

**THE QUEEN'S BENCH
WINNIPEG CENTRE**

**IN THE MATTER OF THE RECEIVERSHIP OF
NYGÅRD HOLDINGS (USA) LIMITED, NYGARD INC.,
FASHION VENTURES, INC., NYGARD NY RETAIL, LLC,
NYGARD ENTERPRISES LTD., NYGARD PROPERTIES LTD.
4093879 CANADA LTD., 4093887 CANADA LTD., AND
NYGARD INTERNATIONAL PARTNERSHIP**

**RICHTER ADVISORY GROUP INC.
TWELFTH REPORT OF THE RECEIVER**

June 4, 2021

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TWELFTH REPORT OF THE RECEIVER**

June 4, 2021

I. INTRODUCTION

1. On March 18, 2020 (the “**Appointment Date**”), pursuant to an order (the “**Receivership Order**”) of the Court of Queen’s Bench (Winnipeg Centre) (the “**Manitoba Court**”) made in Court File No. CI 20-01-26627 (the “**Canadian Proceedings**”), Richter Advisory Group Inc. (“**Richter**”) was appointed as receiver (in such capacity, the “**Receiver**”) of the assets, undertakings and properties (the “**Property**”) of Nygård Holdings (USA) Limited (“**NHU**”), Nygard Inc. (“**NI**”), Fashion Ventures, Inc. (“**FV**”), Nygard NY Retail, LLC (“**NYC**”, and collectively with NHU, NI, and FV, the “**US Debtors**”), Nygard Enterprises Ltd. (“**NEL**”), Nygard International Partnership (“**NIP**”), Nygard Properties Ltd. (“**NPL**”), 4093879 Canada Ltd. (“**879**”), and 4093887 Canada Ltd. (“**887**” and, collectively with NEL, NIP, NPL and 879, the “**Canadian Debtors**”) (the US Debtors and the Canadian Debtors together, the “**Nygaard Group**” or the “**Debtors**”) to exercise the powers and duties set out in the Receivership Order, pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, (the “**BIA**”) and section 55 of *The Court of Queen’s Bench Act*, C.C.S.M. c.C280.
2. The Receivership Order was granted pursuant to an application made by White Oak Commercial Finance, LLC, (the “**Agent**”) as administrative agent and collateral agent for and on behalf of White Oak and Second Avenue Capital Partners, LLC (collectively, the “**Lenders**”) pursuant to security held by the Lenders in the Property of the Debtors provided in connection with a certain loan transaction and a revolving credit facility (the “**Credit Facility**”) provided thereunder.
3. The Credit Facility was provided to the Debtors pursuant to a Credit Agreement dated December 30, 2019 (the “**Credit Agreement**” and together with other associated documents, the “**Lenders’ Security**”) as defined in, and attached as Exhibit “D” to, the Affidavit of Robert Dean affirmed March 9, 2020 (the “**Dean Affidavit**”) and filed in these proceedings.
4. Also on March 18, 2020, the Receiver, as the duly appointed foreign representative (the “**Foreign Representative**”) of the Debtors, commenced proceedings in the United States Bankruptcy Court for the Southern District of New York (the “**US Court**”) by filing, among other things, petitions on behalf of the Receiver in relation to the Debtors pursuant to sections 1504 and 1515 of the US Bankruptcy Code seeking recognition by the US Court of the Canadian proceedings as a foreign main proceeding (the “**Chapter 15 Proceedings**”). On March 26, 2020, the US Court entered, among other things, a provisional recognition order and, on April 23, 2020, the US Court granted a final order recognizing, among other things, the Canadian Proceedings as the foreign main proceeding. The Canadian Proceedings and the Chapter 15 Proceedings are together hereinafter referred to as the “**Receivership Proceedings**”.

5. On April 29, 2020, the Manitoba Court made various Orders, including an Order (the “**Sale Approval Order**”) which, among other things, approved an agreement (the “**Consulting and Marketing Services Agreement**”) between the Receiver and a contractual joint venture comprised of Merchant Retail Solutions, ULC, Hilco Merchant Resources, LLC, Hilco IP Services, LLP dba Hilco Streambank, and Hilco Receivables, LLC (collectively, “**Hilco**” or the “**Consultant**”), and White Oak Commercial Finance, LLC, pursuant to which the Consultant provided certain consulting, marketing and related asset disposition services. In addition, as it appeared that a going concern or “en-bloc” sale of the Nygard Group’s assets was not likely, the Sale Approval Order authorized the Receiver to liquidate the Nygard Group’s retail inventory and owned furniture, fixtures and equipment through temporarily re-opened stores (the “**Liquidation Sale**”), as soon as circumstances permitted. As certain details regarding the Liquidation Sale of particular importance to landlords of the Nygard Group’s retail stores (the “**Landlords**”) were not capable of being known with any precision or certainty at that time (given Covid-19 restrictions on non-essential business activities), the Sale Approval Order set out a process that required the Receiver to obtain a further order of the Manitoba Court addressing certain specified matters prior to commencement of the Liquidation Sale.
6. On April 29, 2020, the Manitoba Court made two (2) further Orders: (i) an Order (the “**General Order**”) addressing, among other things, various general matters, including certain amendments to the Receivership Order (limiting the scope of the Receivership Order in relation to the property, assets and undertakings of NEL and NPL) and the procedure for landlord access to properties leased to Nygard Inc. by certain non-Debtor members of the Nygard Organization (as hereinafter defined), and (ii) an Order (the “**DEFA Order**”) establishing the protocol for requesting access to and/or production of documents and electronic files purported to be in the possession or control (or subject to the possession or control) of the Receiver by certain non-Debtor members of the Nygard Organization or directors, officers and employees of the Nygard Group.
7. On May 15, 2020, Edson’s Investments Inc. (“**Edson’s**”) and Brause Investments Inc. (“**Brause**” and collectively, the “**Gardena Landlords**”) filed a notice of motion (the “**Gardena Motion**”) with the Manitoba Court for an order requiring the Receiver to, among other things, lift the stay of proceedings granted by the Manitoba Court in these proceedings so that the Gardena Landlords could terminate leases for properties located in Gardena, California at 312 and 332 East Rosecrans Avenue (“**East Rosecrans**”), 14401 South San Pedro Street (“**14401**”), and 14421 South San Pedro Street (“**14421**” and together with East Rosecrans and 14401, the “**California Properties**”) for failure of the Receiver to pay occupancy rent and retake possession of the California Properties. The Gardena Motion did not proceed as a result of the E/B Settlement Agreement (as hereinafter defined), which was dealt with in the Receiver’s Seventh Report dated September 10, 2020.

8. On June 2, 2020, as required by the Sale Approval Order and in anticipation of commencing the Liquidation Sale where permitted to do so (taking into consideration local public health orders and related Covid-19 restrictions), the Manitoba Court made an Order (the **“Landlord Terms Order”**) addressing certain Landlord matters in relation to the conduct of the Liquidation Sale. Among other things, the Landlord Terms Order granted a charge (the **“Landlords’ Charge”**) over the Property (as defined in the Receivership Order, as amended), in favour of the Landlords to secure the payment of monies for any unpaid rent as described in the Landlord Terms Order for the period commencing March 18, 2020 up to and including the repudiation date of a lease (the **“Unpaid Rent”**).
9. On June 30, 2020, the Manitoba Court made an Order (the **“Notre Dame Approval and Vesting Order”**) approving, among other things, the sale of certain NPL real property located at 1300, 1302 and 1340 Notre Dame Avenue and 1440 Clifton Street (the **“Notre Dame Property”**) in Winnipeg, Manitoba.
10. On June 30, 2020, the Manitoba Court also made an Order (the **“Dillard’s Settlement Approval Order”**) approving, among other things, the terms of an agreed Settlement Agreement and Release of Claims between the Receiver and Dillard’s Inc.
11. On August 10, 2020, the Manitoba Court made an Order (the **“Niagara Approval and Vesting Order”**) approving, among other things, the sale of certain NPL real property located at 1 Niagara Street in Toronto, Ontario (the **“Toronto Property”**).
12. On September 15, 2020, the Manitoba Court made an Order (the **“E/B Settlement Approval Order”**) approving, among other things, the terms of a settlement agreement (the **“E/B Settlement Agreement”**) between the Receiver, the Gardena Landlords, the Lenders, NPL, and Peter Nygard and other members of the Nygard Organization. The E/B Settlement Approval Order was recognized by the US Court on November 5, 2020.
13. On October 21, 2020, the Manitoba Court made an Order (the **“Document Abandonment Order”**) approving, among other things, the abandonment of certain documents and property located in the California Properties and the Nygard Group retail stores.
14. On November 19, 2020, the Manitoba Court pronounced an Order (the **“Inkster Approval and Vesting Order”**) approving, among other things, the sale of certain NPL real property located at 1771 Inkster Blvd, Winnipeg Manitoba (the **“Inkster Property”**) and authorizing the Receiver to make such arrangements as it considered reasonable and appropriate for the preservation of over 5,000 boxes of physical documents (the **“Physical Records”**), and the data (the **“Electronic Records”**) and programs (the **“Programs”**) stored or

accessible on the Nygard Group's central information technology system (the "**IT System**", and together with the Physical Records, Electronic Records and Programs, the "**Records**").

15. On November 27, 2020, the Nygard Group appealed certain of the relief granted pursuant to the Inkster Approval and Vesting Order, including the authorization of the sale of the Inkster Property (the "**Inkster Appeal**").
16. On December 8, 2020, the Manitoba Court provided additional direction (the "**December 8 Manitoba Court Direction**") and clarification of the Order pronounced on November 19, 2020 in respect of the preservation of Records as well as the provision of certain Electronic Records to the Debtors and/or Mr. Nygard. The Receiver considers that the direction of the Manitoba Court as to those matters is properly described within the Inkster Approval and Vesting Order.
17. On December 11, 2020, the Receiver filed materials in support of a motion (the "**December 17 Motion**") returnable December 17, 2020 seeking an Order of a Judge of the Manitoba Court of Appeal in Chambers, *inter alia*:
 - (a) cancelling any automatic stay imposed as a result of section 195 of the BIA with respect to Inkster Approval and Vesting Order;
 - (b) declaring that, pursuant to section 193 of the BIA, the Debtors require leave of a Judge of the Manitoba Court of Appeal to proceed with the proposed appeal as set out in the Notice of Appeal by the Debtors filed on November 27, 2020, and that the stay imposed pursuant to section 195 of the BIA is inapplicable in respect of the Inkster Approval and Vesting Order until such time as leave may be granted to the Debtors; and
 - (c) in the alternative, and if necessary, an order providing for the hearing of the Inkster Appeal on an expedited basis, and the abridgement of applicable time periods and filing deadlines.
18. In an effort to make efficient use of the limited time available at the hearing of the December 17 Motion, the Receiver deferred the hearing of the relief described in subparagraphs 17(b) and (c) above, and proceeded on December 17, 2020 with the hearing of only its motion for an Order cancelling any stay imposed by the BIA.

19. On December 31, 2020, the Manitoba Court of Appeal made an Order (the “**Lift Stay Order**”) cancelling any stay imposed as a result of section 195 of the BIA with respect to the Inkster Approval and Vesting Order.
20. Subsequent to the pronouncement of the Lift Stay Order, on January 8, 2021, the Debtors discontinued the Inkster Appeal, which the Receiver agreed to accept on a without costs basis. As a result, the Receiver is no longer pursuing any of the further relief sought in the December 17 Motion.
21. On January 28, 2021, the Manitoba Court pronounced an Order (the “**Broadway Approval and Vesting Order**”) approving, among other things, the sale of certain NPL real property located at 702 and 708 Broadway Avenue in Winnipeg, Manitoba (the “**Broadway Property**”).
22. On March 3, 2021, the Manitoba Court pronounced an Order (the “**Landlords’ Charge Claims Procedure Order**”) detailing the process (the “**Landlords’ Charge Claims Process**”) to quantify and resolve the claims of Landlords for any Unpaid Rent in respect of the lease for each retail store (collectively, the “**Leases**”) secured by the Landlords’ Charge.
23. In accordance with the Receivership Order, the Receiver has established a website (the “**Receiver’s Website**”) for the purposes of these proceedings at <https://www.richter.ca/insolvencycase/nygard-group>.
24. Copies of the pleadings and other materials filed in the Receivership Proceedings, other than affidavits and appendices sealed by Order of the Manitoba Court, and the various Orders made by the Manitoba Court are posted to and available for review at the Receiver’s Website.
25. Copies of the pleadings and other materials filed in the Chapter 15 Proceedings, and the various Orders made by the US Court are also posted to and available for review at the Receiver’s Website.
26. The Receiver has engaged Thompson Dorfman Sweatman LLP (Winnipeg) (“**TDS**”) as its Canadian counsel, and Katten Muchin Rosenman LLP (New York) (“**Katten**”) as its U.S. counsel.

II. PURPOSE OF REPORT

27. The Receiver filed its first report dated April 20, 2020 (the “**First Report**”) and its supplementary first report dated April 27, 2020 (the “**Supplementary First Report**”) in support of the Receiver’s motion returnable April 29, 2020. Copies of the First Report and the Supplementary First Report are available on the Receiver’s Website.

28. The Receiver filed its second report dated May 27, 2020 (the **"Second Report"**) and its supplementary second report dated May 31, 2020 (the **"Supplementary Second Report"**) in support of the Receiver's motion returnable June 1, 2020 seeking, among other things, the Landlord Terms Order. Copies of the Second Report and the Supplementary Second Report are available on the Receiver's Website.
29. The Receiver filed its third report dated June 22, 2020 (the **"Third Report"**) and its supplementary third report dated June 29, 2020 (the **"Supplementary Third Report"**) in support of the Receiver's motion returnable June 25, 2020 seeking, among other things, the Notre Dame Approval and Vesting Order. Copies of the Third Report and the Supplementary Third Report are available on the Receiver's Website.
30. The Receiver filed its fourth report dated June 27, 2020 (the **"Fourth Report"**) in support of the Receiver's motion returnable June 30, 2020 seeking, among other things, the Dillard's Settlement Approval Order. A copy of the Fourth Report is available on the Receiver's Website.
31. The Receiver filed its fifth report dated July 6, 2020 (the **"Fifth Report"**) in response to the Gardena Landlords' motion returnable August 10, 2020. A copy of the Fifth Report is available on the Receiver's Website.
32. The Receiver filed its sixth report dated August 3, 2020 (the **"Sixth Report"**) in support of the Receiver's motion returnable August 10, 2020 seeking, among other things, the Niagara Approval and Vesting Order. A copy of the Sixth Report is available on the Receiver's Website.
33. The Receiver filed its seventh report dated September 10, 2020 (the **"Seventh Report"**) and its supplementary seventh report dated September 14, 2020 (the **"Supplementary Seventh Report"**) in support of the Receiver's motion returnable September 14, 2020 seeking, among other things, the E/B Settlement Approval Order. Copies of the Seventh Report and the Supplementary Seventh Report are available on the Receiver's Website.
34. The Receiver filed its eighth report dated September 28, 2020 (the **"Eighth Report"**) and its supplementary eighth report dated October 12, 2020 (the **"Supplementary Eighth Report"**) in support of the Receiver's motion (the **"Document Transfer Motion"**) returnable September 30, 2020, and later adjourned to October 14, 2020 and then October 21, 2020, seeking, among other thing, the Document Abandonment Order. In addition to the Document Abandonment Order, the Receiver's motion also sought Orders from the Manitoba Court:
- (a) directing and authorizing the transfer, if so requested by the Debtors, of the Redundant Records (as defined in the Eighth Report) located at the Inkster Property and the Broadway Property to the party or parties (the **"Transferee"**) to be identified by counsel for the Debtors; and

- (b) authorizing and empowering the Receiver to abandon, destroy or otherwise dispose of the Redundant Records in the event that the Transferee does not remove same from the Inkster Property and the Broadway Property within a prescribed time period.
35. The Receiver subsequently withdrew its motion in relation to the relief described in subparagraphs 34 (a) and (b) above and included within the Ninth Reports (as hereinafter defined) and the Tenth Report (as hereinafter defined) updates in relation to the preservation of the Records.
36. The Receiver further notes that certain matters which were included in the Document Transfer Motion, including, among other things, the approval of the actions/activities of the Receiver, the interim statements of receipts and disbursements and the interim accounts of the Receiver and its counsel (which were challenged by the Debtors) were adjourned until further Order of the Manitoba Court. The actions/activities of the Receiver and the interim statements of receipts and disbursements were subsequently approved by the Manitoba Court as part of the Inkster Approval and Vesting Order. On December 10, 2020 the Debtors also advised that they were withdrawing their challenge of the interim accounts of the Receiver and its counsel. A copy of the Eighth Report and the Supplementary Eighth Report are available on the Receiver's Website.
37. The Receiver filed its ninth report dated November 2, 2020 (the **"Ninth Report"**), its supplementary ninth report dated November 10, 2020 (the **"Supplementary Ninth Report"**), and its second supplementary ninth report dated December 30, 2020 (the **"Second Supplementary Ninth Report"**, and together with the Ninth Report, the Supplementary Ninth Report and the Second Supplementary Ninth Report, the **"Ninth Reports"**) in support of a motion (the **"Inkster Approval Motion"**) returnable November 9, 2020, and later November 13, 2020 seeking, among other things, the Inkster Approval and Vesting Order. A copy of the Ninth Report, the Supplementary Ninth Report and the Second Supplementary Ninth Report are available on the Receiver's website.
38. The Receiver filed its tenth report dated January 21, 2021 (the **"Tenth Report"**) in support of a motion (the **"Broadway Approval Motion"**) returnable January 28, 2021 seeking, among other things, the Broadway Approval and Vesting Order. A copy of the Tenth Report is available on the Receiver's website.
39. The Receiver filed its eleventh report dated February 24, 2021 (the **"Eleventh Report"**) in support of a motion (the **"Landlords' Charge Claims Procedure Motion"**) returnable March 3, 2021 seeking, among other things, the Landlords' Charge Claims Procedure Order. A copy of the Eleventh Report is available on the Receiver's website.

40. The purposes of this report, the Receiver's twelfth report (the "**Twelfth Report**"), are to provide information and/or guidance to the Manitoba Court in respect of the following:
- (a) the actions and activities of the Receiver since the Eleventh Report;
 - (b) the status of the Receiver's efforts to preserve Records and the impact of a ransomware attack (the "**Ransomware Attack**") which, as previously reported by the Receiver, has compromised certain Electronic Records, Programs and the IT System of the Nygard Group (used commonly by other parties in addition to the Nygard Group (collectively, the "**Nygard Organization**"));
 - (c) the status of the Landlords' Charge Claims Process;
 - (d) the sale or proposed sale of certain NPL real property not included as Property pursuant to the Receivership Order (as amended), including the Receiver's efforts to reach a voluntary agreement (the "**NPL Proceeds Preservation Agreement**") with NPL as to the preservation of certain of the proceeds of any such sales pending the Manitoba Court's final determination of certain matters, including (i) the state of the intercompany accounts among NPL, NEL and NIP, (ii) the claim previously advanced by NPL to be subrogated to the security held by the Applicant as against the Property of the Debtors, including the extent/amount of such subrogation, and (iii) the consolidation of the Debtors for creditor purposes;
 - (e) the Receiver's interim statement of receipts and disbursements for the period from the Appointment Date to May 15, 2021 (the "**May 15 Interim R&D**");
 - (f) the Receiver's views on the appropriate treatment of the funds realized from the Property in excess of the Lenders' guaranteed secured claim, after taking into consideration priority claims and the costs of the Receivership Proceedings, as well as any further funds available by means of the NPL Proceeds Preservation Agreement;
 - (g) the consolidation of the Debtors for creditor purposes; and
 - (h) the fees and disbursements of the Receiver and its counsel.

41. A further purpose of this Twelfth Report is to provide the Manitoba Court with an evidentiary basis to make an Order:
- (a) approving this Twelfth Report and the actions/activities of the Receiver described herein;
 - (b) approving the NPL Proceeds Preservation Agreement;
 - (c) approving the May 15 Interim R&D;
 - (d) declaring that each of the Debtors is jointly liable for the debts and liabilities (the “**Common Liabilities**”) of each of the other Debtors, and the Debtors are joint debtors in respect to Common Liabilities;
 - (e) declaring that the assets (the “**Common Assets**”) of each of the Debtors shall be treated as “common assets” subject to the Common Liabilities;
 - (f) declaring that the assets and liabilities of the Debtors be substantively consolidated for creditor purposes and for the administration and payment of creditor claims of each of the Debtors;
 - (g) authorizing the Receiver to file assignments in bankruptcy on behalf of each of the Debtors on a basis that reflects the Common Assets and the Common Liabilities, or, in the alternative:
 - (i) authorizing the Receiver to file assignments in bankruptcy on behalf of the Debtors other than NPL and NEL, in the manner described in subparagraph (g) above; and
 - (ii) authorizing the Receiver to file in the Manitoba Court applications for bankruptcy orders in relation to NPL and NEL, on a basis that reflects the Common Assets and the Common Liabilities and the substantive consolidation of the estates of the Debtors;
 - (iii) if necessary, lifting the stay of proceedings prescribed by paragraph 12 of the Receivership Order to permit such bankruptcy applications to be made;
 - (h) directing that, for the purposes of such assignments and applications, the locality of the Debtors shall be Winnipeg, Manitoba, and that it shall be requested that Richter be appointed as trustee (“**Trustee**”)

- (i) directing Richter, upon its appointment as Trustee and in its capacity as Trustee in relation to the estates of each of the Debtors in bankruptcy, to make a motion for consolidation of the administration of the Debtors' bankrupt estates;
- (j) directing that, following the bankruptcies of the Debtors, Net Receivership Proceeds (as hereinafter defined in this Twelfth Report), as same are determined from time to time, be paid or transferred by the Receiver to the Trustee for the purposes of the consolidated Debtors' bankrupt estates;
- (k) approving the NPL Proceeds Preservation Agreement;
- (l) directing that, in accordance with the NPL Proceeds Preservation Agreement, upon the bankruptcy of NPL, Levene Tadman Golub Law Corporation pay to the Trustee the remaining Preserved Proceeds (as hereinafter defined) for the purposes of the consolidated Debtors' bankrupt estates; and
- (m) approving the fees and disbursements of the Receiver, TDS and Katten in the amounts set out in this Twelfth Report.

III. TERMS OF REFERENCE

- 42. In preparing this Twelfth Report, the Receiver has relied upon information and documents prepared by the Debtors and their advisors, including unaudited, draft and/or internal financial information, the Debtors' books and records, discussions with representatives of the Debtors, including current and former employees, executives, legal counsel to Mr. Peter Nygard, the Debtors and certain related non-Debtor entities, the Lenders and their legal counsel, and information from third-party sources (collectively, the **"Information"**). In accordance with industry practice, except as otherwise described in this Twelfth Report, Richter has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, Richter has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards (**"GAAS"**) pursuant to the *Chartered Professional Accountant of Canada Handbook* and, as such, Richter expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
- 43. Parties using this Twelfth Report, other than for the purposes outlined herein, are cautioned that it may not be appropriate for their purposes, and consequently should not be used for any other purpose.

44. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Receivership Order.
45. Unless otherwise noted, all monetary amounts contained in this Twelfth Report are expressed in Canadian dollars.

IV. ACTIVITIES OF THE RECEIVER

46. The actions/activities of the Receiver since the commencement of the Receivership Proceedings to January 21, 2021 are detailed in the First Report, the Second Report, the Third Report, the Sixth Report, the Seventh Report, the Eighth Report, the Ninth Report, the Tenth Report, and the Eleventh Report and in various reports filed with the Manitoba Court as supplementary reports. Subsequent to the filing of the Eleventh Report, the Receiver's activities, certain of which are reported on in further detail later in this Twelfth Report, have included:
- (a) maintaining and updating, as necessary, the Receiver's Website, where relevant materials in connection with the Receivership Proceedings are available in electronic format;
 - (b) assisting the Nygard Group in its communications with landlords and suppliers;
 - (c) responding to enquiries from various interested parties, including addressing questions/concerns communicated by parties who contacted the Receiver via the telephone hotline (1.866.737.7587) or email account (nygard@richter.ca) established by the Receiver;
 - (d) communicating with the independent contractors (former employees of the Debtors) retained by the Receiver in respect of various matters in connection with the Receivership Proceedings;
 - (e) considering with TDS and Katten priority employee obligations;
 - (f) liaising with Service Canada on claims submitted by former employees of NIP pursuant to the *Wage Earner Protection Program* ("**WEPP**");
 - (g) corresponding with former employees of NIP regarding the status of claims and payments under WEPP;
 - (h) communicating with Canada Revenue Agency in connection with its audit of the Nygard Group's payroll remittance and other tax accounts;

- (i) communicating with the Manitoba Department of Finance in connection with certain amounts claimed to be owed by the Debtors in respect of periods prior to the Appointment Date;
- (j) investigating the activities and conduct of the Debtors and their directors, officers and senior management both prior to and subsequent to the Appointment Date and gathering information as to numerous matters related to such conduct arising in the Receivership Proceedings;
- (k) communicating (through TDS and Katten) extensively with various counsel for Mr. Peter Nygard (and other non-Debtor parties) regarding various matters in connection with the Receivership Proceedings;
- (l) preparing and circulating Landlord Claim Notices and Claims Packages (as defined in the Landlords' Charge Claims Procedure Order);
- (m) communicating with counsel to certain landlords regarding the Landlord Terms Order and the Landlords' Claims Process;
- (n) processing payment of the Accepted Landlord Claim Amounts (as hereinafter defined);
- (o) reviewing and considering the Notices of Dispute (as hereinafter defined) filed by certain landlords disputing the amounts of their Landlord Claim, as set out in the Landlord Claim Notice (as hereinafter defined);
- (p) communicating with TDS in connection with the Landlords' Charge Claims Procedure;
- (q) communicating extensively with TDS and Katten in connection with the Canadian Proceedings and the Chapter 15 Proceedings;
- (r) communicating with KLDDiscovery Inc. ("**KLD**") regarding the preservation of certain of the Electronic Records stored on the IT System;
- (s) investigating and considering next steps regarding certain Nygard Group vehicles in the possession of or purportedly transferred to certain (now former) Nygard Group employees prior to the Appointment Date;

- (t) communicating extensively (through TDS) with Levene Tadman Golub Law Corporation (“**LTGLC**”), counsel to the Debtors, in an effort to reach an agreement with NPL as to the preservation of certain of the proceeds generated from the sale by NPL of NPL real property not included as Property pursuant to the Receivership Order (as amended);
- (u) preparing and filing a Notice of Motion (the “**Preservation of Proceeds Motion**”) with the Manitoba Court seeking enforcement of an agreement with NPL as to the preservation of certain of the proceeds generated from the sale, by NPL, of NPL real property not included as Property pursuant to the Receivership Order (as amended);
- (v) attending before the Manitoba Court in connection with the Landlords’ Charge Claims Procedure Order motion;
- (w) communicating with TDS in connection with the Ransomware Attack;
- (x) communicating extensively with various IT consultants in connection with the Ransomware Attack and the migration of data to a Cloud Based Solution (as hereinafter defined);
- (y) attending to and negotiating replacement insurance coverage for any remaining Nygard Group assets (principally servers that previously made up the IT System and are now in storage);
- (z) monitoring the Debtors’ cash receipts and disbursements, and providing funding to the Debtors to pay their post-filing obligations as set out herein;
- (aa) recording receipts and disbursements, including the preparation of the May 15 Interim R&D;
- (bb) preparing this Twelfth Report; and
- (cc) other matters in connection with the administration of the Receivership Proceedings.

Update on Records Preservation / Ransomware Attack

47. In accordance with the document preservation provisions included in the Inkster Approval and Vesting Order, the Receiver commenced a process to migrate the Electronic Records, Programs and the IT System, to the extent feasible, to a cloud-based infrastructure (the “**Cloud Based Solution**”).

48. As previously reported by the Receiver, on or about December 12, 2020, the Receiver's efforts to implement the Cloud Based Solution were meaningfully frustrated by a ransomware attack (described in the Receiver's Second Supplementary Ninth Report) on the IT System (the "**Ransomware Attack**") utilizing the "Netwalker" strain of ransomware. Since becoming aware of the Ransomware Attack, which has compromised certain Electronic Records, Programs and IT infrastructure of the Nygard Organization, the Receiver, along with various IT consultants and the former Nygard IT staff, have been assessing the damage from the Ransomware Attack and the implications thereof, and have worked to recover as much data and as many key Programs as possible. The functionality of the IT System has, however, been permanently compromised and will not operate in the same fashion in which it operated prior to the Ransomware Attack.
49. As to the preservation of Electronic Records for litigation purposes, as noted in prior Reports, the Receiver previously retained KLD, a recognized expert in the areas of eDiscovery and data management to create a forensic copy (i.e. compressed data as it exists at the time of collection, requiring subsequent extraction)(the "**Forensic Copy**") of primarily user-generated data saved to the IT System, as well as email data saved to the Nygard Organization's email servers and the Office365 environment, such that the copied information could be accessed in the future, if required, for a variety of purposes, including litigation. In addition, the Receiver has also copied (the "**Review Copy**") and preserved all Electronic Records within the IT System identified by representatives of the Debtors and/or Peter Nygard following the October 9, 2020 supervised view-only access to the IT System, which was described to the Receiver as containing all Electronic Records potentially relevant to any litigation to which Mr. Nygard and/or any of the Debtors are parties.
50. In an effort to ensure the integrity of the Forensic Copy, KLD is in the process of scanning the Forensic Copy to confirm that the Forensic Copy has not been impacted by the Ransomware Attack (through "dormant" malware predating the execution of the Ransomware Attack). As at the date of this Twelfth Report, KLD has not informed the Receiver of any issues/concerns in respect of the Forensic Copy.
51. The Receiver, with the assistance of Richter's IT Risk Advisory Group, continues to monitor the internet as well as the dark web for new content in connection with the Ransomware Attack. To the best of the Receiver's knowledge, as at the date of this Twelfth Report, the Receiver is not aware of any new postings by the attackers regarding the Ransomware Attack and no data/files purported to have been exfiltrated from the IT System have been released publicly.

Impact of Ransomware Attack on the Preservation of Records

52. Given the limitations imposed on the Receiver as a result of the Ransomware Attack, the Receiver has endeavored to preserve, to the extent feasible, the IT System within the Cloud Based Solution, and make further arrangements that it considers reasonable and appropriate taking into consideration the ongoing needs of the Receivership Proceedings and the significant challenges faced by the Receiver.
53. As noted in the Tenth report, the former Nygard IT Staff and the IT consultants retained by the Receiver have been able to functionally restore certain Programs necessary for the administration of the Receivership Proceedings (and the servers (the “**High Priority Servers**”) which run those Programs), including the Debtors’ main payroll system and certain key accounting systems. These Programs are essential to, among other things, filing corporate tax returns, issuing T4s and W2s to the Debtors’ former employees, paying outstanding vendor balances, administering the WEPP and assessing creditor claims. These Programs have been migrated to the Cloud Based Solution.
54. As also noted in the Tenth Report and above, despite best efforts, the functionality of the IT System has been permanently compromised as a result of the Ransomware Attack. As such, the IT System will not be fully restored and migrated to the Cloud Based Solution. In an effort to limit the expense to restore the functionality of the IT System, the Receiver’s efforts have primarily focused on restoration of High Priority Servers. Servers (and the Electronic Records and Programs contained thereon) which are not considered High Priority Servers have been copied in their “current state” (which may be encrypted) to the Cloud Based Solution to be preserved at a low cost. At present, the monthly costs associated with the Cloud Based Solution total approximately USD\$20,000. The Receiver is, however, considering options to reduce this expense going forward.
55. The Receiver notes that all hardware responsible for operating the IT System (and the data contained therein) has been dismantled and stored at a leased location (the same location where the Physical Records are stored) to ensure that Electronic Records and Programs (in whatever their current state) are preserved. The monthly lease cost (excluding applicable taxes, certain required utility payments and insurance) is approximately \$2,400. The Receiver will report further to the Manitoba Court on these matters, as necessary.

Update on Insurance Coverage

56. The Debtors' insurance policy providing, among other things, commercial general liability and property coverage expired June 1, 2021. In anticipation of the expiration of the Debtors' insurance, the Receiver, in consultation with the Nygard Group's insurance broker, sought to renew the existing insurance policy (albeit updated to reflect the current status of the Debtors' assets and operations). The incumbent insurance provider, however, was not willing to maintain the existing coverage and, upon renewal, would only provide \$1 million in commercial general liability coverage (previously \$5 million plus \$5 million excess liability coverage). In addition, the cost to be paid (approximately \$58,000, including approximately \$23,000 in unpaid premiums predating the receivership) to renew coverage with the incumbent insurer was, in the Receiver's view, excessive given the coverage to be provided.
57. In consideration of the above, the Receiver contacted Firstbrook, Cassie & Anderson Ltd. ("**FCA**"), insurance brokers that offer a specialty insurance program tailored to the unique needs of insolvent estates, to provide a proposal for the Debtors' current and go forward insurance needs taking into consideration the Debtors' limited ongoing operations and Property (principally servers and other IT System related equipment stored at a leased location). Through FCA, the Receiver secured new commercial general liability coverage (\$1 million plus \$9 million excess liability coverage) as well as property coverage at a cost of approximately \$600 per month. This new coverage has been in effect since June 1, 2021.

V. LANDLORDS' CHARGE CLAIMS PROCESS

58. On March 3, 2021, the Manitoba Court granted the Landlords' Charge Claims Procedure Order setting out the process to quantify and resolve the claims of Landlords for any Unpaid Rent in respect of the Leases secured by the Landlords' Charge.
59. In accordance with the Landlords' Charge Claims Procedure Order, on March 9, 2021, the Receiver assembled and delivered, via email, to all known Landlords impacted by the Landlords' Charge Claims Procedure Order, a Claims Package, including a Landlord Claim Notice setting out the amount and calculation of each Landlord's claim for Unpaid Rent, as per the Debtors' books and records.
60. In accordance with the approved Landlords' Charge Claims Process, any Landlord that did not dispute the amount of its Landlord Claim, as set out in the Landlord Claim Notice delivered to such Landlord, was not required to take any further action and the Landlord Claim of such Landlord was deemed to be the amount set out in the Landlord Claim Notice.

61. Any Landlord wishing to dispute the amount or calculation of its Landlord Claim, as set out in the Landlord Claim Notice delivered to such Landlord, was required to deliver a Notice of Dispute, the form of which was included in the Claims Package, to the Receiver prior to 5:00 p.m. (Central Daylight Time) on April 2, 2021 or such later date as may be ordered by the Manitoba Court (the **"Claims Bar Date"**). In accordance with the Landlords' Charge Claims Procedure Order, Landlords that did not deliver a Notice of Dispute by the Claims Bar Date were treated as having accepted the amounts of their respective Landlord Claims as set forth in the applicable Landlord Claim Notice and are forever barred from claiming a greater amount of Unpaid Rent as secured by the Landlords' Charge.
62. A summary of the claims of Landlords for Unpaid Rent secured by the Landlords' Charge, including any Notices of Dispute delivered to the Receiver prior to the Claims Bar Date, is outlined in the below table. **Appendix "A"** to this Twelfth Report contains a detailed schedule of Landlord Claims and the current status of those claims.

Landlord Claim Status	Number of Claims	Value of Claims (\$)
Accepted Landlord Claims	149	2,586,098
Disputed Landlord Claims	14	3,480,316
Total	163	6,066,414

63. As noted in the above summary:
- (a) 163 Claims Packages enclosing, among other things, the applicable Landlord Claim Notice, were sent to Landlords in accordance with the Landlords' Charge Claims Procedure Order;
 - (b) 149 claims of Landlords for Unpaid Rent secured by the Landlords' Charge totaling \$2,586,097.72 were not disputed by Landlords and are deemed to be accepted pursuant to the Landlords' Charge Claims Procedure Order (the **"Accepted Landlord Claim Amounts"**), and
 - (c) 14 Notices of Dispute (the **"Disputed Landlord Claims"**) were delivered to the Receiver prior to the Claims Bar Date claiming approximately \$3.5 million in Unpaid Rent, approximately \$3.3 million of which is accounted for by two Notices of Dispute. According to the Debtors' books and records (and the corresponding Landlord Claim Notices), the amounts owing in respect of the 14 Disputed Landlord Claims totals approximately \$120,000.

64. Pursuant to the Landlords' Charge Claims Procedure Order, the Receiver was authorized and directed to pay Landlords the amount of their applicable Landlord Claim, once determined, in accordance with the timing set out in the Landlords' Charge Claims Procedure Order. As at the date of this Twelfth Report, the Receiver has paid the Accepted Landlord Claim Amounts, totaling \$2,586,097.72.
65. The Receiver is currently reviewing the Notices of Dispute delivered to the Receiver and will work to resolve the disputes raised therein with the applicable Landlord. In the event the Receiver is unable to resolve a dispute raised in a Notice of Dispute by negotiation with such Landlord within a period or in a manner satisfactory to the Receiver and the applicable Landlord, the Manitoba Court shall have the authority to determine such dispute on a summary basis on a motion made by the Receiver or the applicable Landlord as contemplated by the Landlord Terms Order. The Receiver will report back to the Manitoba Court in respect of the Disputed Claims, as necessary.
66. It is important to note that the Landlords' Charge Claims Process only addresses Landlord claims for Unpaid Rent secured by the Landlords' Charge. Any other amounts claimed by Landlords, and the priority of such amounts, as against the Nygard Group are not secured by the Landlords' Charge and are not affected by the Landlords' Charge Claims Process.

