

## DISCLOSURE LETTER

To the Combination Agreement among Prime Restaurants Royalty Income Fund, Prime Restaurant Holdings Inc., Prime Restaurants of Canada Inc., PRC Trademarks Inc. and 2234567 Ontario Limited dated February 25, 2010

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**DATE:** February 25, 2010

**TO:** PRC Trademarks Inc. and Prime Restaurants Royalty Income Fund

Reference is made to the Combination Agreement among Prime Restaurants Royalty Income Fund (the "**Fund**"), Prime Restaurant Holdings Inc. ("**PRH**"), Prime Restaurants of Canada Inc. ("**PRC**"), PRC Trademarks Inc. ("**TradeMarkCo**") and 2234567 Ontario Limited ("**Newco**") dated February 25, 2010 (the "**Agreement**").

Capitalized terms used in this Disclosure Letter have the meanings specified in the Agreement unless otherwise required by the context of this Disclosure Letter or unless such terms are otherwise defined in this Disclosure Letter.

PRH and PRC are entitled to make certain disclosures in writing to TradeMarkCo and the Fund pursuant to the terms of the Agreement; such disclosures are set forth in the attached Schedules which form part of this Disclosure Letter of PRH and PRC. Schedules are organized by reference to Sections of the Agreement.

Notwithstanding anything in the Disclosure Letter to the contrary, all disclosures in this Disclosure Letter must reference or be associated with a particular Section of the Agreement, but will also be interpreted to relate to or modify other Sections of the Agreement if the intention to so relate or modify is readily apparent on the face of such disclosure. The inclusion of any item in this Disclosure Letter and the fact that references to specific dollar amounts are included in this Disclosure Letter, do not and shall not be deemed to constitute agreement of PRH and PRC as to the interpretation of what is material or what constitutes a Material Adverse Effect as that term is used in the Agreement.

**PRIME RESTAURANT HOLDINGS INC.**

**PRIME RESTAURANTS OF CANADA INC.**

Per: "H. Ross R. Bain"  
Name: H. Ross R. Bain  
Title: Exec VP, Legal Counsel

Per: "H. Ross R. Bain"  
Name: H. Ross R. Bain  
Title: Exec VP, Legal Counsel

## **LIST OF SCHEDULES TO DISCLOSURE LETTER**

The disclosures set forth in the following Schedules form part of and are incorporated into the Disclosure Letter of PRH and PRC.

|                    |   |                                                                                                                     |
|--------------------|---|---------------------------------------------------------------------------------------------------------------------|
| Schedule 3.2.4     | - | Subsidiaries                                                                                                        |
| Schedule 3.2.6     | - | Validity of Agreement                                                                                               |
| Schedule 3.2.8     | - | Approvals and Consents                                                                                              |
| Schedule 3.2.9     | - | Third Party Consents                                                                                                |
| Schedule 3.2.11    | - | List of Franchised Restaurants                                                                                      |
| Schedule 3.2.11(d) | - | Defaults Under Royalty Agreements                                                                                   |
| Schedule 3.2.11(e) | - | Franchise Agreements Litigation                                                                                     |
| Schedule 3.2.12    | - | List of Corporate Restaurants                                                                                       |
| Schedule 3.2.15    | - | Litigation and Other Proceedings                                                                                    |
| Schedule 3.2.16    | - | Outstanding Liabilities and Guarantees                                                                              |
| Schedule 3.2.17    | - | Outstanding Indebtedness                                                                                            |
| Schedule 3.2.19    | - | Absence of Unusual Transactions and Events                                                                          |
| Schedule 3.2.20(a) | - | Non-Arm's Length Transactions - Payments or Loans                                                                   |
| Schedule 3.2.20(b) | - | Non-Arm's Length Transactions - Contracts                                                                           |
| Schedule 3.2.21    | - | Contracts Out of the Ordinary Course                                                                                |
| Schedule 3.2.22    | - | No Default Under Agreements                                                                                         |
| Schedule 3.2.23(b) | - | Real Property Leases                                                                                                |
| Schedule 3.2.23(d) | - | Real Property Leases – Validity, Enforceability, Default or Breach, Change of Control Restrictions, Etc.            |
| Schedule 3.2.23(e) |   | Defects in Construction, Etc.                                                                                       |
| Schedule 3.2.23(g) | - | Guaranteed Real Property Leases                                                                                     |
| Schedule 3.2.23(i) | - | Guaranteed Real Property Leases – Validity, Enforceability, Default or Breach, Change of Control Restrictions, Etc. |
| Schedule 3.2.24    | - | Title to Assets                                                                                                     |
| Schedule 3.2.27    | - | Tax Matters                                                                                                         |
| Schedule 3.2.28(a) | - | List of Employees at Head Offices                                                                                   |
| Schedule 3.2.29    | - | Employee Plans                                                                                                      |
| Schedule 3.2.36    | - | Material Intellectual Property Rights                                                                               |
| Schedule 3.2.39    | - | No Material Adverse Change                                                                                          |

### Schedule 3.2.4

To the Disclosure Letter of PRH and PRC dated February 25, 2010

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### SUBSIDIARIES

| Subsidiary                      | Shareholder                                                                                                                                                                                     |
|---------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Prime Pubs of America, LLC      | PRA owns 50% of Prime Pubs of America, LLC (A Delaware LLC). The latter is considered a subsidiary and they are in the process of buying the other 50% for consideration which is not material. |
| TradeMarkCo                     | The Fund owns 65.55% and PRC owns 34.45% of the Common Shares; PRC owns 100% of the Class A and Class B Preferred Shares                                                                        |
| Prime Restaurant Systems Inc.   | PRC owns 100% of the shares                                                                                                                                                                     |
| Prime Pubs Atlantic Inc.        | PRC owns 100% of the shares                                                                                                                                                                     |
| BM King Inc.                    | PRC owns 100% of the shares                                                                                                                                                                     |
| The BM King Limited Partnership | PRC owns 90% of the units; BM King Inc. owns 5% of the units                                                                                                                                    |
| The Ricmar Limited Partnership  | PRC owns 50% of the units                                                                                                                                                                       |

### **Schedule 3.2.6**

To the Disclosure Letter of PRH and PRC dated February 25, 2010

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#### **VALIDITY OF AGREEMENT**

The amalgamation will require the approval of the Alcohol and Gaming Commission of Ontario (“AGCO”) since PRC owns ten restaurants in Ontario and the amalgamation will result in a change in control of the licensee. PRC will seek AGCO approval to consider the transfer a “rollover”. See Schedule “A” to the Agreement.

The Arrangement will require Court approval.

### **Schedule 3.2.8**

To the Disclosure Letter of PRH and PRC dated February 25, 2010

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#### **APPROVALS AND CONSENTS**

See other disclosures herein; otherwise, none.

### **Schedule 3.2.9**

To the Disclosure Letter of PRH and PRC dated 25, 2010

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#### **THIRD PARTY CONSENTS**

PRC's Equipment Loan and Security Agreement with GE Canada Equipment Financing G.P. ("GE") includes a default provision in the event of a change in control of PRC, or an amalgamation. Accordingly, GE's consent is required, and has been requested.

PRC's supplier agreement with JohnsonDiversey Canada, Inc. ("JD") provides for a right for JD to review and revise the business terms of its agreement in the event PRC merges with another company. PRC has requested that this section be removed from the agreement.

PRC's supplier agreement with Saputo Foods Limited ("SF") provides for a right for SF to terminate the agreement in the event of a change in control of PRC. PRC has requested that this section be amended as necessary.

