

TAB C

EXHIBIT ^{" C "}

AGREEMENT OF PURCHASE AND SALE

(THE BENMILLER INN & SPA)

THIS AGREEMENT MADE THIS 24th DAY OF JANUARY, 2011

BETWEEN:

Deloitte & Touche Inc., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of Tuesday Equities Ltd. and Prince Royal Limited Partnership, with no personal or corporate liability

(hereinafter referred to as the "Vendor")

OF THE FIRST PART

- and -

First Canadian Management Corp., a corporation
OR Related Assignee *Am*
incorporated under the laws of the Province of Ontario *u*

(hereinafter referred to as the "Purchaser")

OF THE SECOND PART

WHEREAS:

- A. Pursuant to the Appointment Order, Deloitte & Touche Inc. was appointed by the Court as receiver and manager, without security, of all of the assets, undertakings and properties of Tuesday Equities Ltd. and Prince Royal Limited Partnership (together, the "Companies") acquired for, or used in relation to the following businesses carried on by the Companies, including all proceeds thereof: (i) The Benmiller Inn & Spa; (ii) The Elora Mill Inn; and (iii) Hidden Valley Resort (collectively, the "Property");
 - B. Pursuant to the Marketing Order, the Court approved the sale process proposed by the Vendor for the sale of the Property;
 - C. Subject to the Court issuing the Approval & Vesting Order, the Purchaser offers to purchase all of the Vendor's and the Companies' right, title and interest in and to the Purchased Assets on the terms and conditions contained herein. The Purchaser acknowledges that the Vendor's acceptance of such offer and execution of this
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Agreement are subject to the terms and conditions contained herein and the approval of the Court of such actions.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual premises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties agree as follows:

ARTICLE I
INTERPRETATION

1.01 Definitions

In this Agreement:

"Account Closing Date" means the 5th Business Day following the Closing Date.

"AGCO" means the Alcohol and Gaming Commission of Ontario.

"Agreement" means this agreement and all schedules and instruments in amendment or confirmation of it; and the expressions "article" and "section" followed by a number mean and refer to the specified article or section of this agreement. The words "herein", "hereof", "hereto" and "hereunder" refer to this agreement.

"Appointment Order" means the order of the Court dated May 26, 2010 appointing Deloitte & Touche Inc. as the Receiver pursuant to the provisions of the *Bankruptcy and Insolvency Act* (Canada).

"Approval & Vesting Order" means an order of the Court (i) authorizing and directing the Vendor to complete the terms of this Agreement and (ii) providing for the vesting and/or the transfer of the Purchased Assets in and to the Purchaser free and clear of all claims, liabilities and Encumbrances other than Permitted Encumbrances. The Approval & Vesting Order shall be substantially in the form of the Order annexed hereto as Schedule "C" or as the parties may otherwise agree.

"Assigned Contracts" has the meaning ascribed thereto in Section 2.03.

"Assumed Employees" has the meaning ascribed thereto in Section 5.01.

"Assumed Liabilities" means those liabilities of the Vendor or the Companies which shall be assumed by the Purchaser at Closing, all as more particularly described in Section 2.08.

"Authorization" means, with respect to any Person, any order, permit, approval, waiver, Licence or similar authorization of any Governmental Entity having jurisdiction over the Person.

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"Bank Accounts" means the General Account and the General Manager's Account.

"Books and Records" means all personnel records in respect of Assumed Employees, sales and purchase records, customer and supplier lists, lists of potential customers, referral sources, research and development reports and records, production reports and records, accounting records, equipment logs, operating guides and manuals, business reports and all other documents, files, correspondence and other information (whether in written, printed, electronic or computer printout form) relating solely to the Hotel or the Business, but excluding any of the foregoing as applicable to any Excluded Assets.

"Business" means the business conducted by the Vendor or the Companies exclusively at the Hotel.

"Business Day" means any day which is not a Saturday, a Sunday or a day observed as a statutory or civic holiday under the laws of the Province of Ontario or the federal laws of Canada applicable in the Province of Ontario, on which the principal commercial banks in the City of Toronto, Ontario are open for business.

"Closing" means the closing of the transaction contemplated by this Agreement.

"Closing Date" means the earlier of: (i) the 30th day after the granting of the Approval & Vesting Order or (ii) the date specified in any Closing Notice delivered to the Purchaser by the Vendor, or such other date as agreed by the Vendor and the Purchaser, provided such date is not later than March 21, 2011.

"Closing Notice" means a written notice from the Vendor to the Purchaser delivered in accordance with section 3.09 pursuant to which the Vendor may schedule the Closing Date as early as 5 business Days from the date of receipt of the Closing Notice by the Purchaser.

"Closing Time" means 11:00 o'clock a.m., Toronto time, on the Closing Date or such later time on the Closing Date as Closing takes place.

"Companies" means Tuesday Equities Ltd. and Prince Royal Limited Partnership.

"Conditions Precedent" means those conditions in favour of the Purchaser set out in Section 8.01, those conditions in favour of the Vendor set out in Section 9.01 and those conditions in favour of the Purchaser and Vendor set out in Section 10.01.

"Conditions of Sale" means the conditions of sale approved pursuant to the Marketing Order.

"Confidential Information" means "Information" as that term is defined and referred to in the Confidentiality Agreement.

"Confidentiality Agreement" means the confidentiality agreement between the Receiver and Akbar Manji dated as of January 12, 2011 with respect to the Hotel.

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"Contracts" means any written, but not oral, contracts, personal property leases, licenses from any Person, service contracts and any other similar written agreement between either of the Companies or the Vendor and any Person relating in any way to the Purchased Assets.

"Court" means the Ontario Superior Court of Justice (Commercial List).

"Current Employees" means all employees of either of the Companies whose employment relates exclusively to the Business or the Hotel, together with their date of hire, length of credited service if different, hourly wage rate and/or annual salary or commission arrangements, title, accrued vacation and annual vacation accrual rate and status as full, part-time or other.

"Deposit" means the deposit of \$250,000 (equal to approximately 15% of the Purchase Price) paid to the Vendor by the Purchaser by way of certified cheque or bank draft drawn upon a Schedule 1 Canadian chartered bank pursuant to the Conditions of Sale.

"Employee Liabilities" means any liability imposed upon the Vendor, the Companies or the Purchaser pursuant to any federal or provincial legislation pursuant to which such party shall be deemed to be a successor employer, related employer or otherwise responsible for or liable for payment of any amounts owing to any of the employees or former employees of either of the Companies (including but not limited to the Assumed Employees), whether pursuant to the *Labour Relations Act*, 1985, S.O. 1995, c.L.1, Schedule A, as amended, the *Employment Standards Act*, 2000, S.O. 2000, c.41, the *Pay Equity Act*, R.S.O. 1990, c.P.7, the *Workplace Safety and Insurance Act*, 1997, S.O. 1997, c.16, Sch. A, or the *Pension Benefits Act*, R.S.O. 1990, c.P.8. Without limiting the foregoing, Employee Liabilities shall include:

- (a) all salaries, wages, bonuses, commissions and other compensation (including accrued but unpaid vacation pay and any retroactive pay) and all liabilities under employee pension and benefit plans relating to employment of the employees or former employees of the Companies;
- (b) all severance payments, damages for wrongful dismissal and all related costs in respect of the termination by the Companies of the employees or former employees of the Companies; and
- (c) all liabilities for claims for injury, disability, death or workers' compensation arising from or relating to employment in the Business.

"Encumbrance" means any mortgage, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), claim, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature or any other arrangement or condition which, in substance, secures payment or performance of an obligation.

"Event Contract" means a contract or other written agreement between any of the Companies, the Vendor or the Hotel and a Patron setting out the terms upon which an event will be held at the Hotel on or after the Closing Date.

"Event Deposit" means a deposit paid to the Vendor under an Event Contract.

"Excluded Accounts Receivable" means all accounts receivable, choses in action, book debts and any other amounts due, owing or accruing due to the Vendor, the Companies, the Hotel or otherwise in connection with any of the Property and the benefit of all security (including cash deposits), guarantees and other collateral held by the Vendor, the Companies or the Hotel in respect of any Excluded Accounts Receivable.

"Excluded Assets" has the meaning ascribed thereto in Section 2.02.

"Excluded Contracts" means any and all Contracts other than those Assigned Contracts which are assignable by the Vendor in accordance with this Agreement.

"Excluded Liabilities" has the meaning ascribed thereto in Section 2.09.

"GAAP" means at any time, generally accepted accounting principles in Canada including those set out in the Handbook of the Canadian Institute of Chartered Accountants, at the relevant time applied on a consistent basis.

"General Account" means the current account in the name of Shaner Solutions, LP with Royal Bank of Canada which is utilized by the Manager to fund certain operating expenses with respect to the Hotel.

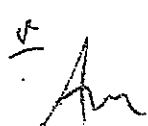
"General Manager's Account" means the current account in the name of Shaner Solutions, LP with Royal Bank of Canada which is utilized by the general manager of the Hotel to fund certain operating expenses with respect to the Hotel.

"Goodwill" means the exclusive right of the Purchaser to represent itself as carrying on all business undertakings for or related to the Purchased Assets, in continuation of and in succession to the Companies or the Vendor, including the right to use any words, names, internet domain names and trade names indicating that the Business of the Companies or the Vendor related to the Purchased Assets is so carried on.

"Governmental Entity" means (i) any multinational, federal, provincial, state, municipal, local or other government or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign (ii) any subdivision or authority of any of the foregoing, or (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.

"GST/HST" means taxes, interest, penalties and fines imposed under Part IX of the *Excise Tax Act* (Canada) and the regulations made thereunder; and "GST/HST Legislation" means such act and regulations together. For greater certainty, "GST" refers to the tax applicable in Ontario prior to July 1, 2010 and "HST" refers to the tax applicable on or after July 1, 2010, including interest, penalties and fines as aforesaid.

"Hotel" means The Benmiller Inn & Spa, consisting of the real property located at 81175 Benmiller Road, Town of Goderich, Province of Ontario, all as more particularly described in Schedule "A" attached hereto together with the buildings situate thereon containing 57 guest rooms, a lobby, restaurant, lounge/bar, meeting rooms, administrative offices, parking,



swimming pool, recreational facilities, retail components and certain other amenities and related facilities.

"Hotel Guest" means any Person who is a guest of the Hotel.

"Income Tax Act" means, collectively, the *Income Tax Act* (Canada), the *Income Tax Application Rules* (Canada) and the *Income Tax Regulations*, in each case as amended to the date hereof.

"Intellectual Property" means, as applicable to each of the Companies, such party's interest in any and all intellectual and industrial property of any kind protected or protectable in any jurisdiction throughout the world that is used exclusively by the Companies with respect to the Hotel or the Business, including, without limitation, all registered trade marks and trade names used exclusively in connection with the Hotel or the Business. For greater certainty, Intellectual Property shall not include either of the Companies' interest in any intellectual or industrial property used by the Companies in connection with or otherwise related to any of the Excluded Assets.

"Inventory" means all inventories, supplies, perishable and unperishable food items, housekeeping items, linens, and any other material routinely utilized in connection with the Business located at the Hotel on the Closing Date, but excludes all Liquor Inventory.

"Investment Canada Act" means the *Investment Canada Act*, R.S.C. 1985, c. 28 as amended from time to time and the regulations made thereunder.

"Laws" means any and all applicable laws including all statutes, codes, ordinances, decrees, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, ruling or awards, policies, guidelines and general principles of common and civil law and equity, binding on or affecting the Person referred to in the context in which the word is used.

"Liabilities" means any and all debts, liabilities and obligations, whether accrued or fixed, absolute or contingent, matured or unmatured or determined or determinable, including those arising under any Applicable Law, or claim or order by any Governmental Entity, and those arising under any contract, agreement, arrangement, commitment or undertaking, but excluding those relating to claims for income taxes, interest, penalties and fines;

"Licences" means all permits, consents, waivers, licences, sub-licences, certificates, approvals, authorizations, registrations, franchises, rights, privileges, certification, quotas and exemptions for any item with a similar effect, issued or granted by any Governmental Entity.

"Liquor" has the meaning ascribed thereto in the *Liquor Licence Act*.

"Liquor Inventory" means all inventories and supplies of Liquor owned by the Companies or the Vendor located at or related to the Hotel or otherwise subject to the Liquor Licence.

"Liquor Licence" means the temporary liquor licence issued to the Vendor by the Alcohol and Gaming Commission of Ontario with respect to the Hotel.

"*Liquor Licence Act*" means the *Liquor Licence Act*, R.S.O. 1990, c.L. 19, as amended from time to time, and the regulations made thereunder.

"*Manager*" means Crescent Hotels and Resorts Canada Company.

"*Marketing Order*" means the Order of the Court dated June 17, 2010 authorizing the Receiver to market and sell the Property.

"*New Liquor Licence*" means a new liquor licence which authorizes the Purchaser to sell Liquor at the Hotel following Closing substantially on the terms of the Liquor Licence.

"*Parties*" means the Vendor, the Purchaser and any other Person who may become a party to this Agreement.

"*Patron*" means any Person who has scheduled an event at the Hotel and paid the corresponding Event Deposit to either the Companies or the Vendor.

"*Permitted Encumbrances*" means those encumbrances specified in Schedule "B".

"*Person*" means a natural person, partnership, limited liability partnership, corporation, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.

"*PPSA*" means the *Personal Property Security Act* (Ontario), R.S.O. 1990, c.P. 10, as amended from time to time, and the regulations made thereunder.

"*Pre-Receivership Deposit*" means a deposit paid to either of the Companies or the Hotel prior to the appointment of the Receiver pursuant to the Appointment Order with respect to either an Event Contract or a Room Contract.

"*Prepaid Expenses*" means all liabilities, including all operating expenses, with respect to the Purchased Assets referable in whole or in part to the period from and after the Closing Date which have been prepaid by the Companies or the Vendor as at the Closing Date.

"*Property*" means all of the assets, undertakings and properties of the Companies acquired for, or used in relation to the following businesses carried on by the Companies including all proceeds thereof:

- (a) The Benmiller Inn & Spa, located at 81175 Benmiller Road, Town of Goderich, Province of Ontario;
- (b) The Elora Mill Inn, located at 77 Mill Street West, Village of Elora, Province of Ontario; and
- (c) Hidden Valley Resort, located at 1755 Valley Road, Town of Huntsville, Province of Ontario,
- (d) and all proceeds thereof.

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"Public Statement" has the meaning ascribed thereto in Section 15.20.

"Purchased Assets" has the meaning ascribed thereto in Section 2.01.

"Receiver" means Deloitte & Touche Inc., solely in its capacity as the receiver and manager of the Property of Tuesday Equities Ltd. and Prince Royal Limited Partnership appointed pursuant to the Appointment Order, and not in its personal capacity.

"Room Contract" means a contract or other written agreement between any of the Companies, the Vendor or the Hotel and any Person setting out the terms upon which such Person (either in his or her personal capacity or on behalf of other Persons) will occupy a guest room(s) at the Hotel on or after the Closing Date.

"Room Deposit" means a deposit paid to the Vendor by any Person under a Room Contract.

"Tax" or "Taxes" 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 Entity under any applicable tax legislation, including Canadian federal, provincial, territorial, municipal and local, foreign or other income, capital, harmonized sales, goods and services, sales, use, consumption, excise, value added, business, real property, land transfer, personal property, transfer, franchise, withholding, payroll, or employer health taxes, customs, import, anti dumping or countervailing duties, Canada Pension Plan contributions, employment insurance premiums, and provincial workers' compensation payments, including any interest, penalties and fines associated therewith.

"Title Diligence Date" means the seventh Business Day following acceptance of this Agreement by the Vendor or such later date as may be agreed by the Parties.

"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 Entity in connection with the sale, transfer or registration of the transfer of the Purchased Assets, including GST/HST but excluding any taxes imposed or payable under the *Income Tax Act* and any other applicable income tax legislation.

1.02 Currency

All references in this Agreement to monetary amounts, unless indicated to the contrary, are to the currency of Canada.

1.03 Entire Agreement

This Agreement constitutes the entire agreement between the Parties with respect to its subject matter, and supersedes any and all prior negotiations, understandings and agreements between the Parties, provided, however, that the Conditions of Sale continue to bind the Parties. This Agreement may not be amended or modified in any respect except by written instrument signed by the Parties. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar), nor shall such waiver



constitute a waiver or continuing waiver unless otherwise expressly provided in writing duly executed by the Party to be bound thereby. Subject to the Approval & Vesting Order being issued by the Court, this Agreement is intended to create binding obligations on the part of the Vendor as set forth herein and on acceptance by the Purchaser, is intended to create binding obligations on the part of the Purchaser, as set out herein.

1.04 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario, 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). Each Party hereto irrevocably submits to the exclusive jurisdiction of the Court with respect to any matter arising hereunder or relating hereto.

1.05 Singular, Plural and Gender

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

1.06 Certain Words

In this Agreement, the words "including" and "includes" means "including (or includes) without limitation", and "third party" means any Person who is not a Party.

1.07 Headings and Table of Contents

The headings and any table of contents contained in this Agreement, including the separation of this Agreement into sections, subsections, paragraphs and clauses, are for convenience of reference only, and shall not affect the meaning or interpretation.

1.08 Statutory References

All references to any statute is to that statute or regulation as now enacted or as may from time to time be amended, re-enacted or replaced and includes all regulations made thereunder, unless something in the subject matter or context is inconsistent therewith or unless expressly provided otherwise in this Agreement.

1.09 Actions to be Performed on a Business Day

Whenever this Agreement provides for or contemplates that a covenant or obligation is to be performed, or a condition is to be satisfied or waived on a day which is not a Business Day, such covenant or obligation shall be required to be performed, and such condition shall be required to be satisfied or waived on the next Business Day following such day.