VI. PRESERVATION OF PROCEEDS OF NPL PROPERTY SALES

67. Based on the evidence of Greg Fenske affirmed in his Affidavit of November 5, 2020, after the sales of the Notre Dame Property, the Toronto Property, the Inkster Property and the Broadway Property, the only remaining assets of NPL of value were the real property of NPL located at 40 Fieldstone Drive, Woodbridge, Ontario (the "**Fieldstone Property**") and the leasehold interests (leased from the Province of Manitoba) of NPL in Lots 15 and 17, Block 11 located at Falcon Lake, Manitoba, and the premises constructed thereon, (collectively, the "**NPL Falcon Lake Property**"). The NPL Falcon Lake Property is contiguous to Lot 16, Block 11 at Falcon Lake, which lot is leased by the Province of Manitoba to The Estate of Hilka Nygard (the "**Estate**") (together with the premises constructed thereon, the "**Estate Property**"). The Receiver understands that Peter Nygard is the sole beneficiary of the Estate. The three adjoining lots (15, 16 and 17) and the premises constructed thereon collectively comprise the "**Falcon Lake Cottage**" property.
68. In late February, 2021, the Receiver was contacted by Mr. D. Sigmar of Sigmar Mackenzie Real Estate Services Ltd. ("**Sigmar Mackenzie**") who advised the Receiver that he had been working with representatives of NPL and Mr. Nygard to identify a potential purchaser for the Falcon Lake Cottage, including all three lots and the structures located thereon. Mr. Sigmar further advised the Receiver that a conditional sale for the Falcon Lake Cottage had been negotiated and that he was contacting the Receiver in connection with such

sale. It appears that in due course a listing agreement (the “**Sigmar MacKenzie Listing Agreement**”) for the sale of the Falcon Lake Cottage was entered into among NPL, the Estate and Sigmar MacKenzie providing for, among other things, a 4% commission (ultimately negotiated by NPL to 2%) to be paid to Sigmar MacKenzie upon a completed sale of the Falcon Lake Cottage. Attached hereto as **Appendix “B”** is a copy of the Sigmar MacKenzie Listing Agreement.

69. As noted above, the General Order limited the scope of the Receivership Order in relation to assets of NPL, such that the Fieldstone Property and the NPL Falcon Lake Property are not “Property” for the purposes of the receivership and are not subject to the possession and control of the Receiver. The view of the Receiver, however, is that NIP is a substantial creditor of NPL, by reason of NPL’s intercompany obligation to NIP. In addition, the assets and liabilities of NPL may be consolidated with those of NIP and some or all of the other Debtors for creditor purposes. In either case, the Receiver and unsecured creditors of NIP or the broader Nygard Group, as the case may be, have an interest in the preservation of proceeds of the dispositions of both the NPL Falcon Lake Property and the Fieldstone Property, to maximize unsecured creditor recoveries.
70. Determinations in the present motion brought by the Receiver of issues as to the status of intercompany accounts, solvency, subrogation and consolidation will affect the claims of the Receiver, NIP, NPL and creditors generally, and determine issues such as the entitlement to “net receivership proceeds” and access to NPL assets/proceeds (including proceeds from the sales of the NPL Falcon Lake Property and the Fieldstone Property) for creditor purposes, among others. The Receiver was (and is) of the view that, for the reasons described in paragraph 69 above, it is important to preserve certain of the proceeds from the sale of the NPL’s remaining assets pending the Manitoba Court’s final determination of such issues.
71. Upon being advised of the prospective sale of the Falcon Lake Cottage, the Receiver and TDS considered the remedies available to the Receiver to attempt to preserve proceeds. TDS contacted LTGLC in connection with the NPL Falcon Lake Property and discussed, among other things, the cooperation of NPL in preserving proceeds from the sale of the NPL Falcon Lake Property until such time as relevant issues had been finally determined.
72. In the course of these initial discussions, LTGLC advised that the Fieldstone Property was also listed for sale and that an agreement for the sale of the Fieldstone Property was expected to be entered into shortly. Accordingly, there was also discussion of NPL’s cooperation in preserving proceeds from the sale of the Fieldstone Property.

73. Through subsequent communications between TDS and LTGLC, the Receiver was informed that an offer for the Falcon Lake Cottage in the amount of \$2.5 million had been accepted, and that an offer for the Fieldstone Property in the amount of \$943,000 had been accepted.
74. In the course of the communications between TDS and LTGLC, LTGLC reiterated NPL's claim that any funds generated from the sale by the Receiver of the Notre Dame Property, the Toronto Property, the Inkster Property and the Broadway Property in excess of the amount required to repay the Lenders guaranteed debt and certain other obligations belonged to NPL. LTGLC further advised of NPL's intention to use the proceeds from the sales of the NPL Falcon Lake Property and the Fieldstone Property to pay certain NPL expenses.
75. On a cooperative basis, recognizing that a portion of the proceeds of the sale of the Falcon Lake Cottage would accrue to the Estate by reason of its interest in Lot 16, and further recognizing that certain other payments would be expected to be made by NPL from the proceeds of the sales of the NPL Falcon Lake Property and the Fieldstone Property, the NPL Proceeds Preservation Agreement was reached between the Receiver and NPL, initially by an exchange of emails between TDS and LTGLC over the period March 5 - 8, 2021, and thereafter by means of a series of email communications and telephone discussions involving TDS, LTGLC and Lerner's LLP ("**Lerner's**"), counsel to Edson's/Brause, which resulted in certain disputed terms being finally resolved on or about May 7, 2021. Cumulatively, the terms of the NPL Proceeds Preservation Agreement can be summarized as follows:
- (a) subject to the making of certain payments as set forth below, the gross sale proceeds ("**Gross Sale Proceeds**") from the sales the Falcon Lake Cottage and the Fieldstone Property will be held and preserved by LTGLC pending a final court determination (the "**Final Order**") of the issues as to (i) the state of the intercompany accounts involving NPL, NEL and NIP, (ii) the respective claims of NPL and NIP (if any) to be subrogated to the security held by the Applicant as against the property, assets and undertakings (as the case may be) of the Debtors, relating to or arising from the Credit Agreement, and the extent/amount of such subrogation, (iii) the consolidation of the Debtors for creditor purposes, and (iv) the bankruptcy of NPL, and thereafter paid out in accordance with the Final Order;
 - (b) LTGLC expects NPL to direct it to pay from the Gross Sale Proceeds obligations of NPL from time to time, which the Receiver understands will only include:
 - (i) payment of usual closing costs ("**Closing Costs**"), including real estate commissions, usual adjustments and legal fees;

- (ii) payment to Edson's/Brause (the "**Edson's Payment**") of the amounts of (i) the Settlement Amount (USD\$300,000) and the Proposal Trustee Fees (\$300,000), as described in the E/B Settlement Agreement, the payment of which amounts were secured by certain assignments (describing an obligation of \$700,000) in favour of Edson's (the "**Falcon Lake Lease Assignments**") of NPL's leases of the NPL Falcon Lake Property and by a USD\$700,000 real property mortgage (the "**Fieldstone Mortgage**") in favour of Edson's registered against the Fieldstone Property, and (ii) the amount of USD\$237,500 (the "**Edson's USD\$237,500 Claim**") to repay amounts advanced by Edson's in or about November 2020 for the payment of NPL professional accounts of LTGLC, Albert Gelman Inc. ("**AGI**") and Fred Tayar & Associates ("**Tayar**"), the repayment of which to Edson's is also secured by the Fieldstone Mortgage, such payments to be in full settlement of the secured claims of Edson's and in consideration of the discharge of the Falcon Lake Lease Assignments and the Fieldstone Mortgage;
- (iii) payment of outstanding professional accounts (the "**Debtors' Outstanding Professional Accounts**") of LTGLC, AGI and Tayar in the amount of \$246,693.40, on the basis that a certain real property mortgage registered by LTGLC against the Fieldstone Property to secure its professional fees be discharged;
- (iv) provision for retainers to be set aside for the payment of further professional accounts of LTGLC, AGI and Tayar from time to time for services to NPL in regard solely to NPL matters, in the amounts of \$100,000 (LTGLC), \$50,000 (AGI) and \$100,000 (Tayar). Since the making of these arrangements, LTGLC has advised that it requires that an additional retainer in the amount of \$100,000 be set aside for its services to NPL;
- (v) payment of ordinary course obligations of NPL to Greg Fenske and Steve Mager which shall relate solely to services provided by them in connection with the business of NPL, in the amounts of (i) \$71,500 to Greg Fenske for all services provided by Greg Fenske for the period from the date of the receivership to April 30, 2021, including as a "defacto director and officer" of NPL during the period from March 18, 2020 to September, 2020, and thereafter formally as the sole director and an officer of NPL, together with the amount of \$6,500/month for such services, for so long as Greg Fenske remains a functioning director and officer of NPL, and (ii) \$55,000 to

Steve Mager for all services provided by Steve Mager after the date of the receivership, including in relation to the maintenance, operation and sale of the NPL Falcon Lake Property and his claim to be entitled to a “commission” in relation to the sale of the Falcon Lake Cottage, in respect of all of which Steve Mager will provide a release;

- (vi) payment to counsel for the Estate of an amount in the range of \$200,000 - \$300,000 (the “**Estate Advance**”) to make provision for payment by the Estate of (i) legal fees, and (ii) capital gains tax expected to accrue from the sale of Lot 16; and
- (vii) payment to the Estate of a further amount (the “**Estate Balance**”) which, together with the Estate Advance, will total the amount of \$976,000, to be allocated from the net sale proceeds of the Falcon Lake Cottage to the value of Lot 16.

- (c) LTGLC will thereafter provide the Receiver with seven days’ notice (a “**Seven Day Notice**”) of the intention to pay additional amounts from time to time from the Gross Sale Proceeds such that the Receiver can take such actions in respect of such payments as the Receiver considers appropriate.

76. Copies of the relevant email communications between TDS and LTGLC in connection with the NPL Proceeds Preservation Agreement are attached hereto as **Appendix “C”**.

77. TDS’ March 5, 2021 email to LTGLC provides expressly that:

“The Receiver’s purposes in trying to preserve the Gross Sale Proceeds is to try to preserve funds for payment of NPL creditor claims, including the claim of NIP based on the Receiver’s view of the intercompany accounts, and more generally for creditors of the “consolidated” [Debtors], should a court order that the [Debtors] be consolidated for creditor payment or bankruptcy purposes. By means of the arrangements above, the Receiver is not purporting to (and, in any event, cannot) “make determinations” as to, or approve, the contemplated payments for preference purposes.”

78. Over the course of communications leading to finalizing the NPL Proceeds Preservation Agreement terms, there were disagreements as to whether certain amounts proposed by NPL to be paid from the Gross Sale Proceeds were consistent with the agreement, as it was originally described in TDS’ March 5, 2021 email to LTGLC and accepted by NPL, as described in LTGLC’s email to TDS on March 8, 2021. On or about April 9, 2021, LTGLC included in an email correspondence a Seven Day Notice, which prompted the Receiver to file with the Manitoba Court the Preservation of Proceeds Notice of Motion on April 16, 2021, intended to set

down for hearing on May 12, 2021 those issues in respect of the NPL Proceeds Preservation Agreement that were contentious. In particular:

- (a) the matter of determining the Estate Balance (that is, ultimately, determining the total amount of the Gross Sale Proceeds to be attributed to Lot 16) was contentious, in light of substantial investments made by NIP in the development and renovation of certain of the Falcon Lake Cottage premises and the Receiver's view of other factors which it considered to be relevant to value.

LTGLC provided certain appraisals of Lots 15, 16 and 17, which supported an average value of \$1,077,500 for Lot 16, which was the total amount initially proposed by NPL to be paid to the Estate.

The Receiver had discussions with the appraisers and Mr. Sigmar, and further discussions between TDS and LTGLC resulted in a value of \$976,000 being agreed to be attributed to Lot 16. Copies of the appraisals for each of the Lots are attached as exhibits to the Affidavit of Robert Martell affirmed April 28, 2021 and the Affidavit of Myron Dyck affirmed April 28, 2021, both of which were filed by the Debtors in connection with the Preservation of Proceeds Motion;

- (b) the amount to be distributed to Mr. Fenske was contentious. It was initially proposed by NPL that it pay Mr. Fenske \$135,000 in consideration of his services to NPL from the Appointment Date to March 30, 2021, together with a monthly amount of \$10,000 thereafter. An invoice for \$135,000 was submitted by Mr. Fenske to NPL and provided to the Receiver.

The Receiver understood from the original March 5-8 email exchange that the payment to Mr. Fenske was solely to be in relation to his services as a director and officer of NPL. The Receiver further understood that Mr. Fenske became a director of NPL in September 2020 and that Mr. Fenske was being paid \$2,000/week through a numbered company. Thus, it appeared to the Receiver that the amounts of \$135,000 and \$10,000 per month were beyond what was intended by the preservation terms initially agreed upon.

It is clear from Mr. Fenske's participation in these proceedings that he has provided significant services to NPL since March 2020 and that, as these proceedings are ongoing, additional efforts of Mr. Fenske, on behalf of NPL, will be required. Mr. Fenske has acted as a director of NPL since September 2020 in circumstances in which it is typically difficult to engage a "third party" director, which appears to warrant meaningful compensation. In the result, it was agreed that Mr. Fenske would be paid from the Gross Sale Proceeds the amount of \$71,500 for his services to NPL from the

date of the receivership to April 30, 2021, and thereafter \$6,500/month for so long as he is a functioning director and officer of NPL;

- (c) the amount to be distributed to Mr. Mager was contentious. It was initially proposed by NPL that it pay Mr. Mager a “commission” of 5% of the Falcon Lake Cottage sale price (i.e. \$125,000) in consideration of his services in selling the Falcon Lake Cottage, together with a monthly amount of \$10,800 commencing April 1, 2021. An invoice for the 5% commission (\$125,000) was submitted by Mr. Mager to NPL and provided to the Receiver.

The Receiver understood from the original March 5-8 email exchange that the payment to Mr. Mager was solely to be in relation to his services as a director and officer of NPL. However, Mr. Mager did not become either a director or officer of NPL. In addition, notwithstanding that Mr. Mager was not a real estate agent and could not properly charge a real estate commission, the Receiver understood that, in the ordinary course, a commission to a “cooperative” real estate agent in respect of the same sale would not be as high as 5%. Based on the Sigmar MacKenzie Listing Agreement, any commissions payable to a “cooperative” agent would be limited to 1.5% and paid from the Sigmar MacKenzie commission entitlement. Further, Mr. Mager’s alleged commission arrangement does not appear to have been documented and his roles in relation to the vendors and the purchaser were not clarified. In the Receiver’s view, the amount of \$125,000 was excessive in consideration of what appeared to be Mr. Mager’s contribution to the sale of the Falcon Lake Cottage.

It is evident that Mr. Mager has provided maintenance and oversight services to NPL with respect to the Falcon Lake Cottage, and other services to NPL since the Appointment Date, and that his efforts in regard to the sale of the Falcon Lake Cottage and its closing appeared to warrant compensation. In the result, it was agreed that Mr. Mager would be paid the all-inclusive sum of \$55,000 for all services to NPL from the date of the receivership, including in relation to the sale of the NPL Falcon Lake Property, and that Mr. Mager would provide a release accordingly;

- (d) the Edson’s USD\$237,500 Claim was not referenced in the original March 5-8 email exchange. It was subsequently communicated to the Receiver that, in addition to the Settlement Amount (USD\$300,000) and the Proposal Trustee Fees (\$300,000), as described in the E/B Settlement Agreement, Edson’s had provided USD\$237,500 for the benefit of NPL, to pay certain professional accounts of LTGLC, Tayar and AGI, which amount was secured by the Fieldstone Mortgage and that Edson’s would not agree to discharge the Fieldstone Mortgage to accommodate a sale of the Fieldstone Property unless the Edson’s USD\$237,500 Claim was paid from the proceeds of such a sale.

The Receiver required evidence that, in fact, Edson's had provided the USD\$237,500 amount to or to the benefit of NPL, or other evidence of other good and valuable consideration, to support the alleged mortgage security. Following email communications and discussions with LTGLC and Lerner, and the provision to the Receiver of various (albeit sometimes conflicting) documents, it was established to the satisfaction of the Receiver that (i) Edson's had provided certain funds to 2361342 Ontario Inc. ("**236**"), a corporation of which Sandra Fawcett appears to be director, (ii) Edson's directed 236 to advance the amount of USD\$237,500 from those funds, by means of 2 advances, to 11997645 Canada Inc. ("**119**"), a corporation of which Mr. Fenske appears to be director, intending that such advances be used to pay professional accounts of NPL and that such advances be secured by the Fieldstone Mortgage, (iii) from the funds advanced through 236, 119 made payments of amounts of NPL professional accounts totaling USD\$237,500 directly to LTGLC, Tayar and AGI by means of wire transfers, and (iv) 119 was used as a conduit for such payments as NPL does not have a bank account. In the result, it was agreed that either (v) upon the closing of a sale of the Fieldstone Property, the Edson's USD\$237,500 Claim will be paid, or (vi) in the event that Edson's purchases the Fieldstone Property, the Edson's USD\$237,500 Claim will be set off and the balance of the proceeds of such purchase will be remitted to LTGLC and included in the Gross Sale Proceeds;

- (e) proposals by NPL that (i) monthly amounts of \$5,000 and \$8,333 be paid from the Gross Sale Proceeds to Anna Garcia and Joey Vasquez commencing April 1, 2021 (notwithstanding that, on the basis of its own evidence in these Receivership Proceedings, NPL carries on no active business and that following the sale of the NPL Falcon Lake Property and the Fieldstone Property, NPL will have no remaining assets), and (ii) an amount in excess of \$300,000 be paid from the Gross Sale Proceeds to Mr. Nygard's personal legal counsel, were objected to by the Receiver as being beyond the terms of the NPL Proceeds Preservation Agreement. Payment of these amounts have not been pursued further by NPL.

- 79. Following settlement, on May 7, 2021, of the contentious matters described above, the Proceeds Preservation Motion was adjourned to June 17, 2021 for the purpose of maintaining a set hearing date in the event that additional issues arise in connection with the NPL Proceeds Preservation Agreement.

NPL Proceeds held in Trust by LTGLC

80. The sale of the Fieldstone Property for the price of \$943,000 did not close. TDS has been advised by LTGLC that NPL expects that another purchaser for the Fieldstone Property can readily be found, to close within a reasonable period, perhaps even at a somewhat higher price. LTGLC has also advised TDS that Edson's may be interested in acquiring the Fieldstone Property itself, at a demonstrable market price. As a result, the Receiver expects that in due course the Gross Sale Proceeds presently being held by LTGLC will be supplemented by the net proceeds of a sale of the Fieldstone Property.
81. Based on the above, and taking into consideration the terms of the NPL Proceeds Preservation Agreement, the estimated net realizations from the sale of the Fieldstone Property and the Debtors' previous statements to the Manitoba Court that NPL has no other realizable assets, the net realizable value of NPL property not subject to the Receivership Order (as amended) is estimated at approximately \$640,000 (the "**Preserved Proceeds**"), which will be the amount, subject to any further disbursements therefrom, held by LTGLC in its trust account pursuant to the NPL Proceeds Preservation Agreement. The below schedule sets out the Receiver's understanding of the estimated Preserved Proceeds in connection with the sale of the NPL Falcon Lake Property and the future sale of the Fieldstone Property:

Estimate of Preserved Proceeds (in 000's)		(\$CAD)
Receipts		
Proceeds from Sale of Falcon Lake Cottage		2,500
Disbursements		
Estate Balance	(976)	
Debtors' Outstanding Professional Accounts	(247)	
Retainers for Professionals Accounts	(350)	
Mager Payment	(55)	
Fenske Payments	(78)	
Edson's Payment	(721)	
Real Estate Commissions (NPL portion)	(32)	
Other Closing Costs (Professional Fees)	(14)	
Net Other	3	
Total Outflows		(2,470)
Cash On Hand in LTGLC Trust Account		30
Estimate of Future Receipts / Disbursements		
Estimated Net Proceed from Sale of Fieldstone Property	900	
Payment of Edson's USD\$237,500 Claim	(290)	
Net Inflows		610
Estimated Preserved Proceeds		640

VII. MAY 15 INTERIM R&D

82. The May 15 Interim R&D is summarized as follows:

Nygaard Group Interim Statement of Receipts and Disbursements For the Period March 18, 2020 - May 15, 2021 (in \$000s)		
		Notes
Cash on Hand - March 18, 2020	73	1
Receipts		
Accounts Receivable, Real Estate and Other Collections	47,483	2
Sales Receipts	43,852	3
Receiver's Borrowings	30,082	4
Total Receipts	121,416	
Disbursements		
Payroll	13,745	5
Rent	6,175	6
Utilities / Operating Expenses / Other	3,446	7
Insurance	803	8
Postage / Courier / Logistics Providers	1,135	9
Asset Protection Services	327	10
Chargebacks / Returns / Bank Fees	514	11
Consultant Fees	2,880	12
Professional Fees	6,438	13
Receiver's Sales Taxes	201	14
Debtors' Sales Taxes	3,971	15
Payment of Landlord Charge	2,586	16
Total Disbursements	42,221	
Excess of Receipts over Disbursements	79,195	
Distribution to Lenders	(66,466)	17
Cash on Hand - May 15, 2021	12,803	
Notes:		
1 Represents cash in the Debtors' bank accounts on or about the Appointment Date.		
2 Represents the collection of accounts receivable including sales tax, the sale of IP, the net sale proceeds from real estate, and other miscellaneous receipts.		
3 Represents receipts from ecommerce sales, retail store sales, and the sale of FF&E including sales taxes.		
4 Receiver's Borrowings funded via Receiver's Certificates issued to the Lenders. The actual amount owing on the Receiver's Certificates may vary slightly from the numbers presented herein due to foreign exchange.		
5 Represents gross wages, expenses, benefits and certain accrued vacation obligations paid to the Debtors' former employees, as well as employee health and dental benefits. Total includes certain pre-filing wages and other amounts owed to certain former employees.		
6 Represents rent paid to landlords during the Liquidation Sale and rent paid in respect of a distribution centre located in Woodbridge, Ontario.		
7 General operating and other expenses (net of refunds) including unrealized foreign exchange losses and certain IT costs.		
8 Payment of insurance premiums since the Appointment Date including annual premiums for the periods ending May 31, 2021 and June 30, 2021.		
9 Represents deposits and payments (net of refunds) paid to logistics providers for the transport of goods.		
10 Represents costs incurred for security services at various Debtors locations.		
11 Represents bank charges, credit card chargebacks and related amounts.		
12 Represents fees and expenses paid to the Consultant in accordance with the Consulting and Marketing Agreement.		
13 Represents the fees, disbursements of the Receiver, TDS and Katten paid by the Receiver. Amounts include payment for certain fees and disbursements incurred prior to the Appointment Date.		
14 Consists of sales taxes paid on disbursements by the Receiver, net of any sales tax refunds.		
15 Consists of sales taxes paid by the Debtors after the Appointment Date.		
16 Pursuant to the Landlords' Charge Claims Procedure Order, the Receiver is authorized to pay Approved Landlord Claims (amounts do not include the settlement of the Disputed Landlord Claims).		
17 Pursuant to the Receivership Order, the Receiver is authorized to remit to the Lenders any and all proceeds from the Property. This is consistent with the operations of the Credit Facility prior to the granting of the Receivership Order. The amount includes interest and fee payments on the Credit Facility Indebtedness and the Receiver's Borrowings of approximately USD \$1.1 million, in accordance with the Term Sheet and the Credit Agreement and also includes approximately \$1.0 million in fees relating to the Lender's Holdback as provided for pursuant to the Receiver Term Sheet. The Receiver notes that the Lender returned approximately \$1.0 million to the Receiver relating to excess funds held but the Lenders, as noted in the Seventh Report. These funds were applied against the Distribution to Lenders shown above. The Receiver also notes that on March 26, 2021 a final distribution of USD\$331,556.98 was issued to the Lenders, in accordance with the Landlords' Charge Claims Procedure Order.		

83. The Receiver notes the following in respect of the May 15 Interim R&D:

- (a) pursuant to the provisions of the Receivership Order, the Debtors' cash management system (the **"Cash Management System"**), as described in detail in the Dean Affidavit, continued to operate in the normal course without material change from the Appointment Date until September 4, 2020. The Debtors' primary banking accounts utilized in the Cash Management System are held at BMO (the **"BMO Accounts"**) and the Bank of America (the **"BOA Accounts"**). In addition to the BMO Accounts and the BOA Accounts, the Receiver has opened two (2) additional estate accounts (the **"Estate Accounts"**, and together with the BMO Accounts and the BOA Accounts, the **"Receivership Accounts"**) at BMO. On September 4, 2020, the Receiver altered the Cash Management System such that all future proceeds from the Property would accumulate in the Receivership Accounts. The May 15 Interim R&D includes the combined receipts and disbursements in the Receivership Accounts as well as receipts applied directly against the Credit Facility or Receiver's Borrowings;
- (b) as shown in the May 15 Interim R&D, receipts totaled approximately \$121 million, comprised of approximately \$47 million related to the collection of accounts receivable, net real estate collections, wholesale inventory, IP sales, building sales and other miscellaneous receipts, \$44 million related to the collection of retail store, e-commerce and FF&E sales, and \$30 million related to the Receiver's Borrowings;
- (c) disbursements during the period of the May 15 Interim R&D, totaled approximately \$42 million and primarily consisted of payroll and source deductions, rent, operating disbursements, consultant fees and professional fees;
- (d) pursuant to the terms of the Receivership Order and the Receiver Term Sheet, and consistent with the operation of the Credit Facility before the commencement of the Receivership Proceedings, the Receiver Term Sheet and the Receivership Order, proceeds from the Property, totaling approximately \$66 million (including Receiver's Borrowings of approximately \$30 million and amounts due under the Credit Agreement of approximately \$36 million), has been distributed to the Lenders, in full satisfaction of the secured amounts owing to the Lenders; and
- (e) the remaining funds on hand, as at May 15, 2021, totaled approximately \$12.8 million.

84. The Receiver notes that the Debtors and the Receiver will continue to incur go forward expenses (the **“Remaining Receivership Expenses”**) related to the Receivership Proceeding, which are not captured in the May 15 Interim R&D, including:
- (a) potential employee priority claims which, to the best of the Receiver’s knowledge, total approximately \$720,000;
 - (b) additional Unpaid Rent claims subject to the Landlords’ Charge, the settlement of which has been estimated to total approximately \$200,000; and
 - (c) other disbursements (the **“Remaining Disbursements”**) in connection with the Debtors’ limited remaining operations in Manitoba, including for records preservation, storage and access, as well as the administration of the Receivership Proceedings and the considerable expense necessary to file the outstanding tax returns for the Canadian Debtors (2020 and 2021) and the US Debtors (2019, 2020 and 2021). For the purposes of this Twelfth Report, including the consideration of the treatment of the Net Receivership Proceeds (as hereinafter defined), the Receiver has conservatively estimated the Remaining Disbursements to total \$2 million. The amount of the estimated Remaining Disbursements may, however, be considerably less depending upon the course of these Receivership Proceedings.
85. The Receiver will report further to the Manitoba Court in respect of the Remaining Receivership Expenses in future.
86. In the result:
- (a) it is expected that there will be remaining net proceeds (**“Net Receivership Proceeds”**) from the disposition of Property following payment of all Remaining Receivership Expenses;
 - (b) for the purposes of this Twelfth Report, the Receiver estimates Net Receivership Proceeds to total approximately \$9.9 million; and
 - (c) the Net Receivership Proceeds will be more or less than \$9.9 million, depending upon the final amount of the Remaining Receivership Expenses.

VIII. CLAIMS TO THE NET RECEIVERSHIP PROCEEDS

87. Claims to the Net Receivership Proceeds depend upon whether claims are to be determined on a stand-alone “separate corporation” basis, or on the basis that the Debtors should be substantively consolidated for creditor purposes. The Manitoba Court has earlier received materials and heard arguments respecting these matters, and has made certain findings relevant to this analysis.
88. The determination of claims on a separate corporation basis, and the underlying analysis, is particularly relevant to NPL, which has asserted in these proceedings that it is entitled to have all or a substantial portion of the Net Receivership Proceeds paid to it, that it is solvent and that only NPL and “direct creditors” of NPL should benefit from its share of the Net Receivership Proceeds. In general, NPL has argued that it has no third party creditors, however, it is apparent that a significant tax liability has accrued to NPL in respect of the sales of its properties in the course of these proceedings, other tax liabilities may accrue in relation to dispositions of the NPL Falcon Lake Property and the Fieldstone Property, and NPL may have other third party creditor obligations. In addition, on the basis of the Debtors’ financial information, NPL is indebted to NIP in the amount of approximately \$2.5 million, and NEL, which is NPL’s parent corporation, is indebted to NIP in the amount of approximately \$18.1 million.
89. Determination of claims on a separate corporation basis requires a complex analysis involving:
- (a) identification of receivership proceeds attributable to the realization upon assets of affected Debtors. In this case, only NIP, NPL and NI had assets which were included as Property in the receivership and which were sold or otherwise realized upon by the Receiver;
 - (b) allocation of expenses incurred by the Receiver as against the proceeds attributable to NIP, NPL and NI asset realizations in the course of the receivership;
 - (c) allocation of priority claims and court-ordered charges, including statutory priorities, the Receiver’s Borrowing Charge, the Receiver’s Charge and the Landlords’ Charge, as against the proceeds attributable to NIP, NPL and NI asset realizations in the course of the receivership;
 - (d) allocation of repayment of the Credit Facility from proceeds of NIP, NPL and NI asset realizations, and determination of related subrogation rights, if any; and
 - (e) reliance upon the Nygard Group financial information in relation to intercompany obligations as among the Debtors and other matters.

90. Determination of claims on a consolidated basis does not require any of the above analysis. Once determined that the Debtors should be treated as a “single entity” for creditor purposes, all Net Receivership Proceeds would be shared (generally on a pro rata basis) by all creditors of the Nygard Group.
91. In comparing the outcomes (as more particularly described later in this Twelfth Report) of the “separate corporation” and consolidation analyses in this receivership, in the circumstances of the Debtors and given certain findings already made by the Manitoba Court, it is the conclusion of the Receiver that:
- (a) there is no outcome that generates meaningful equity in NPL;
 - (b) any equity in NPL is ultimately subject to the substantial intercompany obligation of NEL (NPL’s 100% owner) to NIP, to the benefit of NIP’s creditors;
 - (c) it is fair and reasonable that the assets and liabilities of the Debtors, including NEL and NPL, should be substantively consolidated for creditor purposes; and
 - (d) the Debtors should be assigned/ordered into bankruptcy, with their estates to be administered on a consolidated basis.

COMMENTS ON SEPARATE CORPORATION ANALYSIS

92. The Receiver has reviewed its receipts and disbursements and prepared an estimated Net Receivership Proceeds Analysis by Operating Entity (the “**Separate Corporation Analysis**”), subject to the following parameters and assumptions (a schedule summarizing the Separate Corporation Analysis is included in paragraph 104 of this Twelfth Report):

Receivership Proceeds

93. As at the date of this Twelfth Report, the Receiver received proceeds from the realization upon assets of NIP, NI and NPL as follows:

Realizations by Debtor (in \$000s)	
NIP	50,917
NI	11,831
NPL	28,579

Allocation of Expenses

94. The Receiver has made a preliminary allocation of receivership expenses as against the proceeds of NIP, NI and NPL asset realizations, based on the following considerations:
- (a) based on advice from TDS, the principles to be applied by a receiver in making such an allocation are that:
 - (i) in general, allocations are done on a case-by-case basis, involving an exercise of discretion by the receiver;
 - (ii) an allocation does not require a strict cost/benefit analysis or that costs be borne equally or on a pro rata basis; and
 - (iii) ultimately, costs are to be allocated in a fair and equitable manner that does not work to readjust the priorities of any creditor.
 - (b) the allocation of expenses involves a review of transactions recorded by the Receiver. Since the commencement of the Receivership Proceedings, the Receiver has recorded in excess of 17,000 transactions, many of which are batch payments (i.e. one cash outflow for the payment of several invoices). A comprehensive review of the transactions, including the settlement of any disputes regarding attribution, would be a time-consuming and likely expensive exercise to the detriment of unsecured creditors who would ultimately bear the costs associated with such review and any associated litigation. Given the Receiver's conclusions, as described in paragraph 91 hereof, the Receiver has, for this Twelfth Report, used a reasonably expeditious (yet still time-consuming) review process and has been conservative in "allocating" expenses to NPL, in an effort to minimize cost and attempt to fairly illustrate NPL's "best case" for consideration by the Manitoba Court. In the event the Manitoba Court finds that claims to the Net Receivership Proceeds are properly to be determined on a separate corporation basis, the Receiver will require an opportunity to undertake a more rigorous process of allocating expenses.
 - (c) the Separate Corporation Analysis includes the estimated Remaining Receivership Expenses. The Separate Corporation Analysis will be affected to the extent that the Remaining Receivership Expenses are more or less than presently estimated;

- (d) approximately \$13.3 million in "corporate overhead" expenses incurred in the course of the Receivership Proceedings are not readily specifically allocable to a particular Debtor. These expenses are primarily comprised of corporate payroll and professional fees. For the purpose of the Separate Corporation Analysis, the Receiver has taken the reasonable and efficient approach of allocating corporate overhead proportionately to the gross proceeds of realization of the respective assets of NIP, NI and NPL. It should be noted that this allocation includes, in part, an allocation of the Receiver's Charge, which charges all Property and ranks in priority to the Lender's Security.

Allocation of Payment of Priority Claims and Court-ordered Charges

95. Certain obligations of the Debtors, including certain amounts due to employees (or to Service Canada in respect of subrogated claims under the WEPP) rank in priority to the Lender's Security. These expenses (presently estimated) have been allocated to NIP, as all of the Canadian Debtors' employees were employed by NIP. Many of these employees undertook work activities for other Debtors, including NPL, and a more rigorous allocation process may determine that some proportion of these costs are fairly and equitably allocable to NPL.
96. The Receiver has allocated the payment of Unpaid Rent secured by the Landlords' Charge equally to each of NIP and NPL, as the Landlords' Charge (which ranked subordinate to the Lenders' Security) was secured against the Property of each of the Debtors.
97. It should be noted that the repayment of the Receiver's Borrowings (totaling \$30,082,000) and, therefore, satisfaction of the Receiver's Borrowing Charge (which charged all Property), is captured within "Corporate Overhead" expenses in the Separate Corporation Analysis, as the Receiver's Borrowings were used to fund receivership expenses included as Disbursements. The Receiver did not allocate Receiver's Borrowings to any particular Debtor and notes that this exercise would not yield a different outcome, as the Receiver's Borrowings were used only for payment of specific expenses and not to accumulate cash.

Allocation Generally

98. Although the Receiver is of the view that the allocation it has made for the purpose of this Twelfth Report is reasonable and appropriate, should the Manitoba Court find that claims are properly to be determined on a separate corporation basis, the Receiver will require an opportunity to undertake a more detailed review to identify, for example, (i) the relationships between employees of NIP and each of the Debtors (including certain of the considerations set out at paragraphs 161 – 164 herein with respect to employees as they relate to consolidation) in order to account for any benefit, direct or indirect, derived by each of the Debtors (in

particular, NI and NPL) to ensure the fair allocation of employee costs and obligations, (ii) the specific corporate overhead expenses to be fairly and equitably allocated against the Debtors (in particular NIP, NI and NPL), and (iii) the extent to which proceeds from the realization of NIP, NI and NPL assets should fairly share the burden of expenses properly allocable to other Debtors for which there are no realizations.

Allocation of Repayment of the Credit Facility

99. The Lenders received a total of approximately \$36.4 million (the **"Lender Debt"**) from the proceeds of realization upon Property over the course of the Receivership Proceedings to satisfy outstanding and accruing obligations under the Credit Facility.
100. Pursuant to the Credit Agreement (as found at Exhibit "D" to the Dean Affidavit):
- (a) each of the US Debtors is a Borrower jointly and severally liable for the due and punctual performance of all Obligations (as defined in the Credit Agreement);
 - (b) each of the Canadian Debtors is an unconditional, joint and several guarantor (**"Guarantor"**), and together the **"Guarantors"**), as primary obligor and not merely as a surety, of the due and punctual performance of all Obligations (as defined in the Credit Agreement); and
 - (c) the Lenders have full recourse against each of the Borrowers and Guarantors for satisfaction of all Obligations, including repayment of amounts advanced under the Credit Agreement. NEL and NPL are limited recourse guarantors and, as such, recourse in respect of NEL and NPL was limited to assets specifically secured to a realized value, after all costs and expenses, including enforcement costs, of USD\$20 million.
101. In the circumstances, and consistent with the Credit Agreement, for the purposes of the Separate Corporation Analysis, the Receiver has allocated the following amounts to repayment of the Lender Debt:
- (a) as a Borrower, all of the remaining Net Receivership Proceeds attributable to proceeds realized from NI assets (after the allocation of expenses, priority payments and court-ordered charges described above) totaling approximately \$8 million, leaving a balance of Lender Debt of approximately \$28.4 to be paid by the Guarantors;

- (b) as a Guarantor, the sum of approximately \$14.2 million (being one-half of the balance of Lender Debt) from Net Receivership Proceeds attributable to proceeds realized from NIP assets, after the allocation of expenses, priority payments and court-ordered charges; and
 - (c) as a Guarantor, the sum of approximately \$14.2 million (being one-half of the balance of Lender Debt) from Net Receivership Proceeds attributable to proceeds realized from NPL assets, after the allocation of expenses, priority payments and court-ordered charges. This amount is less than the amount of NPL's limited recourse guarantee.
102. The Receiver considers that its allocation of repayment of the Lender Debt is fair and equitable, given that, pursuant to the Credit Agreement, the Lenders would have no obligation to seek recourse first to either NIP or NPL and would, in fact, have the ability to fully recover the Lender Debt from either, subject only to the limited amount of the NPL guarantee.