### Schedule 3.2.11(a)

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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#### LIST OF FRANCHISED RESTAURANTS

| Name              | Address                                                                   |
|-------------------|---------------------------------------------------------------------------|
| Casey's           | 760 Algonquin Boulevard East, Timmins, Ontario                            |
| Casey's           | RR #2, No. 11 Highway, Kapuskasing, Ontario                               |
| Casey's           | 20 Maplewood Avenue, North Bay, Ontario                                   |
| Casey's           | 1 Strathy Road, Cobourg, Ontario                                          |
| Casey's           | 240 Lakeview Drive, Kenora, Ontario                                       |
| Casey's           | 1031 rue du Marché Central, Montréal, Québec                              |
| Casey's           | 419 King Street West, Oshawa, Ontario                                     |
| Casey's           | 1165, rue Volta, Boucherville, Québec                                     |
| Casey's           | 1070 Kingsway, Sudbury, Ontario                                           |
| Casey's           | 2450 Laurier Boulevard - Unit #56A & #56B, Ste-Foy, Québec                |
| Casey's           | 170A, chemin Curé-Deslauriers, Casier postal 2566, Mont-Tremblant, Québec |
| Casey's           | 1880 Ogilvie Road, Gloucester, Ontario                                    |
| Casey's           | 10 Lebovic Avenue, Unit #8, Scarborough, Ontario                          |
| Casey's           | 120 Great Lakes Drive (Block L), Brampton, Ontario                        |
| Casey's           | 50 Biscayne Crescent, Unit "B", Brampton, Ontario                         |
| Casey's           | 37 William Kitchen Road, Building "L", Scarborough, Ontario               |
| Casey's           | 36 Kingston Road East, Ajax, Ontario                                      |
| Casey's           | 825 Britannia Road West, Mississauga, Ontario                             |
| Casey's           | 494 Edinburgh Road South, Building "E", Guelph, Ontario                   |
| Casey's           | 17600 Yonge Street, Newmarket, Ontario                                    |
| Casey's           | 185 King George Road, Brantford, Ontario                                  |
| Casey's           | 200 Dundas Street East, Toronto, Ontario                                  |
| Casey's           | Unit 11A, 1120 Victoria Street North, Kitchener, Ontario                  |
| Casey's           | 975 Roméo-Vachon, Montréal, Québec                                        |
| Casey's           | Pearson Airport, Toronto, Ontario                                         |
| Casey's           | 1440 Ottawa Street South, Kitchener, Ontario                              |
| Casey's           | 310 Clarke Road, London, Ontario                                          |
| Casey's           | 1101 Maple Avenue, Milton, Ontario                                        |
| Casey's           | International Departures, Lester Pearson Airport, Toronto, Ontario        |
| Casey's           | CRU# L6B, Boul 9310 Leduc, Brossard, Québec                               |
| Casey's           | 925 Dixon Road, Rexdale, Ontario                                          |
| Casey's           | 360 Great Northern Road, Sault Ste. Marie, Ontario                        |
| Casey's           | 4115 Walker Road, Windsor, Ontario                                        |
| Pat and Mario's   | 1463 LaSalle Boulevard, Sudbury, Ontario                                  |
| East Side Mario's | 170 University Avenue West, Waterloo, Ontario                             |
| East Side Mario's | 250 Centrum Boulevard, Unit 204, Orléans, Ontario                         |
| East Side Mario's | 285 Lakeshore Drive, North Bay, Ontario                                   |

| Name              | Address                                                   |
|-------------------|-----------------------------------------------------------|
| East Side Mario's | 900 Maple Avenue, Burlington, Ontario                     |
| East Side Mario's | 1337 London Road, Sarnia, Ontario                         |
| East Side Mario's | 1 Stafford Road, Nepean, Ontario                          |
| East Side Mario's | 390 North Front Street, Bellville, Ontario                |
| East Side Mario's | 151 Front Street West, Toronto, Ontario                   |
| East Side Mario's | 370 Stone Road West, Guelph, Ontario                      |
| East Side Mario's | 315 Memorial Avenue, Orillia, Ontario                     |
| East Side Mario's | 750 Queenston Road, Hamilton, Ontario                     |
| East Side Mario's | 1120 Riverside Drive, Timmins, Ontario                    |
| East Side Mario's | 1200 Saint Laurent Boulevard, Ottawa, Ontario             |
| East Side Mario's | 1100 Brookdale Avenue, Cornwall, Ontario                  |
| East Side Mario's | 401 boulevard Curé-Labelle, local F-9, Rosemère, Québec   |
| East Side Mario's | 417 Weller Avenue, Kingston, Ontario                      |
| East Side Mario's | 255, boul de Martigny Ouest, bureau 6, St. Jérôme, Québec |
| East Side Mario's | 550 boulevard Wilfrid-Hamel, Québec City, Québec          |
| East Side Mario's | 3131 Chemin Cote Vertu, Local C-13, St. Laurent, Québec   |
| East Side Mario's | 320 St. Joseph Boulevard, Gatineau, Québec                |
| East Side Mario's | 1166, rue Volta, Boucherville, Québec                     |
| East Side Mario's | 450 King Street North, Waterloo, Ontario                  |
| East Side Mario's | 2040 Algonquin Road, Sudbury, Ontario                     |
| East Side Mario's | 1315 - 16th Street East, Owen Sound, Ontario              |
| East Side Mario's | 2660 rue King Ouest, Sherbrooke, Québec                   |
| East Side Mario's | 101 Clarington Boulevard, Bowmanville, Ontario            |
| East Side Mario's | 933 Landsdowne Avenue West, Peterborough, Ontario         |
| East Side Mario's | 100 Pembroke Street East, Pembroke, Ontario               |
| East Side Mario's | 1355 Kingston Road, Pickering, Ontario                    |
| East Side Mario's | 651 Terry Fox Drive, Kanata, Ontario                      |
| East Side Mario's | 499 First Street, Collingwood, Ontario                    |
| East Side Mario's | 180 Portugal Road Cove, St. John's, Newfoundland          |
| East Side Mario's | 355 Hespeler Road, Cambridge, Ontario                     |
| East Side Mario's | 99 Trinity Drive, Moncton, New Brunswick                  |
| East Side Mario's | 186 Chain Lake Drive, Halifax, Nova Scotia                |
| East Side Mario's | 7780 Tecumseh Road East, Windsor, Ontario                 |
| East Side Mario's | 502 Bayfield Street, Barrie, Ontario                      |
| East Side Mario's | 332 Ontario Street, St. Catharines, Ontario               |
| East Side Mario's | 387 Wellington Road South, London, Ontario                |
| East Side Mario's | 94 Fanshawe Park Road, London, Ontario                    |
| East Side Mario's | 119 Osler Drive, Dundas, Ontario                          |
| East Side Mario's | Unit #500, 16061 MacLeod Trail S.E, Calgary, Alberta      |
| East Side Mario's | 2035 Winston Park Drive, Oakville, Ontario                |
| East Side Mario's | 130 Great Lakes Drive (Block K), Brampton, Ontario        |
| East Side Mario's | 2000 Appleby Line, Burlington, Ontario                    |
| East Side Mario's | 1820 Ogilvie Road, Gloucester, Ontario                    |

