

THIS AGREEMENT made as of the 14th day of March, 2008.

BETWEEN:

RETROCOM GROWTH FUND INC.

(hereinafter referred to as the "**Issuer**")

- and -

THE ROSE CORPORATION

(hereinafter referred to as the "**Purchaser**")

WHEREAS the Issuer and each of the Subsidiaries is in the process of making a proposal (the "**Proposal**") under the *Bankruptcy and Insolvency Act* of Canada, which Proposal shall in accordance with the BIA be subject to approval by those creditors of the Issuer and each of the Subsidiaries to which the Proposal is made ("**Creditor Approval**"), and subject to the approval of the Ontario Superior Court of Justice (the "**Court**");

AND WHEREAS the Proposal, together with the Court Approval Order and the Articles of Reorganization (each as hereinafter defined), will create a new class of shares in the capital of the Issuer (the "**New Common Shares**") and cancel all of the then issued and outstanding shares in the capital of the Issuer upon the issuance of the first New Common Share;

AND WHEREAS the Issuer wishes to issue to the Purchaser, and the Purchaser wishes to subscribe for, one New Common Share (the "**Issued Share**") on the terms and subject to the conditions herein contained;

AND WHEREAS the entering into of this Agreement was approved by the Court on February 13, 2008;

NOW THEREFORE in consideration of the respective covenants, representations and warranties of the parties hereinafter contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each party), the parties hereby agree as follows:

ARTICLE I – INTERPRETATION

1.1 Definitions

For the purposes of this Agreement, unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"**Agreement**" and the terms "hereof", "herein", "hereunder" and similar expressions refer to this Agreement and not to any particular article, section, subsection or other portion hereof and include any agreement, schedule or instrument supplementary or ancillary hereto;

"Articles of Reorganization" means articles of reorganization to be filed with the CBCA Director pursuant to subsection 191(4) of the CBCA that, amongst other things, will create the New Common Shares and cancel all of the then issued and outstanding shares in the capital of the Issuer upon the issuance of the Issued Share, such articles of reorganization to be in a form as the Issuer and the Purchaser may agree in writing;

"Authority" means any government, legislature, governmental or regulatory authority, self-regulatory or industry authority, department, body or agency or any court, tribunal, bureau, commission, arbitrator or arbitration board or other similar body, whether federal, provincial, state or municipal;

"BIA" means the *Bankruptcy and Insolvency Act* of Canada, as such act may be amended from time to time;

"Business Day" means any day, other than a Saturday or a Sunday, on which Canadian chartered banks in Toronto, Ontario are open for business;

"CBCA" means the *Canada Business Corporations Act*, as such act may be amended from time to time;

"CBCA Director" means the director appointed pursuant to section 260 of the CBCA;

"Certificate of Amendment" means the certificate of amendment issued by the CBCA Director pursuant to subsection 191(5) of the CBCA in respect of the Articles of Reorganization;

"Claim" means any claim for an amount alleged by a person to be owed to it by Issuer or a Subsidiary, whether direct, indirect, contingent or otherwise and whether or not reduced to judgement, liquidated, unliquidated, fixed, accrued, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, unknown, by indemnity, guarantee, surety or otherwise and whether or not such claim or right is executory in nature;

"Closing Date" means (i) the first Business Day following the day on which the appeal period with respect to the Court Approval Order has expired without an appeal or application for leave to appeal the Court Approval Order having been commenced, (ii) if such appeal or application for leave to appeal has been so commenced, then the first Business Day after the day on which such appeal or application for leave to appeal, and any further appeal or application for leave to appeal in relation thereto, is withdrawn or an order of the Court with respect to the Proposal has been made dismissing such appeal, application, further appeal or further application, as the case may be, and any applicable appeal period has expired without an appeal or application for leave to appeal with respect to such an order having been commenced, or (iii) such other date as the Issuer and the Purchaser may mutually determine;

"Court" means the Ontario Superior Court of Justice;

"Court Approval Order" means an order to be made by the Court that, amongst other things, (a) approves the Proposal, (b) authorizes and approves the filing by the Issuer of the Articles of Reorganization, and (c) authorizes the Issuer to issue the Issued Share to the Purchaser upon Implementation of the Proposal, such order to be in substantially the form attached as Schedule A hereto, subject to such changes as are required to include the Subsidiaries and reflect the

consolidated nature of the Proposal or are reasonably requested by the Purchaser or in such other form as the Issuer and the Purchaser may agree in writing;

"Creditor Approval" has the meaning given to such term in the recitals;

"Deed of Conveyance" means the deed of conveyance in substantially the form of Schedule "C" hereto, or in such other form as the Issuer and the Purchaser may agree, relating to any assets of the Purchaser not realized prior to the Time of Closing, other than the Retained Properties, the Shares and the benefits of the Tax Loss Carry-forwards;

"Encumbrance" means any encumbrance, lien, charge, hypothec, privilege, pledge, mortgage, title retention agreement, security interest, reservation of title, easement, servitude, right of occupation or any matter capable of registration against title;

"Excluded Subsidiary" means 1560700 Ontario Inc., 1595972 Ontario Inc., 1606495 Ontario Inc., 1505064 Ontario Inc., Prime Time Sports & Entertainment Centre Inc., Lauridon Sports Management Inc., 1503577 Ontario Inc. and any other subsidiary of the Issuer other than the Subsidiaries;

"Implementation of the Proposal" shall have the meaning given to that term in the Proposal, which implementation shall occur contemporaneously with the Time of Closing;

"Income Tax Act" means the *Income Tax Act* (Canada);

"Issued Share" has the meaning given to such term in the recitals;

"Issuer" means Retrocom Growth Fund Inc., a corporation amalgamated under the laws of Canada;

"New Common Shares" has the meaning given to such term in the recitals and **"New Common Share"** means any one of them;

"Permitted Encumbrances" has the meaning given to such term in section 4.1(a)(iii);

"Proposal" has the meaning given to such term in the recitals;

"Proposal Trustee" means RSM Richter Inc., solely in its capacity as the trustee named by the Issuer in its notice of intention to make a proposal dated August 1, 2006 and filed pursuant to the BIA and to be named in the Proposal pursuant to the BIA;

"Purchase Price" has the meaning given to such term in section 2.2;

"Purchaser" means The Rose Corporation, a corporation amalgamated under the laws of Canada;

"Retained Properties" means those properties described in Schedule B hereto;

"Shares" means the shares of the Subsidiaries held by the Issuer;

"**Subsidiaries**" means 1490546 Ontario Ltd., Rushview Holdings Inc., 1500787 Ontario Inc., 2043313 Ontario Inc. and Newton Building Corp. (1997) Inc.;

"**subsidiary**" has the meaning attributed thereto in the CBCA;

"**Tax Legislation**" means the Income Tax Act, *Corporations Tax Act* (Ontario) and any other applicable comparable tax legislation of another province;

"**Tax Loss Carry-forwards**" means non-capital losses for the purposes of the Income Tax Act of the Issuer and the Subsidiaries; and

"**Time of Closing**" means 2:00 p.m. (Toronto time) on the Closing Date, or such other time on the Closing Date as the Purchaser and the Issuer may mutually determine.

1.2 **Currency**

All dollar amounts in this Agreement are expressed in Canadian funds.

1.3 **Sections and Headings**

The division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the interpretation of this Agreement. Unless otherwise indicated, any reference in this Agreement to a section or Schedule refers to the specified section or Schedule to this Agreement and any reference in this Agreement to a section shall include a subsection of such section, as applicable.

