided that there is placed in the Withholding Tax Reserve an amount equal to the withholding tax that would otherwise be payable and confirming further that notwithstanding such distribution, the CRA will nevertheless issue the Advance Tax Ruling, then the amount of the First Interest Distribution that would otherwise be payable to the Noteholders who are Non-Residents, minus the amount on account of such withholding taxes shall be paid to the Non-

Resident Noteholders and the balance shall be transferred to the Withholding Tax Reserve and shall be paid out in accordance with the terms of the Advance Tax Ruling once it is received; and

- (B) where the Advance Tax Ruling has been received, then the amount of the First Interest Distribution that is otherwise payable to the Noteholders who are Non-Residents shall be paid in accordance with the terms of the Advance Tax Ruling;

provided that if, at any time prior to receipt of the Advance Tax Ruling and the written confirmation from the CRA contemplated in Section 6(g)(ii)(A), a Non-Resident Noteholder advises Devonshire in writing that it irrevocably elects to receive its Interest Distributions net of applicable withholding taxes, Devonshire shall deduct and remit to the CRA such withholding taxes, in an amount determined by the Monitor, and Devonshire shall pay the balance of such Interest Distribution to such Non-Resident Noteholder;

- (iii) following the First Interest Distribution, (it being understood that Devonshire would have already paid out of the amounts held in the Tax Reserve any taxes assessed by any governmental authority since the First Interest Distribution), then out of the balance of the amounts held in the Tax Reserve (either pursuant to the opening paragraph of Section 6(g) or through the operation of Section 6(l), Devonshire shall make a second distribution to the Noteholders on account of interest payment obligations on the Notes (the "Second Interest Distribution"), in an amount equal to the then outstanding balance in the Tax Reserve less the sum of any Anticipated Costs and Tax Indemnity Claims. The Second Interest Distribution is to be calculated and distributed to Noteholders on the same basis as in the ABCP Plan, provided however, that payments to Non-Resident Noteholders on account of such a distribution shall be subject to the same provisions regarding withholding tax as those set out in Section 6(g)(ii);
- (iv) provided Devonshire shall have received both Clearance Certificates and all Anticipated Costs have either been paid for or sufficient funds shall have been reserved for the payment thereof out of the Costs Reserve and/or the Tax Reserve, and/or the Indemnity Reserve, then any amounts then remaining in the Tax Reserve, the Costs Reserve, the Indemnity Reserve (subject to Section 6(l) below) or otherwise in the name of Devonshire, shall be distributed as a final Interest Distribution to the Noteholders, in full and final satisfaction (subject to Section 6(g)(v)) of all remaining interest payment obligations on the Notes, such Interest Distribution to be calculated on the same basis as in the ABCP Plan, provided however, that payments to Non-Resident Noteholders on account of such a distribution shall be subject to the same provisions regarding withholding tax as those set out in Section 6(g)(ii); and

- (v) following the Interest Distribution referred to in Section 6(g)(iv), to the extent that the amounts reserved to pay for the Anticipated Costs referred to therein exceeded the actual amounts required to fully satisfy such Anticipated Costs, the balance of such amounts reserved shall be distributed as an Interest Distribution to the Noteholders on account of interest payment obligations on the Notes, such Interest Distribution to be calculated on the same basis as in the ABCP Plan, provided however, that payments to Non-Resident Noteholders on account of such a distribution shall be subject to the same provisions regarding withholding tax as those set out in Section 6(g)(ii).
- (h) immediately after the distribution referred to in Section 6(g)(i) above, all of the Notes will thereupon be cancelled and terminated without further action on the part of the Noteholders, provided however that the Noteholders shall be entitled to the Interest Distributions herein provided for;
- (i) the Plan of Arrangement in the CCAA Procedure shall contain a release substantially on the same terms as the release provided under the ABCP Plan including, without limitation, in respect of all matters raised or which could have been raised in the Litigation, as if the Notes were Affected ABCP within the meaning of and under the ABCP Plan, and wherein the "Released Parties" shall be Devonshire, the Devonshire Trust, Quanto, MMCC, the Consulting Firm, BNY, CIBC Mellon, NBCN, Barclays (including the Barclays Subsidiaries), the Noteholders and the Representatives of each such party (the "CCAA Release") provided, however, that the Payment Agreement shall be excluded from such CCAA Release;
- (j) except as set forth above, each party shall be solely responsible for its own legal fees and expenses (including expert witness' fees and expenses) in connection with the Litigation and the implementation of this Agreement (including the CCAA Procedure);
- (k) the parties acknowledge and agree that any variation in the CCAA Procedure and CCAA Plan and sanction order to the implementation terms set out in Sections 6(a) to 6(j) above and 6(l) to 6(m) below which is materially adverse to a party hereto shall be subject to such party's prior written consent, it being understood that the CCAA Procedure shall seek to have compromised the claims of the Noteholders under the Notes and Barclays Other Claims, shall limit the right to vote to the Noteholders for their claims under the Notes and no claims process other than a process for Noteholders to prove their claims shall be contemplated;
- (l) the Indemnity Reserve shall be established substantially in accordance with the terms of the Trust Agreement entered into between Ernst & Young Inc. and John D. Ground, as trustee, pursuant to the ABCP Plan (the "ABC Indemnity Trust Agreement"), provided however that the trustee for the purposes hereof shall be the Monitor to be appointed under the terms of the CCAA Procedure. Payments to any Indemnified Party shall be made following a procedure similar to that of the ABCP Indemnity Trust Agreement adjusted to reflect the terms hereof. On