| Name              | Address                                                        |
|-------------------|----------------------------------------------------------------|
| East Side Mario's | #700 2555 32st NE, Calgary, Alberta                            |
| East Side Mario's | 446 Highland Road West, Kitchener, Ontario                     |
| East Side Mario's | 21 Mic Mac Boulevard, Dartmouth, Nova Scotia                   |
| East Side Mario's | 6455 MacLeod Trail South, Premises 120A, Calgary, Alberta      |
| East Side Mario's | 1389 Upper James Street, Hamilton, Ontario                     |
| East Side Mario's | 31630 Plymouth Road, Livonia, Michigan                         |
| East Side Mario's | 2273 Crooks Road, Rochester Hills, Michigan                    |
| East Side Mario's | 8008 Cedar Springs Road, LB19, Suite 301, Dallas, Texas        |
| East Side Mario's | 4771 Candlewood Street, Lakewood, California                   |
| East Side Mario's | 2004 50th Avenue, Red Deer, Alberta                            |
| East Side Mario's | 3720 Mayor Magrath Drive South, Lethbridge, Alberta            |
| East Side Mario's | 300, 1575 Banks Road, Kelowna, British Columbia                |
| East Side Mario's | 1365 Harmony Road North, Oshawa, Ontario                       |
| East Side Mario's | 1915 Dundas Street, London, Ontario                            |
| East Side Mario's | 3075 Argentia Road, Mississauga, Ontario                       |
| East Side Mario's | 499 University Avenue, Charlottetown, Prince Edward Island     |
| East Side Mario's | 5060 Highway 7 East, Markham, Ontario                          |
| East Side Mario's | 199 North Queen Street, Etobicoke, Ontario                     |
| East Side Mario's | 5887 Main Street, Stouffville, Ontario                         |
| East Side Mario's | 3027 Parkedale Avenue, Brockville, Ontario                     |
| East Side Mario's | 11 Ray Lawson Blvd., Brampton, Ontario                         |
| East Side Mario's | 75 Strathy Road, Cobourg, Ontario                              |
| East Side Mario's | 526 West Hunt Club Road, Ottawa, Ontario                       |
| East Side Mario's | 75 Consumers Dr., Saint John, New Brunswick                    |
| East Side Mario's | 2060 Prince of Wales Drive, Regina, Saskatchewan               |
| East Side Mario's | 320, boul. St-Joseph, Drummondville, Québec                    |
| East Side Mario's | 111 Howland Drive, Unit 110, Huntsville, Ontario               |
| East Side Mario's | Unit 117-1320 Trans Canada Highway, Kamloops, British Columbia |
| East Side Mario's | 7300 - 48th Avenue, Camrose, Alberta                           |
| East Side Mario's | 60 - 96 Campsite Road, Spruce Grove, Alberta                   |
| East Side Mario's | 138 Young Street, Alliston, Ontario                            |
| East Side Mario's | Pad Site #6, 3079 Wonderland Road South, London, Ontario       |
| East Side Mario's | 2171 Steeles Avenue West, Toronto, Ontario                     |
| East Side Mario's | 4170 Baldwin Street South, Whitby, Ontario                     |
| East Side Mario's | 2335 8th Street East, Saskatoon, Saskatchewan                  |
| East Side Mario's | 11 Bromont Boulevard, Bromont, Québec                          |
| East Side Mario's | 15370 Bayview Avenue, Aurora, Ontario                          |
| East Side Mario's | 555 Norwich Avenue, Woodstock, Ontario                         |
| East Side Mario's | 774 Gardiners Road, Kingston, Ontario                          |
| East Side Mario's | 860 Main Street East, Milton, Ontario                          |
| East Side Mario's | 615 St. Albert Trail, Unit #10, St. Albert, Alberta            |
| East Side Mario's | Building B, 20090 91A Avenue, Langley, British Columbia        |
| East Side Mario's | Unit #1050, 2929 Barnet Highway, Coquitlam, British Columbia   |

| Name              | Address                                                                  |
|-------------------|--------------------------------------------------------------------------|
| East Side Mario's | 14 Trinity Avenue, Fredericton, New Brunswick                            |
| East Side Mario's | 451 Bryne Drive, Barrie, Ontario                                         |
| East Side Mario's | 9055 Airport Road, Brampton, Ontario                                     |
| East Side Mario's | 2216 Ferry Avenue, Prince George, British Columbia                       |
| East Side Mario's | 200 Trans Canada Highway S. W., Salmon Arm, British Columbia             |
| East Side Mario's | 6455 Fallsview Boulevard, Niagara Falls, Ontario                         |
| East Side Mario's | 800 Grand Lake Road, Unit 23, Sydney, Nova Scotia                        |
| East Side Mario's | 300 King George Road, Brantford, Ontario                                 |
| East Side Mario's | 70 Madawaska Boulevard, Arnprior, Ontario                                |
| East Side Mario's | 1201 Cranbrook Street North, Cranbrook, British Columbia                 |
| East Side Mario's | 123 Carrie Cates Court, Unit 217, North Vancouver, British Columbia      |
| D'Arcy McGee's    | 2000 East Rio Salado Parkway, Suite 1220, Tempe, Arizona                 |
| Fionn MacCool's   | 255 Barclay Parade S. W., Calgary, Alberta                               |
| Paddy Flaherty's  | 130 Seaway Road, Sarnia, Ontario                                         |
| D'Arcy McGee's    | 360 Moodie Drive, Ottawa, Ontario                                        |
| Fionn MacCool's   | 21 St. Clair Avenue West, Toronto, Ontario                               |
| Fionn MacCool's   | 181 University Avenue, Toronto, Ontario                                  |
| D'Arcy McGee's    | 1000 Airport Parkway Private (Terminal 3, second floor), Ottawa, Ontario |
| D'Arcy McGee's    | 260 Centrum Boulevard, Unit 101, Orléans, Ontario                        |
| Fionn MacCool's   | 235 Bloor Street East, Toronto, Ontario                                  |
| D'Arcy McGee's    | 655 Terry Fox Drive, Kanata, Ontario                                     |
| Fionn MacCool's   | 310A Front Street West, Toronto, Ontario                                 |

**Schedule 3.2.11(d)**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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**DEFAULTS UNDER ROYALTY AGREEMENTS**

- (i) **Note: certain defaults have been omitted to avoid violating confidentiality provisions.**

**Note: the list of restaurants and the nature of the financial support have been omitted to avoid violating confidentiality provisions.**

- (ii) None.

**Schedule 3.2.11(e)**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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**FRANCHISE AGREEMENTS LITIGATION**

**Note: a description of the litigation has been omitted because the description would be seriously prejudicial to the interests of the reporting issuer.**

**East Side Mario's Thornhill 404 & Steeles**

**2063494 Ontario Inc., Tarek Luka and Ramez Demain vs. Prime Restaurants of Canada Inc., its CEO and CFO, 1148992 Ontario Inc., Gail McMeeken and Ron McMeeken (06 CV-306103)**

**East Side Mario's Dufferin Steeles**

**Thomas G. Dodd and Christine Dodd vs. Prime Restaurants of Canada Inc. (32228 / 07)**

**Fionn MacCool's King Street**

**Prime Restaurants of Canada Inc and PRC Trademarks Inc. vs. 6076416 Canada Inc., 1337184 Ontario Limited, Andrew Donaldson and Glenn Miller (CV-08-366566)**

**East Side Mario's Brampton Ray Lawson**

**Prime Restaurants of Canada Inc. et al ats 1470568 Ontario Ltd. (CV-09-1545-00)**

**Prime Restaurants of Canada Inc. vs 1470568 Ontario Ltd**

Schedule 3.2.12

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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**LIST OF CORPORATE RESTAURANTS**

| <b>Name</b>       | <b>Address</b>                                   |
|-------------------|--------------------------------------------------|
| Casey's           | 123 Front Street, Toronto, Ontario               |
| East Side Mario's | 419 King Street West, Oshawa, Ontario            |
| East Side Mario's | 5855 Rodeo Drive, Mississauga, Ontario           |
| East Side Mario's | 12 Lebovic Avenue, Unit #9, Scarborough, Ontario |
| Tir nan Óg *      | 200 Ontario Street, Kingston, Ontario            |
| Fionn MacCool's   | 70 The Esplanade, Toronto, Ontario               |
| D'Arcy McGee's    | 44 Sparks Street, Ottawa, Ontario                |
| Bier Markt        | 58 The Esplanade, Toronto, Ontario               |
| Bier Markt        | 600 King Street West, Toronto, Ontario           |

\* PRC has a tentative agreement to sell Tir nan Óg (Kingston) to a Franchisee effective in April 2010.

Note: the liquor licence for Casey's Dixon Road is held by PRC as general partner of The Ricmar Limited Partnership. Therefore, for certain purposes it is considered "corporate", and for the purposes of this Agreement it should be considered as franchised.

### **Schedule 3.2.15**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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#### **LITIGATION AND OTHER PROCEEDINGS**

**See Schedule 3.2.11(e)**

**Note: a description of the litigation has been omitted because the description would be seriously prejudicial to the interests of the reporting issuer.**

**East Side Mario's London Argyle**

**Jo-Anne Cowan, Darrell Laraway and Sara Laraway vs. Prime Restaurants of Canada Inc. and 1498882 Ontario Inc. (43838 / 04)**

**Casey's Collingwood -- Updated**

**Prime Restaurants of Canada Inc. et al ats RioCan Holdings (Collingwood) Inc. (CV-09-383149)**

**East Side Mario's Calgary Boulevard -- Updated**

**Prime Restaurants of Canada Inc. ats Capital City Shopping Centre Limited (0901-17059)**

**East Side Mario's Orangeville -- Updated**

**Prime Restaurants of Canada Inc. et al ats RioCan Holdings (Collingwood) Inc. (CV-09-392699)**

### **Schedule 3.2.16**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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#### **OUTSTANDING LIABILITIES AND GUARANTEES**

See the list of Guaranteed Real Property Leases.