1.4 **Number, Gender and Persons**

In this Agreement, words importing the singular number only shall include the plural and vice versa, words importing gender shall include all genders and words importing persons shall include individuals, corporations, partnerships, associations, trusts, unincorporated organizations, governmental bodies and other legal or business entities of any kind whatsoever.

1.5 **Entire Agreement**

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise relating to the subject matter hereof except as herein provided.

1.6 **Time of Essence**

Time shall be of the essence in this Agreement.

1.7 **Applicable Law**

This Agreement shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of Ontario and the federal laws of Canada applicable therein and each party irrevocably attorns to

the non-exclusive jurisdiction of the courts of such province and all courts competent to hear appeals therefrom.

1.8 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination shall not impair or affect the validity, legality or enforceability of the remaining provisions hereof, and each provision is hereby declared to be separate, severable and distinct.

1.9 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by the parties and, where the context so permits, their respective successors and permitted assigns. None of the parties may assign any of its rights or obligations hereunder without the prior written consent of the other party.

1.10 Amendment and Waivers

No amendment or waiver of any provision of this Agreement shall be binding on any party unless consented to in writing by such party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver constitute a continuing waiver unless otherwise provided.

1.11 Further Assurances

Each of the parties shall, from time to time prior to Closing, at the request and expense of the requesting party, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the requesting party such documents and further assurances as may be reasonably necessary to give effect to this Agreement.

1.12 Schedules

The following Schedules are attached to and form part of this Agreement:

- Schedule A - Form of Court Approval Order
- Schedule B - Retained Properties
- Schedule C - Form of Deed of Conveyance
- Schedule D – Issuer Properties
- Schedule E – Subsidiaries
- Schedule F - Tax Loss Carry-forwards

ARTICLE II – ISSUANCE OF AND SUBSCRIPTION FOR NEW COMMON SHARE

2.1 Issuance of and subscription for Issued Share

Subject to the terms and conditions hereof, the Issuer covenants and agrees to issue and sell to the Purchaser, and the Purchaser covenants and agrees to subscribe and pay for purchase from the Issuer, at the Time of Closing, the Issued Share.

2.2 Purchase Price

The Issuer hereby irrevocably directs that the purchase price payable by the Purchaser to the Issuer for the Issued Share (the "**Purchase Price**") shall be \$1,500,000, subject to any increase pursuant to section 6.2, payable by certified cheque, bankers' draft or wire transfer in immediately available funds to or to the order of the Proposal Trustee at the Time of Closing.

ARTICLE III – REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Issuer

The Issuer represents and warrants to the Purchaser as follows and acknowledges that the Purchaser is relying on such representations and warranties in connection with its purchase of the Issued Share:

- (a) The Issuer has the legal capacity to execute this Agreement and to perform its obligations hereunder.
- (b) This Agreement has been duly authorized, executed and delivered by the Issuer and is a legal, valid and binding obligation of the Issuer, enforceable against the Issuer by the Purchaser in accordance with its terms, except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.
- (c) The execution and delivery of this Agreement by the Issuer and the consummation of the transactions provided for herein will not result in the violation of, or constitute a default under or conflict with or cause the acceleration of any obligation of the Issuer under: (i) any contract, or any judgment, decree, order or award of any court, governmental body or arbitrator having jurisdiction over the Issuer; (ii) any applicable laws; or (iii) articles or by-laws of the Issuer or any Subsidiary.
- (d) No person other than the Purchaser has any written or oral agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option for the purchase or acquisition from the Issuer of any New Common Shares or any other shares from the reorganized capital of the Issuer and, upon the Closing, the Issuer shall not have any shares or other securities issued and outstanding, other than the Issued Share.
- (e) The Issuer, or a subsidiary of the Issuer, is the only registered and beneficial owner of, and has good and valid title to, all of the shares of each of the Issuer's subsidiaries, being the Subsidiaries, and no other person, other than the Purchaser, has any written or oral agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option for the purchase or acquisition from the Issuer, or a subsidiary of the Issuer, of any subsidiary of the Issuer or any shares or securities of any subsidiary of the Issuer.
- (f) The Issuer is not a "non-resident" of Canada within the meaning of the Income Tax Act.

- (g) Neither the Issuer nor any of the Subsidiaries has any employees, and none of them will hire any employees prior to Closing. The Issuer and the Subsidiaries have used, and continue to use, the services of Retrocom Investment Management Inc., in the capacity of independent consultants.
- (h) The only real property currently or previously owned by the Issuer or any of its Subsidiaries (or any of their respective predecessor corporations), or over which the Issuer or any of its Subsidiaries (or any of their respective predecessor corporations) has exercised any care, management or control, are those listed in Schedule D (the "**Issuer Properties**"). The only real property currently owned by the Issuer is the Retained Properties.
- (i) The Issuer has provided the Purchaser with true and complete copies of all environmental reports relating to any of the Issuer Properties held by the Issuer or any of the Subsidiaries (including the results of any inspections or assessments performed by the Issuer, any governmental authority or any other person) and any material correspondence relating to its compliance, or the compliance of any of its subsidiaries, with environmental laws, or the storage, use, or handling of any substances which are regulated by such laws (including any orders or recommendations to clean up or otherwise remediate any of the Issuer Properties), and, except as disclosed therein, the Issuer is not aware of any breach of environmental laws, any circumstances or facts that may reasonably be expected to give rise to such a breach, or any claim or assertion that such a breach has occurred.
- (j) The Issuer does not have any subsidiaries, or the power to direct the business and affairs of any other corporation, partnership or other legal entity, other than the corporations listed in Schedule E.

3.2 **Representations and Warranties of the Purchaser**

The Purchaser hereby represents and warrants to the Issuer as follows and acknowledges that the Issuer is relying on such representations and warranties in connection with the sale of the Issued Share:

- (a) The Purchaser has the legal capacity to execute this Agreement and to perform its obligations hereunder.
- (b) This Agreement has been duly authorized, executed and delivered by the Purchaser and is a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser by the Issuer in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the enforcement of rights of creditors generally and except that equitable remedies may only be granted in the discretion of a court of competent jurisdiction.
- (c) The execution and delivery of this Agreement by the Purchaser and the consummation of the transactions provided for herein will not result in the violation of, or constitute a default under or conflict with or cause the acceleration

of any obligation of the Purchaser under any contract, or any judgment, decree, order or award of any court, governmental body or arbitrator having jurisdiction over the Purchaser.

3.3 No Other Representations or Warranties

The Purchaser acknowledges that it has entered into this Agreement on the basis that the Purchaser has conducted or will prior to Closing conduct such due diligence with respect to the Issuer as the Purchaser deems appropriate and will satisfy itself with regard to all matters. No representation, warranty or condition is expressed or can be implied as to the Issuer's affairs, the description of its assets or title to those assets, Encumbrances affecting the Issuer or its assets, the quantum or availability of the Tax Loss Carry-forwards, or in respect of any other matter or thing whatsoever concerning the Issuer save and except as expressly represented or warranted herein. The description of any assets contained in the Schedules hereto is for the purpose of identification only. No representation, warranty or condition has or will be given by the Issuer or any other person concerning the completeness or the accuracy of such descriptions.