1.10 Schedules

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



Schedule "A"	-	Legal Description of Hotel
Schedule "B"	-	Permitted Encumbrances
Schedule "C"	-	Approval & Vesting Order
Schedule "D"	-	Allocation of Purchase Price
Schedule "E"	-	Statement of Adjustments
Schedule "F"	-	General Conveyance

ARTICLE II

PURCHASE AND SALE OF PURCHASED ASSETS AND ASSUMPTION OF LIABILITIES

2.01 Purchased Assets

Upon the terms and subject to the conditions set forth in this Agreement, on the Closing Date, the Vendor agrees to sell, assign and transfer to the Purchaser, and the Purchaser agrees to purchase from the Vendor, all of the Vendor's and all of the Companies' right, title and interest in and to the Purchased Assets, free and clear of all Encumbrances except only for Permitted Encumbrances. The Purchased Assets shall not include the Excluded Assets. The Purchased Assets comprise the following:

- (a) the Hotel (subject to the Permitted Encumbrances);
- (b) the chattels, furniture, furnishings, equipment and machinery owned by the Companies, if any, located on or at the Hotel and used solely in connection with the Business;
- (c) the Inventory;
- (d) all Assigned Contracts, to the extent such are assignable by the Vendor in accordance with this Agreement;
- (e) the Event Contracts and any corresponding Event Deposits;
- (f) copies of any Books and Records in the Vendor's possession that relate to the Purchased Assets;
- (g) the Room Contracts and any corresponding Room Deposits;
- (h) the Prepaid Expenses relating to the Purchased Assets;

- (i) all warranties, operating manuals, plans and specifications in respect of the Purchased Assets in the Vendor's possession;
- (j) all Authorizations or Licences owned, held or used by the Companies or the Vendor in connection with the Business to the extent transferable;
- (k) the Goodwill, including the exclusive right of the Purchaser to represent itself as carrying on the Business in continuation of and in succession to the Companies; and
- (l) the Intellectual Property.

2.02 Excluded Assets

The Excluded Assets shall consist of all of the Property, other than the Purchased Assets, including, without limitation, the following:

- (a) The Elora Mill Inn and the Hidden Valley Resort;
- (b) all cash, bank balances (including balances in the Bank Accounts), funds on deposit with banks or other depositories and other similar items owned or held by or for the account of the Vendor, the Companies, the Hotel or the Business as at the Closing Date, including the Purchase Price;
- (c) the Excluded Accounts Receivable;
- (d) the Liquor Licence;
- (e) the Liquor Inventory;
- (f) all amounts owing to the Companies by any and all federal, provincial, municipal and other governmental authorities whatsoever;
- (g) all revenues accrued from the Hotel and the Business for the period ending on the day before the Closing Date;
- (h) all Authorizations, extra-provincial sales, excise or other Licences or registrations issued to or held by the Companies, other than exclusively in respect of the Purchased Assets;
- (i) any refunds in respect of reassessments for any Taxes (including, without limitation, realty taxes) paid or payable by the Companies or the Vendor on or prior to the Closing Date with respect to the Hotel or the Business;
- (j) refundable Taxes;
- (k) all amounts owing from any director, officer, former director or officer, shareholder, employee or any affiliate of the Companies;



- (l) insurance policies of the Companies or the Vendor relating to the Purchased Assets and all rights in connection therewith including any rights to payments thereunder upon the occurrence of an insured event or refunds of insurance payments except for insured events in respect of the Purchased Assets for which proceeds of insurance shall be paid to the Purchaser; and
- (m) all Excluded Contracts.

2.03 Assigned Contracts

- (a) The Purchaser acknowledges and agrees that certain of the Purchased Assets may be subject to or consist of one or more Contracts. Not later than 10 Business Days before the Closing Date, the Purchaser shall notify the Vendor in writing of all Contracts in respect of which the Purchaser wishes the Vendor to assign to it at Closing all of the Vendor's right, title and interest therein (collectively the "Assigned Contracts"). It shall be the Purchaser's sole responsibility to obtain, at its own expense, any consents, approvals or any further documentation or assurances which may be required to carry out the terms of the sale of the Purchased Assets, including, without limitation, any approvals with respect to assignment of any of the Assigned Contracts or any of the Purchased Assets not assignable without the consent or action of a third party or parties. The Purchaser shall indemnify and hold harmless the Vendor from and against any claims or liabilities arising under or in connection with any of the Assigned Contracts for matters occurring on or after, and which relate to the period on or after the Closing Date. The Vendor shall use commercially reasonable efforts to assist the Purchaser in obtaining any necessary consents of third parties to the assignment of the Assigned Contracts. Notwithstanding the foregoing, the Vendor shall have no liability to the Purchaser (and there shall be no adjustment to the Purchase Price) whatsoever with respect to any Assigned Contract, including, without limitation, if the purported assignment by the Vendor of its right, title and interest in any such Assigned Contract is not acknowledged by any Person, if any such Assigned Contract is not assignable by the Vendor, if any such Assigned Contract has been terminated by any party thereto, or the collateral or subject matter of the Assigned Contract is no longer in the Vendor's possession or control. The Vendor does not make any representation or warranty that any such Assigned Contract may be effectively assigned to the Purchaser. The Vendor shall only assign to the Purchaser by way of an assignment in form and content satisfactory to the Vendor and its solicitors all Assigned Contracts, but only to the extent that such Assigned Contracts are assignable by the Vendor, which the Purchaser wishes to have assigned to it at Closing. The form of assignment shall not provide for or require an acknowledgement or agreement to the assignment by any other Person.
- (b) Notwithstanding the provisions of Section 2.03(a), the Event Contracts and the corresponding Event Deposits and the Room Contracts and the corresponding Room Deposits shall be assigned to the Purchaser at Closing, following which the Purchaser shall be solely responsible for fulfilling the terms of each such Event Contract or Room Contract. The Purchaser shall be responsible for accounting to:

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(i) each Patron for both the Event Deposits and any Pre-Receivership Deposits paid to the Companies in respect of any of the Event Contracts; and (ii) the parties to the Room Contracts for both Room Deposits and Pre-Receivership Deposits paid to the Companies in respect of the Room Contracts. The Purchaser shall indemnify and hold harmless the Vendor from and against any claims or liabilities arising under or in connection with any of the Event Contracts or Room Contracts assigned to the Purchaser for matters occurring on or after, and which relate to the period on or after, the Closing Date. The Vendor shall have no liability to the Purchaser and there shall be no adjustment to the Purchase Price whatsoever with respect to any of the Event Contracts or Room Contracts assigned to the Purchaser including, without limitation, on account of the Pre-Receivership Deposits, if the assignment by the Vendor of its right, title and interest in any such Event Contract or Room Contract is not acknowledged by any party thereto, if the Event Contract or Room Contract is not assignable by the Vendor or if any such Event Contract or Room Contract is terminated by any party thereto. The Vendor does not make any representation or warranty that any of the Event Contracts or Room Contracts may be effectively assigned to the Purchaser or that the Patron or Hotel guest(s) will perform its or their obligations under the subject Event Contract or Room Contract. The Vendor shall only assign to the Purchaser by way of an assignment in form and content satisfactory to the Vendor and its solicitors its interest in all such Event Contracts and Room Contracts. The foregoing assignment shall not provide for or require an acknowledgement or agreement to the assignment by any other Person.

2.04 Purchase Price

The aggregate consideration payable by the Purchaser to the Vendor in consideration of the sale and transfer of the Purchased Assets shall be the aggregate of (i) cash consideration in the amount of One Million Six Hundred Thousand Dollars (\$1,600,000.00); and (ii) the assumption by the Purchaser of the Assumed Liabilities (collectively, the "Purchase Price"). The Purchase Price shall be exclusive of all Taxes, including all Transfer Taxes. The Purchase Price, as adjusted in accordance with Section 2.09, shall be paid and satisfied by the Purchaser on Closing as follows:

- (a) payment of the Deposit;
- (b) payment to the Vendor of the balance of the cash consideration comprising the Purchase Price, after payment of the Deposit, by way of certified cheque or bank draft drawn on a Schedule I Canadian chartered bank, as adjusted in accordance with Section 2.09 as at the Closing Time; and
- (c) the assumption by the Purchaser of the Assumed Liabilities.

2.05 Allocation of Purchase Price

On or before 5 Business Days before the Closing Date, the Purchaser and the Vendor shall agree upon the allocation of the Purchase Price among the Purchased Assets, which



allocation shall be set out in Schedule "D". The Purchaser and the Vendor agree to file all necessary information returns, income tax returns and other similar documents with the applicable taxing authorities in a manner which is consistent with the allocation set forth on Schedule "D".

2.06 Transfer Taxes

The Parties agree that:

- (a) the Purchase Price is exclusive of all Transfer Taxes and the Purchaser shall be liable for and shall pay any and all Transfer Taxes pertaining to the Purchaser's acquisition of the Purchased Assets or the registration of any conveyances necessitated hereby;
- (b) if the Vendor is required under any applicable Law to collect or pay Transfer Taxes, the Purchaser will pay the amount of such Transfer Taxes to the Vendor at Closing in the same manner as the Purchase Price. The Vendor shall provide the Purchaser within a reasonable period of time following Closing with supporting documentation to confirm that such Transfer Taxes have been paid to the appropriate Governmental Entity within the time prescribed by the applicable Transfer Tax legislation;
- (c) except where the Vendor is required under an applicable Law to collect or pay such Transfer Taxes, the Purchaser shall pay such Transfer Taxes directly to the appropriate Governmental Entity or other entity within the required time period and shall file all necessary documentation with respect to such Transfer Taxes when due. The Vendor will do and cause to be done such things as are reasonably requested to enable the Purchaser to comply with such obligation in a timely manner. If the Vendor is required under any applicable Law to pay any such Transfer Taxes, the Purchaser shall promptly reimburse the Vendor the full amount of such Transfer Taxes upon delivery to the Purchaser of copies of receipts showing payment of such Transfer Taxes;
- (d) the Purchaser shall indemnify the Vendor for any Transfer Taxes (including any interest or penalties imposed by a Governmental Entity) for which the Vendor may become liable as a result of any failure by the Purchaser to pay or remit such Transfer Taxes; and
- (e) the Purchaser shall be entitled to provide the Vendor with evidence that the Purchaser is an exempt purchaser, in whole or in part, for purposes of relevant Transfer Tax legislation and, upon provision of such evidence satisfactory to the Vendor, acting reasonably, the Purchaser shall not be required to pay on Closing any Transfer Taxes in respect of which the relevant exemption is applicable.

2.07 HST Election

With respect to HST:

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- (a) each Party represents and warrants to the other Party that it is a registrant for GST/HST purposes and will continue to be a registrant at the Closing Date in accordance with the provisions of the GST/HST Legislation and that such Party's respective HST registration number is: in the case of the Vendor is 852508670 RT0006, and in the case of the Purchaser is ►;
- (b) the Vendor and the Purchaser acknowledge that, by the acquisition of the Purchased Assets under this Agreement, the Purchaser is acquiring the ownership, possession or use under this Agreement of all or substantially all of the property that can reasonably be regarded as being necessary for the Purchaser to be capable of carrying on the Companies' business at the Hotel or such part of the Companies' business as a business within the meaning of Section 167 of the GST/HST Legislation;
- (c) the Vendor and the Purchaser shall jointly prepare and execute the election prescribed by subsection 167(1) of the GST/HST Legislation at Closing, and the Purchaser shall file such election in the manner and within the time prescribed by the GST/HST Legislation and shall provide the Vendor with supporting documentation to confirm that such elections have been properly filed;
- (d) pursuant to Section 2.07(c) of this Agreement, and subsection 167(1.1) of the GST/HST Legislation, the Parties acknowledge that no HST is payable by the Purchaser to the Vendor in respect of the transfer of the Purchased Assets described herein; and
- (e) notwithstanding the foregoing, the Purchaser hereby agrees to indemnify the Vendor for any assessment of HST made against the Vendor in connection with the transaction described in this Agreement, whether as a result of the election under subsection 167(1) of the GST/HST Legislation by the Parties with respect to the acquisition of the Purchased Assets by the Purchaser (including, without limitation, if CRA does not accept such election) or otherwise and the Purchaser further agrees to pay all such amounts including interest and penalties and any other related costs of the Vendor, if any, upon written request by the Vendor.

2.08 Assumed Liabilities

At Closing, the Purchaser shall assume and be liable for the Assumed Liabilities. The Assumed Liabilities shall consist of the following:

- (a) all Employee Liabilities payable to or related to any Assumed Employees;
- (b) the Vendor's liabilities and obligations under any Assigned Contracts;
- (c) the Companies' or the Vendor's liabilities and obligations under the Event Contracts, including, without limitation, the obligation to account to any Patron for any Event Deposit or Pre- Receivership Deposit under an Event Contract;

- (d) the Companies' or the Vendor's liabilities under the Room Contracts, including, without limitation, the obligation to account to any Person for any Room Deposit or Pre-Receivership Deposit under a Room Contract; and
- (e) all Liabilities arising or accruing from the use of the Purchased Assets from and after the Closing Date.

2.09 Excluded Liabilities

The Purchaser shall not assume nor be liable for any indebtedness, liabilities or obligations of the Companies or the Vendor other than the Assumed Liabilities (collectively the "Excluded Liabilities"). The Excluded Liabilities shall include, but not be limited to, the following:

- (a) except as agreed in Section 2.06, all Taxes payable by the Companies or the Vendor referable to the period up to the Closing Date including present or future federal and provincial income taxes, municipal business taxes, realty taxes, and school taxes;
- (b) any sales commissions payable by the Companies or the Vendor with respect to the transaction described in this Agreement;
- (c) any liabilities under any of the Excluded Contracts;
- (d) all Employee Liabilities with respect to any former or Current Employees of any of the Companies, except the Assumed Employees; and
- (e) any Liabilities otherwise related to the Excluded Assets.

2.10 Adjustments to the Purchase Price

(i) Adjustment Date. The Purchase Price shall not be adjusted for any cause, matter, or thing, save and except for the following, each of which shall be apportioned and allowed to the Closing Date and the Closing Date itself shall be apportioned to and be the responsibility of the Purchaser. The Vendor shall be entitled to all revenues accrued from the Hotel and the Business for the period ending on the day before the Closing Date and shall be responsible for all operating expenses relating to the Hotel and the Business for the period from and after the date of the appointment of the Receiver pursuant to the Appointment Order and ending on the day before the Closing Date. From and including the Closing Date, the Purchaser shall be responsible for all expenses and shall be entitled to all revenues accruing from the Hotel. The Purchase Price shall be adjusted in accordance with the Statement of Adjustments at Schedule "E" hereto and shall include:

- (a) the Prepaid Expenses which shall be added to the Purchase Price;
- (b) interest on the Deposit which shall be credited towards the Purchase Price upon Closing;

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- (c) all applicable Taxes, including Transfer Taxes, which shall be added to the Purchase Price;
- (d) the cost, if any, of dismantling or removing the Purchased Assets from their present location and restoring such location to a neat and clean condition which shall be added to the Purchase Price;
- (e) the cost of repairing any damage caused by dismantling or removal of the Purchased Assets from their present location which shall be added to the Purchase Price;
- (f) the cost of any additional Inventory received or paid for by the Vendor after the date of this Agreement but prior to the Closing Date, which shall be added to the Purchase Price. Notwithstanding the foregoing, there shall not be any adjustment to the Purchase Price for any non-material changes in the quantity of the Inventory between the date of this Agreement and the Closing Date;
- (g) realty taxes, local improvement rates and charges, water and assessment rates; and
- (h) operating costs, utilities, fuel and all other items normally adjusted between a vendor and a purchaser in respect of the sale of property similar to the Hotel.

(ii) Statement of Adjustments. A statement of adjustments shall be delivered to the Purchaser by the Vendor at least 5 Business Days prior to the Closing Date and shall have annexed to it details of the calculations used by the Vendor to arrive at all debits and credits on the statement of adjustments.

(iii) Re-Adjustment. If the final cost or amount of an item that is to be adjusted cannot be determined at Closing, then an initial adjustment for such item shall be made at Closing, such amount to be estimated by the Parties, acting reasonably, as of the Closing Date on the basis of the best evidence available at the Closing as to what the final cost or amount of such item will be. In each case, when such cost or amount is determined, the Vendor or Purchaser, as the case may be, shall, within 30 days of determination, provide a complete statement thereof to the other and within 30 days thereafter the Parties shall make a final adjustment as of the Closing Date for the item in question. In the absence of agreement by the parties, the final cost or amount of an item shall be determined by auditors appointed jointly by the Vendor and the Purchaser, with the cost of such auditors' determination being shared equally between the Parties. All re-adjustments shall be requested in a detailed manner on or before the 180th day after the Closing Date after which time neither Party shall have any right to request re-adjustment.

(iv) Commissions, Allowances and Inducements. The Vendor shall be responsible for all travel agency commissions, or other inducements in connection with stays at the Hotel by a Hotel Guest or an event held at the Hotel by a Patron to and including the date prior to the Closing Date and, to the extent such amounts have not been paid by the Vendor prior to the Closing Date, the Purchaser shall be credited with respect thereto on the statement of adjustments.

Handwritten initials or signature

(v) Current Year Realty Tax Refunds or Re-Assessments. All right, title and benefit in and to any realty tax refunds or re-assessments with respect to the Hotel for the period commencing on the Closing Date shall be transferred and assigned by the Vendor to the Purchaser on Closing. The Vendor and the Purchaser shall jointly direct the municipality to pay any refund or re-assessment of realty taxes for the 2011 calendar year to the Purchaser and the parties shall readjust the amount of any such refund or re-assessment payment between them after the conclusion of any assessment appeal based upon the respective *pro rata* entitlements thereto (net of any fee payable to any consultant). In addition, to the extent that any refund or re-assessment payment is made for the period either of the Companies was in possession of the Hotel in respect of the 2011 calendar year, such refund or re-assessment payment shall be disbursed in accordance with the following section.

(vi) Prior Years Realty Tax Refunds or Re-Assessments. With respect to any realty tax refunds or re-assessments for the period prior to the Closing Date, the Vendor and the Purchaser shall jointly direct any consultant currently engaged in connection with such refunds or re-assessments to continue its work on the same fee basis previously arranged (for which fees the Purchaser shall not be responsible). The Vendor and the Purchaser shall jointly direct the municipality to pay any refund or re-assessment of realty taxes for calendar years prior to 2011 to the Vendor.