Net Receivership Proceeds

103. Based on the assumptions and considerations, and subject to the limitations of the analysis, described above, the Separate Corporate Analysis yields the following results:
- (a) the Net Receivership Proceeds of NIP are estimated to total approximately \$1.4 million and Net Receivership Proceeds of NPL are estimated to total approximately \$8.5 million;
 - (b) there are no Net Receivership Proceeds in NI, as the totality of the proceeds realized from the sale of its assets was allocated to expenses, priority claims, court-ordered charges and repayment of Lender Debt; and
 - (c) an unequal allocation of the repayment of Lender Debt by which all remaining NIP asset realization proceeds are applied to repayment of Lender Debt would increase the Net Receivership Proceeds of NPL to approximately \$9.9 million (i.e. all remaining Net Receivership Proceeds would be attributable to NPL), however, any resulting increase in equity in NPL would still be ultimately subject to the intercompany obligations of NEL to NIP (and would accrue to NIP).
104. The Receiver considers the allocations forming the basis of the Separate Corporation Analysis, for the purposes aforesaid, to be fair and equitable, and otherwise consistent with the basis on which the Receiver is to exercise its discretion and the principles on which such allocations are to be made. Below is a chart summarizing the Separate Corporation Analysis:

Nygard Group Separate Corporation Analysis (in 000s)					(\$CAD)
Operating Entity	NIP	Inc.	NPL	Corporate OH	Total
1. Compute Net Receipts And Disbursements by Entity					
Cash on Hand - March 18, 2020	73				73
Receipts					
Accounts Receivable, Real Estate and Other Collections	7,071	11,825	28,579	7	47,483
Sales Receipts	43,846	6	-	-	43,852
Total Receipts	50,917	11,831	28,579	7	91,334
Disbursements					
Payroll	(8,118)	(980)	-	(4,647)	(13,745)
Rent	(6,175)	-	-	-	(6,175)
Utilities / Operating Expenses / Other	(2,966)	(256)	(223)	-	(3,446)
Insurance	(312)	(387)	(104)	-	(803)
Postage / Courier / Logistics Providers	(1,128)	(6)	-	-	(1,135)
Asset Protection Services	(89)	(209)	(30)	-	(327)
Chargebacks / Returns / Bank Fees	(502)	(12)	-	(0)	(514)
Consultant Fees	(2,620)	(260)	-	-	(2,880)
Professional Fees	-	-	-	(6,438)	(6,438)
Receivers' Sales Taxes	(0)	-	-	(201)	(201)
Debtors' Sales Taxes	(3,971)	-	-	-	(3,971)
Payment of Landlord Charge	(1,293)	-	(1,293)	-	(2,586)
Total Disbursements	(27,175)	(2,110)	(1,650)	(11,286)	(42,221)
Excess of Receipts over Disbursements	23,815	9,721	26,929	(11,279)	49,187
2. Remaining Receivership Expenses					
Remaining Cash Outflows (estimate only)	-	-	-	(2,000)	(2,000)
Excess of Receipts over Disbursements after Remaining Receivership	23,815	9,721	26,929	(13,279)	47,187
3. Allocation of Corporate Overhead (Note 1)					
Corporate Overhead Allocation	(7,403)	(1,720)	(4,155)	13,279	-
Excess of Receipts over Disbursements after Allocation of Corporate	16,412	8,001	22,774	-	47,187
4. Payments that Rank in Priority to Secured Claims					
Vacation Pay	(720)	-	-	-	(720)
Excess of Receipts over Disbursements after Priority Payments	15,692	8,001	22,774	-	46,467
5. Repayment of Debt by Borrowers					
Nygard Inc. Debt Repayment as Borrower	-	(8,001)	-	-	(8,001)
Excess of Receipts over Disbursements after Repayment of Debt by	15,692	-	22,774	-	38,466
6. Payment of Remaining Debt by Guarantors (Note 2)					
Receiver's Borrowings	-	-	-	30,082	30,082
Distribution to Lenders	(14,192)	-	(14,192)	(30,082)	(58,465)
Excess of Receipts over Disbursements after Repayment of Debt by	1,500	-	8,582	-	10,083
7. Payments of Landlord's Charge (Note 3)					
Landlord Charge Payment	(100)	-	(100)	-	(200)
Cash Available for Unsecured Creditors (Note 4)	1,400	-	8,482	-	9,883

Note 1: Allocation of Corporate Overhead (proportionate to gross proceeds)

Allocation of Corporate Overhead (in 000's)				
	NIP	NI	NPL	Total
Gross Proceeds	50,917	11,831	28,579	91,328
Proration of Gross Proceeds	56%	13%	31%	100%
Corporate Overhead	13,279	13,279	13,279	
Allocation of Corporate Overhead	7,403.40	1,720.26	4,155.42	13,279

Note 2: Payment of Remaining Lender Debt by Guarantors

Debt Repayment Summary (in 000's)	
Total Amount Distributed to Lender	66,466
Repayment of Receiver's Borrowings	(30,082)
Repayment of Lender Debt	36,384
Repayment of Lender Debt by Borrower (NI)	(8,001)
Balance of Lender Debt	28,383
Equal Contribution by NIP/ NPL	14,192

Note 3: Disputed Landlord Claims

The Disputed Landlord Claims have not been adjudicated by the Receiver. Based on the Debtors' books and records, the aggregate amount owing in respect Unpaid Rent for the 14 leases in which landlords filed Notices of Dispute totals approximately \$120,000. The amount included in the above chart (\$200,000) is an estimate of the amounts remaining to be paid, pursuant to the Landlords' Charge, based on the Receiver's preliminary assessment of the Disputed Landlord Claims. The actual amount paid in respect of the Disputed Landlord Claims may, however, differ (and the difference may be material) from the Receiver's preliminary assessment.

Note 4: Cash Available for Unsecured Creditors

On a separate corporations basis, and subject to the qualifications set out above as to the limitations of the allocation process described herein, the Separate Corporation Analysis results in approximately \$1.4 million being available to NIP creditors, and approximately \$8.5 million being available to NPL and its creditors, prior to applying the analysis set out below.

Implications of Intercompany Balances

105. Ultimately, at issue is the extent to which “direct” (as opposed to consolidated) creditors and stakeholders of NIP, NI and NPL (each of the Debtors that had assets) have access to Net Receivership Proceeds and other amounts against which they can attempt to recover debts outstanding to them.
106. Intercompany balances represent either liabilities or assets, affecting the scope of the debts outstanding and the prospects for recovery. Accordingly, to fairly estimate the extent to which the unconsolidated creditors and stakeholders of each of NIP, NI and NPL are to benefit, it is necessary to include, on a separate corporation analysis basis, an assessment of the relevant intercompany balances.
107. In this case, determination of the relevant intercompany balances depends on reliance upon Nygard Group financial records and statements for historical intercompany balances as at the Appointment Date, and the accounting treatment to be applied to advances made by the Lenders and repayments by NIP, NI and NPL, under the Credit Agreement.

Relevant Historical Intercompany Balances

108. As a caution, the Receiver has previously questioned the reliability of the Debtors' books and records as part of the Ninth Reports, and the accounting treatment applied by Nygard Group staff to intercompany transactions.
109. Among others, at paragraph 111 of its Ninth Report, the Receiver commented:

In the Receiver's view, taking into consideration its concerns regarding the reliability of the Debtor's books and records, and the accounting treatment applied by Nygard staff to certain material intercompany transactions, it would be difficult for an independent financial advisor to provide unqualified advice and guidance regarding the Debtors' financial circumstances (either collectively or individually) or endeavour to “separate out” the financial relationships among the complex web of related entities that comprise the Nygard Group and the broader Nygard Organization.

and at paragraph 117 of its Ninth Report, the Receiver commented:

On a general note, it has been described to the Receiver that, because the Nygard Group (and other non-Debtor entities) operated from the perspective of the accounting team as whole rather than individually, the entry of intercompany transactions was, at times, made at the direction of certain employees or executives without regard to the provision of normal accounting rules or usual backup for such entries. This calls into question the intercompany balances generally. In the Receiver's view, if the Nygard Group entities are to be treated separately for creditor

purposes, rather than on a consolidated basis, even a complex accounting review may not be sufficient to properly and fairly sort out intercompany balances.

110. In its Ninth Report at paragraphs 113 and 114, the Receiver described the incorrect accounting treatment applied by the Nygard Group staff to the Credit Agreement advances and, consequently, to the proceeds generated from the sales of the Notre Dame Property and the Toronto Property. The Receiver's opinion regarding the incorrect accounting treatment applied to these transactions by the Nygard Group was endorsed by the Manitoba Court. In his reasons issued November 19, 2020, Mr. Justice Edmond found that:

The Receiver and AGI disagree on the proper accounting treatment of certain assets and liabilities and treatment of intercompany loans within the Nygard Group of Companies. I agree with the analysis provided by the Receiver that it is incorrect to characterize the proceeds generated from NPL property sales as repayment of NIP's debt to the Lenders and result in NIP owing approximately \$17 million to NPL.

...

.... I agree with the Receiver that the correct accounting treatment respecting the proceeds generated from the NPL property sales, namely the Niagara Property and the Notre Dame Property, is an intercompany payable as between one or more of the US Debtors and NPL, and not an intercompany payable between NIP and NPL. (at page T6, lines 27-33 and 38-41 and page T7, lines 1-4)

111. These were material transactions – the Credit Agreement may have been the most material recent Nygard Group financial transaction, both from a business and accounting perspective, and the fact that advances under the Credit Agreement and repayments were improperly accounted for supports the Receiver's concerns as to the reliability generally of the Debtors' books and records. It is also concerning that the accounting treatment applied to these matters appears to reflect a bias to simply recording obligations as obligations of NIP rather than a dedication to accounting rigour.
112. Having stated such a caution, as at the Appointment Date, the Debtors' books and records disclose the following intercompany balances relevant to the Separate Corporation Analysis:
- (a) NPL was indebted to NIP in the amount of approximately \$2.5 million;
 - (b) NEL (100% owner of NPL) was indebted to NIP in the amount of approximately \$18.1 million; and
 - (c) NPL was indebted to 887 (one of the partners of NIP) in the amount of approximately \$200,000.

These amounts generally accord with disclosure made by the Debtors in the Perfection Certificate dated December 30, 2019 provided to the Lenders in connection with the Credit Agreement, and are the basis on which AGI prepared its First Pre-Filing Report dated November 5, 2020 on behalf of NPL. Accordingly, for purposes (as among NIP, NEL and NPL) relevant to the Separate Corporation Analysis, the intercompany balances described in (a), (b) and (c) in this paragraph are used and referenced as the historical intercompany balances.

Accounting Treatment of Credit Agreement Transactions

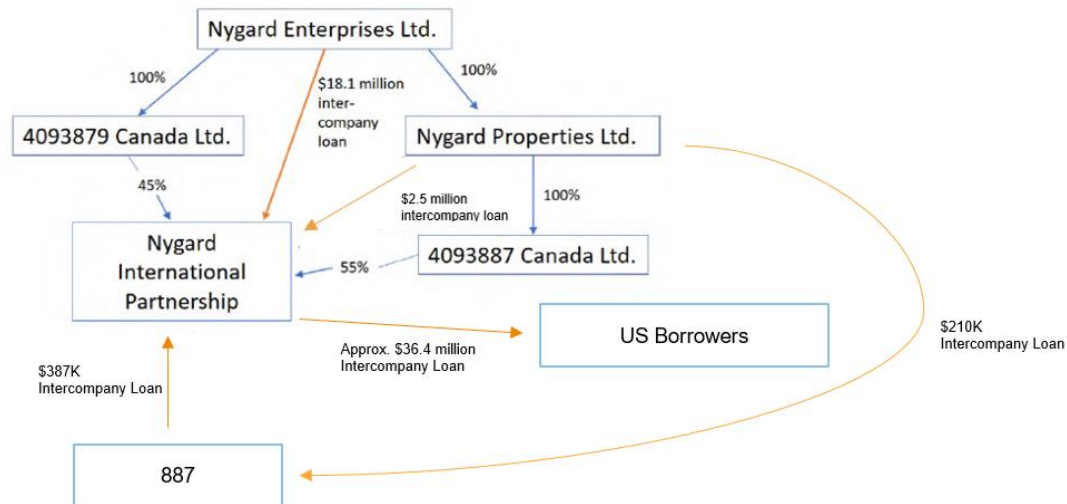
113. NPL previously argued that:

- (a) repayments of Lender Debt from the proceeds of realization of NPL assets should be treated as payments made pursuant to NPL's guarantee, resulting in rights of subrogation in favour of NPL;
- (b) advances made by the Lenders under the Credit Agreement were advances to NIP as a "Borrower"; and
- (c) alternatively, if Credit Agreement advances were made to the US Debtors as Borrowers and were thereafter advanced by them to NIP, repayments of Lender Debt from proceeds realized from NIP assets should be treated as repayment of intercompany obligations to the US Debtors and not as payments made pursuant to NIP's guarantee, such that rights of subrogation did not arise in favour of NIP.

114. The Manitoba Court did not accept NPL's arguments described in subparagraphs 113 (b) and (c) above. In his reasons issued November 19, 2020, Mr. Justice Edmond held that:

NPL is a limited recourse guarantor pursuant to the Credit Agreement. NIP, the entity that carried on the fashion clothing business is also a guarantor pursuant to the Credit Agreement. Both entities may have rights to subrogation to the extent of their payments to the Lenders were made on behalf of the borrowers, as defined in the Credit Agreement. (at page T6, lines 8-13)

115. Accordingly, repayments of Lender Debt from proceeds realized from NPL assets do not affect the historical intercompany debts of NPL to NIP and of NEL to NIP, as alleged in past by NPL, and do not create subrogated rights in favour of NPL as against NIP and its assets. Instead, the correct accounting treatment of Credit Agreement transactions appears to be as follows:
- (a) the Borrowers caused the Lenders to initially advance funds under the Credit Agreement variously to Bank of Montreal, a title insurance provider, various professional firms and NIP, and thereafter on a revolving basis to NIP, to the repay a Bank of Montreal credit facility, pay the costs of the Credit Agreement transaction and fund ongoing expenses. For the purposes of this Separate Corporation Analysis, the Receiver has treated the flow of funds directed by the Borrowers as creating intercompany debts of NIP to the Borrowers collectively in the amount of the Lender Debt (approximately \$36 million);
 - (b) NIP and NPL, as guarantors, made equal payments to the Lenders to repay the balance of the Credit Facility, in the amounts of approximately \$14.2 million;
 - (c) both NIP and NPL are equally subrogated to the rights of the Lenders, as against the Borrowers, in the full amounts of their guarantee payments (calculated by the Receiver to be approximately \$14.2 million each) and are equally subrogated to the rights of the Lender, as against Debtor co-guarantors 4093887 Canada Ltd., 4093879 Canada Ltd. and NEL for equal contributions (in the amounts of approximately \$2.85 million each) to repayment of the Lender Debt attributable to guarantors, resulting in subrogated claims (but not intercompany transactions) accordingly.
116. Based on the equal allocation of the repayment of the remaining Lender Debt to both NIP and NPL, neither NIP nor NPL has subrogated rights as against one another. In addition, the subrogated rights and claims of NIP and NPL as against the Borrowers (i.e. the US Debtors) and other co-guarantors, are illusory, as none of the Borrowers or co-guarantors has assets. Accordingly, while much has been argued in respect of subrogation and rights of guarantors arising under *The Mercantile Law Amendment Act* (Manitoba), there is no practical significance to such rights in this case.
117. Illustrated below is a snapshot of the corporate structure and intercompany obligations among the Canadian Debtors after applying the correct accounting treatment to the funds advanced pursuant to the Credit Facility, including booking an intercompany payable as between NIP and one or more of the US Debtors in respect of the funds advanced pursuant to the Credit Agreement:



The Mercantile Law Amendment Act (Manitoba)

118. In considering the matter of subrogation, the Receiver notes that the Credit Agreement is governed by the law of the State of New York, and the security agreements provided by the Canadian Debtors to the Lenders are generally governed by the law of the Province of Ontario. NPL has argued that, nevertheless, it is *The Mercantile Law Amendment Act (Manitoba)* that governs subrogation issues. For the purposes of this Separate Corporation Analysis, and given that, in the Chapter 15 Proceedings, the US Court has determined that Manitoba is the center of main interest, the Receiver has reached its conclusions on matters of subrogation with reference to *The Mercantile Law Amendment Act (Manitoba)*.
119. Based on advice from TDS, the Receiver understands that, under *The Mercantile Law Amendment Act (Manitoba)*, on payment of a principal obligor's debt to a lender, a surety (or guarantor) becomes subrogated to the rights of the creditor as against the principal obligor ("borrower") and any co-sureties. A guarantor that has paid all or part of a borrower's debt, can recover the full amount of its payment from the borrower, however, where the right to contribution from other co-surety arises, it is limited to contribution by the co-surety to that proportion of the total debt for which the co-surety is "justly liable".
120. With respect to being "justly liable", the general principle is that co-sureties are to contribute equally towards the satisfaction of a guaranteed debt unless there is an agreement between the co-sureties that would supersede such principle. In practice, where a co-surety pays more than its proportionate share of the guaranteed debt, the co-surety is entitled to contribution from the other co-sureties to equalize the amounts paid among the co-sureties. The Receiver further understands that, in circumstances where there are multiple co-sureties, each co-surety's obligation to "contribute" towards the equalization of a co-surety's

disproportionate payment of a guaranteed debt should not exceed its fractional (i.e. number of co-sureties) obligation thereunder.

121. Pursuant to the Credit Agreement, each of the five (5) Canadian Debtors are guarantors (NEL and NPL are limited recourse guarantors) of amounts due by the Borrowers to the Lenders. As such, each guarantor's obligation to "contribute" towards the equalization of a co-guarantor's disproportionate payment of the Lenders claim, should not exceed twenty percent (20%) of the total amount paid by guarantors, and the contributions by NEL and NPL cannot exceed their recourse limit (i.e. USD 20 million plus costs). For example, if, as in this case, the total amount paid by NIP and NPL as Guarantors toward the repayment of the Credit Facility totaled approximately \$14.2 million each, the maximum claim for "contribution", by each of NIP and NPL, against each non-paying guarantor would be 1/5th of that amount, or approximately \$2.85 million.
122. Since the Receiver has fairly allocated the guarantee repayments equally to NIP and NPL, in amounts in excess of their respective "just liability" to other sureties, neither NIP nor NPL can seek contribution from the other under *The Mercantile Amendment Act* (Manitoba). Since none of the remaining borrowers or co-sureties have assets, there are, as a practical matter, no subrogated rights to enforce.
123. The Receiver has noted in past that the Credit Agreement provides that each guarantor guarantees Credit Agreement Obligations "as a primary obligor and not merely as a surety." On the basis of the equal allocation of repayment of the balance of the Lender Debt to NIP and NPL, the designation of NIP and NPL as "primary obligors" does not affect the outcome of the analysis, as both NIP and NPL would have equal rights of recovery against each other if both were treated as primary obligors.

Claims against NPL

124. Based on the assumptions and considerations, and subject to the limitations of the analysis described above, and on the evidence adduced by NPL earlier in these Receivership Proceedings as to its assets, it appears that the only remaining assets of NPL are the Net Receivership Proceeds of NPL totaling approximately \$8.5 million and the Preserved Proceeds (estimated at \$0.6 million) referred to in paragraph 81 of this Twelfth Report, totaling approximately \$9.1 million.
125. As noted above, in general, NPL has argued that it has no third party creditors, however, it is apparent that a significant tax liability has accrued to NPL in respect of the sales of its properties in the course of these proceedings, and other tax liabilities may accrue in relation to dispositions of the NPL Falcon Lake Property and the Fieldstone Property. The Receiver presently estimates those tax liabilities (other than in relation to

the dispositions of the NPL Falcon Lake Property and the Fieldstone Property) to be in the range of approximately \$5 million. NPL may also have other third party creditor obligations.

126. In addition, as discussed above, on the basis of the Debtors' financial information, NPL is indebted to NIP in the amount of approximately \$2.5 million, and NEL, which is NPL's parent corporation, is indebted to NIP in the amount of approximately \$18.1 million.
127. In the result, after repayment of any known NPL "direct" liabilities, any funds remaining in NPL (whether accruing from the sale of Property or arising from other NPL assets) would ultimately be subject to NIP recovering same by means of enforcing the \$18.1 million intercompany debt owing by NEL to NIP.
128. Below is a chart summarizing claims in relation to NPL, NI, NIP and others, indicating that the outcome is that all remaining assets of NPL are either subject to claims of direct creditors of NPL, or subject to the enforcement of NIP's intercompany claim against NEL:

Treatment of Remaining Cash Available for Unsecured Creditors <i>(in 000's)</i>							
	NIP	Inc.	NPL	Corporate OH	NEL	887	Total
Cash Available for Unsecured Creditors in Receiver's Account	1,400	-	8,482	-	-	-	9,883
Preserved Proceeds	-	-	640	-	-	-	640
Recoveries from other NPL Assets	-	-	TBD	-	-	-	-
Total Cash Available for Unsecured Creditors	1,400	-	9,122	-	-	-	10,523
1. Settlement of NPL Liabilities (Note 1)							
NPL Tax Liability (estimate only)	-	-	(4,978)	-	-	-	(4,978)
Settlement of NPL debt owing to NIP	2,462	-	(2,462)	-	-	-	-
Settlement of NPL debt owing to 887	-	-	(210)	-	-	210	-
Settlement of 887 debt owing to NIP	210	-	-	-	-	(210)	-
Other NPL Debts	-	-	TBD	-	-	-	-
Excess of Receipts over Disbursements after Settlement of NPL	4,072	-	1,472	-	-	-	5,545
2. Distribution to NEL by NPL (Note 2)							
NPL Dividend to NEL	-	-	(1,472)	-	1,472	-	-
Partial Settlement NEL debt owing to NIP	1,472	-	-	-	(1,472)	-	-
Cash Available to NIP	5,544	-	-	-	-	-	5,544

Note 1: Settlement of NPL Debts

As noted, based on the Receiver's preliminary assessment, NPL has a tax liability resulting from its real property sales estimated at approximately \$5 million. The Receiver is in the process of assembling and reviewing the information necessary to complete of the Debtors' outstanding tax filings.

As per the Debtors' books and records, NPL owes NIP approximately \$2.5 million. Intercompany loans are also recorded as between NPL and 887 in the amount of approximately \$210,000 and 887 and NIP in the amount of approximately \$387,000. Consequently, upon repayment of NPL's debt to 887, these monies would ultimately accrue to NIP.

The Debtors have previously presented information to the Manitoba Court that, except for Canada Revenue Agency (the “**CRA**”), NPL has no arm's length creditors. In the Receiver's view (and as described later in this Twelfth Report), NPL historically incurred limited direct obligations, as most (if not all) of its operating expenses were paid by NIP. After the Appointment Date, with NIP no longer able to pay NPL's expenses, NPL has been incurring obligations directly. The Receiver's purpose in entering into the NPL Proceeds Preservation Agreement was to preserve funds for payment of NPL creditor claims, including the claim of NIP, based on the Receiver's view of the intercompany accounts, and more generally for creditors of the “consolidated” Debtors, should a court order that the Debtors be consolidated for creditor payment or bankruptcy purposes (as discussed later in this Twelfth Report).

Note 2. Distribution to NEL by NPL

On the basis of the assumptions and considerations described above in this Twelfth Report, following repayment of the items in Note 1, the remaining funds in NPL would effectively be available to its shareholder, NEL and subject to enforcement by NIP of the debt owing to it by NEL (and certain other minor creditors of NEL).

Based on the above analysis, NPL is estimated to have approximately \$1.5 million remaining after payment of known direct liabilities described in Note 1. Application of these monies to the intercompany amounts owing from NEL to NIP (\$18.1 million) would reduce the obligation owing as between NEL and NIP to approximately \$16.6 million. The additional amounts represented by the Preserved Proceeds would contribute to reduction of NEL's intercompany obligation to NIP, but would be insufficient to fully satisfy that obligation.

129. On a separate corporation basis, NPL may have other obligations to creditors arising from the conduct of the Nygard Group business. For example, vendors regularly performed work or supplied goods for the benefit of NPL and its properties, but contracted directly with NIP in respect of such services. Such vendors, if unpaid, may have claims against NPL in relation to the provision of these goods and services. Further, as more fully described later in this Twelfth Report, the Receiver understands that NIP “employed” various individuals that effectively worked (both full-time and part-time) for NPL to manage and maintain its real property assets, including the Falcon Lake Cottage, the Notre Dame Property, the Broadway Property, the Inkster Property and the Toronto Property. NPL may be jointly responsible for outstanding obligations to such employees, on a “common employer” basis. Further, as noted above, on a more comprehensive allocation review, NPL may be determined to be responsible for a greater proportion of the expenses and disbursements of the Receiver.
130. In consideration of the above, the Receiver is not purporting, by this Separate Corporate Analysis to determine the solvency or insolvency of NPL.

COMMENTS ON CONSOLIDATION ANALYSIS

131. As noted above, claims to the Net Receivership Proceeds depend upon whether claims are to be determined on a stand-alone “separate corporation” basis (discussed above), or on the basis that the Debtors should be substantively consolidated for creditor purposes; that is, that the assets and liabilities of the Debtors should be “pooled” for the purposes of addressing the claims of the combined unsecured creditors of each of the Debtors. Although certain elements of the Separate Corporation Analysis are relevant to consideration of consolidation, once it is determined that the Debtors should be treated as a “single entity” for creditor purposes, intercompany obligations as among the Debtors become irrelevant and all Net Receivership Proceeds would be shared (generally on a pro rata basis) by all creditors of the Nygard Group. As well, any remaining assets of any of the Debtors, including NPL (such as the Preserved Proceeds), would be contributed to the pool of available assets.
132. Consideration of consolidation involves examining the structure, conduct and benefit of the business of the Nygard Group, to consider the extent to which the affairs of the Debtors are entwined and entangled, and to determine whether the Debtors essentially carried on business in common, with the common purpose of maximizing value from the operations of the Nygard Group's business activities, for its ownership.
133. In this regard, based on advice from TDS, it appears that Canadian courts have considered:
- (a) the presence of certain “elements of consolidation” (the “**Elements of Consolidation**”), to be relevant, including (i) difficulty in segregating assets, (ii) presence of consolidated financial statements, (iii) profitability of consolidation at a single location, (iv) commingling of assets and business functions, (v) unity of interest in ownership, (vi) existence of intercorporate loan guarantees, and (vii) transfer of assets without observance of corporate formalities;
 - (b) the relative economic benefits of consolidation to creditors balanced against the prejudice, if any, to particular creditors;
 - (c) whether consolidation is fair and reasonable in the circumstances; and
 - (d) from TDS' review of these matters with Katten, it appears that US courts consider similar principles and elements in respect to consolidation.

The Nygard Group Business

134. The Nygard Group carried on a complex, integrated business involving the design, manufacture (through multiple suppliers), supply and wholesale and retail sales of multiple product lines and fashion brands primarily of women's fashion apparel (the "**Business**").
135. The Debtors' head office was located at the Inkster Property in Winnipeg, Manitoba, and the Debtors maintained corporate offices, with limited functions, at the Toronto Property and in New York, New York (the "**New York Office**"). The Receiver notes that in certain corporate documents, the US Debtors list the New York Office as their corporate head office.
136. In general terms, as earlier reported by the Receiver, three of the Debtors had business functions that contributed materially to, and were integrated into, the Business:
- (a) NIP operated the Canadian (retail and wholesale) clothing business, at leased locations across Canada and provided centralized administrative services to the Nygard Group (and other members of the broader Nygard Organization). Overwhelmingly, the Business was transacted through NIP;
 - (b) certain elements of the US clothing business (primarily wholesale) were transacted through NI, including certain leases of warehousing facilities through Edson's and Brause, and the lease of certain retail store premises in New York and California; and
 - (c) NPL was the owner of the Inkster Property (used by the Nygard Group for its head office and warehousing), the Toronto Property (used by the Nygard Group for limited corporate functions), the Notre Dame Property (used by the Nygard Group as a warehouse and as Mr. Nygard's personal residence); and the Broadway Property (used by the Nygard Group as a retail location and for certain records storage). It is the Receiver's understanding that Leases (the "**NIP/NPL Leases**") of each of the above properties were entered into between NIP and NPL. Attached hereto as **Appendix "D"** are copies of the Leases relating to the Inkster Property, the Notre Dame Property, the Broadway Property and the Toronto Property. The evidence adduced by the Nygard Group to date in the Receivership Proceedings identifies the NPL Falcon Lake Property and the Fieldstone Property as the only other assets of NPL of value. The NPL Falcon Lake Property appears to have been used by Mr. Nygard as his "summer residence" and for certain Business functions, and the Fieldstone Property appears to have been made available as a residence to Nygard Group employees or other business connections from time to time.

Ownership and Control

137. A corporate chart (the “**Corporate Chart**”) detailing the structure of the global Nygard Organization, including the Debtors, is attached hereto as **Appendix “E”**. The Corporate Chart describes that the Canadian Debtors, either indirectly or through a series of holding companies, are 100% privately owned by Mr. Nygard, and that the US Debtors are ultimately held by DGM Financial Services Trustee. Mr. Nygard did not initially dispute his ownership of the US Debtors in the Receivership Proceedings, however, a Limited Objection of Peter J. Nygard dated April 7, 2020 filed in the Chapter 15 Proceedings makes the statement that Mr. Nygard only owns the Canadian Debtors directly or indirectly, and that he has no ownership interest, directly or indirectly, in the US Debtors.
138. No evidence has been adduced on behalf of the Debtors to provide information as to DGM Financial Services Trustee, or Mr. Nygard’s relationship, if any, thereto. The Receiver does, however, note the following:
- (a) attached as Exhibit “T” to the Dean Affidavit is an e-mail dated January 3, 2020 from Abraham Rubinfeld, the Nygard Group’s general legal counsel, in which in regard to the Credit Agreement transaction (which involves both the Canadian Debtors and the US Debtors), Mr. Rubinfeld states:
- “All parties knew & were fully instructed that MR. NYGARD is the sole owner and ONLY Mr Nygard can approve the deal and subsequently authorize the signing by the “Executive Corporate Officers”;
- (b) at paragraph 4 of the Affidavit of Greg Fenske affirmed March 11, 2020, Mr. Fenske states:
- Nygard is a clothing designer, manufacturer, supplier and retailer with its head office in Winnipeg, Manitoba. It has multiple product lines and fashion brands including Peter Nygard Collections, Bianca Nygard, Nygard SLIMS, ALIA, ADX and TanJay. It employs approximately 1450 people worldwide, operates 169 retail stores in North America and supplies other retailers such as Dillards Inc., Costco Wholesale Canada Ltd. and Walmart Canada. The Nygard Group entities, either directly or through a series of holding companies, are 100% privately owned by Peter Nygard;
- (c) attached as Exhibit “A” to the Affidavit of Greg Fenske affirmed November 5, 2020 are certain audited combined financial statements (the “**Combined Financial Statements**”) which include the combined accounts of the US Debtors and the Canadian Debtors other than NPL and NEL (the “**Combined Company**”). At page 5 of the Notes to the Combined Financial Statements, it is described that “...the Combined Company had balances and transactions with the following “related parties”. The “related parties” include:

- (i) NEL, which is described as the “Company that indirectly controls Nygard International Partnership”;
- (ii) NPL, which is described as a “Company under common control”, and
- (iii) Brause, Edson’s, Nygard Holdings Ltd. and Nygard Properties (USA) Ltd., each of which is described in the Corporate Chart as being ultimately owned by DGM Financial Services Trustee, and each of which is described in the Combined Financial Statements as a “Company under common control”;

the implication of all of which is that the Canadian Debtors, and the US Debtors and other entities which are described in the Corporate Chart to be ultimately owned by DGM Financial Services Trustee, are related and under common control;

The Receiver understands that DGM Financial Services is a licensed Barbados Domestic Trust Company which provides various corporate services including incorporation, administration, provision of corporate directors, corporate secretarial services, Registered Office, Resident Agent in Barbados and some other jurisdictions;

- (d) attached hereto as **Appendix “F”** is “Nygard International’s” LinkedIn page, which specifically states that the company is controlled by its Founder and Chairman, Peter Nygard;
- (e) Attached hereto as **Appendix “G”** is a copy of Nygard Group Organizational Chart from 2012, which identifies Peter Nygard as the 100% shareholder of all Nygard Group Companies. Based on certain “contribution” agreements, which are attached hereto as Appendix “L” and discussed later in this Twelfth Report, the Receiver understands that Nygard Groups’ organizational structure was changed in or about 2012;
- (f) the Receiver has not come across any evidence that prior to the Appointment Date there was any balancing or reconciliation of financial outcomes, management influence or business interests to accommodate, recognize or “reward” separate ownership of entities carrying on the Business. It appears to the Receiver that Mr. Nygard solely ultimately controlled the Business and the benefits thereof.

Directors and Officers

139. As at the Appointment Date, the Canadian Debtors had the following ownership, directorship and executive management structure, reflecting common ownership and generally common directors and officers. As noted in paragraph 137 above, the Corporate Chart identifies Mr. Nygard as the ultimate common owner of the Canadian Debtors:

Canadian Debtor	Shareholders	Directors	Officers
NEL	Peter Nygard	Peter Nygard Tiina Tulikorpi James Bennett	Peter Nygard Tiina Tulikorpi James Bennett
NPL	NEL	Peter Nygard Tiina Tulikorpi James Bennett Denis Lapointe	Peter Nygard Tiina Tulikorpi James Bennett Denis Lapointe
4093879 Canada Ltd	NEL	Peter Nygard Tiina Tulikorpi James Bennett Denis Lapointe	Peter Nygard Tiina Tulikorpi James Bennett Denis Lapointe
4093887 Canada Ltd.	NPL/NEL	Peter Nygard Tiina Tulikorpi James Bennett Denis Lapointe	Peter Nygard Tiina Tulikorpi James Bennett Denis Lapointe
NIP	4093879 Canada Ltd. 4093887 Canada Ltd.	45% partnership interest 55% partnership interest	

140. As at the date of Credit Agreement, the US Debtors had the following ownership, directorship and executive management structure, reflecting generally common directors and executive officers. As noted in paragraph 137 above, the Corporate Chart identifies DGM Financial Services Trustee as the ultimate common owner of the US Debtors:

US Debtor	Shareholders	Directors	Officers
Nygar Inc.	Nygar Holdings (USA) Limited	Greg Fenske James Bennett Tiina Tulikorpi	Greg Fenske Tiina Tulikorpi Angela Dyborn
Nygar Holdings (USA) Limited	NIP Duke Investments Ltd.	Greg Fenske James Bennett Tiina Tulikorpi	Greg Fenske Tiina Tulikorpi James Bennett
Fashion Ventures, Inc.	Nygar Inc.	Greg Fenske James Bennett Tiina Tulikorpi	Greg Fenske Tiina Tulikorpi Angela Dyborn
Nygar NY Retail, LLC	Nygar Inc.	Membership Interest	

141. Attached hereto as **Appendix “H”** are relevant sections of the Omnibus Officer’s Certificate by the US Debtors dated December 30, 2019 and the Officer’s Certificates of each of the Canadian Debtors dated January 2, 2020, which confirm the Officers and Directors of each of the Respondents.
142. Based on certain documentation executed in connection with the Credit Agreement and the Debtors’ evidence in these proceedings, the Receiver understands that all Directors of the Debtors were resident in Canada as at the Appointment Date, more particularly:
- (a) in the Affidavit of Peter Nygard affirmed June 25, 2020, Mr. Nygard states, at paragraph 2, “I have been continuously residing at 1340 Notre Dame, Winnipeg, Manitoba, and have been a permanent resident of Canada in excess of one and one-half years.” ;
 - (b) in “Form 6 Changes Regarding Directors” attached to the Officer’s Certificate of 4093879 Canada Ltd., it is indicated that James Bennett, Tiina Tulikorpi and Denis Lapointe are “Resident Canadian”; and
 - (c) the Receiver understands that Greg Fenske is a resident of Winnipeg, Manitoba.
143. In the conduct of the Business, intercompany agreements appear often to be executed by the same persons on behalf of the Debtors. Two (2) notable examples are:
- (a) the Credit Agreement is executed on behalf of each of the US Debtors, by Greg Fenske, as Vice-President of Nygard Holdings (USA) Limited, and as Chief Executive Officer and President of the other US Debtors, and is executed on behalf of each of the Canadian Debtors by James R. Bennett, as Secretary and Treasurer; and
 - (b) certain of the NIP/NPL Leases are executed on behalf of both NIP and NPL by Denis LaPointe.
144. Mr. Fenske has, in evidence adduced by him in these Receivership Proceedings, described himself as the “Director of Systems for the Nygard Group of Companies”.
145. Mr. Fenske, who appears to have been Vice-President, and/or Chief Executive Officer of each of the US Debtors, states in his Affidavit affirmed September 13, 2020, that he was appointed as Director of each of the Canadian Debtors by shareholder meetings held on September 11, 2020.