ARTICLE IV – CONDITIONS OF CLOSING

4.1 Conditions of Closing in Favour of the Purchaser

(a) The purchase and sale of the Issued Share is subject to the following terms and conditions for the exclusive benefit of the Purchaser, to be performed or fulfilled at or prior to the Time of Closing:

- (i) **Representations and Warranties.** The representations and warranties of the Issuer contained in this Agreement shall be true and correct at the Time of Closing in all material respects with the same force and effect as if such representations and warranties were made at and as of such time.
- (ii) **Issued Share Certificate.** The issuance of the Issued Share shall have been duly authorized by the Issuer, the Issued Share shall have been duly issued to the Purchaser as a fully-paid and non-assessable share in the capital of Issuer, and the Purchaser shall have received a certificate representing the Issued Share.
- (iii) **Retained Properties.** The Purchaser shall be satisfied that the Issuer beneficially owns the Retained Properties set out on Schedule B hereto, and has the right to cause the legal owners thereof to sell the Retained Properties and otherwise fulfill its obligations under section 6.2 hereof and that the Retained Properties are free and clear of any Encumbrances and any claims by the Proposal Trustee, other than those Encumbrances and claims listed on Schedule B hereto ("**Permitted Encumbrances**").
- (iv) **Filing of Issuer Tax Returns.** The Issuer and each of the Subsidiaries shall have (A) filed annual federal and Ontario tax returns for each year up to and including the taxation year ending February 28, 2007, in the case of the Issuer, and December 31, 2006, in the case of each Subsidiary, and the tax returns described in section 6.1(b) if requested by the Purchaser, which

tax returns shall be consistent with the information set out in Schedule F and otherwise satisfactory to the Purchaser, acting reasonably, and (B) paid, to the extent not compromised by the Proposal, all taxes, interest and penalties due as of such date under applicable Tax Legislation.

- (v) **Quantum of Tax Loss Carry-forwards.** The Purchaser shall be satisfied, in its sole discretion, that the Tax Loss Carry-forwards after the Implementation of the Proposal amount to a minimum of \$45 million, after the application of the debt forgiveness provisions under sections 80 *et seq.* of the Income Tax Act and any comparable provisions under other applicable Tax Legislation.
- (vi) **Effect of the Proposal.** The Purchaser shall be satisfied, acting reasonably, that the Proposal permanently compromises all Claims against the Issuer and each of the Subsidiaries, other than Permitted Encumbrances.
- (vii) **Resignation of Directors and Officers.** Such directors and officers of the Issuer and each of the Subsidiaries as the Purchaser may specify shall have resigned in favour of nominees of the Purchaser effective as of the Time of Closing.
- (viii) **Material Adverse Change.** There shall have been no material adverse change or material fact, in the financial condition or affairs of Issuer or any of the Subsidiaries that has not been disclosed to the Purchaser as of the date hereof, or any occurrence or circumstances that have resulted or might reasonably be expected to result in an material adverse change thereto and has not been disclosed to the Purchaser as of the date hereof, including without limitation any circumstance or event that could reasonably be expected to reduce the Tax Loss Carry-forwards to an amount that is less than \$45 million.
- (ix) **Environmental Due Diligence.** The Purchaser shall have been satisfied, in its sole discretion, with the results of its due diligence relating to any substantive outstanding environmental concerns with respect to the Issuer Properties currently or previously held by the Issuer or the Subsidiaries and the reasonable accuracy of the Issuer's representations and warranties in section 3.1(i).
- (x) **Closing Date.** The foregoing conditions shall have been satisfied and the Closing Date shall occur prior to July 31, 2008.

(b) If any of the conditions contained in section 4.1(a), or as may be modified by section 4.1(c) in the case of section 4.1(a)(v) and (ix), shall not be performed or fulfilled at or prior to the Time of Closing to the satisfaction of the Purchaser, acting reasonably, the Purchaser may, by notice to the Issuer, terminate this Agreement and the obligations of the parties under this Agreement shall be terminated, save and except as provided in section 4.4.

(c) Prior to seeking Creditor Approval, but no sooner than 60 days after the date hereof, and provided that, within 45 days of the date hereof, the Purchaser has been provided with all tax returns for the Issuer for the taxation years 2005, 2006, 2007 and 2008, in respect of Retrocom, and for the same period and any prior periods, if applicable, for all Subsidiaries of the Issuer, and all reports and correspondence described in section 3.1(i), the Issuer may, at its option, require the Purchaser to irrevocably confirm in writing that the condition in sections 4.1(a)(v) and (ix) have been performed or fulfilled, or are waived by the Purchaser. Should the Purchaser decline to give this written confirmation, the Issuer may postpone or cancel the meeting of creditors called for Creditor Approval, and may, by notice to the Purchaser, terminate this Agreement and if so terminated the obligations of the parties under this Agreement shall be terminated.

4.2 Conditions of Closing in Favour of the Issuer

(a) The purchase and sale of the Issued Share is subject to the following terms and conditions for the exclusive benefit of the Issuer, to be performed or fulfilled at or prior to the Time of Closing:

- (i) **Representations and Warranties.** The representations and warranties of the Purchaser contained in this Agreement shall be true and correct at the Time of Closing in all material respects with the same force and effect as if such representations and warranties were made at and as of such time.
- (ii) **Other Assets of the Issuer.** All assets of the Issuer, excepting only the Retained Properties, the Shares and the benefit of the Tax Loss Carry-forwards, shall have been disposed of by the Issuer to the Proposal Trustee pursuant to the Deed of Conveyance for the benefit of creditors and other purposes permitted under the Proposal.
- (iii) The transaction contemplated herein shall be exempt from the requirements as to filing of a prospectus and as to the preparation of an offering memorandum or similar document contained in any statute, regulation, rule or offering applicable to the parties, and the Purchaser shall have delivered any certificates, reports, documents or undertakings requested by the Issuer in this regard.

(b) If any of the conditions contained in section 4.2(a) shall not be performed or fulfilled at or prior to the Time of Closing to the satisfaction of the Issuer, acting reasonably, the Issuer may, by notice to the Purchaser, terminate this Agreement and the obligations of the parties under this Agreement shall be terminated, provided that any such condition is not capable of being fulfilled by Issuer, using its reasonable best commercial efforts, save and except as provided in section 4.4.

(c) Should the Creditor Approval of the Proposal not be obtained, the Issuer may, prior to the Closing Date, elect to make a series of revised Proposals consolidated only on a procedural basis, such that the respective creditors of each relevant entity participate only in the Proposals of those entities of which they are actual creditors.

4.3 Conditions of Closing in Favour of each of the Issuer and the Purchaser

(a) The purchase and sale of the Issued Share is subject to the following terms and conditions for the benefit of each of the Issuer and the Purchaser, to be performed or fulfilled at or prior to the Time of Closing:

- (i) **No Action or Proceeding.** No legal or regulatory action or proceeding shall be pending or threatened by any person to enjoin, restrict or prohibit the transactions contemplated in this Agreement on the terms and conditions set forth herein and contemplated hereby.
- (ii) **Regulatory and Other Consents.** There shall have been obtained from all appropriate Authorities and third parties such consents and approvals as are required to be obtained to permit the consummation of the transactions contemplated hereby.
- (iii) **Creditor Approval, Court Approval Order, Filing of Articles of Reorganization and Issuance of Certificate of Amendment.** Creditor Approval of the Proposal shall have been obtained, the Court Approval Order shall have been made and the Articles of Reorganization shall have been filed with the CBCA Director, and the Certificate of Amendment shall have been issued.

(b) If any of the conditions contained in section 4.3(a) shall not be performed or fulfilled at or prior to the Time of Closing to the satisfaction of the Issuer and the Purchaser, each acting reasonably, either the Issuer or the Purchaser may, by notice to the other, terminate this Agreement and the obligations of the parties under this Agreement shall be terminated, provided that any such condition is not capable of being fulfilled by the party seeking to terminate this Agreement, using its reasonable best commercial efforts, save and except as provided in section 4.4.