2.11 Conduct of the Business to Closing

Between the date of this Agreement and the Closing Date, the Vendor will, subject to order of the Court, conduct the Business in a manner reasonably consistent with past practices of the Companies from time to time and, in any event, the Vendor shall not, without the prior written consent of the Purchaser (unless otherwise ordered by the Court), such consent not to be unreasonably withheld or unduly delayed:

- (a) enter into any agreements materially affecting the Purchased Assets;
- (b) dispose of or enter into any agreement or series of related agreements to dispose of any of the Purchased Assets other than in the ordinary course of the Business; and
- (c) deplete the Inventory such that there is not sufficient Inventory on hand at the Closing Date to operate the Business in the normal course.

2.12 Termination of Manager

Unless otherwise agreed with the Purchaser, the Vendor shall terminate the Manager's engagement as manager of the Hotel effective as of the Closing Time. The Vendor shall be responsible for payment of any amounts owing to the Manager in connection with its management of the Hotel to and including the Closing Time.

2.13 Operation of Bank Accounts Post-Closing

The Vendor and the Purchaser shall instruct the general manager of the Hotel to cease issuing cheques and other debit items drawn upon or otherwise payable from the General

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Manager's Account effective from and after the Closing Date. The Vendor shall instruct the Manager to cease issuing cheques and other debit items drawn upon or otherwise payable from the General Account effective from and after the Closing Date. The Vendor and the Purchaser agree to readjust the Purchase Price in the event that, from and after the Closing Date, any cheques are drawn upon or debits are otherwise made against the Bank Accounts. The Bank Accounts shall be closed by the Receiver effective as of the Account Closing Date. If a cheque drawn upon either of the Bank Accounts prior to the Closing Date has not been presented to Royal Bank of Canada for payment as of the Account Closing Date, then the Purchaser will issue a replacement cheque in the same amount to the payee thereof, the Receiver will issue a stop payment order to Royal Bank of Canada in respect of such cheque and the amount of the Purchase Price shall be adjusted, if necessary, in accordance with Section 2.09 with respect to some or all of the amount of such cheque.

ARTICLE III
DUE DILIGENCE

3.01 Title Due Diligence

The Purchaser shall accept title to the Hotel subject to the Permitted Encumbrances. The Purchaser shall examine title to the Hotel at its own expense and shall not call for the production of any title, deed, abstract, survey or proof of or evidence of title to the Hotel nor to have furnished to it copies of any such documents other than those in the possession or within the control of the Vendor. The Purchaser shall be allowed until the Title Diligence Date to satisfy itself as to title to the Hotel at its own expense. If, within such time, the Purchaser furnishes the Vendor with any valid objection as to title which the Vendor is unable or unwilling to remove or correct on or before the Closing Date, and which the Purchaser will not waive, this Agreement shall be terminated in accordance with Section 11. Save as to any valid objections so made within such time or any objection going to the root of title, the Purchaser shall be conclusively deemed to have accepted the title of the Vendor to the Hotel.

3.02 Acceptance of Title

If the Purchaser does not terminate this Agreement pursuant to Section 3.01 or if this Agreement is not terminated pursuant to Section 3.03, the Purchaser shall be deemed to have waived any and all rights that it has under Section 3.01 and Section 3.03 and shall be deemed to have accepted title to the Hotel and to be satisfied in all respects with the Purchased Assets and shall be obligated to complete the transaction contemplated by this Agreement, subject to satisfaction of the Conditions Precedent specified in this Agreement.

3.03 Planning Act

This Agreement shall be effective to create an interest in the Hotel only if the provisions of the *Planning Act*, R.S.O. 1990, c. P-13, as amended from time to time, are complied with, failing which this Agreement shall be terminated in accordance with Section 11.

3.04 Approval & Vesting Order



Subject to the Vendor obtaining the Approval & Vesting Order, the Vendor will deliver the Approval & Vesting Order to transfer all of the right, title and interest of the Vendor and the Companies in the Purchased Assets to the Purchaser at Closing.

3.05 Hotel Free and Clear

The Purchaser agrees to accept title to the Hotel pursuant to the Approval & Vesting Order subject to the Purchased Assets being free from any lien, charge, security interest or other claim ranking in priority to the interest being conveyed to the Purchaser at Closing and the implementation of the Approval & Vesting Order in accordance with the terms of this Agreement, save and except for the Permitted Encumbrances.

3.06 Passing of Title

The Vendor's right, title and interest in and to the Purchased Assets shall not pass to the Purchaser until the Purchase Price, and all other payments to be made by the Purchaser pursuant to this Agreement, have been paid in full, the Purchaser shall have complied with all of the Purchaser's covenants herein contained and all Conditions Precedent specified shall have been fulfilled or waived.

3.07 Access to Hotel

Unless and until this Agreement is terminated in accordance with its terms, the Vendor shall provide the Purchaser with access to the Purchased Assets during normal business hours on 24 hours' prior notice to the Vendor. The Vendor may require that a representative of the Vendor accompany the Purchaser's representative during any such visit. The Purchaser shall not be entitled to carry out any testing, inspection or otherwise exercise such right of access in respect of the Purchased Assets in a manner which would affect the health or safety of any of the Hotel Guests, Patrons or Current Employees or interfere with the operation of the Hotel or the Business. In exercising such access, the Purchaser shall not be permitted to communicate with any Hotel Guest, Patron or employee without the prior consent of the Vendor, which consent shall not be unreasonably withheld or delayed. The Purchaser shall promptly repair any damage to the Hotel caused by such visits to the Hotel and shall indemnify the Vendor with respect to any such damage and with respect to any loss, claim, demand or action arising out of any such visits. The Purchaser shall not be responsible for damage caused by anyone other than the Purchaser, its servants, agents, representatives or invitees.

3.08 Confidentiality

The Purchaser acknowledges and agrees that the Purchaser has entered into and remains bound by the Confidentiality Agreement and that the terms of the Confidentiality Agreement continue to apply in respect of the transactions contemplated hereunder. From and after Closing, the Confidentiality Agreement shall be terminated and be of no further force and effect.

3.09 Application for New Liquor Licence

The Purchaser shall apply to the AGCO for the New Liquor Licence within five (5) Business Days of the issuance of the Approval & Vesting Order. Notwithstanding the foregoing,



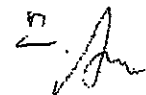
the Vendor may at any time require the Purchaser to withdraw the application for the New Liquor Licence and instead file an application to transfer the Liquor Licence to the Purchaser. If the AGCO attaches any conditions to the issuance of the New Liquor Licence or the transfer of the Liquor Licence to the Purchaser which the Purchaser, acting reasonably, is unwilling or unable to satisfy, then the Purchaser shall be entitled to terminate this Agreement in accordance with Section 11. Notwithstanding the foregoing, the Vendor shall have the right exercisable at any time to and including March 21, 2011, but not be obligated, to satisfy on behalf of the Purchaser or otherwise eliminate any of the conditions imposed by AGCO in connection with issuance of the New Liquor Licence or transfer of the Liquor Licence to the Purchaser. If the New Liquor Licence is not issued or the Liquor Licence is not transferred to the Purchaser on or before the date which is 3 Business Days prior to the Closing Date, then either the Vendor or the Purchaser may by notice in writing to the other at least 2 Business Days prior to the Closing Date elect to extend the Closing Date until the earlier of the date of issuance of the New Liquor Licence or transfer of the Liquor Licence to the Purchaser and March 21, 2011. If the New Liquor Licence or the transfer of the Liquor Licence is not received by the Purchaser by March 21, 2011, then this Agreement shall automatically terminate in accordance with Section 11 unless otherwise agreed by the Vendor and the Purchaser, each in its sole discretion. The Vendor may issue a Closing Notice to the Purchaser upon the AGCO advising the Purchaser or the Vendor that it will issue the New Liquor Licence or transfer the Liquor Licence to the Purchaser.

ARTICLE IV

"AS IS" CONDITION OF PURCHASED ASSETS

4.01 "As Is, Where Is"

As at the Closing Time, the Purchaser acknowledges to and in favour of the Vendor, that it has inspected the Purchased Assets and, save and except as is expressly set out in Section 6.01, the Purchased Assets are sold on an "as is, where is" basis at the Closing Time and that no representation, warranty or condition is expressed or implied as to title, description, fitness for purpose, location, merchantability, quantity, conditions or quality thereof or in respect of any other matter or thing whatsoever, including any law, by-law, regulation, code, standard or agreement of, or administered by, any municipality, utility or other government or authority, fire insurance underwriters or any other Person. Without limitation, the Purchased Assets are specifically offered as they exist on Closing with no adjustments to be allowed the Purchaser for changes in condition, location, quality or quantity of the Purchased Assets from the date hereof to the Closing Date. The Purchaser acknowledges that the Vendor is not required to inspect or count, or provide any inspection or counting, of the Purchased Assets or any part thereof and the Purchaser shall be deemed, at its own expense, to have relied entirely on its own inspection and investigation. Without limiting the generality of the foregoing, any and all conditions, warranties and representations expressed or implied pursuant to the *Sale of Goods Act*, R.S.O. 1990, c. S-1, as amended from time to time, do not apply to the sale of the Purchased Assets and have been waived by the Purchaser.



4.02 Subject to the Purchaser's right to terminate this Agreement in accordance with Section 3.01, the Purchaser acknowledges to and in favour of the Vendor that, without limiting the generality of Section 4.01 and 7.01, the Purchaser has entered into this Agreement and has purchased the Purchased Assets from the Vendor on the basis that:

- (a) the Purchaser shall not require the deletion of nor compliance with any registered agreement with any municipality, governmental authority, public or private utility or conservation authority;
- (b) the Purchaser is purchasing the Purchased Assets on a "as is, where is" basis subject to any and all zoning and/or other by-laws and regulations and easements affecting the Hotel, restrictions and covenants which run with the Hotel, defects and deficiencies, encroachments, work orders, deficiency notices, compliance requests, impost charges, lot levies, sewer charges, development charges and any requirements which may have been, now are or may in the future be imposed by any federal, provincial, municipal or other governmental authority having jurisdiction over the Purchased Assets including, but not limited to, the Permitted Encumbrances;
- (c) the Vendor shall not be required to provide any letters of compliance, releases or acknowledgements whatsoever including any confirmations in respect of any registered agreements, restrictions and/or easements. The Purchaser further acknowledges that, pursuant to the Purchaser's further review of title to the Hotel, the Purchaser will be deemed to have received notice of all provisions and obligations contained in any site plan, development or other registered agreement whether registered by any provincial, regional, municipal, public or private utility or governmental authority or any owner or occupant of adjoining lands;
- (d) the Vendor is not providing and has made no representations, warranties, covenants, agreements, statements, acknowledgements, inducements or promises whatsoever, save and except as expressly contained in Section 6.01, with respect to the Hotel, whether express or implied, by statute, at law or in equity, to or in favour of the Purchaser, oral or written, legal, equitable, collateral, or otherwise, including without limitation, with respect to:
 - (i) title, including, without limitation, the existence, validity, registration, enforceability or priority of any mortgages, charges, liens, encumbrances, security interests, claims or demands of whatsoever nature or kind affecting or in any way relating to the Hotel;
 - (ii) the fitness for any particular purpose or use, zoning, suitability, description, marketability, access, condition, quality, extent of the Hotel, availability of services, permitted use or state of repair of any buildings situate on or comprising the Hotel, compliance or accord of any improvements with municipal building by-laws and/or Ontario building code requirements and/or Ontario or municipal fire code requirements;



- (iii) the presence, absence, nature and/or extent of Hazardous Substances on, in, under, about or migrating from the Hotel; the discharge of such Hazardous Substances from, on, or in relation to the Hotel; the existence, state, nature, identity, extent or effect of any administrative orders, control orders, stop orders, compliance orders or any other orders, proceedings or actions under the Environmental Protection Act (Ontario), the Ontario Water Resources Act (Ontario) or any other applicable law in relation to the Hotel; nor, the existence, state, nature, kind, identity, extent or effect of any liability on the Purchaser to fulfil any obligations with respect to the environmental condition or quality of the Hotel. The Purchaser acknowledges that it accepts the Hotel subject to the environmental condition and any Hazardous Substances, whether or not such environmental condition or Hazardous Substance is known by the Vendor prior to the completion date, and acknowledges that the Purchaser will have no recourse against the Vendor for any such pre-existing environmental conditions or Hazardous Substances. "Hazardous Substances" means (i) any substance or material that is prohibited, controlled or regulated by any governmental authority pursuant to the Environmental Laws, including contaminants, pollutants, dangerous goods, liquid wastes, industrial wastes, hauled liquid wastes, radioactive wastes, toxic substances, hazardous wastes, hazardous materials or hazardous substances as defined in any Environmental Laws, (ii) asbestos and urea formaldehyde, and (iii) petroleum products. "Environmental Laws" means all applicable laws, by-laws, rules, regulations, orders, judgments, decrees, decisions or other requirements having the force of law concerning Hazardous Substances or protection of the environment or otherwise relating to the environment (including the air within any structure or underground space) or to environmental aspects of occupational health and safety, including applicable laws pertaining to (i) reporting, licensing, permitting, investigating, removing, treating or otherwise remediating the presence of Hazardous Substances, and (ii) the storage, generation, use, handling, manufacture, processing, transportation, treatment, release and disposal of Hazardous Substances. "Release" means, in addition to the meaning given to it under any applicable Environmental Laws, any release, spill, leak, pumping, pouring, emission, emptying, discharge, injection, escape, leaching, disposal, dumping, deposit, spraying, burial, abandonment, incineration, seepage or placement; and
- (iv) any defects in workmanship or any existing, executed or partially performed agreement for the supply of materials or services to the Hotel or any building or improvement constructed thereon including any right, license or easement to the use of any portion of the Hotel or any fixtures or chattels located thereon; or any other matter or thing whatsoever in respect of all or any of the Hotel or otherwise affecting this Agreement or any right or entitlement by which agreement or operation of law may run with and bind the Hotel.



4.03 Independent Investigation

As at the Closing Time, the Purchaser acknowledges to and in favour of the Vendor that it has inspected and investigated the Purchased Assets and that it has relied entirely upon its own inspections and investigations in entering into this Agreement and purchasing the Purchased Assets from the Vendor.

ARTICLE V

EMPLOYEES

5.01 Assumed Employees

Not later than 10 Business Days before the Closing Date, the Purchaser shall provide to the Vendor a list of the former or Current Employees of the Companies to whom the Purchaser shall offer employment commencing as at the Closing Date on terms and conditions of employment which are substantially similar to those currently provided to such employees. The offer of employment from the Purchaser to each such former or Current Employee of the Companies will be communicated to each such person at least 9 Business Days before the Closing Date. Without limiting the foregoing, the offer of employment from the Purchaser shall include a level of base salary or hourly wages and benefits eligibility that are comparable in the aggregate to the base salary or hourly wages and benefit eligibility provided to each such employee by the Companies or the Vendor. The former or Current Employees of the Companies who accept offers of employment from the Purchaser are referred to as the "Assumed Employees".

5.02 Assumption of Employee Liabilities

The Purchaser shall be responsible for all Employee Liabilities with respect to the Assumed Employees for the period both before and after the Closing Date. The Vendor shall not be responsible for payment of, and there shall be no adjustment to the Purchase Price for, any Employee Liabilities with respect to the Assumed Employees other than as provided for in Section 5.03.

5.03 Payment of Pre-Closing Payroll

Within 5 Business Days of the Closing Date, the Vendor shall process the payroll for, and pay (or cause to be paid), the base wages, base salary and ordinary course sales commissions accrued during the payroll period ending on the day prior to the Closing Date, as well as all unused and outstanding vacation, sick days, personal days or leave earned and/or accrued with respect to each Assumed Employee. The Vendor shall withhold and remit all applicable payroll taxes as required by Applicable Law for each Assumed Employee for the payroll period ending on the day prior to the Closing Date.

5.04 Post-Closing Payroll

Following the Closing, the Purchaser shall process the payroll for, and pay (or cause to be paid), with respect to each Assumed Employee, all compensation and benefits (including base



wages, base salary, sales commission, vacation pay, sick days, personal days and/or leave), payable to each such Assumed Employee in respect of services rendered by the Assumed Employee on and after the Closing Date.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES OF THE VENDOR

6.01 Vendor's Representations and Warranties

The Vendor hereby represents and warrants to and in favour of the Purchaser, acknowledging that the Purchaser is relying on such representations or warranties, as follows:

- (a) the Vendor was appointed as the Receiver pursuant to the Appointment Order;
- (b) subject to the Vendor obtaining the Approval & Vesting Order, the Vendor has the right, power and authority to enter in to and perform its obligations under this Agreement and, subject to the Vendor obtaining the Approval & Vesting Order, to convey the Purchased Assets to the Purchaser;
- (c) subject to any charges created by the Appointment Order, the Vendor has done no act itself to encumber, sell or dispose of any of the Purchased Assets;
- (d) the Vendor is not aware of any action or proceeding pending or threatened against it which may affect its right to convey any of the Purchased Assets as contemplated hereby;
- (e) the Vendor is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada); and
- (f) the Vendor's HST number is 852508670 RT0006.