Minute Books and Resolutions

146. To the best of the knowledge of the Receiver, the Debtors maintained separate Minute Books, including separate by-laws and resolutions, including preparing and filing required annual resolutions.

Financing and Banking/Cash Management

147. As at the Appointment Date, the Business, and the operations of each of the Debtors, was financed by a single credit facility provided by the Lenders pursuant to the Credit Agreement.
148. As reported in paragraph 100 above, pursuant to the Credit Agreement, each of the Debtors assumed liability for the totality of the Obligations (as defined in the Credit Agreement) under the Credit Agreement, by reason of being either “Borrowers” or “Guarantors” thereunder, subject only to the limited recourse provisions in favour of NPL and NEL.
149. As noted in the First Report and the Dean Affidavit, the Debtors operated a complex cash management system comprised of fifteen accounts that were disclosed by the Nygard Group to the Lenders (two of these accounts were subsequently closed as required by the Credit Agreement). Of the thirteen remaining Nygard Group accounts, eleven were NIP accounts and two accounts were NI accounts (one of which was to be closed). Based on the account descriptions included in the Dean Affidavit, it appears that all Nygard Group retail store receipts and wholesale business receipts in both Canada and the United States of America were all collected in various NIP accounts. NIP maintained several disbursement accounts (both \$CAN and \$USD), while NI maintained one disbursement account to process payroll deductions for employees of NI.
150. Based on the cash management system operated by the Nygard Group, and as reported previously by the Receiver, it appears that the Nygard Group generally operated using only NIP bank accounts. In this regard, it appears that NIP incurred and directly paid all (or substantially all) expenses on behalf of the Nygard Group, regardless of which specific Debtor procured and/or benefited from the goods or services obtained. As detailed further later in this Twelfth Report, these expenses were offset in most but not all circumstances by an intercompany accounting entry so as to maximize outcomes for the Nygard Group generally.
151. In relation to NPL, it appears that, following the receivership, NPL used the bank accounts of 119 to receive and disburse the professional fees owing by NPL funded by Edson’s related to the Edson’s USD\$237,500 Claim, as NPL did not have a bank account.

152. In connection with the above, during the course of its activities, the Receiver has become aware of an NPL bank account held at The Bank of Nova Scotia (the “**NPL Bank Account**”), which has been largely inactive since 2014 and was closed in early 2020. The last material transactions in the NPL Bank Account occurred between the years 2008 – 2012 and appear to relate to the sale of certain real property as well as the receipt of tax refunds and other collections totaling approximately \$7.6 million. The Receiver notes that generally, as funds were received in the NPL Bank Account, funds were subsequently transferred to NIP (and booked as a repayment of intercompany debt). Approximately \$7.2 million was transferred from NPL to NIP between 2009 and 2012. By 2013, the NPL Bank Account had a balance of approximately \$220,000, which funds were largely depleted through what was usually recorded by the Debtors as “cash advances PJN” and similarly booked (questionably, in the Receiver’s view) as a repayment of debt as between NPL and NIP. The Receiver notes, however, that between 2008 and 2017, the NPL Bank Account was never the primary operating account utilized by NPL (there were 225 entries posted to the NPL Bank Account and 7,900 intercompany transaction posted between NIP and NPL).
153. The Receiver is also aware of certain cash and investment accounts owned by NEL, which the Receiver understands are not the primary operating accounts of NEL.

Assets

154. In general terms:
- (a) NPL owned real estate assets, the majority of which were leased to and used by NIP in the conduct of the Business, including the Inkster Property, the Toronto Property, the Notre Dame Property and the Broadway Property. Based on the realizations by the Receiver on these properties and the evidence adduced in the Receivership Proceedings on behalf of NPL, these properties overwhelmingly represent the value of assets owned by NPL. It appears that other properties of NPL (the NPL Falcon Lake Property and the Fieldstone Property) were also used in connection with the Business or its principals, as Mr. Nygard used the Falcon Lake Cottage as his “summer residence” and the Fieldstone Property was typically made available for use by employees or others connected to the Business;
 - (b) NI owned the inventory, receivables, equipment, vehicles and other minor assets used in connection with the Business (principally wholesale supply) conducted in the US, and leased certain office, retail and warehouse locations in the US; and

- (c) NIP owned the rest of the assets used in connection with the Business and leased all of the office, retail and warehouse locations in Canada.
155. By the manner in which the Business was conducted and payments transacted, NIP regularly incurred costs for the benefit of NPL and NI in relation to their assets, which were captured for accounting purposes (on an inconsistent basis) as intercompany transactions on non-commercial terms that effectively shifted assets among the Nygard Group entities.
156. In relation to the assets of NPL in particular:
- (a) as NPL did not have an “active” bank account and its “rent” from NIP was captured by intercompany entries rather than “cash” payments, NIP funded or directly incurred obligations in relation to NPL properties;
 - (b) NIP advanced funds, or directly incurred obligations, totaling in excess of \$8 million (book value \$8.4 million) for the development, maintenance and other costs associated with buildings and premises at the NPL Falcon Lake Property;
 - (c) NIP advanced funds (or directly incurred obligations) for capital improvements and maintenance costs for each of the Inkster Property and the Notre Dame Property. In this regard, the Debtors have recorded expenditures by NIP totaling approximately \$5.6 million in capital improvements and maintenance costs for the Inkster Property (including roof replacement, new sprinkler systems, and parking lot repairs) and approximately \$1 million in capital improvement and maintenance costs for the Notre Dame Property since 2016 (including roof replacement, new sprinkler systems, and parking lot repairs). Although certain maintenance costs included in the above amounts were properly expensed to NIP, the majority of the above expenses, which appear to have directly benefited and presumably increased the value of NPL property, were booked as direct expenses of NIP (i.e. without booking any intercompany obligation between NPL and NIP). The Receiver notes that the terms of the NIP/NPL Leases provide for the tenant to pay certain capital repair/replacement costs which, in the Receiver’s view, are not typical of commercial leases between arm’s length parties, including in relation to certain structural repairs/replacement;
 - (d) the 2012 Nygard Group Organizational Chart (see Appendix “G”) states that “*Nygart Properties Ltd. is created to receive the leasehold improvements from NIP*”. Although the preceding statement is somewhat ambiguous, in the Receiver’s view, it is apparent that NPL has benefited from certain activities and expenditures incurred by NIP;

- (e) third party service providers, engaged and paid by NIP, regularly performed work for the benefit of NPL but contracted directly with NIP in respect of such services. For example, attached hereto as **Appendix “I”** is a copy of an invoice for the construction of the cabin fireplace at the NPL Falcon Lake Property in the amount of \$1.3 million that was invoiced directly to NIP;
- (f) NPL’s books and records include a \$2 million receivable (the **“NBCS Receivable”**) due from Nygard Business Consulting (Shanghai) Co. Ltd. (**“NBCS”**) as well as an investment of approximately \$3 million in NBCS that, according to the evidence previously presented by the Debtors and AGI to the Manitoba Court, have no realizable value. As noted in the Supplementary Ninth Report, the funds invested in NBCS appear to have been loaned from NIP to NPL (or an affiliate) to NBCS in connection with the 2013 acquisition and improvement of a property in Shanghai (the **“Shanghai Property”**); and
- (g) NPL’s books and records include a receivable (the **“Insider Loan”**) in the amount of approximately \$0.8 million to a (now former) executive of the Debtors that similarly has been ascribed no recovery value by the Debtors and AGI in their materials previously provided to the Manitoba Court.

Conduct of Business

- 157. The Nygard Group had offices in Toronto, New York, Los Angeles and Shanghai, but the Nygard Groups’s operations were based out of the Inkster Property, which was the “nerve centre” for the business. In this regard, substantially all accounting and payment functions, strategic decision making, communications functions, marketing and pricing decisions, new business development initiatives, negotiation of material contracts and leases, retail and third party supplier/services decisions, design and merchandising, and production and distribution functions were managed centrally from the head office at the Inkster Property in Winnipeg, Manitoba.
- 158. In the result, all key administrative functions were performed centrally for the benefit of the Debtors, and, in many cases, for the benefit of other members of the broader Nygard Organization.
- 159. Overwhelmingly, transactions occurring in the course of the Business were transacted (and recorded as having been transacted) through NIP and the Business was conducted using common letterhead (Nygard International), advertisements and marketing materials.

160. Nygard International's LinkedIn page (see Appendix "F") states, *"the company lays claim to complete design, production & distribution facilities in Los Angeles, Toronto & Winnipeg and superb research & design studios worldwide."* The Receiver notes that the Nygard Group commonly presented itself as a single, integrated corporate enterprise led, managed and controlled by Peter Nygard.

Employees

161. As described in the First Report, at the Appointment Date, the Nygard Group employed approximately 1,550 people, 1,450 of which were employed by NIP and 100 of which were employed by NI.
162. While NIP funded the overwhelming majority of employee costs, employees paid by NIP provided services and performed functions for, or which benefited, other Debtors. For example:

- (a) employees of and paid by NIP performed the centralized administrative services described in paragraph 157 above and, generally, employees of NIP carried out all executive and administrative functions of the Debtors;
- (b) while Mr. Fenske, appears to have performed technology functions for all of the Debtors, and executive functions for certain of the Debtors in addition to NIP, it appears that Mr. Fenske was employed and paid only by NIP. In his Affidavit affirmed April 28, 2021, Mr. Fenske states as follows:

Prior to the receivership, I earned a base salary of \$135,000.00 with 3 weeks' holiday (2% per week or \$8,100.00), health benefits (12.5% or \$16,875.00) and a potential annual bonus of \$80,000.00. Therefore, my total potential pay package prior to the receivership proceedings was approximately \$239,975.00.

It has been over a year since I have earned income for the work, as set out above, that I have performed for NPL. As NPL now has access to monies, I require payment for the work I have performed. (at paras 30-31)

This appears to be a consistent approach in regard to many executives and managers who performed functions for other Debtors in addition to NIP;

- (c) in relation to NPL in particular:
 - (i) between July 2017 and August 2018 in excess of \$2.6 million in labour expenses directly attributable to the NPL Falcon Lake Property were paid by NIP and booked as intercompany expenses between NIP and NPL;

- (ii) the Receiver understands that NIP employed various individuals that effectively worked (both full-time and part-time) for NPL to manage and maintain its real property assets, including the Notre Dame Property, the Broadway Property, the Inkster Property, the Toronto Property and the Falcon Lake Property;
- (iii) Mr. Mager, in his Affidavit affirmed April 29, 2021 describes work he did at the NPL Falcon Lake Property in the two years preceding the Appointment Date in his role as “director of construction” for NPL. While Mr. Mager stated that he “worked for the one or more of the Debtors for approximately 1 – 2 years prior to the receivership proceedings”, the books and records of the Debtors disclose that Mr. Mager was engaged and paid as an employee of NIP; and
- (iv) an action that was brought before the Manitoba Labour Board against NIP, 887 and 879 by a former NIP employee, for unpaid bonuses (the “**Employee Claim**”) illustrates the manner in which certain employees paid by NIP did significant work for or provided functions and services to NPL. The Receiver understands that the former employee oversaw all construction/property maintenance activities for the Nygard Group (NPL is the only Nygard Group entity with real property assets) and perhaps Mr. Nygard personally. A copy of the Employee Claim (redacted for certain personal information) is attached hereto as **Appendix “J”**.

Key details from the Employee Claim include that the employee was employed by NIP for twenty-seven (27) years and appeared to work principally for NPL in connection with its real property assets or other Nygard Group promotional events/programs that benefited the Nygard Group generally. Additional references are made in the Employee Claim to the significant work undertaken by the employee and other Nygard Group “construction” employees (also employees of NIP) at the NPL Falcon Lake Property and other real estate assets owned by NPL. The Employee Claim also makes certain reference to the involvement of Messrs. Fenske and Bennett (who were also both employed by NIP) in respect of the activities of NPL.

The Receiver understands that the Employee Claim was recently dismissed by the Manitoba Labour Board, for reasons that were not related to the employee’s description of the employee’s work and services to NPL.

163. Attached hereto as **Appendix “K”** are LinkedIn profiles of two former NIP employees, which illustrates how certain employees described their employment publicly, including:
- (a) Garret Soloway, who is described in the Affidavit of Greg Fenske affirmed September 29, 2020 as “former IT Technical Systems Manager for the Nygard Group of Companies”. Mr. Soloway’s LinkedIn profile describes his experience as “Manager of Infrastructure - NYGARD International”; and
 - (b) Kerwin Raghunanan, who is named as the contact person in NPL’s 2020 tax return attached as Exhibit “C” to the Affidavit of Greg Fenske affirmed November 5, 2020. Mr. Raguhanan’s LinkedIn profile describes his experience as “Tax Manager - NYGARD International”.
164. In the Receiver’s view, the treatment of employees and the services provided by NIP employees to the benefit of other Debtors raise important questions as to whether each of the Canadian Debtors (or some combination thereof) could reasonably be held jointly and severally liable for obligations owing to former “employees” of NIP under the common law doctrine of “common employer”. In this regard, the Receiver understands that there is significant legal precedent for the proposition that, where circumstances warrant, related corporations can be held jointly and severally liable for employment-related compensation (including as relates to notice of termination and severance) even though such related corporations had not directly employed the individual(s) in question.

IT System

165. As described in previous Reports of the Receiver, the IT System is highly integrated and complex. It is a centralized system used commonly by the Debtors and members of the broader Nygard Organization (approximately thirty companies in total) to maintain the books and records of all of them, such that all of the Debtors (and other members of the broader Nygard Organization) had the benefit of the Servers and Programs comprising the IT System, paid for and maintained by NIP, and further had the benefit of the services of the Nygard IT Team, employed by NIP.
166. The Debtors, and other members of the broader Nygard Organization, used “@Nygard.com” as a common email address, and appear typically to have not differentiated among entities in sender descriptions and contact information included in email correspondence.
167. By reason of the centralized IT System and the comingling of data contained thereon, it was necessary for the Manitoba Court to make the DEFA Order, to establish an orderly process for accessing Electronic Records saved therein.

168. The Electronic Records of the Debtors are comingled within the IT System. Based on the evidence adduced by the Nygard Group on behalf of Edson's, Brause and NPL in relation to accessing Electronic Records by means of the DEFA Order, they described that the IT System was such that individual Electronic Records are not readily accessible by means of "key word searches" and that, for the purposes of accessing Electronic Records (including email) of individual Debtors or entities, they required access to the entire IT System, as they could not readily identify where Electronic Records were stored or located on the IT System with respect to each Debtor or entity. In the Receiver's view, the difficulty encountered by certain Debtors and non-Debtor members of the greater Nygard Organization in identifying the locations of what are purported to be separate and distinct records maintained within the IT System, is symptomatic of the extent to which the assets and business operations of the Nygard Group (as well as, in certain instances, other members of the greater Nygard Organization) have been commingled and are entwined.
169. By reason of the centralized IT System and common email server, in responding to the subpoena issued to NI by the SDNY Grand Jury, it was necessary for the Receiver to conduct appropriate reviews of the IT System and Electronic Records generally, as pertinent documents required to be disclosed were comingled within the IT System and not readily available on a "separate corporation" or "Nygard, Inc." basis.

Accounting Practices

170. Consistent with the operation of its common cash management system and its business practice of processing all or substantially all payments/transactions on behalf of the Debtors from NIP disbursement accounts, the Nygard Group maintained only one consolidated accounts payable subledger; that is, all creditors were tracked and managed centrally on one listing regardless of which specific Debtor procured the goods/services.
171. The Business appears to have been managed such that NIP incurred and paid expenses of the Nygard Group, regardless of the purpose of the expense or which Debtor may have benefited from the expense. Expenses were then balanced on intercompany accounts – in some cases, it appears that intercompany entries were made on a consistent basis (e.g. in relation to rent to be attributed to NPL) and in other cases in what appears to have been an "ad hoc" manner, all of which in the view of the Receiver appears to have been calculated to maximize outcomes for the Nygard Group as a whole. It appears to the Receiver that cash rarely changed hands and these intercompany accounts were not settled or paid, as would typically be expected among separate corporations. For example:
- (a) although certain Nygard Group intercompany agreements included administrative and other cost sharing arrangements with NIP, intercompany accounts were not typically adjusted for NIP payroll

costs, the benefits of which were shared by other Debtors. Such a practice was arguably disadvantageous to NIP and its stakeholders, but advantageous to other Debtors;

- (b) intercompany accounts were not consistently adjusted as between NIP and NPL to account for certain of the costs borne by NIP, or funding provided by NIP, for the purposes of NPL's properties, described in paragraph 156 above, to the disadvantage of NIP's stakeholders and to the advantage of NPL's stakeholders.

- 172. With respect to NPL, transactions between NIP and NPL (for example, rent described in the NIP/NPL Leases) were arranged such that cash rarely changed hands between the between NIP and NPL. Rather, such transactions were booked and adjusted as intercompany accounts which would vary month-to-month, but were never completely resolved or paid out.
- 173. Intercompany transactions were material to the conduct of the Business and in relation to the Nygard Groups' cash management. The extent to which the conduct of the businesses and affairs of the Debtors were entwined is evidenced by the fact that, based on the books and records of the Nygard Group, in the five years preceding the Appointment Date, NIP alone recorded in excess of 500,000 intercompany transactions and the aggregate amounts owing (i.e. only considering "receivables") as among Nygard Group entities is greater than \$87 million.
- 174. The Receiver has worked closely with various former members of the Nygard Group accounting team in the course of the Receivership. The Receiver has been advised by certain of these individuals that the Nygard Group (and other non-Debtor entities) operated from the perspective of the accounting team as a common enterprise rather than separate businesses. It was explained to the Receiver that, as such, the entry of intercompany transactions was, at times, made at the direction of certain employees or executives without regard to the provision of normal accounting rules or usual documentary support for such entries as would generally be expected in transactions involving separate and distinct entities.
- 175. The Receiver has expressed in past Reports, and in this Twelfth Report, its concerns with the reliability of the books and records of the Debtors, and their accounting practices. As noted, after reviewing the books and records of the Debtors, it appears to the Receiver that certain material transactions were not booked, or were inaccurate. It appears to the Receiver that the Debtors' general accounting practices were characterized by a lack of diligent observance of the corporate formalities that would be expected in transactions involving separate and distinct entities. The Receiver has been unable to satisfy itself that the transactions detailed in the Debtors' books and records can be relied upon with any real certainty and has concerns about the ability to trace certain transactions.

176. In the Receiver's view, it is difficult to justify the benefits to NIP in funding costly and unrecoverable improvements to the NPL Falcon Lake Property, given that the value of the NPL Falcon Lake Property did not support the expectation that NIP could be repaid. An arm's length transaction for the funding advanced by NIP to NPL in respect of the Falcon Lake Property (in excess of \$8 million), would typically require evidence that the value of the property exceeded the loan value (as noted previously, the Falcon Lake Cottage sold for an aggregate price of \$2.5 million). Further, transactions of a similar nature among arm's length entities would characteristically involve the granting of a security interest in the subject property.
177. Similarly, it is difficult for the Receiver to see the benefits to NIP from its funding of NPL's activities in respect of the NBCS and the Insider Loan or why these transactions were booked by NPL when the source of funds appears to be NIP.

Intercompany Agreements

178. The Receiver has identified a "matrix" listing a series of written agreements (the "**Debtor Intercompany Agreements**") made among certain of the Debtors that, in addition to the NIP/NPL Leases, detail certain arrangements regarding intercompany debts, intercompany service agreements and intercompany cost sharing, among other things.
179. The Receiver has not been able to locate each of the Debtor Intercompany Agreements, however, attached hereto as **Appendix "L"** are copies of:
- (a) the identified "matrix" listing the Debtor Intercompany Agreements;
 - (b) a licensing agreement between NIP and NI for the use of certain brands owned by NIP;
 - (c) a royalty and licensing agreement between NIP and NI for the use of certain brands owned by NI;
 - (d) a services agreement between NIP and NI (which expired on January 31, 2019) for NIP to provide "design services" to NI;
 - (e) contribution agreements impacting NIP (a Debtor) and NHU (a Debtor), Nygard Properties (USA) Limited (a non-debtor), Bridgeport Ltd. (a non-debtor), and Duke Investments Ltd. (a non-debtor) whereby NIP transferred assets to NHU and Nygard Properties (USA) Limited in exchange for preferred shares of each company. The Receiver notes that each company lists the same mailing address (the Inkster Property) and the agreements are signed by the same individual. The Receiver understands that assets were regularly moved between Nygard Group entities, and the

“consideration” normally paid in respect of such transfer of assets generally only included an intercompany accounting entry (and rarely, if ever, any actual exchange of cash as between the companies); and

- (f) an internal tax memo drafted by Doug Bale, the former Director of Tax, states: *“Whereas and from time to time Nygård International Partnership and its Affiliated Companies (including but not limited to Nygård Enterprises Ltd, 4093879 Canada Ltd, 4093887 Canada Ltd, Nygård Properties Ltd, Nygård Holdings Ltd, Nygård Inc, Brause Investments Inc and Edson’s Investment Inc) are required to lend cash between such entities in order to facilitate the day-to-day business requirements of the particular entity...The directors of these affiliated companies hereby acknowledge that any preceding general intercompany lending arrangement are hereby superceded by this Intercompany Loan Agreement”*.

The Receiver has not been able to locate a signed copy of the referenced “Intercompany Loan Agreement”; however, the fact that the Nygard Group noted that these companies are “required to lend cash... to facilitate the day-to-day business requirements” and that new agreements can supersede “any preceding general intercompany lending arrangement” is consistent with the Receiver’s understanding of the Nygard Group operations.

180. From a review of the Debtor’s books and records, it appears that payment terms described in the attached Debtor Intercompany Agreements, were not regularly complied with, as the Debtors rarely settled payment obligations in accordance with the terms of the Debtor Intercompany Agreements (for example, rent as between NIP and NPL was, under the relevant lease, payable monthly via EFT, but these obligations were rarely, if ever, settled in cash).
181. The Receiver further notes that, notwithstanding the evidence adduced in by the Debtors in these Receivership Proceedings that Peter Nygard used various NPL properties (including the Notre Dame Property and the NPL Falcon Lake Property) as personal residences, it does not appear that NPL charged Peter Nygard personally for his use of these properties and the Receiver is unaware of any rental agreements as between NPL and Peter Nygard.
182. In the Receiver’s view, the lack of observance of corporate formalities in the dealings of the Debtors with each other is a principal factor in current state of intercompany accounts. As noted in paragraph 173 above, the Nygard Group has recorded in excess of \$87 million in aggregate intercompany loans as among the Debtors.

Financial Statements

183. Audited financial statements were prepared on a combined basis combining the accounts of the US Debtors and the Canadian Debtors other than NPL and NEL.
184. It appears that NPL filed a separate tax return, a copy of which for the taxation year ended May 31, 2020 (the “**NPL Tax Return**”) is attached as Exhibit “C” to the Affidavit of Greg Fenske affirmed November 5, 2020. Among other things, the NPL Tax Return:
- (a) describes the Inkster Property as the head office of NPL;
 - (b) describes the mailing address for NPL as “c/o Tax Department” at the Inkster Property;
 - (c) describes its main revenue-generating business as “Real property leased to related Cdn companies”;
 - (d) is certified by Jim Bennett as Vice-Chairman;
 - (e) describes that the accountant that prepared the NPL Tax Return is “connected with the Corporation”, although NPL had no Tax Department or accounting employees;
 - (f) describes that NPL is related to or associated with each of the other Debtors (and certain other members of the broader Nygard Organization);
 - (g) describes that it was transmitted by (the Debtor) “4093879 Canada Ltd.”; and
 - (h) describes the contact person as Kerwin Raghunanan, who was formerly an employee of NIP.
185. It appears to the Receiver that, while adjustments were made regarding the provision of accounting and related services as among certain of the Nygard Group members and NIP, there was no intercompany adjustment or treatment afforded to the cost of the services provided by NIP to NPL in relation to the preparation of the NPL Tax Return, or, more generally, in connection with accounting services provided by NIP to NPL and other Debtors.

Trade and Other Unsecured Debt

186. As a consequence of the manner in which the Nygard Group conducted its business, only two of the Debtors (NIP and NI):

- (a) employed the employees that conducted business on behalf of entire Nygard Group;
- (b) leased the third-party retail and wholesale premises; and
- (c) contracted for the supply of inventory, and other goods and services

to enable the conduct of the core Nygard Group apparel business. As between NIP and NI, these functions were largely performed by NIP, and NI benefited from NIP's contribution to these functions (including that NIP purchased certain of the inventory sold in the course of NI's retail and wholesale business in the US). In the result, overwhelmingly, the unsecured creditors affected by these proceedings, including former employees, landlords and trade creditors, will have debts owed to them "directly" by NIP notwithstanding that each member of the Nygard Group benefitted, both directly and indirectly, from NIP's (and to a lesser degree, NI's) operations.

187. In the Receiver's view, for example, NIP (and its creditors) have been significantly disadvantaged by NIP's financing of the development of and improvements to the NPL Falcon Lake Property, improvements to the Inkster Property and the Notre Dame Property, the acquisition and build-out of the Shanghai Property, and the Insider Loan.

188. In the circumstances, in the Receiver's view, it is conceivable (and perhaps even likely) that many of the vendors and service providers to the Nygard Group had no appreciation for the "corporate separateness" of the Nygard Group entities.

Summary of Assets, Liabilities and Intercompany Obligations

189. The schedule below (the "**Consolidation Summary**") summarizes the Receiver's estimate of the assets, liabilities and intercompany obligations relevant to the Debtors, on both a stand-alone "separate corporation" basis, and a consolidated basis, based on, among other things, the books and records of the Nygard Group. The Consolidation Summary also describes the differences between the estimated recoveries for unsecured creditors on an unconsolidated versus a consolidated basis:

Summary of Assets, Liabilities and Intercompany Obligations (in \$000's)										
	NIP	NEL	879	887	FV	NI	NHU	NYC	NPL	Consolidated
Assets										
Cash ⁽¹⁾	1,400	-	-	-	-	-	-	-	8,483	9,883
Preserved Proceeds ⁽²⁾	-	-	-	-	-	-	-	-	640	640
Settlement of NPL Liability to NIP	2,462	-	-	-	-	-	-	-	(2,462)	-
Settlement of NPL Liability to 887 ⁽³⁾	210	-	-	-	-	-	-	-	(210)	-
Distribution to NEL by NPL ⁽³⁾	1,472	-	-	-	-	-	-	-	(1,472)	-
Total Assets	5,544	-	-	-	-	-	-	-	4,979	10,523
Arms' Length Liabilities										
Accounts Payable ⁽⁴⁾	(9,611)	-	-	-	-	(50)	-	-	-	(9,661)
Goods in Transit ⁽⁵⁾	(16,038)	-	-	-	-	-	-	-	-	(16,038)
Taxes ⁽⁶⁾	(861)	-	(2,284)	(2,829)	-	(2,100)	(1,076)	-	(4,979)	(14,130)
Unclaimed Gift Cards	(993)	-	-	-	-	(517)	-	-	-	(1,509)
Landlord Claims ⁽⁷⁾	(4,418)	-	-	-	-	-	-	-	-	(4,418)
Employee Claims ⁽⁸⁾	(11,616)	-	-	-	-	(1,721)	-	-	-	(13,337)
Liabilities Excluding Related Party and Intercompany	(43,537)	-	(2,284)	(2,829)	-	(4,388)	(1,076)	-	(4,979)	(59,093)
Related Non-Debtor Liabilities										
Other Related Party Liabilities ⁽⁹⁾	(6,767)	(2)	-	-	-	(11,358)	-	-	-	(18,127)
Other Related Party Liabilities	(6,767)	(2)	-	-	-	(11,358)	-	-	-	(18,127)
Total Liabilities Excluding Intercompany	(50,304)	(2)	(2,284)	(2,829)	-	(15,745)	(1,076)	-	(4,979)	(77,219)
<i>Estimated Consolidated Recovery</i>										<i>14%</i>
Related Debtor Liabilities										
Related Debtor Liabilities (Debtors only) ⁽¹⁰⁾	-	(16,655)	(1,216)	(178)	-	(20,435)	-	(8,396)	-	(46,881)
Intercompany Obligations re Credit Facility	(36,384)	-	-	-	-	-	-	-	-	(36,384)
Related Debtor Liabilities Totals	(36,384)	(16,655)	(1,216)	(178)	-	(20,435)	-	(8,396)	-	(83,265)
Total Liabilities	(86,688)	(16,657)	(3,500)	(3,008)	-	(36,180)	(1,076)	(8,396)	(4,979)	(160,484)
<i>Estimated Non-Consolidated Recovery ⁽¹¹⁾</i>	<i>6%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>0%</i>	<i>100%</i>	

Note 1:

The cash figure agrees to the Receiver's analysis shown in paragraph 104 of this Twelfth Report. The Receiver notes that all amounts are estimates only, based on a preliminary allocation of receipts and disbursements as between the Nygard Group entities and, as such, the figures are subject to change.

Note 2:

Based on the assertions of NPL that no other assets of NPL have value, no recoveries have been included in the above analysis in respect of assets recorded in the books and records of NEL and NPL other than the Inkster Property, the Toronto Property, the Notre Dame Property, the Broadway Property and the Preserved Proceeds (resulting from the sales of the NPL Falcon Lake Property and the Fieldstone Property).

Note 3:

For purposes of the above analysis, the Receiver has presumed that the surplus NPL funds, which will ultimately accrue to NIP (as detailed in paragraph 128 of this Twelfth Report) are paid directly to NIP rather than flow through NEL and 887. Estimated recoveries for arm's length creditors are not materially (if at all) impacted by this assumption.

Note 4:

The Nygard Group only operated one consolidated accounts payable subledger (i.e. all creditors were tracked and managed on one central listing), which is consistent with the Nygard Groups' business practice of paying all (or substantially all) expenses of the Nygard Group from an NIP bank account. As such, it is not clear to what extent the amounts due are properly obligations of other Nygard Group entities.

Note 5:

Goods in transit, as at the Appointment Date, were not booked by the Nygard Group to the Debtors' accounts payable subledger. The Receiver has estimated the total value of goods in transit based on Nygard Group purchase orders. Given that most (if not all) expenses for the Nygard Group, including purchases related to its retail business in both Canada and the USA appear to have been paid for by NIP, it is not clear to what extent the amounts due might properly be considered to be obligations of NI.

Note 6:

The tax related liabilities recorded by the Nygard Group are significantly aged and, as such, the current status of (or any unposted adjustments to) the amounts reported as owing is unknown.

As reported previously in this Twelfth Report, the Receiver estimates the tax liability to NPL from the sale of its real property during the Receivership Proceedings at approximately \$5 million. Additional tax liabilities may accrue to NPL in relation to the sale of the NPL Falcon Lake Property and the Fieldstone Property.

Note 7:

The amount for Landlord Claims detailed in the Consolidation Summary is based on an estimate of pre-receivership arrears plus three (3) month's rent, in relation to each Lease. Landlords may claim to be entitled to make larger claims including in relation to damages arising from the repudiation of Leases and/or on other bases.

Note 8:

As noted above, most (if not all) of the former employees of the Canadian Debtors were employed by NIP despite that certain of these employees did work for other Debtors, including NPL.

Note 9:

Notwithstanding the Receiver's concerns regarding the reliability of the Nygard Groups' intercompany accounts, amounts recorded in the Debtors' books and records as being owed by certain of the Debtors to various non-Debtor members of the greater Nygard Organization have been included in the Consolidation Summary at book value.

Note 10:

For purposes of the above analysis, the Receiver has set off the surplus NPL funds totaling approximately \$4.1 million (see Note 3) against the intercompany obligations as between NIP, NPL, NEL and 887. The cumulative adjustments agree to the proposed distributions summarized in the schedule included at paragraph 128 of this Twelfth Report (NPL debt to NIP has been reduced by approximately \$2.4 million, 887 debt to NIP has been reduced by approximately \$0.2 million and NEL debt to NIP has been reduced by approximately \$1.5 million).

Note 11:

The above analysis does not consider that, in a scenario in which the Debtors are treated separately for creditor purposes, distributions by NIP to certain of the Debtors will result in a circular flow of funds (certain Debtors also owe amounts to NIP and other arm's length creditors) whereby a portion of the amounts received by certain Debtors (who would then be in funds to partially pay to its "own" creditors) would be distributable to NIP (effectively restarting the distribution cycle). As noted, consolidating the Debtors for creditor purposes eliminates the difficulties associated with reconciling the Debtors' intercompany transactions (as reported previously in this Twelfth Report, in the five (5) years preceding the Receivership Proceedings, NIP alone reported in excess of 500,000 intercompany transactions).

Court Proceedings

190. A review of court materials filed by the Debtors in regard to the original NOI proceedings and over the course of the Receivership Proceedings discloses a large number of references that are or may be relevant to consideration of whether the Debtors should be treated on a "separate corporation" or consolidated basis for creditor purposes. This review has been updated from the summary to such references that was attached as Appendix "F" to the Ninth Report, to include court materials filed since the preparation of the Ninth Report and to endeavour to include references that directly or indirectly suggest that the Nygard Group was carried on as a "single business" (or appear to "assume" a single business). The updated summary is attached hereto as **Appendix "M"**.

191. The Canadian Debtors took a consolidated approach in relation to the proceedings relating to the Notice of Intention to File a Proposal that were filed in March 2020 in response to the application seeking the Receivership Order (the “**Original NOI Proceedings**”). The Canadian Debtors reported one consolidated creditor list for the Canadian Debtors (including NPL) totaling approximately \$60.5 million and supplemental creditor lists for each of NIP (to capture third party retail and warehouse lease obligations), 879 and 867 and contemplated a restructuring plan that included the settlement of the collective obligations of the Canadian Debtors through the sale of Nygard Group assets, including the assets of NPL pledged as security to the Lenders pursuant to the Credit Agreement.
192. In the Affidavit of Greg Fenske affirmed March 18, 2020, the following proposal was put forward by Mr. Fenske on behalf of the “Nygard Group of Companies” which included the sale of Nygard Group assets:

Sales of the Toronto buildings at 1 Niagara, the Inkster buildings, the Notre Dame building, and the Broadway building will generate \$25.4 million net dollars. See confidential Affidavit of Greg Fenske for the breakdown on the offers on the buildings and the inventory offer. The general plan is to use the monies from the sale of the buildings to pay \$20 million dollars to White Oak pursuant to their security and to allow the purchasers of the buildings in Manitoba to continue using the buildings in the fashion industry and to potentially retain the employees. Peter Nygard will no longer have any ownership interest in the buildings or the business.

...

The completion of these transactions would represent the culmination of the objectives of the Nygard Group of Companies which would be to pay off the indebtedness to the employees, suppliers and other stakeholders including White Oak Capital and allow these fashion jobs to be retained in Winnipeg.

...

It is my view that the consideration be paid under the Building Sale Agreement is reasonable and fair and is substantially higher than a liquidation value of the Nygard Group of Companies assets in a Bankruptcy or Receivership.

There are very substantial benefits to creditors, employees, suppliers, customers and other stakeholders arising from the completion of the transaction that could not be achieved without selling these assets.

The proceeds from the sale of the building at 1 Niagara will go to White Oak.

The proceeds from the sale of the Manitoba properties when added to the monies received from the sale of 1 Niagara will go to White Oak up to a maximum of \$20,000,000.00.

The proceeds from the sale of the Inventory assets will go to White Oak up to the maximum of the amount owing in excess of \$20,000,000.

The remainder of the monies will go to the Proposal Trustee to make a proposal to pay the remaining creditors.

...

Following the closing of the transaction, the Nygard Group of Companies will no longer be carrying on an active business. The extension of time for the Proposal Trustee to make a proposal is required to enable the Nygard Group of Companies and the Proposal Trustee to conclude the transaction, including any post-closing obligations and to determine whether a revival proposal to the remaining creditors can be made. (at paras 18, 21 and 29-37)

Receiver's General Observations regarding Consolidation

193. While the Nygard Group observed certain separate corporate formalities, it is the Receiver's overall view, based on:

- (a) the Receiver's understandings of the Business and the Nygard Group's historical operations gained during the Receivership Proceedings;
- (b) the manner in which the Business was conducted as described in paragraphs 134 to 188 above, and
- (c) the persistent references included in court materials filed on behalf of the Nygard Group that expressly or impliedly suggest the treatment of the Nygard Group as a single business,

that the affairs of the Debtors are entwined and perhaps irretrievably entangled and that the Nygard Group conducted its affairs in common with a singular purpose of managing and structuring its affairs to maximize the value of (and cash available from) the common enterprise to Mr. Nygard, who, if not formally the owner of each member of the Nygard Group, appears to have exercised general authority and direction over all Debtors and their business affairs, and received the ultimate financial benefits therefrom. To that end, it appears that the "Executive Corporate Officers" were merely figureheads for Mr. Nygard who ultimately required Mr. Nygard's approval as "sole owner" of the Nygard Group.

194. It is further the view of the Receiver that, without the centralized services provided by NIP, none of the other Debtors could have carried on business on a stand-alone basis and that the attempt to distinguish NPL and shield it from the claims of consolidated creditors of the Debtors is an unfair and artificial exercise.