**Note: some liabilities and guarantees have been omitted to avoid violating confidentiality provisions.**

**Schedule 3.2.17**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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**OUTSTANDING INDEBTEDNESS**

See other disclosures herein and the Financial Statements.

### **Schedule 3.2.19**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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#### **ABSENCE OF UNUSUAL TRANSACTIONS AND EVENTS**

Effective January 25, 2010, PRC sold Casey's Boucherville to a Franchisee.

PRC has a tentative agreement to sell Tir nan Óg (Kingston) to a Franchisee effective in April 2010.

PRC has entered into contracts to build East Side Mario's in Vernon.

On February 1, 2010, PRC paid PRH \$22,500 towards the shareholder loan.

**Schedule 3.2.20(a)**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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**NON-ARM'S LENGTH TRANSACTIONS - PAYMENTS OR LOANS**

See the Financial Statements.

On February 1, 2010, PRC paid PRH \$22,500 towards the shareholder loan.

### **Schedule 3.2.20(b)**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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#### **NON-ARM'S LENGTH TRANSACTIONS - CONTRACTS**

PRC has written Employment Agreements and Indemnity Agreements with each of John Rothschild and Nick Perpik dated July 22, 2002. These are to be replaced pursuant to the Arrangement.

**Schedule 3.2.21**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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**CONTRACTS OUT OF THE ORDINARY COURSE**

See other disclosures herein.

### **Schedule 3.2.22**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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#### **NO DEFAULT UNDER AGREEMENTS**

PRC is in default under its equipment loan and security agreement dated February 15, 2008, as amended by letter agreement on August 29, 2008 ("ELSA") with GE Canada Equipment Financing GP ("GE") in that PRC has failed to meet the required fixed cost coverage ratio. The ELSA contains a restriction on any change in control of PRC. PRC has advised GE of this default and has requested from GE waivers of (i) the default and (ii) the change in control restriction.

PRC is in default under the Licence and Royalty Agreement with TradeMarkCo ("LRA"); PRC has failed to pay the full Royalty Payments payable pursuant to the LRA since the Royalty Payment due in November 2009.

### Schedule 3.2.23(b)

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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#### REAL PROPERTY LEASES

##### PRC is the Tenant

| Name    | Address                                                                   | Status                                                                                      | Term Start Date | Current Term Expiration |
|---------|---------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|-----------------|-------------------------|
| Casey's | 1031 rue du Marché Central, Montréal, Québec                              | Open                                                                                        | 01-Mar-96       | 29-Feb-16               |
| Casey's | 1165, rue Volta, Boucherville, Québec                                     | Open                                                                                        | 13-Sep-95       | 30-Sep-20               |
| Casey's | 1070 Kingsway, Sudbury, Ontario                                           | Open                                                                                        | 14-Nov-95       | 30-Nov-10               |
| Casey's | 123 Front Street, Toronto, Ontario                                        | Open                                                                                        | 01-Apr-96       | 31-Jan-16               |
| Casey's | 2450 Laurier Boulevard - Unit #56A & #56B, Ste-Foy, Québec                | Open                                                                                        | 01-Dec-96       | 31-Jan-17               |
| Casey's | 170A, chemin Curé-Deslauriers, Casier postal 2566, Mont-Tremblant, Québec | Open                                                                                        | 01-Jan-97       | 31-Dec-11               |
| Casey's | 1880 Ogilvie Road, Gloucester, Ontario                                    | Open                                                                                        | 09-Jul-99       | 31-Jul-16               |
| Casey's | 120 Great Lakes Drive (Block L), Brampton, Ontario                        | Open                                                                                        | 17-Jan-00       | 31-Jan-15               |
| Casey's | 37 William Kitchen Road, Building "L", Scarborough, Ontario               | Open                                                                                        | 18-Dec-00       | 31-Jan-11               |
| Casey's | 36 Kingston Road East, Ajax, Ontario                                      | Open                                                                                        | 29-Jan-01       | 31-Jan-11               |
| Casey's | 825 Britannia Road West, Mississauga, Ontario                             | Open                                                                                        |                 | 30-Jun-12               |
| Casey's | 494 Edinburgh Road South, Building "E", Guelph, Ontario                   | Open                                                                                        | 11-Nov-97       | 30-Nov-12               |
| Casey's | 17600 Yonge Street, Newmarket, Ontario                                    | Open                                                                                        |                 | 31-Oct-11               |
| Casey's | 11 Colossus Drive, Woodbridge, Ontario                                    | Closed 30-Sep-08; converted to another concept (Montey's), but it closed early November '09 | 08-Mar-00       | 31-Mar-10               |
| Casey's | 185 King George Road, Brantford, Ontario                                  | Open                                                                                        | 20-Aug-02       | 31-Aug-12               |
| Casey's | 310 Clarke Road, London, Ontario                                          | Open                                                                                        | 15-Nov-04       | 30-Nov-14               |

| Name              | Address                                                   | Status | Term Start Date | Current Term Expiration |
|-------------------|-----------------------------------------------------------|--------|-----------------|-------------------------|
| Casey's           | 925 Dixon Road, Rexdale, Ontario                          | Open   |                 | 31-Aug-14               |
| Pat and Mario's   | 1463 LaSalle Boulevard, Sudbury, Ontario                  | Open   |                 | 14-Jun-14               |
| East Side Mario's | 170 University Avenue West, Waterloo, Ontario             | Open   | 01-Oct-89       | 30-Nov-17               |
| East Side Mario's | 900 Maple Avenue, Burlington, Ontario                     | Open   | 31-Oct-90       | 31-Oct-10               |
| East Side Mario's | 390 North Front Street, Bellville, Ontario                | Open   |                 | 30-Jun-12               |
| East Side Mario's | 151 Front Street West, Toronto, Ontario                   | Open   |                 | 31-Mar-17               |
| East Side Mario's | 370 Stone Road West, Guelph, Ontario                      | Open   | 01-Dec-92       | 30-Nov-12               |
| East Side Mario's | 315 Memorial Avenue, Orillia, Ontario                     | Open   | 27-Nov-91       | 30-Jun-12               |
| East Side Mario's | 1120 Riverside Drive, Timmins, Ontario                    | Open   | 06-Jan-92       | 31-Mar-17               |
| East Side Mario's | 1200 Saint Laurent Boulevard, Ottawa, Ontario             | Open   | 01-May-92       | 30-Apr-12               |
| East Side Mario's | 401 boulevard Curé-Labelle, local F-9, Rosemère, Québec   | Open   | 16-Feb-93       | 31-Jan-13               |
| East Side Mario's | 419 King Street West, Oshawa, Ontario                     | Open   | 30-Nov-93       | 30-Nov-13               |
| East Side Mario's | 255, boul de Martigny Ouest, bureau 6, St. Jérôme, Québec | Open   | 23-Sep-93       | 22-Sep-13               |
| East Side Mario's | 550 boulevard Wilfrid-Hamel, Québec City, Québec          | Open   | 01-Aug-93       | 31-Jul-13               |
| East Side Mario's | 1166, rue Volta, Boucherville, Québec                     | Open   | 04-Aug-94       | 13-Sep-14               |
| East Side Mario's | 450 King Street North, Waterloo, Ontario                  | Open   | 01-Dec-95       | 30-Nov-15               |
| East Side Mario's | 2040 Algonquin Road, Sudbury, Ontario                     | Open   | 15-Dec-95       | 31-Dec-15               |
| East Side Mario's | 1315 - 16th Street East, Owen Sound, Ontario              | Open   | 20-Feb-96       | 31-Jan-11               |
| East Side Mario's | 2660 rue King Ouest, Sherbrooke, Québec                   | Open   | 13-Oct-96       | 31-Oct-16               |
| East Side Mario's | 101 Clarington Boulevard, Bowmanville, Ontario            | Open   | 01-Jan-97       | 31-Dec-11               |
| East Side Mario's | 5855 Rodeo Drive, Mississauga, Ontario                    | Open   | 15-Feb-98       | 14-Feb-13               |
| East Side Mario's | 933 Landsdowne Avenue West, Peterborough, Ontario         | Open   | 16-Dec-96       | 30-Nov-16               |
| East Side Mario's | 651 Terry Fox Drive, Kanata, Ontario                      | Open   | 06-Jan-97       | 30-Nov-16               |
| East Side Mario's | 12 Lebovic Avenue, Unit #9, Scarborough, Ontario          | Open   | 23-Dec-99       | 31-Dec-19               |