ARTICLE VII

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

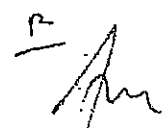
7.01 Purchaser's Representations and Warranties

The Purchaser hereby represents and warrants to and in favour of the Vendor, acknowledging that the Vendor is relying upon such representations and warranties, as follows:

- (a) the Purchaser is a corporation duly and validly incorporated under the laws of the Province of Ontario and is a valid and subsisting corporation;
- (b) the Purchaser has the requisite right, power and authority to enter into this Agreement and to complete the transactions contemplated hereby;



- (c) all necessary actions and approvals have been taken or obtained by the Purchaser to authorize the creation, execution, delivery and performance of this Agreement;
- (d) this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms;
- (e) other than the Approval & Vesting Order and the application for the New Liquor Licence, 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 Entity, except where failure to obtain such consent, approval, authorization or action, or to make such filing or notification, would not prevent, affect or delay the consummation by the Purchaser of the transaction contemplated hereby;
- (f) there are no proceedings for or pending before any Governmental Entity, or threatened to be brought by or before any Governmental Entity by or against the Purchaser affecting the legality, validity or enforceability of this Agreement or the consummation of the transaction contemplated hereby by the Purchaser;
- (g) the Purchaser is not subject to any order of any Governmental Entity, nor are there any such orders threatened to be imposed by any Governmental Entity, which could affect the legality, validity or enforceability of this Agreement or the consummation of the transaction contemplated hereby by the Purchaser;
- (h) the Purchaser has made adequate arrangements to have sufficient funds available to satisfy its obligations to pay the Purchase Price to the Vendor on the Closing Date;
- (i) the Purchaser acknowledges and agrees that, notwithstanding anything else contained herein, the Purchased Assets and the Assumed Liabilities are sold on an "as is" and "where is" basis at the Purchaser's risk and peril without any representations or warranties, express or implied, in fact or by law with respect to the Purchased Assets or the Assumed Liabilities, other than as set out in Section 6.01;
- (j) the Purchaser has provided to the Vendor a true copy of all of the documents relating to the financing commitments necessary for the Purchaser to complete the acquisition of the Purchased Assets and such documents are in effect on the date hereof and there have been no amendments to, alterations of or variations in or to such documents;
- (k) the Purchaser will be responsible for and will remit to or reimburse, as applicable, Taxes, Transfer Taxes, levies or the like that arise from the sale of the Purchased Assets unless otherwise specified in this Agreement;
- (l) the Purchaser's HST number is: ►;



- (m) neither this Agreement nor closing of the transaction contemplated by this Agreement contravenes the Purchaser's constating documents, any law, statute, by-law, rule, regulation, order, ordinance, protocol, decree or judicial, administrative, ministerial or departmental judgment, award or requirements of any Government Entity; and
- (n) the Purchaser is Canadian or a "WTO Investor" pursuant to the terms of the *Investment Canada Act* and/or has made application pursuant to the requirements of the *Investment Canada Act* and said application will not extend the Closing Date.


ARTICLE VIII

CONDITIONS IN FAVOUR OF THE PURCHASER

8.01 The Purchaser's obligation to complete this Agreement is subject to satisfaction of the following conditions precedent on or before the earlier of either the Closing Date or the Title Diligence Date as applicable, provided that any such date may be extended by the mutual agreement of each of the Purchaser and the Vendor, and which conditions are inserted for the sole benefit of the Purchaser and may be waived only by the Purchaser by notice in writing to the Vendor on or before the earlier of either the Title Diligence Date or the Closing Date, as applicable:

- (a) on or before the Title Diligence Date, the Purchaser shall have waived, or shall have been deemed to have waived, its rights to terminate this Agreement under Section 3.01;
- (b) on or before the Closing Date (subject to any extension thereof in accordance with Section 3.09), the New Liquor Licence shall have been issued or the Liquor Licence shall have been transferred to the Purchaser;
- (c) the representations and warranties of the Vendor shall be true and correct as at the Closing Date with the same force and effect as if made at and as of such time and the Vendor shall deliver to the Purchaser a certificate signed by a representative of the Vendor to that effect (provided that acceptance of such evidence and the completion of the transaction contemplated hereunder shall not be a waiver of such representations and warranties);
- (d) the Vendor shall have complied with and performed all of its covenants and obligations contained in this Agreement to be performed by it before or by the Closing Date; and
- (e) on or before the Closing Date, the Purchaser shall have obtained any approvals required pursuant to the *Investment Canada Act*.

In the event that any of the foregoing conditions are not fulfilled or waived by the Purchaser on or before the Title Diligence Date or the Closing Date, as applicable, this Agreement may be terminated at the Purchaser's option in accordance with Section 11.



ARTICLE IX

CONDITIONS IN FAVOUR OF THE VENDOR

9.01 The following conditions in favour of the Vendor must be fulfilled on or before the Closing Date, provided that such date may be extended by the mutual agreement of each of the Purchaser and the Vendor, and which conditions are inserted for the sole benefit of the Vendor and may be waived only by the Vendor by notice in writing to the Purchaser on or before the Closing Date:

- (a) the representations and warranties of the Purchaser shall be true and correct as of the Closing Date with the same force and effect as if made at and as of such time and the Purchaser shall deliver to the Vendor a certificate signed by a representative of the Purchaser to that effect (provided that acceptance of such evidence and the completion of the transaction contemplated hereunder shall not be a waiver of such representations and warranties);
- (b) on or before the Closing Date, the Vendor shall have received written confirmation from the relevant authority or the Purchaser provides the Vendor satisfactory evidence that the Purchaser has obtained any approvals required pursuant to the *Investment Canada Act*; and
- (c) the Purchaser shall have complied with and performed all of its covenants and obligations contained in this Agreement to be performed by it before or by the Closing Date.

In the event that any of the foregoing conditions are not fulfilled or waived by the Vendor on or before the Closing Date, this Agreement may be terminated by the Vendor in accordance with Section 11.

ARTICLE X

CONDITIONS IN FAVOUR OF THE VENDOR AND THE PURCHASER

10.01 The following conditions in favour of the Vendor and the Purchaser must be fulfilled on or before the Closing Date, provided that such date may be extended by the mutual agreement of each of the Purchaser and the Vendor, and which conditions are inserted for the benefit of each of the Vendor and the Purchaser and may be waived only by both of the Vendor and Purchaser on or before the Closing Date:

- (a) on or before the Closing Date, the Approval & Vesting Order shall have been obtained, the terms of the Approval & Vesting Order shall not differ materially from the form of Order at Schedule "C", and such Order shall not have been stayed, reversed or dismissed;
- (b) as of the Closing Date, no order shall have been made and no motion, action or proceeding shall be pending, threatened or commenced by any person, government, Government Entity, regulatory body or agency in any jurisdiction

which seeks to restrain or prevent the sale of the Purchased Assets under this Agreement or seeks to restrict, prohibit or direct the Vendor not to complete the transaction contemplated by this Agreement;

- (c) as at the Closing Date, the Purchased Assets shall not have been removed from the control of the Vendor by any means or process; and
- (d) as at the Closing Date, no person shall have taken any action to redeem any of the Purchased Assets.

In the event that any of the foregoing conditions are not waived by the Vendor and the Purchaser or fulfilled as required on or before the Closing Date, then this Agreement may be terminated by the Vendor or the Purchaser in accordance with Section 11.

ARTICLE XI

TERMINATION

11.01 Termination by the Parties

This Agreement may be terminated upon the occurrence of any of the following:

- (a) upon the mutual written agreement of the Vendor and the Purchaser;
- (b) by the Purchaser pursuant to Section 8.01, 10.01 or 12.03;
- (c) by the Vendor pursuant to Section 9.01 or 10.01; and
- (d) by either of the Parties following March 21, 2011, unless the Closing has taken place.

11.02 Remedies for Breach of Agreement

If this Agreement is terminated as a result of any breach of a representation, warranty, covenant or obligation of a Party, the terminating Party's right to pursue all legal remedies with respect to such breach shall survive such termination.

11.03 Vendor's Right to Retain Deposit

Subject to the provisions of this Agreement, if the Purchaser is in default hereunder and fails to proceed with the completion of the transaction contemplated by this Agreement for reasons within its control within five (5) Business Days of having received a written notice from the Vendor requiring that such default be remedied, unless such default or failure is attributable, directly or indirectly, to any action or inaction by the Vendor, then the Vendor may terminate this Agreement by notice in writing to the Purchaser and the Vendor shall be released from all obligations hereunder and shall be entitled to retain the Deposit. The parties acknowledge and agree that the Deposit represents satisfaction of the full amount of any and all damages that the Vendor would suffer under such circumstances.



11.04 Termination If No Breach of Agreement

If this Agreement is terminated other than as a result of a breach of a representation, warranty, covenant or obligation of a Party, then:

- (a) all obligations of each of the Vendor and the Purchaser hereunder shall be at an end;
- (b) the Vendor shall return the Deposit to the Purchaser, together with any accrued interest thereon;
- (c) the Purchaser shall destroy or return to the Vendor any Confidential Information in its possession;
- (d) the Purchaser's obligations with respect to the Confidential Information shall continue in accordance with Section 3.08; and
- (e) neither party shall have any right to specific performance, to recover damages or expenses or to any other remedy or relief other than as provided herein.

ARTICLE XII

DAMAGE TO PURCHASED ASSETS

12.01 Risk of Loss

The Purchased Assets shall be and remain at the risk of the Vendor, as its interests may appear, until the earlier of 12:01 a.m. on the date immediately following the Closing Date or the Closing Time. From and after such date and time, the Purchased Assets shall be at the risk of the Purchaser.

12.02 Removal of Purchased Assets from Vendor's Control

If, prior to the Closing Time, the Purchased Assets are removed from the Vendor's control by government action, civil commotion or by order of the Court, or any other cause beyond the Vendor's control, then this Agreement shall automatically be terminated in accordance with Section 11.

12.03 Purchaser's Right to Close or Terminate

If, prior to the Closing Date, the Purchased Assets are substantially damaged or destroyed by fire, flood, the elements or other casualty, then by written notice to the Vendor within seven (7) days after notification to the Purchaser by the Vendor of the occurrence of such loss or damage, the Purchaser may exercise an option to complete the transaction contemplated in this Agreement. In such event, the Purchaser shall be entitled to an assignment of the Vendor's and the Companies' right, title and interest in, and the proceeds payable under, the existing insurance policies of the Vendor or the Companies for the Purchased Assets in full settlement of any

obligation of the Vendor. If the Purchaser does not exercise such option within such 7 day period, then this Agreement shall be automatically terminated in accordance with Section 11.

12.04 Abatement if No Insurance

In the event that there is material damage to any of the Purchased Assets in respect of which no insurance is payable, the Vendor and the Purchaser, acting reasonably, shall agree upon a reduction in the Purchase Price to reflect such material insured damage or loss.

ARTICLE XIII

NOTICE

13.01 Addresses for Notice

Any demand, notice or other communication to be given in connection with this Agreement shall be given in writing and shall be given by personal delivery or by electronic mail (with an original to follow) addressed to the recipient as follows:

to the Vendor:


Deloitte & Touche Inc.
181 Bay Street
Brookfield Place, Suite 1400
Toronto, Ontario
M5J 2V1
Attention: Paul Casey / Ira Gerstein
Email: paucasey@deloitte.ca / iragerstein@deloitte.ca

with a copy to:

ThorntonGroutFinnigan LLP
Barristers and Solicitors
Canadian Pacific Tower
Suite 3200
100 Wellington Street West
Toronto ON M5K 1K7
Attention: Grant Moffat
Email: gmoffat@tgf.ca

to the Purchaser:

First Canadian Management Corp.
552 Mcgarrell Place
London, ON
Attention: Akbar Manji



Email: akmanji@rogers.com

with a copy to:

Fayaz Manji
Email: fmanji@fcmc.ca

or to such other address as may be designated by notice given by either party to the other. Any notice or other communication given by personal delivery shall be deemed to have been given on the day of actual delivery thereof and, if given by electronic communication, on the day of transmittal thereof if given during normal business hours on the Business Day during which such normal business hours next occur if not given during such hours on any day.

ARTICLE XIV
CLOSING DELIVERIES

14.01 Vendor's Deliveries

At Closing, the Vendor shall surrender the Purchased Assets to the Purchaser at their then current location. On or before the Closing Date or such other date specified below, the Vendor shall deliver to the Purchaser the following:

- (a) Application for Vesting Order in registrable form and a certified copy of the issued Approval & Vesting Order. The Purchaser shall be responsible for all costs and expenses (including land transfer tax) relating to the registration of such Application for Vesting Order and the Vendor shall be responsible for the cost of obtaining and registering the Approval & Vesting Order;
- (b) an assignment of the Assigned Contracts;
- (c) an assignment of the Event Contracts and the Room Contracts;
- (d) such notice or notices as the Purchaser may reasonably require to be given to other parties under the Assigned Contracts of the assignment of such Assigned Contracts to the Purchaser, together with directions relating to the performance of obligations under such Assigned Contracts all in such form as the Purchaser may reasonably require;
- (e) a statement of adjustments, as contemplated by Section 2.09;
- (f) an undertaking by the Vendor to readjust any errors, omissions or changes in the statement of adjustments;
- (g) an assignment of the Intellectual Property;
- (h) a General Conveyance, in the form attached hereto as Schedule "F", in respect of the Purchased Assets being conveyed to the Purchaser;



- (i) if possible, an election regarding HST as described in Section 2.07;
- (j) the certificate of the Vendor referenced in Section 8.01 (c);
- (k) the originals and, if the originals are not available, copies of the Books and Records; and
- (l) such other documents as may be reasonably requested by the Purchaser's solicitors to give effect to this Agreement.

14.02 Purchaser's Deliveries

On or before the Closing Date or such other date as provided for below, the Purchaser shall deliver to the Vendor or such other party specified below:

- (a) the Purchase Price adjusted in accordance with Section 2.09, by way of certified cheque or bank draft drawn on a Schedule I Canadian chartered bank;
- (b) the amount of all Taxes (including Transfer Taxes) payable in respect of the transaction contemplated by this Agreement by way of certified cheque or bank draft drawn on a Schedule I Canadian chartered bank;
- (c) evidence of HST registration;
- (d) an indemnity in form satisfactory to the Vendor indemnifying and holding the Vendor harmless from and against any Assumed Liabilities and any claims under the Assigned Contracts, the Event Contracts and the Room Contracts for matters occurring on or after, and which relate to the period on or after, the Closing Date;
- (e) any specific assignment and/or assumption agreement that may be required for any assigned contract;
- (f) an undertaking by the Purchaser to readjust any errors, omissions or changes in the statement of adjustments;
- (g) a certified copy of a resolution of the board of directors of the Purchaser authorizing the execution of this Agreement and performance of each of the Purchaser's obligations hereunder;
- (h) a certificate of status and certified copy of the Articles of Incorporation of the Purchaser;
- (i) if possible, an election regarding HST and a GST/HST indemnity as described in Section 2.07;
- (j) the certificate by the Purchaser referred to in Section 9.01 (a); and
- (k) such other documents as may be reasonably requested by the Vendor's solicitors to give effect to this Agreement.



ARTICLE XV
GENERAL PROVISIONS

15.01 Further Assurances

Each of the Vendor and the Purchaser shall from time to time at the cost of the requesting party execute and deliver all such further documents and instruments and do all acts and things as the other party may, either before or after the Closing Date, reasonably require to properly give effect to the sale, assignment and transfer of the Purchased Assets to the Purchaser.

15.02 Time of Essence

Time shall be of the essence of this Agreement.

15.03 Obligations to Survive

The representations and warranties made by each of the Vendor and Purchaser herein shall not merge on Closing and shall survive Closing.

15.04 Fees and Expenses

Each of the parties hereto will be responsible for and shall pay all costs and expenses (including fees and expenses of legal counsel and any other advisors) each party incurs in connection with the negotiation, preparation and execution of this Agreement.

15.05 Waiver

No failure or delay by a party hereto in exercising any right, power or remedy under this Agreement, and no course of dealing between the parties hereto, shall operate as a waiver of any such right, power or remedy of the party. No single or partial exercise of any right, power or remedy under this Agreement by a party hereto, nor any abandonment or discontinuance of steps to enforce any such right, power or remedy, shall preclude such party from any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. The election of any remedy by a party hereto shall not constitute a waiver of the right of such party to pursue other available remedies. No notice to or demand on a party not expressly required under this Agreement shall entitle the party receiving such notice or demand to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the party giving such notice or demand to any other or further action in any circumstances without such notice or demand. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose of which it was given, and shall not constitute a continuing waiver or consent.

15.06 No Third Party Beneficiaries

This Agreement shall be binding upon and enure solely to the benefit of each of the Parties hereto and its permitted assigns and nothing in this Agreement, express or implied, is intended to confer upon any other person any rights or remedies of any nature whatsoever under or by reason of this Agreement. Nothing in this Agreement shall be construed to create any rights or obligations except between the Parties, and no person or entity shall be regarded as a third party beneficiary of this Agreement. Each of the Parties agrees that all provisions of this Agreement, and all provisions of any and all documents and security delivered in connection herewith, shall not merge and except where otherwise expressly stipulated herein, survive the closing of the transactions contemplated by this Agreement.

15.07 Assignment

This Agreement, and any rights hereunder, may not be assigned by the Vendor or the Purchaser.

15.08 Books and Records

The Purchaser shall preserve and keep any books and records of the Companies which relate to the Purchased Assets for a period of two (2) years from the Closing Date or for any longer period as may be required by any applicable law or governmental authority. Upon reasonable advance notice, after the Closing Date, the Purchaser will grant the Vendor and, in the event any of the Companies are adjudged bankrupt, any trustee of the estate of either of the Companies and their representatives reasonable access during normal business hours, and a licence free of charge, to use the books, records and documentation included in the Purchased Assets relating up to the Closing Date, including, without limitation, any employment records of the Assumed Employees relating to the period up to the Closing Date and any employees engaged by the Vendor at or in respect of the Purchased Assets up to and including the Closing Date, and computer systems, tapes, disks, records and software acquired as part of the Purchased Assets.

15.09 Post-Closing Receipts

If, following the Closing Date, any of the Purchased Assets are paid to or otherwise received by the Vendor, or if any of the Excluded Assets are paid to or otherwise received by the Purchaser, then the Vendor or the Purchaser, as the case may be, shall hold such assets in trust for the other and shall promptly deliver such assets to the Vendor or the Purchaser, as the case may be.

15.10 Injunctive Relief

Each of the parties hereto acknowledges and agrees that the rights acquired by each party hereunder are unique and that irreparable damage would occur in the event that any of the provisions of this Agreement to be performed by the other party were not performed in accordance with their specific terms or were otherwise breached. Accordingly, in addition to any other remedy to which the parties hereto are entitled at law or in equity, each party hereto shall be entitled to an injunction or injunctions to prevent breaches of this Agreement by the other



party and to enforce specifically the terms and provisions hereof in any court to which the parties have agreed hereunder submit to jurisdiction.