195. As to the "Elements of Consolidation", the Receiver observes as follows:

Difficulty in Segregating Assets

While, for example, legal title to real property assets of NPL and certain assets of NI can be segregated, those assets cannot readily be "segregated" from the substantial investments in those properties and costs thereof being borne by NIP and from the costs incurred by NIP in providing centralized services to NPL and NI (and, in the case of NI, funding certain of the inventory costs which resulted in (e.g.) NI accounts receivable), all

without any cash changing hands or ultimate reconciliation of such contributions, investments and costs, to the benefit of stakeholders of NPL and NI, but to the detriment of stakeholders of NIP.

Presence of Consolidated Financial Statement:

Consolidated financial statements were prepared combining each of the Debtors other than NPL and NEL. In the circumstances described above and in the context of the separate tax return prepared for NPL, the lack of a consolidated financial statement that combines all of the Debtors does not appear to the Receiver to be a material consideration as to whether the Debtors essentially carried on business as common enterprise.

Profitability of Consolidation at a Single Location

The Receiver understands this element to relate to whether the consolidation of business activities (in this case, under NIP in Winnipeg) leads to greater profitability for the group as a whole, as compared to the expected profitability if such services were not centralized and had to be provided by each corporation on an individual basis. It is clear that costs of the centralized services and “consolidated business functions” in this case were reduced as compared to what they would have been if not centralized; that the services for the Nygard Group were intentionally centralized for that purpose and enhanced the profitability of the Nygard Group, while at the same time burdening only one member of the Nygard Group (NIP) with the costs of such services and functions.

Commingling of Assets and Business Functions

There was clearly substantial commingling of assets and business functions by the manner in which the Business was conducted, including commingling of virtually all critical administrative functions.

Unity of Interest in Ownership

The ownership of the members of the Nygard Group is discussed in paragraphs 137 and 138 above. The Receiver has no information relating to DGM Financial Services Trustee, the associated trust, the beneficiaries and management thereof and Mr. Nygard’s interest therein at material times. While there may not be formally unity of interest in ownership, Mr. Nygard appears clearly to have exercised general authority and direction over all Debtors and their business affairs.

Existence of Intercorporate Loan Guarantees

The Credit Facility was the only third party financing in connection with the Business, and it effectively financed the “operations” of each of the Debtors. The obligations of the US Debtors, as Borrowers, under the Credit Agreement were guaranteed by each of the Canadian Debtors. The Credit Agreement was structured such that, in effect, each of Debtors had joint and several liability for performance of Obligations arising in connection with the Credit Facility, subject only to the limited recourse to assets of NEL and NPL.

Transfers of Assets without Observance of Corporate Formalities

In the Receiver’s view, it is clear that assets, including cash, inventory (purchased by NIP for use in NI’s business in the US) and other assets of the Debtors were transferred without substantive observance of corporate formalities. In those cases where, for example, intercompany leases or agreements were entered into, the terms of those leases and agreements were not typically observed, and intercompany transactions were recorded unreliably and without the rigour that would typically be afforded to transactions genuinely between separate corporations to ensure the accurate recording of obligations. The approach taken by the Nygard Group in this regard is consistent with the operation of the Debtors as a common enterprise and, in the Receiver’s view, cannot be considered to have involved independent arms’ length parties, with independent directors acting in the best interest of their respective corporations.

PREJUDICE ARISING FROM CONSOLIDATION

196. The relative economic benefits of consolidation to creditors balanced against the prejudice, if any, to particular creditors, is relevant to the consideration of substantive consolidation for creditor purposes.
197. The Consolidation Summary discloses that:
 - (a) on the basis of the Separate Corporation Analysis (and the assumptions underlying the Separate Corporation Analysis) and the books and records of the Nygard Group:
 - (i) each of the Debtors other than NPL is insolvent;
 - (ii) NPL may be insolvent, depending upon (A) the outcome of a rigorous allocation of Receivership expenses, which may have the effect of reducing the NPL Net Receivership Proceeds, and (B) the extent of other direct liabilities of NPL which are not known to the Receiver or which have not been determined;

- (iii) if NPL is solvent, unsecured creditors of NPL (principally NIP, for its intercompany debt and CRA) will be paid 100% of their claims, and the balance of any NPL Net Receivership Proceeds and Preserved Proceeds may be subject to enforcement by NIP of the intercompany debt owing to it by NEL;
 - (iv) NI is not entitled to any Net Receivership Proceeds and has no other assets, such that unsecured creditors of NI will not receive any payment;
 - (v) unsecured creditors of NIP (including intercompany debts due to other Debtors and non-Debtor members of the greater Nygard Organization) are estimated to recover approximately 6% of their respective claims; and
 - (vi) unsecured creditors, if any, of the remaining Debtors will not receive any payment;
- (b) on the basis of the consolidation of the Debtors for creditor purposes:
- (i) each of the Debtors is insolvent; and
 - (ii) the “pooled” unsecured creditors of all of the Debtors will be paid approximately 14% of respective claims.

198. In the result, it appears that:

- (a) CRA and perhaps other direct unsecured creditors of NPL, if any, are economically prejudiced by substantive consolidation of the Debtors for creditor purposes; and
- (b) employees, landlords, suppliers and other vendors, gift card purchasers, and taxing authorities who are owed debts by NIP, NI and other Debtors (not including NPL) are economically advantaged by substantive consolidation of the Debtors for creditor purposes.

199. In all the circumstances, given the manner in which the Business was conducted and the benefits derived by the other Debtors (including NPL) from the employees, centralized administrative services and funding provided by NIP, treating the Debtors (in particular, NPL) as separate entities for creditor purposes would result in inequitable treatment for creditors by unfairly depriving creditors of the benefit of pooled assets and resources of the Nygard Group.

200. It is the view of the Receiver that it is fair and reasonable to substantively consolidate the Debtors for the purposes of addressing claims of unsecured creditors, and that the overall benefit to stakeholders arising from such a consolidation outweighs the prejudice to any particular creditors.

IX. BANKRUPTCY CONSIDERATIONS

201. As noted in the Ninth Report, it is common in receivership proceedings that generate proceeds for unsecured creditors for the court to grant the receiver the authority to assign the receivership entities into bankruptcy, thus bringing to bear the provisions of the BIA that are intended to address claims of unsecured creditors. Proceeds can also be distributed through the receivership with the shell being assigned into bankruptcy.
202. In circumstances where a corporate group has conducted its affairs with extensive comingling of assets and business functions, intercorporate loans, integrated financial systems and guarantees (similar to the Nygard Group), in the absence of substantive consolidation, it can be particularly challenging for a bankruptcy trustee from an insolvency perspective, as distinctions between the assets and liabilities of each respective entity are blurred or distorted. In the result, significant time and expense is required to resolve these issues in the course of the bankruptcy process depleting assets that would otherwise be available to creditors.
203. As examples:
- (a) if the Debtors are to be treated separately for creditor purposes, the administration of the separate estates may require the accurate determination of intercompany balances, which would be a very complex matter that would undoubtedly be a time consuming and costly process (if it could be completed at all with any degree of certainty). As noted previously by the Receiver and as noted earlier in this Twelfth Report, there are significant concerns with the reliability of the Nygard Groups' books and records in relation to intercompany transactions. As noted above, to appreciate the magnitude of this issue, in the five years preceding the appointment of the Receiver, NIP alone recorded in excess of 500,000 intercompany transactions and the aggregate amounts owing (i.e. only considering "receivables") as among Nygard Group entities is greater than \$87 million.
 - (b) as described earlier in this Twelfth Report, the Nygard Group only operated one consolidated accounts payable subledger, which is consistent with the Nygard Groups' business practice of paying all (or substantially all) expenses of the Nygard Group from an NIP bank account. As such, it is not clear to what extent the amounts recorded as obligations of NIP are properly obligations of other Nygard Group entities; and

- (c) as described earlier in this Twelfth Report, most (if not all) of the former employees of the Canadian Debtors were employed by NIP despite that certain of these employees did work for other Debtors, including NPL. If the Debtors are not consolidated, it may be that analysis of the functions and claims of employees is required to ensure that NPL recognizes a share of the obligations owing to such employees.

Bankruptcy Jurisdiction

- 204. In appointing the Receiver as the Foreign Representative of the Debtors in the Chapter 15 Proceedings, the US Court found that “the Canadian Proceeding is pending in Canada, which is where the Debtors have their “center of main interests”...” (see paragraph H of the Order Recognizing Foreign Main Proceeding and Related Relief dated April 23, 2020). Attached as **Appendix “N”** is a copy of the Order Recognizing Foreign Main Proceeding and Related Relief dated April 23, 2020.
- 205. On March 13, 2020, the Manitoba Court held that the proper jurisdiction to hear the Receivership Application and the NOI Proceedings was Winnipeg, Manitoba as the “locality of the debtors” and the “principal place” of the Debtors’ business operations and expressly assumed jurisdiction over proceedings relating to the Debtors.
- 206. In any event, it is the Receiver’s view that the locality of each of the Debtors, that is the principal place where the Debtors, including the US Debtors, resided and/or carried on business, was Winnipeg, Manitoba, based on the following:
 - (a) each of the Debtors’ seat of management was located in Canada. All of the directors of the Debtors were resident in Canada, including Mr. Nygard, who exercised general authority and direction over all Debtors and their business affairs while residing in Manitoba;
 - (b) substantially all of the Debtors’ major business functions, including accounting and payment functions, strategic decision making, communications functions, marketing and pricing decisions, new business development initiatives, negotiation of material contracts and leases, retail and third party supplier/services decisions, design and merchandising, and production and distribution functions were managed centrally from the head office at the Inkster Property in Winnipeg, Manitoba;
 - (c) substantially all of the Debtors’ books and records were located at the head office at the Inkster Property in Winnipeg, Manitoba; and

- (d) during the course of the Receivership Proceedings, the Business was operated by the Receiver in accordance with its mandate, which is set out in the Receivership Order made by the Manitoba Court.
207. On a separate corporation basis, each the Debtors, other than FV, has recorded liabilities that amount to more than \$1,000.00 (although FV may have no recorded liabilities, the Receiver notes that FV was a “Borrower” under the Credit Agreement and, accordingly, may be subject to subrogated claims in excess of \$1,000.00).
208. On a separate corporation basis, each of the Debtors other than NPL is insolvent, resides and/or carries on business in Canada, and has committed an act of bankruptcy, and NPL may be determined to be insolvent based on a more rigorous allocation of receivership expenses and on whatever additional third party debt obligations it may have.
209. On a consolidated basis, each of the Debtors would be jointly liable for the Common Liabilities which amount to approximately \$77 million. The Common Assets are not sufficient to enable payment of all the Common Liabilities.

X. RECOMMENDED TREATMENT OF CREDITOR CLAIMS

210. The Receiver recommends that the assets and liabilities of the Debtors be treated as substantively consolidated for creditor purposes, and accordingly requests that the Manitoba Court make orders as described in paragraph 41 of this Twelfth Report.
211. In the event that the Manitoba Court makes an order authorizing the Receiver to file assignments in bankruptcy on behalf of each of the Debtors (including the US Debtors) on a basis that reflects the Common Assets and the Common Liabilities, it is the intention of the Receiver to seek an appropriate recognition order in the Chapter 15 Proceedings.

XI. PROFESSIONAL FEES AND DISBURSEMENTS

212. The fees and disbursements of the Receiver and TDS for the period from March 16, 2020 to April 12, 2020, and the fees and disbursements of Katten from the period March 1, 2020 to March 24, 2020, were approved by the Manitoba Court as part of the General Order.
213. The fees and disbursements of the Receiver and TDS for the period April 13, 2020 to May 17, 2020, and of Katten for the period from March 25, 2020 to May 8, 2020, were approved by the Manitoba Court as part of the Landlord Terms Order.

214. The fees and disbursements of the Receiver for the period May 18, 2020 to June 14, 2020, of TDS for the period from May 18, 2020 to May 31, 2020, and of Katten for the period from May 9, 2020 to May 31, 2020, were approved by the Manitoba Court as part of the Notre Dame Approval and Vesting Order.
215. The fees and disbursements of the Receiver for the period June 15, 2020 to July 26, 2020, and of TDS for the period June 1, 2020 to July 19, 2020, were approved by the Manitoba Court as part of the Niagara Approval and Vesting Order.
216. The fees and disbursements of the Receiver for the period July 27, 2020 to August 30, 2020, and of TDS for the period July 20, 2020 to August 30, 2020, were approved by the Manitoba Court as part of the E/B Settlement Approval Order.
217. The fees and disbursements of the Receiver for the period August 31, 2020 to September 20, 2020, of TDS for the period August 31, 2020 to September 13, 2020, and of Katten for the period from June 1, 2020 to September 18, 2020 were outlined in the Eighth Report and were approved by the Manitoba Court as part of the Broadway Approval and Vesting Order.
218. The fees and disbursements of the Receiver for the period September 21, 2020 to October 25, 2020, of TDS for the period from September 14, 2020 to October 18, 2020 were outlined in the Ninth Report and were approved by the Manitoba Court as part of the Broadway Approval and Vesting Order.
219. The fees and disbursements of the Receiver for the period October 26, 2020 to January 10, 2021, of TDS for the period October 19, 2020 to January 10, 2021, and of Katten for the period from September 19, 2020 to November 31, 2020 were outlined in the Tenth Report and approved by the Manitoba Court as part of the Broadway Approval and Vesting Order.
220. The fees and disbursements of the Receiver for the period January 11, 2021 to February 7, 2021, of TDS for the period January 11, 2021 to February 14, 2021, and of Katten for the period from December 1, 2020 to January 31, 2020 were outlined in the Eleventh Report and approved by the Manitoba Court as part of the Landlords' Charge Claims Procedure Order.
221. Summaries of the accounts of the Receiver for the period February 8, 2021 to May 30, 2021, of TDS for the period from February 15, 2021 to May 23, 2021, and of Katten for the period from February 1, 2021 to March 31, 2021 are attached hereto as **Appendix "O"**. The detailed narratives of such accounts, redacted for confidential matters and/or commercially sensitive information associated with the Receivership Proceedings, are attached hereto as **Appendix "P"**.

222. The Receiver, TDS and Katten have maintained detailed records of their professional time and disbursements incurred in connection with the Receivership Proceedings.
223. In accordance with the Receivership Order, the Receiver has been authorized to periodically pay its fees and disbursements, and those of its counsel, subject to approval by the Manitoba Court.
224. The Receiver's professional fees incurred for services rendered from February 8, 2021 to May 30, 2021 amount to \$366,048.25 plus disbursements in the amount of \$19,608.48 (each excluding applicable taxes).
225. The fees of the Receiver's counsel, TDS, for services rendered from February 15, 2021 to May 23, 2021 total \$268,713.50, plus disbursements in the amount of \$2,726.48 (each excluding applicable taxes).
226. The fees of the Receiver's counsel, Katten, for services rendered from February 1, 2021 to March 31, 2021 total USD\$38,647.00, plus disbursements in the amount of USD\$10,482.00 (each excluding applicable taxes).
227. The Receiver has reviewed the accounts of TDS and Katten and confirms that the services reflected therein have been duly authorized and rendered and that, in the Receiver's opinion, the charges are reasonable.

XII. REQUESTED ORDER

228. In consideration of the foregoing, the Receiver respectfully requests that the Manitoba Court make an Order:
- (a) approving this Twelfth Report and the actions/activities of the Receiver described herein;
 - (b) approving the NPL Proceeds Preservation Agreement;
 - (c) approving the May 15 Interim R&D;
 - (d) declaring that each of the Debtors is jointly liable for the Common Liabilities of each of the other Debtors, and the Debtors are joint debtors in respect to Common Liabilities;
 - (e) declaring that the Common Assets of each of the Debtors shall be treated as "common assets" subject to the Common Liabilities;
 - (f) declaring that, accordingly, the assets and liabilities of the Debtors be substantively consolidated for creditor purposes and for the administration and payment of creditor claims;

- (g) authorizing the Receiver to file assignments in bankruptcy on behalf of each of the Debtors on a basis that reflects the Common Assets and the Common Liabilities, or in the alternative:
 - (i) authorizing the Receiver to file such assignments in bankruptcy on behalf of the Debtors other than NPL and NEL, in the manner described in subparagraph (g) above;
 - (ii) authorizing the Receiver to file in the Manitoba Court applications for bankruptcy orders in relation to NPL and NEL, on a basis that reflects the Common Assets and the Common Liabilities and the substantive consolidation of the estates of the Debtors;
 - (iii) if necessary, lifting the stay of proceedings prescribed by paragraph 12 of the Receivership Order to permit such bankruptcy applications to be made and directing that, for the purposes of such assignments and applications, the locality of the Debtors shall be Winnipeg, Manitoba and requesting that Richter Advisory Group Inc. shall be appointed as Trustee; and
 - (iv) directing Richter, upon its appointment and in its capacity as Trustee in relation to the estates of each of the Debtors in bankruptcy, to make a motion for consolidation of the administration of the estates in bankruptcy of all of the Debtors;
- (n) directing that, following the bankruptcies of the Debtors, Net Receivership Proceeds as same are determined from time to time be paid or transferred by the Receiver to the Trustee for the purposes of the consolidated Debtors' bankrupt estates;
- (o) approving the NPL Proceeds Preservation Agreement; and
- (p) directing that, in accordance with the NPL Proceeds Preservation Agreement, upon the bankruptcy of NPL, LTGLC, pay to the Trustee the remaining Preserved Proceeds for the purposes of the consolidated Debtors' bankrupt estates; and
- (h) approving the fees and disbursements of the Receiver, TDS and Katten in the amounts set out in this Twelfth Report.

All of which is respectfully submitted on this 4th day of June, 2021.

Richter Advisory Group Inc.
in its capacity as Receiver of
Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc.,
Nygard NY Retail, LLC, Nygard Enterprises Ltd., Nygard Properties Ltd.,
4093879 Canada Ltd., 4093887 Canada Ltd., and Nygard International Partnership
and not in its personal capacity



Adam Sherman, MBA, CIRP, LIT



Eric Finley, CPA, CA

APPENDIX A

Accepted Landlord Claims		
Landlord	Claim Amounts (\$CAN)	Claim Status
SBLP Town n Country Inc.	1,005	Paid
Kingsway Garden Holdings Inc	1,323	Paid
Bower Place and BCIMC Realty Corporation	29,235	Paid
HOOPP Realty Inc.	28,792	Paid
OPB Realty Inc.	34,914	Paid
Georgian Leaseholds Inc.	39,020	Paid
Tanurb (Festival Marketplace) Inc.	13,954	Paid
BCIMC Realty Corporation	39,973	Paid
Village Shopping Centre (2006) Inc.	25,620	Paid
OPB Realty Inc.	59,314	Paid
SRF4 Pembroke Mall Inc.	15,140	Paid
585562 B.C. Ltd.	32,367	Paid
BIM North Hill Inc.	1,047	Paid
Catraqui Holdings Inc.	21,508	Paid
Sherwood Park Portfolio Inc.	24,974	Paid
RK (Burlington Mall) Inc.	53,370	Paid
Crombie Developments Limited	8,458	Paid
Regent Mall Shopping Centre Limited	32,172	Paid
McAllister Place Holdings Inc.	24,364	Paid
OPB Realty Inc.	44,289	Paid
Algoma Central Properties Inc.	796	Paid
Calloway REIT (Kenaston Common) Ltd.	83,322	Paid
RioCan Holdings Inc.	66,422	Paid
Shi Xing Tai Investments Co. Ltd.	58,956	Paid
KCAP Kingston Inc.	2,733	Paid
3934390 Canada Inc.	23,870	Paid
Bonnie Doon Shopping Centre (Holdings) Inc.	22,248	Paid
KS Eglinton Square Inc.	19,238	Paid
2055190 Ontario	11,895	Paid
2467847 Ontario Inc. O/A Windsor Crossing Premium Outlets	9,618	Paid
Plazacorp Property Holdings Inc. and 3088409 Nova Scotia Limited	17,675	Paid
Lundy's Lane Portfolio Inc.	30,411	Paid
Corp 2000 Holdings Ltd	7,332	Paid
Orlando Corporation	92,633	Paid
Europro (Tecumseh Mall)	22,797	Paid
Royal City Shopping Centre Ltd.	16,461	Paid
RioKim Holdings (Alberta) Inc.	69,629	Paid
Northland Village Mall Holdings Inc.	936	Paid
Europro (Lambton Mall) LP	37,112	Paid
St. Albert Centre Holdings Inc.	13,549	Paid
HOOPP Realty Inc. and Montez	28,287	Paid
Ivanhoe Cambridge II Inc. and Woodgrove Holdings Inc.	32,483	Paid
Artic Victoria Square Ltd.	19,358	Paid
Morgaurd Real Estate Investment Trust	34,006	Paid
Crombie Developments Limited	43,060	Paid
Revenue Properties Company Limited / Morgaurd Real Estate Investment Trust	35,073	Paid
Granville Street Properties Inc.	14,640	Paid
Plazacorp Property Holdings Inc.	13,785	Paid
1451945 Ontario Limited and Sun Life Assurance Company of Canada	29,259	Paid
RioTrin Properties (Barrhaven) Inc.	37,095	Paid
Plazecorp Properties Holdings Inc.	13,922	Paid
Dartmouth Crossing 3 Limited and Dartmouth Crossing 4 Limited	34,916	Paid
Morgaurd Real Estate Investment Trust	32,186	Paid
Place D'Orleans Holdings Inc.	18,743	Paid
Lynden Park Mall Limited	40,808	Paid
SBLP Southland Mall Inc.	1,607	Paid

Accepted Landlord Claims		
Landlord	Claim Amounts (\$CAN)	Claim Status
Primaris Park Place Mall Holdings	36,979	Paid
Plaza Tacoma Centre Ltd.	14,198	Paid
RioKim Holdings (PEI)	17,560	Paid
Oxford Properties Retail Holdings Inc.	42,419	Paid
Pensionfund Realty Limited	40,716	Paid
Capital City Shopping Centre	27,240	Paid
Hillside Centre Holdings Inc.	292	Paid
Ivanhoe Cambridge Inc. and Oshawa Centre Holdings Inc.	43,981	Paid
Medicine Hat Mall Inc	19,028	Paid
Mill Woods Centre Inc	28,045	Paid
9310924 Canada Inc	24,138	Paid
Plazacorp Property Holdings Inc.	21,454	Paid
Tidan Inc. (Keltic Plaza)	15,410	Paid
9139-6366 Qubec Inc.	48,264	Paid
Place Fleur De Lys GP Inc.	29,257	Paid
RHYL Realty Inc.	26,358	Paid
Cominar Real Estate Investment Trust	18,162	Paid
OPB (EMTC) Inc.	35,289	Paid
Spruce Centre Lands LTD	20,131	Paid
Voisin Developments Limited	22,540	Paid
Second Real Properties Limited	14,127	Paid
RioCan Holdings Inc.	12,650	Paid
Kildonan Place Ltd.	1,566	Paid
Screo I Dixie Outlet Mall Inc	31,521	Paid
RioCan Holdings (TJV) Inc. and 1633272 Alberta ULC	13,018	Paid
2046735 Ontario Limited and 2046740 Ontario Limited	32,119	Paid
RMM Bowmanville Property Inc	26,837	Paid
White Oaks Mall Holdings Ltd.	12,995	Paid
Morgaurd Investments Limited	967	Paid
Place Rosemere Inc.	5,114	Paid
Highway 93 (Midland) Investments Inc.	12,226	Paid
Ivanhoe Cambridge	662	Paid
Matrix (Camrose) Limited Partnership	19,787	Paid
CF/ Realty Holdings Inc.	40,905	Paid
Promenade Limited Partnership	2,480	Paid
Cominar Real Estate Investment Trust	26,850	Paid
Ivanhoe Cambridge II Inc.	874	Paid
HOOPP Realty Inc.	19,210	Paid
OPB Realty Inc.	23,636	Paid
713949 Ontario Limited	25,990	Paid
Canadian Property Holdings (Ontario) Inc. et al	36,959	Paid
Medicine Hat Mall Inc	590	Paid
Promenade Ltd. Partnership	1,450	Paid
Calloway REIT (Edmonton) Inc.	12,253	Paid
OPB Realty Inc.	912	Paid
Londonderry Shopping Centre Inc.	842	Paid
First Capital (St. Catherines) Corporation and First Capital (S.C.) Corporation	11,603	Paid
Montez (Corner Brook) Inc.	18,691	Paid
The Cadillac Fairview Corporation Limited	38,104	Paid
Cameron Corporation	39,363	Paid
Fonds De Placement Immobilier Cominar/ Comminar Real Estate Investment Trust	2,637	Paid
BCIMC Realty Corporation	-	N/A
1865099 Ontario Limited	-	N/A
Brentwood Towncentre Limited Partnership	-	N/A
I.G Investment Management Ltd.	-	N/A
West Edmonton Property Inc.	-	N/A
Westdale Construction Co. Limited	-	N/A
2023011 Ontario Limited	-	N/A
Trinity Northumberland Inc.	-	N/A

Accepted Landlord Claims		
Landlord	Claim Amounts (\$CAN)	Claim Status
2023011 Ontario Limited	-	N/A
ZT Bridgewater Investment Inc.	-	N/A
1540709 Ontario Limited	-	N/A
Hazeldean Mall Regional Inc.	-	N/A
Anthem Crestpoint Tillicum Holdings Ltd.	-	N/A
One Spring Drive Holdings Inc.	-	N/A
Surrey CC Properties Inc	-	N/A
Toulon Development Corporation	-	N/A
Garden City/ Frontenac and Riocan	-	N/A
Elgin Mall Inc.	-	N/A
Pine Centre Holdings	-	N/A
Centre Regional Chateaugat Inc	-	N/A
Cominar Real Estate Investment Trust	-	N/A
Eastgate Square LP	-	N/A
Morgaurd Corporation and Bramalea Cinty Centre Equities Inc.	-	N/A
London Crossroads Centre Holdings Inc.	-	N/A
Riocan Management Inc.	-	N/A
Riocan Management Inc.	-	N/A
Place Du Royaume Inc.	-	N/A
Doral Holdings Limited and 430635 Ontario Inc	-	N/A
HOOPP Realty Inc.	-	N/A
Investors Real Property Fund and Westcliff Realities (Levis) Inc.	-	N/A
Cornwall Square Inc.	-	N/A
Stone Road Mall Holdings Inc.	-	N/A
Canadian Property Holdings (Moncton) Inc.	-	N/A
Morgaurd Corporation and Bramalea City Centre Equities Inc.	-	N/A
Doral Holdings Limited and 430635 Ontario Inc	-	N/A
Village Shopping Centre (2006) Inc.	-	N/A
NA (LPM) Limited Partnership	-	N/A
Algoma Central Properties Inc.	-	N/A
West Edmonton Mall Property Inc.	-	N/A
Morgaurd Real Estate Investment Trust	-	N/A
Canadian Tire Properties Inc.	-	N/A
SRF2 Truro Mall Inc.	-	N/A
Total Accepted Landlord Claims	2,586,098	

Disputed Landlord Claims			
Landlord	Claim Amount per Landlord Notice	Claim Amount Per Dispute Notice	Claim Status
Quinte Mall Limited	26,847	47,517	Under Review
Londonderry Shopping Centre Inc.	20,588	23,674	Under Review
Canadian Tire Properties Inc.	17,418	21,361	Under Review
Sterling Group Inc.	1,145	2,155	Under Review
BCIMC Realty Corporation	449	605	Under Review
Ivanhoe Cambridge II Inc.	1,041	3,965	Under Review
OPB Realty Inc.	30,198	33,645	Under Review
Exploits Valley Mall Inc.	21,890	455,963	Under Review
Aberdeen Kamloops Mall Limited	-	1,421	Under Review
Bridlewood Mall Management Inc.	-	5,074	Under Review
FP Milton Mall Inc.	-	1,921	Under Review
Georgetown Market Place Corp. and 2042170 Ontario Inc.	-	859	Under Review
Lansdowne Mall Inc.	-	29,571	Under Review
Playacor 239 Chrislea Inc.	-	2,852,585	Under Review
Total Disputed Landlord Claims	119,575	3,480,316	

APPENDIX B

MANITOBA REAL ESTATE ASSOCIATION EXCLUSIVE LISTING CONTRACT

BETWEEN: Nygaard Properties Ltd. AND Sigmar Mackenzie Real Estate Services Ltd.
 (NAME OF OWNER(S) ("SELLER")) (LISTING BROKER)
200-575 St. Mary's Road
 (Address) (Address)
Winnipeg, Manitoba R2M3L6

A member of the Winnipeg Real Estate Board ("Board") and/or Manitoba Real Estate Association.(Association).

1. LISTING AUTHORITY AND TERM

A. The Seller hereby lists exclusively with the Listing Brokerage the property described in Paragraph 2("Property") until 11:59 p.m. on July 04, 2021 unless renewed in writing.

This contract comes into full force and effect on Februray 04, 2021.

B. The Seller Hereby:

- i) authorizes the Listing Brokerage to obtain any and all information concerning the Property from any person, corporation or governmental authority;
- ii) authorizes the Listing Brokerage to advertise the Property, and if deemed appropriate by the Listing Brokerage, to publish, display and distribute any decriptive advertisement relating to the Property. The Seller acknowledges and agrees that it is not a breech of the Listing Brokerage's duty to the Seller if the publication of authorized information relating to the Property by the Multiple Listing Service(s) results in the information becoming known to members of the public, including a prospective buyer and agents of a buyer;
- iii) agrees to give the Listing Brokerage full opportunity to show the Property to buyers during reasonable hours; and
- iv) agrees to allow the Listing Brokerage to place "For Sale" and "Sold" signs upon the Property and to allow other members of the Board/Association that cooperate with the Listing Brokerage ("Co-operating Agents") to show the Property to prospective buyers.

2. PROPERTY

Lot 15 Block 11 Falcon Lake MB
 (Civic Address) (Name of City, Town or Municipality)

3. TERMS OF SALE

\$ 1,900,000.00
 (Listing Price)

Lot 15 Block 11 Plan 1903 Whiteshell Provincial Park
 (Insert brief legal description)

TBA
 (Possession date)

4. LISTING DETAILS AND CO-OPERATING AGENTS

The Seller hereby

- ☒ authorizes
 - ☐ does not authorize
- (select one of the above)

the Listing Brokerage to:

- (a) provide information about the Property to other registered real estate brokerages that cooperate with the Listing Brokerage ("Co-operating Agents");
- (b) allow Co-operating Agents to show the Property to prospective buyers;
- (c) offer to Co-operating Agents, who assist in obtaining a buyer for the Property, a portion of the Listing Brokerage's Remuneration in the amount of \$ or % 1.5 of the sale price, plus applicable GST.
 (Fill in only one – lump sum or commission %)

5. LISTING BROKERAGE'S REMUNERATION

The Seller agrees:

- A. To pay the Listing Brokerage a commission on the total selling price or rental value of the property listed as follows: (Insert commission arrangement expressed as percentage(s) or dollar amount) 4% plus applicable Goods and Service Tax, If:
 - i) a legally enforceable contract of sale between a buyer and the Seller is entered into during the period of this contract (from any and all sources whatsoever); or
 - ii) a person inspects the Property during the period of the listing contract and purchases the Property within sixty (60) days (unless otherwise negotiated) after the expiry date of this contract; or
 - iii) a legally enforceable contract of sale between a buyer and the Seller is entered into within sixty (60) days (unless otherwise negotiated) after the expiry date of this listing contract in respect of which the efforts of the Listing Brokerage were an effective cause; provided however that if the Property is subsequently listed after the expiration of the listing contract then the Seller shall be liable only for the payment of one commission on any sale, and such commission shall be payable to the Brokerage having a current listing contract with the Seller on the date when an offer to purchase or lease is accepted by the Seller.

B. To pay alternate compensation to the Listing Brokerage if:

- i) a buyer presents an unconditional offer to purchase the Property upon the terms outlined in this listing contract but the Seller does not

accept the offer to purchase without cause, in which case the full commission as outlined in 5 A, will be payable; or

- ii) A legally enforceable contract of sale is entered into between a buyer and the Seller but the transaction is not concluded because the buyer defaults, in which case the compensation will either be 50% of the deposit or the commission payable as outlined in 5A, which ever is less.

C. Exclusions: (If none, state "none") None.

D. The Seller hereby irrevocably assigns to the Listing Brokerage, from the proceeds of sale of the Property, the amount of remuneration due to the Listing Brokerage and authorizes the Listing Brokerage to retain this amount from the deposit moneys.

6. THE LISTING BROKERAGE AGREES AS FOLLOWS:

- A. To act only as the agent for the Seller with respect to the Property except where the Seller consents to limited joint representation as outlined in subparagraph 7 C below.
- B. Not to accept remuneration from the buyer without the knowledge and consent of the Seller.

7. THE SELLER ACKNOWLEDGES AND AGREES AS FOLLOWS:

- A. To promptly advise the Listing Brokerage of and refer to the Listing Brokerage all enquiries for the purchase of the Property, and to deliver, to the Listing Brokerage all offers to purchase which may be received during the period of this listing contract or arising by reason of it.
- B. That the real estate commission outlined herein is payable to the Listing Brokerage when the buyer is entitled to assume legal possession of the Property. The Seller further agrees that the Listing Brokerage is entitled to charge interest on unpaid commissions calculated at a date thirty (30) days from the date the buyer is entitled to assume legal possession at a rate of 2% per month (24% per annum).
- C. The Listing Brokerage is permitted to list or show property of, or have agency relationships with, other sellers and buyers. When a Listing Brokerage also acts for a potential buyer or lessee of the listed Property, both the Buyer and Seller will be asked to sign an acknowledgement of joint representation which will set out the limits of the Brokerage's agency duties.
- D. Unless the Seller is otherwise advised, other Co-operating Agents will be representing the buyer or lessee of the Seller's property as the buyer's agents.
- E. The Seller hereby pledges all of the Seller's interest in the Property to the Listing Brokerage as security for payment of all money which may be owed by the Seller to the Listing Brokerage under this contract and hereby acknowledges that the Listing Brokerage is entitled to register and maintain a caveat at the Land Titles Office to give notice of this charge upon the Seller executing a legally enforceable contract of sale of the Property.
- F. Where the Seller's spouse is not an owner of the Property, the Seller will advise the Listing Brokerage if the Seller's spouse has occupied the Property at any time, or whether the Seller is otherwise aware that the Property is subject to a "homestead" interest.
- G. To promptly advise the Listing brokerage of any material change in the physical condition or status of the Property during the listing term.

8. MISCELLANEOUS PROVISIONS

- "period" or "date of expiration" of this contract includes the period or date of expiration of any written extensions.
- "Property" may include a leasehold interest or a manufactured home, plus any other property designated by the Seller in the data input form or any addendum attached.
- "Sale" includes an exchange and "sale price" includes the value of the Property exchanged.
- For the purposes of interpretation and correlation between this document and the Offer To Purchase Real Estate pursuant to The Real Estate Brokers Act, the following terms are interchangeable in their use, namely: "buyer" and "purchaser"; "Seller" and "vendor"; "Listing Brokerage" and "listing broker"; "Co-operating Agent" and "selling broker".
- Interpretation of this listing contract and all matters concerning its enforcement by the parties shall be governed by the laws of the Province of Manitoba.
- The parties acknowledge that this contract fully sets out the terms of agreement between them. Any alteration, variation or amendment to this agreement shall be made only in writing, signed by the Seller and by the Listing Brokerage's representative in multiple copies and a copy shall be delivered to each party to this listing contract.
- This listing contract shall be binding upon and benefit not only the parties but also their respective heirs, executors, administrators, successors and assigns.

9. ENTIRE AGREEMENT

This Listing Contract means and includes this agreement, the property description form and Seller's Property Condition Statement (when attached and signed by the Seller). The Seller acknowledges having read and understood this listing contract; that it accurately describes the agreement with the Listing Brokerage; and a copy of it has been received by the Seller this date.

Witnessed by:

Greg Penske
(seller's signature)
332513AC7435430...

(seller's signature)

Derrick M. Sigmar
(witnessed buyer's signature)
325DCFE125944A8...

Derrick M. Sigmar
(listing brokerage's representative)
325DCFE125944A8...

SIGNED THIS 4th DAY OF February, 20 21.



APPENDIX C

Caylor, Jack

From: Wayne M. Onchulenko <WOnchulenko@ltglc.ca>
Sent: Monday, March 8, 2021 2:49 PM
To: Bruce Taylor
Cc: Ross McFadyen; Melanie LaBossiere; Leiba Feldman
Subject: RE: Falcon Sale [LAW-TDS.FID1853952]

Hi Bruce

These terms are acceptable.

By way of clarification:

While we acknowledge “the Receiver is not purporting to (and, in any event, cannot) “make determinations” as to, or approve, the contemplated payments for preference purposes” It seems to be implied from our agreement the receiver would not pursue or support such a determination. Could we have your agreement in that regard?

There may be some work done (if we cannot agree) on the issues of consolidation and or bankruptcy in the not too distant future. I would like to discuss if the agreement to pay professionals in the future would include providing those professionals with a reasonable retainer?

I will have some numbers for you with respect to Greg and Steve later in the week.

The closing of Falcon has been delayed because we do not yet have the order evidencing the Trustee’s resignation. We expect the closing will now be delayed hopefully until Thursday but it may be to next week.