4.4 Indemnity

In the event that any of the conditions set out in sections 4.1(a) or 4.3(a) shall not be performed or fulfilled at or prior to the Time of Closing to the satisfaction of the Purchaser, other than as a result of any breach or default of this Agreement by the Purchaser:

- (a) if the Issuer or the Proposal Trustee has received an offer from any Person other than the Purchaser to purchase shares or assets of the Issuer for a purchase price of not less than the Purchase Price or otherwise on terms and conditions more favourable to the Issuer than those set out in this Agreement (a "**Superior Offer**") and has completed a transaction pursuant to the Superior Offer, the Issuer shall pay the Purchaser an amount equal to:
 - (i) all expenses and costs incurred or payable by the Purchaser in preparing this Agreement, conducting its due diligence in respect of the Issuer, and completing the transactions contemplated herein including, without limitation, all fees and disbursements of lawyers, accountants and

environmental consultants retained by the Purchaser, up to a maximum of \$75,000; plus

- (ii) \$75,000; and
- (b) if the Issuer has not completed a transaction pursuant to a Superior Offer, promptly following a sale of all or substantially all of the assets of the Issuer, the Issuer shall pay the Purchaser the amount described in section 4.4(a)(i) above, or such lesser amount remaining from the proceeds of the sale of all the Issuer's asset after payment of all fees and disbursements payable to the Proposal Trustee, their counsel and counsel to the Issuer in connection with the Proposal.

ARTICLE V – CLOSING ARRANGEMENTS

5.1 Place of Closing

The closing shall take place at the Time of Closing at the offices of Ogilvy Renault LLP, Toronto, Ontario.

5.2 Issuance of Issued Share and Payment of Purchase Price

At the Time of Closing, upon fulfilment of all the conditions set out in Article 4 which have not been waived in writing by the Purchaser or the Issuer, as applicable, the Issuer shall deliver to the Purchaser a certificate respecting the Issued Share whereupon, subject to all other terms and conditions hereof being complied with, payment of the Purchase Price shall be paid and satisfied in the manner provided in section 2.2.

5.3 Other Closing Deliveries

(a) At Closing, the Issuer (or the Proposal Trustee, on behalf of the Issuer) shall deliver to the Purchaser originals, or copies, of all books and records in the possession or control of the Issuer related to the Retained Properties and to the Tax Loss Carry-forwards, including copies of the federal and provincial tax returns of the Issuer and each of the Subsidiaries for the last seven fiscal tax years and, in addition, shall deliver to the Purchaser:

- (i) a certificate signed by an officer or director of the Issuer, certifying that the representations and warranties of the Issuer set out in section 3.1 of this Agreement remain true as of Closing;
- (ii) the minute books of the Issuer, and the minute books of each of the Subsidiaries;
- (iii) the original certificates evidencing the Shares;
- (iv) a notarized copy of the Proposal;
- (v) a notarized copy of the Court Approval Order;
- (vi) the original Articles of Reorganization;

- (vii) the original Certificate of Amendment;
- (viii) the original signed resignations required by section 4.1(a)(vii) of this Agreement;
- (ix) an original signed copy of the Deed of Conveyance, and certified cheques for any land transfer tax and other amounts owing in respect thereof; and
- (x) such other documents as the Purchaser may reasonably request to give effect to the transaction contemplated by this Agreement.

(b) At Closing, the Purchaser shall deliver (or release, as the case may be) to the Proposal Trustee:

- (i) a certificate signed by an officer or director of the Purchaser, certifying that the representations and warranties of the Purchaser set out in section 3.2 of this Agreement remain true as of Closing;
- (ii) if not already available to the Proposal Trustee, copies of all of the documents delivered to the Purchaser on Closing;
- (iii) an original signed copy of the Deed of Conveyance; and
- (iv) such other documents as the Issuer or the Proposal Trustee may reasonably request to give effect to the transaction contemplated by this Agreement.

ARTICLE VI – MISCELLANEOUS

6.1 Issuer's Covenants

(a) The Issuer covenants and agrees that, until the Closing or the date upon which this Agreement is terminated, whichever is earlier, it:

- (i) will not, directly or indirectly, solicit, initiate or encourage proposals of offers from, or negotiations with, any person, or provide information to or facilitate any discussions or negotiations with any person, relating to any other potential arrangement, proposal to creditors, merger or acquisition of all or a material portion of its securities, and shall cease disseminating any further information or any further discussions with any person other than the Purchaser with respect to any such transaction;
- (ii) will use its reasonable best commercial efforts to satisfy or to cause the satisfaction of the conditions precedent set forth in Article 4, to the extent the same are within its control, including without limitation providing the Purchaser with a draft of the Proposal and any other material documents to be delivered or filed in connection with therewith, which shall be subject to the prior approval of the Purchaser, acting reasonably; provided, however, that nothing in this Agreement shall require the Issuer to expend

or incur any amounts in the aggregate in excess of \$100,000 or in respect of any one Subsidiary in excess of \$20,000;

- (iii) will use its reasonable best commercial efforts to cooperate with and assist the Proposal Trustee in all such steps as the Proposal Trustee may reasonably take, and the Purchaser in satisfying its due diligence, in respect of the transactions contemplated by this Agreement;
- (iv) will not take any action, or refrain from taking any action, or permit any action to be taken or not taken, consistent with this Agreement or which might, directly or indirectly, interfere with or adversely affect the consummation of this Agreement or the Proposal;
- (v) advise the Purchaser of any circumstance or event that could reasonably be expected to reduce the Tax Loss Carry-forwards in any material respect; and
- (vi) if requested by the Purchaser, and at Purchaser's expense, continue under the CBCA any of the Subsidiaries that are not incorporated thereunder prior to the Closing.

(b) The Issuer covenants and agrees that it will file, if so requested by Purchaser, all tax returns required under applicable Tax Legislation in respect of the Issuer and the Subsidiaries: (A) for the period ending February 29, 2008, in the case of the Issuer, and December 31, 2007, in the case of each Subsidiary, prior to the Closing Date, provided the Purchaser has confirmed in writing that the condition in section 4.1(a)(v) has been fulfilled, drafts of which shall have been provided to the Purchaser, in accordance with section 4.1(c), for its approval, acting reasonably, and (B) for any other periods up to and including the Closing Date, drafts of which shall be provided to the Purchaser within 30 days after the Closing Date for its approval, acting reasonably.

(c) The Purchaser covenants and agrees that, until the Closing or the date upon which this Agreement is terminated, whichever is earlier, it:

- (i) will use its reasonable best commercial efforts to satisfy or to cause the satisfaction of the conditions precedent set forth in Article 4, to the extent the same are within its control;
- (ii) will use its reasonable best commercial efforts to cooperate with and assist the Issuer in taking all such steps as the Proposal Trustee may reasonably take in respect of the transactions contemplated by this Agreement; and
- (iii) will not take any action, or refrain from taking any action, or permit any action to be taken or not taken, consistent with this Agreement or which might, directly or indirectly, interfere with or adversely affect the consummation of this Agreement or the Proposal.

(d) In the event that the Issuer or the Proposal Trustee receives a Superior Offer, the Purchaser shall be given prompt written notice of the Superior Offer, including a copy thereof

and any details relating thereto reasonably requested by the Purchaser, and the Purchaser shall be entitled, but shall not have any obligation, to increase the Purchase Price or otherwise improve the terms and conditions of this Agreement to the Issuer, by providing the Issuer with written notice of the revised terms and conditions on which the Purchaser is prepared to purchase the Issued Share (an "**Amended Purchaser's Offer**"), upon receipt of which the Issuer shall not be entitled to sell any shares or assets of the Issuer to any Person other than the Purchaser unless the Purchase Price payable therefor exceeds the Purchase Price set out in the Amended Purchaser's Offer in response thereto, if any, by more than \$150,000 and the other terms and conditions are no less favourable to the Issuer than those in such Amended Purchaser's Offer. The provisions of this section 6.1(d) shall apply independently to each Superior Offer received until the Closing Date, including any amended offer; any amendment to any such offer shall be deemed to be a new Superior Offer and shall be provided separately in writing to the Purchaser and entitle the Purchaser to submit a further Amended Purchaser's Offer.