| Name              | Address                                              | Status                                                 | Term Start Date | Current Term Expiration |
|-------------------|------------------------------------------------------|--------------------------------------------------------|-----------------|-------------------------|
| East Side Mario's | 355 Hespeler Road, Cambridge, Ontario                | Open                                                   | 15-Sep-97       | 14-Sep-12               |
| East Side Mario's | 502 Bayfield Street, Barrie, Ontario                 | Open                                                   | 24-Dec-00       | 31-Dec-14               |
| East Side Mario's | 332 Ontario Street, St. Catharines, Ontario          | Open                                                   |                 | 28-Feb-13               |
| East Side Mario's | 387 Wellington Road South, London, Ontario           | Open                                                   | 28-Jan-98       | 31-Jan-18               |
| East Side Mario's | 94 Fanshawe Park Road, London, Ontario               | Open                                                   | 01-May-98       | 31-May-18               |
| East Side Mario's | 119 Osler Drive, Dundas, Ontario                     | Open                                                   | 27-Apr-98       | 30-Jun-13               |
| East Side Mario's | 135 Gateway Park Drive, Kitchener, Ontario           | Closed 02 Oct '09                                      | 12-Oct-98       | 30-Nov-13               |
| East Side Mario's | Unit #500, 16061 MacLeod Trail S.E, Calgary, Alberta | Open                                                   | 13-Sep-99       | 31-Jan-10               |
| East Side Mario's | 2035 Winston Park Drive, Oakville, Ontario           | Open                                                   | 02-Mar-99       | 01-Mar-19               |
| East Side Mario's | 130 Great Lakes Drive (Block K), Brampton, Ontario   | Open                                                   | 24-Jan-00       | 31-Jan-15               |
| East Side Mario's | 2000 Appleby Line, Burlington, Ontario               | Open                                                   | 26-Apr-99       | 30-Apr-14               |
| East Side Mario's | 1820 Ogilvie Road, Gloucester, Ontario               | Open                                                   | 08-Jul-99       | 31-Jul-16               |
| East Side Mario's | 446 Highland Road West, Kitchener, Ontario           | Open                                                   | 22-Nov-96       | 30-May-12               |
| East Side Mario's | 2930 Steeles Avenue East, Thornhill, Ontario         | Closed; assigned lease to other concept (Congee Queen) | 12-Feb-01       | 28-Feb-11               |
| East Side Mario's | 1389 Upper James Street, Hamilton, Ontario           | Open                                                   | 11-Feb-01       | 28-Feb-11               |
| East Side Mario's | 300, 1575 Banks Road, Kelowna, British Columbia      | Open                                                   |                 | 30-Jun-15               |
| East Side Mario's | 1365 Harmony Road North, Oshawa, Ontario             | Open                                                   | 30-Sep-02       | 30-Sep-12               |
| East Side Mario's | 1915 Dundas Street, London, Ontario                  | Open                                                   | 15-Jul-02       | 31-Jul-12               |
| East Side Mario's | 3075 Argentia Road, Mississauga, Ontario             | Open                                                   | 30-May-05       | 31-May-15               |
| East Side Mario's | 5060 Highway 7 East, Markham, Ontario                | Open                                                   |                 | 28-Feb-13               |
| East Side Mario's | 199 North Queen Street, Etobicoke, Ontario           | Open                                                   | 12-Jan-98       | 28-Feb-13               |
| East Side Mario's | 5887 Main Street, Stouffville, Ontario               | Open                                                   | 29-Jun-03       | 30-Jun-13               |

| Name              | Address                                               | Status                                           | Term Start Date | Current Term Expiration |
|-------------------|-------------------------------------------------------|--------------------------------------------------|-----------------|-------------------------|
| Mario's           | Ontario                                               |                                                  |                 |                         |
| East Side Mario's | 3027 Parkedale Avenue, Brockville, Ontario            | Open                                             | 02-Dec-02       | 31-Dec-12               |
| East Side Mario's | 11 Ray Lawson Blvd., Brampton, Ontario                | Open                                             | 13-Nov-03       | 30-Nov-13               |
| East Side Mario's | 75 Strathy Road, Cobourg, Ontario                     | Open                                             | 28-Aug-02       | 31-Aug-12               |
| East Side Mario's | 115 Hamilton Street North, Unit C, Waterdown, Ontario | Closed 14-Dec-09                                 | 14-Apr-03       | 30-Apr-13               |
| East Side Mario's | 526 West Hunt Club Road, Ottawa, Ontario              | Open                                             | 02-Jul-03       | 31-Jul-13               |
| East Side Mario's | 75 – 4th Avenue, Orangeville, Ontario                 | Prime terminated and locked the door 23 Dec '09. | 22-Dec-03       | 31-Dec-13               |
| East Side Mario's | 21 St. Clair Avenue West, Toronto, Ontario            | Closed; sublet to Lettieri                       | 01-Jul-02       | 30-Jun-12               |
| East Side Mario's | 320, boul. St-Joseph, Drummondville, Québec           | Open                                             | 10-May-04       | 31-May-14               |
| East Side Mario's | 111 Howland Drive, Unit 110, Huntsville, Ontario      | Open                                             | 28-Oct-03       | 31-Oct-13               |
| East Side Mario's | 138 Young Street, Alliston, Ontario                   | Open                                             | 25-Jun-04       | 30-Jun-14               |
| East Side Mario's | 4170 Baldwin Street South, Whitby, Ontario            | Open                                             | 04-May-04       | 31-May-14               |
| Tir nan Óg        | 200 Ontario Street, Kingston, Ontario                 | Open                                             | 21-May-97       | 28-Feb-17               |
| Fionn MacCool's   | 70 The Esplanade, Toronto, Ontario                    | Open                                             | 08-Jul-97       | 31-Jul-12               |
| D'Arcy McGee's    | 44 Sparks Street, Ottawa, Ontario                     | Open                                             | 01-Jul-97       | 30-Jun-17               |
| Paddy Flaherty's  | 130 Seaway Road, Sarnia, Ontario                      | Open                                             | 11-Jun-80       | 30-Jun-17               |
| Bier Markt        | 58 The Esplanade, Toronto, Ontario                    | Open                                             | 01-Dec-97       | 30-Nov-13               |
| Fionn MacCool's   | 21 St. Clair Avenue West, Toronto, Ontario            | Open                                             | 01-Jul-02       | 30-Jun-12               |
| Prime             | 4875 Metro Blvd. East, Saint Leonard, Québec          | Open                                             | 01-Mar-10       | 28-Feb-14               |
| Prime             | 10 Kingsbridge Garden Circle, Mississauga, Ontario    | Open                                             | 01-Mar-90       | 28-Feb-11               |
| Prime             | 1311 Howe Street, Vancouver, British Columbia         | Open                                             | 11-Dec-06       | Now, month to month     |

**Schedule 3.2.23(d)**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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**REAL PROPERTY LEASES - VALIDITY, ENFORCEABILITY, DEFAULT OR BREACH,  
CHANGE OF CONTROL RESTRICTIONS, ETC.**

(ii) PRC is not aware of defaults which would reasonably be expected to result in a Material Adverse Effect.

(iii) PRC's leases with SmartCentres require notice to, but not consent from, the landlord in the event of a change in control of PRC.