In the next email I will be sending you the two sets of appraisals. The “average” appraised value of lot 16 is 1,077,500. This is our proposed valuation. I understand this will likely be acceptable to the estate.

Please call when you have a moment to discuss the above.

Wayne M Onchulenko*



700- 330 St. Mary Avenue | Winnipeg, MB R3C 3Z5

204 957.6402 v
204 957.1696 f

Bar Admissions: Manitoba, Ontario and Nunavut

* Services provided through Wayne M. Onchulenko Law Corporation

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 please think green before printing this email

From: Bruce Taylor <GBT@tdslaw.com>
Sent: March 5, 2021 4:12 PM
To: Wayne M. Onchulenko <WOnchulenko@ltglc.ca>
Cc: Ross McFadyen <RAM@tdslaw.com>; Melanie LaBossiere <MML@tdslaw.com>
Subject: RE: Falcon Sale [LAW-TDS.FID1853952]

Wayne, thank you for your message below, and your and your client's cooperation in trying to deal with these matters. In the circumstances, the Receiver considers that it is able to agree with NPL on the following arrangements regarding sale proceeds from the sales of the Falcon Lake Cottage ("**FLC**") and the Fieldstone Property ("**FP**"):

11. the gross sale proceeds ("**Gross Sale Proceeds**") from the sales of the FLC and FP will be held and preserved by your office, pending a final court determination (i.e. from which no further appeals can be made) ("**Final Order**") of the issues as to (i) the state of the intercompany accounts involving NPL, NEL and NIP, (ii) the respective claims of NPL and NIP (if any) to be subrogated to the security held by the Applicant as against the property, assets and undertakings (as the case may be) of the Respondents, relating to or arising from the Credit Agreement, and the extent/amount of such subrogation, (iii) consolidation of the Respondents for creditor purposes, and (iv) bankruptcy of NPL, and to be thereafter paid out in accordance with the Final Order;

12. You anticipate that NPL will direct your office to pay from the Gross Sale Proceeds obligations of NPL from time to time, which the Receiver understands will include only:

(a) "payment of usual closing costs ("**Closing Costs**") including real estate commissions, usual adjustments and legal fees, the totals of which for each sale will be provided in accordance with paragraph 13 below";

(b) payment to Edson's/Brause (the "**Edson's Payment**") of the amounts of the Settlement Amount (USD300,000) and the Proposal Trustee's Fees (CDN300,000), as described in the E/B Settlement Agreement, in full settlement of claims that E/B may have in that regard and in consideration of the discharge of the assignment by way of security provided to Edson's in regard to the FLC lot leases and the discharge of the mortgage registered by Edson's against the FP;

(c) payment of the outstanding professional accounts (the "**Outstanding Professional Accounts**") that you described to us in your March 2/21 message to us, including:

Levene Tadman	\$88,999.11
Fred Tayar	\$114,824.15
Albert Gelman	\$42,870.29

(with your mortgage against the FP to be discharged) and other professional accounts from time to time for services to NPL in regard solely to NPL matters;

(d) payment of ordinary course obligations to Greg Fenske and Steve Mager for their services as directors of NPL, which shall relate solely to services provided by them in connection with business of NPL. Please confirm the amounts/payment intervals (monthly, etc.) including the amounts NPL intends to pay to Greg Fenske and Steve Mager initially from the FLC Gross Sale Proceeds as per paragraph 13 below;

(e) payment to counsel for the “resigning trustee” of the “Hilkaa Nygard Estate” (the “**Estate**”) of an amount in the range of \$200,000 – 300,000 (the “**Estate Advance**”), to make provision for payment by the estate of (i) legal fees of the “resigning trustee” in connection with her resignation and the court order being sought in that regard, and (ii) capital gains tax expected to accrue from the sale of Lot 16, which forms a part of the FLC, is leased by Manitoba to the Estate, and in respect of which you advised that the buildings and premises on that lot are owned by the Estate. Please confirm the amount of the Estate Advance as per paragraph 13 below; and

(f) payment to the Estate of a further amount (the “**Estate Balance**”) which, together with the Estate Advance, will total the amount of the proceeds to be allocated from the net sale proceeds of the FLC to the value of Lot 16. This value, and the resulting allocation, has not yet been determined and shall be as agreed among the Receiver, NPL and the Estate, each acting reasonably. You have advised that you have arranged separate appraisals of the 3 lots comprising the FLC (Lots 15 and 17, leased to NPL, and Lot 16, leased to the Estate) and that you will share those appraisals with us. We suggest that if the parties cannot agree on a “final” amount of the Estate Balance, that agreement be reached on a “minimum amount” (again acting reasonably), with the matter of determining a “final” Estate Balance to be left to the Final Order;

13. upon making the payments, we ask that you provide a summary specifying the details of any “initial” payments which you have advised NPL will be making from the Gross Sale Proceeds as noted above and in due course a summary of Gross Sale Proceeds and Closing Costs related to the FP sale (we are assuming no further “initial” payments from the FP Gross Sale Proceeds are contemplated other than Closing Costs). The following “summary” format would be helpful:

	Amount
Gross Sales Proceeds	XXX
LESS: Closing Costs	(XXX)
LESS: Edson's Payment	(XXX)
LESS: Outstanding Professional Fees	(XXX)
LESS: Payment to Greg Fenske	(XXX)
LESS: Payment to Steve Mager	(XXX)
LESS: Payment Estate Advance	(XXX)
LESS: Estate Balance	(XXX)
Total	XXXX

14. Following payment of the Edson's Payment, the Outstanding Professional Accounts and the Estate Advance, and subject to agreement on the Estate Balance or “minimum amount”, you will thereafter provide the Receiver (by means of email messages to our office) with seven days' notice of your intention to pay additional amounts from time to time from the Gross Sale Proceeds, such that the Receiver can take such actions in respect of such payments as the Receiver considers appropriate.

15. The Receiver's purposes in trying to preserve the Gross Sale Proceeds is to try to preserve funds for payment of NPL creditor claims, including the claim of NIP based on the Receiver's view of the intercompany accounts, and more generally for creditors of the “consolidated” Respondents, should a court order that the Respondents be consolidated for creditor payment or bankruptcy purposes. By means of the arrangements above, the Receiver is not purporting to (and, in any event, cannot) “make determinations” as to, or approve, the contemplated payments for preference purposes.

Wayne, please confirm that these terms are acceptable to NPL. Thanks

Regards,

G. Bruce Taylor
P 204-934-2566
C 204-295-5241
"he/him"

From: Wayne M. Onchulenko <WOnchulenko@ltglc.ca>
Sent: Thursday, March 4, 2021 1:11 PM
To: Bruce Taylor <GBT@tdslaw.com>
Subject: Falcon Sale

Hi Bruce

I can confirm I advised you this morning:

NPL (lots 15 and 17) and the Estate of Hilka Nygard (lot 16) have an accepted offer of 2.5 million dollars on all three lots. The final step in the due diligence process is being completed today, perhaps tomorrow.

The tentative closing date is Monday March 8.

I confirmed the receiver has made a demand on the proceeds less closing costs and commissions.

The estate has two trustee's. One is Peter Nygard. The other trustee is in the process of resigning. The resignation may be completed as early as Monday.

As a condition of the resignation being finalized the trustee wants: two appraisals of all three lots individually (which we expect to have today) and a hold back of the proceeds of lot 16 to ensure taxes and her legal fees are paid. We currently estimate this amount to be between \$200-300,000. We have ask you to confirm your client would not be opposed to these monies being held in trust by her lawyers until the tax returns are filed and taxes paid and a clearance certificate has been obtained. I advised I would share the appraisals with you.

I advised lots 15 and 16 needed to be sold together , to obtain the best price, because the cottage on lot 15 was built too close to the lot line and might have to be moved and the septic was on both lots.

We have confirmed to you that when lot 15 was sold by the estate to NPL not money changed hands. NPL paid for the lot by off setting approximately \$225,000 in monies owed by the estate to NPL at that time and a promissory note of approximately \$150,000.

I advised I was advised there has been no renovations on the buildings on lot 16 for decades. Consequently the estate would not owe money to NPL.

We have also set out for you professional fees and the Edson's security that we want to pay on behalf of NPL, the numbers of which you have.

We would intend to also keep the remaining funds in trust and undertake to pay them out with your consent or if your consent is withheld, after giving you 7 days notice of our intention to pay them out.

I advised Fieldstone was listed for \$949,000. I can now advise NPL has accepted an offer for \$946,000. The transaction is to close on April 1, 2021.

We would also keep these monies in trust on the same conditions.

We look forward to hearing from you at your earliest convenience given the close proximity of a potential closing date.

Wayne M Onchulenko*



700- 330 St. Mary Avenue | Winnipeg, MB R3C 3Z5

204 957.6402 v

204 957.1696 f

Bar Admissions: Manitoba, Ontario and Nunavut

* Services provided through Wayne M. Onchulenko Law Corporation

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APPENDIX D

Inkster Property Leasing Agreement

THIS LEASE is dated the 1st day of JUNE, 2002, and is made between:

NYGARD PROPERTIES LTD
1771 Inkster Boulevard
Winnipeg, Manitoba
R2X 1R3
Attention: Chief Financial Officer

"LANDLORD"

- and -

NYGARD INTERNATIONAL PARTNERSHIP
1771 Inkster Boulevard
Winnipeg, Manitoba
R2X 1R3
Attention: Legal Department

"TENANT"

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the sum of One Dollar (\$1.00) now paid by the Tenant to the Landlord (the receipt of which is hereby acknowledged), the Landlord leases to the Tenant the following premises on the terms set out below:

1 **PREMISES:** The Premises as shown on Schedule "A" attached hereto, having a Rentable Area of approximately One Hundred Twenty-three Thousand Seventeen (123,017) square feet, together with adequate employee parking situated on the west side of the Premises, all located at 1771 Inkster Boulevard, Winnipeg, Manitoba (the "Project").

2 **TERM:** FIVE (5) years, commencing on JUN1-02 (the "Commencement Date"), and expiring on MAY30-07, subject to Sections 13 and 15 of this Lease. The Tenant will have five (5) options to renew the term for five (5) years each, at rates to be agreed by the parties, by providing the Landlord with ninety (90) days' written notice prior to expiry of the original five (5) year term or the subsequent renewal term, as the case may be.

3 **RENT:** For the first Lease Year of the Term, the Tenant will pay Minimum Rent, plus applicable GST, equal to Three Dollars and Seventy-Five Cents (\$3.75) per square foot (including parking), payable on the first day of each and every month throughout the Term in the manner as set out below. Effective as of the first day of the second lease year, and for each lease year thereafter, the Minimum Rent shall be automatically increased by three (3) percent over and above the immediately preceding Lease Year, and the Tenant shall pay such Minimum Rent as adjusted for the applicable Lease Year. All amounts payable shall be paid by deposit directly into the Landlord's bank account via electronic funds transfer (EFT).

4 **TAXES:**

(a) The Tenant shall pay the Taxes charged on the Premises directly to the applicable taxing authority. The Landlord shall have no obligation to contest or litigate the imposition of any Taxes. The Tenant may defer payment of Taxes to the extent permitted by law if it diligently pursues or causes to be pursued the contest or appeal of the Taxes.

(b) **Tenant's Business and Other Taxes:** In addition to the Taxes payable by the Tenant pursuant to Section 4(a), the Tenant shall pay to the lawful taxing authorities:

- (i) All taxes, rates, duties, assessments and other charges that are levied, rated, charged or assessed against or in respect of all improvements, equipment and facilities of the Tenant on or in the Leased Premises, the Lands or the Building or any part thereof;
- (ii) Every tax and license fee which is levied, rated, charged or assessed against or in respect of and every business carried on in the Leased Premises or in respect of the use or occupancy thereof or any part of the Lands or the Building by the Tenant and every sub-tenant or licensee of the Tenant or against the Landlord on account of its interest in the Complex, and whether in any case, any such taxes, rates, duties, assessments or license fees are rated, charged or assessed by any federal, provincial, municipal, school or other body during the Term; and
- (iii) The full amount of any taxes in the nature of a business transfer tax, value added tax, sales tax or any other tax levied, rated, charged or assessed in respect of the Rent payable by the Tenant under this Lease or in respect of the rental of space under this Lease, whether characterized as a goods and services tax, sales tax, value added tax, business transfer tax or otherwise.

- (c) **Payment of Taxes:**
- (i) Taxes payable pursuant to Section 4(b)(i) and (ii) shall be paid by the Tenant when due if separate tax bills are issued;
- (ii) Taxes payable pursuant to Sections 4(b)(iii) shall be paid within thirty (30) days after written demand therefor or at such time or times as the Landlord from time to time determines by notice in writing to the Tenant; and
- (iii) If the Term of this Lease commences or ends on any day other than the first or last day, respectively, of a Year, the Tenant shall be liable only for the portion of the Taxes for such Year as falls within the Term, determined on a per diem basis.

5 OPERATING COSTS:

(a) **Tenant's Covenant to Pay Operating Costs:** The Tenant covenants to pay to the Landlord as Additional Rent the Operating Costs for the Year during each Year of the Term in accordance with the provisions of Section 5(b).

(b) **Payment of Operating Costs:** The Landlord shall be entitled at any time or times in any Year, upon at least thirty (30) days' notice to the Tenant to require the Tenant to pay to the Landlord monthly, on the date for payment of monthly rental installments, as Additional Rent, an amount equal to one-twelfth (1/12) of the amount estimated by the Landlord to be the amount of the Operating Costs for such Year. The Landlord shall be entitled subsequently during such Year, upon at least thirty (30) days' notice to the Tenant, to revise its estimate of the amount of the Operating Costs and the said monthly installment shall be revised accordingly. All amounts received under this provision in any Year on account of the estimated amount of the Operating Costs shall be applied in reduction of the actual amount of the Operating Costs for such Year. Within a reasonable time after the end of the period for which the estimated payments have been made, the Landlord shall deliver to the Tenant a written statement setting out in reasonable detail the amount of the Operating Costs for such period calculated on the basis of a calendar year. If the amount received is less than the actual amount of the Operating Costs for such Year, the Tenant shall pay any deficiency to the Landlord as Additional Rent within thirty (30) days following receipt by the Tenant of notice of the amount of such deficiency. If the amount received is greater than the actual amount of the Operating Costs, the Landlord shall either refund the excess to the Tenant as soon as possible within one hundred and twenty (120) days after the end of the Year in respect of which such payments were made, or at the Landlord's option, shall apply such excess against any amounts owing or becoming due to the Landlord by the Tenant.

6 UTILITIES:

(a) **Utility Charges:** The Tenant shall directly to the utility supplier(s) all charges for electric current and all other utilities supplied to or used in connection with the Leased Premises as measured by meters to be installed by the Tenant.

(b) **Heating and Air Conditioning:** The Tenant shall operate and maintain, at its own cost, the heating and air-conditioning system in an efficient and satisfactory manner, including the costs of repairs and replacements required from time to time, and shall keep the Leased Premises heated and air-conditioned at all times to a reasonable temperature.

(c) **Service Contracts:** The Tenant covenants and agrees to take out a standard servicing contract with a capable and reputable company for the service and maintenance of the heating units and furnaces and air-conditioning equipment in the Leased Premises, such contract to include the monthly cleaning of exchangers and replacement of filters, and to keep such contract in force for the Term of the within Lease or any renewal thereof. The Tenant agrees to provide the Landlord with a copy of the aforesaid servicing contract.

7 MAINTENANCE, REPAIR & ALTERATIONS:

(a) **Tenant to Maintain and Repair:** The Tenant shall repair, replace, maintain and keep the Premises and every part thereof including without limitation Leasehold Improvements, heating, ventilating and air-conditioning equipment serving the Premises (whether located inside or outside the Leased Premises), fixtures and furnishings, whether or not any such items were installed or furnished by the Tenant, and maintain the exterior grounds of the Premises, including removal of snow, ice and litter therefrom and maintain and replace the asphalt in the parking area of the facilities, all in good and substantial repair as a prudent owner would do, damage by fire and any other perils against which the Landlord is required to insure for pursuant to the terms of the Lease only excepted. The Tenant agrees that the Landlord may enter upon twenty-four (24) hours' prior written notice and view the state of repair and the Tenant shall repair or replace in accordance with reasonable notice in writing from the Landlord, damage by fire and any other peril against which the Landlord is insured only excepted; provided that if the Tenant neglects to so maintain or to make such repairs or replacements promptly after notice, the Landlord may, at its option, do such maintenance or make such repairs or replacements at the expense of the Tenant, and in any and every such case the Tenant covenants with the Landlord to pay to the Landlord forthwith as Additional Rent all sums which the Landlord may have expended in doing such maintenance

and making such repairs or replacements; provided further that the doing of such maintenance or the making of any repairs or replacements by the Landlord shall not relieve the Tenant from the obligation to maintain, repair and replace.

(b) **Alterations:** The Tenant shall not, without the prior written approval of the Landlord make any installations, alterations, additions, partitions, repairs or improvements in or to the Leased Premises, including doing anything in the Leased Premises which might affect the structural portions of the Leased Premises or the electrical, lighting, heating, ventilating, air-conditioning, sprinkler, fire protection or other systems therein or any work that requires a building permit. The Tenant's request for approval shall be in writing and accompanied by an adequate description of the contemplated work, and where appropriate, working drawings and specifications therefor; the Landlord's costs of having its architects, engineers or others examine such drawings and specifications shall be payable by the Tenant upon demand as Additional Rent save and except for a review of the Tenant's initial drawings or a review of Tenant's drawings for a major renovation of the Leased Premises after the tenth Year under this Lease; the Landlord may require that any or all work to be done hereunder be done by the Landlord's contractors or workmen or by contractors or workmen engaged by the Tenant but first approved by the Landlord, and all work shall be subject to inspection by and the reasonable supervision of the Landlord and shall be performed in accordance with all laws and any reasonable conditions (including a reasonable supervision fee of the Landlord to be paid by the Tenant) or regulations imposed by the Landlord and shall be completed in a good and workmanlike manner and with reasonable diligence in accordance with the approvals given by the Landlord; any connections of apparatus to the base electrical, plumbing, heating, ventilating or air conditioning systems shall be deemed to be an alteration within the meaning of this Section; the Tenant shall, at its own cost and before commencement of any work, obtain all necessary building or other permits and keep same in force.

(c) **Notice of Accidents:** The Tenant shall notify the Landlord promptly and in writing of any accident or damages to or defect in the Premises, the Building, or any part thereof including the heating, ventilating and air conditioning apparatus, water and gas pipes, telephone lines, electrical apparatus or other building services of which it is aware or ought to have been aware.

(d) **Landlord's Repair Obligations:** The Landlord shall:

(i) repair and replace, if necessary, at its own expense, the foundation, bearing walls and roof frame of the Building unless such repairs or replacements are required due to the negligence of the Tenant or those for whom in law the Tenant is responsible in which case the Tenant shall bear the cost of such repairs and / or replacements; and

(ii) replace, if necessary, the roof membrane of the Building.

8 **USE:** The Premises shall be used continuously, actively and diligently at all times as determined by the Landlord from time to time for the manufacture, distribution, and wholesale of women's clothing and related goods, accessories and services, and any other such use as the Tenant may reasonably require. The Tenant shall observe and comply with the Rules and Regulations established by the Landlord for the Project, as set out in Schedule "B" attached hereto, which shall be subject to change without notice from time to time.

9 **REPAIRS:** The Tenant accepts the Premises in an "as is" condition as of the date of possession and the Tenant acknowledges and agrees that the Landlord shall have no responsibility to make the Premises ready for the Tenant nor the responsibility for future repairs, renovations or replacements in the Premises. The Tenant will keep the Premises clean and orderly and in a good state of repair.

10 **INSURANCE:** Before taking possession of the Premises the Tenant shall obtain the following insurance coverages and provide to the Landlord evidence confirming that the Tenant maintains at a minimum the following insurance, all endorsed to require the giving of thirty (30) days prior written notice by registered mail to the Landlord of any cancellation, termination or adverse material change:

(a) all risks insurance on all property of every description, nature and kind owned by the Tenant or for which the Tenant is legally liable, which is installed, located or situate within the Premises or elsewhere in the Project, including without limitation, all leasehold improvements, fittings, installations, alterations, additions, partitions, the Tenant's inventory, furniture and moveable equipment in an amount not less than the full replacement cost thereof without deduction for depreciation; such insurance shall be subject to a replacement cost endorsement and shall include a stated amount co-insurance clause and a breach of conditions clause;

(b) comprehensive or commercial general bodily injury and property damage liability insurance to respond to any and all incidents occurring in the Premises in the minimum amount of Five Million Dollars (\$5,000,000.00) per occurrence including the following extensions: owners and contractors protective; limited pollution coverage endorsement; products and completed operations; personal injury; occurrence basis property damage; blanket contractual and non-owned automobile liability; such insurance shall include the Landlord and the Landlord's agent and nominee (if any) as named additional insureds, and shall protect and indemnify the Landlord and the Landlord's agent and nominee (if any) in

respect of Claims by the Tenant as if the Landlord and the Landlord's agent and nominee (if any) were separately insured; such insurance shall include cross liability and severability of interest clauses;

(c) boiler and machinery insurance, if applicable, including repair or replacement endorsement in an amount satisfactory to the Landlord and providing coverage with respect to all objects introduced into the Premises by or on behalf of the Tenant or otherwise constituting leasehold improvements;

(d) plate glass insurance on all internal and external glass within or fronting the Premises; however, notwithstanding the foregoing, the Tenant may elect to self-insure for the insurance described in this Subsection (d);

(e) business interruption insurance providing all risks coverage with a period of indemnity of not less than twelve (12) months and subject to a stated amount co-insurance clause; and

(f) any other form of insurance in such amounts and against such risks as the Landlord may from time to time reasonably require.

Any and all deductibles in the Tenant's insurance policies shall be borne solely by the Tenant and shall not be recovered or attempted to be recovered from the Landlord. In addition, all such policies shall be non-contributing with, and will apply only as primary and not excess to, any insurance proceeds available to the Landlord. The Tenant will not cause its insurance to contain a waiver of any rights of subrogation that the Tenant's insurer may have against the Landlord, its servants, agents or employees.

The Tenant acknowledges and agrees that failure to obtain and maintain in force any of the insurances set out in this Section 10 shall constitute a default under this Lease and if the Tenant fails to obtain and maintain in force any of the insurances set out in this Section 10, then the Tenant shall indemnify and hold harmless the Landlord in respect of any losses arising therefrom.

11 **RELEASE OF LANDLORD:** The Tenant indemnifies and releases the Landlord from every claim, loss, cost or expense which the Tenant might have or acquire in connection with its use and occupation of the Premises or the Project, including without limitation, any claims arising from personal injury or damage, loss or theft of property regardless of how it arises or is caused. The Landlord and any person for whom it is in law responsible shall not be liable under any circumstances for any damage caused by anything done or omitted to be done by any other tenant of the Project or any damage resulting from the exercise of the Landlord's control over the Project or any part thereof. The Tenant will not agree to release or indemnify the Landlord in relation to any loss or damage caused by the acts or omissions of the Landlord, its servants, agents or employees.

"Landlord" in Section 10 and in this Section 11 means the party shown on Page 1 of this Lease and includes: (i) the owners of the freehold; and (ii) the owners of the leasehold title of the lands within and comprising the Project, as well as all of their respective officers, directors, employees, agents and contractors.

12 **COMPLIANCE WITH LAWS:** The Tenant shall promptly and at its own cost comply with all present and future laws, by-laws, statutes, ordinances, regulations, guidelines and orders relating to, and obtain and maintain in force, all permits and licences and registrations required for, any of the following:

(a) the occupation, use of and the conduct of any business in or from the Premises;

(b) the condition of the Premises and all signage, leasehold improvements, furniture and equipment installed therein and thereon;

(c) Pollutants (as such term is defined in Section 12 of this Lease) and the protection of the environment so far as those laws, by-laws, statutes, ordinances, regulations, guidelines and orders or any of them relate to the Project, including the Premises; and

(d) the making by the Tenant of any repairs, changes or improvements therein.

13 **ENVIRONMENTAL:** The Tenant shall not bring into or allow to be present in the Premises, subsequent to the Tenant's taking possession of the Premises and the Commencement Date herein, any Pollutants. A breach of the preceding sentence shall constitute a default under this Lease. If the Tenant shall bring or create upon the Premises, any Pollutants, then such Pollutants shall be and remain the sole property of the Tenant and the Tenant shall remove same at its sole cost at the expiration or sooner termination of the Term or sooner if so directed by any governmental authority or if required to effect compliance with any Environmental Laws or if required by the Landlord. Failure by the Tenant to remove any such Pollutants in accordance with the foregoing and to the satisfaction of the Landlord shall constitute a default under this Agreement. If the Tenant fails to remove any such Pollutants as required by this Section 13, the Landlord shall have the option (but not the obligation) to remove such Pollutants and any and all costs (including, without limitation, legal costs (on a solicitor and client basis) and fees of professionals and consultants) incurred by the Landlord in connection therewith shall be paid for by the

Tenant forthwith upon demand. The Tenant's obligations under this Section 13 shall survive the expiration of the Term or earlier termination of this Lease.

For the purposes of this Lease:

(a) "Pollutants" means any substance which is hazardous to persons or property and includes, without limiting the generality of the foregoing: radioactive materials; explosives; any substance that, if added to any water, land and/or air, would degrade or alter or form part of a process of degradation or alteration of the quality of that water, land and/or air, to the extent that it is detrimental to its use by human beings or by any animal, fish or plant; any solid, liquid, gas, microorganism, sound, vibration, ray, heat, radiation, odour or combinations of any of them that is likely to alter the quality of the environment (including air, land and water) in any way and that is present in the environment in a quantity or concentration in excess of regulatory standards, or the presence of which in the environment is prohibited by regulation or is likely to affect the life, health, safety, welfare or comfort of human beings or animals or to cause damage to or otherwise impair the quality of the soil, vegetation, wildlife or property; toxic substances; substances declared to be hazardous or toxic under any law or regulation now or hereafter enacted or promulgated by any governmental authority having jurisdiction over the Landlord, the Tenant, the Premises or the Project; or any substance the use or transportation of which or the release of which into the environment is prohibited, regulated, controlled or licensed under environmental legislation.

(b) "Environmental Laws" shall include any domestic and foreign, federal, provincial, municipal, or local laws, statutes, regulations, ordinances, guidelines, policies, judge-made laws or common laws and any orders of a court or governmental authority, relating in any way to the natural or human environment (including land, surface water, ground water, real, personal, moveable and immoveable property), public or occupational health and safety, and the manufacture, importation, handling, use, reuse, recycling, transportation, storage, disposal, elimination and treatment of a substance, hazardous or otherwise.

14 DAMAGE OR DESTRUCTION: If at any time during the Term, the Premises shall be damaged or destroyed as a result of any hazard insured against by the Landlord and if as a result of such occurrence the Premises are rendered untenable in whole or in part either party may, at its option either:

(a) elect to have this Lease continue in full force and effect and the Landlord shall proceed with reasonable diligence to rebuild and restore or repair the Premises to the extent of insurance proceeds received and if the damage is such that any portion of the Premises rendered untenable is not reasonably capable of use and occupancy by the Tenant for the purposes of its business, Rent shall abate proportionately to the portion of the Premises rendered untenable from and after the date of such damage or destruction and until the Landlord's repairs have been substantially completed. Upon receipt of notice by the Landlord that the Landlord's work has been substantially completed, the Tenant shall forthwith complete all repairs and other work to the Premises required to fully restore the Premises for business in every case at the Tenant's cost and without any contribution to such cost by the Landlord, whether or not the Landlord has at any time made any contribution to the cost of supply, installation or construction of improvements in or to the Premises and shall reopen the whole of the Premises for business as soon as possible thereafter; or

(b) terminate this Lease by notice in writing given within ten (10) days after the date of such damage in which event the Term and the tenancy hereby created shall expire upon the 10th day after such notice is given, without indemnity or penalty payable by, or any other recourse, and (i) the Tenant shall, within such ten (10) day period, vacate the Premises and surrender them to the Landlord, with the Landlord having the right to re-enter and repossess the Premises; and (ii) Rent and other payments for which the Tenant is liable under this Lease shall be apportioned and paid to the date of such damage or destruction.

15 REMOVAL BY TENANT: The Tenant will remove, on termination or expiry of this Lease, its fixtures and will repair any damage caused to the Premises by their removal or otherwise, including without limitation, repairs due to driving nails, tacks, screws, hooks or pins in the woodwork, walls, floors or ceilings of the Premises or marking or defacing same.

16 RIGHTS ON DEFAULT: Either party may terminate this Lease upon: (i) ten (10) days' prior written notice for non-payment of monies due and owing; and / or (ii) ten (10) days' prior written notice for breach of any other provision of this Lease, which is capable of being remedied. The following shall be deemed, without limitation, to be events of default not capable of being remedied: (a) either party becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors, including the Companies' Creditors Arrangement Act; (b) a receiver or a receiver and manager is appointed for all or a part of the property of either party; (c) the Tenant abandons or attempts to abandon the Premises or removes its property from the Premises other than in the Tenant's usual course of business; or (d) the Premises are vacant or unoccupied for a period of ten (10) consecutive days.

Upon termination by either party hereunder, (i) the Tenant agrees to vacate the Premises and the Project immediately in accordance with Section 14 of this Lease and to leave the Premises in as good a condition as

it was in at the commencement of the Term; and (ii) in the event of default by the Tenant the full amount of the current month's and the next 3 months' instalments of Rent (plus applicable GST) will become due and payable and such termination shall be without prejudice to the rights of the Landlord to recover arrears of Rent under this Lease or damages for loss of Rent suffered by reason of this Lease having been prematurely terminated.

17 **TRANSFER:** The Tenant shall not assign or transfer this Lease (which includes a mortgage, charge or debenture (floating or otherwise) or other encumbrance of this Lease or the Premises or any part of them), nor sublet any part of the Premises nor part with or share possession of the Premises with a third party or undergo a change in effective voting control without the Landlord's consent, which consent may not be unreasonably or arbitrarily withheld.

18 **NOTICES:** Any notice under this Lease will be considered to be effectively given on the date it is delivered in person to the address shown on Page 1 of this Lease (or at such other address as either the Landlord or the Tenant may designate in writing from time to time).

19 **LIMITATION OF RECOURSE:** Notwithstanding any other provision contained in this Lease, the obligations of, and rights against, the Landlord under this Lease shall be enforced against, and recourse hereunder shall be had only after judgment and only against, the right, title and interest of the Landlord from time to time in, and the Landlord's revenues accrued from, the Premises. No recourse shall be had, judgment issued or execution or other process levied against, the Landlord (except only to the extent necessary for enforcement under the first sentence of this Section 19) or against any other assets or revenues of the Landlord.

20 **OVERHOLDING:** If the Tenant remains in possession of the Premises after the Term with the consent of the Landlord but without executing a new lease, the Tenant will be deemed to be occupying the Premises on a month-to-month basis.

21 **NO WAIVER:** It is agreed that any condoning, excusing or overlooking by either party of any default, breach or non-observance by the other at any time or times in respect of any covenant, agreement, proviso or condition herein contained shall not operate as a waiver of either party's rights hereunder in respect of any subsequent default, breach, or non-observance, nor as to defeat or affect in any way the rights of the party herein in respect of any such subsequent default, breach or non-observance.

22 **LAWS:** This Lease will be construed in accordance with the laws the Province of Manitoba.

23 **TIME OF ESSENCE:** Time is of the essence of this Lease.

24 **BINDING:** This Lease shall ensure to the benefit of and be binding upon the parties hereto, the successors and assigns of the Landlord and the heirs, executors, administrators, permitted successors and permitted assigns of the Tenant. If there is more than one Tenant, each is bound jointly and severally by this Lease.

IN WITNESS WHEREOF the parties have duly executed this Lease.

LANDLORD:
NYGARD PROPERTIES LTD

By:

Name:
Title:

C/S

TENANT:
NYGARD INTERNATIONAL PARTNERSHIP

By:

Name:
Title:

C/S

I have the authority to bind the Corporation

I have the authority to bind the Partnership

LEASE AMENDING AGREEMENT

THIS AGREEMENT made effective as of the 31st day of May, 2007

BETWEEN:

NYGARD PROPERTIES LTD.

(the "Landlord")

OF THE FIRST PART

- and -

NYGARD INTERNATIONAL PARTNERSHIP

(the "Tenant")

OF THE SECOND PART

RECITALS:

- A. By a lease dated the 1st day of June, 2002 (the "Lease"), made between the Landlord and the Tenant, the Landlord leased to the Tenant certain premises situated at 1771 Inkster Blvd., Winnipeg, MB (the "Premises") expiring on May 30, 2007;
- B. The parties wish to extend the Lease in accordance with the terms of this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the covenants and agreements contained in this Agreement and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by each of the parties), the parties covenant and agree as follows:

1. Amendment of Lease

Section 3 "Term" shall be deleted in its entirety and replaced with the following:

"2 Term

TWENTY FIVE (25) years commencing on June 1, 2002 (the "Commencement Date") and expiring on May 31, 2027, subject to Sections 13 and 15 of this Lease. The Tenant will have five (5) options to renew the term for five (5) years each, at rates to be agreed by the parties, by providing the Landlord with ninety (90) days' written notice prior to the expiry of the original five (5) year term of the subsequent renewal term, as the case may be."

2. No Other Amendments

Except for the amendments contained herein, the terms of the Lease shall remain in full force and effect unamended.

IN WITNESS WHEREOF the parties have executed this Agreement on the date first set out on the first page of this Agreement.

NYGARD PROPERTIES LTD.
(Landlord)

Per: 
Name: Ahileas Tsekouras
Title: CFO

NYGARD INTERNATIONAL PARTNERSHIP
(Tenant)

Per: 
Name: Ahileas Tsekouras
Title: CFO

I have authority to bind the corporation.

THIS LEASE RENEWAL AGREEMENT effective as of the 1st day of **June, 2007**, and is made between:

NYGARD PROPERTIES LTD

1771 Inkster Boulevard
Winnipeg, MB
R2X 1R3

"LANDLORD"

- and -

NYGARD INTERNATIONAL PARTNERSHIP

1771 Inkster Boulevard
Winnipeg, MB
R2X 1R3

"TENANT"

BACKGROUND:

This Lease Renewal Agreement ("Renewal Agreement") effective June 1st, 2007, by and between Nygard Properties Ltd. ("Landlord") and Nygård International Partnership ("Tenant").

1

Original Lease

.1

Landlord and Tenant had entered into a lease agreement described above on June 1st, 2002 (the "Original Lease"). The Original Lease expired on May 31st, 2007. All terms, conditions, and provisions of the said Original Lease are hereby incorporated and remain in effect unless otherwise amended herein.

.2

Landlord and Tenant mutually agree to amend the Original Lease as follows:

2

Renewal Terms and Conditions

.1

Original Lease is extended for the term of twenty-five years. The renewed lease will begin on June 1st, 2007 and will end on May 31st, 2032 ("Renewal Term").

.2

Rent being charged to Tenant for the Premises is set out in Schedule of Rent attached as Schedule "A". As of June 1st, 2020, the Rent amount shall be negotiated and agreed to by the Landlord and Tenant, with reference to applicable market rent.

3

General Provisions

.1

This Renewal Agreement will inure to the benefit of and be binding upon the respective successors, assigns, heirs, executors and/or administrator of both Parties.

.2

This Renewal Agreement is governed, construed, under the laws of Manitoba.

IN WITNESS WHEREOF the parties have duly executed this Lease Renewal Agreement.

LANDLORD:
NYGARD PROPERTIES LTD

By:



Name: Denis LaPointe
Title: Director

TENANT:
NYGARD INTERNATIONAL PARTNERSHIP

By:



Name: Denis LaPointe
Title: President

SCHEDULE "A"

Schedule of Rent for 1771 Inkster Boulevard, Winnipeg, MB

MONTHLY RENT	RENT AMOUNT
June 1 st , 2007 to May 31 st , 2008	41,473.00
June 1 st , 2008 to May 31 st , 2009	42,717.00
June 1 st , 2009 to May 31 st , 2010	42,717.00
June 1 st , 2010 to May 31 st , 2011	45,318.42
June 1 st , 2011 to May 31 st , 2012	45,318.42
June 1 st , 2012 to May 31 st , 2013	45,318.42
June 1 st , 2013 to May 31 st , 2014	45,573.38
June 1 st , 2014 to May 31 st , 2015	45,573.38
June 1 st , 2015 to May 31 st , 2016	45,573.38
June 1 st , 2016 to May 31 st , 2017	45,573.38
June 1 st , 2017 to May 31 st , 2018	45,573.38
June 1 st , 2018 to May 31 st , 2019	45,573.38
June 1 st , 2019 to May 31 st , 2020	45,573.38

Notre Dame Property Leasing Agreement

THIS LEASE is dated the 1st day of JUNE 2004, and is made between:

NYGARD PROPERTIES LTD
1771 Inkster Boulevard
Winnipeg, Manitoba
R2X 1R3
Attention: Chief Financial Officer

"LANDLORD"

- and -

NYGARD INTERNATIONAL PARTNERSHIP
1771 Inkster Boulevard
Winnipeg, Manitoba
R2X 1R3
Attention: Legal Department

"TENANT"

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the sum of One Dollar (\$1.00) now paid by the Tenant to the Landlord (the receipt of which is hereby acknowledged), the Landlord leases to the Tenant the following premises on the terms set out below:

1 **PREMISES:** The Premises as shown on Schedule "A" attached hereto, having a Rentable Area of approximately 59,632 square feet (or as certified by Landlord's architect), together with adequate employee parking situated on the west side of the Premises, all located at 1340 Notre Dame Avenue, Winnipeg, Manitoba (the "Project").