the second anniversary of the Plan Implementation Date, the amount on deposit in the Indemnity Reserve in excess of CAD\$1,000,000 shall be released to and form part of the Tax Reserve (if still in existence), or to the extent not required for the Tax Reserve (if still in existence) as provided by any of Sections 6(g)(ii), (iii) or (iv), as the case may be, distributed to the Noteholders as an Interest Distribution. On the fourth anniversary of the Plan Implementation Date, any balance outstanding on deposit in the Indemnity Reserve shall be released to and form part of the Tax Reserve (if still in existence), or to the extent not required for the Tax Reserve (if still in existence) as provided by any of Sections 6(g)(ii), (iii) or (iv), as the case may be, distributed to the Noteholders as an Interest Distribution. Notwithstanding the foregoing, it is expressly agreed that to the extent that, on the second anniversary or fourth anniversary of the Plan Implementation Date, as the case may be, there is any pending litigation or litigation threatened in writing in respect of which the limitation period applicable to the subject matter of the threatened litigation has not expired and which has not resulted in pending litigation ("**Threatened Litigation**") against any Indemnified Party, then the Monitor, as trustee in respect of such Indemnity Reserve, shall be entitled to retain in the Indemnity Reserve (rather than release to the Tax Reserve or pay out as Interest Distribution, as applicable in accordance with Section 6(g)):

- (i) on the second anniversary of the Plan Implementation Date, an amount not exceeding the sum of (A) CAD\$1,000,000 and (B) if Devonshire, acting reasonably, and following consultation with the Monitor, estimates that the amount required to satisfy such pending litigation or Threatened Litigation, including the estimated amount of related defence costs, exceeds CAD\$1,000,000, such excess amount;
- (ii) between the second and fourth anniversary of the Plan Implementation Date, if a final judgment of a court of competent jurisdiction is issued, or the adverse party desists from, pending litigation or Threatened Litigation, an amount not exceeding the sum of (A) CAD\$1,000,000 and (B) if Devonshire acting reasonably, and following consultation with the Monitor, estimates that the amount required to satisfy remaining pending litigation or Threatened Litigation, including the estimated amount of related defence costs, exceeds CAD\$1,000,000, such excess amount;
- (iii) on the fourth anniversary of the Plan Implementation Date, such remaining amount as Devonshire, acting reasonably, and following consultation with the Monitor, shall determine would be sufficient to satisfy pending litigation or Threatened Litigation, including the estimated amount of related defence costs; and
- (iv) after the fourth anniversary of the Plan Implementation Date, if any amount has been retained in the Indemnity Reserve on account of any pending litigation or Threatened Litigation and a final judgment of a court of competent jurisdiction is issued, or the adverse party desists from such pending litigation or Threatened Litigation, such remaining

amount, if any, as Devonshire acting reasonably, and following consultation with the Monitor, estimates is required to satisfy remaining pending litigation or Threatened Litigation, including the estimated amount of related defence costs;

- (m) as amounts are determined by Devonshire to no longer be required for the Indemnity Reserve in accordance with Section 6(l)(i) through (iv) above, and provided an amount sufficient to cover Anticipated Costs is retained, such amounts shall be promptly released to and form part of the Tax Reserve (to the extent still in existence) and, to the extent permitted by Section 6(g), distributed to the Noteholders as an Interest Distribution. For the avoidance of doubt, once the Tax Reserve is exhausted, (i) any claim against Devonshire Trust or Devonshire on account of taxes and (ii) any claim on account of Anticipated Costs, may, in each case, be paid out of the Indemnity Reserve;
- (n) for the purposes of the distributions on account, in lieu or in satisfaction of interest to Noteholders who are Non-Residents, prior to the commencement of the CCAA Proceedings and after consultation with Barclays regarding the form and substance thereof, Devonshire shall make an application to the CRA as promptly as possible following the Initial CCAA Order, for the Advance Tax Ruling in order to confirm whether such distributions are subject to the withholding tax; and
- (o) Devonshire shall provide the Monitor on request with an accounting in reasonable detail of the fees and expenses it incurs in the preparation, submission and prosecution of the Advance Tax Ruling.

