



NO. S-261032
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

PRICE CAPITAL PARTNERS INC.

PETITIONER

AND:

1274877 B.C. LTD.,
KINNAIRD KONVERSION LIMITED PARTNERSHIP,
KINNAIRD KONVERSION GP INC.

RESPONDENTS

**ORDER MADE AFTER APPLICATION
SALES PROCESS APPROVAL ORDER**

BEFORE) THE HONOURABLE JUSTICE KIRCHNER) February 17, 2026
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ON THE APPLICATION of the petitioner, Price Capital Partners Inc., coming on for hearing this day at 800 Smithe Street, Vancouver, British Columbia;

AND ON READING the materials filed; **AND ON HEARING** Dan A. T. Moseley, counsel for the petitioner, and those other counsel as listed in Schedule "A" hereto, and no one else appearing, although duly served;

THIS COURT DECLARES AND ORDERS that:

- 1. The time for service of the Petition and materials filed in support of this Order (collectively, the "**Application**") is hereby abridged such that service of the Application is deemed to be timely and sufficient and the Application is properly returnable today.

DEFINITION

- 2. Capitalized terms used, but not otherwise defined in this Order, have the meanings given to them in the Petition, the sale and solicitation procedure attached as Schedule "B" hereto (the "**Sales Process**") or the Stalking Horse APS (as defined below), as applicable.

LISTING AGREEMENT

- 3. The Receiver is hereby authorized and empowered to enter into the Listing Agreement, with such amendments as may be acceptable to the Receiver and the Sales Agent.

SALES PROCESS

4. The Sales Process, subject to any amendments thereto that may be made in accordance therewith, be and is hereby approved.
5. The Receiver, and its advisors (including the Sales Agent), are hereby authorized and directed to implement the Sales Process in accordance with the terms of the Sales Process and the terms of this Order, and to do all things as are reasonably necessary or desirable in carrying out its obligations thereunder.
6. The Receiver, and its assistants, affiliates, partners, directors, employees, advisors, agents, and controlling person shall have no liability or obligation with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of performing their duties under the Sales Process, except to the extent of such losses, claims, damages, or liabilities arising or resulting from the gross negligence or willful misconduct of the Receiver, as determined by this Court.

PIPEDA

7. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, as amended, and any similar legislation in any other applicable jurisdictions, the Receiver is hereby authorized and permitted to disclose and provide to its agents and any Qualified Bidders in the Sales Process, personal information of identifiable individuals but only to the extent desirable or required to negotiate or attempt to complete a transaction pursuant to the Sales Process (each a "**Contemplated Transaction**"). Each person to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation for the purpose of effecting a Contemplated Transaction, and if it does not complete a Contemplated Transaction, shall return all such information to the Receiver, or in the alternative destroy all such information and provide confirmation of its destruction if requested by the Receiver. Any purchaser under a Contemplated Transaction shall maintain and protect the privacy of such information and, upon closing of a Contemplated Transaction, shall be entitled to use the personal information provided to it that is related to the business and/or the property acquired pursuant to the Sales Process in a manner that is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Receiver.

STALKING HORSE APPROVAL

8. The Receiver is hereby authorized and empowered to execute and enter into the Stalking Horse APS, in the form attached as Schedule "C" substantially on the terms set forth therein, subject to such amendments, additions, and/or deletions permitted by the Stalking Horse APS and as may be negotiated between the Receiver and the petitioner.
9. The Stalking Horse Bid submitted by the petitioner is hereby approved as the Stalking Horse Bid pursuant to and for the purposes of the Sales Process, provided that nothing herein approves the sale to and the vesting of any assets or property in the petitioner and pursuant to the Stalking Horse Bid and that the approval of the sale and vesting of such

assets and property shall be considered by this Court on a subsequent application made to this Court, if the petitioner is the Successful Bidder (as defined in the Sales Process) pursuant to the Sales Process.

EXPENSE REIMBURSEMENT

- 10. The Expense Reimbursement is hereby approved, and the Receiver is hereby authorized and empowered to pay the Expense Reimbursement to the Stalking Horse Purchaser in the manner and in the circumstances described in the Stalking Horse APS.

GENERAL

- 11. The Receiver may apply to this Court to amend, vary or supplement this Order or for advice and directions with respect to the discharge of its powers and duties under this Order or the interpretation or application of this Order at any time.
- 12. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, 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.
- 13. Endorsement of this Order by counsel appearing on this Application, other than counsel for the Receiver, is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT.



Signature of Dan A. T. Moseley
 lawyer for petitioner
Price Capital Partners Inc.

BY THE COURT



REGISTRAR



SCHEDULE "A"

List of Counsel

COUNSEL NAME	PARTY REPRESENTED
<p>Bennett Jones LLP 666 Burrard Street, Suite 2500 Vancouver, BC V6C 2X8</p> <p>Attn: Andrew Froh froha@bennettjones.com</p> <p>Attn: Sean Zweig zweigs@bennettjones.com</p>	<p>KSV Restructuring Inc., in its capacity as the proposed Receiver</p>
<p>Cassels Brock & Blackwell LLP Suite 2200, RBC Place 885 West Georgia Street Vancouver, BC V6C 3E8</p> <p>Attn: Vicki Tickle vtickle@cassels.com</p>	<p>Portage Capital Nominee Corp.</p>
<p>Young Anderson Barristers and Solicitors 1616 – 808 Nelson Street Box 12147 – Nelson Square Vancouver, BC V6Z 2H2</p> <p>Attn: Piers Fibiger fibiger@younganderson.ca</p>	<p>City of New Westminster</p>

Schedule "B"

Sales Process

INTRODUCTION

1. On February 17, 2026, the Supreme Court of British Columbia (the "Court") pronounced an Order (the "Receivership Order") appointing KSV Restructuring Inc. as receiver and manager (in such capacity, the "Receiver") pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 and section 39 of the *Law and Equity Act*, R.S.B.C. 1996, c. 253, without security, of all assets, undertakings, and property (collectively, the "Property") of the respondents, 1274877 B.C. Ltd., Kinnaird Konversion Limited Partnership, and Kinnaird Konversion GP Inc. (collectively, the "Debtors").
2. The Property of the Debtors includes lands and premises located at 65 First Street, New Westminster, British Columbia, sometimes referred to as "Kinnaird Place", and legally described as:

Unit	PID	Legal Description
#218	000-812-277	Strata Lot 1 Block 19 New Westminster District Strata Plan NW2195
#219	000-813-460	Strata Lot 2 Block 19 New Westminster District Strata Plan NW2195
#220	000-813-478	Strata Lot 3 Block 19 New Westminster District Strata Plan NW2195
#221	000-813-494	Strata Lot 4 Block 19 New Westminster District Strata Plan NW2195
#217	000-813-508	Strata Lot 5 Block 19 New Westminster District Strata Plan NW2195
#314	000-813-516	Strata Lot 6 Block 19 New Westminster District Strata Plan NW2195
#316	000-813-532	Strata Lot 7 Block 19 New Westminster District Strata Plan NW2195
#318	000-813-541	Strata Lot 8 Block 19 New Westminster District Strata Plan NW2195
#319	000-813-559	Strata Lot 9 Block 19 New Westminster District Strata Plan NW2195
#320	000-813-567	Strata Lot 10 Block 19 New Westminster District Strata Plan NW2195
#321	000-813-583	Strata Lot 11 Block 19 New Westminster District Strata Plan NW2195
#317	000-813-591	Strata Lot 12 Block 19 New Westminster District Strata Plan NW2195
#315	000-813-605	Strata Lot 13 Block 19 New Westminster District Strata Plan NW2195
#313	000-813-613	Strata Lot 14 Block 19 New Westminster District Strata Plan NW2195
#410	000-813-621	Strata Lot 15 Block 19 New Westminster District Strata Plan NW2195
#412	000-813-630	Strata Lot 16 Block 19 New Westminster District Strata Plan NW2195
#414	000-813-656	Strata Lot 17 Block 19 New Westminster District Strata Plan NW2195
#416	000-813-664	Strata Lot 18 Block 19 New Westminster District Strata Plan NW2195
#418	000-813-672	Strata Lot 19 Block 19 New Westminster District Strata Plan NW2195
#419	000-813-681	Strata Lot 20 Block 19 New Westminster District Strata Plan NW2195
#420	000-813-699	Strata Lot 21 Block 19 New Westminster District Strata Plan NW2195
#417	000-813-702	Strata Lot 22 Block 19 New Westminster District Strata Plan NW2195
#415	000-813-711	Strata Lot 23 Block 19 New Westminster District Strata Plan NW2195
#413	000-813-729	Strata Lot 24 Block 19 New Westminster District Strata Plan NW2195
#411	000-813-737	Strata Lot 25 Block 19 New Westminster District Strata Plan NW2195
#409	000-813-745	Strata Lot 26 Block 19 New Westminster District Strata Plan NW2195
#408	000-813-753	Strata Lot 27 Block 19 New Westminster District Strata Plan NW2195
#407	000-813-761	Strata Lot 28 Block 19 New Westminster District Strata Plan NW2195

#506	000-813-770	Strata Lot 29 Block 19 New Westminster District Strata Plan NW2195
#501	000-813-796	Strata Lot 30 Block 19 New Westminster District Strata Plan NW2195
#502	000-813-800	Strata Lot 31 Block 19 New Westminster District Strata Plan NW2195
#503	000-813-826	Strata Lot 32 Block 19 New Westminster District Strata Plan NW2195
#504	000-813-834	Strata Lot 33 Block 19 New Westminster District Strata Plan NW2195
#505	000-813-842	Strata Lot 34 Block 19 New Westminster District Strata Plan NW2195
#510	000-813-851	Strata Lot 35 Block 19 New Westminster District Strata Plan NW2195
#512	000-813-869	Strata Lot 36 Block 19 New Westminster District Strata Plan NW2195
#514	000-813-877	Strata Lot 37 Block 19 New Westminster District Strata Plan NW2195
#516	000-813-893	Strata Lot 38 Block 19 New Westminster District Strata Plan NW2195
#515	000-813-923	Strata Lot 39 Block 19 New Westminster District Strata Plan NW2195
#513	000-813-931	Strata Lot 40 Block 19 New Westminster District Strata Plan NW2195
#511	000-813-940	Strata Lot 41 Block 19 New Westminster District Strata Plan NW2195
#508	000-813-958	Strata Lot 42 Block 19 New Westminster District Strata Plan NW2195
#507	000-813-966	Strata Lot 43 Block 19 New Westminster District Strata Plan NW2195
#606	000-813-974	Strata Lot 44 Block 19 New Westminster District Strata Plan NW2195
#601	000-813-982	Strata Lot 45 Block 19 New Westminster District Strata Plan NW2195
#602	000-814-016	Strata Lot 46 Block 19 New Westminster District Strata Plan NW2195
#603	000-814-024	Strata Lot 47 Block 19 New Westminster District Strata Plan NW2195
#604	000-814-032	Strata Lot 48 Block 19 New Westminster District Strata Plan NW2195
#605	000-814-041	Strata Lot 49 Block 19 New Westminster District Strata Plan NW2195
#610	000-814-059	Strata Lot 50 Block 19 New Westminster District Strata Plan NW2195
#612	000-814-075	Strata Lot 51 Block 19 New Westminster District Strata Plan NW2195
#611	000-814-083	Strata Lot 52 Block 19 New Westminster District Strata Plan NW2195
#609	000-814-113	Strata Lot 53 Block 19 New Westminster District Strata Plan NW2195
#608	000-814-121	Strata Lot 54 Block 19 New Westminster District Strata Plan NW2195
#607	000-814-130	Strata Lot 55 Block 19 New Westminster District Strata Plan NW2195
#706	000-814-148	Strata Lot 56 Block 19 New Westminster District Strata Plan NW2195
#701	000-814-156	Strata Lot 57 Block 19 New Westminster District Strata Plan NW2195
#702	000-814-164	Strata Lot 58 Block 19 New Westminster District Strata Plan NW2195
#703	000-814-172	Strata Lot 59 Block 19 New Westminster District Strata Plan NW2195
#704	000-814-181	Strata Lot 60 Block 19 New Westminster District Strata Plan NW2195
#705	000-814-199	Strata Lot 61 Block 19 New Westminster District Strata Plan NW2195

(collectively, the "Lands").