2 **TERM:** FIVE (5) years, commencing on JUNE 1-04 (the "Commencement Date"), and expiring on JUNE 30-09, subject to Sections 13 and 15 of this Lease. The Tenant will have five (5) options to renew the term for five (5) years each, at rates to be agreed by the parties, by providing the Landlord with ninety (90) days' written notice prior to expiry of the original five (5) year term or the subsequent renewal term, as the case may be.

3 **RENT:** For the first Lease Year of the Term, the Tenant will pay Minimum Rent, plus applicable GST, equal to Four Dollars (\$4.00) per square foot (including parking), payable on the first day of each and every month throughout the Term in the manner as set out below. Effective as of the first day of the second lease year, and for each lease year thereafter, the Minimum Rent shall be automatically increased by three percent (3%) over and above the immediately preceding Lease Year, and the Tenant shall pay such Minimum Rent as adjusted for the applicable Lease Year. All amounts payable shall be paid by deposit directly into the Landlord's bank account via electronic funds transfer (EFT).

4 **TAXES:**

(a) The Tenant shall pay the Taxes charged on the Premises directly to the applicable taxing authority. The Landlord shall have no obligation to contest or litigate the imposition of any Taxes. The Tenant may defer payment of Taxes to the extent permitted by law if it diligently pursues or causes to be pursued the contest or appeal of the Taxes.

(b) Tenant's Business and Other Taxes: In addition to the Taxes payable by the Tenant pursuant to Section 4(a), the Tenant shall pay to the lawful taxing authorities:

- (i) All taxes, rates, duties, assessments and other charges that are levied, rated, charged or assessed against or in respect of all improvements, equipment and facilities of the Tenant on or in the Leased Premises, the Lands or the Building or any part thereof;
- (ii) Every tax and license fee which is levied, rated, charged or assessed against or in respect of and every business carried on in the Leased Premises or in respect of the use or occupancy thereof or any part of the Lands or the Building by the Tenant and every sub-tenant or licensee of the Tenant or against the Landlord on account of its interest in the Complex, and whether in any case, any such taxes, rates, duties, assessments or license fees are rated, charged or assessed by any federal, provincial, municipal, school or other body during the Term; and
- (iii) The full amount of any taxes in the nature of a business transfer tax, value added tax, sales tax or any other tax levied, rated, charged or assessed in respect of the Rent payable by the Tenant under this Lease or in respect of the rental of space under this Lease, whether characterized as a goods and services tax, sales tax, value added tax, business transfer tax or otherwise.

(c) **Payment of Taxes:**

- (i) Taxes payable pursuant to Section 4(b)(i) and (ii) shall be paid by the Tenant when due if separate tax bills are issued;
- (ii) Taxes payable pursuant to Sections 4(b)(iii) shall be paid within thirty (30) days after written demand therefor or at such time or times as the Landlord from time to time determines by notice in writing to the Tenant; and
- (iii) If the Term of this Lease commences or ends on any day other than the first or last day, respectively, of a Year, the Tenant shall be liable only for the portion of the Taxes for such Year as falls within the Term, determined on a per diem basis.

5 OPERATING COSTS:

(a) **Tenant's Covenant to Pay Operating Costs:** The Tenant covenants to pay to the Landlord as Additional Rent the Operating Costs for the Year during each Year of the Term in accordance with the provisions of Section 5(b).

(b) **Payment of Operating Costs:** The Landlord shall be entitled at any time or times in any Year, upon at least thirty (30) days' notice to the Tenant to require the Tenant to pay to the Landlord monthly, on the date for payment of monthly rental installments, as Additional Rent, an amount equal to one-twelfth (1/12) of the amount estimated by the Landlord to be the amount of the Operating Costs for such Year. The Landlord shall be entitled subsequently during such Year, upon at least thirty (30) days' notice to the Tenant, to revise its estimate of the amount of the Operating Costs and the said monthly installment shall be revised accordingly. All amounts received under this provision in any Year on account of the estimated amount of the Operating Costs shall be applied in reduction of the actual amount of the Operating Costs for such Year. Within a reasonable time after the end of the period for which the estimated payments have been made, the Landlord shall deliver to the Tenant a written statement setting out in reasonable detail the amount of the Operating Costs for such period calculated on the basis of a calendar year. If the amount received is less than the actual amount of the Operating Costs for such Year, the Tenant shall pay any deficiency to the Landlord as Additional Rent within thirty (30) days following receipt by the Tenant of notice of the amount of such deficiency. If the amount received is greater than the actual amount of the Operating Costs, the Landlord shall either refund the excess to the Tenant within one hundred and twenty (120) days after the end of the Year in respect of which such payments were made, or at the Landlord's option, shall apply such excess against any amounts owing or becoming due to the Landlord by the Tenant.

6 UTILITIES:

(a) **Utility Charges:** The Tenant shall directly to the utility supplier(s) all charges for electric current and all other utilities supplied to or used in connection with the Leased Premises as measured by meters to be installed by the Tenant.

(b) **Heating and Air Conditioning:** The Tenant shall operate and maintain, at its own cost, the heating and air-conditioning system in an efficient and satisfactory manner, including the costs of repairs and replacements required from time to time, and shall keep the Leased Premises heated and air-conditioned at all times to a reasonable temperature.

(c) **Service Contracts:** The Tenant covenants and agrees to take out a standard servicing contract with a capable and reputable company for the service and maintenance of the heating units and furnaces and air-conditioning equipment in the Leased Premises, such contract to include the monthly cleaning of exchangers and replacement of filters, and to keep such contract in force for the Term of the within Lease or any renewal thereof. The Tenant agrees to provide the Landlord with a copy of the aforesaid servicing contract.

7 MAINTENANCE, REPAIR & ALTERATIONS:

(a) **Tenant to Maintain and Repair:** The Tenant shall repair, replace, maintain and keep the Premises and every part thereof including without limitation Leasehold Improvements, heating, ventilating and air-conditioning equipment serving the Premises (whether located inside or outside the Leased Premises), fixtures and furnishings, whether or not any such items were installed or furnished by the Tenant, and maintain the exterior grounds of the Premises, including removal of snow, ice and litter therefrom and maintain and replace the asphalt in the parking area of the facilities, all in good and substantial repair as a prudent owner would do, damage by fire and any other perils against which the Landlord is required to insure for pursuant to the terms of the Lease only excepted. The Tenant agrees that the Landlord may enter upon twenty-four (24) hours' prior written notice and view the state of repair and the Tenant shall repair or replace in accordance with reasonable notice in writing from the Landlord, damage by fire and any other peril against which the Landlord is insured only excepted; provided that if the Tenant neglects to so maintain or to make such repairs or replacements promptly after notice, the Landlord may, at its option, do such maintenance or make such repairs or replacements at the expense of the Tenant, and in any and every such case the Tenant covenants with the Landlord to pay to the Landlord forthwith as Additional Rent all sums which the Landlord may have expended in doing such maintenance and making such repairs or replacements; provided further that if the Landlord carries out such maintenance, repairs or replacements shall not relieve the Tenant from its obligations hereunder.

(b) **Alterations:** The Tenant shall not, without the prior written approval of the Landlord make any installations, alterations, additions, partitions, repairs or improvements in or to the Leased Premises, including doing anything in the Leased Premises which might affect the structural portions of the Leased Premises or the electrical, lighting, heating, ventilating, air-conditioning, sprinkler, fire protection or other systems therein or any work that requires a building permit. The Tenant's request for approval shall be in writing and accompanied by an adequate description of the contemplated work, and where appropriate, working drawings and specifications therefor; the Landlord's costs of having its architects, engineers or others examine such drawings and specifications shall be payable by the Tenant upon demand as Additional Rent save and except for a review of the Tenant's initial drawings or a review of Tenant's drawings for a major renovation of the Leased Premises after the tenth Year under this Lease; the Landlord may require that any or all work to be done hereunder be done by the Landlord's contractors or workmen or by contractors or workmen engaged by the Tenant but first approved by the Landlord, and all work shall be subject to inspection by and the reasonable supervision of the Landlord and shall be performed in accordance with all laws and any reasonable conditions (including a reasonable supervision fee of the Landlord to be paid by the Tenant) or regulations imposed by the Landlord and shall be completed in a good and workmanlike manner and with reasonable diligence in accordance with the approvals given by the Landlord; any connections of apparatus to the base electrical, plumbing, heating, ventilating or air conditioning systems shall be deemed to be an alteration within the meaning of this Section; the Tenant shall, at its own cost and before commencement of any work, obtain all necessary building or other permits and keep same in force.

(c) **Notice of Accidents:** The Tenant shall notify the Landlord promptly and in writing of any accident or damages to or defect in the Premises, the Building, or any part thereof including the heating, ventilating and air conditioning apparatus, water and gas pipes, telephone lines, electrical apparatus or other building services of which it is aware or ought to have been aware.

(d) **Landlord's Repair Obligations:** The Landlord shall:

- (i) repair and replace, if necessary, at its own expense, the foundation, bearing walls and roof frame of the Building unless such repairs or replacements are required due to the negligence of the Tenant or those for whom in law the Tenant is responsible in which case the Tenant shall bear the cost of such repairs and / or replacements; and
- (ii) replace, if necessary, the roof membrane of the Building.

8 **USE:** The Premises shall be used continuously, actively and diligently at all times as determined by the Landlord from time to time for the manufacture, distribution, wholesale and retail sales of women's clothing and related goods, accessories and services, and any other such use as the Tenant may reasonably require. The Tenant shall observe and comply with the Rules and Regulations established by the Landlord for the Project, as set out in Schedule "B" attached hereto, which shall be subject to change without notice from time to time.

9 **REPAIRS:** The Tenant accepts the Premises in an "as is" condition as of the date of possession and the Tenant acknowledges and agrees that the Landlord shall have no responsibility to make the Premises ready for the Tenant nor the responsibility for future repairs, renovations or replacements in the Premises. The Tenant will keep the Premises clean and orderly and in a good state of repair.

10 **INSURANCE:** Before taking possession of the Premises the Tenant shall obtain the following insurance coverages and provide to the Landlord evidence confirming that the Tenant maintains at a minimum the following insurance, all endorsed to require the giving of thirty (30) days prior written notice by registered mail to the Landlord of any cancellation, termination or adverse material change:

(a) all risks insurance on all property of every description, nature and kind owned by the Tenant or for which the Tenant is legally liable, which is installed, located or situate within the Premises or elsewhere in the Project, including without limitation, all leasehold improvements, fittings, installations, alterations, additions, partitions, the Tenant's inventory, furniture and moveable equipment in an amount not less than the full replacement cost thereof without deduction for depreciation; such insurance shall be subject to a replacement cost endorsement and shall include a stated amount co-insurance clause and a breach of conditions clause;

(b) comprehensive or commercial general bodily injury and property damage liability insurance to respond to any and all incidents occurring in the Premises in the minimum amount of Five Million Dollars (\$5,000,000.00) per occurrence including the following extensions: owners and contractors protective; limited pollution coverage endorsement; products and completed operations; personal injury; occurrence basis property damage; blanket contractual and non-owned automobile liability; such insurance shall include the Landlord and the Landlord's agent and nominee (if any) as named additional insureds, and shall protect and indemnify the Landlord and the Landlord's agent and nominee (if any) in respect of Claims by the Tenant as if the Landlord and the Landlord's agent and nominee (if any) were separately insured; such insurance shall include cross liability and severability of interest clauses;

(c) boiler and machinery insurance, if applicable, including repair or replacement endorsement in an amount satisfactory to the Landlord and providing coverage with respect to all objects introduced into the Premises by or on behalf of the Tenant or otherwise constituting leasehold improvements;

(d) plate glass insurance on all internal and external glass within or fronting the Premises; however, notwithstanding the foregoing, the Tenant may elect to self-insure for the insurance described in this Subsection (d);

(e) business interruption insurance providing all risks coverage with a period of indemnity of not less than twelve (12) months and subject to a stated amount co-insurance clause; and

(f) any other form of insurance in such amounts and against such risks as the Landlord may from time to time reasonably require.

Any and all deductibles in the Tenant's insurance policies shall be borne solely by the Tenant and shall not be recovered or attempted to be recovered from the Landlord. In addition, all such policies shall be non-contributing with, and will apply only as primary and not excess to, any insurance proceeds available to the Landlord. The Tenant will not cause its insurance to contain a waiver of any rights of subrogation that the Tenant's insurer may have against the Landlord, its servants, agents or employees.

The Tenant acknowledges and agrees that failure to obtain and maintain in force any of the insurances set out in this Section 10 shall constitute a default under this Lease and if the Tenant fails to obtain and maintain in force any of the insurances set out in this Section 10, then the Tenant shall indemnify and hold harmless the Landlord in respect of any losses arising therefrom.

11 **RELEASE OF LANDLORD:** The Tenant indemnifies and releases the Landlord from every claim, loss, cost or expense which the Tenant might have or acquire in connection with its use and occupation of the Premises or the Project, including without limitation, any claims arising from personal injury or damage, loss or theft of property regardless of how it arises or is caused. The Landlord and any person for whom it is in law responsible shall not be liable under any circumstances for any damage caused by anything done or omitted to be done by any other tenant of the Project or any damage resulting from the exercise of the Landlord's control over the Project or any part thereof. The Tenant will not agree to release or indemnify the Landlord in relation to any loss or damage caused by the acts or omissions of the Landlord, its servants, agents or employees.

"Landlord" in Section 10 and in this Section 11 means the party shown on Page 1 of this Lease and includes: (i) the owners of the freehold; and (ii) the owners of the leasehold title of the lands within and comprising the Project, as well as all of their respective officers, directors, employees, agents and contractors.

12 **COMPLIANCE WITH LAWS:** The Tenant shall promptly and at its own cost comply with all present and future laws, by-laws, statutes, ordinances, regulations, guidelines and orders relating to, and obtain and maintain in force, all permits and licences and registrations required for, any of the following:

(a) the occupation, use of and the conduct of any business in or from the Premises;

(b) the condition of the Premises and all signage, leasehold improvements, furniture and equipment installed therein and thereon;

(c) Pollutants (as such term is defined in Section 12 of this Lease) and the protection of the environment so far as those laws, by-laws, statutes, ordinances, regulations, guidelines and orders or any of them relate to the Project, including the Premises; and

(d) the making by the Tenant of any repairs, changes or improvements therein.

13 **ENVIRONMENTAL:** The Tenant shall not bring into or allow to be present in the Premises, subsequent to the Tenant's taking possession of the Premises and the Commencement Date herein, any Pollutants. A breach of the preceding sentence shall constitute a default under this Lease. If the Tenant shall bring or create upon the Premises, any Pollutants, then such Pollutants shall be and remain the sole property of the Tenant and the Tenant shall remove same at its sole cost at the expiration or sooner termination of the Term or sooner if so directed by any governmental authority or if required to effect compliance with any Environmental Laws or if required by the Landlord. Failure by the Tenant to remove any such Pollutants in accordance with the foregoing and to the satisfaction of the Landlord shall constitute a default under this Agreement. If the Tenant fails to remove any such Pollutants as required by this Section 13, the Landlord shall have the option (but not the obligation) to remove such Pollutants and any and all costs (including, without limitation, legal costs (on a solicitor and client basis) and fees of professionals and consultants) incurred by the Landlord in connection therewith shall be paid for by the Tenant forthwith upon demand. The Tenant's obligations under this Section 13 shall survive the expiration of the Term or earlier termination of this Lease.

For the purposes of this Lease:

(a) "Pollutants" means any substance which is hazardous to persons or property and includes, without limiting the generality of the foregoing: radioactive materials; explosives; any substance that, if added to any water, land and/or air, would degrade or alter or form part of a process of degradation or alteration of the quality of that water, land and/or air, to the extent that it is detrimental to its use by human beings or by any animal, fish or plant; any solid, liquid, gas, microorganism, sound, vibration, ray, heat, radiation, odour or combinations of any of them that is likely to alter the quality of the environment (including air, land and water) in any way and that is present in the environment in a quantity or concentration in excess of regulatory standards, or the presence of which in the environment is prohibited by regulation or is likely to affect the life, health, safety, welfare or comfort of human beings or animals or to cause damage to or otherwise impair the quality of the soil, vegetation, wildlife or property; toxic substances; substances declared to be hazardous or toxic under any law or regulation now or hereafter enacted or promulgated by any governmental authority having jurisdiction over the Landlord, the Tenant, the Premises or the Project; or any substance the use or transportation of which or the release of which into the environment is prohibited, regulated, controlled or licensed under environmental legislation.

(b) "Environmental Laws" shall include any domestic and foreign, federal, provincial, municipal, or local laws, statutes, regulations, ordinances, guidelines, policies, judge-made laws or common laws and any orders of a court or governmental authority, relating in any way to the natural or human environment (including land, surface water, ground water, real, personal, moveable and immovable property), public or occupational health and safety, and the manufacture, importation, handling, use, reuse, recycling, transportation, storage, disposal, elimination and treatment of a substance, hazardous or otherwise.

14 **DAMAGE OR DESTRUCTION:** If at any time during the Term, the Premises shall be damaged or destroyed as a result of any hazard insured against by the Landlord and if as a result of such occurrence the Premises are rendered untenable in whole or in part either party may, at its option either:

(a) elect to have this Lease continue in full force and effect and the Landlord shall proceed with reasonable diligence to rebuild and restore or repair the Premises to the extent of insurance proceeds received and if the damage is such that any portion of the Premises rendered untenable is not reasonably capable of use and occupancy by the Tenant for the purposes of its business, Rent shall abate proportionately to the portion of the Premises rendered untenable from and after the date of such damage or destruction and until the Landlord's repairs have been substantially completed. Upon receipt of notice by the Landlord that the Landlord's work has been substantially completed, the Tenant shall forthwith complete all repairs and other work to the Premises required to fully restore the Premises for business in every case at the Tenant's cost and without any contribution to such cost by the Landlord, whether or not the Landlord has at any time made any contribution to the cost of supply, installation or construction of improvements in or to the Premises and shall reopen the whole of the Premises for business as soon as possible thereafter; or

(b) terminate this Lease by notice in writing given within ten (10) days after the date of such damage in which event the Term and the tenancy hereby created shall expire upon the 10th day after such notice is given, without indemnity or penalty payable by, or any other recourse, and (i) the Tenant shall, within such ten (10) day period, vacate the Premises and surrender them to the Landlord, with the Landlord having the right to re-enter and repossess the Premises; and (ii) Rent and other payments for which the Tenant is liable under this Lease shall be apportioned and paid to the date of such damage or destruction.

15 **REMOVAL BY TENANT:** The Tenant will remove, on termination or expiry of this Lease, its fixtures and will repair any damage caused to the Premises by their removal or otherwise, including without limitation, repairs due to driving nails, tacks, screws, hooks or pins in the woodwork, walls, floors or ceilings of the Premises or marking or defacing same.

16 **RIGHTS ON DEFAULT:** Either party may terminate this Lease upon: (i) ten (10) days' prior written notice for non-payment of monies due and owing; and / or (ii) ten (10) days' prior written notice for breach of any other provision of this Lease, which is capable of being remedied. The following shall be deemed, without limitation, to be events of default not capable of being remedied: (a) either party becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors, including the Companies' Creditors Arrangement Act; (b) a receiver or a receiver and manager is appointed for all or a part of the property of either party; (c) the Tenant abandons or attempts to abandon the Premises or removes its property from the Premises other than in the Tenant's usual course of business; or (d) the Premises are vacant or unoccupied for a period of ten (10) consecutive days.

Upon termination by either party hereunder, (i) the Tenant agrees to vacate the Premises and the Project immediately in accordance with Section 14 of this Lease and to leave the Premises in as good a condition as it was in at the commencement of the Term; and (ii) in the event of default by the Tenant the full amount of the current month's and the next three (3) months' instalments of Rent (plus applicable GST) will become due and payable and such termination shall be without prejudice to the rights of the Landlord to recover arrears of Rent under this Lease or damages for loss of Rent suffered by reason of this Lease having been prematurely terminated.

17 **TRANSFER:** The Tenant shall not assign or transfer this Lease (which includes a mortgage, charge or debenture (floating or otherwise) or other encumbrance of this Lease or the Premises or any part of them), nor sublet any part of the Premises nor part with or share possession of the Premises with a third party or undergo a change in effective voting control without the Landlord's consent, which consent may not be unreasonably or arbitrarily withheld.

18 **NOTICES:** Any notice under this Lease will be considered to be effectively given on the date it is delivered in person to the address shown on Page 1 of this Lease (or at such other address as either the Landlord or the Tenant may designate in writing from time to time).

19 **LIMITATION OF RECOURSE:** Notwithstanding any other provision contained in this Lease, the obligations of, and rights against, the Landlord under this Lease shall be enforced against, and recourse hereunder shall be had only after judgment and only against, the right, title and interest of the Landlord from time to time in, and the Landlord's revenues accrued from, the Premises. No recourse shall be had, judgment issued or execution or other process levied against, the Landlord (except only to the extent necessary for enforcement under the first sentence of this Section 19) or against any other assets or revenues of the Landlord.

20 **OVERHOLDING:** If the Tenant remains in possession of the Premises after the Term with the consent of the Landlord but without executing a new lease, the Tenant will be deemed to be occupying the Premises on a month-to-month basis.

21 **NO WAIVER:** It is agreed that any condoning, excusing or overlooking by either party of any default, breach or non-observance by the other at any time or times in respect of any covenant, agreement, proviso or condition herein contained shall not operate as a waiver of either party's rights hereunder in respect of any subsequent default, breach, or non-observance, nor as to defeat or affect in any way the rights of the party herein in respect of any such subsequent default, breach or non-observance.

22 **LAWS:** This Lease will be construed in accordance with the laws the Province of Manitoba.

23 **TIME OF ESSENCE:** Time is of the essence of this Lease.

24 **BINDING:** This Lease shall ensure to the benefit of and be binding upon the parties hereto, the successors and assigns of the Landlord and the heirs, executors, administrators, permitted successors and permitted assigns of the Tenant. If there is more than one Tenant, each is bound jointly and severally by this Lease.

IN WITNESS WHEREOF the parties have duly executed this Lease.

LANDLORD:
NYGARD PROPERTIES LTD

By:

Name: PETER NYGARD
Title: CHAIRMAN C/S

I have the authority to bind the Corporation

TENANT:
NYGARD INTERNATIONAL PARTNERSHIP

By:

Name: ICEN GRONDIN
Title: LFO C/S

I have the authority to bind the Partnership

SCHEDULE "A"

[PREMISES DESCRIPTION]

SCHEDULE "B"

RULES AND REGULATIONS

- 1 In regard to the use and occupancy of the Premises, the Tenant shall:
 - (a) keep the inside and outside of all glass in the doors and windows of the Premises and all exterior storefront surfaces of the Premises clean;
 - (b) replace promptly, at its expense, any cracked or broken window glass of the Premises with glass of like kind and quality;
 - (c) maintain the Premises, at its expense, in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests, and the Tenant shall use, at the cost of the Tenant, such pest extermination contractor as the Landlord may direct and at such intervals as the Landlord may require;
 - (d) keep any garbage, trash, rubbish or refuse in containers as approved by the Landlord within the interior of the Premises until removed as herein provided;
 - (e) have such garbage, trash, rubbish and refuse removed at its expense on a regular basis as prescribed by the Landlord.
- 2 No animals or birds shall be brought into the Premises except as permitted by this Lease.
- 3 The Project is a non-smoking facility. Smoking is not permitted in or about the Premises except as designated by the Landlord.

THIS LEASE RENEWAL AGREEMENT effective as of the 1st day of **July, 2009**, and is made between:

NYGARD PROPERTIES LTD

1771 Inkster Boulevard
Winnipeg, MB
R2X 1R3

"LANDLORD"

- and -

NYGARD INTERNATIONAL PARTNERSHIP

1771 Inkster Boulevard
Winnipeg, MB
R2X 1R3

"TENANT"

BACKGROUND:

This Lease Renewal Agreement ("Renewal Agreement") effective July 1st, 2009, by and between Nygard Properties Ltd. ("Landlord") and Nygård International Partnership ("Tenant").

1

Original Lease

.1

Landlord and Tenant had entered into a lease agreement described above on June 1st, 2002 (the "Original Lease"). The Original Lease expired on June 30th, 2009. All terms, conditions, and provisions of the said Original Lease are hereby incorporated and remain in effect unless otherwise amended herein.

.2

Landlord and Tenant mutually agree to amend the Original Lease as follows:

2

Renewal Terms and Conditions

.1

Original Lease is extended for the term of twenty-five years. The renewed lease will begin on July 1st, 2009 and will end on June 30th, 2034 ("Renewal Term").

.2

Rent being charged to Tenant for the Premises is set out in Schedule of Rent attached as Schedule "A". As of July 1st, 2020, the Rent amount shall be negotiated and agreed to by the Landlord and Tenant, with reference to applicable market rent.

3

General Provisions

.1

This Renewal Agreement will inure to the benefit of and be binding upon the respective successors, assigns, heirs, executors and/or administrator of both Parties.


.2

This Renewal Agreement is governed, construed, under the laws of Manitoba.

IN WITNESS WHEREOF the parties have duly executed this Lease Renewal Agreement.

LANDLORD:
NYGARD PROPERTIES LTD


By:



Name: Denis LaPointe
Title: Director

TENANT:
NYGARD INTERNATIONAL PARTNERSHIP

By:



Name: Denis LaPointe
Title: President

SCHEDULE "A"

Schedule of rent for 1340 Notre Dame Avenue, Winnipeg, MB

MONTHLY RENT	RENT AMOUNT
July 1st, 2009 to June 30th, 2010	19,126.00
July 1st, 2010 to June 30th, 2011	19,699.64
July 1st, 2011 to June 30th, 2012	23,734.50
July 1st, 2012 to June 30th, 2013	23,734.50
July 1st, 2013 to June 30th, 2014	16,150.34
July 1st, 2014 to June 30th, 2015	16,150.34
July 1st, 2015 to June 30th, 2016	16,150.34
July 1st, 2016 to June 30th, 2017	16,150.34
July 1st, 2017 to June 30th, 2018	16,150.34
July 1st, 2019 to June 30th, 2020	16,150.34

Broadway Property Leasing Agreement

THIS LEASE is dated the 1st day of JUNE, 2002, and is made between:

NYGARD PROPERTIES LTD
1771 Inkster Boulevard
Winnipeg, Manitoba
R2X 1R3
Attention: Chief Financial Officer

"LANDLORD"

- and -

NYGARD INTERNATIONAL PARTNERSHIP
1771 Inkster Boulevard
Winnipeg, Manitoba
R2X 1R3
Attention: Legal Department

"TENANT"

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the sum of One Dollar (\$1.00) now paid by the Tenant to the Landlord (the receipt of which is hereby acknowledged), the Landlord leases to the Tenant the following premises on the terms set out below:

1 **PREMISES:** The Premises as shown on Schedule "A" attached hereto, having a Rentable Area of approximately Eighteen Thousand Five Hundred Eighty (18,580sf) square feet, including a garage consisting of approximately Fourteen Hundred and Forty (1,440sf) square feet for employee parking, all located at 702 Broadway, Winnipeg, Manitoba (the "Project").

2 **TERM:** FIVE (5) years, commencing on JUN1-02 (the "Commencement Date"), and expiring on MAY30-07, subject to Sections 13 and 15 of this Lease. The Tenant will have five (5) options to renew the term for five (5) years each, at rates to be agreed by the parties, by providing the Landlord with ninety (90) days' written notice prior to expiry of the original five (5) year term or the subsequent renewal term, as the case may be.

3 **RENT:** For the first Lease Year of the Term, the Tenant will pay Minimum Rent, plus applicable GST, equal to Three Dollars and Twenty-Five Cents (\$3.25) per square foot (including parking), payable on the first day of each and every month throughout the Term in the manner as set out below. Effective as of the first day of the second lease year, and for each lease year thereafter, the Minimum Rent shall be automatically increased by three (3) percent over and above the immediately preceding Lease Year, and the Tenant shall pay such Minimum Rent as adjusted for the applicable Lease Year. All amounts payable shall be paid by deposit directly into the Landlord's bank account via electronic funds transfer (EFT).

4 **TAXES:**

(a) The Tenant shall pay the Taxes charged on the Premises directly to the applicable taxing authority. The Landlord shall have no obligation to contest or litigate the imposition of any Taxes. The Tenant may defer payment of Taxes to the extent permitted by law if it diligently pursues or causes to be pursued the contest or appeal of the Taxes.

(b) **Tenant's Business and Other Taxes:** In addition to the Taxes payable by the Tenant pursuant to Section 4(a), the Tenant shall pay to the lawful taxing authorities:

- (i) All taxes, rates, duties, assessments and other charges that are levied, rated, charged or assessed against or in respect of all improvements, equipment and facilities of the Tenant on or in the Leased Premises, the Lands or the Building or any part thereof;
- (ii) Every tax and license fee which is levied, rated, charged or assessed against or in respect of and every business carried on in the Leased Premises or in respect of the use or occupancy thereof or any part of the Lands or the Building by the Tenant and every sub-tenant or licensee of the Tenant or against the Landlord on account of its interest in the Complex, and whether in any case, any such taxes, rates, duties, assessments or license fees are rated, charged or assessed by any federal, provincial, municipal, school or other body during the Term; and
- (iii) The full amount of any taxes in the nature of a business transfer tax, value added tax, sales tax or any other tax levied, rated, charged or assessed in respect of the Rent payable by the Tenant under this Lease or in respect of the rental of space under this Lease, whether characterized as a goods and services tax, sales tax, value added tax, business transfer tax or otherwise.

- (c) Payment of Taxes:
- (i) Taxes payable pursuant to Section 4(b)(i) and (ii) shall be paid by the Tenant when due if separate tax bills are issued;
- (ii) Taxes payable pursuant to Sections 4(b)(iii) shall be paid within thirty (30) days after written demand therefor or at such time or times as the Landlord from time to time determines by notice in writing to the Tenant; and
- (iii) If the Term of this Lease commences or ends on any day other than the first or last day, respectively, of a Year, the Tenant shall be liable only for the portion of the Taxes for such Year as falls within the Term, determined on a per diem basis.

5 OPERATING COSTS:

(a) Tenant's Covenant to Pay Operating Costs: The Tenant covenants to pay to the Landlord as Additional Rent the Operating Costs for the Year during each Year of the Term in accordance with the provisions of Section 5(b).

(b) Payment of Operating Costs: The Landlord shall be entitled at any time or times in any Year, upon at least thirty (30) days' notice to the Tenant to require the Tenant to pay to the Landlord monthly, on the date for payment of monthly rental installments, as Additional Rent, an amount equal to one-twelfth (1/12) of the amount estimated by the Landlord to be the amount of the Operating Costs for such Year. The Landlord shall be entitled subsequently during such Year, upon at least thirty (30) days' notice to the Tenant, to revise its estimate of the amount of the Operating Costs and the said monthly installment shall be revised accordingly. All amounts received under this provision in any Year on account of the estimated amount of the Operating Costs shall be applied in reduction of the actual amount of the Operating Costs for such Year. Within a reasonable time after the end of the period for which the estimated payments have been made, the Landlord shall deliver to the Tenant a written statement setting out in reasonable detail the amount of the Operating Costs for such period calculated on the basis of a calendar year. If the amount received is less than the actual amount of the Operating Costs for such Year, the Tenant shall pay any deficiency to the Landlord as Additional Rent within thirty (30) days following receipt by the Tenant of notice of the amount of such deficiency. If the amount received is greater than the actual amount of the Operating Costs, the Landlord shall either refund the excess to the Tenant within one hundred and twenty (120) days after the end of the Year in respect of which such payments were made, or at the Landlord's option, shall apply such excess against any amounts owing or becoming due to the Landlord by the Tenant.

6 UTILITIES:

(a) Utility Charges: The Tenant shall directly to the utility supplier(s) all charges for electric current and all other utilities supplied to or used in connection with the Leased Premises as measured by meters to be installed by the Tenant.

(b) Heating and Air Conditioning: The Tenant shall operate and maintain, at its own cost, the heating and air-conditioning system in an efficient and satisfactory manner, including the costs of repairs and replacements required from time to time, and shall keep the Leased Premises heated and air-conditioned at all times to a reasonable temperature.

(c) Service Contracts: The Tenant covenants and agrees to take out a standard servicing contract with a capable and reputable company for the service and maintenance of the heating units and furnaces and air-conditioning equipment in the Leased Premises, such contract to include the monthly cleaning of exchangers and replacement of filters, and to keep such contract in force for the Term of the within Lease or any renewal thereof. The Tenant agrees to provide the Landlord with a copy of the aforesaid servicing contract.

7 MAINTENANCE, REPAIR & ALTERATIONS:

(a) Tenant to Maintain and Repair: The Tenant shall repair, replace, maintain and keep the Premises and every part thereof including without limitation Leasehold Improvements, heating, ventilating and air-conditioning equipment serving the Premises (whether located inside or outside the Leased Premises), fixtures and furnishings, whether or not any such items were installed or furnished by the Tenant, and maintain the exterior grounds of the Premises, including removal of snow, ice and litter therefrom and maintain and replace the asphalt in the parking area of the facilities, all in good and substantial repair as a prudent owner would do, damage by fire and any other perils against which the Landlord is required to insure for pursuant to the terms of the Lease only excepted. The Tenant agrees that the Landlord may enter upon twenty-four (24) hours' prior written notice and view the state of repair and the Tenant shall repair or replace in accordance with reasonable notice in writing from the Landlord, damage by fire and any other peril against which the Landlord is insured only excepted; provided that if the Tenant neglects to so maintain or to make such repairs or replacements promptly after notice, the Landlord may, at its option, do such maintenance or make such repairs or replacements at the expense of the Tenant, and in any and every such case the Tenant covenants with the Landlord to pay to the Landlord forthwith as Additional Rent all sums which the Landlord may have expended in doing such maintenance and making such repairs or replacements; provided further that the doing of such

maintenance or the making of any repairs or replacements by the Landlord shall not relieve the Tenant from the obligation to maintain, repair and replace.

(b) **Alterations:** The Tenant shall not, without the prior written approval of the Landlord make any installations, alterations, additions, partitions, repairs or improvements in or to the Leased Premises, including doing anything in the Leased Premises which might affect the structural portions of the Leased Premises or the electrical, lighting, heating, ventilating, air-conditioning, sprinkler, fire protection or other systems therein or any work that requires a building permit. The Tenant's request for approval shall be in writing and accompanied by an adequate description of the contemplated work, and where appropriate, working drawings and specifications therefor; the Landlord's costs of having its architects, engineers or others examine such drawings and specifications shall be payable by the Tenant upon demand as Additional Rent save and except for a review of the Tenant's initial drawings or a review of Tenant's drawings for a major renovation of the Leased Premises after the tenth Year under this Lease; the Landlord may require that any or all work to be done hereunder be done by the Landlord's contractors or workmen or by contractors or workmen engaged by the Tenant but first approved by the Landlord, and all work shall be subject to inspection by and the reasonable supervision of the Landlord and shall be performed in accordance with all laws and any reasonable conditions (including a reasonable supervision fee of the Landlord to be paid by the Tenant) or regulations imposed by the Landlord and shall be completed in a good and workmanlike manner and with reasonable diligence in accordance with the approvals given by the Landlord; any connections of apparatus to the base electrical, plumbing, heating, ventilating or air conditioning systems shall be deemed to be an alteration within the meaning of this Section; the Tenant shall, at its own cost and before commencement of any work, obtain all necessary building or other permits and keep same in force.

(c) **Notice of Accidents:** The Tenant shall notify the Landlord promptly and in writing of any accident or damages to or defect in the Premises, the Building, or any part thereof including the heating, ventilating and air conditioning apparatus, water and gas pipes, telephone lines, electrical apparatus or other building services of which it is aware or ought to have been aware.

(d) **Landlord's Repair Obligations:** The Landlord shall:

(i) repair and replace, if necessary, at its own expense, the foundation, bearing walls and roof frame of the Building unless such repairs or replacements are required due to the negligence of the Tenant or those for whom in law the Tenant is responsible in which case the Tenant shall bear the cost of such repairs and / or replacements; and

(ii) replace, if necessary, the roof membrane of the Building.

8 **USE:** The Premises shall be used continuously, actively and diligently at all times as determined by the Landlord from time to time for the manufacture, distribution, and wholesale of women's clothing and related goods, accessories and services, and any other such use as the Tenant may reasonably require. The Tenant shall observe and comply with the Rules and Regulations established by the Landlord for the Project, as set out in Schedule "B" attached hereto, which shall be subject to change without notice from time to time.

9 **REPAIRS:** The Tenant accepts the Premises in an "as is" condition as of the date of possession and the Tenant acknowledges and agrees that the Landlord shall have no responsibility to make the Premises ready for the Tenant nor the responsibility for future repairs, renovations or replacements in the Premises. The Tenant will keep the Premises clean and orderly and in a good state of repair.

