THIS AGREEMENT made this 8th day of May, 2015.

BETWEEN:

FRIENDS OF DALNAVERT MUSEUM INC.
(the "Friends"),

- and -

MANITOBA HISTORICAL SOCIETY,
(the "Society"),

WHEREAS:

A. the Society is the owner, manager and operator of the Dalnavert Museum and Visitors Centre, which comprises the nationally designated historic house and visitor centre located at 61 Carlton Street, Winnipeg, Manitoba, and legally described in Schedule "A" hereto (the "Museum");

B. the Friends is a corporation formed at the instigation of a group of community museum and heritage experts which came together in response to the Society's Call for Proposals, issued in December, 2013, to address the future of the Museum;

C. the Society wishes to divest itself of its ownership in the Museum and related property, and all related management and operational responsibilities, and the Friends has agreed to assume responsibility for the management and operation of the Museum;

D. in connection with the Memorandum of Understanding between Friends of Dalnavert Museum (the predecessor to the Friends) and the Society dated January 23, 2015 (the "MOU"), the parties hereto have decided to enter into this Agreement to further the process set out in their discussions and in the MOU;

NOW THEREFORE in consideration of the mutual agreements herein contained, it is agreed by and between the parties as follows:

1.00 Preamble

1.01 The Preamble hereto shall form an integral part of this Agreement.

2.00 Definitions

2.01 "Personal Property" means all personal property located in the Museum, including the Museum's collection of heritage furniture and other objects and records, but not including personal property belonging to the Society and used for its general purposes and not specifically related to the Museum.

2.02 "IP" means all intellectual property related to the Museum and its management and operation.

3.00 Transfer of Museum and Related Intellectual Property

3.01 The Friends shall assume all responsibility, including financial responsibility, for the management, operation, and maintenance of the Museum on May 8, 2015 (the "Possession Date").

3.02 On the Possession Date, the Society shall convey to the Friends vacant possession of the Museum, the Personal Property and the IP, free and clear of all encumbrances except those listed on Schedule "B". Taxes and other matters typically the subject of adjustment shall be adjusted on such date, with the Possession Date being the responsibility of the Friends. Despite the foregoing, the Society may maintain an office in the Museum's Visitor Centre and may continue to store Society possessions in the storage room until no later than December 31, 2015, but shall make all reasonable efforts to vacate the office and remove its possessions before such date.

3.03 On a date after the Possession Date to be determined by the Friends by notice in writing to the Society, the Society, in consideration of One ($1.00) Dollar and other good and valuable consideration, shall convey beneficial ownership of the Museum, the Personal Property and the IP and shall provide to the Friends a registerable transfer of title to the Museum to the Friends, or as otherwise directed by the Friends, subject only to those encumbrances listed in Schedule "B" hereto.

3.04 The Museum, the Personal Property, the IP, all buildings and fixtures comprising the Museum, and all other aspects of the land on which the Museum is located, shall be and remain at the risk of the Society until the Possession Date. Until the Possession Date the Society shall maintain the Museum, the Personal Property and the IP in its present state except for normal wear and tear, will maintain all insurance policies in good standing, will maintain in good standing all service, maintenance and management contracts and other contracts or agreements of similar nature relating to the Museum and any buildings or chattels thereon, and will ensure that all warranties respecting the buildings forming part of the Museum or any of the equipment situate therein or thereon are maintained in good standing.

4.00 Opening of Museum

4.01 The Friends shall use reasonable commercial efforts, subject to section 9.00 of this Agreement, to open the Museum to the public on or before May 30, 2015 (the "Opening Date"). If the Friends is prevented or is otherwise unable to open the Museum to the public on or before the Opening Date, the Friends will diligently work to open the Museum to the public as soon as reasonably possible after the Opening Date.

5.00 Access to Museum and Related Records

5.01 From and after the date of this Agreement, the Society shall provide the Friends, and its employees and agents, access to the Museum and access to all reports, agreements, and other documents relevant to the maintenance, operation and management of the Museum, including, without limitation, all of the information and documents set out in the MOU.

6.00 Transfer of Trust Funds

6.01 The Society shall make reasonable commercial efforts to obtain as soon as reasonably possible, at its cost, an order of the Manitoba Court of Queen's Bench to terminate the Trust Indenture dated June 18, 1984 (the "1984 Trust") and to transfer to a new fund at The Winnipeg Foundation all the capital of the 1984 Trust (except for $95,000.00), the income from which capital shall be available to the Friends for the operation of the Museum.

7.00 Mutual Cooperation

7.01 Each of the parties shall cooperate fully with the other in all aspects of the transfer of the Museum, the Personal Property, the IP, the fund referred to in section 6.01 and the steps set out in this Agreement.

8.00 Conditions

8.01 The obligations of the Friends under this Agreement are conditional on no material change in the condition of the Museum or the Personal Property occurring before the Possession Date.

This condition is for the sole benefit of the Friends, and may be waived by the Friends. If the Friends does not give notice in writing to the Society on or before the Possession Date that such condition has been satisfied or waived, this Agreement shall be of no further force or effect and the parties shall be released from their obligations.

9.00 Force Majeure

9.01 Neither party shall be responsible or accountable for total or partial failure to perform any obligations hereunder if such failure shall arise from Force Majeure. "Force Majeure" shall mean an occurrence beyond the reasonable control of a party despite the exercise of reasonable diligence, such party is unable to prevent, avoid or remove including, but not limited to: acts of God or the Queen's enemies, terrorism, labour disruption, expropriation or confiscation of land and/or personal property, war, riot, rebellion, sabotage, flood, fire, unusually severe weather, explosion, and/or strike or other labour disturbance.

10.00 Further Documentation

10.01 Each of the parties hereto shall execute and deliver such further and/or additional documents as deemed reasonably necessary by the solicitors for such parties so as to effect the true intent and meaning of this Agreement and the MOU.

11.00 Interpretation

11.01 The article headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or the interpretation of this Agreement.

12.00 Successors and Assigns

12.01 This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

13.00 Governing Law

13.01 This Agreement shall be governed by and construed in accordance with the laws of Manitoba and the laws of Canada applicable therein.

14.00 No Partnership

14.01 This Agreement does not create any agency, joint venture, partnership or other similar legal relationship between the parties hereto. No party has the authority to bind or act on behalf of the other party except as otherwise specifically stated in this Agreement.

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement.

FRIENDS OF DALNAVERT MUSEUM INC.

PER: Adèle Hempel
Interim Chair

MANITOBA HISTORICAL SOCIETY

PER: Harry Duckworth
President

Schedule "A"

LOTS 132, 133 AND 134 BLOCK 2 PLAN 129 WLTO (W DIV)

IN RL 1 PARISH OF ST JOHN

LOT 131 BLOCK BLOCK 2 PLAN 129 WLTO (W DIV) IN RL 1 PARISH OF ST JOHN

Schedule "B"

Notice 4154133/1

Caveat Nos. 87-124138/1 and 87-60497/1