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**Schedule 3.2.23 (e)**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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**DEFECTS IN CONSTRUCTION, ETC.**

**None**

### Schedule 3.2.23(g)

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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#### GUARANTEED REAL PROPERTY LEASES

**Note: a description of PRC's Lease Exposure has been omitted because the description would be seriously prejudicial to the interests of the reporting issuer.**

| Name    | Address                                                  | Status                                                                                       | Term Start Date | Current Term Expiration | PRC's Lease Exposure |
|---------|----------------------------------------------------------|----------------------------------------------------------------------------------------------|-----------------|-------------------------|----------------------|
| Casey's | 1 Strathy Road, Cobourg, Ontario                         | Open                                                                                         | 01-Jun-90       | 31-May-15               |                      |
| Casey's | 10 Lebovic Avenue, Unit #8, Scarborough, Ontario         | Open                                                                                         | 23-Dec-99       | 31-Dec-21               |                      |
| Casey's | 200 Dundas Street East, Toronto, Ontario                 | Open                                                                                         | 12-Aug-03       | 31-Aug-13               |                      |
| Casey's | 99 Balsam Street, Unit #1, Collingwood, Ontario          | Closed; sublet to (Echo's Mountain Bar & Grill) effective 31 Aug 06. Echo's closed 02-May-09 | 28-Jan-05       | 31-Jan-15               |                      |
| Casey's | Unit 11A, 1120 Victoria Street North, Kitchener, Ontario | Open                                                                                         | 03-May-04       | 31-Jul-14               |                      |
| Casey's | 1155 Ritson Road North, Oshawa, Ontario                  | Closed; now sublet to Wild Wings                                                             | 20-Aug-04       | 31-Aug-14               |                      |
| Casey's | 1440 Ottawa Street South, Kitchener, Ontario             | Open                                                                                         | 13-Feb-05       | 28-Feb-15               |                      |
| Casey's | 1101 Maple Avenue, Milton, Ontario                       | Open                                                                                         | 03-Nov-06       | 30-Nov-16               |                      |
| Casey's | CRU# L6B, Boul 9310 Leduc, Brossard, Québec              | Open                                                                                         | 03-Sep-07       | 31-Mar-23               |                      |
| Casey's | 4115 Walker Road, Windsor, Ontario                       | Open                                                                                         | 27-Oct-08       | 31-Oct-18               |                      |

| Name              | Address                                                   | Status                                                                                               | Term Start Date | Current Term Expiration | PRC's Lease Exposure |
|-------------------|-----------------------------------------------------------|------------------------------------------------------------------------------------------------------|-----------------|-------------------------|----------------------|
| East Side Mario's | 1337 London Road, Sarnia, Ontario                         | Open                                                                                                 | 01-Nov-90       | 31-Oct-10               |                      |
| East Side Mario's | 17175 Yonge Street, Newmarket, Ontario                    | Closed 01-Feb-10; assets sold to Puck 'n Wings.                                                      | 20-Jan-92       | 30-Nov-18               |                      |
| East Side Mario's | 750 Queenston Road, Hamilton, Ontario                     | Open                                                                                                 | 25-Mar-92       | 31-Jan-17               |                      |
| East Side Mario's | 100 Pembroke Street East, Pembroke, Ontario               | Open                                                                                                 | 01-Jun-84       | 31-May-14               |                      |
| East Side Mario's | 99 Trinity Drive, Moncton, New Brunswick                  | Open                                                                                                 | 11-Feb-02       | 29-Feb-12               |                      |
| East Side Mario's | #700 2555 32st NE, Calgary, Alberta                       | Open                                                                                                 | 16-Apr-01       | 30-Sep-11               |                      |
| East Side Mario's | 6455 MacLeod Trail South, Premises 120A, Calgary, Alberta | Open                                                                                                 | 21-Oct-00       | 31-Oct-10               |                      |
| East Side Mario's | 2104, 99th Street, Edmonton, Alberta                      | Closed 30-Aug-09; converted to Hudson's Tap House.                                                   | 25-Mar-01       | 24-Mar-11               |                      |
| East Side Mario's | 2004 50th Avenue, Red Deer, Alberta                       | Open                                                                                                 | 02-Jul-02       | 31-Jul-12               |                      |
| East Side Mario's | 17520 - 100th Avenue, Edmonton, Alberta                   | Closed; assigned to Ric's Grill 1st day of March 2008.                                               | 16-Sep-02       | 15-Sep-12               |                      |
| East Side Mario's | 3720 Mayor Magrath Drive South, Lethbridge, Alberta       | Open                                                                                                 | 19-Oct-01       | 31-Oct-11               |                      |
| East Side Mario's | 75 Consumers Dr., Saint John, New Brunswick               | Open                                                                                                 | 19-Jul-04       | 31-Jul-19               |                      |
| East Side Mario's | #200, 270 Baseline Road, Sherwood Park, Alberta           | Closed 11-Dec-09; Sold 11 Dec 09 to a franchisee of Canadian Brewhouse; lease assigned to franchisor | 13-Apr-03       | 30-Apr-13               |                      |

| Name              | Address                                                        | Status                                                                         | Term Start Date | Current Term Expiration | PRC's Lease Exposure |
|-------------------|----------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------|-------------------------|----------------------|
|                   |                                                                | which sublet to franchisee.                                                    |                 |                         |                      |
| East Side Mario's | 2060 Prince of Wales Drive, Regina, Saskatchewan               | Open                                                                           | 08-Aug-03       | 31-Aug-13               |                      |
| East Side Mario's | Unit 117-1320 Trans Canada Highway, Kamloops, British Columbia | Open                                                                           | 30-Jan-04       | 31-Jan-14               |                      |
| East Side Mario's | 7300 - 48th Avenue, Camrose, Alberta                           | Open                                                                           | 20-Aug-04       | 31-Aug-14               |                      |
| East Side Mario's | 60 - 96 Campsite Road, Spruce Grove, Alberta                   | Open                                                                           | 15-Sep-03       | 30-Sep-13               |                      |
| East Side Mario's | 2171 Steeles Avenue West, Toronto, Ontario                     | Open                                                                           | 16-Aug-04       | 31-Aug-14               |                      |
| East Side Mario's | 13712 - 40 Street NW, Edmonton, Alberta                        | Closed; Chianti's to take possession 15 Mar '10.                               | 01-Dec-04       | 30-Nov-14               |                      |
| East Side Mario's | Unit #85 1063 Talbot Street, St. Thomas, Ontario               | Closed; was closed 23-Dec-06 to 09-Jan-07. Sold to a new franchisee 5 Oct '09. | 29-Mar-04       | 31-Mar-14               |                      |
| East Side Mario's | 2335 8th Street East, Saskatoon, Saskatchewan                  | Open                                                                           | 16-Aug-04       | 31-Aug-14               |                      |
| East Side Mario's | 15370 Bayview Avenue, Aurora, Ontario                          | Open                                                                           | 23-Aug-04       | 31-Aug-14               |                      |
| East Side Mario's | 555 Norwich Avenue, Woodstock, Ontario                         | Open                                                                           | 30-Nov-05       | 30-Nov-15               |                      |
| East Side Mario's | Unit #93 - 105 Carry Drive South East, Medicine Hat, Alberta   | Closed 25-Jun-09; Sold by Franchisee to Original Joe's 24 June '09             | 01-Nov-04       | 31-Oct-14               |                      |
| East Side Mario's | 774 Gardiners Road, Kingston, Ontario                          | Open                                                                           | 12-Jan-06       | 31-Jan-16               |                      |

| Name              | Address                                                      | Status | Term Start Date | Current Term Expiration | PRC's Lease Exposure |
|-------------------|--------------------------------------------------------------|--------|-----------------|-------------------------|----------------------|
| East Side Mario's | 615 St. Albert Trail, Unit #10, St. Albert, Alberta          | Open   | 19-Oct-07       | 31-Oct-17               |                      |
| East Side Mario's | Building B, 20090 91A Avenue, Langley, British Columbia      | Open   | 14-Nov-06       | 30-Nov-16               |                      |
| East Side Mario's | Unit #1050, 2929 Barnet Highway, Coquitlam, British Columbia | Open   | 20-Nov-05       | 30-Nov-15               |                      |
| East Side Mario's | 14 Trinity Avenue, Fredericton, New Brunswick                | Open   | 03-Feb-08       | 28-Feb-18               |                      |
| East Side Mario's | 800 Grand Lake Road, Unit 23, Sydney, Nova Scotia            | Open   | 28-Jan-09       | 31-Jan-19               |                      |
| East Side Mario's | 300 King George Road, Brantford, Ontario                     | Open   | 27-Oct-08       | 31-Oct-18               |                      |
| Fionn MacCool's   | 181 University Avenue, Toronto, Ontario                      | Open   | 19-Jul-04       | 18-Jul-14               |                      |
| Bier Markt        | 600 King Street West, Toronto, Ontario                       | Open   | 01-Nov-07       | 31-Jul-18               |                      |
| D'Arcy McGee's    | 260 Centrum Boulevard, Unit 101, Orléans, Ontario            | Open   | 01-Jun-08       | 30-Jun-18               |                      |
| Fionn MacCool's   | 235 Bloor Street East, Toronto, Ontario                      | Open   | 10-Oct-08       | 31-Oct-18               |                      |
| D'Arcy McGee's    | 655 Terry Fox Drive, Kanata, Ontario                         | Open   | 01-Jan-09       | 31-Dec-18               |                      |

