

October 19th, 2015

Mr. Michael Inch
Vice President, Strategic Sourcing
Infrastructure Ontario
1 Dundas Street West, Suite 2000
Toronto, Ontario, M5G 2L5

Subject: Fairness Attestation - Stage 2 of the Request for Proposals in connection with the Disposition of the LCBO Head Office Lands and Provision of the New LCBO Facilities (RFP No. 13-251P)

Dear Mr. Inch:

P1-Consulting acted as the Fairness Monitor to review and monitor the communications, evaluations and decision-making processes associated with the procurement process for **Stage 2 of the Request for Proposals (“RFP”) in connection with the Disposition of the LCBO Head Office Lands and Provision of the New LCBO Facilities (the “Project”)** in terms of ensuring fairness, equity, objectivity, transparency and adequate documentation of the evaluation process.

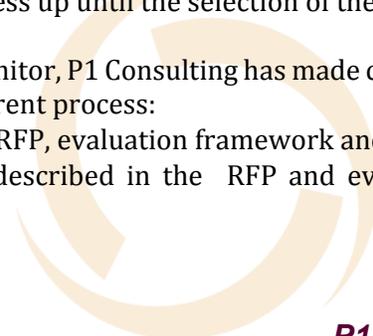
The LCBO owns a substantial property (approximately 10.73 acres) in Toronto’s central waterfront, located at 55 Lake Shore Boulevard East, 43 Freeland Street, and 2 Cooper Street, Toronto. An approximately 0.57 acre strip of property owned by City of Toronto Economic Development Corporation operating as Toronto Port Lands Company bisects the LCBO Lands. The LCBO Lands and the TPLC Rail Spur Lands form an assembled parcel of land that is approximately 11.3 acres in size.

Through the RFP, the LCBO sought to identify a Negotiations Proponent to negotiate and finalize the Transaction Agreements. The LCBO is seeking to dispose of the Assembled Lands through a disposition process involving the sale and transfer of the Assembled Lands in one single transaction.

The Request for Proposals Stage 1 process preceded the Request for Proposals Stage 2 process, with the intent of identifying the RFP Stage 2 Proponents who would be eligible to participate in RFP Stage 2. The RFP Stage 2 process was undertaken with the intent of identifying a Negotiations Proponent. P1 Consulting was engaged in the procurement process prior to the release of RFP Stage 1, and monitored and reviewed the process up until the selection of the Negotiations Proponent.

To date, in our role as Fairness Monitor, P1 Consulting has made certain that the following steps were taken to ensure a fair and transparent process:

- Clarity and consistency of the RFP, evaluation framework and related documentation;
- Adherence to the processes described in the RFP and evaluation framework, including the evaluation process;

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- Objectivity and diligence during the procurement process in order to ensure that it was conducted in a transparent manner;
- Compliance of participants with strict requirements of conflict of interest and confidentiality during the procurement and evaluation processes;
- Security of information;
- Oversight to provide a process where the Proponents are treated fairly.

The Fairness Monitor actively participated in the following steps in the process to ensure that fairness was maintained throughout:

- Participation in the project kick-off meeting;
- Review of the draft RFP and related documentation;
- Review of the Evaluation Framework;
- Overseeing the receipt of submissions; and
- Overseeing the proposal evaluation and the selection of the Negotiations Proponent

As the Fairness Monitor for **Stage 2 of the Request for Proposals in connection with the Disposition of the LCBO Head Office Lands and Provision of the New LCBO Facilities**, we certify that, up until the date of this letter, the principles of fairness, consistency and transparency have been, in our opinion, maintained throughout the procurement process. Furthermore, no issues have emerged during the procurement process, of which we were aware, that would have impaired the fairness of this initiative.

Yours truly,



Jill Newsome
Lead Fairness Monitor