Contemporaneous with the filing of the application for the Initial CCAA Order, Devonshire shall file (i) a motion in the Litigation (to which motion Barclays shall consent), returnable at the same time as the motion for the Initial CCAA Order, seeking an order dismissing the Litigation as against all parties without costs, and (ii) a motion (to which Barclays shall consent), returnable at the same time as the motion for the Initial CCAA Order, seeking an order declaring that, on consent of Devonshire and Barclays, the mitigation amount of Barclays in respect of the "Barclays' Loss" (referred to in the decision of the Court of Appeal of Ontario rendered on July 26, 2013 in Court File No. C54400) is the amount of CAD\$240,118,309 thereby reducing the Barclays' Loss to CAD\$23,881,691 (collectively, the "Special Order") which order shall only become effective upon the Plan Implementation Date.

The parties hereto acknowledge and agree that it is an essential element of the settlement contemplated by this Agreement that Barclays and Devonshire execute concurrently with the execution hereof the Agreement Relating to the Mitigation of Loss and the Payment Agreement and each of Barclays and Devonshire hereby covenant and agree to execute such agreements. Until this Agreement and each of the Agreement Relating to the Mitigation of Loss and the Payment Agreement have been executed by Barclays and Devonshire, this Agreement shall not come into force.

Devonshire shall use all commercially reasonable efforts to promptly make, and diligently pursue, all filings and correspondence required to receive the Advance Tax Ruling

and a certificate pursuant to each of Section 159(2) of the *Income Tax Act* (Canada) and Section 14 of the *Tax Administration Act* (Québec) and otherwise close-out all open tax years with a view to distribution to the Noteholders of the Tax Reserve and, if available, the Indemnity Reserve, and the winding-up of Devonshire and Devonshire Trust as promptly as practicable.

Devonshire shall use commercially reasonable efforts with respect to such expenditures described in Schedule "C" as are under its direct control that such expenditures shall not exceed the amount of the Costs Reserve, provided that no contestation or unforeseen event occurs with respect to the CCAA Procedures, the distributions contemplated by Sections 6(g) and 6(l) and the process of acquiring the Advance Tax Ruling and the two Clearance Certificates.

The CCAA Procedures shall provide for the right of the Noteholders, from time to time, to request of the Monitor to report on the expenditures incurred and paid for out of the Costs Reserve.

7. **Cooperation:** Barclays and Devonshire shall undertake all commercially reasonable efforts to cooperate with each other to implement promptly the terms of this Agreement, including, without limitation:

- (a) assisting in the identification of all Noteholders and confirmation of amounts due on their Notes (including calculations of accrual of original issue discount);
- (b) instructing BNY and CIBC Mellon to take all actions in accordance with their agreements with Devonshire and the other parties, as applicable, which are required to implement this Agreement;
- (c) identifying all payments and provisions required by Devonshire and arranging for payment of amounts due to, and obtaining any consents of, Devonshire's service providers required to implement this Agreement;
- (d) preparing and expeditiously filing all required applications in respect of the CCAA Procedure and participating in the proceedings in respect thereof;
- (e) voting in favour of, or not objecting to, the implementation of this Agreement under the CCAA Procedure, and providing all consents and approvals which may be required in connection therewith; and
- (f) obtaining the consent of BNY and CIBC Mellon to Devonshire's motion described above seeking an order dismissing the Litigation as against all parties without costs, provided that commercially reasonable efforts to obtain such consents shall not include the payment by Barclays or Devonshire of any monies to either of BNY or CIBC Mellon as a condition of receiving such consents.

8. **Implementation Deadline:**

- (a) If the CCAA Procedure does not receive sufficient votes of creditors at the relevant meeting (or meetings) of creditors, or if the court of competent jurisdiction otherwise refuses to sanction the CCAA Procedure, then each of Barclays and Devonshire shall have the right, in its sole and unfettered discretion, to terminate this Agreement on 10 Business Days' prior written notice

to the other parties hereto. Following the delivery of any such notice, the provisions of this Agreement (save and except for Section 8(c), 8(d) and Sections 9 to 20 inclusive) shall become null and void and Barclays and Devonshire shall be permitted to take the Next Litigation Steps.