15.11 Severability

In the event that any particular provision or provisions or a part of a provision of this Agreement is found to be void, voidable or unenforceable for any reason whatsoever, then the particular provision or provisions or part of the provision of this Agreement shall be deemed severed from the remainder of this Agreement and all other provisions shall remain in full force and effect.

15.12 Strict Construction

Each party to this Agreement hereto acknowledges that it and its legal counsel have reviewed and participated in settling the terms of this Agreement and the parties hereby agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party shall not be applicable in the interpretation of this Agreement.

15.13 Public Statement

Except as required to obtain the Approval & Vesting Order, no press release or public statement or announcement with respect to the transaction contemplated in or effected pursuant to this Agreement (a "Public Statement") shall be made by the Purchaser or the Vendor without the prior written consent and approval of the other Party.

15.14 Counterparts

This Agreement shall be considered properly executed and delivered by any party if executed in counterpart and transmitted by facsimile or electronic mail to the other party.

15.15 Capacity of Receiver

The Purchaser acknowledges that Deloitte & Touche Inc. has been appointed as Receiver pursuant to the Appointment Order. The Purchaser further acknowledges and agrees that Deloitte & Touche Inc. acts solely in its capacity as Receiver, without personal or corporate liability. The Purchaser acknowledges and agrees that Deloitte & Touche Inc. is entering into this Agreement solely in its capacity as the Receiver and that Deloitte & Touche Inc., its agents, officers, partners and employees shall have no personal or corporate liability of any kind whatsoever, in contract, in tort, or at equity as a result of or in any way connected with this Agreement or as a result of the Vendor performing or failing to perform any of its obligations hereunder.

15.16 Schedules

The following are the schedules delivered separately and initialled by the Vendor and the Purchaser for identification, and incorporated into this Agreement by reference and deemed to be a part hereof, namely:



- Schedule "A" - Legal Description of Hotel
- Schedule "B" - Permitted Encumbrances
- Schedule "C" - Approval & Vesting Order
- Schedule "D" - Allocation of Purchase Price
- Schedule "E" - Statement of Adjustments
- Schedule "F" - General Conveyance

IN WITNESS WHEREOF the parties have duly executed this Agreement this 24th day of January, 2011.

This Agreement shall be open for acceptance by the Purchaser until 5:00pm on January 24, 2011 after which time, if not accepted by the Purchaser, shall be null and void.

DELOITTE & TOUCHE INC., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of Tuesday Equities Ltd. and Prince Royal Limited Partnership, with no personal or corporate liability

Per: *P. Cooy*

Name: *Paul H. Cooy*
Title: *Senior Vice-President*

FIRST CANADIAN MANAGEMENT CORP.

Per: *Amanji*

Name: Akbar Manji
Title: CFO

(I have authority to bind the Corporation)

Amanji

SCHEDULE "A"

LEGAL DESCRIPTION

THE BENMILLER INN & SPA

PIN 41361-0104 (LT) – PT LT 19 PL 205 COLBORNE; PT LT 20 PL 205 COLBORNE; PT LT 1 CON 1 ED COLBORNE AS IN R282493 (SEVENTHLY); TOWNSHIP OF ASHFIE3LD-COLBORNE-WAWANOSH

PIN 41361-0129 (LT) – PT LT 1 CON 1 ED COLBORNE AS IN LT5242 (4THLY); TOWNSHIP OF ASHFIELD-COLBORNE-WAWANOSH

PIN 41361-0133 (LT) – PT LT 1 CON 1 ED COLBORNE PT 2, 22R788, PT 1, 22R535 & AS IN R 282493 (FIFTHLY); S/T INTEREST IN R177511; TOWNSHIP OF ASHFIELD-COLBORNE-WAWANOSH

PIN 41361-0134(LT) – PT BLK B PL 206 COLBORNE PT 1, 22R439 & PART BLOCK B, PLAN 206 COLBORNE AS DESCRIBED AS PART LOT 1, CONCESSION 1, EASTERN DIVISION; COLBORNE AS IN R282493 (FIRSTLY) "DESCRIPTION AMENDED BY L. SWANSON, LAND REGISTRAR 00/12/13" TOWNSHIP OF ASHFIELD-COLBORNE-WAWANOSH

PIN 41361-0094 (LT) – LT 1 PL 205 COLBORNE; LT 2 PL 205 COLBORNE; LT 3 PL 205 COLBORNE; TOWNSHIP OF ASHFIELD-COLBORNE-WAWANOSH

Part of PIN 41118-0090 (R) – PT LT 1 CON 2 ED COLBORNE, PT LT 2 CON 2 ED COLBORNE; TOWNSHIP OF ASHFIELD-COLBORNE-WAWANOSH, more particularly described as follows:

Part of Lots 1 and 2, Concession II, Eastern Division, Township of Colborne, the boundaries of which are more particularly described as follows:

BEGINNING at the southeast angle of Lot 1, Concession II, Easter Division;

THENCE South 89 degrees 58 minutes West along the southerly limit of the said lot, a distance of 69.60 feet;

THENCE North 46 degrees West along the southwesterly limit of the said lot, a distance of 275.85 feet;

THENCE North 62 degrees 37 minutes East along the northwesterly limit of Instrument No. 30756, a distance of 28.49 feet to the point of commencement of the parcel herein described;

W
—

THENCE North 62 degrees 37 minutes East along the northwesterly limit of Instrument No. 30756 and Instrument No. 87832, a distance of 323.41 feet to a point in a westerly limit of Instrument No. 62136;

THENCE North 0 degrees 31 minutes 30 seconds East, a distance of 217.0 feet;

THENCE South 68 degrees 21 minutes 40 seconds East, a distance of 81.0 feet;

THENCE North 68 degrees 56 minutes 40 seconds East, a distance of 283.0 feet;

THENCE North 0 degrees 25 minutes 30 seconds West, a distance of 442.1 feet;

THENCE due West, a distance of 382.3 feet to a point in the west limit of Lot 2, Concession II, Easter Division;

THENCE due South along the west limit of Lot 2, Concession II, Eastern Division, a distance of 391.3 feet to the southeast angle of Instrument No. 87374;

THENCE North 26 degrees West, a distance of 85.8 feet;

THENCE North 59 degrees 20 minutes West, a distance of 175.15 feet;

THENCE South 38 degrees 10 minutes West along the southeasterly limit of Instrument No. 87374 and Instrument No. 8096, a distance of 521.61 feet to the northwesterly corner of Part 8, according to registered R.D. Plan No. 79 for a County of Huron;

THENCE South 46 degrees East along the northerly limit of said Part 8, a distance of 92.65 feet;

THENCE South 51 degrees 42 minutes 40 seconds East along the northerly limit of said Part 8, a distance of 100.50 feet;

THENCE South 46 degrees East along the northerly limit of said Part 8, a distance of 169.82 feet to the northeasterly corner of said Part 8, being the point of commencement;

as lastly described as FIRSTLY in instrument No. 340929.

SCHEDULE "B"

PERMITTED ENCUMBRANCES

Permitted Encumbrances with respect to the Hotel means:

- a) All of the instruments set out in this Schedule "B";
- b) Any easements, servitudes, rights-of-way, licences, restrictions that run with the land and other encumbrances and/or agreements with respect thereto (including, without limiting the generality of the foregoing, easements, rights-of-way and agreements for sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables);
- c) Defects or irregularities in title to the Hotel;
- d) Inchoate liens for municipal property taxes, local improvement assessments and/or taxes and/or charges, and/or other taxes, assessments or recoveries relating to the Hotel not yet due or liens for same which are due but the validity of which are being contested in good faith by the Vendor provided that the Vendor has provided security which in the opinion of the Purchaser, acting reasonably, is necessary to avoid any lien, charge or encumbrance arising with respect thereto;
- e) Zoning and building by-laws and ordinances, municipal by-laws and regulations, development agreements, subdivision agreements, site plan agreements, notices, and/or building restrictions;
- f) Inchoate liens for public utilities not due as at the Closing Date;
- g) The exceptions, limitations and qualifications set out in the *Registry Act* and/or the *Land Titles Act* and/or set out on the parcel registers for the Hotel and any amendments thereto;
- h) All reservations, limitations, provisos and/or conditions set out in the original grant from the Crown; and
- i) All encroachments of buildings or other improvements and/or mislocated fences that may be shown on any existing survey or any up-to-date survey for the Hotel.

Without limiting the foregoing Permitted Encumbrances include the following:

PIN 41361-0104 (LT)

1. Bylaw registered as Instrument No. R99569 on May 27, 1970; and
2. Application to Register Court Order re Order of the Ontario Superior Court of Justice dated May 26, 2010 appointing Deloitte & Touche Inc. as the Receiver registered as Instrument No. HC67208 on June 3, 2010.

PIN 41361-0129 (LT)

1. Bylaw registered as Instrument No. R99569 on May 27, 1970;
2. Agreement with The Corporation of the Township of Colborne (the "Town") registered as Instrument No. R187060 on October 27, 1980;
3. Agreement with the Town registered as Instrument No. R187062 on October 27, 1980;
4. Agreement with the Township of Colborne registered as Instrument No. R225461 on May 27, 1986;
5. Agreement with the Township of Colborne registered as Instrument No. R283065 on November 30, 1992; and
6. Application to Register Court Order re Order of the Ontario Superior Court of Justice dated May 26, 2010 appointing Deloitte & Touche Inc. as the Receiver registered as Instrument No. HC67208 on June 3, 2010.

PIN 41361-0133 (LT)

1. Bylaw registered as Instrument No. R99569 on May 27, 1970;
2. Deed of Land from Murray Alan Hill to Carolyn Park registered as Instrument No. R177511 on August 15, 1979 and containing a statement that the lands are being transferred to the grantee, her heirs and assigns, to and for her and their sole and only use forever; and
3. Application to Register Court Order re Order of the Ontario Superior Court of Justice dated May 26, 2010 appointing Deloitte & Touche Inc. as the Receiver registered as Instrument No. HC67208 on June 3, 2010.

PIN 41361-0134 (LT)

1. Application to Register Court Order re Order of the Ontario Superior Court of Justice dated May 26, 2010 appointing Deloitte & Touche Inc. as the Receiver registered as Instrument No. HC67208 on June 3, 2010.

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PIN 41361-0094 (LT)

1. Application to Register Court Order re Order of the Ontario Superior Court of Justice dated May 26, 2010 appointing Deloitte & Touche Inc. as the Receiver registered as Instrument No. HC67208 on June 3, 2010.

PIN 41361-0094 (R)

1. Certificate registered as Instrument No. R78791 on December 15, 1966;
2. Bylaw registered as Instrument No. R99569 on May 27, 1970;
3. Certificate registered as Instrument No. R101492 on September 22, 1970;
4. Certificate registered as Instrument No. R101493 on September 22, 1970;
5. Debenture in favour of Bank of Montreal ("BMO") securing the principal amount of \$1,000,000 registered as Instrument No. R166408 on June 29, 1978;
6. Notice of Lease in favour of Benmiller Inns Limited registered as Instrument No. R172154 on January 24, 1979;
7. Assignment of Lease in favour of BMO registered as Instrument No. R172155 on January 24, 1979;
8. Charge in favour of Farm Credit Corporation securing the principal amount of \$83,000.00 registered on February 8, 1980 as Instrument No. R181630;
9. Charge in favour of BMO securing the principal amount of \$1,200,000 registered as Instrument No. R181685 on February 13, 1980;
10. Debenture in favour of BMO securing the principal amount of \$2,650,000 registered as Instrument No. R196507 on April 26, 1982;
11. Debenture in favour of Manufacturers Hanover Leasing Canada Ltd. securing the principal amount of \$300,000 registered as Instrument No. R197851 on June 28, 1982;
12. Debenture in favour of Mercantile Bank of Canada securing the principal amount of \$750,000 registered as Instrument No. R197852 on June 28, 1982;
13. Debenture in favour of Credit Lyonnais Canada securing the principal amount of \$365,000 registered as Instrument No. R198873 on August 11, 1982;
14. Discharge of Debenture described in #5 above registered as Instrument No. R218611 on June 27, 1985;

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15. Discharge of Assignment of Lease described in #7 above registered as Instrument No. R218612 on June 27, 1985;
16. Discharge of Notice of Lease described in #6 above registered as Instrument No. R218613 on June 27, 1985;
17. Discharge of Charge described in #9 above registered as Instrument No. R218615 on June 27, 1985;
18. Discharge of Debenture described in #10 above registered as Instrument No. R218617 on June 27, 1985;
19. Discharge of Debenture described in #11 above registered as Instrument No. R218622 on June 27, 1985;
20. Discharge of Debenture described in #12 above registered as Instrument No. R218623 on June 27, 1985;
21. Discharge of Debenture described in #13 above registered as Instrument No. R218625 on June 27, 1985;
22. Debenture in favour of Central Guaranty Trust Co. securing the principal amount of \$1,000,000 registered as Instrument No. R259358 on February 28, 1990;
23. Deposit registered as Instrument No. R282492 on November 4, 1992;
24. Lease in favour of Black-Gold Land & Exploration Ltd. ("**Black-Gold**") registered as Instrument No. R340135 on May 17, 2000;
25. Charge in favour of the Equitable Trust Company and Morrison Financial Mortgage Corporation securing the principal sum of \$2,380,000 registered as Instrument No. R340930 on December 4, 2000;
26. Assignment General in favour of the Equitable Trust Company and Morrison Financial Mortgage Corporation registered as Instrument No. R340931 on December 4, 2000;
27. Assignment of Lease from Black-Gold to Lyleton Corporation registered as Instrument No. R342242 on December 17, 2002; and
28. Court Order re Order of the Ontario Superior Court of Justice dated May 26, 2010 appointing Deloitte & Touche Inc. as the Receiver registered as Instrument No. R345667 on June 21, 2010.

[No. p. 44]

SCHEDULE "C"

Court File No. CV-10-8592-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE ►) ► DAY, THE ► DAY
JUSTICE ►) OF ►, 2010

BETWEEN:

THE EQUITABLE TRUST COMPANY

Applicant

- and -

**TUESDAY EQUITIES LTD. as General Partner for and on behalf of
PRINCE ROYAL LIMITED PARTNERSHIP**

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by **Deloitte & Touche Inc.** in its capacity as the Court-appointed receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of Tuesday Equities Ltd. and Prince Royal Limited Partnership (together, the "**Debtors**"), acquired for, or used in relation to the following businesses carried on by the Debtors, including all proceeds thereof: (i) The Benmiller Inn & Spa; (ii) The Elora Mill Inn; and (iii) the Hidden Valley Resort (collectively, the "**Property**") 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**") made as of [DATE] and appended to the Report of the Receiver dated [DATE] (the "**Report**"), and vesting in the Purchaser the Debtors' right, title and interest in and to the assets described in the Sale

Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver, [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 [NAME] sworn [DATE] filed:

2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and that the Sale Agreement is commercially reasonable and in the best interests of the Debtors and their stakeholders. The execution of the Sale Agreement by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Receiver's and all of the Debtors' right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Cumming dated May 26, 2010; (ii) all charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the [Registry Division of {LOCATION}] of a Transfer/Deed of Land in the form prescribed by the *Land Registration Reform Act* duly executed by the Receiver] [Land Titles Division of {LOCATION}] of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*], the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the “**Real Property**”) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the 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.

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

7. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtors' records pertaining to the Debtors' past and current employees, including personal information of the “**Assumed Employees**” as defined in the Sale Agreement. The Purchaser 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 by the Debtors.

8. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;

- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtors;

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

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

10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States 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 orders and to provide such assistance to the Receiver, as an officer of this 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.

Schedule A – Form of Receiver’s Certificate

Court File No. CV-10-8592-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

THE EQUITABLE TRUST COMPANY

Applicant

- and -

TUESDAY EQUITIES LTD. as General Partner for and on behalf of
PRINCE ROYAL LIMITED PARTNERSHIP

Respondents

RECEIVER’S CERTIFICATE

RECITALS

B. Pursuant to an Order of the Honourable Justice Cumming of the Ontario Superior Court of Justice (the "**Court**") dated May 26, 2010, Deloitte & Touche Inc. was appointed as the receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of Tuesday Equities Ltd. and Prince Royal Limited Partnership (together, the "**Debtors**"), acquired for, or used in relation to the following businesses carried on by the Debtors, including all proceeds thereof: (i) The Benmiller Inn & Spa; (ii) The Elora Mill Inn; and (iii) the Hidden Valley Resort (collectively, the "**Property**").

C. 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 Receiver’s and the Debtors’ 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.

D. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser 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; 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].

DELOITTE & TOUCHE INC., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of Tuesday Equities Ltd. and Prince Royal Limited Partnership, with no personal or corporate liability

Per: _____
Name: ►
Title: ►

Schedule B – Purchased Assets

Schedule C – Claims to be deleted and expunged from title to Real Property

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property**

(unaffected by the Vesting Order)

THE EQUITABLE TRUST COMPANY

and

TUESDAY EQUITIES LTD. as General Partner for
and on behalf of PRINCE ROYAL LIMITED
PARTNERSHIP

Applicant

Respondent(s)

Court File No.: CV-10-8592-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

APPROVAL AND VESTING ORDER

ThorntonGroutFinnigan LLP
Barristers and Solicitors
Suite 3200, P. O. Box 329
Canadian Pacific Tower
Toronto-Dominion Centre
Toronto, ON M5K 1K7

Grant B. Moffat (LSUC# 323801 1D)
Tel: 416-304-0599
Fax: 416-304-1313

Lawyers for the Receiver.

