

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE REGIONAL)
SENIOR JUSTICE MORAWETZ)
)

TUESDAY, THE 5th

DAY OF APRIL, 2016



IN THE MATTER OF MAPLE BANK GmbH

AND IN THE MATTER OF THE *WINDING-UP AND RESTRUCTURING ACT*,
R.S.C. 1985, C.W-11, AS AMENDED

AND IN THE MATTER OF THE *BANK ACT*, S.C. 1991, C.46, AS AMENDED

BETWEEN:

ATTORNEY GENERAL OF CANADA

Applicant

and

MAPLE BANK GmbH

Respondent

ORDER

THIS MOTION made by KPMG Inc. (the "**Liquidator**"), in its capacity as the Court-appointed Liquidator in respect of the winding up of the business in Canada (the "**Business**") of Maple

Bank GmbH (“Maple Bank”) and its assets as defined in section 618 of the *Bank Act* (the “Assets”) was heard this day at Toronto, Ontario.

ON READING the Notice of Motion and Second Report of the Liquidator dated March 30, 2016 (the “Second Report”), and on hearing submissions of counsel for each of the Liquidator, the German Insolvency Administrator, Canada Housing and Mortgage Corporation (“CMHC”), and such other parties as may be in attendance.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Second Report is hereby abridged and validated so that this Motion is properly returnable today and dispenses with further service thereof.

SECOND REPORT AND MARKETING PROCESS

2. **THIS COURT ORDERS** that the activities of the Liquidator as set out in the Second Report be and are hereby approved.
3. **THIS COURT ORDERS** that the marketing process, as more particularly described in the Second Report and appended as Schedule “A” hereto (the “Marketing Process”) is hereby approved.
4. **THIS COURT ORDERS** that the Liquidator be and is hereby authorized and directed to perform its obligations under the Marketing Process, and to take such further steps as the Liquidator considers necessary or desirable in carrying out the Marketing Process, and that any steps taken by the Liquidator in connection with the Marketing Process prior to the date hereof be and are hereby approved and ratified.
5. **THIS COURT ORDERS** that the Liquidator’s Statement of Receipts and Disbursements for the period February 16, 2016 to March 11, 2016 is approved.
6. **THIS COURT ORDERS** that the Memorandum of Understanding dated March 16, 2016 entered into between the Liquidator and CMHC (the “MOU”) is hereby approved.

7. **THIS COURT ORDERS** that, subject to the rights of CMHC as set out in the MOU, nothing contained in this Order, or the Marketing Process shall in any way amend, change, or derogate from the requirements imposed on the Liquidator to consult with, and obtain the approval of, the German Administrator as provided for in paragraph 8 of the Winding-Up Order dated February 16, 2016.

 R.S.J.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

APR 05 2016

PER / PAR: 

SCHEDULE "A"

**MARKETING PROCESS TO IDENTIFY A SUCCESSOR ISSUER OF MAPLE BANK
GMBH, TORONTO BRANCH, UNDER THE NHA MBS PROGRAM AND THE SALE
OF THE MAPLE BANK GMBH ASSETS**

INTRODUCTION

1. Maple Bank GmbH (“Maple Bank”) is a Canadian-owned German bank and an “authorized foreign bank” in Canada under section 2 and Part XII.1 of the *Bank Act*. As a German bank, Maple Bank is subject to regulation in Germany by the Federal Financial Supervisory Authority (“BaFin”). As an authorized foreign bank under the *Bank Act*, Maple Bank is regulated with respect to its business in Canada by the Office of the Superintendent of Financial Institutions (“OSFI”). Maple Bank was an approved issuer under the *National Housing Act* Mortgage-Backed Securities Program (the “NHA MBS Program”) as administered by Canada Mortgage and Housing Corporation (“CMHC”).
2. CMHC is a federal Crown corporation that provides housing loan related insurance and guarantees, enabling eligible lenders to provide financing for both homeowner and rental housing. CMHC Insurance Programs and CMHC Securitization Programs contribute to a stable housing finance system by helping eligible lenders access an adequate supply of funds for housing loans. CMHC is an agent of Her Majesty the Queen in right of Canada, and as such its obligations are those of the federal Government of Canada and a charge on the Consolidated Revenue Fund.
3. Under the NHA MBS Program, lenders, if approved, upon application to CMHC (the “Approved Issuer”), may issue mortgage-backed securities (“NHA MBS”) fully guaranteed by CMHC as to timely payment of principal and interest. In connection with each permitted issuance of NHA MBS, Approved Issuers agree to transfer all legal and beneficial title to a pool of mortgages to CMHC to be held, in trust, for investors in NHA MBS and for CMHC, as guarantor, subject to the terms and conditions set out in the NHA MBS Program Guide published by CMHC (the “NHA MBS Guide”).
4. On February 6, 2016, BaFin issued an order of moratorium on Maple Bank’s business activities by reason of imminent over-indebtedness. On February 9, 2016, CMHC: (i) issued a notice of default to Maple Bank as issuer under the NHA MBS Program; (ii) suspended Maple Bank as an issuer under the NHA MBS Program; (iii) directed Bank of Montreal (“BMO”) to immediately transfer the entire balance in the P&I Custodial/Trust Account with BMO to the NHA MBS Central Payor and Transfer Agent account of Computershare Trust Company of Canada (“Computershare”); (iv) directed Computershare to establish a Custodial/Trust Account (the “Computershare Account”) for revenues related to the mortgages underlying the NHA MBS issued by Maple Bank and to withdraw amounts from the Computershare Account as needed to pay amounts due to holders of NHA MBS issued by Maple Bank; and (v) directed the servicers to Maple Bank’s MBS business to pay to the Computershare Account, all amounts that would otherwise have been paid to the P&I Custodial/Trust Account with BMO and advised the servicers that the servicing arrangements are subject to the NHA MBS Guide.
5. On February 10, 2016 BaFin advised OSFI that it filed for insolvency proceedings in Germany in respect of Maple Bank based on the admission of Maple Bank of its

impending insolvency and with Maple Bank's consent. On February 11, 2016 the German Court issued an order commencing insolvency proceedings and appointing an Insolvency Administrator over Maple Bank.

6. Upon application by the Attorney General of Canada, pursuant to section 10.1 of the *Winding Up and Restructuring Act* (WURA), on February 16, 2016 the Ontario Superior Court of Justice (Commercial List) (the "Court") made a winding-up order (the "Winding-Up Order"): (a) that the business in Canada of Maple Bank (the "Business") be wound up and that its assets, as defined under section 618 of the *Bank Act* (the "Assets") be liquidated; and, (b) appointing KPMG Inc. ("KPMG") as the liquidator (the "Liquidator") of the estate of Maple Bank, Canada Branch under section 23 of WURA.
7. Upon Maple Bank's default, pursuant to Chapter 13 of the NHA MBS Guide, CMHC may, *inter alia*, in its sole and absolute discretion, approve a successor issuer to Maple Bank (the "Successor Issuer"), which will take on the rights and responsibilities of Maple Bank for the NHA MBS pools from that point forward.
8. In furtherance of the marketing process, more particularly described in the following sections (the "Marketing Process"), the Liquidator and CMHC have agreed, pursuant to the terms of a Memorandum of Understanding dated March 16, 2016 (the "MOU"), to: (i) exchange information; (ii) consult and cooperate in connection with the Marketing Process to be undertaken by the Liquidator to find: (a) the Successor Issuer (acceptable to CMHC) under the NHA MBS Program for the mortgage pools in relation to NHA MBS issued by Maple Bank; and, (b) a purchaser for Maple Bank's Assets, which may also be attractive to the Successor Issuer, including its inventory of CMHC insured mortgages that have not yet been pooled, NHA MBS mortgage pools that Maple Bank owns as an investor and its mortgage aggregation processes, policies and business (collectively, the "Maple Assets").
9. The purpose of this Marketing Process is to seek LOIs and Offers (each as defined below) and to implement an Accepted Successor Issuer Offer (as defined below) and one or more Accepted Sale Offers (as defined below), the whole as more fully detailed below.
10. Capitalized terms used in this Marketing Process shall have the meanings given to them herein.

Marketing Process Order

11. Pursuant to an Order dated April 5, 2016, the Court approved: (a) the Marketing Process (the "Marketing Process Order"); (b) that the Liquidator implement and carry out the terms of this Marketing Process in accordance with the terms of the MOU; and, (c) the solicitation process pursuant to which the Liquidator and CMHC will solicit offers for: (i) the Successor Issuer, and/or (ii) the sale of the Maple Assets, in accordance with the terms of the Marketing Process.
12. This Marketing Process shall govern the solicitation by the Liquidator for LOIs and Offers for the Successor Issuer and/or the Maple Assets and the selection by CMHC of the Successor Issuer.

Selection of a Successor Issuer

13. Pursuant to the Marketing Process Order, the Liquidator will be responsible for implementation of the Marketing Process. Nothing in this Marketing Process is intended to limit the exclusive right of CMHC to select the Successor Issuer. Accordingly, CMHC, in consultation with the Liquidator, shall retain its authority to select the Successor Issuer and in furtherance of this objective the Liquidator and CMHC will cooperate and consult during the Marketing Process with the objective of selecting the Successor Issuer, acceptable to CMHC, and a purchaser for the Maple Assets.
14. In the event that there is disagreement or clarification required as to the interpretation or application of this Marketing Process, as between the Liquidator and CMHC, the applicable provisions of the MOU shall govern.

Selection of the Successor Issuer and/or Sale Proposal for the Maple Assets

15. A Prospective Offeror (as defined below) may, at the option of such Prospective Offeror, submit an LOI, or an Offer for one or more of the following:
 - (a) An offer to be selected as the Successor Issuer for some or all of the NHA MBS business of Maple Bank, as acceptable to CMHC (a "Successor Issuer Offer"); and/or
 - (b) The purchase of all, or substantially all, or any portion of the Maple Assets (the "Sale Proposal"). For greater certainty, the Sale Proposal shall not include an offer to auction or liquidate any of the Maple Assets.

(and collectively, the Successor Issuer Offer and the Sale Proposal, the "Offers")

Selection of the Successor Issuer

16. With respect to a Successor Issuer Offer, CMHC shall have the sole and exclusive right to select the Successor Issuer.

Maple Assets Subject to Sale

17. With respect to a Sale Proposal, the assets available to be sold include all, or substantially all, of the Maple Assets, as more particularly described in Schedule "A" hereto. Interested parties will need to indicate whether, or not they are seeking to become the Successor Issuer, and if so, whether their offer is partially, or fully conditional on being selected as the Successor Issuer Offer.
18. Notwithstanding anything else contained in this Marketing Process, at any time after entry of the Marketing Process Order, the Liquidator, in the exercise of its reasonable business judgment and in accordance with the applicable provisions of the MOU, after consulting with CMHC, and upon notice to any Prospective Offeror, if any, may, from time to time, withdraw any Maple Assets from this Marketing Process.

As is, where is

19. Any sale of the Maple Assets shall be on an “as is, where is” basis and without representations, warranties, covenants or indemnities of any kind, nature, or description by the Liquidator, or any of its respective agents, directors, officers, employees, professionals, advisors, or otherwise, except to the extent set forth in the executed definitive sale agreement(s) with the Accepted Sale Offeror(s) (as defined below) and any orders of the Court.

Free of Any And All Claims and Interests

20. All of the rights, title and interests of Maple Bank in and to any or all of the Maple Assets to be acquired under a Sale Proposal, may be sold free and clear of all security, charges, pledges, liens, encumbrances, claims or other restrictions thereon and there against including, for greater certainty, any charges or encumbrances created by the Winding-Up Order, subsequent orders of the Court in the Winding-Up proceedings, or as provided for under WURA (collectively, the “Encumbrances”), except for those liens and encumbrances expressly to be assumed by the Accepted Sale Offeror(s) and permitted pursuant to an Approval and Vesting Order(s) in a form satisfactory to the Accepted Sale Offeror(s), the Liquidator, and as may be granted by the Court. The Encumbrances shall attach to the net proceeds of the sale of the Maple Assets subject to such Encumbrances, without prejudice to any claims or causes of action regarding priority, validity or enforceability thereof.

Solicitation

21. As soon as reasonably practicable, the Liquidator will prepare, in consultation with CMHC: (a) a list of potential offerors who may be interested in submitting a Successor Issuer Offer and/or a Sale Proposal (collectively, the “Prospect List”), including both existing CMHC approved issuers (the “Approved Issuers”) and non-CMHC approved issuers (the “Non-Approved Issuers”) who, in the Liquidator’s judgment, (after consultation with CMHC), may have a reasonable prospect of becoming the Successor Issuer and/or concluding a transaction in respect of a Sale Proposal; (b) an initial offering summary (the “Teaser Letter”) to notify each party on the Prospect List of the solicitation process under this Marketing Process and to invite each potential offeror to submit an LOI in respect of a Successor Issuer Offer and/or a Sale Proposal and; (c) a form of confidentiality agreement, which shall include an agreement to be bound by the provisions of this Marketing Process (the “Confidentiality Agreement”).
22. As soon as reasonably practicable, but in any event no later than April 13, 2016 (the “Phase 1 Commencement Date”), the Liquidator shall send the Teaser Letter, a copy of the Marketing Process Order, and the form of Confidentiality Agreement to those persons on the Prospect List and, as soon as reasonably practicable thereafter, after consulting with CMHC, to any other person who expresses an interest in this Marketing Process and who requests a copy of the Teaser Letter, or who is identified to the Liquidator or CMHC as a potential offeror.

MARKETING PROCESS- PHASE 1

23. For a period of twenty-four (24) calendar days following the Phase 1 Commencement Date, or for such longer period as agreed to by the Liquidator and CMHC ("Phase 1"), the Liquidator, after consulting with CMHC, will solicit non-binding indications of interest in the form of non-binding letters of intent (each an "LOI") from each potential offeror on the Prospect List, as well as any other interested party who has communicated an interest to either the Liquidator or CMHC in respect of submitting a Successor Issuer Offer or a Sale Proposal (collectively, a "Prospective Offeror").
24. Prospective Offerors that execute and deliver to the Liquidator, the Confidentiality Agreement, shall receive a detailed confidential information memorandum prepared by the Liquidator, in consultation with CMHC, describing the opportunity to complete a transaction to become the Successor Issuer and/or effect a Sale Proposal. Such parties shall also receive access to an electronic due diligence database (the "Due Diligence Access"). The Due Diligence Access for each party shall terminate: (a) upon the Phase 1 LOI Deadline (as defined below) in the event that such party fails to deliver an LOI in accordance with the instructions contained in the "Phase 1 Timing" section below; (b) in the event that such party does not progress to Phase 2 (as defined below).
25. The Liquidator will designate a representative to coordinate all reasonable requests for Due Diligence Access for all parties eligible to receive such access in accordance with this section. The Liquidator and CMHC are not responsible for, and will bear no liability with respect to, any information obtained by any party in connection with the NHA MBS Program, the Business or the Maple Assets, and do not make any representations or warranties as to the information or materials provided.
26. In respect of information requests, or any other matters concerning the Successor Issuer Offer and/or a Sale Proposal, Prospective Offerors must communicate with KPMG, and to the extent that such requests relate to the NHA MBS Program, with CMHC, or with such other individual or individuals, as KPMG and CMHC may authorize in writing. Without the prior written consent of the Liquidator, no Prospective Offeror, or representatives of a Prospective Offeror, may initiate or cause to be initiated or maintain any communication with any officer, director, agent, employee, affiliate, creditor, customer or supplier of Maple Bank concerning the NHA MBS business, the Business, the Maple Assets, operations, prospects or finances, or any matters relating to a Successor Issuer Offer and/or a Sale Proposal. For greater certainty, the restrictions set out in paragraph 26 herein shall not apply to CMHC, who shall be at liberty to communicate with any officer, director, agent, employee, affiliate, creditor, shareholder, customer or supplier of Maple Bank concerning the NHA MBS business, the Business, the Maple Assets, operations, prospects or finances, or any matters relating to a Successor Issuer Offer.

Phase 1 Timing

27. Prospective Offerors that wish to pursue a Successor Issuer Offer and/or a Sale Proposal must deliver a non-binding LOI in writing, via email or by personal delivery to the Liquidator and CMHC in respect of a Successor Issuer Offer, and to the Liquidator only in respect of a Sale Proposal, so that they are actually received by no later than 5:00 PM

(Toronto time) on or before May 4, 2016, or such later date as determined by CMHC, in consultation with the Liquidator, with regard to a Successor Issuer Offer, and by the Liquidator with regard to a Sale Proposal (the "Phase 1 LOI Deadline").

28. All Successor Issuer Offers should be delivered to:

Canada Mortgage and Housing Corporation
700 Montreal Road, C2-214
Ottawa, Ontario
K1A 0P7

Attention: Reem Hindieh and Karen Bailey
Email: rhindieh@cmhc-schl.gc.ca; kbailey@cmhc-schl.gc.ca

With a copy to counsel to CMHC:

Borden Ladner Gervais LLP
Scotia Plaza
40 King St. W.
Toronto, ON M5H 3Y4

Attention: Rosalind Morrow, Marc Duchesne and Roger Jaipargas
Email: rmorrow@blg.com; mduchesne@blg.com; rjaipargas@blg.com

With a copy to the Liquidator:

KPMG Inc.
Bay Adelaide Centre
333 Bay Street, Suite 4600
Toronto, ON M5H 2S5

Attention: Philip J. Reynolds, Nick Brearton and Ryan Adlington
Email: pjreynolds@kpmg.ca; nbrearton@kpmg.ca; radlington@kpmg.ca

With a copy to counsel to the Liquidator:

Gowling WLG
1 First Canadian Place,
100 King St. W., Suite 1600
Toronto, ON M5J 2T3

Attention: Alex MacFarlane and Lilly Wong
Email: alex.macfarlane@gowlingwlg.com; lilly.wong@gowlingwlg.com

29. All Sale Proposal Offers should be delivered to:

KPMG Inc.
Bay Adelaide Centre
333 Bay Street, Suite 4600
Toronto, ON M5H 2S5

Attention: Philip J. Reynolds, Nick Brearton and Ryan Adlington
Email: pjreynolds@kpmg.ca; nbrearton@kpmg.ca; radlington@kpmg.ca

With a copy to counsel to the Liquidator:

Gowling WLG
1 First Canadian Place,
100 King St. W., Suite 1600
Toronto, ON M5J 2T3

Attention: Alex MacFarlane and Lilly Wong
Email: alex.macfarlane@gowlingwlg.com; lilly.wong@gowlingwlg.com

Non-Binding Letters of Intent Requirements

30. An LOI will be considered a qualified LOI (a “Qualified LOI”) only if it:
- (a) is submitted on or before the Phase 1 LOI Deadline;
 - (b) contains an executed Confidentiality Agreement (if not already delivered);
 - (c) indicates whether the LOI involves a Successor Issuer Offer and/or a Sale Proposal;
 - (d) identifies the Prospective Offeror and representatives thereof who are authorized to appear and act on behalf of the Prospective Offeror for all purposes regarding the contemplated transaction, and it must fully disclose the identity of each entity that will be sponsoring, participating in, or benefiting from the transaction contemplated by the LOI, and the complete terms of such participation, including, in the case of an entity formed or to be formed for the purpose of entering into the transaction contemplated by the LOI, the identity of each actual or anticipated direct or indirect equity holder or beneficiary of such entity and the percentage of such equity holder or beneficiary’s interest in the transaction contemplated by the LOI;
 - (e) describes the structure and financing of the proposed transaction (including, but not limited to, a specific indication of the sources of financing for the purchase price, and preliminary evidence of the availability of such financing and the steps necessary and associated timing to obtain such financing and consummate the proposed transaction in each case in sufficient detail to permit the Liquidator and CMHC to make a reasonable business or professional judgment as to the

- Prospective Offeror's financial or other capabilities to consummate the transaction);
- (f) describes the conditions and approvals required for a final and binding offer, including the approval by CMHC to become an Approved Issuer, if applicable, and any anticipated corporate, security holder, internal or regulatory approvals required to close the transaction, and an estimate of the anticipated timeframe and any anticipated impediments for obtaining such approvals;
 - (g) describes any additional due diligence required to be conducted during Phase 2 (as defined below);
 - (h) identifies all conditions to closing to be imposed by the Prospective Offeror including, without limitation, any form of agreement required from CMHC, or any other government body, stakeholder or other third party;
 - (i) contains such other information reasonably requested by the Liquidator, or CMHC;
 - (j) sets out the purchase price (or range thereof) in Canadian dollars, including details of any liabilities to be assumed by the Prospective Offeror;
 - (k) in the case of a Successor Issuer Offer, is an offer for all or certain of the NHA MBS mortgage pools for which Maple Bank was the Approved Issuer; provided that no offer for a part of a mortgage pool will be accepted;
 - (l) in the case of a Successor Issuer Offer, if it is not already an Approved Issuer, each offeror must confirm that it will provide within 15 days after the Phase 2 Commencement Date (as defined in paragraph 34) the relevant documentation to demonstrate that it meets all of the requirements, prerequisites and criteria set out under the NHA MBS Guide to be an issuer of NHA MBS (including but not limited to current net worth requirements) and, for parties, other than federally regulated banks, trust companies and insurance companies, proof of licensing or exemption from licensing to trade in mortgages and act as an MBS Issuer in all provinces (and for loan administration if they will service any of the mortgage loans, as well as proof of being a NHA Approved Lender or Genworth or Canada Guaranty Qualified Mortgage Lender);
 - (m) in the case of a Successor Issuer Offer, the offer must indicate whether, or not the proposed Successor Issuer intends to assume the existing mortgage servicing and/or mortgage originating agreements entered into with Maple Bank; and,
 - (n) includes any other terms or conditions that the Prospective Offeror believes are material to the transaction.

In the case of a Sale Proposal, a Qualified LOI must also identify or contain the following information:

- (i) identifies the Maple Assets that are to be purchased as part of the transaction;
- (ii) identifies the Maple Assets that are to be excluded from the transaction;
- (iii) describes the intended use of the Maple Assets that are to be purchased as part of the transaction;
- (iv) whether the Sale Proposal is partially, or entirely conditional upon the Successor Issuer Offer; and,
- (v) any other terms or conditions of the Sale Proposal that the Prospective Offeror believes are material to the transaction.

Any such conditions may be waived, in whole or in part, by the Liquidator and CMHC, acting jointly.

31. An LOI received by the Liquidator and CMHC after the Phase 1 LOI Deadline shall not constitute a Qualified LOI, it being understood that, with respect to a Successor Issuer Offer, CMHC, in consultation with the Liquidator, and with respect to a Sale Proposal, the Liquidator, in its sole discretion, shall have the right to deem an LOI received after the Phase 1 LOI Deadline as a Qualified LOI.

Assessment of Qualified LOIs and Continuation or Termination of Solicitation Process

32. Following the Phase 1 LOI Deadline, CMHC and the Liquidator will assess the Qualified LOIs received during Phase 1, if any, and will determine whether there is a reasonable prospect of obtaining a Successor Issuer Offer, and the Liquidator will assess the Qualified LOIs to determine whether there is a reasonable prospect of obtaining a Sale Proposal. For the purpose of such consultations and evaluations, CMHC and the Liquidator may request clarification of the terms of any Qualified LOI submitted by a Prospective Offeror.
33. In assessing the Qualified LOIs submitted in Phase 1, CMHC and the Liquidator may consider, among other things, the following:
- (a) the form and amount of consideration being offered and the net value to Maple Bank (including any assumed liabilities or other obligations to be performed by the Prospective Offeror);
 - (b) in respect of a Sale Proposal, whether the Qualified LOI maximizes value for the Maple Assets;
 - (c) in respect of a Successor Issuer Offer, that a Successor Issuer must be chosen for each of the NHA MBS mortgage pools for which Maple Bank was the Approved Issuer;
 - (d) the demonstrated financial capability of the Prospective Offeror to consummate the proposed transaction;

- (e) the identity of the Prospective Offeror;
 - (f) the costs and risks associated with entering into a transaction with a Prospective Offeror;
 - (g) any transition services required in respect of the transaction contemplated by the Qualified LOI;
 - (h) any monetary value that may reasonably be attributed to any non-cash consideration provided by a Prospective Offeror;
 - (i) the conditions to closing of the proposed transaction (including any required regulatory approvals and any other factors affecting the speed, certainty and value of the transaction);
 - (j) the treatment of Maple Bank employees, where hired by the Liquidator (whether active or inactive);
 - (k) whether the Qualified LOI is likely to create, or allow to remain outstanding, a claim against Maple Bank and, if so, and a comparison of any such claims to claims likely to be created by any other Qualified LOI;
 - (l) the terms of the Qualified LOI (including, but not limited to, the anticipated counterparties to the transaction, and the anticipated closing date);
 - (m) the estimated time required to complete the proposed transaction and whether, in respect of a Successor Issuer Offer, CMHC, in consultation with the Liquidator, is of the opinion, and with respect to a Sale Proposal, the Liquidator is of the opinion, that the anticipated transaction is reasonably likely to close on or before the Outside Termination Date (as defined below); and
 - (n) such other criteria as CMHC and the Liquidator may determine as appropriate.
34. If one or more Qualified LOIs are received in respect of a Successor Issuer Offer, and CMHC, in consultation with the Liquidator, determines that there is a reasonable prospect of obtaining a Successor Issuer Offer, the Liquidator may notify the Prospective Offerors that the Marketing Process shall progress to phase 2 (the date of such notification being the "Phase 2 Commencement Date") and the solicitation process shall be continued in accordance with this Marketing Process for a further thirty (30) calendar days following the Phase 2 Commencement Date or for such longer period as CMHC, in consultation with the Liquidator, may determine ("Phase 2").
35. If one or more Qualified LOIs are received in respect of a Sale Proposal and the Liquidator determines that there is a reasonable prospect of obtaining one or more Sale Proposal Offer(s), the Liquidator shall notify the Prospective Offerors that the Marketing Process shall progress to Phase 2 and notify such Prospective Offerors of the Phase 2 Commencement Date.
36. In respect of a Successor Issuer Offer, if CMHC, in consultation with the Liquidator, determines that there is at least one Qualified LOI received by the Phase 1 LOI Deadline,

and CMHC determines that the Prospective Offeror would qualify as an Approved Issuer under the NHA MBS Program, CMHC shall be authorized to negotiate with such Prospective Offeror to consummate a transaction for a Successor Issuer (and notwithstanding anything contained herein, such Prospective Offeror shall thereafter be deemed to be the Accepted Successor Issuer Offeror (as defined below)), following which the Liquidator shall report to the Court on the selection by CMHC of a Successor Issuer without this Marketing Process progressing to Phase 2.

37. In respect of a Sale Proposal, if the Liquidator determines that there is at least one Qualified LOI received by the Phase 1 LOI Deadline, and the Liquidator, in its reasonable business judgment, determines that such Qualified LOI maximizes the recovery on the Maple Assets, in the circumstances, then the Liquidator shall be authorized to negotiate with such Prospective Offeror to consummate a sale transaction with respect to the Maple Assets (and notwithstanding anything contained herein, such Prospective Offeror shall thereafter be deemed to be the Accepted Sale Offeror (as defined below)), following which the Liquidator shall seek Court approval of such agreement at an Authorization/Approval Motion (as defined below) without having this Marketing Process progress to Phase 2.

MARKETING PROCESS – PHASE 2

38. In respect of a Successor Issuer Offer, in the event that CMHC, in consultation with the Liquidator, determines that this Marketing Process shall progress to Phase 2, each Prospective Offeror that: (a) submits a Qualified LOI; and (b) is not eliminated from the solicitation process by CMHC, after the assessment of whether such Qualified LOI meets the criteria outlined above, will be invited to participate in Phase 2 (a “Successor Issuer Offeror”).
39. In respect of a Sale Proposal, in the event that the Liquidator, determines that this Marketing Process shall progress to Phase 2, each Prospective Offeror that: (a) submits a Qualified LOI; and (b) is not eliminated from the solicitation process by the Liquidator, after the assessment of whether such Qualified LOI meets the criteria outlined above, will be invited to participate in Phase 2 (a “Sale Offeror”).
40. With respect to the Due Diligence Access referenced above, each Successor Issuer Offeror’s and each Sale Offeror’s Due Diligence Access shall continue into Phase 2 and shall terminate upon the earliest of the following events to occur:
- (a) such party does not submit an Offer by the Phase 2 Offer Deadline (as defined below);
 - (b) in respect of a Successor Issuer Offer, such party submits an Offer by the Phase 2 Offer Deadline but CMHC, in consultation with the Liquidator, determines that such party does not constitute a Qualified Successor Issuer Offeror (as defined below);
 - (c) in respect of a Sale Proposal, such party submits an Offer by the Phase 2 Offer Deadline, but the Liquidator determines that such party does not constitute a Qualified Sale Offeror (as defined below); or

- (d) the closing of the transaction contemplated by the Accepted Successor Issuer Offer and/or the Accepted Sale Offer.
41. On the Phase 2 Commencement Date, or as soon as practicable thereafter, Successor Issuer Offerors shall contact CMHC in order to become eligible to be: (a) an Approved Issuer, if not so at the time of the Phase 2 Commencement Date; and, (b) the Successor Issuer. Notwithstanding the foregoing, if a party has submitted a Successor Issuer Offer, CMHC and such party shall be at liberty to begin the process for that party to become an Approved Issuer, (having regard to the criteria established in the NHA MBS Guide to be become an Approved Issuer), at any time after the Phase 1 Commencement Date.
42. On the Phase 2 Commencement Date or as soon as practicable thereafter, the Liquidator shall post: (a) a form of asset purchase agreement/assumption agreement on the Due Diligence Access site (the "APA") for Prospective Offerors who wish to submit a Sale Proposal(s); and (b) the form of agreement to become a Successor Issuer, which would include the consideration payable on closing, together with copies of the relevant documentation, as established by the NHA MBS Guide, for a party to become an approved NHA MBS issuer, as well as the documentation to be entered into once approved by CMHC, which documentation can also be found on the CMHC website.

Phase 2 Timing

43. All Successor Issuer Offers and Sale Proposals must be delivered in writing, by email or personal delivery so that they are actually received by CMHC and the Liquidator, with respect to Successor Issuer Offers, and received by the Liquidator, with respect to Sale Proposals, by no later than 5:00 p.m. (Toronto time) on the day that is thirty (30) calendar days following the Phase 2 Commencement Date, or such later date or time as may be determined by the CMHC, in consultation with the Liquidator (in respect of Successor Issuer Offers), and the Liquidator, or the Court (in respect of Sale Proposals), in accordance with the terms of this Marketing Process (the "Phase 2 Offer Deadline") at the addresses specified above in the section entitled "Phase 1 Timing".
44. A Successor Issuer Offer, or a Sale Proposal received by CMHC and/or the Liquidator after the Phase 2 Offer Deadline shall not constitute a Qualified Successor Issuer Offer (as defined below), or a Qualified Sale Offer (as defined below), as the case may be, unless CMHC, in consultation with the Liquidator (with respect to a Successor Issuer Offer) and the Liquidator (in respect of a Sale Proposal), in their respective discretion, deem a Successor Issuer Offer and/or a Sale Proposal received after the Phase 2 Offer Deadline to be a Qualified Successor Issuer Offer or a Qualified Sale Offer, as the case may be.

Offer Requirements

45. To be eligible to be a Qualified Successor Issuer Offeror (as defined below) and/or a Qualified Sale Offeror (as defined below), a Successor Issuer Offeror and/or a Sale Offeror must deliver either a Successor Issuer Offer to CMHC and the Liquidator, and/or a Sale Proposal to the Liquidator by the Phase 2 Offer Deadline, which satisfies each of the following applicable conditions (a "Qualified Successor Issuer Offer") or (a "Qualified Sale Offer" and collectively a "Qualified Offer") and the party submitting

such Qualified Successor Issuer Offer and/or Qualified Sale Offer, (a “Qualified Successor Issuer Offeror” or a “Qualified Sale Offeror” and collectively, a “Qualified Offeror”):

- (a) **Confidentiality.** The Successor Issuer Offeror and the Sale Offeror must deliver an executed Confidentiality Agreement (if not already delivered);
- (b) **Identification.** The Successor Issuer Offer and/or the Sale Proposal must identify the Successor Issuer Offeror and/or the Sale Offeror, as may be applicable, and their respective representatives thereof who are authorized to appear and act on behalf of the Successor Issuer Offeror and/or the Sale Offeror for all purposes regarding the contemplated transaction, and it must fully disclose the identity of each entity that will be sponsoring, participating or benefiting from the transaction contemplated in either the Successor Issuer Offer and/or the Sale Proposal, and the complete terms of such participation, including, in the case of an entity formed or to be formed for the purpose of entering into the transaction contemplated by the Successor Issuer Offer and/or the Sale Proposal, the identity of each actual or anticipated direct or indirect equity holder or beneficiary of such entity and the percentage of such equity holder or beneficiary’s interest in the transaction contemplated by either the Successor Issuer Offer and/or the Sale Proposal;
- (c) **Subject Assets.** In the case of a Successor Issuer Offer, if the offer is to become the Successor Issuer for less than all of the NHA MBS mortgage pools for which Maple Bank was the Approved Issuer, then the offer must include a list of the NHA MBS mortgage pools covered by the Successor Issuer Offer. In the case of a Sale Proposal, the offer must include a description of the Maple Assets proposed to be purchased and an allocation of the purchase price amongst those assets.
- (d) **Form and Content.** In the case of a Successor Issuer Offer, the Successor Issuer Offer must be in a form acceptable to CMHC, in order to qualify as a Successor Issuer (the “Successor Issuer Form”) and executed by the Successor Issuer Offeror (each, a “Proposed Successor Issuer Agreement”) together with all exhibits and schedules thereto and such ancillary agreements as may be required by CMHC, in consultation with the Liquidator. Any changes and modifications to the Successor Issuer Form are to be indicated on a blackline to the Successor Issuer Form. In the case of a Sale Proposal, the Sale Proposal must be in the same form as the APA and executed by the Sale Offeror (each, a “Proposed Purchase Agreement”), together with all exhibits and schedules thereto and such ancillary agreements as may be required by the Sale Offeror. Any changes and modifications to the APA shall be indicated on a blackline to the APA including, if applicable, any modifications made to reflect the Maple Assets, or parts thereof, sought to be purchased;
- (e) **Treatment of Contracts.** The Successor Issuer Offer and/or the Sale Proposal must identify, with particularity, the contracts, permits, licenses and/or leases the Successor Issuer Offeror and/or the Sale Offeror wishes to assume and those it wishes to reject and must contain full details of either the Successor Issuer

- Offeror's and/or the Sale Offeror's proposal for the treatment of related cure costs, if applicable;
- (f) **Approvals.** The Successor Issuer Offer and/or the Sale Proposal must outline any anticipated regulatory and other approvals required, in addition to the required approval from CMHC to become the Successor Issuer, in order to close the respective transaction(s) and the anticipated timeframe and any anticipated impediments for obtaining such approvals;
 - (g) **Corporate Authorizations.** The Successor Issuer Offer and/or the Sale Proposal must include evidence, in form and substance reasonably satisfactory to: (a) CMHC and the Liquidator (in the case of a Successor Issuer Offer); and (b) the Liquidator (in the case of a Sale Proposal) the authorization and approval from the Successor Issuer Offeror's and/or Sale Offeror's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the transaction(s) contemplated by the Offers;
 - (h) **Deposit.** The Sale Proposal must be accompanied by a cash deposit equal to ten percent (10%) of the total value of the consideration contemplated by the Offer, to a maximum of \$5 million, (the "Deposit" and collectively, the "Deposits"), and the Deposits shall be paid to the Liquidator in accordance with wire instructions provided by the Liquidator, and shall be held by the Liquidator in accordance with this Marketing Process;
 - (i) **Financial Wherewithal.** The Successor Issuer Offer and/or the Sale Proposal must include evidence satisfactory to CMHC and the Liquidator (in respect of a Successor Issuer Offer) and the Liquidator (in respect of a Sale Proposal) of the respective offeror's financial ability to complete the Successor Issuer Offer and/or the Sale Proposal and close the transaction(s) on a closing date (the "Closing Date");
 - (j) **Closing Date.** The Successor Issuer Offer and/or the Sale Proposal must contain a binding commitment by the Successor Issuer Offeror and/or the Sale Offeror to close on the terms and conditions set forth in the proposed Successor Issuer Agreement, or the Proposed Purchase Agreement, as applicable, as soon as practicable after satisfaction or waiver of all conditions; provided that the Closing Date must take place by no later than August 31, 2016, or such later date as agreed to by CMHC, in consultation with the Liquidator, (in respect of a Successor Issuer Offer) and the Liquidator (in respect of a Sale Proposal) and the respective offeror(s) (the "Outside Termination Date");
 - (k) **Closing Timeline.** The Successor Issuer Offer and/or the Sale Proposal must provide a timeline for the closing of the transaction, which includes critical milestones;
 - (l) **Irrevocable.** The Successor Issuer Offer and/or the Sale Proposal must be accompanied by a letter which confirms that the Offers: (i) may be accepted by CMHC (in respect of a Successor Issuer Offer), and the Liquidator, (in respect of a Sale Offer), by countersigning the Proposed Successor Issuer Agreement, or the

Proposed Purchase Agreement, as may be applicable, and (ii) is irrevocable and capable of acceptance until the earlier of (A) the day on which the Successor Issuer Offeror, or the Sale Offeror is notified that their respective offer is not a Qualified Offer; (B) if a Qualified Successor Issuer Offeror, or a Qualified Sale Offeror; (i) the date on which the CMHC and the Liquidator and the Accepted Successor Issuer Offeror have executed a binding agreement in respect of the transaction for a Successor Issuer; or (ii) the date on which the Liquidator and the Accepted Sale Offeror(s) have executed a binding agreement in respect of the transaction(s) for the Sale Proposal(s);

- (m) No Representations and Warranties. The Successor Issuer Offer and/or the Sale Proposal shall include an "as is, where is" clause substantially on the same terms as the "as is, where is" clause set out in the APA and the Successor Issuer Form;
- (n) Acknowledgment. The Successor Issuer Offer and/or the Sale Proposal shall include an acknowledgment and representation that the Successor Issuer Offeror and the Sale Offeror, as applicable: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Maple Assets to be acquired and liabilities to be assumed in making its offer; and (ii) did not rely upon any written or oral statements, representations, promises, warranties or guarantees whatsoever, whether express or implied (by operation of law or otherwise), regarding the rights and responsibilities of Maple Bank for the NHA MBS and/or the Maple Assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, except as expressly stated in the Proposed Successor Issuer Agreement, or the Proposed Purchase Agreement, as applicable;
- (o) Contingencies. The Successor Issuer Offer and/or the Sale Proposal shall not be conditional on obtaining financing or any internal approval or on the outcome or review of due diligence;
- (p) No Fees Payable to Offeror. The Successor Issuer Offer and/or the Sale Proposal shall not request or entitle the Successor Issuer Offeror and/or the Sale Offeror to any break-up fee, expense reimbursement, termination or similar type of fee or payment. Further, by submitting a Successor Issuer Offer and/or a Sale Proposal, a Successor Issuer Offeror and a Sale Offeror shall be deemed to irrevocably waive any right to pursue a claim in any way related to this Marketing Process; and
- (q) Other Information. Successor Issuer Offer and/or the Sale Proposal shall contain such other information reasonably requested by CMHC, or the Liquidator, as may be applicable.

Any such conditions may be waived, in whole or in part, by the Liquidator and CMHC, acting jointly.

46. Each Successor Issuer Offeror and Sale Offeror shall comply with all reasonable requests for additional information by CMHC or the Liquidator regarding each corresponding offer and its contemplated transaction. Failure by a Successor Issuer Offeror and/or a

Sale Offeror to comply with requests for additional information will be a basis for CMHC, in consultation with the Liquidator (in respect of a Successor Issuer Offer) and the Liquidator (in respect of a Sale Proposal), to determine that the applicable offeror is not a Qualified Successor Issuer Offeror, or Qualified Sale Offeror.

47. CMHC and the Liquidator may discuss, negotiate or seek clarification of any Successor Issuer Offer and/or the Sale Proposal. A Successor Issuer Offeror and/or a Sale Offeror may not modify, amend or withdraw their respective offers without the written consent of CMHC, in consultation with the Liquidator, (with respect to a Successor Issuer Offer) and the Liquidator (with respect to a Sale Proposal). Any such modification, amendment or withdrawal of an offer by an offeror without the written consent of CMHC and the Liquidator, as applicable, shall result in a forfeiture of such offeror's Deposit as liquidated damages and not as a penalty.

MARKETING PROCESS – PHASE 3

48. If one or more Qualified Successor Issuer Offers, or Qualified Sale Offers are received in accordance with this Marketing Process, in the case of a Qualified Successor Issuer Offer, CMHC, in consultation with the Liquidator, may choose to:
- (a) accept one or more than one non-overlapping Qualified Successor Issuer Offer(s) (the "Accepted Successor Issuer Offer(s)" and the party, or parties submitting the Accepted Successor Issuer Offer(s) (the "Accepted Successor Issuer Offeror(s)") shall proceed to finalize and complete an agreement for the Accepted Successor Issuer Offer(s) with the Qualified Successor Issuer Offeror(s); or,
 - (b) continue negotiations with a selected number of Qualified Successor Issuer Offerors with a view to finalizing an agreement with one, or more Qualified Successor Issuer Offeror(s), such that such Qualified Successor Issuer Offeror(s) becomes the Accepted Successor Issuer Offeror(s).

In the case of a Qualified Sale Offer, the Liquidator may choose to:

- (c) accept one Qualified Sale Offer, or multiple sets of non-overlapping Qualified Sale Offers with respect to the Maple Assets (the "Accepted Sale Offer(s), and the party or parties submitting such Accepted Sale Offer(s), the "Accepted Sale Offeror(s)") and take such steps as are necessary to finalize and complete an agreement for the Accepted Sale Offer(s) with the selected Qualified Sale Offeror(s); or,
 - (d) continue negotiations with a selected number of Qualified Sale Offerors with a view to finalizing an agreement with one, or more Qualified Sale Offeror(s) such that such Qualified Sale Offeror(s) becomes the Accepted Sale Offeror(s).
49. Evaluation criteria for the Accepted Successor Issuer Offer(s) and/or Accepted Sale Offer(s) may include, but are not limited to, the factors listed in the section above regarding the "Assessment of Qualified LOIs and Continuation or Termination of

Solicitation Process” (except such factors will be applied to an evaluation of the Qualified Offers, as opposed to the Qualified LOIs).

OTHER TERMS

CMHC’s and the Liquidator’ Reservation of Rights

50. In addition to the other reservation of rights set out herein, in respect of a Successor Issuer Offer, CMHC, in consultation with the Liquidator, shall have the right in its discretion to: (a) waive strict compliance with any one or more of the LOI Requirements or Offer Requirements, as specified herein, and deem such non-compliant LOIs to be Qualified LOIs or non-compliant Successor Issuer Offers to be Qualified Successor Issuer Offers, as the case may be, provided that such non-compliance is not material in nature; (b) reject any or all LOIs or Successor Issuer Offers if, in CMHC’s opinion, in consultation with the Liquidator, no LOI or Successor Issuer Offer complies with the minimum requirements or for any other reasons; (c) adopt such ancillary and procedural rules not otherwise set out herein (including rules that may depart from those set forth herein) that in the CMHC’s opinion, in consultation with the Liquidator, will better promote the goal of finding a Successor Issuer(s); and/or (d) truncate or terminate this Marketing Process with regard to identifying a Successor Issuer(s), after consultation with the Liquidator, at any point in time.
51. In addition to the other reservation of rights set out herein, in respect of a Sale Proposal, the Liquidator shall have the right in its discretion to: (a) waive strict compliance with any one or more of the LOI Requirements or Offer Requirements, as specified herein, and deem such non-compliant LOIs to be Qualified LOIs or non-compliant Sale Proposals to be Qualified Sale Offers, as the case may be, provided that such non-compliance is not material in nature; (b) reject any or all LOIs, or Sale Proposals if, in the Liquidator’s judgement, no LOI or Sale Proposal complies with the minimum requirements or for any other reasons; (c) adopt such ancillary and procedural rules not otherwise set out herein (including rules that may depart from those set forth herein) that in the Liquidator’s judgement, will better promote the goal of this Marketing Process; and/or (d) truncate or terminate this Marketing Process, after consultation with CMHC, at any point in time.
52. To the extent that any notice of changes to this Marketing Process or related dates, times, or locations is required or otherwise appropriate, the Liquidator may publish such notice on the Liquidator’s public website and such notice shall be deemed satisfactory, subject to any other notice requirements specifically set forth herein, or as required by the Court.

Discussions with Third Party Stakeholders

53. If it is determined by CMHC, in consultation with the Liquidator, in respect of a Successor Issuer Offer, that it would be worthwhile to facilitate a discussion between a prospective Successor Issuer Offeror, or a Qualified Successor Issuer Offerer, as applicable, and a stakeholder (including any originators or servicers to Maple Bank’s MBS business), or other third party (such as a governmental or regulatory authority) as a consequence of a condition to a potential transaction or potential closing condition identified by such prospective Successor Issuer Offeror, or Qualified Successor Issuer Offerer, CMHC may provide such prospective Successor Issuer Offeror, or Qualified

Successor Issuer Offeror, with the opportunity to meet with the relevant stakeholder or third party to discuss such condition or potential condition, with a view to enabling such prospective Successor Issuer Offeror, or Qualified Successor Issuer Offeror, to seek to satisfy the condition or assess whether the condition is not required or can be waived. Any such meetings or other form of communication will take place on terms and conditions considered appropriate by CMHC, in consultation with the Liquidator.

54. If it is determined by the Liquidator, in respect of a Sale Proposal, that it would be worthwhile to facilitate a discussion between a prospective Sale Offeror or a Qualified Sale Offeror, as applicable, and a stakeholder (including any originators or servicers to Maple Bank's MBS business), or other third party (such as a governmental or regulatory authority) as a consequence of a condition to a potential transaction or potential closing condition identified by such prospective Sale Offeror, or Qualified Sale Offeror, the Liquidator may provide such prospective Sale Offeror, or Qualified Sale Offeror with the opportunity to meet with the relevant stakeholder or third party to discuss such condition or potential condition, with a view to enabling such prospective Sale Offeror, or Qualified Sale Offeror to seek to satisfy the condition or assess whether the condition is not required or can be waived. Any such meetings or other form of communication will take place on terms and conditions considered appropriate by the Liquidator.

Authorization/Approval Motion

The Liquidator may apply to the Court for an order approving the Accepted Sale Offer(s) of the sale of the applicable Maple Assets to the Accepted Sale Offeror(s) free and clear of all liens and encumbrances, other than those liens and encumbrances expressly to be assumed by the Accepted Sale Offeror(s) (the "Authorization/Approval Motion"). The Authorization/Approval Motion may be scheduled with the Court as soon as possible thereafter at 330 University Avenue, Toronto, Ontario before Regional Senior Justice Morawetz. The Authorization/Approval Motion may be adjourned, or re-scheduled by the Liquidator, after consulting with CMHC, without further notice, but by an announcement of the adjourned date at the Authorization/ Approval Motion. Notwithstanding the foregoing, in the event that there is more than one Accepted Sale Offer, the Liquidator, reserves the right to impose a condition in each Accepted Sale Offer that the Authorization/Approval Sale Motion for such Accepted Sale Offer be heard on the same day as any other Authorization/Approval Motion(s).

Consent to Jurisdiction as Condition to make an Offer

55. All prospective Successor Issuer Offerors, prospective Sale Offerors and all Qualified Offerors shall be deemed to have consented to the exclusive jurisdiction of the Court with respect to any disputes relating to this Marketing Process and the construction and enforcement of the relevant transaction documents, as applicable.

Marketing Process Participant Fees

56. Participants in the Marketing Process are responsible for all costs, expenses and liabilities incurred by them for any reason whatsoever, including, but not limited to, in connection with the submission of any LOI, Successor Issuer Offer, Sale Proposal, due diligence

activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction.

Closing the Successful Offer(s)

57. In respect of the Accepted Successor Issuer Offer(s), CMHC, in consultation with the Liquidator and the Accepted Successor Issuer Offeror(s), will take all reasonable steps to complete the transaction contemplated by the Accepted Successor Issuer Offer(s), as soon as possible.
58. In respect of the Accepted Sale Offer(s), the Liquidator and the Accepted Sale Offeror(s) will take all reasonable steps to complete the transaction contemplated by the Accepted Sale Offer(s) as soon as possible after the Accepted Sale Offer(s) is approved by the Court.
59. If the transaction(s) contemplated by the Accepted Successor Issuer Offer(s) and the Accepted Sale Offer(s) has/have not closed by the Outside Termination Date, or such Accepted Successor Issuer Offer(s) and/or Accepted Sale Offer(s) is/are terminated for any reason prior to the Outside Termination Date, then this Marketing Process shall be terminated with respect to either the process to find a Successor Issuer and/or the process to sell the Maple Assets, as applicable.

Return of Deposit

60. All Deposits shall be held by the Liquidator in an interest-bearing account until returned to the applicable offeror or otherwise dealt with in accordance with this Marketing Process. Deposits of all offerors who are determined not to be a Qualified Offeror shall be returned to such offeror ten (10) business days after the day on which the offeror is notified that it is not a Qualified Offeror. Deposits of all Qualified Offerors, other than the Accepted Sale Offeror(s), shall be returned to such Qualified Offerors ten (10) business days after the day on which the Liquidator and the Accepted Sale Offeror(s) have executed a binding agreement in respect of the transaction(s) for the Sale Proposal(s).
61. The Deposit with respect to the Accepted Sale Offeror(s) shall be applied to the purchase price of the applicable transaction(s) at closing. If the Accepted Sale Offer(s) fail(s) to close by the Outside Termination Date because of a breach or failure to perform on the part of the Accepted Sale Offeror(s), the Liquidator shall be entitled to retain the Deposit of the applicable Accepted Sale Offeror(s) as part of the liquidated damages resulting from the breach or failure to perform by the applicable Accepted Sale Offeror(s) (and not as a penalty). The Deposit of the Accepted Sale Offeror(s) shall otherwise be returned to the Accepted Sale Offeror(s) in accordance with the terms of the Accepted Sale Offer(s).

No Amendment

62. There will be no amendments to this Marketing Process without the written consent of CMHC and the Liquidator, each acting reasonably, or, in the absence of consent, the approval of the Court. This Marketing Process does not, and will not, be interpreted to create any contractual or other legal relationship between CMHC, the Liquidator, and any

prospective Successor Issuer Offeror, prospective Sale Offeror, Successor Issuer Offeror, or a Sale Offeror. At any time during the implementation of this Marketing Process, and subject to the terms of the MOU, CMHC and the Liquidator may apply to the Court for advice and directions with respect to the implementation of this Marketing Process, and in the case of the Liquidator, in respect of the discharge of its powers and duties hereunder.

No Acceptance Obligation

63. In the case of a Successor Issuer Offer, CMHC shall be under no obligation to accept the highest Qualified LOI and/or the highest Qualified Successor Issuer Offer, or any Qualified LOI and/or Qualified Successor Issuer Offer, and reserves the right to reject, after consulting with the Liquidator, any or all Qualified LOIs and/or Qualified Successor Issuer Offers. The selection of the Accepted Successor Issuer Offer(s) shall be in the sole discretion of CMHC, after consulting with the Liquidator.
64. In the case of a Sale Offer, the Liquidator, shall be under no obligation to accept the highest Qualified LOI and/or the highest Qualified Sale Offer, or any Qualified LOI and/or Qualified Sale Offer, and reserves the right to reject any or all Qualified LOIs and/or Qualified Sale Offers. The selection of the Accepted Sale Offer(s) shall be in the sole discretion of the Liquidator.

Summary of Key Dates

65. The following chart summarizes the key dates provided for in this Marketing Process, which dates are subject to extension, or modification, with agreement of both the Liquidator and CMHC.

Phase 1 Commencement Date / Teaser Letters sent to Prospect List	April 13, 2016
Phase 1 LOI Deadline	May 6, 2016
Phase 2 Commencement Date / APA posted to Due Diligence Access site	May 18, 2016
Phase 2 Offer Deadline	June 17, 2016
Outside Termination Date	August 31, 2016

**Maple Bank GmbH – Toronto Branch
Marketing Process
List of Maple Assets**

- Approximately \$117 million of NHA MBS certificates (subject to payment of the guarantee fee to CMHC, as required under the NHA MBS Guide);
- Approximately \$35 million of CMHC insured mortgages that have not yet been pooled;
- The mortgage origination agreements that Toronto Branch had in place as at the winding-up date;
- The mortgage servicing agreements that Toronto Branch had in place as at the winding-up date;
- The Toronto Branch mortgage aggregation processes, policies and business;
- A credit facility, in the amount of approximately \$39 million, secured by insured mortgages; and
- Approximately \$233 million of bonds associated with the Federal Immigrant Investor Program and the Quebec Immigrant Investor Program.

IN THE MATTER OF MAPLE BANK GmbH
AND IN THE MATTER OF THE WINDING-UP AND RESTRUCTURING ACT, R.S.C. 1985, C.W-11, AS
AMENDED
AND IN THE MATTER OF THE BANK ACT, S.C. 1991, C.46, AS AMENDED

Court File No. CV-16-11290-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT
TORONTO

ORDER

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