- (b) If the CCAA Procedure has not been approved by a court of competent jurisdiction and implemented by the latest of the date of the second anniversary of this Agreement or 60 days after the expiry of any and all appeal period in respect of the sanction order made as part of the CCAA Procedure, and, if appealed, 60 days after a final decision on appeal, then the provisions of this Agreement (save and except for Section 8(c), 8(d) and Sections 9 to 20 inclusive) shall, upon written notice from any party hereto to the other parties, become null and void and Barclays and Devonshire shall be permitted to take the Next Litigation Steps.
 - (c) The parties hereto acknowledge and agree that, for purposes of this Section 8 and the Next Litigation Steps, all applicable limitation periods, laches or other similar defenses are suspended for the term of this Agreement. For the avoidance of doubts, all such applicable limitation periods will resume running if and when this Agreement is terminated under the terms of Section 8(a) or Section 8(b).
 - (d) The parties hereto further acknowledge and agree that if this Agreement is terminated, this Agreement and any related steps or communications undertaken in furtherance of negotiating this Agreement or in furtherance of the implementation of this Agreement (including, but not limited to, the CCAA Procedure) shall not be relied upon for purposes of the Litigation, including the Next Litigation Steps, if applicable, and shall not trigger any rights on the part of Barclays or any of its affiliated companies.
9. **Announcements:** No press release, public statement, announcement or other public disclosure with respect to this Agreement or the transactions contemplated by this Agreement (a "Public Statement") may be made by a party hereto except (i) in connection with the procedures required for the CCAA Procedure and/or any required communications between CIBC Mellon, Devonshire and the Noteholders pursuant to the Note Indenture, the Supplemental Indenture or the related Note documentation, (ii) in connection with any communication by any Representative of Devonshire with its Noteholders, (iii) with the prior written consent of the other parties hereto, which consent will not be unreasonably withheld or delayed, (iv) if required by law or a governmental entity, or (v) on and after three Business Days following the date this Agreement, the Payment Agreement and the Agreement Relating to the Mitigation of Loss have been executed and delivered by all the parties thereto, by Barclays in its ordinary course public financial statement-related disclosure. Where a Public Statement is required by law or by a governmental entity (including the CCAA Procedure, but excluding, for avoidance of doubt, (x) any communications between Devonshire and the Noteholders as required by the Note Indenture or (y) the disclosure by Barclays contemplated in clause (v) of the immediately preceding sentence), or by a governmental entity, the party required to make the Public Statement shall use its

commercially reasonable efforts to provide a draft of such Public Statement to the other parties hereto, for reasonable review and comment, prior to disclosure of the Public Statement.

10. **Confidentiality:**

- (a) For purposes of this Agreement, "Confidential Information" means any information relating to this Agreement or the Litigation, which has been or is disclosed to or acquired by the receiving party regardless of whether such information is in oral, visual, electronic, written or other form and whether or not it is identified as "confidential" provided that Confidential Information does not include any information that:
 - (i) is or becomes generally available to the public other than as a result of disclosure directly or indirectly by the receiving party or its Representatives in breach of the terms hereof;
 - (ii) is or becomes available to the receiving party on a non-confidential basis from a source other than the disclosing party unless the receiving party knows after reasonable inquiry that such source is prohibited from disclosing the information to the receiving party by a contractual, fiduciary or other legal obligation to the disclosing party; or
 - (iii) the receiving party can show was independently acquired or developed by the receiving party prior to the disclosure by the other party and without the use of any Confidential Information.
- (b) Each party shall keep the Confidential Information confidential, shall not disclose the Confidential Information in any manner whatsoever, in whole or in part, except as contemplated in Section 9(ii) or otherwise permitted by this Agreement, and shall use the Confidential Information solely to evaluate and implement this Agreement and not directly or indirectly for any other purpose.
- (c) The receiving party may disclose Confidential Information to its Representatives, Noteholders, BNY or CIBC Mellon but only to the extent that such Representatives, Noteholders, BNY or CIBC Mellon need to know the Confidential Information for the purposes of implementing this Agreement, the CCAA Procedure and the settlement contemplated herein, have been informed of the confidential nature of the Confidential Information, are directed by the receiving party to hold the Confidential Information in the strictest confidence and, other than the Noteholders, agree to act in accordance with the terms and conditions of this Section 10. Each party shall cause its Representatives to observe the terms of this Agreement and is responsible for any breach by its Representatives of any of the provisions of this Agreement.
- (d) The disclosure restrictions contained in this Agreement do not apply to:

- (i) disclosure that is required by law or legal process, unless the receiving party is permitted or required by law to refrain from making such disclosure for confidentiality or other reasons;
 - (ii) to disclosure that is requested or required by a regulator including, in the case of Barclays, its banking regulators; or
 - (iii) on and after three Business Days following the date this Agreement, the Payment Agreement and the Agreement Relating to the Mitigation of Loss have been executed and delivered by all the parties thereto, disclosure by Barclays in its ordinary course public financial statement-related disclosure.
- (e) Prior to making any disclosure pursuant to law under Section 10(d)(i) above, the receiving party shall, to the extent not prohibited by law:
- (i) give the disclosing party prompt notice of the requirement and the proposed content of any disclosure;
 - (ii) at the disclosing party's request and expense, co-operate with the disclosing party in limiting the extent of the disclosure and in obtaining an appropriate protective order or pursuing such legal action, remedy or assurance as the disclosing party deems necessary, acting reasonably, to preserve the confidentiality of the Confidential Information; and
 - (iii) if a protective order or other remedy is not obtained or the disclosing party fails to waive compliance with the provisions of this Agreement, disclose only that portion of the Confidential Information that it is, on the advice of its counsel, required to disclose and exercise commercially reasonable efforts to obtain reliable assurance that confidential treatment is given to the Confidential Information disclosed.
11. **Undertaking from Barclays:** Barclays declares that neither it nor any of its affiliated companies have purchased any Notes from anyone, including each other, since December 1, 2013 and undertakes and agrees not to purchase any Notes from anyone, including each other, from the date hereof until the date the Notes are extinguished in accordance with the CCAA Plan after which time Barclays and its affiliated companies undertake and agree not to sell or purchase their respective interests in their Noteholder Claims, including any entitlement to any distribution in respect of their Noteholder Claims.
12. **Amendments:** This Agreement may only be amended, supplemented or otherwise modified by written agreement executed by the party to be bound by the amendment, supplement or modification.
13. **Waivers:** No waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the party to be bound by the waiver. A party's failure or delay in

exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a party from any other or further exercise of that right or the exercise of any other right it may have.

14. **Execution of Agreement:** This Agreement may be executed and delivered within or outside of the Province of Quebec. This Agreement will be binding upon and enure to the benefit of the parties hereto and their respective successors, legal representatives and permitted assigns.
15. **Assignment:** Neither this Agreement nor any of the rights or obligations under this Agreement, including any right to payment, may be assigned or transferred, in whole or in part, by any party without the prior written consent of the other parties hereto which consent must not be unreasonably withheld. Any purported assignment or transfer without such written consent will be null and void and of no effect.
16. **Governing Law:** This Agreement is governed by, and will be interpreted and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.
17. **Attornment:** Each party irrevocably submits to the non-exclusive jurisdiction of the Ontario courts situated in the City of Toronto in respect of any action or proceeding against any of the parties relating in any way to this Agreement, Devonshire, the Litigation or the Notes, and each party waives any objection to the venue of any such action or proceeding in any such court, and agrees not to assert in any such action or proceeding that any such court provides an inconvenient forum.
18. **Acknowledgement Regarding BNY:** The parties hereto acknowledge and agree that BNY is entering into this Agreement solely for the purpose of making the payments required to be made by BNY pursuant to Sections 6(c) and 6(f) hereof.
19. **Counterparts:** This Agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, email or other electronic means is as effective as a manually executed counterpart of this Agreement.
20. **Limitation:** Devonshire has entered into this Agreement in its capacity as issuer trustee of Devonshire Trust. Any and all of the representations, warranties, undertakings, covenants, indemnities, agreements and other obligations made on the part of Devonshire herein are made and intended not as personal representations, warranties, undertakings, covenants, indemnities, agreements and other obligations by Devonshire or for the purpose or with the intention of binding Devonshire in its personal capacity, but are made and intended for the purpose of binding only the assets of Devonshire Trust. No assets of Devonshire (other than the assets of Devonshire Trust), whether owned beneficially by it in its personal capacity or otherwise, will be subject to levy, execution or other enforcement procedures with regard to any of the representations, warranties, undertakings, covenants, indemnities, agreements and other obligations of Devonshire Trust or Devonshire under this Agreement or any of the other documents

accessory hereto. No recourse may be had or taken, directly or indirectly, against Devonshire in its personal capacity, any beneficiary of Devonshire Trust or any of its Representatives, with regard to the representations, warranties, undertakings, covenants, indemnities, agreements and other obligations of Devonshire Trust or Devonshire under this Agreement and the documents accessory hereto.

21. **Survival:** This Agreement shall terminate and be of no further force or effect as of the Plan Implementation Date unless previously terminated in accordance with Section 8; provided, however, that the provisions of Sections 6(o), 9, 10, 16 and 17 shall survive any expiration or termination of this Agreement, and the Payment Agreement shall survive any termination hereof upon the Plan Implementation Date.
22. **Language:** The parties to this Agreement have agreed that this Agreement as well as any document or instrument relating to it be drawn up in English only. *Les parties aux présentes ont convenu que la présente Convention ainsi que tous autres actes ou documents s'y rattachant soient rédigés en anglais seulement.*

If you are in agreement with the foregoing, please sign and return a copy of this letter to the undersigned.

[Remainder of page intentionally left blank. Signature page(s) follow.]