6.2 **Sale of Retained Properties**

Following the Closing, the Purchaser shall use its reasonable best commercial efforts to sell the Retained Properties and/or perform any agreements of purchase and sale entered into in respect thereof prior to the Closing Date and, upon any such sale, shall promptly pay to the Proposal Trustee, as an increase to the Purchase Price, an amount equal to the proceeds therefrom, net of any reasonable costs of disposition (including, without limitation, any reasonable commissions, legal fees, land transfer tax, disbursements and carrying costs), provided the amount payable pursuant to this section 6.2 shall in no event exceed the net aggregate amount actually received by the Purchaser from the sale of the Retained Properties and, for such purpose, the Purchaser shall be entitled to deduct and retain from any such amount a reasonable reserve in respect of adjustments to the purchase price payable for any of the Retained Properties or any reasonable anticipated costs of disposition. The Purchaser shall keep the Proposal Trustee informed of its efforts to sell the Retained Properties, and consult with and consider advice of the Proposal Trustee with respect to any such sale. The Purchaser hereby agrees that, unless otherwise consented to in writing by the Proposal Trustee, sales of Retained Properties shall be to persons arm's-length to the Purchaser. Notwithstanding anything contained herein, the Purchaser shall not have any liability for failure to obtain the best possible price for any of the Retained Properties, or for any failure to collect any proceeds from the purchaser of any of the Retained Properties (which shall reduce the amount payable pursuant to this section 6.2).

6.3 **Notice**

(a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered by personal delivery, by overnight courier, by telecopy or similar means of recorded electronic communication or by registered mail addressed as follows:

(i) If to the Issuer:

Retrocom Growth Fund Inc.
c/o Bennett Jones LLP
P.O. Box 130, Suite 3400

One First Canadian Place
Toronto, Ontario M5X 1A4

Attention: Robert Fabes
Fax No.: 416-863-1716
E-Mail: fabesr@bennettjones.ca

With a copy to the Proposal Trustee:

RSM Richter Inc.
200 King Street West
Suite 2100
P.O. Box 48
Toronto, Ontario M5H 3T4

Attention: Robert Harlang
Fax No: 416-932-6200
E-Mail: rharlang@rsmrichter.com

And to counsel to the Proposal Trustee:

Ogilvy Renault LLP
Royal Bank Plaza, South Tower
200 Bay Street
P.O. Box 84
Toronto, Ontario M5J 2Z4

Attention: Tony Reyes
Fax No.: 416-216-3930
E-Mail: treyes@ogilvyrenault.com

(ii) If to the Purchaser:

The Rose Corporation
156 Duncan Mill Road, Suite 12
Don Mills, Ontario M3B 3N2

Attention: Martin Simon
Fax No.: 416-449-9887
E-Mail: msimon@rosecorp.com

(b) Any such notice or other communication delivered by personal delivery or overnight courier shall be deemed to have been given and received on the day on which it was delivered (or, if such day is not a Business Day, on the next following Business Day) and, if transmitted by telecopier, on the day of transmission thereof if such day is a Business Day and is received before 5:00 pm (local time to the recipient) or otherwise on the next Business Day after the day of transmittal, provided that the party so transmitting the notice has received confirmation of its successful transmittal, and if mailed or sent by registered mail, on the fifth

(5th) Business Day following the date of mailing; provided, further that if at the time of mailing or within three (3) Business Days thereafter there is or occurs a labour dispute or other event which might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of personal delivery, telecopier or recorded electronic communication as aforesaid. Either party may at any time change its address for service from time to time by giving notice to the other party in accordance with this section 6.3.

6.4 Consultation

The parties shall consult with each other before issuing any press release or making any other public announcement with respect to this Agreement or the transactions contemplated hereby and, except as required in the Proposal proceedings or by any applicable law or regulatory requirement, neither of them shall issue any such press release or make any such public announcement without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed.

6.5 No Commission

The Purchaser confirms that there are no agent or broker fees or other commissions payable by the Issuer or the Proposal Trustee on the Purchase Price or otherwise in connection with the share sale transaction herein, and the Purchaser agrees to indemnify the Issuer and the Proposal Trustee against any claim for compensation or commission by any third party or agent retained or utilized by the Purchaser in connection with, or in contemplation of, the share sale transaction herein.

6.6 Dispute Resolution

If any dispute shall arise under this Agreement, such dispute will be determined by the Court in the Issuer's Proposal proceedings, or by such other person or in such other manner as the Court may direct.

6.7 Access to Issuer's Books and Records

For a period of six years from the Closing Date, the Issuer shall retain all books and records delivered to the Purchaser at Closing or otherwise available to the Issuer at the time of Closing. So long as any such books and records are retained by the Issuer pursuant to this Agreement, the Proposal Trustee has the right to inspect and to make copies (at its own expense) of them at any time during normal business hours and upon reasonable notice for any proper purpose and without undue interference to the business operations of the Issuer or the Purchaser. The Purchaser agrees that it will cause the Issuer to perform its obligations under this section 6.7, from and after Closing. The Issuer's and the Purchaser's obligations under this section 6.7 shall survive for six years from the Closing Date.

6.8 Post-Closing Filing

The Purchaser agrees to cause the Issuer, at its sole cost and expense to file a completed Form 45-106F1 as defined in National Instrument 45-106, if any is required to be filed pursuant to such National Instrument, in connection with the transaction contemplated herein, together

with the requisite filing fee with the Ontario Securities Commission on or before the tenth day after the Time of Closing.

6.9 Third Party Beneficiary Clause

The Purchaser and the Issuer hereby expressly acknowledge and confirm that this Agreement has been entered into for the benefit of the parties and the Proposal Trustee and that it is the intention of the parties that the Proposal Trustee shall be entitled to benefit of the terms of this Agreement in its favour, and shall be entitled to enforce the same as against the Issuer and the Purchaser. Except for the foregoing, or as otherwise expressly provided in this Agreement, the parties intend that this Agreement shall not benefit or create any right or cause of action in, or on behalf of, any person other than the Issuer, the Proposal Trustee and the Purchaser, and that no other person shall be entitled to rely on the provisions of this Agreement in any proceeding.

6.10 Execution in Counterparts; Facsimile Execution

This Agreement may be executed in counterparts, each of which shall constitute an original and both of which taken together shall constitute one and the same instrument. Execution may be made by facsimile signature which, for all purposes, shall be deemed to be an original.

IN WITNESS WHEREOF the parties hereto have made this agreement on the date first above-mentioned.

RETROCOM GROWTH FUND INC.

Per: 

Name: Robert R. Blalock

Title: Board Chair

I have authority to bind the Corporation.

THE ROSE CORPORATION

Per: 

Name:

Title:

I have authority to bind the Corporation.

SCHEDULE A – FORM OF COURT APPROVAL ORDER

Court File No. 31-452496

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE ____)
)
JUSTICE _____) OF ●, 2008

**IN THE MATTER OF THE PROPOSAL OF
RETROCOM GROWTH FUND INC. PURSUANT
TO THE BANKRUPTCY AND INSOLVENCY ACT (CANADA)**

**AND IN THE MATTER OF SECTION 191 OF
THE CANADA BUSINESS CORPORATIONS ACT,
R.S.C. 1985, c. C-44, AS AMENDED**

ORDER

THIS MOTION, made by Retrocom Growth Fund Inc. ("Retrocom") and RSM Richter Inc. in its capacity as proposal trustee under the BIA Proposal filed by Retrocom (the "Proposal Trustee"), for an Order pursuant to section 59 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 191 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the "CBCA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of Retrocom and the Proposal Trustee, including the affidavit of [NAME] sworn [DATE] and the exhibits thereto, and the ● Report of the Proposal Trustee dated ●, and on hearing the submissions of counsel for Retrocom, the Proposal Trustee, and [NAMES], no one appearing for [NAME] although duly served as appears from the affidavit of service of [NAME] sworn [DATE], filed,

1. THIS COURT ORDERS that the time for service of the Motion Record is hereby abridged so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. THIS COURT ORDERS that the Proposal dated ● made by Retrocom pursuant to the BIA and approved by the creditors of Retrocom on ● [DATE] is hereby approved pursuant to section 59 of the BIA.

3. THIS COURT ORDERS that the reorganization of the share capital of Retrocom, as described in the articles of reorganization in the form attached hereto as Schedule "A" (the "Reorganization") is hereby approved pursuant to section 191 of the CBCA.
 4. THIS COURT ORDERS that the proposed sale to • [PURCHASER] of one new common share in the share capital of Retrocom, in accordance with share sale agreement dated • between Retrocom and • [PURCHASER] and filed herein (the "Share Sale Transaction"), is hereby approved.
 5. THIS COURT ORDERS that Retrocom and the Proposal Trustee are authorized and directed to take all actions and steps necessary or appropriate to implement and complete the Proposal, the Reorganization and the Share Sale Transaction.
 6. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist Retrocom, the Proposal Trustee and their respective agents in carrying out the terms of this Order and in carrying out the Proposal, the Reorganization and the Share Sale Transaction.
-

Schedule "A" to the Order
(Articles of Reorganization)



1 -- Name of Corporation - Dénomination sociale de la société

RETROCOM GROWTH FUND INC.

2 -- Corporation No. - N° de la société

3751112

3 -- In accordance with the order for reorganization, the articles of incorporation are amended as follows:

Conformément à l'ordonnance de réorganisation, les statuts constitutifs sont modifiés comme suit :

A. To create an unlimited number of a new class of shares designated as ordinary shares, with the rights, privileges, restrictions and conditions attaching thereto as set forth in Schedule "A" hereto;

B. To cancel all of the issued and outstanding Class A Series I Shares, Class A Series II Shares, Class A Series III Shares, Class A Series IV Shares, Class B Shares, Class C Series 1 Shares, Class C Series 2 Shares, Class C Series 3 Shares, Class C Series 4 Shares, Class C Series 5 Shares, Class C Series 6 Shares, Class C Series 7 Shares, Class C Series 8 Shares, Class C Series 9 Shares, Class C Series 10 Shares and Class C Series 11 Shares;

C. Effective following the cancellation pursuant to paragraph B above, to delete the Corporation's authorized capital in respect of the Class A Series I Shares, Class A Series II Shares, Class A Series III Shares, Class A Series IV Shares, Class B Shares, Class C Series 1 Shares, Class C Series 2 Shares, Class C Series 3 Shares, Class C Series 4 Shares, Class C Series 5 Shares, Class C Series 6 Shares, Class C Series 7 Shares, Class C Series 8 Shares, Class C Series 9 Shares, Class C Series 10 Shares and Class C Series 11 Shares, and all rights, privileges, restrictions and conditions attaching thereto; and

D. To declare that after giving effect to the foregoing, the authorized capital of the Corporation shall consist of an unlimited number of ordinary shares, with the rights, privileges, restrictions and conditions attaching thereto as set forth in Schedule "A".

Signature

Printed Name - Nom en lettres moulées

4 -- Capacity of - En qualité de

5 -- Tel. No. - N° de tél.

FOR DEPARTMENTAL USE ONLY - À L'USAGE DU MINISTÈRE SEULEMENT

SCHEDULE "A"
ORDINARY SHARES

Voting Rights

Each holder of ordinary shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation and to vote thereat, except meetings at which only holders of a specified class of shares (other than the ordinary shares) or specified series of shares are entitled to vote. At all meetings of which notice must be given to the holders of the ordinary shares, each holder of ordinary shares shall be entitled to one vote in respect of each ordinary share held by such holder.

Dividends

The holders of the ordinary shares shall be entitled, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation, to receive any dividend declared by the Corporation.

Liquidation, Dissolution or Winding-up

The holders of the ordinary shares shall be entitled, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation, to receive the remaining property of the Corporation on a liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary.

**Articles of Reorganization
FORM 14
INSTRUCTIONS**

Format

You must file Form 14 by sending or faxing the completed documents to the address provided below.

Prescribed Fees

By mail or fax: \$200

General

(1) Set out the amendments to the articles of incorporation in accordance with the court order pursuant to section 191 of the Act. If an amendment involves a change of corporate name, the new name must comply with sections 10 and 12 of the Act. Articles of reorganization must be accompanied by a Canada-biased NUANS search report dated not more than ninety (90) days prior to the receipt of the articles by the Director. On request, a number name may be assigned under subsection 11(2) of the Act, without a search.

(2) Any amendment shall conform to and correspond to the paragraph and subparagraph references of the existing articles.

Signature

Indicate the capacity of the signing person. Form 14 must be signed by one of the following:

- a director of the corporation
- an authorized officer of the corporation, or
- the court

Other Documents

The articles must be accompanied by:

- (a) a copy of the court order; and
- (b) if applicable, a Notice of Change of Registered Office (Form 3) and Notice of Change of Directors (Form 6).

The completed document and fees payable to the Receiver General for Canada are to be sent to:

The Director, Canada Business Corporations Act
Jean Edmonds Tower, South
9th Floor
365 Laurier Ave. West
Ottawa, Ontario
K1A 0C8
or by facsimile at: (613) 941-0999
Inquiries: 1-866-333-5556

**Clauses de réorganisation
FORMULAIRE 14
INSTRUCTIONS**

Présentation

Vous devez déposer le formulaire 14 en envoyant ou en télécopiant le document complété à l'adresse indiquée au bas de cette page.

Droits payables

Par la poste ou télécopieur : 200 \$

Généralités

(1) Indiquer les modifications apportées aux statuts constitutifs en vertu de l'ordonnance rendue par le tribunal conformément à l'article 191 de la Loi. Dans les cas où les modifications comportent un changement de dénomination sociale, la nouvelle dénomination doit satisfaire aux exigences des articles 10 et 12 de la Loi. Les clauses de réorganisation doivent être accompagnées d'un rapport de recherche NUANS couvrant le Canada, dont la date remonte à quatre-vingt-dix (90) jours ou moins avant la date de réception par le directeur des clauses de réorganisation. Si un numéro matricule est demandé en guise de dénomination sociale, il peut être assigné, sans recherche préalable, en vertu du paragraphe 11(2) de la Loi.

(2) Toute modification doit être conforme et correspondre aux renvois des alinéas et sous-alinéas des statuts existants.

Signature

Veuillez indiquer la qualité du signataire. Le formulaire 14 doit être signé par :

- un administrateur de la société
- un dirigeant autorisé de la société, ou
- par le tribunal

Autres documents

Les clauses doivent être accompagnées :

- (a) d'un exemplaire de l'ordonnance du tribunal;
- (b) s'il y a lieu, d'un avis de changement du siège social (formulaire 3) et d'un avis de changement des administrateurs (formulaire 6).

Le document complété et les droits payables au Receveur général du Canada doivent être envoyés au :

Directeur, Loi canadienne sur les sociétés par actions
Tour Jean Edmonds, sud
9ième étage
365, av. Laurier ouest
Ottawa (Ontario)
K1A 0C8
ou par télécopieur : (613) 941-0999
Renseignements : 1-866-333-5556

SCHEDULE B – RETAINED PROPERTIES

CHILLIWACK LANDS

(registered owner is 291953 B.C. Ltd., which has agreed to transfer the property to Retrocom Growth Fund Inc. after subdivision)

Parcel 1: Parcel Identifier: 002-385-562 Lot 2 except: Part on Plan 59780 District Lot 259 Group 2 New Westminster District Plan 59154

Parcel 2: Parcel Identifier: 002-385-651 Lot 25 District Lot 259 Group 2 New Westminster District Plan 59780

SMITHERS LANDS

(registered owner is 343570 B.C. Ltd., which holds the property as a bare trustee, agent and nominee for Retrocom Growth Fund Inc.)

Town of Smithers

Parcel Identifier: 024-925-527

Lot A District Lot 5289 Range 5 Coast

District Plan PRP46370

COMMERCE CAPITAL MORTGAGE

Participation in mortgage (\$440,000) held by Commerce Capital on Wetaskiwin Mall, which is owned by Retrocom Mid-Market REIT

“Permitted Encumbrances” means,

- (i) servitudes, easements, registered restrictions, rights-of-way and other similar rights in real property or any interest therein, provided the same are not of such nature as to materially adversely affect the use of the property,
- (ii) the reservations in any original grants from the Crown of any real property or interest therein and statutory exception to title which do not individually or in the aggregate materially detract from the value of the property concerned or materially impair its use,
- (iii) title defects or irregularities which individually or in the aggregate do not materially detract from the value of the property which they affect or materially interfere with the use thereof, and
- (iv) by-laws, ordinances and regulations of municipalities or other governmental bodies affecting the use to which the property may be put, provided they do not

individually or in the aggregate materially detract from the value of the property which they affect or materially interfere with the use thereof.

SCHEDULE C – FORM OF DEED OF CONVEYANCE
GENERAL CONVEYANCE

THIS AGREEMENT made as of the ● day of ●, 2008.

BETWEEN:

RSM RICHTER INC., in its capacity as proposal trustee acting under a proposal dated [DATE] and made by Retrocom Growth Fund Inc. pursuant to the provisions of the *Bankruptcy and Insolvency Act* of Canada

(hereinafter referred to as "**Richter**")

OF THE FIRST PART

- and -

RETROCOM GROWTH FUND INC.,

(hereinafter referred to as "**Retrocom**")

OF THE SECOND PART

WHEREAS:

- A. Retrocom and The Rose Corporation ("**Rose**") have entered into a purchase agreement made as of the ● day of ●, 2007 (the "**Purchase Agreement**") where Rose has agreed to subscribe for one New Common Share (as such term is defined in the Purchase Agreement);
- B. Retrocom made a proposal to its creditors dated [DATE] (the "**Proposal**") pursuant to the provision of the *Bankruptcy and Insolvency Act* of Canada (the "**BIA**"), wherein Retrocom agreed to make available and convey to Richter, for the purposes of the Proposal, all of the real property and assets of Retrocom (or its subsidiaries, as the case may be) described in the Schedule "A" annexed hereto, together with the buildings situate thereon and the fixtures attached thereto (the said lands, buildings, fixtures and other assets being herein collectively referred to as the "**Property**");

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants, conditions and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto have agreed as follows:

1. **Definitions.** Capitalized terms used and not otherwise defined herein shall have the meaning given to them in the Purchase Agreement.
2. **Conveyance.** Retrocom hereby absolutely conveys, grants, transfers and assigns and sets over all of its right, title, interest and estate in and to the Property, which for greater certainty excludes the Retained Property, the Shares and the benefit of Tax Loss Carry-forwards, unto Richter, as at and from the date hereof.
3. **Acceptance.** Richter hereby accepts the conveyance, grant, transfer and assignment contained in Section 2.
4. **Governing Law.** This Agreement shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of Ontario and the federal laws of Canada applicable therein and each party irrevocably attorns to the non-exclusive jurisdiction of the courts of such province and all courts competent to hear appeals therefrom.
5. **Successors and Assigns.** This Agreement shall enure to the benefit of and shall be binding on and enforceable by the parties and, where the context so permits, their respective successors and permitted assigns. None of the parties may assign any of its rights or obligations hereunder without the prior written consent of the other party.
6. **Counterparts.** This Agreement may be executed in counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument.
7. **Paramountcy.** In the event of any inconsistency between this Agreement and the Purchase Agreement, the provisions of the Purchase Agreement shall govern.

IN WITNESS WHEREOF this Agreement has been executed by the parties hereto on the day, month and year first above written.

RSM RICHTER INC., solely in its capacity as
Proposal Trustee under the Proposal, and not in
its personal capacity

Per: _____

Name:

Title:

I have authority to bind the Corporation.

RETROCOM GROWTH FUND INC.

Per: _____

Name:

Title:

I have authority to bind the Corporation.

Schedule "A"

(insert legal descriptions of real properties, and specifically describe any other assets)

[The concept is that this Schedule "A" will list all assets of Retrocom remaining at Closing, other than the Retained Properties and the benefit of the Tax Loss Carry-forwards]

#	Property	RGF or Subco	Subco Name	Subco Status	Date of Disposition	Property Description
HELD BY ISSUER OR SUBSIDIARIES						
1	Midland Park Project	Subco	Newton Building Corp (1997) Inc.	charter cancelled	Jun-07	Two Phase Condominium Townhouse development. 1st phase built and sold, 2nd phase serviced vacant land.
2	Belleville - Centrepont	Subco	Rushview Holdings Inc.	active	Jan-07	Retail Mall development
3	Bowling Palace of Cornwall	Subco	1490546 Ontario Inc.	active	Jan-07	33,00 sf. bowling centre
4	Cambridge - Gateway	Subco	1500787 Ontario Inc.	active	Jul-06	Vacant Land
5	Laurentian Centre Burlington	Subco	2043313 Ontario Inc.	active	Oct-06	Bowling Alley
6	Finchwood Village Plaza	RGF			Mar-07	Retail Plaza and vacant land
7	Zellers Collingwood	RGF			Dec-01	Vacant Land
8	565 Lakeshore ("Cantire")	RGF			Dec-01	Vacant Land
9	Pickering	RGF			Mar-04	Industrial / Warehouse
10	Chilliwack Lands				Retained Property	Unsevered vacant land adjoining Chilliwack Mall. Held by 291953 B.C. Ltd. pending severance.
11	Smithers Lands	RGF			Retained Property	Vacant land adjoining Smithers mall. Held by 343570 B.C. Ltd. as bare trustee, agent, and nominee for RGF.
12	Estevan Mall	RGF		(Note 5)	2004 ±	Community Plaza. See Note 5
13	Sahali Mall	RGF		(Note 5)	2004 ±	Community Plaza. See Note 5.
14	Maple Park Shopping Centre	RGF		(Note 5)	Dec-06	Enclosed Community Mall. See Note 5.