SCHEDULE "D"

ALLOCATION OF PURCHASE PRICE

SCHEDULE "E"
STATEMENT OF ADJUSTMENTS

SCHEDULE "F"
GENERAL CONVEYANCE

THIS AGREEMENT made the day of , 2011

B E T W E E N:

[PURCHASER], a corporation incorporated under the laws of the Province of Ontario

(hereinafter referred to as the "Purchaser")

OF THE FIRST PART

- and -

DELOITTE & TOUCHE INC., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of Tuesday Equities Ltd. and Prince Royal Limited Partnership, with no personal or corporate liability

(hereinafter referred to as the "Vendor")

OF THE SECOND PART

WHEREAS:

- A. Pursuant to an Order of the Honourable Justice Cumming of the Ontario Superior Court of Justice (the "**Court**") dated May 26, 2010, Deloitte & Touche Inc. was appointed as the receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of Tuesday Equities Ltd. and Prince Royal Limited Partnership (together, the "**Debtors**"), acquired for, or used in relation to the following businesses carried on by the Debtors, including all proceeds thereof: (i) The Benmiller Inn & Spa; (ii) The Elora Mill Inn; and (iii) the Hidden Valley Resort (collectively, the "**Property**");
- B. Pursuant to an Order of the Court dated [Date] (the "**Approval and Vesting Order**"), the Court approved the agreement of purchase and sale made as of [Date] (the "**Sale Agreement**") between the Receiver and the Purchaser and provided for the vesting in the Purchaser of the Vendor's and the Debtors' right, title and interest in and to the Purchased Assets.
- C. The Purchaser has offered to purchase the Purchased Assets and the Vendor has accepted such offer on the terms and conditions contained in the Sale Agreement.
- D. Unless otherwise indicated herein, capitalized terms have the meanings ascribed thereto in the Sale Agreement.

NOW THEREFORE IN CONSIDERATION of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do covenant and agree as follows:

1. Sale of Assets

(a) The Vendor hereby sells, conveys, transfers and assigns to the Purchaser all of the Vendor's and the Debtors' right, title and interest, if any, in and to the Purchased Assets as authorized and directed by the Approval and Vesting Order.

(b) The Purchaser acknowledges to and in favour of the Vendor that it has inspected the Purchased Assets and, save and except as is expressly set out in the Sale Agreement, the Purchased Assets are sold on an "as is, where is" basis at the Closing Time and that no representation, warranty or condition is expressed or implied as to title, description, fitness for purpose, location, merchantability, quantity, conditions or quality thereof or in respect of any other matter or thing whatsoever.

2. Warranties

(a) The Purchaser and the Vendor warrant to each other that the recitals hereto are true and correct;

(b) The Vendor acknowledges and agrees that the representations and warranties set out in Article 6 of the Sale Agreement are incorporated by reference herein and are true and correct as of the date hereof; and

(b) The Purchaser acknowledges and agrees that the representations and warranties set out in Article 7 of the Sale Agreement are incorporated by reference herein and are true and correct as of the date hereof.

3. Miscellaneous

(a) This Agreement and all of its provisions shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns;

(b) This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein; and

(c) Each of the Vendor and the Purchaser shall, from time to time at the cost of the requesting party, do all such further acts and things and execute and deliver such further instruments and documents as may be reasonably necessary to give effect to the sale, assignment and transfer of the Purchased Assets to the Purchaser in accordance with the terms of the Sale Agreement.

4. This Agreement shall be considered properly executed and delivered by any party if executed in counterpart and transmitted by facsimile to the other party.

Casey, Paul (CA - Toronto) Financial Advisory

From: akmanji@rogers.com
Sent: Tuesday, January 25, 2011 3:14 PM
To: Casey, Paul (CA - Toronto) Financial Advisory
Subject: Re: APS re Benmiller Inn & Spa

Yes, thank you. I do have a copy of all the schedules and don't know how they got left out on the sign back. I do acknowledge that these were all present and I do have copies of them. The deposit was couriered yesterday and you will probably have received them by now. I will have our legal counsel contact their legal counsel later this week. Thank you for your assistance Akbar Manji.

Sent from my BlackBerry device on the Rogers Wireless Network

-----Original Message-----

From: "Casey, Paul (CA - Toronto) Financial Advisory" <paucasey@deloitte.ca>
Date: Tue, 25 Jan 2011 14:25:23
To: 'akmanji@rogers.com' <akmanji@rogers.com>; 'fmanji@fcmc.ca' <fmanji@fcmc.ca>
Cc: 'Grant Moffat' <GMoffat@tgf.ca>; 'Leonard D. Rodness(lrodness@torkinmanes.com)' <lrodness@torkinmanes.com>; Gerstein, Ira X(CA - Toronto) <iragerstein@deloitte.ca>
Subject: APS re Benmiller Inn & Spa

Akbar and team,

Thank you for the executed Agreement of Purchase and Sale. Attached is my initialed page 1 acknowledging your addition of "or Related Assignee" in the definition of "Purchaser". Please acknowledge via return email that the schedules delivered to you last week are included as part of the execution copy, and that the agreement remains effective as of January 24, 2011.

We await receipt of the deposit of \$250,000 and will confirm when received.

I have copied the Receiver's independent legal counsel with this email. Please have your counsel contact them with respect to your Title Due Diligence. We look forward to working with you to close this transaction.

Deloitte & Touche Inc.
Receiver of certain property of
Tuesday Equities Ltd. and Prince Royal L.P.

Per: Paul M. Casey
Senior Vice-President

Paul M. Casey, CA-CIRP
Partner
Reorganization Services
Deloitte & Touche LLP
181 Bay Street
Brookfield Place
Suite 1400
Toronto, ON M5J 2V1
CANADA

Direct: 416-775-7172
Mobile: 416-452-9559
Main: 416-601-6150
Fax: 416-601-6690

190014 18008
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Scotiabank
420 RICHMOND STREET
LONDON ON N6A 3C9

CANADIAN DOLLAR DRAFT

935973

01 24 2011
DATE M M D R Y Y Y Y

PAY TO ORDER OF *Deloitte & Touche Inc in its capacity as the Court Appointed Receiver Manager of this property of the estate of [unclear]* \$250,000⁰⁰

SUM OF **BANQUE SCOTIABANK** CANADIAN FUNDS

TO:
ANY BRANCH OF
THE BANK OF NOVA SCOTIA

Ref: *BEN MILLER PURCHASE*

AUTH NO. <i>048</i>	THE BANK OF NOVA SCOTIA <i>[Signature]</i>
AUTH NO. <i>01369</i>	AUTHORIZED OFFICER <i>[Signature]</i>
	AUTHORIZED OFFICER

⑈935973⑈ ⑆38562⑈002⑆ 00000⑈43 00042⑈

AMENDING AGREEMENT

(THE BENMILLER INN & SPA)

THIS AGREEMENT MADE THIS 18th DAY OF MARCH, 2011

BETWEEN:

Deloitte & Touche Inc., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of Tuesday Equities Ltd. and Prince Royal Limited Partnership, with no personal or corporate liability

(hereinafter referred to as the "Vendor")

OF THE FIRST PART

- and -

First Canadian Management Corp., a corporation incorporated under the laws of the Province of Ontario

(hereinafter referred to as the "Purchaser")

OF THE SECOND PART

WHEREAS:

- A. Pursuant to the Appointment Order, Deloitte & Touche Inc. was appointed by the Court as receiver and manager, without security, of all of the assets, undertakings and properties of Tuesday Equities Ltd. and Prince Royal Limited Partnership (together, the "Companies") acquired for, or used in relation to the following businesses carried on by the Companies, including all proceeds thereof: (i) The Benmiller Inn & Spa; (ii) The Elora Mill Inn; and (iii) Hidden Valley Resort (collectively, the "Property");
- B. Pursuant to the Agreement of Purchase and Sale between the Vendor and the Purchaser dated January 24, 2011 (the "Sale Agreement"), the Purchaser has offered to purchase all of the Vendor's and the Companies' right, title and interest in and to the Purchased Assets on the terms and conditions contained therein. The Purchaser acknowledges that the Vendor's acceptance of such offer and execution of this Agreement are subject to the terms and conditions contained herein and the approval of the Court of such actions;

- C. The Vendor and the Purchaser have agreed to amend certain of the terms of the Sale Agreement in accordance with the terms of this Agreement. Unless otherwise specified, capitalized terms used herein have the meanings ascribed thereto in the Sale Agreement.
- D. The provisions of Article 15 of the Sale Agreement shall apply *mutatis mutandis* to the terms of this Agreement including, without limitation, the provisions of section 15.15 of the Sale Agreement which the Purchaser specifically acknowledges and agrees apply to the terms of this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual premises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties agree to amend the Sale Agreement as follows. For ease of reference, section headings and numbering conforms to that in the Sale Agreement.

AMENDMENTS TO THE SALE AGREEMENT

1.01 DEFINITIONS

The definition of "**Closing Date**" in section 1.01 of the Sale Agreement shall be deleted and replaced with the following:

"**Closing Date**" means the earlier of (i) the date specified in any Closing Notice delivered to the Purchaser by the Vendor or (ii) March 31, 2011.

3.03 Acceptance of Title

The Purchaser acknowledges and agrees that it has waived any and all rights that it has under sections 3.01, 3.02, 3.03 and 8.01(a) to terminate the Sale Agreement. The Purchaser acknowledges that it does not object to any term of the Sale Agreement, as amended by this Agreement, has accepted title to the Hotel, is satisfied in all respects with the Purchased Assets and is obligated to complete the transaction contemplated by the Sale Agreement, as amended by this Agreement, subject to satisfaction of the Conditions Precedent.

3.09 Application for New Liquor Licence

Section 3.09 shall be deleted and replaced with the following:

- (a) The Purchaser shall apply to the AGCO for the New Liquor Licence within five (5) Business Days of the issuance of the Approval & Vesting Order. Notwithstanding the foregoing, the Vendor may at any time require the Purchaser to withdraw the application for the New Liquor Licence and instead file an application to transfer the Liquor Licence to the Purchaser. If the AGCO attaches any conditions to the issuance of the New Liquor Licence or the transfer of the Liquor Licence to the Purchaser which the Purchaser, acting reasonably, is unwilling or unable to satisfy, then the Purchaser shall be entitled to terminate this

Agreement in accordance with Section 11. Notwithstanding the foregoing, the Vendor shall have the right exercisable at any time to and including March 31, 2011, but not be obligated, to satisfy on behalf of the Purchaser or otherwise eliminate any of the conditions imposed by the AGCO in connection with the issuance of the New Liquor Licence or transfer of the Liquor Licence to the Purchaser. If the New Liquor Licence or the transfer of the Liquor Licence is not received by the Purchaser by the Closing Date, then this Agreement shall automatically terminate in accordance with Section 11 unless otherwise agreed by the Vendor and the Purchaser, each in its sole discretion. The Vendor may issue a Closing Notice to the Purchaser upon the AGCO advising the Purchaser or the Vendor that it will issue the New Liquor Licence or transfer the Liquor Licence to the Purchaser.

11.01 Termination by the Parties

The phrase, "save and except section 8.01(a)" shall be added to Section 11.01(b), such that Section 11.01(b) shall read, "by the Purchaser pursuant to Section, 8.01 (save and except section 8.01(a), 10.01 or 12.03)".

The reference in Section 11.01(d) to "March 21, 2011" shall be deleted and replaced with, "March 31, 2011".

Except as amended by this Agreement, the Sale Agreement shall remain in effect, unamended.

This Agreement shall be considered properly executed and delivered by any party if executed in counterpart and transmitted by facsimile or electronic mail to the other party.

IN WITNESS WHEREOF the parties have duly executed this Agreement this 18th day of March, 2011.

Deloitte & Touche Inc., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of Tuesday Equities Ltd. and Prince Royal Limited Partnership, with no personal or corporate liability

Per:

P. Casey

Name: PAUL M. ARSOI

Title: SENIOR VICE-PRESIDENT

I have the authority to bind the corporation

FIRST CANADIAN MANAGEMENT
CORP.

Per: _____

Name:

Title:

I have the authority to bind the corporation

29924.0003/4040666_1

Attention: Stefano Damiani

SECOND AMENDING AGREEMENT

(THE BENMILLER INN & SPA)

THIS AGREEMENT MADE THIS 29th DAY OF MARCH, 2011

BETWEEN:

Deloitte & Touche Inc., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of Tuesday Equities Ltd. and Prince Royal Limited Partnership, with no personal or corporate liability

(hereinafter referred to as the "Vendor")

OF THE FIRST PART

- and -

First Canadian Management Corp., a corporation incorporated under the laws of the Province of Ontario

(hereinafter referred to as the "Purchaser")

OF THE SECOND PART

WHEREAS:

- A. Pursuant to the Appointment Order, Deloitte & Touche Inc. was appointed by the Court as receiver and manager, without security, of all of the assets, undertakings and properties of Tuesday Equities Ltd. and Prince Royal Limited Partnership (together, the "Companies") acquired for, or used in relation to the following businesses carried on by the Companies, including all proceeds thereof: (i) The Benmiller Inn & Spa; (ii) The Elora Mill Inn; and (iii) Hidden Valley Resort (collectively, the "Property");
- B. Pursuant to the Agreement of Purchase and Sale between the Vendor and the Purchaser dated January 24, 2011 (the "APS"), as amended by Amending Agreement dated March 18, 2011 (the "First Amending Agreement") (the APS and the First Amending Agreement shall hereinafter be collectively referred to as the "Sale Agreement"), the Purchaser has offered to purchase all of the Vendor's and the Companies' right, title and interest in and to the Purchased Assets on the terms and conditions contained therein. The Purchaser acknowledges that the Vendor's acceptance of such offer and execution of this Agreement are subject to the terms and conditions contained herein and the approval of the Court of such actions;

- C. The Vendor and the Purchaser have agreed to amend certain of the terms of the Sale Agreement in accordance with the terms of this Agreement. Unless otherwise specified, capitalized terms used herein have the meanings ascribed thereto in the Sale Agreement;
- D. The provisions of Article 15 of the Sale Agreement shall apply *mutatis mutandis* to the terms of this Agreement including, without limitation, the provisions of section 15.15 of the Sale Agreement which the Purchaser specifically acknowledges and agrees apply to the terms of this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual premises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties agree to amend the Sale Agreement as follows. For ease of reference, section headings and numbering conforms to that in the Sale Agreement.

AMENDMENTS TO THE SALE AGREEMENT

1.01 DEFINITIONS

The definition of “**Closing Date**” in section 1.01 of the Sale Agreement shall be deleted and replaced with the following:

“**Closing Date**” means the earlier of (i) the date specified in any Closing Notice delivered to the Purchaser by the Vendor or (ii) April 18, 2011.

3.09 Application for New Liquor Licence

Section 3.09 shall be deleted and replaced with the following:

- (a) The parties acknowledge that the Purchaser has applied to the AGCO for the New Liquor Licence. Notwithstanding the foregoing, the Vendor may at any time require the Purchaser to withdraw the application for the New Liquor Licence and instead file an application to transfer the Liquor Licence to the Purchaser. If the AGCO attaches any conditions to the issuance of the New Liquor Licence or the transfer of the Liquor Licence to the Purchaser which the Purchaser, acting reasonably, is unwilling or unable to satisfy, then the Purchaser shall be entitled to terminate this Agreement in accordance with Section 11. Notwithstanding the foregoing, the Vendor shall have the right exercisable at any time to and including April 18, 2011, but not be obligated, to satisfy on behalf of the Purchaser or otherwise eliminate any of the conditions imposed by the AGCO in connection with the issuance of the New Liquor Licence or transfer of the Liquor Licence to the Purchaser. If the New Liquor Licence or the transfer of the Liquor Licence is not received by the Purchaser by the Closing Date, then this Agreement shall automatically terminate in accordance with Section 11 unless otherwise agreed by the Vendor and the Purchaser, each in its sole discretion. The Vendor may issue a Closing Notice to the Purchaser upon the AGCO advising the Purchaser or the

Vendor that it will issue the New Liquor Licence or transfer the Liquor Licence to the Purchaser.

11.01 Termination by the Parties

The reference in Section 11.01(d) to "March 31, 2011" shall be deleted and replaced with, "April 18, 2011".

Except as amended by this Agreement, the Sale Agreement shall remain in effect, unamended.

This Agreement shall be considered properly executed and delivered by any party if executed in counterpart and transmitted by facsimile or electronic mail to the other party.

IN WITNESS WHEREOF the parties have duly executed this Agreement this 29th day of March, 2011.

Deloitte & Touche Inc., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of Tuesday Equities Ltd. and Prince Royal Limited Partnership, with no personal or corporate liability

Per: P. Casey
Name: Paul M. Casey
Title: SENIOR VICE-PRESIDENT
I have the authority to bind the corporation

FIRST CANADIAN MANAGEMENT CORP.

Per: Amaru
Name:
Title:
I have the authority to bind the corporation

SECOND~~THIRD~~ AMENDING AGREEMENT**(THE BENMILLER INN & SPA)****THIS AGREEMENT MADE THIS ~~29~~¹⁵th DAY OF MARCH~~MARCH~~, 2011**

BETWEEN:

Deloitte & Touche Inc., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of Tuesday Equities Ltd. and Prince Royal Limited Partnership, with no personal or corporate liability

(hereinafter referred to as the "Vendor")

OF THE FIRST PART

- and -

First Canadian Management Corp., a corporation incorporated under the laws of the Province of Ontario

(hereinafter referred to as the "Purchaser")

OF THE SECOND PART

WHEREAS:

- A. Pursuant to the Appointment Order, Deloitte & Touche Inc. was appointed by the Court as receiver and manager, without security, of all of the assets, undertakings and properties of Tuesday Equities Ltd. and Prince Royal Limited Partnership (together, the "Companies") acquired for, or used in relation to the following businesses carried on by the Companies, including all proceeds thereof: (i) The Benmiller Inn & Spa; (ii) The Elora Mill Inn; and (iii) Hidden Valley Resort (collectively, the "Property");
- B. Pursuant to the Agreement of Purchase and Sale between the Vendor and the Purchaser dated January 24, 2011 (the "APS"), as amended by Amending Agreement dated March 18, 2011 (the "**First Amending Agreement**") ~~(the APS and Second Amending Agreement dated the 29th day of March, 2011 (the "**Second Amending Agreement**")~~ (the APS, the First Amending Agreement and the Second Amending Agreement) shall hereinafter be collectively referred to as the "**Sale Agreement**", the Purchaser has offered to purchase all of the Vendor's and the Companies' right, title and interest in and to the Purchased Assets on the terms and conditions contained therein. The Purchaser acknowledges that the Vendor's acceptance of such offer and execution of this

Agreement are subject to the terms and conditions contained herein and the approval of the Court of such actions;

- C. The Vendor and the Purchaser have agreed to amend certain of the terms of the Sale Agreement in accordance with the terms of this Agreement. Unless otherwise specified, capitalized terms used herein have the meanings ascribed thereto in the Sale Agreement;
- D. The provisions of Article 15 of the Sale Agreement shall apply *mutatis mutandis* to the terms of this Agreement including, without limitation, the provisions of section 15.15 of the Sale Agreement which the Purchaser specifically acknowledges and agrees apply to the terms of this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual premises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties agree to amend the Sale Agreement as follows. For ease of reference, section headings and numbering conforms to that in the Sale Agreement.