SETTLEMENT LETTER - SIGNATURE PAGE

BARCLAYS BANK PLC

By: [Signature]
Name: Diana Sawyer
Title: Managing Director

HOLLYGRICE LIMITED
STRICKYARD LIMITED
WINHALL LIMITED
HENTOCK LIMITED
COSKWO LIMITED
BLAYTELL LIMITED
GODLER LIMITED
PILKBULL LIMITED
HARFLANE LIMITED
Each by its duly appointed Attorney,

~~BARCLAYS BANK PLC~~

By: [Signature]
Name: Diana Sawyer
Title: Attorney

METCALFE & MANSFIELD
ALTERNATIVE INVESTMENTS VII
CORP., in its capacity as issuer trustee of
Devonshire Trust

By: _____
Name:
Title:

By: _____
Name:
Title:

BARCLAYS BANK PLC

By: _____
Name:
Title:

HOLLYGRICE LIMITED
STRICKYARD LIMITED
WINHALL LIMITED
HENTOCK LIMITED
COSKWO LIMITED
BLAYTELL LIMITED
GODLER LIMITED
PILKBULL LIMITED
HARFLANE LIMITED
Each by its duly appointed Attorney,
BARCLAYS BANK PLC

By: _____
Name:
Title:

METCALFE & MANSFIELD
ALTERNATIVE INVESTMENTS VII
CORP., in its capacity as issuer trustee of
Devonshire Trust

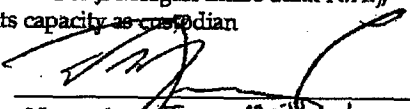
By: *C. Dalmond*
Name: C. DALMOND
Title: PRESIDENT

By: *Benoit Deschamps*
Name: B. DESCHAMPS
Title: DIRECTOR

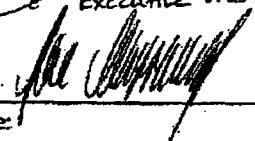
SETTLEMENT LETTER - SIGNATURE PAGE

THE BANK OF NEW YORK MELLON
(previously known as Bank of New York as
successor to JPMorgan Chase Bank N.A.),
in its capacity as custodian

By:


Name: James MacFarland
Title: Executive Vice President

By:


Name: Jo B. Murray
Title: Managing Director

SCHEDULE A
DEVONSHIRE TRUST
LIST OF BENEFICIAL HOLDERS OF NOTES

BARCLAYS - ECP NOTES

CERTIFICATE NUMBER	ISIN	TYPE	QUANTITY
207	CA251918FM50	ECP	\$60,000,000
208	CA251918FF00	ECP	\$110,247
209	CA251918FF00	ECP	\$117,000
210	CA251918E954	ECP	\$12,728
211	CA251918E954	ECP	\$27,000,000
212	CA251918FD51	ECP	\$2,000
213	CA251918FA13	ECP	\$241,123
214	CA251918E798	ECP	\$104,285
215	IB PHYSICAL1	ECP	\$25,104,565
216	CA251918FV59	ECP	\$165,881
217	CA251918FC78	ECP	\$85,044
218	CA251918FC78	ECP	\$222,832
219	CA251918E533	ECP	\$58,074
220	CA251918E384	ECP	\$830
Sub-Total	—	ECP	\$113,224,609

CDP - ECP NOTES

CERTIFICATE NUMBER	ISIN	TYPE	QUANTITY
177	CA251918FA13	ECP	\$22,500,000
178	CA251918E384	ECP	\$10,800,000
179	CA251918FB95	ECP	\$30,000,000
180	CA251918FC78	ECP	\$21,602,000
186	CA251918FF00	ECP	\$15,000,000
191	CA251918FJ22	ECP	\$41,000,000
199	CA251918FD51	ECP	\$1,398,000
200	CA251918FS21	ECP	\$8,800,000
Sub-Total	—	ECP	\$151,100,000

OTHERS HOLDERS OF ECP NOTES

CERTIFICATE NUMBER	ISIN	TYPE	NAME	QUANTITY
195	CA251918E798	ECP	Dadrex Holdings Inc.	\$7,900,000
197	CA251918E954	ECP	HEC Montréal	\$300,000
201	CA251918FQ64	ECP	ICICI Bank Canada	\$15,000,000
202	CA251918E384	ECP	Groupe Promutuel Fédération de Sociétés Mutuelles d'Assurance Générale	\$178,000
203	CA251918E533	ECP	University of Alberta	\$3,000,000
204	CA251918FN34	ECP	NAV Canada	\$10,000,000
205	CA251918FG82	ECP	University of British Columbia - Investment Management Trust	\$3,000,000
406	IB PHYSICAL1	ECP	National Bank Trust for the account of Natcan Investment Management Inc.	\$512,338 ¹
Sub-total	—	ECP	—	\$39,890,338

TOTAL ECP:

\$304,214,947

¹ NBT is the registered holder. Underlying NBT's position, they are 3 holders, Mimajitque Inc. (\$22,996), Mr. Jacques Chartrand (\$23,452) and Fiera Arbitrage Bond Fund (\$465,890).

