



Grant Thornton

March 9, 2018

Triple Five Group of Companies  
#3000, 8882 – 170 Street  
Edmonton, Alberta  
T5T 4M2

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RIVERHEAD  
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Dear Sir:

Thank you for selecting Grant Thornton LLP to perform certain procedures relating to the confirmation of a minimum of \$40,000,000 available cash balances for the Triple Five Group of Companies (“the Group”, or “Companies”) and certain related entities as at March 9, 2018. The purpose of this letter is to confirm our mutual understanding of the terms of our engagement, and the nature and limitations of the services we will provide. Our engagement will be conducted in accordance with Canadian generally accepted standards for reports on the results of applying specified auditing procedures to financial information other than financial statements which we will indicate in our report.

We have agreed to perform the following procedures specified by you and to report to you the findings resulting from our work:

	<b>Procedure</b>
1	Obtained a list of cash and investment accounts (the “listing”) from management of the Group that shows a minimum total fair value of cash and equity investments of \$40,000,000 US. Footed the listing.
2	Recalculated any Canadian cash balances included in the listing to USD equivalent cash balances using an exchange rate of \$1.2927 CAD to \$1 USD.
3	Agreed the CAD or USD cash balances included in the listing to printouts of the related cash or investment statements as at March 9, 2018.
4	For one investment account included on the listing, recalculated the market value of available equity investments included in the listing by multiplying the stock price per Yahoo Finance as of March 9, 2018 obtained online by the number of shares per the online investment statement dated March 9, 2018.
5	For one investment account included in the listing, agreed the available USD equity balance to a printout of an investment statement noting total USD equity available in the account at March 9, 2018.
6	Obtained representations from management that accounts noted on the listing are held by the Group, or related individuals or entities to the Triple Five Group of Companies.



	<b>Procedure</b>
7	Obtained representations from management that the accounts noted on this listing have no restrictions on the use of cash including any pledges of the accounts.

In agreeing to perform the above procedures, we have made no attempt to assess their sufficiency and appropriateness for your purposes, as such an assessment is your responsibility.

Our report will:

- a specifically identify the financial information to which the procedures were applied;
- b specify the procedures performed;
- c state only the factual results of those procedures and not express any form of assurance;
- d state that an audit has not been performed on the financial information and disclaim an opinion thereon;
- e indicate restrictions, if any, on distribution of the report; and
- f disclose the name of the firm, date of the report, the place of issue

The procedures we will perform will not constitute an audit or review engagement and, accordingly, we will not express an opinion or provide assurance in our report. We look forward to full co-operation with your staff, and we trust that they will make available to us whatever records, documentation and other information we request in connection with our engagement.

**Fees**

Fees are based on the time required by the individuals assigned to perform the Services defined herein. Individual hourly rates vary according to the degree of responsibility involved and experience and skill required.

Any fee estimates by Grant Thornton take into account i) the agreed-upon level of preparation and assistance from your personnel; and ii) the hourly rates for our professionals that will be providing the Services. Grant Thornton undertakes to advise the Group’s management on a timely basis should this preparation and assistance not be provided or should any other circumstances arise which cause actual time to exceed that estimate.

**Other services**

Any additional services that the Group may request and we agree to provide will be covered by a separate written engagement letter.

**Group consent to production**

The Group hereby acknowledges that we may from time to time receive requests or orders from professional (provincial institutes) or other regulatory or governmental authorities



(including the Canada Revenue Agency) to provide them with information and copies of documents in our files including working papers and other work-product relating to the Group's affairs. The Group consents to us providing or producing, as applicable, these documents and information without further reference to, or authority from, you.

When a regulatory authority requests access to our working papers and other work-product relating to the Group's affairs, we will, on a reasonable efforts basis, refuse access to any document over which the Group has expressly informed us at the time of delivery that the Group asserts privilege, except where disclosure of documents is required by law or requested by a provincial Institute/Order of Canadian Chartered Professional Accountants pursuant to its statutory authority. The Group must mark any document over which it asserts privilege as privileged and inform us of the grounds for the Group's assertion of privilege (such as whether it claims solicitor-client privilege or litigation privilege).

We may also be required to provide information relating to the fees that we collect from the Group for the provision of services, other accounting services and non-audit services, and the Group consents to the disclosure of that information as may be required by the regulatory authority.

The Group agrees to reimburse us, upon request, at our standard billing rates for our professional time and expenses, including reasonable legal fees, incurred in dealing with the matters described above.

#### **Release and indemnification**

You agree to release, indemnify and hold harmless Grant Thornton, its affiliates and their respective directors, officers, partners, principals, employees, consultants and contractors from any and all claims, liabilities, costs and expenses (including any and all legal expenses incurred by Grant Thornton) arising out of or based upon: (a) any misstatement or omission in any material, information or representation supplied or approved by you; or (b) any other matter related to or arising out of this Engagement, except to the extent finally determined to have resulted from the negligence, willful misconduct or fraudulent behaviour of Grant Thornton.

#### **Limitation of liability**

In any action, claim, loss or damage arising out of the Engagement, you agree that Grant Thornton's liability will be several, and not joint and several and you may only claim payment from Grant Thornton of its' proportionate share of the total liability based on degree of fault as finally determined. Any action against us must be commenced on or before the date which is the earlier of i) eighteen months from the completion of the Services; and ii) the date by which an action must be commenced under any applicable legislation other than limitation legislation.

The total liability assumed by Grant Thornton for any claim, loss or damage arising out of or in connection with the Engagement, regardless of the form of action, claim, loss or damage be it tort, contract or otherwise, shall in no event exceed the aggregate of the professional fees paid to Grant Thornton for that portion of the Services that has given rise to the claim. In addition,



Grant Thornton shall not under any circumstances be liable for any special, indirect or consequential damages, including without limitation, lost profit or revenue, or similar damages.

**Standard terms and conditions**

This letter and our standard terms and conditions attached as Schedule A, shall form the basis of the Engagement.

**Survival of terms**

This engagement letter will continue in force for subsequent audits unless terminated by either party by written notice prior to the commencement of the subsequent audit.

**Acceptance of engagement letter**

Please sign and return this engagement letter to indicate that it is in accordance with your understanding of the terms of this engagement, including the specific procedures that we have agreed will be performed.

We are proud to serve you and we appreciate your confidence in our work.

Yours sincerely,

*Grant Thornton LLP*

Patti Walsh, CPA, CA  
Partner\*

\*A partner through Patricia Walsh Professional Corporation

The services and terms as set forth in this letter are agreed to.

**Triple Five Group of Companies**

By:

  
\_\_\_\_\_  
(Name)

Authorized Signatory  
\_\_\_\_\_  
(Title)

March 11, 2018  
\_\_\_\_\_  
(Date)



## Schedule A

### Terms and conditions

Except as otherwise specifically stated in the Engagement, the following general terms and conditions apply to and shall form part of the Engagement.

**Responsibilities** – Grant Thornton shall use all reasonable efforts to complete the Services within the time-frame, if any, stipulated in the Engagement. Grant Thornton shall not be liable for failures or delays in performance of the Services that arise from causes beyond its control, including the untimely performance by the Group of the Group's obligations and responsibilities as set out in the Engagement.

**Information and announcements** - The Group shall cause to be provided or provide Grant Thornton with all material information in its possession or control or to which it has access and such other information as Grant Thornton deems relevant for the purposes of completing the Services contemplated by the Engagement. The Group shall also provide, where applicable, access to its directors, officers or professional advisers as required by Grant Thornton in order for it to complete the Services. The Group undertakes that if anything occurs after the supply of any such information or documents which would render same inaccurate, untrue, unfair or misleading it will promptly notify Grant Thornton and shall take all such steps as Grant Thornton may require to correct such information or documents.

Unless otherwise contemplated or permitted by the Engagement, any advice, reports (including the audit report), compiled or reviewed financial statements, information or opinions, whether written or oral, rendered or provided by Grant Thornton to the Group (and/or its affiliates) ("Deliverables"), or any communications between Grant Thornton and the Group (and/or its affiliates) in connection with the Engagement may not be disclosed to any third party without the prior written consent of Grant Thornton with the exception of, any applicable taxing authorities. Any Deliverables shall be solely for the benefit of the Group and not for the benefit of any third party and may be relied upon only for the purpose for which the Deliverable is intended as contemplated and/or defined within the Engagement. Grant Thornton recognizes no responsibility whatsoever, other than that owed to the Group as at the date on which the Deliverable is given to the Group by Grant Thornton, for any unauthorized use of or reliance on any Deliverables.

**Independent contractor** – Grant Thornton shall provide all services as an independent contractor and nothing in this Engagement shall be construed as to create a partnership, joint venture or other similar relationship with the Group or any other party. Neither the Group nor Grant Thornton shall have the right, power or authority to obligate or bind the other in any manner.

**Subcontracting** – The Group agrees that Grant Thornton may authorize, allow or require its affiliates and contractors to assist in the performance of the Services and to share in Grant Thornton's rights under the Engagement, including any protections available hereunder, provided that such party(ies) shall commit (as applicable) to be bound by the obligations set forth in the Engagement.

**Grant Thornton International Ltd** - Grant Thornton is a Canadian member of Grant Thornton International Ltd., a global organization of member firms in over 100 countries. Member firms are not members of one international partnership or otherwise legal partners with each other. There is no common ownership, control, governance, or agency relationship between member firms.

**Assisting firms** – Unless otherwise stipulated within the Engagement, this Engagement is with Grant Thornton. In the course of providing the Services, we may at our sole discretion, draw upon the resources of or subcontract a portion of the Services to another entity (including a partnership) which may carry on business under the name which may include within its name "Grant Thornton" or be another member firm of the worldwide network of Grant Thornton International Ltd. member firms (hereinafter "GT Affiliates").

Unless a GT Affiliate is contracted by you to provide any of the Services which are subject to this Engagement, the provision of those Services remain the responsibility of Grant Thornton and the Group agrees that it will not bring any claim, whether in contract, tort (including negligence) or otherwise against any GT Affiliate in respect of this Engagement or the Services defined herein. In these circumstances, any GT Affiliate that deals with you for the purpose of completing the Services does so on behalf of Grant Thornton. The provisions of this clause have been stipulated for the benefit of GT Affiliates. GT Affiliates will have the right to rely on this clause as if they were parties to the Engagement and will have the right (subject to the discretion of the courts) to a stay in proceedings if you bring any claim against any GT Affiliates in breach of this clause.

**Non-solicitation** – In addition to any further non-solicitation rights as may be defined within the Engagement, the Group agrees that it shall not solicit for employment or hire any of the partners, principals, employees or consultants of Grant Thornton or GT Affiliates who are involved in the performance of the Services during the term of the Engagement and for a period of twelve (12) months thereafter, without our express written consent.

**Confidentiality** – Subject to any further rights of disclosure so defined within the Engagement, all information which Grant Thornton receives from the Group or the Group's directors, officers, agents, advisors or counsel in connection with the performance of the Services and which is for the time being confidential ("Confidential Information"), will be held in strict confidence, provided that Grant Thornton shall be free to, without the requirement to seek any further consent or authorization from the Group, make disclosures (a) as a result of any applicable law, court or other order binding upon it, under the laws of, or pursuant to any governmental action (including requests and orders), regulatory requirement, or professional standard obligations (including disclosure to a provincial institute of Canadian chartered professional accountants); (b) make disclosures of such information to any professional advisers, consultants and/or contractors, including GT Affiliates it may consult in connection with the Engagement and the performance of the Services; (c) to other GT Affiliates for the sole and express purpose of adhering to Grant Thornton



International Ltd annual compliance review and (d) make disclosures with the Group's consent.

Notwithstanding anything to the contrary contained within the Engagement, Grant Thornton shall not be obligated to treat as confidential, or otherwise be subject to any restrictions on use, disclosure or treatment as contained within the Engagement, of any information disclosed by the Group which, (i) is rightfully known by Grant Thornton on a non-confidential basis prior to its disclosure by the Group; (ii) is independently developed by Grant Thornton without reference to or use of the Group's Confidential Information; (iii) is or later becomes publicly available without violation of the Engagement; or (iv) is lawfully obtained by Grant Thornton from another party.

**Working papers/reports** – The advice or opinions of Grant Thornton, including all materials, reports, information, data, and work created, developed or performed by Grant Thornton during the course of the Engagement (“the Grant Thornton Materials”) shall belong to Grant Thornton, with the exception of final tax returns (if applicable), original contracts, other documents of title held to the Group's order and any documents the return of which the Group has stipulated, on or prior to their release to Grant Thornton (the “Group Materials”). Notwithstanding the foregoing, Grant Thornton may retain a copy of any or all of the Group Materials (including Confidential Information) as required by Grant Thornton, in its sole discretion, to meet any obligations imposed by professional standards.

**Conflict of interest** – Grant Thornton, its associated entities and GT Affiliates are involved in a wide range of financial advisory activities out of which conflicting interests or duties may arise. Within Grant Thornton, its associated entities and GT Affiliates, practices and procedures are maintained to restrict the flow of information and thereby manage or assist in managing such conflicts in a proper manner. Nothing within this Engagement will be interpreted to preclude Grant Thornton, its associated entities or GT Affiliates from engaging in any transaction or representing any other party at any time or in any capacity, provided that Grant Thornton shall not, knowingly provide services to another party under circumstances which would place Grant Thornton in a direct conflict of interest during the term of the Engagement without the Group's prior written consent. In the event Grant Thornton becomes conflicted, as determined in its discretion, Grant Thornton shall be permitted, but not obligated to, terminate this Engagement without any additional liability to the Group, upon fourteen (14) days prior written notice.

**Independence** – In the event the Group is (i) an entity that is registered with the United States Securities and Exchange Commission; or (ii) an affiliate of a registrant, and a provision(s) contained within the Engagement would be prohibited by, or impair the independence of, any member firm of Grant Thornton International Ltd (“Grant Thornton International”) under any law or regulation applying to the Client, such provision(s) shall not apply to the Engagement to the extent that is necessary to avoid the prohibition against or impairment of the referenced independence of the respective Grant Thornton International member firm.

**Access to and disclosure of information** – Grant Thornton is committed to the protection of personal information. During the course of planning, performing and reporting the result of the Services or as otherwise

permitted under this Engagement, Grant Thornton, its employees, partners, contractors, consultants, and GT Affiliates may need to obtain, use and disclose Group information (including Confidential Information and personal information) in the possession of, or under the control of the Group. The Group acknowledges this potential use and/or disclosure and agrees that it is responsible for obtaining, where required under applicable law or regulation, a court order or consent from any party (including third parties) in order to permit Grant Thornton, its employees, partners, contractors, consultants, and/or GT Affiliates, to access, obtain, use and/or disclose Group information (including Confidential Information and personal information) accessed by us or provided to us by the Group or a party authorized by the Group for the purposes of completing the Services, other disclosure so defined within the Engagement or for those additional purposes as more fully explained within Grant Thornton's privacy policy, as it may be amended from time to time and available at [www.grantthornton.ca](http://www.grantthornton.ca).

**Electronic communication** – Grant Thornton and the Group may need to electronically transmit confidential information to each other and to other entities engaged by either party during the Engagement. Electronic methods include, but are not limited to, telephones, cellular telephones, external hard drives, electronic mail and facsimiles. These technologies provide for a fast and convenient way to communicate. However, all forms of communications have inherent security weaknesses and the risks of compromised confidentiality cannot be eliminated. Notwithstanding the inherent risks, the Group agrees to the use of such electronic methods to transmit and receive information (including confidential information), between Grant Thornton and the Group and between Grant Thornton and outside specialists, contractors or other entities engaged by either Grant Thornton or the Group. The Group further agrees that Grant Thornton shall not be liable for any loss, damage, expense, inconvenience or harm resulting from the loss, delay, interception, corruption or alteration of any electronic communication due to any reason whatsoever.

The Group also agrees that Grant Thornton professionals shall be authorized to connect their computers to the Group's IT network, subject to any specific restrictions the Group provides to Grant Thornton. Connecting to the Group's IT network or the internet via this network, while at the Group's premises, will be primarily for the purpose of conducting normal business activities, and those relating to the completion of the Services.

**Expenses** – If applicable, the Group will reimburse Grant Thornton for all reasonable out-of-pocket expenses incurred by Grant Thornton in entering into and performing the Services, whether or not it is completed, including but not limited to, travel, telecommunications costs, fees and disbursements of other professional advisers, and other disbursements customary in engagements of this nature. Normal administrative expenses are charged on the basis of a percentage of professional costs. The administrative fee is equal to 7% of the total professional fees invoiced during the Engagement. All other out-of-pocket expenses will be charged at cost as incurred by Grant Thornton.

**Taxes** – All fees and other charges payable to Grant Thornton do not include any applicable federal, provincial, or other goods and services tax or sales tax, or any other taxes or duties whether presently in force or imposed in the



future. All sums payable to Grant Thornton hereunder shall be paid in full without withholding or deduction.

**Billing** – All invoices issued by Grant Thornton hereunder are due within 30 days of the invoice date. Interest will be charged on all overdue accounts at a rate of 1.5% per month (18% per annum) until paid. Fees paid or payable to Grant Thornton under this Engagement are non-refundable and shall not be subject to set-off. Unless otherwise directed by Grant Thornton, all fees, expenses and other sums will be billed and payable in Canadian Dollars.

**Termination** – Either the Group or Grant Thornton may terminate the Engagement upon fourteen (14) days prior written notice to the other party. In addition to the foregoing, Grant Thornton may also terminate the Engagement in the event of a breach of any term of the Engagement by the Group which is not cured by the Group within ten (10) days of receipt of written notice as to the breach. Upon termination for any reason, the parties shall return each other's confidential information, except that Grant Thornton may retain one copy for its working papers and one copy of the Group Materials even if same may contain confidential information of the Group. In addition to its rights of termination provided herein and notwithstanding anything to the contrary in the Engagement, Grant Thornton shall also have the right upon five (5) days prior written notice to the Group to (i) suspend or terminate its Services in the event the Group fails to pay Grant Thornton any amount due to it under the terms of the Engagement; or (ii) terminate its Services in the event Grant Thornton discovers any information which Grant Thornton determines, in its sole discretion, may affect its reputation, integrity, or independence. In the event of termination, the Group agrees to compensate Grant Thornton for all time expended and costs incurred up to and including the date of termination.

In the event neither the Group or Grant Thornton exercise any of their respective rights regarding termination of the Engagement, the Engagement will continue in full force and effect for the year ending noted within the Engagement and until such time as the Engagement is superseded or replaced by another Engagement.

**Severability** – Each provision of this Engagement is severable and if any provision (in whole or in part) is or becomes invalid or unenforceable or contravenes any applicable regulations or laws, the remaining provisions and the remainder of the affected provision (if any) will not be affected.

**Assignment** – No assignment shall be made by either party of their respective obligations under this Engagement without the prior written consent of the other party.

**Publication** – Unless otherwise permitted by the engagement, under no circumstances without the express prior written consent of Grant Thornton, shall the Group disclose, release, use, make reference to, or quote Grant Thornton's name, logo or any Deliverable (whether written or verbal) within any press release, press conference, website update, media release or any other form of public disclosure ("Disclosure Document") other than for litigation purposes, but only to the extent and in the manner that such use is contemplated by the Engagement. In the event the Group wishes to seek Grant Thornton's consent as required by the Engagement, the Group shall provide to Grant Thornton a copy of such Disclosure Document for prior approval, which approval may be unreasonably withheld.

**Group representations, warranties and covenants** - The Group represents, warrants and covenants to Grant Thornton that:

- a. the execution, delivery and performance of the Engagement has been duly authorized and does not conflict with or violate any contractual, statutory, common law, legal, regulatory or other obligation by which the Group is bound; and
- b. the Engagement is the legal, valid and binding obligation of the Group, enforceable in accordance with its terms.

**Grant Thornton representations, warranties and covenants** - Grant Thornton represents, warrant and covenants to the Group that Grant Thornton will provide the Services described within the Engagement in a professional and competent manner. Grant Thornton makes no other representation or warranties and explicitly disclaims all other warranties and representations whether expressed or implied by law, usage of trade, course of dealing or otherwise.

**Surviving provisions** – The Group's obligations in respect of confidentiality, payment of fees and expenses, limitation of liability and Release and Indemnification as outlined within the Engagement shall survive termination of the Engagement.

**Governing law and forum** – The Engagement, including these terms and conditions shall be governed by and construed in accordance with the laws of the Province in which the Engagement was signed by Grant Thornton.

**Other matters** – The failure of either party to insist on strict performance of the Engagement, or to exercise any option herein, shall not act as a waiver of any right, promise or option, but the same shall be in full force and effect. No waiver of any term or provision or of any breach or default shall be valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any other term or provision or any subsequent breach or default of the same or similar nature.

**Complete agreement** - This Engagement, including these terms and conditions and any schedules, sets forth the entire understanding of the parties relating to the subject matter hereof and supersedes and cancels any prior communications, understandings, and agreements between the parties. This Engagement may not be amended or modified except in writing between the parties and shall inure to the benefit of and be binding upon the parties and their respective successors.