3. On or about February 17, 2026, the Court granted an Order (the "Sales Process Order") approving the sales solicitation procedures set forth herein (the "SSP Procedures") together with approval of the Stalking Horse APS to stand as the Stalking Horse Bid, subject to certain conditions, adjustments, and other terms and conditions set out therein. The Sales Process Order and the SSP Procedures shall exclusively govern the process (the "Sales Process") for soliciting and selecting bids for the sale of all, or substantially all, of the Property of the Debtors.

4. All dollar amounts expressed herein, unless otherwise noted, are in Canadian currency. Capitalized terms used, but not otherwise defined herein, have the meanings given to such terms in the Stalking Horse APS.

STALKING HORSE APS

5. The Stalking Horse APS has been approved as the stalking horse bid pursuant to the Sales Process Order.

SSP PROCEDURES

6. These SSP Procedures describe, among other things, the Property available for sale, the manner in which prospective bidders may gain access to or continue to have access to due diligence materials concerning the Receivership Property, the manner in which bidders and bids become Qualified Bidders (as defined below) and Qualified Bids (as defined below), respectively, the receipt and negotiation of bids received, the ultimate selection of one or more Successful Bids (as defined below), and the approval thereof by the Court.
7. The Receiver shall administer the SSP Procedures and may (but shall not be required to) engage a sales agent or broker of its choosing (if applicable, the "Sales Agent"). In the event that there is a disagreement as to the interpretation or application of this SSP Procedure, the Court will have jurisdiction to hear and resolve such dispute.
8. The Receiver will use reasonable efforts to complete the SSP Procedures in accordance with the timelines set out herein. The Receiver shall be permitted to make such adjustments to the timeline that it determines are reasonably necessary.

OPPORTUNITY

9. The SSP Procedures are intended to solicit interest in, and opportunities for, a sale of the Property, including the Lands (the "Sale").
10. The Receiver has entered into the Stalking Horse APS which constitutes a Qualified Bid for all purposes and at all times under the SSP Procedures. The purchase price for the Purchased Assets under the APS, exclusive of all applicable transfer taxes, is a bid in the amount equal to the Estimated Purchase Price (as defined in the APS) and any other amounts pursuant to the closing documents required in the APS (the "Purchase Price").
11. Notwithstanding the Stalking Horse APS, all interested parties are encouraged to submit Qualified Bids.

SALES PROCESS TIMELINE

12. The Sales Process shall be conducted subject to the terms hereof and the following key milestones, with specific dates based on the assumption that the Sale Process Order is granted on February 17, 2026:

SISP Process	Deadline
Commence solicitation	As soon as practicable after the granting of the Sales Process Order
LOI Deadline	30 calendar days (March 17, 2026) at 5:00 pm PT
Final Bid Deadline	45 calendar days (April 3, 2026) at 5:00 pm PT

Deadline for Qualified Bid determination and notification of Auction (if necessary)	48 calendar days (April 6, 2026) at 5:00 pm PT
Auction (if necessary)	within 5 business days of the Receiver determining that the Auction will take place (April 6, 2026)
Approval of Successful Bid	no later than 15 business days following the section (or deemed selection) of the Successful Bid
Closing of Successful Bid	30 business days following court approval, or any other date as may be agreed on in writing by both the Receiver and Purchaser following court approval

AS-IS, WHERE-IS

13. The sale of the Property will be on an “as-is, where-is” basis and without surviving representations, warranties, covenants, or indemnities of any kind, nature, or description by the Receiver, or by any of its agents, except to the extent set forth in the relevant final sale agreement with the Successful Bidder.

FREE OF ANY AND ALL CLAIMS AND INTEREST

14. In the event of a Sale, all of the right, title and interest of the Debtors in and to the Receivership Property sold or transferred will, at the time of such sale or transfer, be sold or transferred free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests thereon and there against (collectively the “**Claims and Interests**”) pursuant to one or more vesting or reverse vesting orders made by the Court. Contemporaneously with such vesting or reverse vesting orders being made, all such Claims and Interests shall attach to the net proceeds of the sale of such property (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant sale agreement with a Successful Bidder.

SOLICITATION OF INTEREST

15. As soon as reasonably practicable following the granting of the Sales Process Order and, in any event, by no later than three calendar days after commencement of the Sales Process, the Receiver will:
- a. cause a notice of the Sale Process contemplated by these SSP Procedures, and such other relevant information which the Receiver considers appropriate, to be published in applicable industry publications, websites and/or forums; and
 - b. in consultation with the Sales Agent, prepare a summary describing the opportunity, outlining the SSP Procedures and inviting recipients to express their interest in making a Qualified Bid (a “**Teaser Letter**”) for distribution to potential bidders.

PARTICIPATION REQUIREMENTS AND DUE DILIGENCE

16. In order to participate in the Sales Process, an interested party must deliver to the Receiver:

- a. no later than 5:00 p.m. Pacific Time on the date that is thirty (30) calendar days following the granting of the Sales Process Order;
- b. at the address specified herein (including by email); and
- c. prior to the distribution of any confidential information by the Receiver and/or the Sales Agent to such interested party (including access to the confidential virtual data room (the "VDR")),

a letter of intent ("LOI") and an executed non-disclosure agreement in form and substance satisfactory to the Receiver (an "NDA"), which shall inure to the benefit of any Successful Bidder (as defined below) that closes a transaction contemplated by a Successful Bid (as defined below).

17. A potential bidder that has executed an NDA, as described above, and who the Receiver, in its sole discretion, determines has a reasonable prospect of completing a Sale contemplated herein, will be deemed a "Qualified Bidder" and will be promptly notified of such classification by the Receiver.
18. The Receiver shall provide any person deemed to be a Qualified Bidder with access to the VDR and the Receiver shall provide to Qualified Bidders further access to such reasonably required due diligence materials and information relating to the Receivership Property as the Receiver deems appropriate. The Receiver makes no representation or warranty as to the information to be provided through the due diligence process or otherwise, regardless of whether such information is provided in written, oral or any other form, except to the extent otherwise contemplated under any definitive sale agreement with a Successful Bidder executed and delivered by the Receiver and approved by the Court.
19. Upon the reasonable request of a Qualified Bidder, on-site inspections of the Property may be arranged by the Receiver in its sole discretion. Only one site visit will be organized for each Qualified Bidder.

SUBMISSION OF QUALIFIED BIDS

20. A Qualified Bidder that desires to make a bid for the Property must deliver a final, written, binding offer (each, a "Final Bid") in the form of a fully executed purchase and sale agreement substantially in the form of the template agreement of purchase and sale located in the VDR (the "Template APS") to the Receiver at the address specified herein (including by email transmission) so as to be received by the Receiver not later than 5:00 p.m. Pacific Time on the date that is forty-five (45) calendar days following the granting of the Sales Process Order, or such later date as may be agreed by the Receiver and communicated in writing to all Qualified Bidders (the "Final Bid Deadline").

REQUIREMENTS FOR QUALIFIED BID

21. A Final Bid will only be considered a Qualified Bid if it is submitted by a Qualified Bidder and complies with the following conditions (each, a "Qualified Bid"):
 - a. it has been received by the Final Bid Deadline;

- b. it provides for the payment in full and in cash of at least the Purchase Price plus the Expense Reimbursement (both, as defined in the Stalking Horse_APS);
- c. it contains a duly executed purchase and sale agreement substantially in the form of the Template APS and a blackline of the executed purchase and sale agreement to the Template APS;
- d. it includes a letter stating that the Final Bid is irrevocable until there is a Successful Bid (as defined below), provided that if such Qualified Bidder is selected as the Successful Bidder, its Final Bid shall remain an irrevocable offer until the earlier of (i) the completion of the sale to the Successful Bidder and (ii) the Outside Date (as defined below);
- e. it provides written evidence, satisfactory to the Receiver, of (i) a firm, irrevocable financial commitment for all required funding or financing or (ii) evidence of the Qualified Bidder's financial wherewithal to close the bid using unencumbered funds on hand;
- f. it does not include any request for or entitlement to any expense reimbursement or similar type of payment;
- g. it is accompanied by a deposit (the "Deposit") in the form of a wire transfer to a bank account specified by the Receiver, or such other form of payment acceptable to the Receiver, payable to the order of the Receiver, in trust, in an amount \$250,000.00 to be held and dealt with in accordance with these SSP Procedures;
- h. it is not conditional upon:
 - i. the outcome of unperformed due diligence by the Qualified Bidder; and/or
 - ii. obtaining financing;
- i. it includes an acknowledgement and representation that the Qualified Bidder:
 - i. has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its Qualified Bid;
 - ii. did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, including by the Receiver, or any of its advisors, except as expressly stated in the purchase and sale agreement submitted by it;
 - iii. is a sophisticated party capable of making its own assessments in respect of making its Qualified Bid; and
 - iv. has had the benefit of independent legal advice in connection with its Qualified Bid; and
- j. it contains evidence of authorization and approval from the Qualified Bidder's board of directors (or comparable governing body), if applicable.

22. The Purchaser shall be deemed to be a Qualified Bidder, and the Final Bid shall be deemed to be a Qualified Bid, for all purposes of these SSP Procedures, including for purposes of the Auction (if applicable).
23. The Receiver may, in its reasonable discretion, waive compliance with any one or more of the Qualified Bid requirements specified herein, and deem such non-compliant bid to be a Qualified Bid in accordance with these SSP Procedures.

NO QUALIFIED BIDS RECEIVED

24. If the Receiver does not receive any Qualified Bids before the Final Bid Deadline, then the Stalking Horse APS will be automatically approved and accepted by the Receiver and the Receiver shall take steps to perform Sections 26(a), 26(b), 26(c) and 26(d) below.