AMENDMENTS TO THE SALE AGREEMENT

1.01 DEFINITIONS

The definition of "Closing Date" in section 1.01 of the Sale Agreement shall be deleted and replaced with the following:

"Closing Date" means the earlier of (i) the date specified in any Closing Notice delivered to the Purchaser by the Vendor or (ii) ~~April 18, May 12,~~ 2011.

April 20

3.09 Application for New Liquor Licence

Section 3.09 shall be deleted and replaced with the following:

- (a) The parties acknowledge that the Purchaser has applied to the AGCO for the New Liquor Licence. Notwithstanding the foregoing, the Vendor may at any time require the Purchaser to withdraw the application for the New Liquor Licence and instead file an application to transfer the Liquor Licence to the Purchaser. If the AGCO attaches any conditions to the issuance of the New Liquor Licence or the transfer of the Liquor Licence to the Purchaser which the Purchaser, acting reasonably, is unwilling or unable to satisfy, then the Purchaser shall be entitled to terminate this Agreement in accordance with Section 11. Notwithstanding the foregoing, the Vendor shall have the right exercisable at any time to and including ~~April 18, May 12,~~ 2011, but not be obligated, to satisfy on behalf of the Purchaser or otherwise eliminate any of the conditions imposed by the AGCO in connection with the issuance of the New Liquor Licence or transfer of the Liquor Licence to the Purchaser. If the New Liquor Licence or the transfer of the Liquor Licence is not received by the Purchaser by the Closing Date, then this Agreement shall

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April/20
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automatically terminate in accordance with Section 11 unless otherwise agreed by the Vendor and the Purchaser, each in its sole discretion. The Vendor may issue a Closing Notice to the Purchaser upon the AGCO advising the Purchaser or the Vendor that it will issue the New Liquor Licence or transfer the Liquor Licence to the Purchaser.

11.01 Termination by the Parties

The reference in Section 11.01(d) to "~~March 31~~ April 18, 2011" shall be deleted and replaced with, "~~April 18~~ May 12, 2011".

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Except as amended by this Agreement, the Sale Agreement shall remain in effect, unamended.

APRIL 20 / 2011

This Agreement shall be considered properly executed and delivered by any party if executed in counterpart and transmitted by facsimile or electronic mail to the other party.

IN WITNESS WHEREOF the parties have duly executed this Agreement this ~~29~~¹⁵th day of ~~March~~ April, 2011.

Deloitte & Touche Inc., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of Tuesday Equities Ltd. and Prince Royal Limited Partnership, with no personal or corporate liability

Per: _____

Name:

Title:

I have the authority to bind the corporation

FIRST CANADIAN MANAGEMENT CORP.

Per: _____

Name: *AKBTR MANJI*

Title: *CFO*

I have the authority to bind the corporation

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~~FOURTH~~
~~THIRD~~ AMENDING AGREEMENT

(THE BENMILLER INN & SPA)

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THIS AGREEMENT MADE THIS 15th DAY OF APRIL, 2011
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BETWEEN:

Deloitte & Touche Inc., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of Tuesday Equities Ltd. and Prince Royal Limited Partnership, with no personal or corporate liability

(hereinafter referred to as the "Vendor")

OF THE FIRST PART

- and -

First Canadian Management Corp., a corporation incorporated under the laws of the Province of Ontario

(hereinafter referred to as the "Purchaser")

OF THE SECOND PART

WHEREAS:

- A. Pursuant to the Appointment Order, Deloitte & Touche Inc. was appointed by the Court as receiver and manager, without security, of all of the assets, undertakings and properties of Tuesday Equities Ltd. and Prince Royal Limited Partnership (together, the "Companies") acquired for, or used in relation to the following businesses carried on by the Companies, including all proceeds thereof: (i) The Benmiller Inn & Spa; (ii) The Elora Mill Inn; and (iii) Hidden Valley Resort (collectively, the "Property");
- B. Pursuant to the Agreement of Purchase and Sale between the Vendor and the Purchaser dated January 24, 2011 (the "APS"), as amended by Amending Agreement dated March 18, 2011 (the "First Amending Agreement"), and Second Amending Agreement dated the 29th day of March, 2011 (the "Second Amending Agreement") (the APS, the First Amending Agreement, and the Second Amending Agreement, shall hereinafter be collectively referred to as the "Sale Agreement"), the Purchaser has offered to purchase all of the Vendor's and the Companies' right, title and interest in and to the Purchased Assets on the terms and conditions contained therein. The Purchaser acknowledges that

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AND
THE
THIRD
AMENDING
AGREEMENT

THIRD AMENDING AGREEMENT DATED THE 15th DAY OF APRIL, 2011 AND MANUALLY AMENDED ON 4/18/2011 (THE "THIRD AMENDING AGREEMENT")

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the Vendor's acceptance of such offer and execution of this Agreement are subject to the terms and conditions contained herein and the approval of the Court of such actions;

- C. The Vendor and the Purchaser have agreed to amend certain of the terms of the Sale Agreement in accordance with the terms of this Agreement. Unless otherwise specified, capitalized terms used herein have the meanings ascribed thereto in the Sale Agreement;
- D. The provisions of Article 15 of the Sale Agreement shall apply *mutatis mutandis* to the terms of this Agreement including, without limitation, the provisions of section 15.15 of the Sale Agreement which the Purchaser specifically acknowledges and agrees apply to the terms of this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual premises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties agree to amend the Sale Agreement as follows. For ease of reference, section headings and numbering conforms to that in the Sale Agreement.

AMENDMENTS TO THE SALE AGREEMENT

1.01 DEFINITIONS

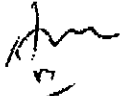
The definition of "Closing Date" in section 1.01 of the Sale Agreement shall be deleted and replaced with the following:

"Closing Date" means the earlier of (i) the date specified in any Closing Notice delivered to the Purchaser by the Vendor or (ii) ~~May 12, 2011~~. APRIL 28, 2011

3.09 Application for New Liquor Licence

Section 3.09 shall be deleted and replaced with the following:

- (a) The parties acknowledge that the Purchaser has applied to the AGCO for the New Liquor Licence. Notwithstanding the foregoing, the Vendor may at any time require the Purchaser to withdraw the application for the New Liquor Licence and instead file an application to transfer the Liquor Licence to the Purchaser. If the AGCO attaches any conditions to the issuance of the New Liquor Licence or the transfer of the Liquor Licence to the Purchaser which the Purchaser, acting reasonably, is unwilling or unable to satisfy, then the Purchaser shall be entitled to terminate this Agreement in accordance with Section 11. Notwithstanding the foregoing, the Vendor shall have the right exercisable at any time to and including ~~May 12, 2011~~, but not be obligated, to satisfy on behalf of the Purchaser or otherwise eliminate any of the conditions imposed by the AGCO in connection with the issuance of the New Liquor Licence or transfer of the Liquor Licence to the Purchaser. If the New Liquor Licence or the transfer of the Liquor Licence is not received by the Purchaser by the Closing Date, then this Agreement shall

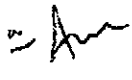
APRIL 28, 2011







automatically terminate in accordance with Section 11 unless otherwise agreed by the Vendor and the Purchaser, each in its sole discretion. The Vendor may issue a Closing Notice to the Purchaser upon the AGCO advising the Purchaser or the Vendor that it will issue the New Liquor Licence or transfer the Liquor Licence to the Purchaser.

11.01 Termination by the Parties

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 ~~May 12, 2011~~
APRIL 28

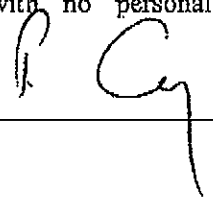
The reference in Section 11.01(d) to "April 18, 2011" shall be deleted and replaced with,

Except as amended by this Agreement, the Sale Agreement shall remain in effect, unamended.


This Agreement shall be considered properly executed and delivered by any party if executed in counterpart and transmitted by facsimile or electronic mail to the other party.

IN WITNESS WHEREOF the parties have duly executed this Agreement this ²⁰~~15~~th day of April, 2011.

Deloitte & Touche Inc., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of Tuesday Equities Ltd. and Prince Royal Limited Partnership, with no personal or corporate liability

Per: 
Name:
Title:
I have the authority to bind the corporation

FIRST CANADIAN MANAGEMENT CORP.

Per: 
Name:
Title:
I have the authority to bind the corporation



FIFTH AMENDING AGREEMENT

(THE BENMILLER INN & SPA)

THIS AGREEMENT MADE THIS 28th DAY OF APRIL, 2011

BETWEEN:

Deloitte & Touche Inc., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of Tuesday Equities Ltd. and Prince Royal Limited Partnership, with no personal or corporate liability

(hereinafter referred to as the "Vendor")

OF THE FIRST PART

- and -

First Canadian Management Corp., a corporation incorporated under the laws of the Province of Ontario

(hereinafter referred to as the "Purchaser")

OF THE SECOND PART

WHEREAS:

- A. Pursuant to the Appointment Order, Deloitte & Touche Inc. was appointed by the Court as receiver and manager, without security, of all of the assets, undertakings and properties of Tuesday Equities Ltd. and Prince Royal Limited Partnership (together, the "Companies") acquired for, or used in relation to the following businesses carried on by the Companies, including all proceeds thereof: (i) The Benmiller Inn & Spa; (ii) The Elora Mill Inn; and (iii) Hidden Valley Resort (collectively, the "Property");
- B. Pursuant to the Agreement of Purchase and Sale between the Vendor and the Purchaser dated January 24, 2011 (the "APS"), as amended by Amending Agreement dated March 18, 2011 (the "First Amending Agreement"), Second Amending Agreement dated March 29, 2011 (the "Second Amending Agreement"), Third Amending Agreement dated April 15, 2011 (the "Third Amending Agreement") and the Fourth Amending Agreement dated April 20, 2011 (the "Fourth Amending Agreement") (the APS, the First Amending Agreement, the Second Amending Agreement, the Third Amending Agreement and the Fourth Amending Agreement shall hereinafter be collectively referred to as the "Sale Agreement"), the Purchaser has offered to purchase all of the Vendor's and the Companies' right, title and interest in and to the Purchased Assets on the terms

and conditions contained therein. The Purchaser acknowledges that the Vendor's acceptance of such offer and execution of this Agreement are subject to the terms and conditions contained herein and the approval of the Court of such actions;

- C. The Vendor and the Purchaser have agreed to amend certain of the terms of the Sale Agreement in accordance with the terms of this Agreement. Unless otherwise specified, capitalized terms used herein have the meanings ascribed thereto in the Sale Agreement;
- D. The provisions of Article 15 of the Sale Agreement shall apply *mutatis mutandis* to the terms of this Agreement including, without limitation, the provisions of section 15.15 of the Sale Agreement which the Purchaser specifically acknowledges and agrees apply to the terms of this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual premises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties agree to amend the Sale Agreement as follows. For ease of reference, section headings and numbering conforms to that in the Sale Agreement.

AMENDMENTS TO THE SALE AGREEMENT

1.01 DEFINITIONS

The definition of "Closing Date" in section 1.01 of the Sale Agreement shall be deleted and replaced with the following

"Closing Date" means the earlier of (i) the second Business Day following the date on which the New Liquor Licence is issued to the Purchaser; and (ii) ~~May 9,~~ 2011.

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May 16th or earlier
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The definition of "Closing Notice" in section 1.01 of the Sale Agreement shall be deleted.

The following definitions shall be added to section 1.01 of the Sale Agreement:

"Deficiencies" means the Fire Code Deficiencies, any other deficiencies identified with respect to the Purchased Assets or any other matters giving rise to work orders or requiring any form of remedial action identified by any of the inspections carried out in connection with the application for the New Liquor Licence or otherwise carried out by the Purchaser, including, without limitation, the health inspection and building inspection of the Hotel.

"Fire Code Deficiencies" means those deficiencies in the Hotel requiring rectification to ensure compliance with the applicable fire code identified by the Goderich Fire Department pursuant to a Fire Inspection Report dated April 7, 2011 prepared by the Goderich Fire Department and the Fire Safety Audit dated

May 25, 2008 prepared by Hine Reichard Tomlin Inc. with respect to the Hotel.
A list of the Fire Code Deficiencies is attached hereto as Schedule "A".

2.04 Purchase Price

Section 2.04 shall be amended by deleting the reference to, "one million six hundred thousand dollars (\$1,600,000.00)", and replacing it with the phrase, "one million five hundred and fifty thousand dollars (\$1,550,000.00)".

2.10 Adjustments to the Purchase Price

Section 2.10(i) shall be amended by inserting the following as a new second sentence:

Without limiting the foregoing, there shall be no adjustment to the Purchase Price in connection with the Deficiencies, including, without limitation, any steps which the AGCO may require the Purchaser to take to rectify or otherwise address any of the Deficiencies as a condition of the issuance to the Purchaser of the New Liquor Licence or transfer to the Purchaser of the Liquor Licence.

3.09 Application for New Liquor Licence

Section 3.09 shall be deleted and replaced with the following:

- (a) The parties acknowledge that the Purchaser has applied to the AGCO for the New Liquor Licence. Notwithstanding the foregoing, the Vendor may at any time require the Purchaser to withdraw the application for the New Liquor Licence and instead file an application to transfer the Liquor Licence to the Purchaser. The issuance of the New Liquor Licence or the transfer of the Liquor Licence to the Purchaser shall not be a condition of Closing. Without limiting the foregoing, the Purchaser shall not be entitled to terminate this Agreement if (i) the New Liquor Licence is not issued to the Purchaser on or before the Closing Date; (ii) the Liquor Licence is not transferred to the Purchaser on or before the Closing Date; or (iii) the AGCO attaches any conditions to the issuance of the New Liquor Licence or the transfer of the Liquor Licence to the Purchaser which the Purchaser is unwilling or unable to satisfy.

3.10 Rectification of Fire Code Deficiencies

The following shall be inserted as a new section 3.10:

3.10 Rectification of Fire Code Deficiencies

The Purchaser covenants in favour of the Vendor to:

- (a) deliver to the Goderich Fire Department an undertaking in form and content satisfactory to the Vendor confirming that the Purchaser will undertake to rectify the Fire Code Deficiencies by the deadline dates and in the manner specified in Schedule "A" hereto;

- (b) rectify the Fire Code Deficiencies by the deadline dates and in the manner specified in Schedule "A" hereto following Closing, provided that the Purchaser shall have no obligation to rectify any of the Fire Code Deficiencies or any of the other Deficiencies in the event this Agreement is terminated in accordance with the terms hereof; and
- (c) indemnify and hold the Vendor harmless for any claims, costs or expenses for which the Vendor may become liable as a result of any failure by the Purchaser to rectify the Fire Code Deficiencies by the deadline dates or in the manner specified in Schedule "A" hereto following Closing, provided that this indemnity shall only become effective upon Closing.

4.02 "As Is" Condition of Purchased Assets

Section 4.02 shall be amended by inserting the following as a new subparagraph 4.02(e):

- (e) the Vendor acknowledges the existence of the Deficiencies. The Purchaser shall be solely responsible to rectify the Deficiencies at its own cost and will not seek any additional abatement of or reduction to the Purchase Price in respect of any Deficiencies, whether known as of the date of this Agreement or arising after the date hereof.

7.01 Purchaser's Representations and Warranties

In section 7.01(e), the phrase, "and the application for the New Liquor Licence" shall be deleted.

8.01 Conditions in Favour of the Purchaser

Section 8.01(b) shall be deleted.

11.01 Termination by the Parties

The reference in section 11.01(d) to "April 28, 2011" shall be deleted and replaced with, "~~May 9, 2011~~". *May 16th* *OR EARLIER* ✓

11.03 Vendor's Right to Retain Deposit

The following shall be added as a new penultimate sentence in Section 11.03:

For greater certainty, the phrase, "for reasons within its control" in the first sentence of this Section shall include the failure or refusal by the AGCO to, on or before the Closing Date, issue the New Liquor Licence to the Purchaser or transfer the Liquor Licence to the Purchaser.

Except as amended by this Agreement, the Sale Agreement shall remain in effect, unamended.

This Agreement shall be considered properly executed and delivered by any party if executed in counterpart and transmitted by facsimile or electronic mail to the other party.

IN WITNESS WHEREOF the parties have duly executed this Agreement this 28th day of April, 2011.

Deloitte & Touche Inc., solely in its capacity as the Court Appointed Receiver and Manager of the Property (as defined herein) of Tuesday Equities Ltd. and Prince Royal Limited Partnership, with no personal or corporate liability

Per: P. Casey
Name: PAUL M. CASEY
Title: SENIOR VICE - PRESIDENT
I have the authority to bind the corporation

FIRST CANADIAN MANAGEMENT CORP.

Per: Aman
Name: AKBAR MANJI
Title: CFO
I have the authority to bind the corporation

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SCHEDULE "A"

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SCHEDULE "A"

The Bommler Inn & Spa
List of Fire Deficiencies
As at April 21, 2011

NOTE: This information contained in this schedule is based on the fire inspection report dated April 7, 2011 as prepared by the Gooch Fire Department, and the Fire Safety Audit (the "FSA") dated March 25, 2009 prepared by Fire Research Team Inc. Readers are encouraged to refer to these original documents for further information, as the purpose of this schedule was not auditing, reviewing or otherwise attempting to verify the accuracy or completeness of this information and accordingly expresses no opinion or other form of assurance on the information contained herein.