FRN NOTES

CERTIFICATE NUMBER	ISIN	TYPE	NAME	QUANTITY
Global Note Certificate-CDS	CA25188PAA36	FRN-2	CDP	\$100,000,000
Global Note Certificate-CDS	CA25188PAB19	FRN-2	Barclays ² (\$25 M) and Domtar Pension Plans (\$15 M)	\$40,000,000
Global Note Certificate-CDS	CA25188PAD74	FRN-1	Barclays ³	\$25,000,000
Total	—	—	—	\$165,000,000

A NOTES

CERTIFICATE NUMBER	ISIN	TYPE	NAME	QUANTITY
Global Note Certificate-CDS	CA251930JU84	A	Barclays ⁴	\$13,000,000
	CA251930HE60	A	CDP	\$7,600,000
	CA251930HF36	A	CDP	\$41,500,000
	CA251930HG19	A	Barclays ⁵	\$10,000,000
	CA251930HU03	A	CDP	\$10,300,000
	CA251930HU03	A	CDP	\$31,500,000
	CA251930HV85	A	CDP	\$20,000,000
	CA251930HX42	A	CDP	\$20,000,000
	CA251930HX42	A	Blaytell Limited (Barclays)	\$8,000,000

² Barclays' position in certificate No 3 is held through the following subsidiaries: Hollygrice Limited \$3,753,079.83, Strickyard Limited \$1,354,957.74, Winhall Limited \$10,477,095.95, Hentock Limited \$1,692,979.92, Coskwo Limited \$371,119.75, Blaytell Limited \$3,123,308.16 and Golder Limited \$4,227,458.65.

³ Certificate No 1 is held through the following subsidiaries: Hollygrice Limited \$3,753,079.83, Strickyard Limited \$1,354,957.74, Winhall Limited \$10,477,095.95, Hentock Limited \$1,692,979.92, Coskwo Limited \$371,119.75, Blaytell Limited \$3,123,308.16 and Golder Limited \$4,227,458.65.

⁴ Barclays' position is held through the following subsidiaries: Pilkbull Limited \$9,410,000.00 and Harflane Limited \$3,590,000.00.

⁵ Barclays' position is held through the following subsidiaries: Hollygrice Limited \$2,502,053.16, Strickyard Limited \$903,305.14, Winhall Limited \$318,063.95, Hentock Limited \$1,128,653.25, Coskwo Limited \$247,413.15, Blaytell Limited \$2,082,205.64 and Golder Limited \$2,818,305.71.

CERTIFICATE NUMBER	ISIN	TYPE	NAME	QUANTITY
	CA251930HY25	A	Blaytell Limited (Barclays)	\$3,400,000
	CA251930J461	A	Barclays ⁶	\$6,000,000
	CA251930J537	A	Barclays ⁷	\$10,000,000
	CA251930L764	A	CDP	\$3,000,000
	CA251930HJ57	A	Ally Credit Canada Limited	\$7,400,000
	CA251930HE60	A	Barclays	\$80,379
	CA251930HF36	A	Barclays	\$54,286
	CA251930HJ57	A	Barclays	\$857,984
	CA251930JT12	A	Barclays	\$461,529
	CA251930JU84	A	Barclays	\$152,264
	CA251930K444	A	Barclays	\$4,000,000
	CA251930HF36	A	Barclays	\$410,000
	CA251930JT12	A	Genus Capital Management Inc.	\$2,000,000
	CA251930JT12	A	City of Hamilton	\$10,000,000
Total	—	—	—	\$209,716,442

⁶ Barclays' position is held through the following subsidiaries: Hollygrice Limited \$250,205.33, Strickyard Limited \$90,330.52, Winhall Limited \$5,031,806.59, Hentock Limited \$112,865.33, Coskwo Limited \$24,741.32, Blaytell Limited \$208,220.55 and Golder Limited \$281,830.36.

⁷ Barclays' position is held through the following subsidiaries: Hollygrice Limited \$2,502,053.19, Strickyard Limited \$903,305.15, Winhall Limited \$318,063.97, Hentock Limited \$1,128,653.26, Coskwo Limited \$247,413.16, Blaytell Limited \$2,082,205.41 and Golder Limited \$2,818,305.86.