ASSESSMENT OF QUALIFIED BIDS

25. If the Receiver receives Qualified Bids before the Final Bid Deadline, it will assess the Qualified Bids received to determine whether it is likely that the transactions contemplated by such Qualified Bids are likely to be consummated. Such assessments will be made as promptly as practicable but no later than 5:00 p.m. Pacific Time on the date that is forty-eight (48) calendar days following the granting of the Sales Process Order.
26. If the Receiver determines that no Qualified Bids other than the Stalking Horse APS were received, or at least one additional Qualified Bid was received but it is not likely that the transactions contemplated in any such Qualified Bids will be consummated, the Receiver shall:
 - a. forthwith terminate these SSP Procedures;
 - b. notify each Qualified Bidder (if any) that these SSP Procedures have been terminated;
 - c. notify the Purchaser that it is the Successful Bidder, and
 - d. as soon as reasonable practicable after such termination, file an application with the Court seeking approval, after notice and hearing, to implement the Stalking Horse APS.
27. If one or more Qualified Bids (other than the Stalking Horse Bid) have been received by the Receiver on or before the Qualified Bid Deadline, the Receiver will proceed with an auction process to determine the successful bid(s) (the "Auction"). The successful bid(s) selected within the Auction shall constitute the "Successful Bid". Forthwith upon determining to proceed with an Auction, the Receiver shall provide written notice to each party that submitted a Qualified Bid (including the Stalking Horse Purchaser) in accordance with the terms herein, along with copies of Qualified Bids and a statement by the Receiver specifying which Qualified Bid is the leading bid.

AUCTION

28. If an Auction is to be held, the Receiver will conduct the Auction commencing at 10:00 a.m. Pacific Time within three (3) Business Days of the Receiver determining that the Auction will take place (the "Auction Date"), at the offices of the Receiver's legal counsel, Bennett Jones LLP, Suite 2500, 666

Burrard Street, Vancouver, British Columbia, or such other location as shall be timely communicated to all entities entitled to attend at the Auction, subject to such adjournments as the Receiver may consider appropriate.

29. The Auction shall run in accordance with the following procedures:
- a. prior to 4:00 p.m. Pacific Time on the day before the Auction Date, each Qualified Bidder that has made a Qualified Bid and the Purchaser, must inform the Receiver whether it intends to participate in the Auction (the parties who so inform the Receiver that they intend to participate are hereinafter referred to as the "Auction Bidders");
 - b. the identity of each Auction Bidder participating in the Auction will be disclosed, on a confidential basis, to each other Auction Bidder participating in the Auction;
 - c. only representatives of the Auction Bidders, the Receiver, the Sales Agent and such other persons as permitted by the Receiver (and the advisors to each of the foregoing entities) are entitled to attend the Auction in person (and the Receiver shall have the discretion to allow such persons to attend by video- or tele-conference);
 - d. the Receiver may employ and announce at the Auction additional procedural rules that are reasonable under the circumstances, for conducting the Auction, including with respect to the ability of multiple Auction Bidders to combine to present a single bid, provided that such rules are (i) not inconsistent with these SSP Procedures, general practice in insolvency proceedings, or the Receivership Order and (ii) disclosed to each Auction Bidder at the Auction;
 - e. all Auction Bidders must have at least one individual representative with authority to bind such Auction Bidder present in person at the Auction;
 - f. the Receiver shall arrange to have a court reporter attend at the Auction;
 - g. each Auction Bidder participating in the Auction must confirm on the record, at the commencement of the Auction and again at the conclusion of the Auction, that it has not engaged in any collusion with any other person, without the express written consent of the Receiver, regarding the Sales Process, that has not been disclosed to all other Auction Bidders;
 - h. prior to the Auction, the Receiver will provide unredacted copies of the Qualified Bid(s) which the Receiver believes is/are (individually or in the aggregate) the highest or otherwise best Qualified Bid(s) (the "**Starting Bid**") to the Purchaser and to all Qualified Bidders that have made a Qualified Bid;
 - i. bidding at the Auction will begin with the Starting Bid and continue, in one or more rounds of bidding, so long as during each round at least one subsequent bid is submitted by an Auction Bidder (a "**Subsequent Bid**") that the Receiver determines is (i) for the first round, a higher or otherwise better offer than the Starting Bid, and (ii) for subsequent rounds, a higher or otherwise better offer than the then current highest and best bid (the "**Leading Bid**"), in each case by at least \$100,000.00, or such amount as may be determined by the Receiver prior to, and announced at, the Auction;
 - j. the Purchaser shall be permitted, in its sole discretion, to submit Subsequent Bids, which Subsequent Bids may be comprised of increased credit bids up to the full amount of the secured indebtedness owing by the applicable Debtors to the

Purchaser, provided, however, that such Subsequent Bids are made in accordance with these SSP Procedures;

- k. to the extent not previously provided (which shall be determined by the Receiver), an Auction Bidder submitting a Subsequent Bid must submit, at the Receiver's discretion, as part of its Subsequent Bid, written evidence (in the form of financial disclosure or credit quality support information or enhancement reasonably acceptable to the Receiver), demonstrating such Auction Bidder's ability to close the transaction proposed by the Subsequent Bid;
 - l. only the Auction Bidders will be entitled to make a Subsequent Bid at the Auction; provided, however, that in the event that any Qualified Bidder elects not to attend and/or participate in the Auction, such Qualified Bidder's Qualified Bid shall nevertheless remain fully enforceable against such Qualified Bidder, if it is selected as the Successful Bid (as defined below);
 - m. all Auction Bidders shall have the right to, at any time, request that the Receiver announce the then-current Leading Bid and, to the extent requested by any Auction Bidder, use reasonable efforts to clarify any and all questions such Auction Bidder may have regarding the Leading Bid;
 - n. the Receiver reserves the right, in its reasonable business judgment, to make one or more adjournments in the Auction to, among other things (i) facilitate discussions between the Receiver and the Auction Bidders; (ii) allow the individual Auction Bidders to consider how they wish to proceed; (iii) consider and determine the current highest and best offer at any given time in the Auction; and (iv) give Auction Bidders the opportunity to provide the Receiver with such additional evidence as the Receiver, in its reasonable business judgment, may require that that Auction Bidder has sufficient internal resources to consummate the proposed transaction at the prevailing overbid amount;
 - o. if, in any round of bidding, no new Subsequent Bid is made, the Auction shall be closed; and
 - p. no bids shall be considered after the conclusion of the Auction.
30. At the end of the Auction, the Receiver shall select the successful bid (the "**Successful Bid**", with such bidder being the "**Successful Bidder**"). Upon selection of a Successful Bidder, the Successful Bidder shall deliver as soon as practicable an executed transaction document, which reflects its bid and any other modifications submitted and agreed to during the Auction, prior to the filing of the application material for the hearing to consider the Approval Application (as defined below).
31. If an Auction is conducted, the Auction Bidder and/or Qualified Bidder with the next highest or otherwise best Qualified Bid at the Auction or, if such Qualified Bidder did not participate in the Auction, submitted in this Sales Process, as determined by the Receiver, will be designated as the backup bidder (the "**Backup Bidder**"). The Backup Bidder shall be required to keep its Qualified Bid (or if the Backup Bidder submitted one or more overbids at the Auction, the Backup Bidder's final overbid) (the "**Backup Bid**") open until the earlier of (a) two business days after the date of closing of the Successful Bid; and (b) September 30, 2025 (the "**Outside Date**").

32. The Receiver shall have selected the final Successful Bid(s) and the Backup Bid(s) as soon as reasonably practicable after the Auction Date and the definitive documentation in respect of the Successful Bid must be finalized and executed no later than ten (10) Business Days prior to the Auction Closing Date (as defined below), which definitive documentation shall be conditional only upon the receipt of the Approval Order and the express conditions set out therein and shall provide that the Successful Bidder shall use all reasonable efforts to close the proposed transaction by no later than three (3) Business Days following:
- a. expiry of applicable appeal periods in respect of the order approving the transaction; or
 - b. in the event of an appeal or application for leave to appeal, final determination of such appeal or application; or
 - c. such longer period as shall be agreed to by the Receiver in writing
- (the "Auction Closing Date").

In any event, the Successful Bid must be closed by no later than the Outside Date, or such other date as may be agreed to by the Receiver in writing.

APPROVAL OR SUCCESSFUL BID

33. The Receiver shall apply to the Court (the "Approval Application") for an order approving the Successful Bid and the Backup Bid (as applicable) and vesting title to any purchased Receivership Property in the name of the Successful Bidder or the Backup Bidder (as applicable) (the "Approval Order"). The Approval Application will be held on a date to be scheduled by the Receiver and confirmed by the Court. Subject to Court availability, the Receiver shall use best efforts to schedule the Approval Application no later than fifteen (15) Business Days following the selection (or deemed selection) of the Successful Bid. The Approval Application may be adjourned or rescheduled by the Receiver on notice to the service list prior to the Approval Application. The Receiver shall consult with the Successful Bidder and the Backup Bidder regarding the application material to be filed by the Receiver for the Approval Application, which material shall be acceptable to the Successful Bidder, acting reasonably.
34. If, following approval of the Successful Bid by the Court, the Successful Bidder fails to consummate the transaction for any reason, then such Successful Bidder will forfeit its Deposit and the Backup Bid, if there is one, will be deemed to be the Successful Bid hereunder and the Receiver shall effectuate a transaction with the Backup Bidder subject to the terms of the Backup Bid, without further order of the Court.
35. All Qualified Bids (other than the Successful Bid) shall be deemed rejected on and as of the Auction Closing Date of the Successful Bid.

DEPOSITS

36. All Deposits shall be retained by the Receiver in a bank account specified by the Receiver. If there is a Successful Bid, the Deposit paid by the Successful Bidder whose bid is approved at the Approval Application shall be applied to the purchase price to be paid by the Successful Bidder upon closing of the approved transaction and will be non-refundable. The Deposit paid

by the Backup Bidder shall be retained by the Receiver until two business days after the Auction Closing Date of the Successful Bid or the Outside Date, whichever is later, or, if the Backup Bid becomes the Successful Bid, shall be released by the Receiver and applied to the purchase price to be paid upon closing of the Backup Bid.

37. All Deposits of all Qualified Bidders not selected as the Successful Bidder or Backup Bidder shall be returned to such bidders within five business days of the date upon which the Successful Bid and any Backup Bid is approved by the Court. If the Auction does not take place or these SSP Procedures are terminated in accordance with the provisions hereof, all Deposits shall be returned to the Qualified Bidders within five business days of the date upon which it is determined that the Auction will not take place or these SSP Procedures are terminated, as applicable.
38. If an entity selected as the Successful Bidder or Backup Bidder breaches its obligations to close the applicable transaction, it shall forfeit its Deposit to the Receiver; provided however that the forfeit of such Deposit shall be in addition to, and not in lieu of, any other rights in law or equity that the Receiver has against such breaching entity.

APPROVALS

39. For greater certainty, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by any other statute or are otherwise required at law in order to implement a Successful Bid or Backup Bid, as the case may be.