Fire Inspection Report

Item #	Fire Code Ref #	Description	Building				Estimated Cost of Repair per FSA	Comments	Timing	Done
			Woolan Mill	Gleechill House	River Mill	Mill House				
1	1.1.1.1	Unless otherwise specified, the owner shall be responsible for carrying out the provisions of this Code.								
2	9.9.1.2.1(1)	A Building Audit shall be prepared and retained by the owner. No building audit could be produced. Items identified by a building audit shall be completed according to the schedule supplied at the time of inspection.							4/15/2011	X
3	9.9.2.B. (1)(b)	Separation of Guest Suites							10/31/2011	X
4	9.9.2.1.1	Laundry rooms and storage rooms exceeding 0.5m ² shall be separated by the remainder of the building by a fire separation having a 45 min fire-resistance rating							4/15/2011	X
5	2.7.3.2	Arrow or exit light in basement directs occupants the wrong way.	X						4/15/2011	X
6		Stair doors are constructed of wood and not rated.	X						10/31/2011	X
7	2.4.6.1	Extension cords are used extensively throughout the facility.	X						4/15/2011	X
8	2.2.2.1	Breaches in fire separations were noted in basement.	X						4/15/2011	X
9		Absence of ground fault receptacles in suite bathrooms	X						10/31/2011	X
10	6.3.1.4, 6.3.2.3	Alarm panel indicates "Trouble" and "Ground Fault"	X	X					6/30/2011	
11	2.2.2.1	Breached fire separation between basement compartments.		X					4/15/2011	X
12	2.4.1.5	Link traps not cleaned out in dryers		X					4/15/2011	X
13	2.7.1.7.1(1)	Shovels and pop machines were noted in stairwell		X					4/15/2011	X
14	2.2.3.3	A fire separation door was noted open due to insufficient clearance between carpet and bottom of door		X	X				4/15/2011	X
15	2.7.2.2	No panic hardware on exit door in Spa area		X					6/30/2011	X
16	2.7.3.3 (3)	Emergency light not working in basement stairwell in Spa area		X					4/15/2011	X
17	0.4.1.5	Records for Standpipe connection inspection and testing could not be produced.		X					4/15/2011	X
										\$

Fire Safety Audit (Pre-2012 Items)

Item #	Fire Code Ref #	Description	Building				Estimated Cost of Repair	Comments	Timing	Done
			Woolan Mill	Gleechill House	River Mill	Mill House				
3	N/A	Provide documentation that identifies the floor assemblies of the Gleechill House provides the required 45 minute fire resistance rating, or remove the existing in and wood assemblies connecting the floor assemblies and replace with a 45 minute rated assembly. The approximate cost provided is to retain a consultant to investigate the rating of the floor assembly.	X				\$ 2,200	Obtain documentation. Otherwise, obtain quote from a fire consultant (e.g. GBFS) to perform this assessment.	10/31/2011	

SCHEDULE "A"

Item #	Fire Code Ref #	Description	Woolen Mill	Gleedhill House	River Mill	4th House	Estimated Cost of Repair per FSA	Comments	Timing	Done
6	N/A	Repair the gypsum board and plaster assemblies concerning the floor assembly of the 1st floor in the Woolen Mill.	X				\$ 1,500	None.	4/18/2011	X
7	N/A	Provide a 45 minute fire resistance rating to the metal pan floor assembly of Level 3 of the River Mill in the service rooms on Level 2.			X		\$ 3,800	To discuss with GBFS for further guidance in this regard.	10/31/2011	
8	N/A	Replace the doors to the guest suites in the Woolen Mill with 20 minute fire protection rated doors complete with self-latching and self-closing devices.	X				\$ 13,000	Confirm # of non-fire compliant doors. Lead time for ordering/installation phased in during summer and fall.	10/21/2011	
9	N/A	Install self-closing devices on the guest suite doors in the Gleedhill House.		X			\$ 2,700	Confirm # of non-fire compliant doors. Lead time for ordering/installation phased in during summer and fall.	10/31/2011	
10	N/A	Install self-closing devices on the doors to the guest suites in the 5 Level portion of the River Mill.			X		\$ 1,800	Confirm # of non-fire compliant doors. Lead time for ordering/installation phased in during summer and fall.	10/31/2011	
11	N/A	Replace the guest suite doors in the Mill House with 20 minute fire protection rated doors complete with self-latching and self-closing devices.				X	\$ 0,000	Confirm # of non-fire compliant doors. Lead time for ordering/installation phased in during summer and fall.	10/31/2011	
12	N/A	Provide a self-closing device on the door to the Woolen Mill electrical room, the linen room in the Gleedhill House and the pool equipment room in the River Mill.	X	X	X		\$ 900	Perform internally by Ray Kennedy	6/30/2011	
13	N/A	Replace the door at the top of the stair serving the basement in the Woolen Mill with a 20 minute rated door complete with self-closing and self-latching devices.	X				\$ 1,500	Confirm # of non-fire compliant doors. Lead time for ordering/installation phased in during summer and fall.	10/31/2011	
14	N/A	Replace the door to the 2nd floor linen room in the Gleedhill House with a 20 minute rated door complete with self-closing and self-latching devices.				X	\$ 1,500	Arrange as part of general order with other doors	10/31/2011	
15	N/A	Replace the wood and plain glass door separating the River Mill exit stair from the pedestrian bridge with a 45 minute rated door complete with self-closing and self-latching devices.			X		\$ 1,500	Arrange as part of general order with other doors	10/31/2011	
16	N/A	Replace the door separating the basement from Level 2 in the River Mill with a 45 minute fire protection rating complete with self-closing and self-latching devices.			X		\$ 1,500	Arrange as part of general order with other doors	10/31/2011	
17	N/A	Provide self-latching devices on the exit stair doors in the 5 Level portion of the River Mill.			X		\$ 1,250	Fire rated closure installed, but panic bar required	10/31/2011	Partial
18	N/A	Replace the doors to the linen/storage rooms in the 5 Level section of the River Mill with 45 minute rated doors complete with self-closing and self-latching devices.			X		\$ 4,500	Arrange as part of general order with other doors	10/31/2011	
19	N/A	Replace the wood doors to the hotwater room in the River Mill with a 45 minute fire rated doors complete with self-closing and self-latching devices.			X		\$ 3,000	Arrange as part of general order with other doors	10/31/2011	
20	N/A	Replace fire doors to the linen room and storage room in the Mill House with 20 minute rated doors complete with self-closing and self-latching devices.				X	\$ 3,900	Arrange as part of general order with other doors	10/31/2011	
21	N/A	Provide a 45 minute fire resistance rating to the floor assembly of the 2nd floor linen room in the Woolen Mill.	X				\$ 1,800	None.	11/30/2011	
22	N/A	Install firestopping in the penetrations through the ceiling of the storage room on the 1st floor in the River Mill, the furnace room and basement ceiling in the Woolen Mill and the linen room in the Mill House require firestopping.	X		X		\$ 1,700	Woolen Mill and Gleedhill completed as per #6 and #1 of Fire Chief's Inspection Report.	6/30/2011	Partial
								River Mill and Mill House have not been performed.		

15

SCHEDULE "A"

Item #	Fire Code Ref #	Description	Building				Estimated Cost of Repair per FSA	Comments	Timing	Date
			Wooden Mill	Gleedhill House	River Mill	Mill House				
23	N/A	Replace the wood panel wall separating the hoivater room from the adjacent storage room on Level 2 of the River Mill with a 1 hour rated wall.			X		\$ 1,200	Consider if this can be satisfactorily performed internally or need outside party.	6/30/2011	
24	N/A	Replace the glass and metal storm door to the Woolen Mill furnace room and hoivater room with a door having 45 minute fire protection rating and self-closing and self-latching devices.	X				\$ 1,500	Arrange as part of general order with other doors	10/31/2011	
25	N/A	Replace the wall at the bottom of the exit stairs serving the basement of the Woolen Mill with an assembly that provides the required 45 minute fire resistance rating.	X				\$ 500	Perform internally by Ray Kennedy	6/30/2011	
27	N/A	Replace the windows that are within 3m horizontally of the fire escapes serving the Woolen Mill with closures having a 45 minute fire protection rating, such as wired glass in steel frames.	X				\$ 9,000	None.	10/31/2011	
28	N/A	Replace the windows within 3m horizontally of the fire escape and doors located under the fire escape serving the River Mill with closures having a 45 minute fire protection rating, such as wired glass in steel frames.			X		\$ 10,500	None.	10/31/2011	
29	N/A	Provide raised floor numbers at both sides of the doors to exit stairs.	?	?	?	?	\$ 1,250	Perform internally by Ray Kennedy	8/31/2011	
30	N/A	Ensure that the exposed heavy timber beams and columns, plus the wood panel finished in the corridors in the Woolen Mill, Gleedhill House and River Mill are treated with a flame retardant to achieve a flame-spread rating of 150 or less.	X	X	X		\$ 5,400	None.	10/31/2011	
31	N/A	Provide documentation stating the flame spread rating of the wall cladding in the River Mill exit stair is not greater than 25, or have a fire retardant applied to achieve a flame spread rating of 25 or less.			X		\$ 1,200	Obtain documentation. Otherwise, obtain quote from a fire consultant (e.g. GBFS) to perform the assessment.	10/31/2011	
32	N/A	Ensure that the exposed heavy timber beams and columns, plus the wood panel finished in the restaurant and lounge in the Woolen Mill and the pool area in the River Mill are treated with a flame retardant to achieve a flame-spread rating of 150 or less.	X		X		\$ 6,000	None.	10/31/2011	
33	N/A	Ensure that the exposed wood panel finished in the exit stair in the Mill House is treated with a flame retardant to achieve a flame-spread rating of 25 or less.			X		\$ 600	None.	10/31/2011	
34	N/A	Remove fire furniture from the exit stair and corridors of the River Mill.			X		N/A	Fire chief to confirm if the item is a deficiency (furniture solid wood)	6/30/2011	
36	N/A	Replace the broken wire glass window in the wall of the solar room with a new window having a 45 minute fire protection rating.		X			\$ 500	Perform internally by Ray Kennedy	6/30/2011	
							\$ 94,800			

Fire Safety Audit (2012 Items)

Item #	Fire Code Ref #	Description	Building				Estimated Cost of Repair	Comments	Timing	Date
			Wooden Mill	Gleedhill House	River Mill	Mill House				
1	N/A	Provide a 30 minute fire-resistance rating for the floor assembly separating the basement and 1st floor in the Mill House.			X		\$ 5,000	None	6/30/2012	
2	N/A	Install smoke detectors in the corridors that serve the guest rooms in the Woolen Mill, the 5 Level portion of the River Mill and the Gleedhill House.	X	X	X		\$ 11,500	None	6/30/2012	
4	N/A	Remove the suspended acoustic ceiling that conceals the floor assembly of the 1st floor in the original portion of Gleedhill House and replace with a 45 minute rated assembly.		X			\$ 2,300	None	6/30/2012	
5	N/A	Conceal the floor assembly of Level 1 in the River Mill with a 45 minute rated assembly.			X		\$ 5,000	None	6/30/2012	

SCHEDULE "A"

Item #	Fire Code Ref #	Description	Building				Estimated Cost of Repair per FSA	Comments	Timing	Done
			Woolen Mill	Glenn House	River Mill	Other				
25	N/A	Provides additional exit for guest suites 31 and 32 so that the dead-end corridor is not longer than 8 m plus the width of the corridor. An alternative is to provide smoke detection in the suites and the corridor and submit this alternative to the Fire department for acceptance. The approximate cost is provided to retain the services of a consultant and architect to provide design options and present them to the A.H.L.			X		\$ 7,500	None	8/30/2012	
35	N/A	It is recommended that the local Authority Having Jurisdiction be approached to accept the existing laneway and adjacent municipal roads as an acceptable fire department access route for the Woolen Mill. The approximate cost provided is to retain a consultant to present the existing condition to the Fire Department for approval.	X				\$ 2,300	None	8/30/2012	
							\$ 93,800			

TAB D

EXHIBIT "D"

Court File No: 31-OR-207807-T

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY)

REGISTRAR MILLS) THURSDAY, THE 10TH
)
) DAY OF MARCH, 2011

IN THE MATTER OF THE BANKRUPTCY OF
TUESDAY EQUITIES LTD. AND PRINCE ROYAL
LIMITED PARTNERSHIP

BANKRUPTCY ORDER

On the application of The Equitable Trust Company ("Equitable"), a creditor of Tuesday Equities Ltd. and Prince Royal Limited Partnership (the "Debtors"), in the Province of Ontario, filed on the 9th day of February 2011;

Having heard the evidence of Equitable, no one appearing for the Debtors although properly served as shown by the affidavits of service of David Livingston sworn February 17, 2011 and Randy Milnes sworn February 16, 2011, filed;

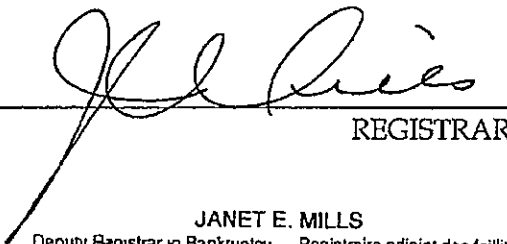
And it appearing to the Court that the following acts of bankruptcy have been committed: namely that the Debtors have ceased to meet their liabilities generally as they become due including payment of the indebtedness owing to the applicant:

1. The Court hereby orders that Tuesday Equities Ltd. and Prince Royal Limited Partnership, carrying on business in the Province of Ontario, be

adjudged bankrupt by virtue of a bankruptcy order hereby made on this date.

2. The Court further orders that Deloitte & Touche Inc., of the City of Toronto, in the Province of Ontario, be appointed as trustee of the estate of the bankrupt.
3. The Court further orders that the trustee give security in cash or by bond or suretyship without delay, in accordance with subsection 16(1) of the *Bankruptcy and Insolvency Act*.
4. The Court further orders that the costs of the applicant creditor be paid out of the estate of the bankrupt on taxation of the estate.

~~DATED at Toronto this~~ day of , 2011



REGISTRAR

JANET E. MILLS
Deputy Registrar in Bankruptcy Registrare adjoint des faillites
Superior Court of Justice Cour supérieure de justice

IN THE MATTER OF THE BANKRUPTCY OF TUESDAY EQUITIES LTD. AND
PRINCE ROYAL LIMITED PARTNERSHIP

Court File No: 31-207807-T

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY)

Proceeding commenced at Toronto

BANKRUPTCY ORDER

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Lawyers for The Equitable Trust Company

TAB E

EXHIBIT ^a E ⁿ

**In the Matter of the Receivership of Tuesday Equities Ltd. and Prince Royal L.P.
 Combined Statement of Receipts and Disbursements For The Elora Mill Inn,
 Hidden Valley Resort and The Benmiller Inn & Spa
 For the period May 26, 2010 to April 30, 2011
 (Unaudited)
 (In \$CAD)**

	January 1, 2011 to April 30, 2011	Cumulative May 26, 2010 to April 30, 2011	Note
Cash Receipts			
Operating Cash Receipts	550,672	5,462,679	
Other Cash Receipts	2,503,179	4,641,897	
Cash Receipts	3,053,851	10,104,576	1
Cash Disbursements			
Food & Beverage Costs	94,638	828,446	2
Room and Hotel Supplies	13,082	115,696	
Employee related Costs and Benefits	479,243	2,523,003	3
Utility Costs	156,714	443,976	
Repairs and Maintenance	34,726	122,982	
Capital Expenditures	47,173	86,426	
Sales and Marketing	12,041	64,044	
Insurance	-	47,748	
Property Taxes	35,423	247,439	
Bank, Merchant and Payroll Services Fees	19,910	129,646	
Administrative and General Costs	21,176	106,215	
GST, PST and HST Paid	109,540	657,206	
Management Fees	95,377	278,459	4
Other Disbursements	20,695	97,551	
Total Operating Cash Disbursements	1,139,738	5,748,837	
Cash Flow before Professional Fees	1,914,113	4,355,739	
Receiver's Fees - Deloitte & Touche Inc.	403,152	807,378	5
Legal Fees - Adam M. Vassos	4,000	21,900	
Legal Fees - ThorntonGroutFinnigan LLP	133,110	260,385	5
Legal Fees - Torkin Manes LLP	41,973	52,731	
Other Professional Fees / Consultant Fees / CBRE	74,850	158,140	6
Net Cash Flow	1,257,028	3,055,205	
Opening Cash Balance		342,820	
Closing Cash Balance as at April 30, 2011		3,398,025	7

Notes:

See accompanying notes.

Notes to the Combined Statement of Receipts and Disbursements for the period from May 26, 2010 to April 30, 2011:

- 1 Includes the proceeds of sale with respect to The Elora Mill Inn totaling \$1,815,000, the proceeds of sale with respect to Hidden Valley Resort totaling \$2,245,000, a deposit of \$250,000 received in January 2011 from First Canadian Management Corporation with respect to its offer for The Benmiller Inn & Spa, and collection of pre-receivership accounts receivable. The sale transaction with respect to The Benmiller Inn & Spa closed after April 30, 2011 and the balance of proceeds of \$1,300,000 were received at closing.
- 2 Includes weekly funding of the General Manager's operating accounts.
- 3 Includes pre-receivership liabilities disbursed since May 26, 2010 of approximately \$124,000 with respect to bi-weekly payroll due on May 28, 2010 and \$41,000 for bi-weekly payroll due on June 11, 2010 that covered the period May 23 to 25, 2010.
- 4 Includes pre-receivership liabilities disbursed since May 26, 2010 of \$37,000 with respect to out-of-pocket costs paid to the property management company, Crescent Hotels and Resorts.
- 5 The Receiver's fees have been paid to January 11, 2011. Legal fees of TGF have been paid to December 31, 2010.
- 6 Includes payment made for the Phase I Environmental Site Assessments and Building Condition Surveys performed by Trow & Associates for the three properties. Also includes payments remitted to CB Richard Ellis with respect to its commission on the sales of The Elora Mill Inn and Hidden Valley Resort.
- 7 The closing bank balance includes deposits of approximately \$19,000 received since May 26, 2010 relating to future events after April 30, 2011, which were held in a separate trust account until May 11, 2011 when the Benmiller transaction successfully closed.