

**SCHEDULE “E”
RELEASE AGREEMENT**

TO: THE GUARANTEE COMPANY OF NORTH AMERICA (the “**Surety**”)

AND TO: TARION WARRANTY CORPORATION (“**Tarion**”)

AND TO: TARN CONSTRUCTION CORPORATION (the “**Vendor**”)

AND TO: TARN FINANCIAL CORPORATION (“**Tarn Financial**”)

AND TO: KPMG INC., IN ITS CAPACITY AS THE COURT-APPOINTED RECEIVER OF TARN CONSTRUCTION CORPORATION (the “**Receiver**”) AND IN ITS CAPACITY AS THE COURT-APPOINTED LIQUIDATOR OF TARN FINANCIAL CORPORATION (the “**Liquidator**”)

AND TO: BENNETT JONES LLP, IN ITS CAPACITY AS DEPOSIT TRUSTEE (the “**Deposit Trustee**”)

AND TO: _____, _____ (the “**Purchaser**”)

PROVEN DEPOSITS AMOUNT: _____ (the “**Proven Deposits**”)

WHEREAS:

- (a) The Purchaser and the Vendor entered into an agreement of purchase and sale dated the _____ day _____ of _____, (as it may have been amended from time to time, the “**APS**”) pertaining to the Purchaser’s acquisition from the Vendor of UNIT NO. _____, Level _____, Suite _____, together with an undivided interest in the common elements appurtenant thereto (hereinafter referred to as the “**Proposed Unit**”), in accordance with condominium plan proposed to be registered against those lands and premises situated in the City of Toronto, municipally known as 2035 Kennedy Road and more particularly described in the APS (hereinafter referred to as the “**Real Property**”);
- (b) The Surety issued Tarion Bond No. TM5120189 dated June 7, 2016, as amended, and Tarion Bond No. TM5193638 dated July 13, 2016 (collectively, the “**Tarion Bonds**”) to Tarion on behalf of the Vendor;
- (c) Pursuant to the Deposit Return Procedure Order of Justice McEwen dated June 14, 2018 (the “**Deposit Return Procedure Order**”), a copy of which has been emailed

to you and is available on the Liquidator's website at www.kpmg.com/ca/tarn, upon execution of this Release Agreement and completion of a Certificate of Identity, the Purchaser is being returned its Proven Deposits (as defined in the Deposit Return Procedure Order) related to the Proposed Unit by the Receiver ; and

- (d) As a result of the sale of the Real Property, the Receiver will terminate the Purchaser's APS in accordance with its terms upon receiving from the Purchaser, among other things, this Release Agreement (the "**Release Agreement**") that releases the Surety, Tarion, the Receiver, the Liquidator, Tarn Financial, Tarn Construction and the Deposit Trustee and their respective agents, directors, officers, partners, representatives, servants, employees, successors and assigns (the "**Released Parties**") from any and all claims that they may have arisen under (or in connection with) the APS, the Purchaser's Proven Deposits, the Tarion Bonds, the Condominium Act and the Plan Act.

NOW THEREFORE THESE PRESENTS WITNESSETH that in consideration of the releases hereinafter set forth, the sum of TEN (\$10.00) DOLLARS of lawful money of Canada now paid to the Purchaser and other good and valid consideration (the receipt and sufficiency of which is hereby expressly acknowledged), the Purchaser hereto hereby covenants and agrees to the following:

1. In this Release Agreement, capitalized terms not otherwise defined herein have the meanings ascribed to them in Schedule "A" of this Release Agreement.
2. The Purchaser represents and warrants that the recitals set out above are true in substance and in fact.
3. The Purchaser covenants, acknowledges, represents and warrants to the Released Parties that the total of Deposits paid to the Vendor or to the Deposit Trustee on behalf of the Vendor in connection with the Proposed Unit is \$ _____, and that is the total amount of the Proven Deposits payable to the Purchaser.
4. The Purchaser hereby absolutely and unconditionally remise, release, acquit and forever discharge each of the Released Parties from and against any and all Claims.

5. Without restricting the generality of paragraph 4, it is expressly understood and agreed that the Purchaser shall not make or pursue any Claim against any other person who might claim contribution or indemnity (or any claim similar or akin thereto) from any one or more of the Purchaser and Released Parties in connection with the APS.
6. The Purchaser hereby represents and warrants to each of the Released Parties that all Claims being released hereunder have been satisfied and discharged in full by this Release Agreement and that he, she or it (as the case may be) has not sold, transferred, assigned any of the Claims being released hereunder or with respect to which the Purchaser agrees not to make any Claim or take any proceedings. The Purchaser acknowledges and agrees that he, she or it (as the case may be) is executing this Release Agreement freely without compulsion, coercion, duress, inducement or pressure and has either obtained independent legal advice with respect to this Release Agreement or has waived their right to do so.
7. This Release Agreement shall be governed by, and construed and enforced in accordance with, the laws in force in the Province of Ontario. The Purchaser irrevocably submits to the exclusive jurisdiction of the Courts of Ontario with respect to any matter arising hereunder or related hereto.
8. This Release Agreement shall enure to the benefit of and shall be binding upon the Purchaser and the Released Parties.
9. This Release Agreement shall be read and construed with all changes of gender and/or number as may be required by the context, and if more than one individual comprises the Purchaser, then all of the foregoing covenants and agreements of the Purchaser shall be deemed and construed to be joint and several covenants and agreements thereof.

10. This Release Agreement may be transmitted by facsimile or e-mail transmission.

IN WITNESS WHEREOF, the undersigned parties have hereunto affixed their hands and seal, or corporate seals, as the case may be this _____ day of _____, 2018.

SIGNED, SEALED AND DELIVERED

Purchaser is an individual

In the presence of:

(Witness)
Name:
Address:

(Purchaser)
Name:
Address:

(Witness)
Name:
Address:

(Purchaser)
Name:
Address:

Schedule "A"

In this Release Agreement:

- (a) **"Claim"** or **"Claims"** means all actions, causes of action, suits, proceedings, debts, accounts, bonds, covenants, contracts, claims, liabilities, damages, grievances, executions, judgments and demands of any kind whatsoever, both in law and in equity, whether implied or express, direct or indirect, which any Purchaser ever had, now has or can, shall or may have in the future against any of the Receiver, the Liquidator, Tarn Construction, Tarn Financial, the Deposit Trustee, Tarion or The Guarantee Company by reason of, arising out of, by virtue of or with respect to or in any way connected with, any act, omission, cause, matter or thing existing up to the present time, including, but without limiting the generality of the foregoing, by reason of, arising out of, by virtue of or with respect to or in any way connected with any act, omission, cause, matter or thing whatsoever connected with, arising out of or being the subject matter of the APS, the Deposit, the Tarion Bonds, the Condominium Act and the Plan Act;
- (b) **"Condominium Act"** means the *Condominium Act* (Ontario), R.S.O. 1998, c. 19, as amended;
- (c) **"Deposit"** means any monies including, without limitation, deposit monies and monies on account of extras and upgrades paid by a Purchaser pursuant to an APS for a Proposed Unit at the Development Project; and
- (d) **"Plan Act"** means the Ontario *New Home Warranties Plan Act*, R.S.O., 1990, chapter 0.31, any amendments thereto and the regulations thereunder.