NOTICE

40. The addresses used for delivering documents to the Receiver as required by the terms and conditions of these SSP Procedures are set out below. A bid and all associated documentation shall be delivered to the Receiver by electronic mail, personal delivery or courier.

To the Receiver:

KSV Restructuring Inc.
2300 - 220 Bay Street,
Toronto, ON M5J 2W4

Attn: Noah Goldstein & Ross Graham

Email: ngoldstein@ksvadvisory.com & rgraham@ksvadvisory.com

with a copy to:

Bennett Jones LLP
2500 Park Place, 666 Burrard Street
Vancouver, BC V6C 2X8

Attn: Sean Zweig & Andrew Froh

Email: zweigs@bennettjones.com & froha@bennettjones.com

with a copy to:

McQuarrie Hunter LLP
1500 – 13450 102 Avenue
Surrey, BC V3T 5X3

Attn: Dan A. T. Moseley and Christopher J. Bettencourt

Email: dmosley@mcquarrie.com & cbettencourt@mcquarrie.com

with a copy to:

Cassels Brock & Blackwell LLP
Suite 2200, RBC Place
Vancouver, BC V6C 3E8

Attn: Vicki Tickle

Email: vtickle@cassels.com

RESERVATION OF RIGHTS

41. The Receiver may reject, at any time any bid (other than the Stalking Horse Bid) that is inadequate or insufficient, or not in conformity with the requirements of these SSP Procedures or any orders of the Court applicable to the Debtors and in accordance with the terms hereof, may further impose additional terms and conditions and otherwise seek to modify the SSP Procedures at any time in order to maximize the results obtained, and may accept bids not in conformity with these SSP Procedures to the extent that the Receiver determines, in its reasonable business judgment, that doing so would benefit the Debtors' estates and their stakeholders.
42. The Receiver may, in its reasonable discretion, extend the Final Bid Deadline, the Outside Date, the date for selection of the final Successful Bid(s) and the Backup Bid(s), the date for finalization and execution of definitive documentation in respect of the Successful Bid, and/or the date for the hearing of the Approval Application.
43. Prior to the conclusion of the Auction, the Receiver may impose such other terms and conditions, on notice to the relevant Auction Bidders, as the Receiver may determine to be in the best interests of the Debtors' estate and their stakeholders that are not inconsistent with any of the procedures in these SSP Procedures.
44. The SSP Procedures do not, and shall not be interpreted to, create any contractual or other legal relationship between the Receiver and any potential bidder, Qualified Bidder, Auction Bidder, Successful Bidder or Backup Bidder, other than as specifically

NO AMENDMENTS

45. There shall be no amendments to these SSP Procedures without the prior written consent of the Receiver and the Stalking Horse Purchaser, or further order of the Court obtained on reasonable notice to the Receiver.

FURTHER ORDERS

46. At any time during the Sales Process, the Receiver may apply to the Court for advice and directions with respect to the discharge of its powers and duties hereunder or the interpretation or application of the Sales Process.
47. Except as otherwise provided in the Sales Process or the Stalking Horse APS, the Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Stalking Horse APS, the Sale Process Order, and the Sales Process.

SCHEDULE "C"
PURCHASE AND SALE AGREEMENT

THIS AGREEMENT is dated for reference February ____, 2026 and is made

BETWEEN:

KSV RESTRUCTURING INC., solely in its capacity as Receiver of all the assets, undertakings and property of 12744877 B.C. Ltd., Kinnaird Konversion Limited Partnership, and Kinnaird Konversion GP Inc., and not in its personal capacity

(the "Receiver")

AND:

PRICE CAPITAL PARTNERS INC.

(the "Purchaser")

BACKGROUND:

- A. 12744877 B.C. Ltd. (the "Nominee") is the registered owner and Kinnaird Konversion Limited Partnership ("LP") is the beneficial owner of certain lands located in New Westminster, B.C., as more particularly described in Part 1 of Schedule A hereto (the "Lands");
- B. Kinnaird Konversion GP Inc. ("GP", and collectively with the Nominee and the LP, the "Debtors") is the legal and beneficial owner of the Shares (as defined herein);
- C. The Debtors are indebted to the Purchaser in an amount exceeding \$6,000,000.00 as of October 1, 2025 pursuant to a promissory note dated June 16, 2025, among the Purchaser and the Debtors in the amount of \$5,902,208.22, exclusive of legal fees and costs, plus interest that continues to accrue thereon from and after June 16, 2025 (the "PCP Mortgage Debt") various security interests granted by the Debtors in favour of the Purchaser, including a mortgage of the Lands and assignment of rents under registration numbers CB2112487 and CB2112488 (collectively, the "PCP Mortgage Security") and a security interest registered against the Nominee under base registration number 312426R (the "PCP PPR Security");
- D. Pursuant to a commitment letter issued by Portage Capital Corporation on behalf of the Portage Capital Nominee Corp ("Portage") dated December 15, 2020, as amended by a commitment letter amendment dated March 11, 2021, a renewal letter dated February 22, 2024, as amended by a renewal letter amendment dated March 14, 2024 (hereinafter collectively referred to as the "Commitment Letter") Portage agreed to lend the sum of \$18,000,000.00 to the Debtors (the "Portage Loan") secured by a mortgage and assignment of rents registered against the Lands under registration numbers CA8859099 and CA8859100, as modified by CB1247915 and the following security interests registered against:
 - (i) the Nominee under base registration number 839465M; and
 - (ii) the GP and LP under base registration number 839449M.

- E. The Purchaser intends bring an application before the Supreme Court of British Columbia (the “**Court**”) in Action No. _____ (the “**Action**”), for an order (the “**Receivership Order**”) appointing the Receiver as receiver of all the assets, undertakings and property of the Debtors, including the Lands, and for the Sales Process Order (as defined herein), authorizing and directing the Receiver to, among other things, approve the sales process for the marketing and sale of the Lands, approve this agreement of purchase and sale (this “**Agreement**”) as a stalking horse bid to complete the sale of the Debtors' right, title and interest in the Purchased Assets (as defined herein) on the terms and conditions of this Agreement (the “**Sale Transaction**”), and approving the Expense Reimbursement (as defined herein);

FOR CONSIDERATION, the receipt and sufficiency of which is acknowledged by each of the parties, the parties agree as follows:

ARTICLE 1 - INTERPRETATION

1.1 Definitions. In this Agreement:

- (a) “**Accounting Standards**” means at any time the accounting standards for private enterprises so described and established by the Accounting Standards Board which are applicable at such time.
- (b) “**Administration Wind-Down Amount**” means cash in an amount up to \$100,000.00 to be used to satisfy the costs incurred by the Receiver and its professional advisors to complete its obligations pursuant to this Agreement, administer the GP, the Excluded Assets and Excluded Liabilities, wind down and bankrupt the GP, file any necessary tax returns, and obtain the Receiver's discharge.
- (c) “**Applicable Laws**” means the statutes, regulations, orders, judgments, decrees, rules or other lawful requirements of any Governmental Authority which are applicable to the Purchased Assets or either of the parties.
- (d) “**Assumed Liabilities**” means, except for the Excluded Liabilities, all liabilities and obligations arising from the possession, ownership and/or use of the Purchased Assets following Closing and all realty taxes, property taxes, utilities, local improvement charges, sewer and water rates, and related penalties and interest thereon with respect to the Lands, whether accrued before or after Closing.
- (e) “**Buildings**” means all building(s) and improvements located on the Lands.
- (f) “**Business Day**” means any day that is not a Saturday, Sunday, Boxing Day, Easter Monday or statutory holiday in British Columbia.
- (g) “**Business Records**” means all documents, files, records, reports, agreements, plans, specifications, drawings, surveys, correspondence, licenses and permits relating to any of the Purchased Assets, including without limitation: copies of all Contracts; copies of the Permits and Licenses; tax notices and assessments; plans and surveys of the Property; copies of all Warranties; operating statements and financial statements; environmental reports or assessments; notices or orders received from any agency having authority over the Property or the Purchased Assets; the minute book for the Nominee; and tax returns for the Nominee for each of the past six (6) years.

- (h) **“Cash Amount”** has the meaning given to it in Section 2.4(a)(ii).
- (i) **“Chattels”** means all of the personal property owned by the Debtors used in the maintenance, management, or operation of the Purchased Assets, or any part thereof.
- (j) **“Closing”** means the successful completion of the Sale Transaction.
- (k) **“Closing Date”** means that date that is thirty (30) days after the date the Court approves this Agreement and the Sale Transaction, provided that if the Land Title Office is not open on such date, the Closing Date will be the next Business Day, or any other date as may be agreed by the Receiver and Purchaser. Notwithstanding the foregoing, following approval from the Court of this Agreement and the Sale Transaction, the Purchaser and the Receiver may, in writing, agree to extend the Closing Date.
- (l) **“Closing Documents”** has the meaning given to it in Section 9.4.
- (m) **“Contracts”** means all contracts or agreements relating to the use or operation of the Property, the Purchased Assets, or any part thereof, including, without limitation, purchase and sale agreements, options to purchase, contracts relating to the operation, maintenance, cleaning, security, signage, fire protection or servicing of the Property or any part thereof made by or on behalf of the Receiver.
- (n) **“Court”** has the meaning given to it in Recital E.
- (o) **“Debtors”** has the meaning given to it in Recital B.
- (p) **“Deposit”** means the sum of \$250,000 to be paid by the Purchaser to the Receiver pursuant to Section 2.4(a) and held in accordance with the terms of Section 2.8.
- (q) **“Encumbrance”** means 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 including, without limiting the generality of the foregoing:
 - (i) any encumbrances or charges created by the Receivership Order;
 - (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system;
 - (iii) any legal notation, charge, lien, interest or other encumbrance or title defect of whatever kind or nature, regardless of form;
 - (iv) any agreement, lease, license, option or claim, easement, right of way, restriction, execution or other encumbrance (including any notice or other registration in respect of any of the foregoing) affecting title to or the ownership of the Purchased Assets or any part thereof or interest therein,

but for the avoidance of doubt, shall not include the Permitted Encumbrances.