SUMMARY

CDP holdings	Class A:	\$133,900,000	
	Class E:	\$151,100,000	
	Class FRN:	<u>\$100,000,000</u>	
		<u>\$385,000,000</u>	
Barclays holdings	Class A:	\$56,416,442	
	Class E:	\$113,224,609	
	Class FRN:	<u>\$50,000,000</u>	
		<u>\$219,641,051</u>	
Other Holders	Class A:	\$19,400,000	(CDS as registered holder, but 3 underlying holders other than CDP and Barclays)
	Class E:	\$39,890,338	(8 registered holders other than CDP and Barclays)
	Class FRN:	<u>\$15,000,000</u>	(CDS as registered holder, but 1 underlying holder other than CDP and Barclays)
		<u>\$74,290,338</u>	
		<u>\$678,931,389</u>	

SCHEDULE B

ASSETS AND LIABILITIES OF DEVONSHIRE TRUST
as at June 1, 2014 (giving effect to this Agreement other than the Costs Reserve)
(Unaudited)

	<u>As at June 1, 2014</u>
Assets	
Current assets	
Cash	\$2,390,364
Short-term investments	\$150,732,000
Settlement payment under swaps to be received from Barclays	\$532,668,082
Unpaid amount under swaps to be received from Barclays ¹	\$1,061,916
Interest owed by Barclays under swaps	\$58,412,380
 Total assets	 \$745,264,742
Liabilities	
Current liabilities	
Accounts payable and accrued liabilities	\$129,449
Brokers' commissions payables	\$41,083
Commercial paper ²	\$513,931,389
Floating-rate notes (FRN)	\$165,000,000
Total accrued interest on face amounts (and capitalized defaulted coupons on FRN notes)	\$87,801,093
	\$766,903,014
 Deficit ³	 (\$21,638,272)
 Units outstanding	 \$10
 Net deficit	 (\$21,638,262)

¹ Owed by Barclays as per Court of Appeal decision.

² Class A, Series A Notes at face value - \$209,716,442 and Class A, Series E Notes at face value - \$304,214,947.

³ Excluding the CCAA costs and liquidation reserves.

SCHEDULE C
COSTS RESERVE

FMD	
CCAA procedures	\$225,000
Tax issues	\$50,000
Current administration	\$75,000
Liquidation of the trust	\$50,000
	<u>\$400,000</u>
PwC	
Financial Statements and income tax return	\$17,000
RCGT	
Current administration audit	\$20,000
Lenczner	\$25,000
Lavery De Billy	\$10,000
9205-3701 Québec inc.	\$207,690
Trustee fees	\$245,850
BNY Mellon	\$17,244
Computershare	\$9,210
Monitor	\$225,000
Legal counsel to monitor	\$100,000
	<u>\$1,276,994</u>
Total before taxes	\$1,276,994
Taxes (QST)	\$63,850
(GST)	\$127,380
	<u>\$1,468,224</u>
Dealers' fees	\$41,083
	<u>\$1,509,307</u>
TOTAL:	\$1,509,307

SCHEDULE D

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AGREEMENT RELATING TO THE MITIGATION OF LOSS

See attached.

AGREEMENT RELATING TO THE MITIGATION OF LOSS

This agreement dated as of the Thirteenth (13th) day of June, 2014

BETWEEN: BARCLAYS BANK PLC ("**Barclays**")

AND: METCALFE & MANSFIELD ALTERNATIVE INVESTMENTS VII CORP., in its capacity as issuer trustee of Devonshire Trust, a trust constituted under the laws of the Province of Ontario ("**Devonshire**")

WHEREAS concurrently herewith the parties hereto together with The Bank of New York Mellon, as Custodian shall be entering into a Settlement Agreement for the purpose of settling all matters relating to the Litigation;

WHEREAS the execution by the parties hereto of this Agreement is an essential element of the Settlement Agreement;

WHEREAS under the terms of the Court of Appeal Decision it was noted that it was not strictly necessary to determine the amount of Barclays' Loss as Barclays was assumed not to be a "Non-Defaulting Party" under the Swaps for the purposes of the first part of the bifurcated trial of the Litigation but the Court proceeded nevertheless to make such determination as it would become relevant were there to be a second part to the bifurcated trial at first instance and were Barclays to be found to be a "Non-Defaulting Party" under the Swaps in such trial;

WHEREAS under the terms of the Court of Appeal Decision the Court agreed with the trial judge that Barclays' Loss should be reduced by the value of any recovery Barclays receives on the CAD\$219,641,051 face value of Notes it purchased;

WHEREAS under the terms of the Court of Appeal Decision the Court found that there existed a duty to further mitigate the Barclays' Loss and contemplated that the parties would reach an agreement with respect to such further mitigation failing which, the issue would be referred back to the trial judge for determination; and

WHEREAS the parties hereto wish to give effect to such finding in the Court of Appeal Decision and come to an agreement as to what the full amount of mitigation to be applied against the Barclays' Loss would be, should the issue become relevant;

NOW THEREFORE, in consideration of the mutual acknowledgements and promises set forth herein, in the Settlement Agreement and in the Payment Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto have agreed as follows: