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Don Taylor  
Town of Markham  
Markham Civic Centre  
101 Town Centre Boulevard,  
Markham, Ontario  
L3R 9W3

June 20, 2011

Dear Mr. Taylor:

**Assisting the Town of Markham with a Request for Information (“RFI”) for the MISTA Project**

The following provides an overview of how KPMG LLP (“KPMG”) will be engaged to assist the Town of Markham (“Markham”) with an RFI relating to the Markham International Sports Training Academy (“MISTA” or “the project”).

**A. Background**

Markham is seeking to gain information from the potential bidding community relating to commercial considerations as it relates to the construction and operation of a world class sports training facility, MISTA. In this context, Markham is seeking assistance in undertaking an RFI.

**B. Scope of Work and Methodology**

*Step 1. Develop a process document for the RFI and the RFI document*

KPMG will develop a process document to facilitate the RFI process and also develop the RFI document for issuance to the market, which will include the project background and a pre-established list of several questions. These questions will be based on our experience, having undertaken previous market soundings, and from discussions with Markham to understand the key information areas that are relevant. In development of these documents KPMG expects to develop an initial draft, attend a meeting with Markham and finalize the documents. We expect this step to take 2 weeks from commencement of this work.

*Step 2. Identify potential RFI respondents*

KPMG will use its knowledge of the marketplace to identify potential RFI respondents and contact them to assist in generating responses to the RFI. This will include creating a list of firms that should be contacted, in dialogue with Markham, and undertaking a series of telephone calls providing these firms with a context to the potential project and the RFI process that is to be undertaken. We expect to undertake these calls, the week prior to the RFI being released to the market.

*Step 3. RFI in the market*

Upon finalization of the document, it is anticipated that Markham will issue the RFI as a public RFI through its Supplies and Services department. KPMG will not be part of the process while the RFI is 'in the market'.

*Step 4. Review and collate the responses from the market*

Upon close of the RFI, Markham will make available all responses received to KPMG for review and collation. KPMG will prepare a report (MS Word) which we anticipate will include: purpose of the RFI; list of firms responded; list of questions asked; a synopsis of the findings; and an Appendix detailing the responses. In development of this report KPMG expects to develop an initial draft, attend a meeting with Markham and finalize the document. We expect this step to take 2 weeks from the RFI responses being made available to KPMG.

*Step 5. Provide a series of recommendations and next steps*

In addition to the report noted in Step 4, KPMG will prepare a brief summary (MS PowerPoint) of the recommendations for the project based on the information received from the RFI and identify key next steps for Markham prior to undertaking a procurement of the project. These key next steps will include identifying from a high-level the processes for Markham to: finalize the project scope; undertaking the procurement; establishing its project team and 'go-to market' strategy. Our work will also include one presentation to Markham senior staff.

Following the completion of the above scope of work by KPMG and dependant on the decision received from PPP Canada relating to whether Markham has been invited to submit a business case, the following two timelines may be applicable. Appendix A indicates the timeline should Markham decide to pursue the MISTA with PPP Canada support and Appendix B indicates a timeline without

PPP Canada support. For clarity, the work indicated in either timeline do not form part of this scope of work. It is expected, however, that with timely initiation of this project, the RFI process outlined in this proposal will be completed by early August and prior to PPP Canada's assessment of the application.

In addition, it should be noted that a third option, whereby the RFI and RFQ stages were effectively combined, was also considered. While this may provide for a savings of a few weeks in each of the project plans provided in the appendices, such an approach may risk getting too far ahead of the PPP Canada timeframes during the initial application process. Given the stated importance of soliciting the preliminary views of PPP Canada with this project, our proposed approach is to implement an RFI during the period of time that PPP Canada is considering the MISTA application. Either option (a procurement process with or without the benefit of PPP Canada support and involvement) may be further considered at the end of the summer, which is when PPP Canada is expected to complete its initial review of project applications. The hope with this approach is that by the end of August/early September, Markham will have the benefit of not just PPP Canada's views on the project, but also the market's.

### **C. Organization of the KPMG Team**

The KPMG project team is comprised of individuals with the necessary skills and experience to provide value to Markham on this engagement. Below is brief description of our proposed team.

- **Brad Watson** - Brad will be the Lead Partner for the project. Brad is a Partner in the Global Infrastructure Advisory practice of KPMG. He will be responsible for quality assurance and ensuring that the assignment meets the requirements of Markham by providing overall guidance. Brad is one of KPMG's lead partners responsible for procurement advisory services to the public sector throughout Canada.
- **Chris Kynicos** – A Senior Manager with KPMG, Chris will lead our day-to-day efforts with this assignment. Chris has been involved in providing advisory services on with KPMG for 9 years and has assisted numerous public authorities in the various stages of procurement.
- **Matt Steeves** - Matt will provide project support to Will and Chris. Matt has worked on several major infrastructure procurements in an advisory capacity and has assisted Chris in many projects.

To the extent required, other KPMG resources will be added to the core team to assist with this project.



#### **D. Professional Fees**

Our estimated fees to assist Markham with this project are between \$35,000 and \$40,000. This estimate is based upon our knowledge of undertaking RFI's in the past. Additionally, our estimate assumes Markham will provide timely access to Markham personnel, advisors and all supporting analysis (as well as underlying data) completed to date.

We will charge you using our discounted hourly rates as of October 1, 2010 in recognition of the existing working relationship we already have with Markham, as well as the opportunity to continue working with you on the implementation of this important project. Our hourly rates are as follows:

<b>Professional</b>	<b>Hourly Rates</b>
Partner/Managing Director (Brad Watson)	\$450
Senior Manager (Chris Kynicos)	\$350
Manager (as required)	\$300
Senior Associate (as required)	\$250
Associate (Matt Steeves)	\$200

Please note that should our involvement extend beyond the current fiscal year, our rates would be adjusted annually by 5% on October 1, 2011.

KPMG shall also be reimbursed for all directly incurred expenses related to delivering our services to you – which could include travel and travel related expenses and any other charges that are directly attributed to the engagement and approved by Markham; these expenses will be billed at our actual cost. HST will be applied as applicable. In accordance with our standard billing procedures, invoices for fees and expenses will be issued monthly. A copy of our standard terms and conditions are attached.

**E. Conclusion**

We are grateful for this opportunity to continue to serve Markham and trust that this proposal meets with your needs. Please feel free to sign and return a copy of this proposal to indicate your acceptance of the terms and conditions as outlined herein. We look forward to serving you on this assignment and welcome the opportunity to work with you on this exciting project.

**Yours sincerely**



**Brad Watson  
Partner**

c.c.: Kevin Travers

The arrangements and terms set out are as agreed:

**The Corporation of the Town of Markham**

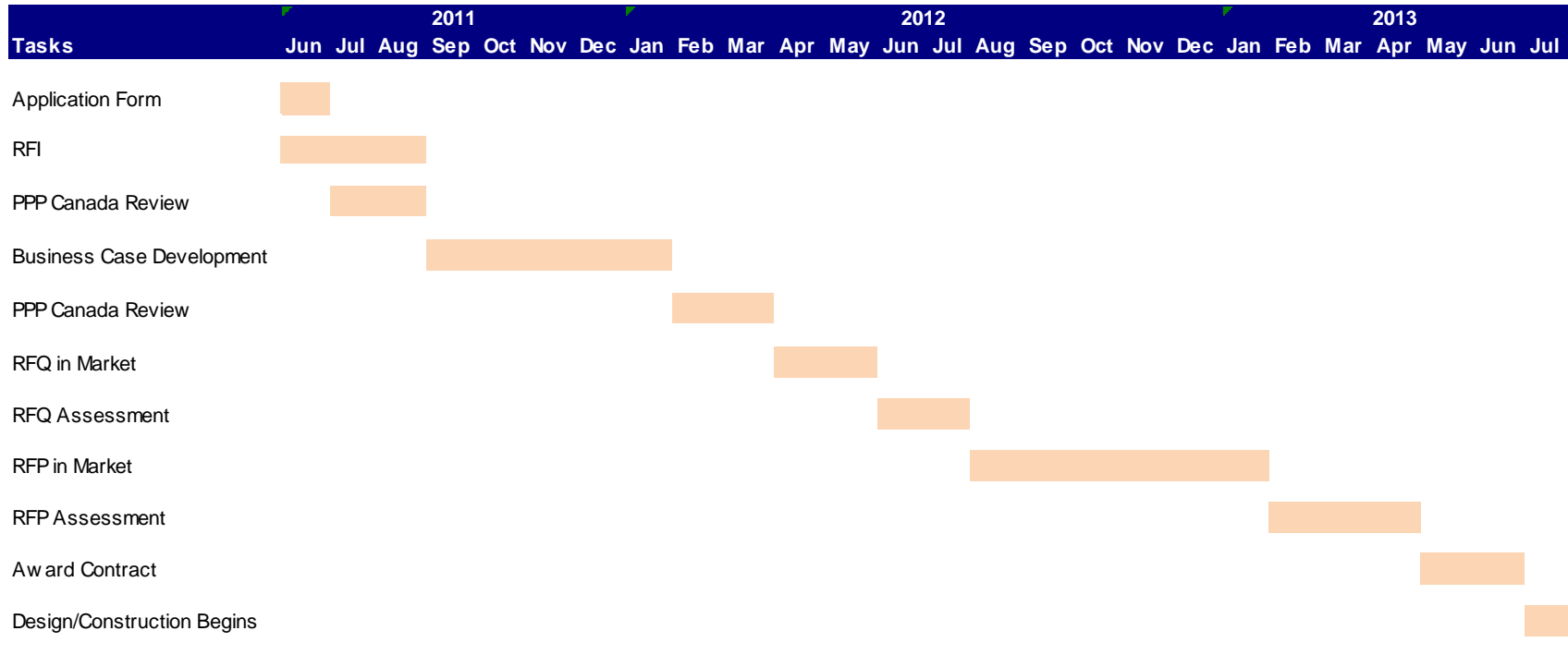
Per: \_\_\_\_\_

Andy Taylor, Commissioner of Corporate Services

Date \_\_\_\_\_

Appendix A

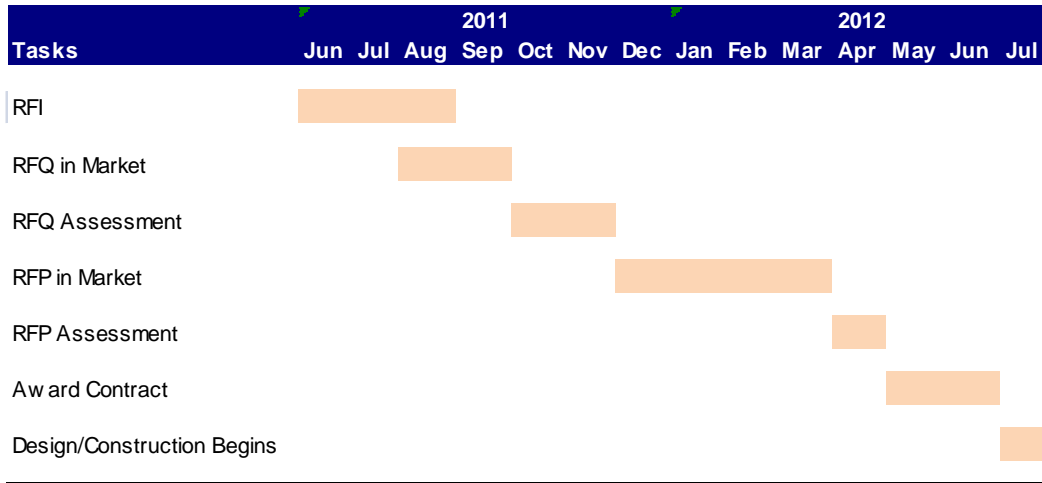
**PPP Canada Application Process**





Appendix B

**Non-PPP Canada Application Process**





**1. TERMS AND CONDITIONS.**

**a.** The Terms and Conditions are an integral part of the accompanying Proposal or Engagement Letter from KPMG that identifies the engagement to which they relate.

**b.** In the event of conflict between the Proposal or Engagement Letter and the Terms and Conditions, the Terms and Conditions shall prevail unless specific reference to a provision is made in the Proposal or Engagement Letter. Other capitalized words in the Terms and Conditions shall have the meanings given to them in the Proposal or Engagement Letter.

**2. SERVICES.**

KPMG will use reasonable efforts to complete the performance of the services within any agreed-upon time-frame. It is understood and agreed that KPMG's services may include advice and recommendations; but all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and made by, Client. KPMG will not perform management functions or make management decisions for Client. Nothing in the Terms and Conditions shall be construed as precluding or limiting in any way the right of KPMG to provide services of any kind or nature whatsoever to any person or entity as KPMG in its sole discretion deems appropriate, except to the extent that the provision of such services place KPMG in a conflict position with respect to the services provided to Client hereunder.

**3. CLIENT RESPONSIBILITIES.**

**a.** Client agrees to cooperate with KPMG in the performance of the services under the Engagement Letter and shall provide or arrange to provide KPMG with timely access to and use of the personnel, facilities, equipment, data and information to the extent necessary for KPMG to perform the services under the Engagement Letter. Client shall be responsible for the performance of its employees and agents and for the accuracy and completeness of all data and information provided to KPMG for purposes of the performance by KPMG of its services hereunder. The Proposal or Engagement Letter may set forth additional responsibilities of Client in connection with the engagement. Client acknowledges that Client's failure to perform these obligations could adversely impact KPMG's ability to perform its services.

**b.** Client agrees that Client, and not KPMG, shall perform the following functions: (i) make all management decisions and perform all management functions; (ii) designate an individual who possesses suitable skill, knowledge and experience, preferably within senior management, to oversee the performance of the services under the Engagement Letter, and to evaluate the adequacy and results of such services; (iii) accept responsibility for the results of such services; and (iv) establish and maintain internal controls over the processes with which such services are concerned, including, without limitation, monitoring ongoing activities.

**c.** Client acknowledges and agrees that KPMG will, in performing the services, base its conclusions on the facts and assumptions that Client furnishes and that KPMG may use data, material, and other information furnished by or at the request or direction of Client without any independent investigation or verification and (unless otherwise required by KPMG pursuant to the terms of the Engagement Letter) and that KPMG shall be entitled to rely upon the accuracy and completeness of such data, material and other information. Inaccuracy or incompleteness of such data, material and other information furnished to KPMG could have a material effect on KPMG's conclusions.

**d.** Client acknowledges that information made available by it, or by the others on Client's behalf, or otherwise known to partners or staff of KPMG who are not engaged in the provisions of the services shall not be deemed to have been made available to the individuals within KPMG who are engaged in the provision of the services hereunder. Client undertakes that, if anything occurs after information is provided by Client to KPMG to render such information untrue, unfair or misleading, Client shall promptly notify KPMG.

**4. REPORTING.**

**a.** During the performance of the services, KPMG may supply oral, draft or interim advice, reports or presentations but in such circumstances KPMG's written advice or final written report shall take precedence. No reliance should be placed by Client on any oral, draft or interim advice,

reports or presentations. Where Client wishes to rely on oral advice or oral presentation, Client shall inform KPMG and KPMG will provide documentary confirmation of the advice concerned.

**b.** Subsequent to the completion of the engagement, KPMG will not update its advice, recommendations or work product for changes or modification to the law and regulations, or to the judicial and administrative interpretations thereof, or for subsequent events or transactions, unless Client separately engages KPMG to do so in writing after such changes or modifications, interpretations, events or transactions.

**5. WORKING PAPERS AND USE OF REPORTS.**

KPMG retains all rights in all methodologies, know-how, knowledge, applications and software developed by KPMG either prior to or during the engagement (except to the extent developed specifically for the Client pursuant to the terms of the Engagement Letter). The Client retains all rights (including copyright) in all reports, written advice and other working papers and materials developed by KPMG for Client pursuant to the terms of the Engagement Letter during the engagement. Unless contemplated by the Engagement Letter, all reports and written advice are intended solely for Client's use and, may not be relied upon by any other person without KPMG's express written permission. Client shall not publish any extract or excerpt of KPMG's written advice or report or refer to KPMG without providing the entire advice or report at the same time. Subject to the restrictions of Section 6, KPMG is entitled to use or develop the knowledge, experience and skills of general application gained through performing the engagement.

**6. CONFIDENTIALITY.**

**a.** Except as described in section 5 above, Client will treat in confidence any KPMG methodologies, know-how, knowledge, application or software identified by KPMG as confidential information of KPMG, and will not use or disclose such confidential information of KPMG to others.

**b.** KPMG will treat as confidential all proprietary information and personal information obtained from Client in the course of the engagement as well as any other information identified by the Client as confidential information of the Client, and, except as described in this section, KPMG will only use such information in connection with the performance of its services hereunder and will not disclose such confidential information of the Client to others.

**c.** The above restrictions shall not apply to any information that: (i) is required by law to be disclosed; (ii) that is in or hereafter enters the public domain; (iii) that is or hereafter becomes known to Client or KPMG, as the case may be, without breach of any confidentiality obligation; or (iv) that is independently developed by Client or KPMG, as the case may be.

**d.** Upon the closing of the transaction which is the subject of the Engagement Letter (or the Client's written confirmation that the transaction will not proceed), KPMG shall be entitled to include a general description of the services rendered in the course of the engagement in marketing and research materials and disclose such information to third parties, provided that all such information will be rendered anonymous and not subject to association with Client, and provided that such information shall not include any confidential information of Client.

**e.** KPMG shall be entitled to share confidential information of Client with all other member firms of KPMG International Cooperative ("KPMG International") only to the extent necessary to perform the services hereunder or to comply with its legal obligations.

**7. PERSONAL INFORMATION CONSENTS AND NOTICES.**

KPMG may be required to collect, use and disclose personal information about individuals during the course of this engagement. Client represents and warrants that: (i) it will obtain from individuals all consents required by law to permit KPMG to collect, use and disclose all personal information reasonably required in the course of the engagement to provide the services hereunder.

**8. INFORMATION PROCESSING OUTSIDE OF CANADA.**

Confidential information of Client (excluding personal information) collected by KPMG during the course of this engagement (e.g. entries into KPMG's time and billing system and into KPMG's conflicts database) may be processed and stored outside of Canada by KPMG, KPMG International member firms providing services hereunder. Such confidential information may be subject to disclosure in accordance with the laws applicable in the jurisdiction in which the information is processed





or stored, which laws may not provide the same level of protection for such information as will Canadian laws. KPMG shall limit as much as possible the extent to which Client confidential information is processed and stored outside of Canada, and shall remain fully liable for breach of its confidential information obligations hereunder caused by the actions or omissions of such KPMG International member firms.

**9. TAXES/BILLING/EXPENSES/FEES.**

a. All fees and other charges do not include any applicable federal, provincial, or other goods and services or sales taxes, or any other taxes or duties whether presently in force or imposed in the future. Any such taxes or duties shall be assumed and paid by Client without deduction from the fees and charges hereunder.

b. Bills, including, without limitation, a charge on account of all reasonable expenses, including travel, meals, accommodations, long distance, telecommunications, photocopying, delivery, postage, clerical assistance and database research will be rendered on a regular basis as the engagement progresses. Accounts are due when rendered. Interest on overdue accounts is calculated at the rate noted on the invoice commencing 30 days following the date of the invoice.

c. Without limiting its rights or remedies, KPMG shall have the right to halt or terminate entirely its services until payment is received on past due invoices.

d. In the event that the engagement is terminated and Client proceeds to complete the transaction or financing within 18 months from the termination date, then the full amount of any Completion Fee shall be payable on closing of the transaction or the completion of financing, regardless of whether KPMG provided further service.

**10. LIMITATION ON WARRANTIES.**

**THIS IS A SERVICES ENGAGEMENT. KPMG WARRANTS THAT IT WILL PERFORM SERVICES HEREUNDER IN GOOD FAITH WITH QUALIFIED PERSONNEL IN A COMPETENT AND WORKMANLIKE MANNER IN ACCORDANCE WITH APPLICABLE INDUSTRY STANDARDS. KPMG DISCLAIMS ALL OTHER WARRANTIES, REPRESENTATIONS OR CONDITIONS, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES, REPRESENTATIONS OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

**11. LIMITATION ON LIABILITY.**

a. Client agrees that KPMG shall not be liable to Client for any actions, damages, claims, liabilities, costs, expenses, or losses in any way arising out of or relating to the services performed hereunder for an aggregate amount in excess of the fees paid by Client to KPMG under the engagement.

b. In the event of a claim by any third party against KPMG that arises out of or relates to the services performed hereunder, Client will indemnify KPMG from all such claims, liabilities, damages, costs and expenses, including, without limitation, reasonable legal fees, except to the extent finally determined to have resulted from the breach by KPMG of the intellectual property rights of any third party or the intentional, deliberate, fraudulent misconduct or negligence of KPMG in which case KPMG will indemnify Client from all such claims, liabilities, damages, costs and expenses.

c. In no event shall KPMG be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs). In any action, claim, loss or damages arising out of the engagement, Client agrees that KPMG's liability will be several and not joint and several. Client may only claim payment from KPMG of KPMG's proportionate share of the total liability based on degree of fault.

d. In no event shall the Client be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs).

e. For purposes of this section, the term KPMG shall include its associated and affiliated entities and their respective partners, directors, officers and employees. For purposes of this section, the term Client shall include its associated and affiliated entities and their respective officials, directors, officers and employees. The provisions of this section shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in contract, statute, tort (including, without limitation, negligence) or otherwise.

f. Notwithstanding the foregoing, the limitations in subsections 11a. and 11c. shall not apply to such claims, liabilities, damages, costs and expenses, including, without limitation, reasonable legal fees, finally determined to have resulted from the breach by KPMG of the intellectual property rights of any third party or the intentional, deliberate, fraudulent misconduct or negligence of KPMG.

g. Notwithstanding the foregoing, the limitations in subsection 11d shall not apply to such claims, liabilities, damages, costs and expenses, including, without limitation, reasonable legal fees, finally determined to have resulted from the breach by Client of the intellectual property rights of any third party or the intentional, deliberate, fraudulent misconduct or negligence of Client.

**12. LEGAL PROCEEDINGS.**

a. Client agrees to notify KPMG promptly of any request received by Client from any court or applicable regulatory authority with respect to the services hereunder, KPMG's advice or report or any related document.

b. If KPMG is required by law, pursuant to government regulation, subpoena or other legal process related to Client's affairs or requested by Client to produce documents or personnel as witnesses arising out of the engagement and KPMG is not a party to such proceedings, Client shall reimburse KPMG at standard billing rates for professional time and expenses, including, without limitation, reasonable legal fees, incurred in responding to such requests.

c. When requested or required by law, subpoena or other legal process or otherwise, that KPMG provide information and documents relating to Client's affairs, KPMG will use all reasonable efforts to refuse to provide information and documents over which Client asserts legal privilege or which has been acquired or produced in the context of the engagement of legal counsel by or on behalf of Client, except where providing such copies, access or information is required by law, by a provincial Institute/Ordre pursuant to its statutory authority, or a public oversight board in respect of reporting issuers (both in Canada and abroad) pursuant to its contractual or statutory authority. Where Client provides any document to KPMG in respect of which Client wishes to assert legal privilege, Client shall clearly mark such document "privileged" and shall otherwise clearly advise KPMG that Client wishes to maintain legal privilege in respect thereof.

**13. LIMITATION PERIOD.**

No action, regardless of form, arising under or relating to the engagement, may be brought by either party more than two years after the cause of action has accrued or in any event not more than five years after completion of the engagement in the case of an advisory services engagement and not more than eight years after completion of the engagement in the case of a tax services engagement, except that an action for non-payment may be brought by a party not later than one year following the date of the last payment due to such party hereunder. For purposes of this section, the term KPMG shall include its associated and affiliated entities and their respective partners, directors, officers and employees.

**14. TERMINATION.**

Unless terminated sooner in accordance with its terms, the engagement shall terminate on the completion of KPMG's services hereunder, which completion shall be evidenced by the delivery by KPMG to Client of the final invoice in respect of the services performed hereunder. Should Client not fulfill its obligations set out herein or in the Engagement Letter and in the absence of rectification by Client within 10 days, KPMG may, upon written notice, terminate its performance and will not be responsible for any loss, cost or expense resulting. The engagement may be terminated by either party at any time by giving written notice to the other party not less than 30 calendar days before the effective date of termination. Upon early termination of the engagement, Client shall be responsible for the payment to KPMG for KPMG's time and expenses incurred up to the termination date, as well as reasonable time and expenses to bring the engagement to a close in a prompt and orderly manner.

**15. E-MAIL COMMUNICATION.**

Client recognizes and accepts the risks associated with communicating by Internet e-mail, including (but without limitation) the lack of security, unreliability of delivery and possible loss of confidentiality and privilege. Unless Client requests in writing that KPMG does not communicate by



Internet e-mail, Client assumes all responsibility or liability in respect of risk associated with its use.

**16. POTENTIAL CONFLICTS OF INTEREST.**

Except as otherwise set out herein, Client should be aware that it is not uncommon for KPMG to be auditors and/or advisors of more than one of the parties involved in a transaction. In such situations, KPMG takes appropriate measures to ensure that strict confidentiality is maintained in all respects. If these circumstances are identified, KPMG will advise Client of that fact, subject to confidentiality requirements, and will consider with Client what further measures, if any, are appropriate. Client further acknowledges that at some point KPMG may act contrary to Client's interest on unrelated matters.

**17. FORCE MAJEURE.**

Neither Client nor KPMG shall be liable for any delays resulting from circumstances or causes beyond its reasonable control, including, without limitation, fire or other casualty, act of God, strike or labour dispute, war or other violence, or any law, order or requirement of any governmental agency or authority.

**18. INDEPENDENT CONTRACTOR.**

It is understood and agreed that each of the parties hereto is an independent contractor and that neither party is, nor shall be considered to be, an agent, distributor or representative of the other. Neither party shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.

**19. SURVIVAL.**

Sections 1 to 16 and 19, 20, 24, 25 and 29 hereof shall survive the expiration or termination of the engagement.

**20. SUCCESSORS AND ASSIGNS.**

The Terms and Conditions and the accompanying Proposal or Engagement Letter shall be binding upon the parties hereto and their respective associated and affiliated entities and their respective partners, directors, officers and employees and successors and permitted assigns. Except as provided below, neither party may assign, transfer or delegate any of the rights or obligations hereunder without the prior written consent of the other party. KPMG may assign its rights and obligations hereunder to any affiliate or successor in interest to all or substantially all of the assets or business of the relevant KPMG practice, without the consent of Client. In addition, KPMG may engage independent contractors and member firms of KPMG International to assist KPMG in performing the services hereunder.

**21. SEVERABILITY.**

The provisions of the Terms and Conditions and the accompanying Proposal or Engagement Letter shall only apply to the extent that they are not prohibited by a mandatory provision of applicable law. If any of these provisions shall be held to be invalid, void or unenforceable, then the remainder of the Terms and Conditions and the attached Proposal or Engagement Letter, as the case may be, shall not be affected, impaired or invalidated, and each such provision shall be valid and enforceable to the fullest extent permitted by law.

**22. ENTIRE AGREEMENT.**

The Terms and Conditions and the accompanying Proposal or Engagement Letter including, without limitation, Exhibits, constitute the entire agreement between KPMG and Client with respect to the engagement and supersede all other oral and written representation, understandings or agreements relating to the engagement.

**23. GOVERNING LAW.**

The Terms and Conditions and the accompanying Proposal or Engagement Letter shall be subject to and governed by the laws of the province in which KPMG's principal office performing the engagement is located (without regard to such province's rules on conflicts of law) and all disputes arising hereunder or related thereto shall be subject to the exclusive jurisdiction of the courts of such province.

**24. PUBLICITY.**

Upon the closing of a transaction, KPMG will have the right (but shall not be obliged), at its expense, to publicize its association with the transaction

by way of public announcement in "tombstone" or similar format, subject to prior review of the wording for any such announcement with Client.

**25. KPMG INTERNATIONAL MEMBER FIRMS.**

In the case of multi-firm engagements, all member firms of KPMG International performing services hereunder shall be entitled to the benefits of the Terms and Conditions. Client agrees that any claims that may arise out of the engagement will be brought solely against KPMG, the contracting party, and not against any other KPMG International member firms.

**26. SARBANES-OXLEY ACT.**

Except as set forth in the Engagement Letter, Client acknowledges that completion of the engagement or acceptance of KPMG's reports, advice, recommendations and other deliverables resulting from the engagement will not constitute a basis for Client's assessment of internal control over financial reporting or Client's evaluation of disclosure controls and procedures, or its compliance with its principal officer certification requirements under Section 302 of the *Sarbanes-Oxley Act of 2002* (the "Act"). The engagement shall not be construed to support Client's responsibilities under Section 404 of the Act requiring each annual report filed under Section 13(a) or 15(d) of the *Securities Exchange Act of 1934* to contain an internal control report from management.

**27. NATIONAL INSTRUMENT 52-109.**

Except as set forth in the Engagement Letter, Client acknowledges that completion of the engagement or acceptance of KPMG's reports, advice, recommendations and other deliverables resulting from the engagement will not constitute a basis for Client's evaluation of disclosure controls and procedures, or its compliance with its CEO/CFO certification requirements under *National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings*, including those related to the design of internal control over financial reporting.

**28. SPECIFIC ACCOUNTING ADVICE.**

Except as set forth in the Engagement Letter, the engagement does not contemplate the provision of specific accounting advice or opinions or the issuance of a written report on the application of accounting standards to specific transactions and facts and circumstances of Client. Such services, if requested, would be provided pursuant to a separate engagement.

**29. TAX SERVICES.**

a. If tax work is specifically requested by Client, KPMG will perform the procedures in accordance with this section. KPMG will base its findings exclusively on the facts and assumptions provided to KPMG by Client and Client's personnel and advisors. KPMG will consider the applicable provisions of the relevant taxing statutes, the regulations thereunder, applicable tax treaties and judicial and administrative interpretations thereof. KPMG will also take into account all specific proposals to amend such statutes, regulations and treaties publicly announced prior to the date of KPMG's reports, based on the assumption that these amendments will be enacted substantially as proposed. These authorities are subject to change, retroactively and/or prospectively, and any such changes could affect the validity of KPMG's findings and may result in incremental taxes, interest or penalties. KPMG's findings will not otherwise take into account or anticipate any changes in law or practice, by way of judicial, governmental or legislative action or interpretation. Unless Client specifically requests otherwise, KPMG will not update tax work to take any such changes into account.

b. KPMG will use professional judgment in providing advice, and will, unless Client instructs otherwise, take the position most favourable to Client whenever reasonable. All returns are subject to examination by tax authorities, and KPMG's advice may be audited and challenged by a tax authority. Client understands that KPMG's conclusions are not binding on tax authorities or the courts and should not be construed as a representation, warranty or guarantee that the tax authorities or courts will agree with KPMG's conclusion.

c. Client should consult with and/or engage legal counsel for the purpose of advising on legal aspects of matters on which KPMG provides its tax advice and drafting any legal documents and/or agreements that may be required. To the extent legal counsel or other professional service providers are required, Client is exclusively responsible for engaging and paying such service providers.



**d.** Client is also responsible for ensuring that KPMG's advice is implemented strictly in accordance with KPMG's recommendations. KPMG is not responsible for any penalties or interest assessed against Client as a result of a failure by Client to provide KPMG with accurate and complete information.

**e.** Unless expressly provided for, KPMG's services do not include representing Client in the event of a challenge by the CRA or other tax or revenue authorities.

**30. LLP.**

KPMG LLP is a registered limited liability partnership ("LLP") established under the laws of the Province of Ontario and, where applicable, has been registered extra-provincially under provincial LLP legislation. KPMG is a partnership, but its partners have a degree of limited liability. A partner is not personally liable for any debts, obligations or liabilities of the LLP that arise from a negligent act or omission by another partner or any person under that other partner's direct supervision or control. The legislation relating to limited liability partnerships does not, however, reduce or limit the liability of the firm. The firm's insurance exceeds the mandatory professional indemnity insurance requirements established by the various Institutes/Ordre of Chartered Accountants. Subject to the other provisions hereof, all partners of the LLP remain personally liable for their own actions and/or actions of those they directly supervise or control.