- (r) **“ETA”** means the *Excise Tax Act (Canada)*, R.S.C., 1985, c. E-15 and any amendments and regulations thereto, including without limitation the *Input Tax Credit Information (GST/HST) Regulations*.
- (v) **“Excluded Assets”** means:
 - (i) Contracts;
 - (ii) the rights of the Receiver under this Agreement;
 - (iii) all shares of capital stock or other equity interest in securities in any entity other than the Shares; and
 - (iv) any partnership interest in the LP.
- (w) **“Excluded Liabilities”** means any Liabilities of the Debtors that are not expressly assumed by the Purchaser under this Agreement including without limitation:
 - (i) any liability owed to any party arising prior to the Closing Date;
 - (ii) any taxes of, or relating to, the Purchased Assets, including statutory deductions and remittances, GST, PST and sales taxes, in respect of any period prior to and including the Closing Date;
 - (iii) any Liabilities or Encumbrances in respect of any litigation involving the Debtors or the Purchased Assets commenced or threatened or resulting from any event or circumstance prior to the Closing Date;
 - (iv) any other Encumbrances made, filed, claimed, perfected or otherwise arising or resulting from any event or circumstance prior to the Closing Date;
 - (v) any Liabilities for any employees, employee agreements, executive compensation agreements, officer or director agreements, union contracts, collective agreements, employee wages, employee benefit plans, pension plans, health plans or dental plans, employee tax withholding obligations, all grievances, arbitrations, employee complaints or claims, labour relations board action, or other employee proceedings and similar obligations;
 - (vi) any Liabilities of the Companies arising prior to the Closing Date including, but not limited to, Liabilities owed to lenders, service contractors or third parties of any kind including all Liabilities under the Contracts and the Pre-Sale Agreements but not including any Liability for all realty taxes, property taxes, utilities, local improvement charges, sewer and water rates, and related penalties and interest thereon for the Lands;
 - (vii) any Liabilities relating to or arising out of the assets of the Debtors which are not being acquired by the Purchaser, including, without limitation, Liabilities for terminating, not complying with or defaulting under any Contract or Pre-Sale Agreement;
 - (viii) all Liabilities for payment of fees for operation of the Purchased Assets up to the Closing Date;

- (ix) all Liabilities for any taxes payable by the Debtors resulting from the sale of the Purchased Assets;
 - (x) the Liabilities of the Nominee under or within the receivership proceedings;
 - (xi) any Liabilities for a breach or non-compliance with any applicable law by the Debtors prior to the Closing Date;
 - (xii) the Liabilities of the Nominee under this Agreement; and
 - (xiii) any other assets, property or obligations which pursuant to the terms and conditions of this Agreement, remain the property of the Debtors after the completion of the transactions contemplated herein including, without limitation, the rights of the Receiver under this Agreement.
- (x) **“Execution Date”** means the date that this Agreement is executed by the Receiver.
 - (y) **“Expense Reimbursement”** means payment of the Purchaser’s expenses up to \$200,000.00, if this Agreement is terminated as a result of the Receiver selecting another bid as the Successful Bidder (if this Agreement is not the Backup Bid) or upon closing of a transaction with another bidder (if the Stalking Horse APS is the Backup Bidder) in the Sales Process as defined herein, which shall only be paid after closing.
 - (z) **“Governmental Authority”** means (i) any domestic or foreign government, whether national, federal, provincial, state, territorial, municipal or local (whether administrative, legislative, executive or otherwise), (ii) any agency, authority, ministry, department, regulatory body, court, central bank, bureau, board or other instrumentality having legislative, judicial, taxing, regulatory, prosecutorial or administrative powers or functions of, or pertaining to, government, (iii) any court, tribunal, commission, individual, arbitrator, arbitration panel or other body having adjudicative, regulatory, judicial, quasi-judicial, administrative or similar functions, and (iv) any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange or professional association.
 - (aa) **“GP”** has the meaning given to it in Recital B.
 - (aa) **“GST”** means all goods and services tax and, if applicable, harmonized sales tax imposed under the ETA.
 - (bb) **“GST Certificate”** has the meaning given to it in Section 10.2.
 - (cc) **“Interim Period”** means the period commencing on the Execution Date until and including the Closing Date.
 - (dd) **“Lands”** has the meaning given to it in Recital A.
 - (ee) **“Liability”** means any debts, claim, liability, duty, responsibility, obligations, commitment, assessment, tax, cost, expense, loss, expenditure, charge, fee, penalty, fine, contribution or premium of any kind or nature whatsoever, whether known or unknown, asserted or unasserted, absolute or contingent, direct or indirect, or due or to become due and regardless of when sustained, incurred or asserted or when the relevant events occurred or circumstances existed, including without limiting the generality of the foregoing all taxes and other amounts that could be assessed in respect of section 160 or section 160.01 of the

(Canada), section 266 or section 325 of the ETA, or any equivalent legislation in any jurisdiction (including provincial legislation).

- (ff) **“LP”** has the meaning given to it in Recital A.
- (gg) **“Mutual Condition”** has the meaning given to it in Section 8.3.
- (hh) **“Nominee”** has the meaning given to it in Recital A.
- (ii) **“Non-Assignable Interests”** means any Purchased Assets which, by their nature cannot be legally or practically sold or assigned by the Receiver to the Purchaser hereunder.
- (jj) **“Permits and Licenses”** means all licenses, approvals, permits, consents or other rights entered into or obtained by the Debtors from any Governmental Authority and used in connection with any of the Purchased Assets.
- (kk) **“Permitted Encumbrances”** means the encumbrances set out in Part 2 of Schedule A.
- (ll) **“Portage”** has the meaning given to it in Recital D.
- (nn) **“PCP Mortgage Debt”** has the meaning given to it in Recital C.
- (oo) **“Priority Claims”** has the meaning given to it in Section 2.3(a).
- (pp) **“Property”** means all assets, undertakings, and property of the Debtor’s, including the Lands and the Buildings thereon.
- (qq) **“Provincial Sales Tax Act”** means the *Provincial Sales Tax Act* (British Columbia) and any amendments and regulations thereto.
- (rr) **“PST”** means all provincial sales tax imposed pursuant to the Provincial Sales Tax Act or any equivalent or corresponding provincial or territorial legislation imposing a similar tax that may apply in respect of the transactions contemplated by this Agreement.
- (ss) **“Purchase Price”** means the amount calculated in accordance with Section 2.3.
- (tt) **“Purchased Assets”** means all of the Debtors' right, title and interest in and to:
 - (i) the Shares; and
 - (ii) the Business Records;
 - (iii) the Chattels;
 - (iv) the Permits and Licenses;
 - (v) the Property;
 - (vi) corporate income taxes refunds and GST refunds, if any;
 - (vii) cash and cash equivalents;

- (viii) tenancy agreements pertaining to the Lands; and
- (ix) any proceedings, claims or causes of action for the benefit of the Debtors.
- (uu) **“Purchaser's Condition”** has the meaning given to it in Section 8.1.
- (vv) **“Purchaser's Solicitors”** means McQuarrie Hunter LLP, or such other firm of solicitors or agents as are retained by the Purchaser from time to time and written notice of which is provided to the Receiver.
- (ww) **“Receiver's Charge”** has the meaning given to it in the Receivership Order.
- (xx) **“Receiver's Condition”** has the meaning given to it in Section 8.2.
- (yy) **“Receiver's Solicitors”** means Bennett Jones LLP, or such other firm of solicitors or agents as are retained by the Receiver from time to time and written notice of which is provided to the Purchaser.
- (zz) **“Receivership Order”** has the meaning given to it in Recital E.
- (aaa) **“Sale Transaction”** has the meaning set out in Recital E.
- (bbb) **“Shares”** means all of the issued and outstanding shares in the capital of the Nominee.
- (ccc) **“Transfer Tax”** means all applicable taxes payable upon or in connection with the Sale Transaction, including land transfer tax, GST and PST, and any filing fees, registration fees, recording transfer fees, or other fees and expenses payable in connection with the transfer of the Purchased Assets, the registration of the Sales Process Order, or the registration of other instruments of transfer provided for in this Agreement but excluding any income taxes payable by the Debtors as a result of the Sale Transaction.
- (ddd) **“Sales Process Order”** means an Order, or Orders, of the Court in the Action:
 - (i) approving the sales process for the marketing and sale of the Property, including the Lands, (the **“Sales Process”**);
 - (ii) approving this Agreement to serve as the “stalking horse bid” pursuant to the Sales Process; and
 - (iii) approving the Expense Reimbursement and authorizing the Receiver to pay the Expense Reimbursement to the Purchaser in the manner and in the circumstances described in this Agreement;
- (eee) **“Reverse Vesting Order”** means an Order, or Orders, of the Court in the Action:
 - (i) approving the sale of the Purchased Assets to the Purchaser on the terms of this Agreement;
 - (ii) vesting, transferring and assigning all of the Excluded Assets and Liabilities of the Nominee to the GP;

- (iii) on completion of the Sale Transaction under this Agreement, vesting title to the Purchased Assets (including, without limitation, the Shares) in and to the Purchaser, free and clear of all Encumbrances except the Permitted Encumbrances;
- (iv) provide for vesting off title to the Purchased Assets all Encumbrances other than Permitted Encumbrances, upon the delivery of the Receiver's Certificate (as defined in the Sales Process Order) to the Purchaser;
- (v) removing the Nominee from the receivership proceedings and releasing it from the purview of all orders of the Court granted in respect of the receivership proceedings, save and except for the Sales Process Order;
- (vi) releasing the Purchaser, the Nominee and the Purchased Assets from any and all claims arising from or in respect of: (A) any or all claims or Encumbrances and the Excluded Liabilities against or relating to any of the Nominee or the Purchased Assets existing immediately prior to the Closing Date; (B) the insolvency of the Nominee prior to the Closing Date; (C) the commencement or existence of the receivership proceedings; or (D) the completion of the Sale Transaction; and
- (vii) authorizing the Receiver to assign the GP into bankruptcy.

ARTICLE 2 PURCHASE AND SALE

- 2.1 Agreement of Purchase and Sale.** Subject to the terms and conditions of this Agreement and based on the representations and warranties contained in this Agreement, the Receiver agrees to sell and the Purchaser agrees to purchase the Purchased Assets for the Purchase Price on the Closing Date free and clear of all Excluded Liabilities and Encumbrances, except for the permitted Encumbrances. For avoidance of doubt, the Purchaser will not assume any liability in respect of the Excluded Liabilities.
- 2.2 As Is, Where Is.** The Purchaser is purchasing the Purchased Assets “as is, where is” as of the Closing Date, without any representations or warranties whatsoever. Neither the Receiver, nor anyone on its behalf, represents or warrants the condition or state of repair of any of the Purchased Assets. The Purchaser must satisfy itself, and accept the Purchased Assets on a strictly “as is” basis on the terms of this Agreement.
- 2.3 Purchase Price.** The Purchase Price to be paid by the Purchaser to the Receiver in consideration of the purchase and sale of the Purchased Assets in accordance with this Agreement will be:
- (a) the amount sufficient to pay for all amounts owing in respect of any claim against the Debtors which ranks in priority to the claims of the Purchaser (the “**Priority Claims**”), including without limitation:
 - (i) all amounts secured under the Receiver’s Charge; and
 - (ii) the Administration Wind-Down Amount;PLUS
 - (b) the outstanding balance of the Portage Loan; and
 - (c) the outstanding balance of the PCP Mortgage Debt;

but which excludes the Excluded Liabilities.