HELD BY EXCLUDED SUBSIDIARIES

501 Lakeshore	Subco	1505064 Ontario Inc.	active	Mar-04	Industrial Building
Chilliwack Mall	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Enclosed Community Mall (see note 2)
Terrace Shopping Centre	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Enclosed Community Mall
Driftwood Mall	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Enclosed Regional Mall
Maple Park Shopping Centre	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Enclosed Community Mall (see note 1)
Smithers Mall	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Enclosed Community Mall (see note 2)
Caribou Mall	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Enclosed Community Mall
Evergreen Centre	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Community Plaza
Glenmore Commerce Court	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Community Plaza
Millwoods Mainstreet Mall	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Community Plaza
Carry Plaza	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Neighborhood Shopping Centre
Wetaskiwin Mall	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Enclosed Community Mall
Grand Central Plaza	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Neighborhood Shopping Centre
Golden Mile Shopping Centre	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Enclosed Community Mall
Wheatland Mall	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Enclosed Community Mall
Kindersley Mall	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Enclosed Community Mall
Northgate Shopping Plaza	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Enclosed Community Mall
Island Lakes Village	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Community Plaza
First Victoria Mall	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Community Plaza
City Centre Mall	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Enclosed Community Mall
Woodbine Place	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Multi-Tenant Office
Lincoln Value Centre	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Community Plaza
Kenora Shoppers Mall	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Enclosed Community Mall
Qwanlin Mall	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Enclosed Community Mall
Cassils Centre Mall	Subco	1560700 Ontario Inc.	(Note 4)	Mar-04	Enclosed Community Mall
Estevan Mall	Subco	1560700 Ontario Inc.	(Note 4)	2004 ±	Community Plaza (Note 3)
Sahali Mall	Subco	1560700 Ontario Inc.	(Note 4)	2004 ±	Community Plaza (Note 3)

Note 1 Ownership was through Subco and RGF Directly. Ownership was transferred several times
Note 2 Ownership was through Subco and RGF Directly. Excess land retained by RGF
Note 3 Partial ownership, various closing dates
Note 4 Status of 1560700 Ontario Inc. and associated REIT related numbered companies to be confirmed.

Most of the various properties held and sold by RGF to the REIT had environmental indemnities from the original vendors. There are also

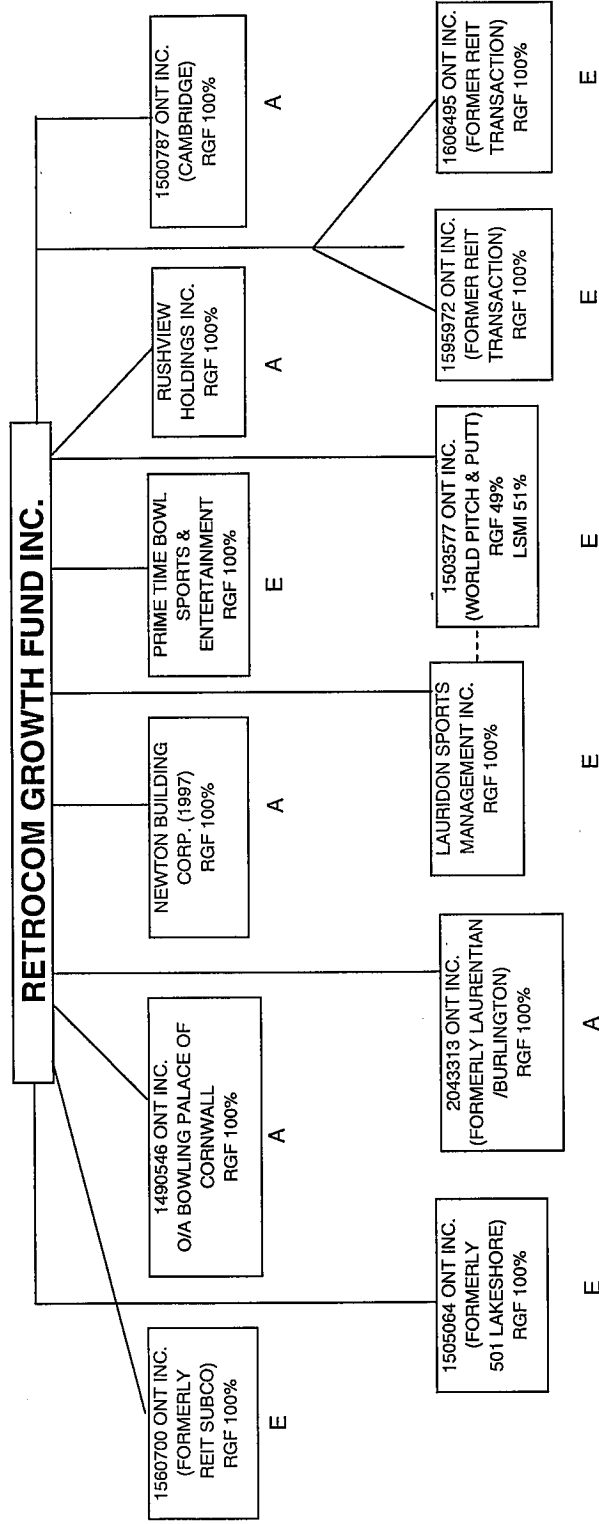
environmental reports available for most of these properties. Most of these properties were held for approx. 4 months.

Note 5

These properties may have been held directly by RGF for a short period of time prior to their ultimate sale to the REIT.

SCHEDULE E

RETROCOM GROWTH FUND INC. SUBSIDIARY COMPANY OWNERSHIP



KEY

- A SUBSIDIARIES (TO BE INCLUDED)
- E EXCLUDED SUBSIDIARIES

SCHEDULE F

Retrocom Growth Fund Inc.
Summary of Tax Losses
(Unaudited)
(\$CAD)

Entity	Type of Loss	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total nol's	Memo Capital losses
										(note 2)		
1. Retrocom Growth Fund Inc.	Non-capital Capital	-	-	-	1,300,182	3,802,681	2,854,134	11,412,579	24,139,545	22,668,965	66,178,086	8,581,904
		-	-	-	-	-	-	-	-	8,581,904	<u>66,178,086</u>	<u>8,581,904</u>
2. 1500787 Ontario Inc (Cambridge)	Non-capital Capital	-	-	129,724	128,618	218,066	156,483	-	-	-	632,891	
		-	-	-	-	-	-	-	-	-	<u>632,891</u>	
3. 2043313 Ontario Inc. (Laurentian Lanes)	Non-capital Capital	-	-	-	-	183,900	451,663	3,116,393	-	-	3,751,956	
		-	-	-	-	-	-	-	-	-	<u>3,751,956</u>	
4. 1490546 Ontario Inc. (Cornwall)	Non-capital Capital	-	44,354	208,700	537,420	323,113	255,554	74,687	-	-	1,443,828	
		-	-	-	-	-	-	-	-	-	<u>1,443,828</u>	
5. Newton Building Corp. (1997)	Non-capital Capital	-	2,404,887	112,760	1,340,074	65,996	2,887	37,926	41,342	-	4,005,872	
		-	-	-	-	-	-	-	-	-	<u>4,005,872</u>	
6. Rushview Holding Inc. (see Note 1)	Non-capital Capital	-	-	-	232,155	535,858	337,505	-	-	-	1,105,518	
		-	-	-	-	-	-	-	-	-	<u>1,105,518</u>	
7. 1505064 Ontario Inc (501 Lakeshore) (ignore - Excluded Sub)	Non-capital Capital	-	-	-	-	-	-	-	-	-	-	
		-	-	-	-	-	-	-	-	-	-	
Total											<u>77,118,151</u>	<u>8,581,904</u>

Notes:

1. As per Company, the 2004 to 2006 returns for Rushview are to be updated for Centrepont Venture.
2. Estimated non-capital losses for the period March 1, 2007 to August 31, 2007 plus the estimated investment loss on investments held at August 31, 2007.