**Schedule 3.2.23(i)**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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**GUARANTEED REAL PROPERTY LEASES - VALIDITY, ENFORCEABILITY, DEFAULT  
OR BREACH, CHANGE OF CONTROL RESTRICTIONS, ETC.**

(ii) PRC is not aware of defaults which would reasonably be expected to result in a Material Adverse Effect.

(iii) PRC's leases with SmartCentres require notice to, but not consent from, the landlord in the even of a change in control of PRC.

### **Schedule 3.2.24**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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#### **TITLE TO ASSETS**

GE Canada Equipment Financing GP has a security interest in PRC's assets located at (i) Bier Markt on The Esplanade, (ii) Fionn MacCool's on The Esplanade and (iii) Casey's on Lebovic Avenue.

CIBC has a security interest in a \$19,000 cash deposit.

TradeMarkCo has a security interest in all of PRC's assets pursuant to the General Security Agreement dated July 22, 2002

### **Schedule 3.2.27**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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#### **TAX MATTERS**

(h) See the Tax Indemnification Agreement between PRC and TradeMarkCo dated July 22, 2002.

(k) PRA files Form 1120 (Corporation Income Tax Return) and Form 5472 (Information return of a Foreign-Owned Corporation).

### **Schedule 3.2.28(a)**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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#### **LIST OF EMPLOYEES AT HEAD OFFICES**

The following is a list of PRC's employees, their title and current compensation, who report to its head offices (Mississauga, Vancouver and Saint-Léonard Borough). This does not include employees who work at corporate restaurants.

**Note: the list of PRC's head office employees and related information has been omitted to avoid violating confidentiality provisions.**

### Schedule 3.2.29

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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#### EMPLOYEE PLANS

A high level outline of our benefits is below.

| Name                | Who is covered                                                                                                                                           | Coverage                                                                                                                                                                                                                                                                                                                                          |
|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Division 001</b> | Corporate Staff:<br>Head Office Employees <ul style="list-style-type: none"> <li>Employer paid for all plans except LTD is 100% employee paid</li> </ul> | <ul style="list-style-type: none"> <li>Salaried Staff</li> <li>Basic Life &amp; ADD &amp; Dependent Life</li> <li>LTD (\$5,000 Max LTD benefit)</li> <li>Health and Dental</li> <li>3 months waiting for all benefits except vision care, paramedical and dental benefits which is a 12 month waiting period</li> </ul>                           |
| <b>Division 002</b> | Corporate Stores:<br>Salaried Employees <ul style="list-style-type: none"> <li>Employer paid for all plans except LTD is 100% employee paid</li> </ul>   | <ul style="list-style-type: none"> <li>Salaried Staff</li> <li>Basic Life &amp; ADD &amp; Dependent Life</li> <li>LTD (\$5,000 Max LTD benefit)</li> <li>Health and Dental</li> <li>3 months waiting for all benefits except vision care, paramedical and dental benefits which is a 12 month waiting period</li> </ul>                           |
| <b>Division 003</b> | Corporate Stores:<br>Hourly Employees <ul style="list-style-type: none"> <li>Employee paid</li> </ul>                                                    | <ul style="list-style-type: none"> <li>Hourly staff</li> <li>Basic Life (Flat benefit of \$15,000) &amp; ADD – (Flat benefit of \$15,000)</li> <li>Health– Same as Salaried staff</li> <li>Dental – Routine at 80% coinsurance</li> <li>12 months waiting period</li> </ul>                                                                       |
| <b>Division 004</b> | Franchise Salaried Employees <ul style="list-style-type: none"> <li>Employer paid for all plans except LTD is 100% employee paid</li> </ul>              | <ul style="list-style-type: none"> <li>Salaried Staff</li> <li>Basic Life &amp; ADD &amp; Dependent Life</li> <li>LTD (\$5,000 Max LTD benefit)</li> <li>Health and Dental</li> <li>3 months waiting for all benefits except vision care, paramedical and dental benefits which is a 12 month waiting period</li> </ul>                           |
| <b>Division 005</b> | Franchise Hourly Employees <ul style="list-style-type: none"> <li>Employee paid</li> </ul>                                                               | <ul style="list-style-type: none"> <li>Hourly staff</li> <li>Basic Life (Flat benefit of \$15,000) &amp; ADD – (Flat benefit of \$15,000)</li> <li>Health– Same as Salaried staff</li> <li>Dental – Routine at 80% coinsurance</li> <li>12 months waiting period</li> </ul>                                                                       |
| <b>Division 006</b> | Executives <ul style="list-style-type: none"> <li>Employer paid for all plans except LTD is 100% employee paid</li> </ul>                                | <ul style="list-style-type: none"> <li>Salaried Staff</li> <li>Basic Life &amp; ADD &amp; Dependent Life</li> <li>LTD (\$6,500 max without evidence; overall max @10,000)</li> <li>Health and Dental</li> <li>3 months waiting for all benefits except vision care, paramedical and dental benefits which is a 12 month waiting period</li> </ul> |

### Schedule 3.2.36

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

## MATERIAL INTELLECTUAL PROPERTY RIGHTS

### Trade-marks

| Mark                                     | Jurisdiction | App No     | Reg No    | Owner       | Status                                                       |
|------------------------------------------|--------------|------------|-----------|-------------|--------------------------------------------------------------|
| Prime Restaurants                        | America      | 77/157,843 | 3,521,468 | PRA         | Allowed, need use declaration 21 Oct 13 to 12 Oct 14         |
| Paddy Flaherty's                         | America      | 77/057,842 |           | PRA         | Allowed, need use; final deadline extended to mid 31July 09. |
| East Side Mario's & "Statue" Design      | America      | 74/278,416 | 1,802,958 | PRC         | Registered                                                   |
| East Side Mario's                        | America      | 73/712,172 | 1,534,777 | PRC         | Registered                                                   |
| D'Arcy McGee's                           | America      | 77/057,838 | 3,477,273 | PRA         | Registered                                                   |
| Budda Boom Budda Ching                   | Canada       | 1,461,041  |           | TradeMarkCo | Pending                                                      |
| Taste of Little Italy                    | Canada       | 1,340,627  |           | TradeMarkCo | Pending                                                      |
| Prime University & Design                | Canada       | 1,468,148  |           | PRC         | Pending                                                      |
| Casey's Mustache                         | Canada       | 425,599    | 275,610   | TradeMarkCo | Registered                                                   |
| Casey's Mustache & Design                | Canada       | 425,600    | 275,611   | TradeMarkCo | Registered                                                   |
| Pat and Mario's (2 Men) & Design         | Canada       | 494,627    | 292,152   | TradeMarkCo | Registered                                                   |
| Casey's Roadhouse & Design               | Canada       | 455,580    | 312,122   | TradeMarkCo | Registered                                                   |
| Pat and Mario's (script) & Design        | Canada       | 540,120    | 312,217   | TradeMarkCo | Registered                                                   |
| Casey's                                  | Canada       | 541,357    | 317,107   | TradeMarkCo | Registered                                                   |
| Pat and Mario's                          | Canada       | 544,901    | 320,731   | TradeMarkCo | Registered                                                   |
| P & M's & Design                         | Canada       | 529,923    | 325,626   | TradeMarkCo | Registered                                                   |
| Ringside Seats & Design                  | Canada       | 541,356    | 333,975   | TradeMarkCo | Registered                                                   |
| Casey's Bar & Grill & Design             | Canada       | 593,127    | 361,508   | TradeMarkCo | Registered                                                   |
| East Side Mario's                        | Canada       | 590,085    | 373,218   | TradeMarkCo | Registered                                                   |
| Pat & Mario's Piazza Restaurant & Design | Canada       | 695,816    | 407,569   | TradeMarkCo | Registered                                                   |
| Casey's (Dalmar) & Design                | Canada       | 505,894    | 324,972   | TradeMarkCo | Registered                                                   |
| East Side's                              | Canada       | 652,065    | 389,547   | TradeMarkCo | Registered                                                   |
| Casey's Grillhouse & Beverage Co         | Canada       | 708,484    | 434,414   | TradeMarkCo | Registered                                                   |

| Mark                                                | Jurisdiction | App No    | Reg No  | Owner       | Status     |
|-----------------------------------------------------|--------------|-----------|---------|-------------|------------|
| Grillhouse & Beverage Co                            | Canada       | 708,483   | 436,773 | TradeMarkCo | Registered |
| Prime Restaurants & Design                          | Canada       | 653,386   | 385,774 | PRC         | Registered |
| Casey's Grilladerie Resto-Bar                       | Canada       | 792,827   | 507,181 | TradeMarkCo | Registered |
| Casey's Grilladerie Resto-Bar design No 2 (no date) | Canada       | 795,681   | 507,184 | TradeMarkCo | Registered |
| An American Italian Eatery                          | Canada       | 801,981   | 470,684 | TradeMarkCo | Registered |
| Bad to the Bone                                     | Canada       | 833,671   | 507,754 | TradeMarkCo | Registered |
| Red Devil Barbeque & Tavern                         | Canada       | 833,672   | 526,298 | TradeMarkCo | Registered |
| Red Devil Barbeque & Tavern (Design)                | Canada       | 833,674   | 507,756 | TradeMarkCo | Registered |
| Red Devil Barbeque & Tavern (Vertical Design)       | Canada       | 833,675   | 507,792 | TradeMarkCo | Registered |
| Red Devil Barbeque & Tavern (Horizontal Design)     | Canada       | 833,676   | 507,765 | TradeMarkCo | Registered |
| Same Ireland. Different country.                    | Canada       | 833,957   | 496,249 | TradeMarkCo | Registered |
| Tir nan Óg                                          | Canada       | 836,422   | 496,236 | TradeMarkCo | Registered |
| Budda Boom Budda Bing                               | Canada       | 843,982   | 493,371 | TradeMarkCo | Registered |
| D'Arcy McGee's Irish Pub                            | Canada       | 844,806   | 529,686 | TradeMarkCo | Registered |
| East Side Mario's (Statue) & Design 2               | Canada       | 784,342   | 473,644 | TradeMarkCo | Registered |
| Fionn MacCool's Irish Pub                           | Canada       | 855,909   | 530,996 | TradeMarkCo | Registered |
| Paddy Flaherty's Irish Pub                          | Canada       | 855,910   | 530,988 | TradeMarkCo | Registered |
| Casey's Bulldog & Design                            | Canada       | 867,539   | 515,414 | TradeMarkCo | Registered |
| Red Devil Barbeque & Grill                          | Canada       | 1,035,895 | 579,805 | TradeMarkCo | Registered |
| Red Devil Barbeque & Grill (Horizontal Design)      | Canada       | 1,035,897 | 579,706 | TradeMarkCo | Registered |
| Red Devil Barbeque & Grill (Vertical Design)        | Canada       | 1,035,896 | 579,773 | TradeMarkCo | Registered |
| Esplanade Bier Markt                                | Canada       | 1,029,470 | 554,097 | TradeMarkCo | Registered |
| East Side Mario's                                   | Canada       | 784,341   | 493,980 | TradeMarkCo | Registered |
| Paddy Flaherty's                                    | Canada       | 1,063,843 | 600,074 | TradeMarkCo | Registered |
| Bier Markt                                          | Canada       | 1,029,469 | 571,122 | TradeMarkCo | Registered |
| Fionn MacCool's                                     | Canada       | 1,177,073 | 613,890 | TradeMarkCo | Registered |

| Mark                                         | Jurisdiction | App No    | Reg No    | Owner       | Status                                        |
|----------------------------------------------|--------------|-----------|-----------|-------------|-----------------------------------------------|
| Pat & Mario's [Wavy] Design                  | Canada       | 1,173,219 | 614,927   | TradeMarkCo | Registered                                    |
| Casey's Grill.Bar                            | Canada       | 1,254,191 | 660,419   | TradeMarkCo | Registered                                    |
| D'Arcy McGee's                               | Canada       | 1,270,781 | 677,528   | TradeMarkCo | Registered                                    |
| A Taste of Little Italy                      | Canada       | 1,340,014 | 705,768   | TradeMarkCo | Registered                                    |
| Prime Pubs                                   | Canada       | 1,336,666 | 719,750   | PRC         | Registered                                    |
| East Side Mario's Circle Tomato design       | Canada       | 1,386,027 | 742,701   | TradeMarkCo | Registered                                    |
| East Side Mario's Lateral Tomato design      | Canada       | 1,386,026 | 742,736   | TradeMarkCo | Registered                                    |
| Casey's Resto Bar and Design                 | Canada       | 1,099,013 | 578,093   | TradeMarkCo | Registered                                    |
| East Side Mario's Too! and Design            | Canada       | 1,115,329 | 585,678   | TradeMarkCo | Registered                                    |
| Red Devil                                    | Canada       | 1,115,330 | 579,990   | TradeMarkCo | Registered                                    |
| Casey's Resto-Bar                            | Canada       | 1,119,775 | 578,061   | TradeMarkCo | Registered                                    |
| East Side Mario's                            | Canada       | 878,604   | 552,745   | TradeMarkCo | Registered                                    |
| Tex Mex & Design                             | Canada       | 663,705   | 403,469   | TradeMarkCo | Registered, but not in use                    |
| Onion Straws                                 | Canada       | 564,328   | 342,001   | TradeMarkCo | Registered, but not in use                    |
| A Little Italy in Every Bite                 | Canada       | 695,695   | 415,691   | TradeMarkCo | Registered; renewed to 20 Aug 23              |
| East Side Mario's (M) & Design               | Canada       | 698,092   | 418,878   | TradeMarkCo | Registered; renewed to 29 Oct 23              |
| East Side Mario's (Statue) & Design 1        | Canada       | 708,541   | 438,661   | TradeMarkCo | Registered; renewed to Feb 2, 2025            |
| East Side Mario's                            | CTM          | 447730    | 447730    | PRC         | Registered                                    |
| Statue of Liberty & Tomato (no words) design | CTM          | 001930882 | 001930882 | PRC         | Registered                                    |
| An American Italian Eatery                   | CTM          | 001930924 | 001930924 | PRC         | Registered                                    |
| East Side Mario's                            | CTM          | 007067192 | 007067192 | PRC         | Registered; 10 years                          |
| Statue of Liberty & Tomato (no words) design | UK           | 2249518   | 2249518   | PRC         | Registered                                    |
| An American Italian Eatery                   | UK           | 2249517   | 2249517   | PRC         | Registered                                    |
| East Side Mario's                            | UK           | 2140581   | 2140581   | PRC         | Registration resurrected; valid to 25 July 17 |

PRC claims copyright in menus, POP and media marketing materials.

PRC uses trade-marks of suppliers, charities and others with whom it has promotional and other agreements in the operation and promotion of its brands.

**Schedule 3.2.39**

To the Disclosure Letter of PRH and PRC, dated February 25, 2010

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**NO MATERIAL ADVERSE CHANGE**

None