2.4 Payment of Purchase Price

(a) The Purchase Price will be payable as follows:

- (i) by payment of the Deposit by way of certified cheque, bank draft or wire transfer, payable to the Receiver's Solicitors, in trust, within five (5) Business Days of execution of this Agreement, which Deposit will be held in accordance with Section 2.8; and
- (ii) provided that the Purchaser's Condition and Mutual Conditions have been satisfied or waived in accordance with Sections 8.1 and 8.2, the balance of the Purchase Price payable by the Purchaser by paying cash on Closing (the "**Cash Amount**"), which when added to the Deposit, is sufficient to pay all Priority Claims and the outstanding balance of the Portage Loan in full as of the Closing Date, with the remaining balance of the Purchase Price to be paid by setting-off the outstanding balance of the PCP Mortgage Debt.

(b) The Receiver and the Purchaser agree that there will be no adjustments to the Purchase Price for any expenses and liabilities or revenues accrued in respect of the Purchased Assets, with the exception of deposits and accrued statutory interest held by the Debtors in respect of the tenancies within the Lands. For certainty, the Receiver and the Purchaser agree that there will be no adjustments for realty taxes, utilities, local improvement charges, sewer and water rates and the Purchaser will assume any arrears of any such amounts owing with respect to the Property.

(c) The Cash Amount payable at the Closing Date shall be paid by wire transfer of immediately available funds to the Receiver's Solicitors in trust.

(d) For certainty, if the Deposit and the Administration Wind-Down Amount are in excess of the amount required to pay all Priority Claims, the Receiver will refund any excess to the Purchaser promptly following the Receiver's discharge.

2.5 Assumed Liabilities. Provided that Closing occurs, the Purchaser agrees to assume, pay, discharge, perform and fulfill the Assumed Liabilities from and after the Closing Date.

2.6 Allocation of Purchase Price. The parties agree to use reasonable efforts to agree prior to the Closing Date on an allocation of the Purchase Price among the components of the Purchased Assets. However, the parties further agree that failure to agree on such an allocation prior to the Closing Date will not render this Agreement unenforceable or result in a termination of this Agreement, and in such case each of the Receiver and the Purchaser will make its own determination of allocation. Notwithstanding the foregoing, the Receiver and the Purchaser agree that \$1.00 of the Purchase Price will be allocated to the Shares.

2.7 Bidding Procedures. The Receiver and the Purchaser acknowledge that this Agreement and the transactions contemplated hereby are subject to Court approval and subject to the Sales Process. The Purchaser acknowledges and agrees that, notwithstanding acceptance of this offer by the Receiver, other prospective purchasers may participate in the Sales Process, and the Receiver may be compelled to advocate that the Court consider other offers made in the Sales Process.

2.8 Deposit. The Deposit will be held by the Receiver's Solicitors in trust. The deposit will be dealt with as follows:

- (a) on the Closing Date, the Deposit will be credited on account of the Purchase Price; or
- (b) if after the Purchaser's Condition in Section 8.1 and the Mutual Condition in Section 8.3 herein are satisfied or waived, the Purchaser fails to complete the purchase of the Purchased Assets in accordance with this Agreement or if the Purchaser repudiates this Agreement, then the Deposit will be forfeited to the Receiver, as liquidated damages, as the Receiver's sole and exclusive remedy for the Purchaser's failure to complete the Sale Transaction; or
- (c) if the Purchaser's Condition in Section 8.1 or the Mutual Condition in Section 8.3 herein are not satisfied or waived within the applicable time periods contemplated in Sections 8.1 and 8.3, the Deposit will be returned to the Purchaser forthwith without any deduction; or
- (d) if after the Purchaser's Condition section 8.1 and the Mutual Condition in section 8.3 herein are satisfied or waived, and if the Purchaser is not in default of any of its obligations under this Agreement and the Receiver fails to complete the sale of the Purchased Assets in accordance with this Agreement or if the Receiver repudiates this Agreement, then the Deposit will be returned to the Purchaser upon demand by the Purchaser on or after the Closing Date, without prejudice to any other rights or remedies of the Purchaser whether at law or equity.

ARTICLE 3 DOCUMENTS AND INSPECTION

- 3.1 Business Documents.** To the extent the Receiver receives any Business Records (other than from the Purchaser), the Receiver will provide copies of same to the Purchaser without any representations or warranties in respect thereof. The Receiver covenants that it will request the minute book and BC Online password of the Nominee from the registered and records office.
- 3.2 Inspection.** The Purchaser and its advisors will be entitled upon reasonable notice to the Receiver and in accordance with the Receiver reasonable requirements as to security to enter the Property and carry out tests and inspections of the Purchased Assets, provided that such access for such purposes will be at reasonable times scheduled by the Receiver at the Purchaser's request and, at the option of the Receiver, subject to the Receiver's supervision. The Purchaser will be responsible for and indemnify the Receiver for all costs, injuries or damages to the Purchased Assets, or to the Receiver, its agents or employees, arising out of such entry by the Purchaser and such indemnity will survive the completion of the transactions contemplated herein or earlier termination of this Agreement.
- 3.3 Authorization.** The Receiver hereby authorizes the Purchaser and its agents, consultants and advisors to meet with or correspond with appropriate statutory or governmental authorities having jurisdiction over the Purchased Assets or the Receiver for the purposes of this transaction, including but not limited to inquiries with respect to compliance with laws, by laws, regulations and assessments. The Receiver will promptly, at the Purchaser's request, execute and deliver any authorizations reasonably required by the Purchaser to authorize the statutory or governmental authorities to release information to the Purchaser, provided such authorizations explicitly do not authorize or request any inspections with respect to the Property.

ARTICLE 4 GENERAL COVENANTS

- 4.1 Covenants of the Receiver.** After approval of the Sales Order in the Action, the Receiver:
 - (a) will not enter into any commitment, agreement or Contract with respect to the Purchased Assets, any agreement to lease, offer to lease or lease the Purchased Assets or modify any

material terms or terminate any of the Contracts, Permitted Encumbrances, Permits and Licenses or any mortgage or charge relating to the Purchased Assets or that would form an Encumbrance on the Purchased Assets without the prior written consent of the Purchaser, which the Purchaser may withhold in its sole discretion;

- (b) will keep the Purchaser apprised of any material damage to the Property;
- (c) will promptly notify the Purchaser if the Receiver becomes aware that, after the date of this Agreement, or if any covenants, terms or conditions in this Agreement are breached or cannot be performed;
- (d) will use commercially reasonable efforts after the date the Sales Process Order is pronounced by the Court, to provide the Purchaser with copies of all tenancy agreements entered into in respect of the Lands, and a summary of all deposits provided by tenants to the Debtors, or any of them; and
- (e) will promptly forward to the Purchaser any search results from government offices which are directed to the Receiver in response to any due diligence inquiries made by or at the request of the Purchaser.

ARTICLE 5 RISK

- 5.1 Risk.** The Purchased Assets will be at the risk of the Receiver until completion of closing on the Closing Date and thereafter at the risk of the Purchaser.

ARTICLE 6 POSSESSION

- 6.1 Possession Date.** The Purchaser will, upon completion of the purchase and sale have possession of the Property and all Purchased Assets as of the Closing Date free and clear of all Encumbrances subject only to Permitted Encumbrances.
- 6.2 Non-Assignable Assets.** If any of the Purchased Assets are Non-Assignable Assets, the inability or failure of the Receiver to transfer or assign such Non-Assignable Assets will not constitute a default of the Receiver nor will it entitle the Purchaser to terminate this Agreement or reduce the Purchase Price. The Receiver shall provide commercially reasonable assistance to the Purchaser up to the Closing Date in any efforts the Purchaser may take to obtain consent to the transfer of a Non-Assignable Asset or an equivalent Non-Assignable Asset. For certainty, any failure of the Purchaser in those efforts will not constitute a default of the Receiver nor will it entitle the Purchaser to terminate this Agreement or reduce the Purchase Price.

ARTICLE 7 REPRESENTATIONS AND WARRANTIES

- 7.1 Purchaser's Representations and Warranties.** The Purchaser represents and warrants to the Receiver, regardless of any independent investigation that the Receiver may cause to be made that:
- (a) the Purchaser is a corporation incorporated in Ontario and extra provincially registered under the laws of British Columbia;
 - (b) the Purchaser has the corporate power and authority to enter into this Agreement and to perform its obligations under this Agreement;
 - (c) neither the Purchaser's entering into this Agreement nor the performance of its terms will result in the breach of or constitute a default under any term or provision of any indenture,

mortgage, deed of trust or other agreement to which the Purchaser is bound or subject or any Applicable Laws; and

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

ARTICLE 8 CONDITIONS PRECEDENT

8.1 Closing Condition Precedent in favour of the Purchaser. The obligation of the Purchaser to Complete the Sale Transaction is subject to following condition (the “**Purchaser’s Condition**”)

- (a) the Receiver having performed in all material respects each of its obligations under this Agreement to the extent required to be performed at or before the Closing Date, including the delivery of each of the items required pursuant to Section 9.2

The Purchaser’s Condition is for the exclusive benefit of the Purchaser. The Purchaser’s Condition in this Section 8.1 may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing.

8.2 Closing Condition Precedent in favour of the Receiver. The obligation of the Receiver to complete the Sale Transaction is subject to the following conditions (the “**Receiver’s Conditions**”):

- (a) the Purchaser having performed in all material respects each of its obligations under this Agreement to the extent required to be performed at or before the Closing Date, including payment of the Purchase Price and the delivery of each of the items required pursuant to Section 9.3; and
- (b) the Receiver will have obtained a legal opinion from the Receiver’s Solicitors confirming that the PCP Mortgage Security, the PCP PPR Security, and the security interests registered by Portage to secure the Portage Loan are valid and properly registered, which legal opinion will be acceptable to the Receiver in its sole discretion.

The Receiver’s Conditions are for the exclusive benefit of the Receiver. The Receiver’s Conditions in this Section 8.2 may be waived by the Receiver in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall be binding on the Receiver only if made in writing.

8.3 Mutual Condition. The obligation of the parties to complete the transactions contemplated by this Agreement will be subject to the following mutual condition (the “**Mutual Condition**”), for the benefit of both the Receiver and the Purchaser:

- (a) that as of the Closing Date, neither the Receivership Order nor the Sales Process Order have been set aside or stayed.

The Mutual Condition is for the mutual benefit of the Receiver and the Purchaser and may not be waived unilaterally by either party. If the Mutual Condition has not been satisfied or mutually waived by the applicable deadline provided for in this Section 8.3 then the Purchaser’s and Receiver obligation to complete the Sale Transaction pursuant to this Agreement will be an end.

ARTICLE 9 CLOSING

- 9.1 Closing.** The closing of the Sale Transaction will occur on the Closing Date.
- 9.2 Receiver Closing Documents.** On or before the Closing Date, the Receiver will deliver, or cause the Receiver's Solicitors to deliver, to the Purchaser's Solicitors in trust to be held in escrow as provided in this Agreement, the following documents duly executed as applicable and all in a form satisfactory to the Purchaser, acting reasonably:
- (a) Court certified copy of the Reverse Vesting Order and any other Orders of the Court as are necessary, all in a form registrable in all necessary offices required to effect the transfer of the Purchased Assets to the Purchaser;
 - (b) a letter from the Receiver's Solicitors to the Land Title Survey Authority or other agency as may be required by the Sales Process Order;
 - (c) an assignment and assumption of the Debtors' right, title and interest in and to those of the Permits and Licenses which are not Non-Assignable Assets wherein the Purchaser assumes the rights and obligations under the applicable Permits and Licenses as of the Closing Date and the Purchaser indemnifies the Receiver for all Liability under the applicable Permits and Licenses arising after the completion of the Sale Transaction and the Receiver retains all Liability under the applicable Permits and Licenses arising prior to the Closing Date (the "**Permits and Licenses Assignment**");
 - (d) an assignment and assumption of the Permitted Encumbrances (the "**Permitted Encumbrances Assignment**");
 - (e) a general conveyance conveying the Debtors' right, title and interest in and to the Chattels, the Business Records, any corporate income tax refunds and GST refunds, cash and cash equivalents and any proceedings, claims or causes of action for the benefit of the Debtors to the Purchaser;
 - (f) a certificate dated as of the Closing Date of the Receiver having knowledge of the facts certifying that the Receiver covenants and agreements to be observed or performed on or before the Closing Date pursuant to the terms of this Agreement have been duly observed and performed in all material respects;
 - (g) all corporate records and account books of the Nominee that are in the possession or control of the Receiver;
 - (h) the BC Online password for the Nominee, provided it is in the possession or control of the Receiver (the Receiver, prior to the Closing Date, having requested same from the Debtors' registered and records office)
 - (i) an assignment and assumption agreement in respect of the leases pertaining to the Lands (the "**Assignment of Leases**"); and
 - (j) such other documents and assurances as may be reasonably required by the Purchaser to give full effect to the intent and meaning of this Agreement.
- 9.3 Purchaser's Closing Documents.** In addition to payment of the Purchase Price, on or before the

Closing Date, the Purchaser will deliver, or cause the Purchaser's Solicitors to deliver, to the Receiver's Solicitors in trust to be held in escrow as provided in this Agreement, the following duly executed as applicable:

- (a) the Permits and Licenses Assignment;
- (b) the Permitted Encumbrances Assignment;
- (c) the GST Certificate;
- (d) a certificate dated as of the Closing Date of a senior officer of the Purchaser having knowledge of the facts certifying, on behalf of the Purchaser and without personal liability, that the representations and warranties set out in Section 7.1 are true and correct in all material respects as at the Closing Date and that the Purchaser's covenants and agreements to be observed or performed on or before the Closing Date pursuant to the terms of this Agreement have been duly observed and performed in all material respects;
- (e) Assignment of Leases; and
- (f) such other documents and assurances as may be reasonably required by the Receiver to give full effect to the intent and meaning of this Agreement.

9.4 Preparation and Form of Documents. The closing documents contemplated in Sections 9.2 and 9.3, other than the Reverse Vesting Order, (collectively, the "**Closing Documents**"), will be prepared by the Purchaser's Solicitors and delivered to the Receiver's Solicitors at least five Business Days before the Closing Date. The Closing Documents (including the Sales Process Order) will be in a form and substance reasonably satisfactory to the parties and their respective solicitors. The Receiver will use commercially reasonable efforts to provide the Purchaser with drafts of all material to be filed with the Court within three (3) Business Days prior to the date of any hearing of the Court regarding the Sales Process Order or such other date as may be agreed to by the parties.

9.5 Payment into Trust. On or before the Closing Date, the Purchaser will pay to the Receiver's Solicitors in trust, by way of wire transfer, the Cash Amount.

9.6 Closing Procedure. All Closing Documents, funds, and other items delivered by the parties will be held in trust by the Receiver's Solicitors and the Purchaser's Solicitors until completion of closing on the Closing Date in accordance with this Agreement (except that the Reverse Vesting Order may be submitted for registration in accordance with this Section). Forthwith following the payment set forth in Section 9.5 and after receipt by the Purchaser's Solicitors of the documents and items referred to in Section 9.1 the Purchaser will cause the Purchaser's Solicitors to file the Reverse Vesting Order for the purpose of discharging any Encumbrances which are not Permitted Encumbrances (together with such other documents as are required to be filed) in the Land Title Office. Upon the Purchaser's Solicitors obtaining a post application title search of the Lands which indicates that in normal Land Title Office routine, title to the Lands will remain registered in the name of the Nominee subject only to the Permitted Encumbrances and any documents filed by the Purchaser, and the state of title is in accordance with the terms and conditions of this Agreement.

9.7 Concurrent Requirements. It is a condition of Closing that all matters of payment, execution and delivery of documents by each party to the other pursuant to the terms of this Agreement will be deemed to be concurrent requirements and it is specifically agreed that nothing will be complete at the closing until everything required as a condition precedent at the closing has been paid, executed and delivered.

- 9.8 Delivery of Business Records.** The Receiver will present at Closing and, on release of escrow, after completion of the Sale Transaction, will deliver originally executed copies of the Business Records, if in possession or control of the Receiver (if any), to the Purchaser, to the extent not previously delivered.
- 9.9 Termination.** Notwithstanding any other provision of this Agreement:
- (a) nothing herein shall prohibit the Receiver, in its sole, absolute, and unfettered discretion, from seeking to be discharged as the receiver of the Debtors at any time after the Closing and the Parties hereby acknowledge and agree that the covenants and obligations of the Receiver contained in this Agreement shall terminate concurrently with the discharge of the Receiver of the Debtors;
 - (b) if the transactions contemplated by this Agreement do not complete on or prior to the day that is one (1) year after the Execution Date other than as a result of the default of the Purchaser, then the Purchaser may, in its sole discretion, terminate this Agreement with written notice delivered to the Receiver without any further liability;
 - (c) this Agreement will automatically terminate upon the completion of the transactions contemplated herein, upon which, all of the representations, warranties and covenants contained herein will merge and there will be no survival of any representation, warranties or covenants contained in this Agreement except for pursuant to Sections 2.5 and 11.7; and
 - (d) the Receiver may terminate this Agreement at any time prior to receipt of the Reverse Vesting Order if the Receiver determines it is inadvisable to present this Agreement to the Court for any reason whatsoever, including, without limitation, the Receiver determining the Purchaser is not the Successful Bidder in the Sales Process or the conditions to this Agreement are not otherwise satisfied, and in any such event the Receiver shall have no further obligations or liability to the Purchaser under this Agreement or otherwise except for pursuant to Sections 2.8 and 11.7 and subject to the Expense Reimbursement.

ARTICLE 10 TAXES

- 10.1 Transfer Tax.** All amounts payable under this Agreement are exclusive of any applicable Transfer Tax. The Purchaser shall be liable to pay any applicable Transfer Tax to the Receiver at the Closing or directly to the applicable Authority as required under applicable Law.
- 10.2 GST.** If the Purchaser, or any person to whom the Purchaser has assigned the Purchaser's rights and obligations under this agreement in accordance with Section 11.12 (the "Assignee") delivers to the Receiver a certificate on closing (the "GST Certificate") of the Purchaser or, if applicable, a senior officer of the Assignee, certifying, on behalf of the Purchaser or, if applicable, such Assignee, and without personal liability, that the Purchaser or such Assignee undertakes, covenants and agrees:
- (a) that the Purchaser or, if applicable, the Assignee, is registered for the purposes of the ETA in accordance with the requirements of Subdivision D of Division V and including the registration number assigned to the Purchaser or, if applicable, to the Assignee;
 - (b) that the Purchaser or, if applicable, any such Assignee is liable under the ETA for all applicable GST payable under the ETA, will self-assess and remit directly to the appropriate governmental authority all such GST payable in respect of any Purchased Assets that constitute a supply of real property for the purposes of the ETA, and will file the prescribed

forms required by the ETA in connection with the conveyance of the Purchased Assets to the Purchaser or, if applicable, the Assignee, all in accordance with the ETA;

- (c) to indemnify and hold the Receiver and its directors, officers, employees, advisors and agents harmless from and against any and all GST, penalties, and/or interest in connection with the transfer of the Property which may become payable by or assessed against any such party as a result of any breach of this Section 10.2, the failure by the Purchaser or, if applicable, the Assignee, to comply with the provisions of the GST Certificate or any declaration made therein and such indemnity will survive the completion of the transactions contemplated herein; and
- (d) that the Receiver is relying upon the accuracy of the GST Certificate in not collecting GST on Closing with respect to any Purchased Assets that constitute a supply of real property for GST purposes, and in allowing Purchaser or, if applicable, the Assignee, to self-assess and remit such GST, if payable, to the appropriate governmental authority in accordance with the ETA;

then the Purchaser or, if applicable, the Assignee, shall not be required to pay to the Receiver, nor shall the Receiver be required to collect from the Purchaser or, if applicable, such Assignee, GST with respect to the purchase of the Purchased Assets that constitute a supply of real property for the purposes of the ETA. If the Purchaser, or, if applicable, such Assignee, fails to deliver such GST Certificate, then the Purchaser, or, if applicable, such Assignee, shall pay to the Receiver GST with respect to all Purchased Assets in addition to the Purchase Price.

ARTICLE 11 - GENERAL

- 11.1 Further Assurances.** Each of the parties will execute and deliver all such further documents and do such further acts and things as may be reasonably required from time to time to give effect to this Agreement.
- 11.2 No Merger.** The execution and delivery of the Closing Documents is not intended to and will not in any way merge or otherwise restrict the terms, covenants, conditions, representations, warranties or provisions made or to be performed or observed by the parties contained in this Agreement other than the obligation to deliver the Closing Documents.
- 11.3 Entire Agreement.** This Agreement constitutes the entire agreement between the Receiver and the Purchaser pertaining to the purchase and sale of the Purchased Assets and supersedes all prior agreements and undertakings, negotiations and discussions, whether oral or written, of the Receiver and the Purchaser and there are no representations, warranties, covenants or agreements between the Receiver and the Purchaser except as set out in this Agreement.
- 11.4 Amendment.** Subject to Section 11.5, this Agreement may only be altered or amended by an agreement in writing executed by all of the parties.
- 11.5 Solicitors as Agents.** Any notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by the Purchaser's Solicitors, on behalf of the Purchaser, and by the Receiver's Solicitors, on behalf of the Receiver, and any tender of Closing Documents and the Purchase Price may be made upon the Receiver's Solicitors and the Purchaser's Solicitors, as the case may be.
- 11.6 Notices.** Any notice, document or communication required or permitted to be given under this Agreement will be in writing and delivered by hand or electronic transmission as follows:

(a) if to the Purchaser:

Price Capital Partners Inc.
100 Canadian Road
Toronto, ON M1R 4Z5

Attention: Mike Foy

E-mail: mfoy@storagecapital.ca

with a copy to the Purchaser's Solicitor:

McQuarrie Hunter LLP

Suite 1500 – 13450 102 Avenue
Surrey, BC V3T 5X3

Attention: Christopher J. Bettencourt & Dan A. T. Moseley

E-mail: cbettencourt@mcquarrie.com & dmoseley@mcquarrie.com

(b) if to the Receiver:

KSV Advisory Inc.
220 Bay Street, 13th Floor, PO Box 20,
Toronto, Ontario, M5J 2W4

Attention: Noah Goldstein & Ross Graham

E-mail: ngoldstein@ksvadvisory.com & rgraham@ksvadvisory.com

with a further copy to the Receiver's Solicitors:

Bennett Jones LLP

666 Burrard Street, Suite 2500

Vancouver, British Columbia V6C 2X8

Attention: Sean Zweig & Andrew Froh

Email: zweigs@bennettjones.com & froha@bennettjones.com

or to such other address in Canada as either party may in writing advise. Any notice, document or communication will be deemed to have been given on the Business Day when delivered by hand if delivered prior to 5 p.m. (Vancouver time), otherwise will be deemed to be delivered and received on the next Business Day; or, if made by email, will be deemed to have been given on the Business Day when transmitted if it is so transmitted prior to 5 p.m. (Vancouver time) on the day of transmittal, otherwise will be deemed to be given and received on the next Business Day.

- 11.7 Fees.** Each of the parties will pay its own legal fees and fees of its consultants.
- 11.8 Accounting Terms.** Accounting terms used herein and not expressly defined will be deemed to have such meanings as may apply on the application of the Accounting Standards.
- 11.9 Time.** Time is of the essence of this Agreement.
- 11.10 Tender.** Unless otherwise set out herein, any tender of documents or money may be made upon the party being tendered or upon its solicitors and money will be tendered by certified cheque, bank draft, or wire transfer.
- 11.11 Enurement.** This Agreement will enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.
- 11.12 Assignment.** Until the Business Day before the date the application for the Sales Process Order is filed, the Purchaser will be entitled to assign its rights and obligations under this Agreement without the consent of the Receiver if: (i) the Purchaser delivers written notice of such assignment to the Receiver; (ii) the assignee enters into an agreement pursuant to which the assignee agrees to be bound by all of the obligations and Liability of the Purchaser under this Agreement as if it was the original Purchaser, which obligations and Liability will include the assignment of the PCP Mortgage Debt to the assignee in order to give effect to section 2.4(a)(ii) of this Agreement; and (iii) the Purchaser is not released from its obligations and Liability under this Agreement until all obligations of the Purchaser pursuant to this Agreement have been performed, at which time the assignor will be automatically released from all of its obligations and Liability under this Agreement without the need for any further deliveries or instruments of release.
- 11.13 Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable in it.
- 11.14 Waiver.** No waiver of any of the provisions of this Agreement will be deemed or will constitute a waiver of any other provision nor will any waiver constitute a continuing waiver unless otherwise expressed or provided.
- 11.15 Currency.** All dollar amounts referred to are Canadian dollars.
- 11.16 Construction.** The division and headings of this Agreement are for reference only and are not to affect construction or interpretation.
- 11.17 Counterparts and Execution.** This Agreement may be executed in counterparts and delivered by electronic transmission including by PDF format, and each such counterpart will constitute an original and all such counterparts together will constitute one and the same agreement.
- 11.18 Schedules.** The following schedules are attached to and form a part of this Agreement:
- (i) Schedule A - Legal Description and Permitted Encumbrances;
 - (ii) Schedule B - Form of Sales Process Order

[Signature page follows]

The parties are signing this Agreement as of the date set out above.

KSV RESTRUCTURING INC., solely in its capacity as Receiver of the assets, undertakings and property of **12744877 B.C. LTD.**, **KINNAIRD KONVERSION LIMITED PARTNERSHIP AND KINNAIRD KONVERSION GP INC.** and not in its personal capacity

By: _____

Name:

Title: Authorized Signatory

PRICE CAPITAL PARTNERS INC.

By: _____

Name:

Title: Authorized Signatory

SCHEDULE A
LEGAL DESCRIPTION AND PERMITTED ENCUMBRANCES

Legal Description of Lands

65 FIRST STREET, NEW WESTMINSTER BC

Unit	Strata Lot	Legal Description
#218	1	PID: 000-812-277, Strata Lot 1 Block 19 New Westminster District Strata Plan NW2195
#219	2	PID: 000-813-460, Strata Lot 2 Block 19 New Westminster District Strata Plan NW2195
#220	3	PID: 000-813-478, Strata Lot 3 Block 19 New Westminster District Strata Plan NW2195
#221	4	PID: 000-813-494, Strata Lot 4 Block 19 New Westminster District Strata Plan NW2195
#217	5	PID: 000-813-508, Strata Lot 5 Block 19 New Westminster District Strata Plan NW2195
#314	6	PID: 000-813-516, Strata Lot 6 Block 19 New Westminster District Strata Plan NW2195
#316	7	PID: 000-813-532, Strata Lot 7 Block 19 New Westminster District Strata Plan NW2195
#318	8	PID: 000-813-541, Strata Lot 8 Block 19 New Westminster District Strata Plan NW2195
#319	9	PID: 000-813-559, Strata Lot 9 Block 19 New Westminster District Strata Plan NW2195
#320	10	PID: 000-813-567, Strata Lot 10 Block 19 New Westminster District Strata Plan NW2195
#321	11	PID: 000-813-583, Strata Lot 11 Block 19 New Westminster District Strata Plan NW2195
#317	12	PID: 000-813-591, Strata Lot 12 Block 19 New Westminster District Strata Plan NW2195
#315	13	PID: 000-813-605, Strata Lot 13 Block 19 New Westminster District Strata Plan NW2195
#313	14	PID: 000-813-613, Strata Lot 14 Block 19 New Westminster District Strata Plan NW2195
#410	15	PID: 000-813-621, Strata Lot 15 Block 19 New Westminster District Strata Plan NW2195
#412	16	PID: 000-813-630, Strata Lot 16 Block 19 New Westminster District Strata Plan NW2195
#414	17	PID: 000-813-656, Strata Lot 17 Block 19 New Westminster District Strata Plan NW2195
#416	18	PID: 000-813-664, Strata Lot 18 Block 19 New Westminster District Strata Plan NW2195

#418	19	PID: 000-813-672, Strata Lot 19 Block 19 New Westminster District Strata Plan NW2195
#419	20	PID: 000-813-681, Strata Lot 20 Block 19 New Westminster District Strata Plan NW2195
#420	21	PID: 000-813-699, Strata Lot 21 Block 19 New Westminster District Strata Plan NW2195
#417	22	PID: 000-813-702, Strata Lot 22 Block 19 New Westminster District Strata Plan NW2195
#415	23	PID: 000-813-711, Strata Lot 23 Block 19 New Westminster District Strata Plan NW2195
#413	24	PID: 000-813-729, Strata Lot 24 Block 19 New Westminster District Strata Plan NW2195
#411	25	PID: 000-813-737, Strata Lot 25 Block 19 New Westminster District Strata Plan NW2195
#409	26	PID: 000-813-745, Strata Lot 26 Block 19 New Westminster District Strata Plan NW2195
#408	27	PID: 000-813-753, Strata Lot 27 Block 19 New Westminster District Strata Plan NW2195
#407	28	PID: 000-813-761, Strata Lot 28 Block 19 New Westminster District Strata Plan NW2195
#506	29	PID: 000-813-770, Strata Lot 29 Block 19 New Westminster District Strata Plan NW2195
#501	30	PID: 000-813-796, Strata Lot 30 Block 19 New Westminster District Strata Plan NW2195
#502	31	PID: 000-813-800, Strata Lot 31 Block 19 New Westminster District Strata Plan NW2195
#503	32	PID: 000-813-826, Strata Lot 32 Block 19 New Westminster District Strata Plan NW2195
#504	33	PID: 000-813-834, Strata Lot 33 Block 19 New Westminster District Strata Plan NW2195
#505	34	PID: 000-813-842, Strata Lot 34 Block 19 New Westminster District Strata Plan NW2195
#510	35	PID: 000-813-851, Strata Lot 35 Block 19 New Westminster District Strata Plan NW2195
#512	36	PID: 000-813-869, Strata Lot 36 Block 19 New Westminster District Strata Plan NW2195
#514	37	PID: 000-813-877, Strata Lot 37 Block 19 New Westminster District Strata Plan NW2195
#516	38	PID: 000-813-893, Strata Lot 38 Block 19 New Westminster District Strata Plan NW2195
#515	39	PID: 000-813-923, Strata Lot 39 Block 19 New Westminster District Strata Plan NW2195
#513	40	PID: 000-813-931, Strata Lot 40 Block 19 New Westminster District Strata Plan NW2195
#511	41	PID: 000-813-940, Strata Lot 41 Block 19 New Westminster District Strata Plan NW2195

#508	42	PID: 000-813-958, Strata Lot 42 Block 19 New Westminster District Strata Plan NW2195
#507	43	PID: 000-813-966, Strata Lot 43 Block 19 New Westminster District Strata Plan NW2195
#606	44	PID: 000-813-974, Strata Lot 44 Block 19 New Westminster District Strata Plan NW2195
#601	45	PID: 000-813-982, Strata Lot 45 Block 19 New Westminster District Strata Plan NW2195
#602	46	PID: 000-814-016, Strata Lot 46 Block 19 New Westminster District Strata Plan NW2195
#603	47	PID: 000-814-024, Strata Lot 47 Block 19 New Westminster District Strata Plan NW2195
#604	48	PID: 000-814-032, Strata Lot 48 Block 19 New Westminster District Strata Plan NW2195
#605	49	PID: 000-814-041, Strata Lot 49 Block 19 New Westminster District Strata Plan NW2195
#610	50	PID: 000-814-059, Strata Lot 50 Block 19 New Westminster District Strata Plan NW2195
#612	51	PID: 000-814-075, Strata Lot 51 Block 19 New Westminster District Strata Plan NW2195
#611	52	PID: 000-814-083, Strata Lot 52 Block 19 New Westminster District Strata Plan NW2195
#609	53	PID: 000-814-113, Strata Lot 53 Block 19 New Westminster District Strata Plan NW2195
#608	54	PID: 000-814-121, Strata Lot 54 Block 19 New Westminster District Strata Plan NW2195
#607	55	PID: 000-814-130, Strata Lot 55 Block 19 New Westminster District Strata Plan NW2195
#706	56	PID: 000-814-148, Strata Lot 56 Block 19 New Westminster District Strata Plan NW2195
#701	57	PID: 000-814-156, Strata Lot 57 Block 19 New Westminster District Strata Plan NW2195
#702	58	PID: 000-814-164, Strata Lot 58 Block 19 New Westminster District Strata Plan NW2195
#703	59	PID: 000-814-172, Strata Lot 59 Block 19 New Westminster District Strata Plan NW2195
#704	60	PID: 000-814-181, Strata Lot 60 Block 19 New Westminster District Strata Plan NW2195
#705	61	PID: 000-814-199, Strata Lot 61 Block 19 New Westminster District Strata Plan NW2195

Part 2 Permitted Encumbrances

1. all tenancy agreements between the LP and tenants leasing portions of the Lands
2. Covenant CA8859097 in favor of the Corporation of the City of New Westminster