10 **INSURANCE:** Before taking possession of the Premises the Tenant shall obtain the following insurance coverages and provide to the Landlord evidence confirming that the Tenant maintains at a minimum the following insurance, all endorsed to require the giving of thirty (30) days prior written notice by registered mail to the Landlord of any cancellation, termination or adverse material change:

(a) all risks insurance on all property of every description, nature and kind owned by the Tenant or for which the Tenant is legally liable, which is installed, located or situate within the Premises or elsewhere in the Project, including without limitation, all leasehold improvements, fittings, installations, alterations, additions, partitions, the Tenant's inventory, furniture and moveable equipment in an amount not less than the full replacement cost thereof without deduction for depreciation; such insurance shall be subject to a replacement cost endorsement and shall include a stated amount co-insurance clause and a breach of conditions clause;

(b) comprehensive or commercial general bodily injury and property damage liability insurance to respond to any and all incidents occurring in the Premises in the minimum amount of Five Million Dollars (\$5,000,000.00) per occurrence including the following extensions: owners and contractors protective; limited pollution coverage endorsement; products and completed operations; personal injury; occurrence basis property damage; blanket contractual and non-owned automobile liability; such insurance shall include the Landlord and the Landlord's agent and nominee (if any) as named additional insureds, and shall protect and indemnify the Landlord and the Landlord's agent and nominee (if any) in respect of Claims by the Tenant as if the Landlord and the Landlord's agent and nominee (if any) were separately insured; such insurance shall include cross liability and severability of interest clauses;

(c) boiler and machinery insurance, if applicable, including repair or replacement endorsement in an amount satisfactory to the Landlord and providing coverage with respect to all objects introduced into the Premises by or on behalf of the Tenant or otherwise constituting leasehold improvements;

(d) plate glass insurance on all internal and external glass within or fronting the Premises; however, notwithstanding the foregoing, the Tenant may elect to self-insure for the insurance described in this Subsection (d);

(e) business interruption insurance providing all risks coverage with a period of indemnity of not less than twelve (12) months and subject to a stated amount co-insurance clause; and

(f) any other form of insurance in such amounts and against such risks as the Landlord may from time to time reasonably require.

Any and all deductibles in the Tenant's insurance policies shall be borne solely by the Tenant and shall not be recovered or attempted to be recovered from the Landlord. In addition, all such policies shall be non-contributing with, and will apply only as primary and not excess to, any insurance proceeds available to the Landlord. The Tenant will not cause its insurance to contain a waiver of any rights of subrogation that the Tenant's insurer may have against the Landlord, its servants, agents or employees.

The Tenant acknowledges and agrees that failure to obtain and maintain in force any of the insurances set out in this Section 10 shall constitute a default under this Lease and if the Tenant fails to obtain and maintain in force any of the insurances set out in this Section 10, then the Tenant shall indemnify and hold harmless the Landlord in respect of any losses arising therefrom.

11 **RELEASE OF LANDLORD:** The Tenant indemnifies and releases the Landlord from every claim, loss, cost or expense which the Tenant might have or acquire in connection with its use and occupation of the Premises or the Project, including without limitation, any claims arising from personal injury or damage, loss or theft of property regardless of how it arises or is caused. The Landlord and any person for whom it is in law responsible shall not be liable under any circumstances for any damage caused by anything done or omitted to be done by any other tenant of the Project or any damage resulting from the exercise of the Landlord's control over the Project or any part thereof. The Tenant will not agree to release or indemnify the Landlord in relation to any loss or damage caused by the acts or omissions of the Landlord, its servants, agents or employees.

"Landlord" in Section 10 and in this Section 11 means the party shown on Page 1 of this Lease and includes: (i) the owners of the freehold; and (ii) the owners of the leasehold title of the lands within and comprising the Project, as well as all of their respective officers, directors, employees, agents and contractors.

12 **COMPLIANCE WITH LAWS:** The Tenant shall promptly and at its own cost comply with all present and future laws, by-laws, statutes, ordinances, regulations, guidelines and orders relating to, and obtain and maintain in force, all permits and licences and registrations required for, any of the following:

(a) the occupation, use of and the conduct of any business in or from the Premises;

(b) the condition of the Premises and all signage, leasehold improvements, furniture and equipment installed therein and thereon;

(c) Pollutants (as such term is defined in Section 12 of this Lease) and the protection of the environment so far as those laws, by-laws, statutes, ordinances, regulations, guidelines and orders or any of them relate to the Project, including the Premises; and

(d) the making by the Tenant of any repairs, changes or improvements therein.

13 **ENVIRONMENTAL:** The Tenant shall not bring into or allow to be present in the Premises, subsequent to the Tenant's taking possession of the Premises and the Commencement Date herein, any Pollutants. A breach of the preceding sentence shall constitute a default under this Lease. If the Tenant shall bring or create upon the Premises, any Pollutants, then such Pollutants shall be and remain the sole property of the Tenant and the Tenant shall remove same at its sole cost at the expiration or sooner termination of the Term or sooner if so directed by any governmental authority or if required to effect compliance with any Environmental Laws or if required by the Landlord. Failure by the Tenant to remove any such Pollutants in accordance with the foregoing and to the satisfaction of the Landlord shall constitute a default under this Agreement. If the Tenant fails to remove any such Pollutants as required by this Section 13, the Landlord shall have the option (but not the obligation) to remove such Pollutants and any and all costs (including, without limitation, legal costs (on a solicitor and client basis) and fees of professionals and consultants) incurred by the Landlord in connection therewith shall be paid for by the Tenant forthwith upon demand. The Tenant's obligations under this Section 13 shall survive the expiration of the Term or earlier termination of this Lease.

For the purposes of this Lease:

(a) "Pollutants" means any substance which is hazardous to persons or property and includes, without limiting the generality of the foregoing: radioactive materials; explosives; any substance that, if added to any water, land and/or air, would degrade or alter or form part of a process of degradation or alteration of the quality of that water, land and/or air, to the extent that it is detrimental to its use by human beings or by any animal, fish or plant; any solid, liquid, gas, microorganism, sound, vibration, ray, heat, radiation, odour or combinations of any of them that is likely to alter the quality of the environment (including air, land and water) in any way and that is present in the environment in a quantity or concentration in excess of regulatory standards, or the presence of which in the environment is prohibited by regulation or is likely to affect the life, health, safety, welfare or comfort of human beings or animals or to cause damage to or otherwise impair the quality of the soil, vegetation, wildlife or property; toxic substances; substances declared to be hazardous or toxic under any law or regulation now or hereafter enacted or promulgated by any governmental authority having jurisdiction over the Landlord, the Tenant, the Premises or the Project; or any substance the use or transportation of which or the release of which into the environment is prohibited, regulated, controlled or licensed under environmental legislation.

(b) "Environmental Laws" shall include any domestic and foreign, federal, provincial, municipal, or local laws, statutes, regulations, ordinances, guidelines, policies, judge-made laws or common laws and any orders of a court or governmental authority, relating in any way to the natural or human environment (including land, surface water, ground water, real, personal, moveable and immoveable property), public or occupational health and safety, and the manufacture, importation, handling, use, reuse, recycling, transportation, storage, disposal, elimination and treatment of a substance, hazardous or otherwise.

14 **DAMAGE OR DESTRUCTION:** If at any time during the Term, the Premises shall be damaged or destroyed as a result of any hazard insured against by the Landlord and if as a result of such occurrence the Premises are rendered untenable in whole or in part either party may, at its option either:

(a) elect to have this Lease continue in full force and effect and the Landlord shall proceed with reasonable diligence to rebuild and restore or repair the Premises to the extent of insurance proceeds received and if the damage is such that any portion of the Premises rendered untenable is not reasonably capable of use and occupancy by the Tenant for the purposes of its business, Rent shall abate proportionately to the portion of the Premises rendered untenable from and after the date of such damage or destruction and until the Landlord's repairs have been substantially completed. Upon receipt of notice by the Landlord that the Landlord's work has been substantially completed, the Tenant shall forthwith complete all repairs and other work to the Premises required to fully restore the Premises for business in every case at the Tenant's cost and without any contribution to such cost by the Landlord, whether or not the Landlord has at any time made any contribution to the cost of supply, installation or construction of improvements in or to the Premises and shall reopen the whole of the Premises for business as soon as possible thereafter; or

(b) terminate this Lease by notice in writing given within ten (10) days after the date of such damage in which event the Term and the tenancy hereby created shall expire upon the 10th day after such notice is given, without indemnity or penalty payable by, or any other recourse, and (i) the Tenant shall, within such ten (10) day period, vacate the Premises and surrender them to the Landlord, with the Landlord having the right to re-enter and repossess the Premises; and (ii) Rent and other payments for which the Tenant is liable under this Lease shall be apportioned and paid to the date of such damage or destruction.

15 **REMOVAL BY TENANT:** The Tenant will remove, on termination or expiry of this Lease, its fixtures and will repair any damage caused to the Premises by their removal or otherwise, including without limitation, repairs due to driving nails, tacks, screws, hooks or pins in the woodwork, walls, floors or ceilings of the Premises or marking or defacing same.

16 **RIGHTS ON DEFAULT:** Either party may terminate this Lease upon: (i) ten (10) days' prior written notice for non-payment of monies due and owing; and / or (ii) ten (10) days' prior written notice for breach of any other provision of this Lease, which is capable of being remedied. The following shall be deemed, without limitation, to be events of default not capable of being remedied: (a) either party becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors, including the Companies' Creditors Arrangement Act; (b) a receiver or a receiver and manager is appointed for all or a part of the property of either party; (c) the Tenant abandons or attempts to abandon the Premises or removes its property from the Premises other than in the Tenant's usual course of business; or (d) the Premises are vacant or unoccupied for a period of ten (10) consecutive days.

Upon termination by either party hereunder, (i) the Tenant agrees to vacate the Premises and the Project immediately in accordance with Section 14 of this Lease and to leave the Premises in as good a condition as it was in at the commencement of the Term; and (ii) in the event of default by the Tenant

the full amount of the current month's and the next 3 months' instalments of Rent (plus applicable GST) will become due and payable and such termination shall be without prejudice to the rights of the Landlord to recover arrears of Rent under this Lease or damages for loss of Rent suffered by reason of this Lease having been prematurely terminated.

17 **TRANSEER:** The Tenant shall not assign or transfer this Lease (which includes a mortgage, charge or debenture (floating or otherwise) or other encumbrance of this Lease or the Premises or any part of them), nor sublet any part of the Premises nor part with or share possession of the Premises with a third party or undergo a change in effective voting control without the Landlord's consent, which consent may not be unreasonably or arbitrarily withheld.

18 **NOTICES:** Any notice under this Lease will be considered to be effectively given on the date it is delivered in person to the address shown on Page 1 of this Lease (or at such other address as either the Landlord or the Tenant may designate in writing from time to time).

19 **LIMITATION OF RECOURSE:** Notwithstanding any other provision contained in this Lease, the obligations of, and rights against, the Landlord under this Lease shall be enforced against, and recourse hereunder shall be had only after judgment and only against, the right, title and interest of the Landlord from time to time in, and the Landlord's revenues accrued from, the Premises. No recourse shall be had, judgment issued or execution or other process levied against, the Landlord (except only to the extent necessary for enforcement under the first sentence of this Section 19) or against any other assets or revenues of the Landlord.

20 **OVERHOLDING:** If the Tenant remains in possession of the Premises after the Term with the consent of the Landlord but without executing a new lease, the Tenant will be deemed to be occupying the Premises on a month-to-month basis.

21 **NO WAIVER:** It is agreed that any condoning, excusing or overlooking by either party of any default, breach or non-observance by the other at any time or times in respect of any covenant, agreement, proviso or condition herein contained shall not operate as a waiver of either party's rights hereunder in respect of any subsequent default, breach, or non-observance, nor as to defeat or affect in any way the rights of the party herein in respect of any such subsequent default, breach or non-observance.

22 **LAWS:** This Lease will be construed in accordance with the laws the Province of Manitoba.

23 **TIME OF ESSENCE:** Time is of the essence of this Lease.

24 **BINDING:** This Lease shall ensure to the benefit of and be binding upon the parties hereto, the successors and assigns of the Landlord and the heirs, executors, administrators, permitted successors and permitted assigns of the Tenant. If there is more than one Tenant, each is bound jointly and severally by this Lease.

IN WITNESS WHEREOF the parties have duly executed this Lease.

LANDLORD:
NYGARD PROPERTIES LTD

By:

Name: PETER NYGARD
Title: CHAIRMAN.

C/S

I have the authority to bind the Corporation

TENANT:
NYGARD INTERNATIONAL PARTNERSHIP

By:

Name: KEN GRONDIN
Title: CFO

C/S

I have the authority to bind the Partnership

SCHEDULE "A"

SCHEDULE "B"

RULES AND REGULATIONS

- 1 In regard to the use and occupancy of the Premises, the Tenant shall:
 - (a) keep the inside and outside of all glass in the doors and windows of the Premises and all exterior storefront surfaces of the Premises clean;
 - (b) replace promptly, at its expense, any cracked or broken window glass of the Premises with glass of like kind and quality;
 - (c) maintain the Premises, at its expense, in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests, and the Tenant shall use, at the cost of the Tenant, such pest extermination contractor as the Landlord may direct and at such intervals as the Landlord may require;
 - (d) keep any garbage, trash, rubbish or refuse in containers as approved by the Landlord within the interior of the Premises until removed as herein provided;
 - (e) have such garbage, trash, rubbish and refuse removed at its expense on a regular basis as prescribed by the Landlord.
- 2 No animals or birds shall be brought into the Premises except as permitted by this Lease.
- 3 The Project is a non-smoking facility. Smoking is not permitted in or about the Premises except as designated by the Landlord.

Toronto Property Leasing Agreement

THIS LEASE is dated the 1st day of JUNE, 2002, and is made between:

NYGARD PROPERTIES LTD
1771 Inkster Boulevard
Winnipeg, MB
R2X 1R3
Attention: Chief Financial Officer

"LANDLORD"

- and -

NYGARD INTERNATIONAL PARTNERSHIP
1771 Inkster Boulevard
Winnipeg, MB
R2X 1R3
Attention: Legal Department

"TENANT"

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the sum of One Dollar (\$1.00) now paid by the Tenant to the Landlord (the receipt of which is hereby acknowledged), the Landlord leases to the Tenant the following premises on the terms set out below:

1 **PREMISES:** The Premises as shown on Schedule "A" attached hereto, having a Rentable Area of approximately Twenty-two Thousand Nine Hundred and Thirty (22,930) square feet, located at One Niagara Street, in Toronto, Ontario (the "Premises").

2 **TERM:** FIVE (5) years, commencing on JUN1-02 (the "Commencement Date"), and expiring on MAY30-07, subject to Sections 13 and 15 of this Lease. The Tenant will have five (5) options to renew the term for five (5) years each, at rates to be agreed by the parties, by providing the Landlord with ninety (90) days' written notice prior to expiry of the original five (5) year term or the subsequent renewal term, as the case may be.

3 **RENT:** For the first Lease Year of the Term, the Tenant will pay Minimum Rent, plus applicable GST, equal to Eighteen (\$18.00) Dollars per square foot, payable on the first day of each and every month throughout the Term in the manner as set out below. The Landlord shall provide ten (10) stalls for uncovered surface parking for the Tenant, for which the Tenant agrees to pay the sum of \$100.00 per month per stall. The Landlord shall also provide a garage with four (4) additional parking stalls, for which the Tenant agrees to pay the sum of \$150.00 per month per stall. Effective as of the first day of the second lease year, and for each lease year thereafter, the Minimum Rent shall be automatically increased by three (3) percent over and above the immediately preceding Lease Year, and the Tenant shall pay such Minimum Rent as adjusted for the applicable Lease Year. All amounts payable shall be paid by deposit directly into the Landlord's bank account via electronic funds transfer (EFT).

4 **TAXES:**

(a) The Tenant shall pay the Taxes charged on the Premises directly to the applicable taxing authority. The Landlord shall have no obligation to contest or litigate the imposition of any Taxes. The Tenant may defer payment of Taxes to the extent permitted by law if it diligently pursues or causes to be pursued the contest or appeal of the Taxes.

(b) **Tenant's Business and Other Taxes:** In addition to the Taxes payable by the Tenant pursuant to Section 4(a), the Tenant shall pay to the lawful taxing authorities:

- (i) All taxes, rates, duties, assessments and other charges that are levied, rated, charged or assessed against or in respect of all improvements, equipment and facilities of the Tenant on or in the Leased Premises, the Lands or the Building or any part thereof;
- (ii) Every tax and license fee which is levied, rated, charged or assessed against or in respect of and every business carried on in the Leased Premises or in respect of the use or occupancy thereof or any part of the Lands or the Building by the Tenant and every sub-tenant or licensee of the Tenant or against the Landlord on account of its interest in the Complex, and whether in any case, any such taxes, rates, duties, assessments or license fees are rated, charged or assessed by any federal, provincial, municipal, school or other body during the Term; and
- (iii) The full amount of any taxes in the nature of a business transfer tax, value added tax, sales tax or any other tax levied, rated, charged or assessed in respect of the Rent payable by the Tenant under this Lease or in respect of the rental of space under this Lease, whether characterized as a goods and services tax, sales tax, value added tax,

business transfer tax or otherwise.

- (c) Payment of Taxes:
- (i) Taxes payable pursuant to Section 4(b)(i) and (ii) shall be paid by the Tenant when due if separate tax bills are issued;
- (ii) Taxes payable pursuant to Sections 4(b)(iii) shall be paid within thirty (30) days after written demand therefor or at such time or times as the Landlord from time to time determines by notice in writing to the Tenant; and
- (iii) If the Term of this Lease commences or ends on any day other than the first or last day, respectively, of a Year, the Tenant shall be liable only for the portion of the Taxes for such Year as falls within the Term, determined on a per diem basis.

5 OPERATING COSTS:

(a) Tenant's Covenant to Pay Operating Costs: The Tenant covenants to pay to the Landlord as Additional Rent the Operating Costs for the Year during each Year of the Term in accordance with the provisions of Section 5(b).

(b) Payment of Operating Costs: The Landlord shall be entitled at any time or times in any Year, upon at least thirty (30) days' notice to the Tenant to require the Tenant to pay to the Landlord monthly, on the date for payment of monthly rental installments, as Additional Rent, an amount equal to one-twelfth (1/12) of the amount estimated by the Landlord to be the amount of the Operating Costs for such Year. The Landlord shall be entitled subsequently during such Year, upon at least thirty (30) days' notice to the Tenant, to revise its estimate of the amount of the Operating Costs and the said monthly installment shall be revised accordingly. All amounts received under this provision in any Year on account of the estimated amount of the Operating Costs shall be applied in reduction of the actual amount of the Operating Costs for such Year. Within a reasonable time after the end of the period for which the estimated payments have been made, the Landlord shall deliver to the Tenant a written statement setting out in reasonable detail the amount of the Operating Costs for such period calculated on the basis of a calendar year. If the amount received is less than the actual amount of the Operating Costs for such Year, the Tenant shall pay any deficiency to the Landlord as Additional Rent within thirty (30) days following receipt by the Tenant of notice of the amount of such deficiency. If the amount received is greater than the actual amount of the Operating Costs, the Landlord shall either refund the excess to the Tenant within one hundred and twenty (120) days after the end of the Year in respect of which such payments were made, or at the Landlord's option, shall apply such excess against any amounts owing or becoming due to the Landlord by the Tenant.

6 UTILITIES:

(a) Utility Charges: The Tenant shall directly to the utility supplier(s) all charges for electric current and all other utilities supplied to or used in connection with the Leased Premises as measured by meters to be installed by the Tenant.

(b) Heating and Air Conditioning: The Tenant shall operate and maintain, at its own cost, the heating and air-conditioning system in an efficient and satisfactory manner, including the costs of repairs and replacements required from time to time, and shall keep the Leased Premises heated and air-conditioned at all times to a reasonable temperature.

(c) Service Contracts: The Tenant covenants and agrees to take out a standard servicing contract with a capable and reputable company for the service and maintenance of the heating units and furnaces and air-conditioning equipment in the Leased Premises, such contract to include the monthly cleaning of exchangers and replacement of filters, and to keep such contract in force for the Term of the within Lease or any renewal thereof. The Tenant agrees to provide the Landlord with a copy of the aforesaid servicing contract.

7 MAINTENANCE, REPAIR & ALTERATIONS:

(a) Tenant to Maintain and Repair: The Tenant shall repair, replace, maintain and keep the Premises and every part thereof including without limitation Leasehold Improvements, heating, ventilating and air-conditioning equipment serving the Premises (whether located inside or outside the Leased Premises), fixtures and furnishings, whether or not any such items were installed or furnished by the Tenant, and maintain the exterior grounds of the Premises, including removal of snow, ice and litter therefrom and maintain and replace the asphalt in the parking area of the facilities, all in good and substantial repair as a prudent owner would do, damage by fire and any other perils against which the Landlord is required to insure for pursuant to the terms of the Lease only excepted. The Tenant agrees that the Landlord may enter upon twenty-four (24) hours' prior written notice and view the state of repair and the Tenant shall repair or replace in accordance with reasonable notice in writing from the Landlord, damage by fire and any other peril against which the Landlord is insured only excepted; provided that if the Tenant neglects to so maintain or to make such repairs or replacements promptly after notice, the Landlord may, at its option, do such maintenance or make such repairs or replacements at the expense of the Tenant, and in any and every such case the Tenant covenants with the Landlord to pay to the Landlord forthwith as Additional Rent all sums which the Landlord may have expended in doing such

maintenance and making such repairs or replacements; provided further that the doing of such maintenance or the making of any repairs or replacements by the Landlord shall not relieve the Tenant from the obligation to maintain, repair and replace.

(b) **Alterations:** The Tenant shall not, without the prior written approval of the Landlord, make any installations, alterations, additions, partitions, repairs or improvements in or to the Leased Premises, including doing anything in the Leased Premises which might affect the structural portions of the Leased Premises or the electrical, lighting, heating, ventilating, air conditioning, sprinkler, fire protection or other systems therein or any work that requires a building permit. The Tenant's request for approval shall be in writing and accompanied by an adequate description of the contemplated work, and where appropriate, working drawings and specifications therefor; the Landlord's costs of having its architects, engineers or others examine such drawings and specifications shall be payable by the Tenant upon demand as Additional Rent save and except for a review of the Tenant's initial drawings or a review of Tenant's drawings for a major renovation of the Leased Premises after the tenth Year under this Lease; the Landlord may require that any or all work to be done hereunder be done by the Landlord's contractors or workmen or by contractors or workmen engaged by the Tenant but first approved by the Landlord, and all work shall be subject to inspection by and the reasonable supervision of the Landlord and shall be performed in accordance with all laws and any reasonable conditions (including a reasonable supervision fee of the Landlord to be paid by the Tenant) or regulations imposed by the Landlord and shall be completed in a good and workmanlike manner and with reasonable diligence in accordance with the approvals given by the Landlord; any connections of apparatus to the base electrical, plumbing, heating, ventilating or air conditioning systems shall be deemed to be an alteration within the meaning of this Section; the Tenant shall, at its own cost and before commencement of any work, obtain all necessary building or other permits and keep same in force.

(c) **Notice of Accidents:** The Tenant shall notify the Landlord promptly and in writing of any accident or damages to or defect in the Premises, the Building, or any part thereof including the heating, ventilating and air conditioning apparatus, water and gas pipes, telephone lines, electrical apparatus or other building services of which it is aware or ought to have been aware.

(d) **Landlord's Repair Obligations:** The Landlord shall:

(i) repair and replace, if necessary, at its own expense, the foundation, bearing walls and roof frame of the Building unless such repairs or replacements are required due to the negligence of the Tenant or those for whom in law the Tenant is responsible in which case the Tenant shall bear the cost of such repairs and / or replacements; and

(ii) replace, if necessary, the roof membrane of the Building.

8 **USE:** The Premises shall be used continuously, actively and diligently at all times as determined by the Landlord from time to time for the wholesale of women's clothing and related goods, accessories and services, and any other such use as the Tenant may reasonably require. The Tenant shall observe and comply with the Rules and Regulations established by the Landlord for the Project, as set out in Schedule "B" attached hereto, which shall be subject to change without notice from time to time.

9 **REPAIRS:** The Tenant accepts the Premises in an "as is" condition as of the date of possession and the Tenant acknowledges and agrees that the Landlord shall have no responsibility to make the Premises ready for the Tenant nor the responsibility for future repairs, renovations or replacements in the Premises. The Tenant will keep the Premises clean and orderly and in a good state of repair.

10 **INSURANCE:** Before taking possession of the Premises the Tenant shall obtain the following insurance coverages and provide to the Landlord evidence confirming that the Tenant maintains at a minimum the following insurance, all endorsed to require the giving of thirty (30) days prior written notice by registered mail to the Landlord of any cancellation, termination or adverse material change:

(a) all risks insurance on all property of every description, nature and kind owned by the Tenant or for which the Tenant is legally liable, which is installed, located or situate within the Premises or elsewhere in the Project, including without limitation, all leasehold improvements, fittings, installations, alterations, additions, partitions, the Tenant's inventory, furniture and moveable equipment in an amount not less than the full replacement cost thereof without deduction for depreciation; such insurance shall be subject to a replacement cost endorsement and shall include a stated amount co-insurance clause and a breach of conditions clause;

(b) comprehensive or commercial general bodily injury and property damage liability insurance to respond to any and all incidents occurring in the Premises in the minimum amount of Five Million Dollars (\$5,000,000.00) per occurrence including the following extensions: owners and contractors protective; limited pollution coverage endorsement; products and completed operations; personal injury; occurrence basis property damage; blanket contractual and non-owned automobile liability; such insurance shall include the Landlord and the Landlord's agent and nominee (if any) as named additional insureds, and shall protect and indemnify the Landlord and the Landlord's agent and nominee (if any) in respect of Claims by the Tenant as if the Landlord and the Landlord's agent and nominee (if any) were separately insured; such insurance shall include cross liability and severability of interest clauses;

(c) boiler and machinery insurance, if applicable, including repair or replacement endorsement in an amount satisfactory to the Landlord and providing coverage with respect to all objects introduced into the Premises by or on behalf of the Tenant or otherwise constituting leasehold improvements;

(d) plate glass insurance on all internal and external glass within or fronting the Premises; however, notwithstanding the foregoing, the Tenant may elect to self-insure for the insurance described in this Subsection (d);

(e) business interruption insurance providing all risks coverage with a period of indemnity of not less than twelve (12) months and subject to a stated amount co-insurance clause; and

(f) any other form of insurance in such amounts and against such risks as the Landlord may from time to time reasonably require.

Any and all deductibles in the Tenant's insurance policies shall be borne solely by the Tenant and shall not be recovered or attempted to be recovered from the Landlord. In addition, all such policies shall be non-contributing with, and will apply only as primary and not excess to, any insurance proceeds available to the Landlord. The Tenant will not cause its insurance to contain a waiver of any rights of subrogation that the Tenant's insurer may have against the Landlord, its servants, agents or employees.

The Tenant acknowledges and agrees that failure to obtain and maintain in force any of the insurances set out in this Section 10 shall constitute a default under this Lease and if the Tenant fails to obtain and maintain in force any of the insurances set out in this Section 10, then the Tenant shall indemnify and hold harmless the Landlord in respect of any losses arising therefrom.

11 **RELEASE OF LANDLORD:** The Tenant indemnifies and releases the Landlord from every claim, loss, cost or expense which the Tenant might have or acquire in connection with its use and occupation of the Premises or the Project, including without limitation, any claims arising from personal injury or damage, loss or theft of property regardless of how it arises or is caused. The Landlord and any person for whom it is in law responsible shall not be liable under any circumstances for any damage caused by anything done or omitted to be done by any other tenant of the Project or any damage resulting from the exercise of the Landlord's control over the Project or any part thereof. The Tenant will not agree to release or indemnify the Landlord in relation to any loss or damage caused by the acts or omissions of the Landlord, its servants, agents or employees.

"Landlord" in Section 10 and in this Section 11 means the party shown on Page 1 of this Lease and includes: (i) the owners of the freehold; and (ii) the owners of the leasehold title of the lands within and comprising the Project, as well as all of their respective officers, directors, employees, agents and contractors.

12 **COMPLIANCE WITH LAWS:** The Tenant shall promptly and at its own cost comply with all present and future laws, by-laws, statutes, ordinances, regulations, guidelines and orders relating to, and obtain and maintain in force, all permits and licences and registrations required for, any of the following:

(a) the occupation, use of and the conduct of any business in or from the Premises;

(b) the condition of the Premises and all signage, leasehold improvements, furniture and equipment installed therein and thereon;

(c) Pollutants (as such term is defined in Section 12 of this Lease) and the protection of the environment so far as those laws, by-laws, statutes, ordinances, regulations, guidelines and orders or any of them relate to the Project, including the Premises; and

(d) the making by the Tenant of any repairs, changes or improvements therein.

13 **ENVIRONMENTAL:** The Tenant shall not bring into or allow to be present in the Premises, subsequent to the Tenant's taking possession of the Premises and the Commencement Date herein, any Pollutants. A breach of the preceding sentence shall constitute a default under this Lease. If the Tenant shall bring or create upon the Premises, any Pollutants, then such Pollutants shall be and remain the sole property of the Tenant and the Tenant shall remove same at its sole cost at the expiration or sooner termination of the Term or sooner if so directed by any governmental authority or if required to effect compliance with any Environmental Laws or if required by the Landlord. Failure by the Tenant to remove any such Pollutants in accordance with the foregoing and to the satisfaction of the Landlord shall constitute a default under this Agreement. If the Tenant fails to remove any such Pollutants as required by this Section 13, the Landlord shall have the option (but not the obligation) to remove such Pollutants and any and all costs (including, without limitation, legal costs (on a solicitor and client basis) and fees of professionals and consultants) incurred by the Landlord in connection therewith shall be paid for by the Tenant forthwith upon demand. The Tenant's obligations under this Section 13 shall survive the expiration of the Term or earlier termination of this Lease.

For the purposes of this Lease:

(a) "Pollutants" means any substance which is hazardous to persons or property and includes, without limiting the generality of the foregoing: radioactive materials; explosives; any substance that, if added to any water, land and/or air, would degrade or alter or form part of a process of degradation or alteration of the quality of that water, land and/or air, to the extent that it is detrimental to its use by human beings or by any animal, fish or plant; any solid, liquid, gas, microorganism, sound, vibration, ray, heat, radiation, odour or combinations of any of them that is likely to alter the quality of the environment (including air, land and water) in any way and that is present in the environment in a quantity or concentration in excess of regulatory standards, or the presence of which in the environment is prohibited by regulation or is likely to affect the life, health, safety, welfare or comfort of human beings or animals or to cause damage to or otherwise impair the quality of the soil, vegetation, wildlife or property; toxic substances; substances declared to be hazardous or toxic under any law or regulation now or hereafter enacted or promulgated by any governmental authority having jurisdiction over the Landlord, the Tenant, the Premises or the Project; or any substance the use or transportation of which or the release of which into the environment is prohibited, regulated, controlled or licensed under environmental legislation.

(b) "Environmental Laws" shall include any domestic and foreign, federal, provincial, municipal, or local laws, statutes, regulations, ordinances, guidelines, policies, judge-made laws or common laws and any orders of a court or governmental authority, relating in any way to the natural or human environment (including land, surface water, ground water, real, personal, moveable and immoveable property), public or occupational health and safety, and the manufacture, importation, handling, use, reuse, recycling, transportation, storage, disposal, elimination and treatment of a substance, hazardous or otherwise.

14 **DAMAGE OR DESTRUCTION:** If at any time during the Term, the Premises shall be damaged or destroyed as a result of any hazard insured against by the Landlord and if as a result of such occurrence the Premises are rendered untenable in whole or in part either party may, at its option either:

(a) elect to have this Lease continue in full force and effect and the Landlord shall proceed with reasonable diligence to rebuild and restore or repair the Premises to the extent of insurance proceeds received and if the damage is such that any portion of the Premises rendered untenable is not reasonably capable of use and occupancy by the Tenant for the purposes of its business, Rent shall abate proportionately to the portion of the Premises rendered untenable from and after the date of such damage or destruction and until the Landlord's repairs have been substantially completed. Upon receipt of notice by the Landlord that the Landlord's work has been substantially completed, the Tenant shall forthwith complete all repairs and other work to the Premises required to fully restore the Premises for business in every case at the Tenant's cost and without any contribution to such cost by the Landlord, whether or not the Landlord has at any time made any contribution to the cost of supply, installation or construction of improvements in or to the Premises and shall reopen the whole of the Premises for business as soon as possible thereafter; or

(b) terminate this Lease by notice in writing given within ten (10) days after the date of such damage in which event the Term and the tenancy hereby created shall expire upon the 10th day after such notice is given, without indemnity or penalty payable by, or any other recourse, and (i) the Tenant shall, within such ten (10) day period, vacate the Premises and surrender them to the Landlord, with the Landlord having the right to re-enter and repossess the Premises; and (ii) Rent and other payments for which the Tenant is liable under this Lease shall be apportioned and paid to the date of such damage or destruction.

15 **REMOVAL BY TENANT:** The Tenant will remove, on termination or expiry of this Lease, its fixtures and will repair any damage caused to the Premises by their removal or otherwise, including without limitation, repairs due to driving nails, tacks, screws, hooks or pins in the woodwork, walls, floors or ceilings of the Premises or marking or defacing same.

16 **RIGHTS ON DEFAULT:** Either party may terminate this Lease upon: (i) ten (10) days' prior written notice for non-payment of monies due and owing; and / or (ii) ten (10) days' prior written notice for breach of any other provision of this Lease, which is capable of being remedied. The following shall be deemed, without limitation, to be events of default not capable of being remedied: (a) either party becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors, including the Companies' Creditors Arrangement Act; (b) a receiver or a receiver and manager is appointed for all or a part of the property of either party; (c) the Tenant abandons or attempts to abandon the Premises or removes its property from the Premises other than in the Tenant's usual course of business; or (d) the Premises are vacant or unoccupied for a period of ten (10) consecutive days.

Upon termination by either party hereunder, (i) the Tenant agrees to vacate the Premises and the Project immediately in accordance with Section 14 of this Lease and to leave the Premises in as good a condition as it was in at the commencement of the Term; and (ii) in the event of default by the Tenant

the full amount of the current month's and the next 3 months' instalments of Rent (plus applicable GST) will become due and payable and such termination shall be without prejudice to the rights of the Landlord to recover arrears of Rent under this Lease or damages for loss of Rent suffered by reason of this Lease having been prematurely terminated.

17 **TRANSFER:** The Tenant shall not assign or transfer this Lease (which includes a mortgage, charge or debenture (floating or otherwise) or other encumbrance of this Lease or the Premises or any part of them), nor sublet any part of the Premises nor part with or share possession of the Premises with a third party or undergo a change in effective voting control without the Landlord's consent, which consent may not be unreasonably or arbitrarily withheld.

18 **NOTICES:** Any notice under this Lease will be considered to be effectively given on the date it is delivered in person to the address shown on Page 1 of this Lease (or at such other address as either the Landlord or the Tenant may designate in writing from time to time).

19 **LIMITATION OF RECOURSE:** Notwithstanding any other provision contained in this Lease, the obligations of, and rights against, the Landlord under this Lease shall be enforced against, and recourse hereunder shall be had only after judgment and only against, the right, title and interest of the Landlord from time to time in, and the Landlord's revenues accrued from, the Premises. No recourse shall be had, judgment issued or execution or other process levied against, the Landlord (except only to the extent necessary for enforcement under the first sentence of this Section 19) or against any other assets or revenues of the Landlord.

20 **OVERHOLDING:** If the Tenant remains in possession of the Premises after the Term with the consent of the Landlord but without executing a new lease, the Tenant will be deemed to be occupying the Premises on a month-to-month basis.

21 **NO WAIVER:** It is agreed that any condoning, excusing or overlooking by either party of any default, breach or non-observance by the other at any time or times in respect of any covenant, agreement, proviso or condition herein contained shall not operate as a waiver of either party's rights hereunder in respect of any subsequent default, breach, or non-observance, nor as to defeat or affect in any way the rights of the party herein in respect of any such subsequent default, breach or non-observance.

22 **LAWS:** This Lease will be construed in accordance with the laws the Province of Manitoba.

23 **TIME OF ESSENCE:** Time is of the essence of this Lease.

24 **BINDING:** This Lease shall ensure to the benefit of and be binding upon the parties hereto, the successors and assigns of the Landlord and the heirs, executors, administrators, permitted successors and permitted assigns of the Tenant. If there is more than one Tenant, each is bound jointly and severally by this Lease.

IN WITNESS WHEREOF the parties have duly executed this Lease.

LANDLORD:
NYGARD PROPERTIES LTD

By:

Name: PETER NYGARD
Title: CHAIRMAN

C/S

TENANT:
NYGARD INTERNATIONAL PARTNERSHIP

By:

Name: KEN GRONDIN
Title: CEO

C/S

I have the authority to bind the Corporation

I have the authority to bind the Partnership

SCHEDULE "A"

SCHEDULE "B"

RULES AND REGULATIONS

- 1 In regard to the use and occupancy of the Premises, the Tenant shall:
 - (a) keep the inside and outside of all glass in the doors and windows of the Premises and all exterior storefront surfaces of the Premises clean;
 - (b) replace promptly, at its expense, any cracked or broken window glass of the Premises with glass of like kind and quality;
 - (c) maintain the Premises, at its expense, in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests, and the Tenant shall use, at the cost of the Tenant, such pest extermination contractor as the Landlord may direct and at such intervals as the Landlord may require;
 - (d) keep any garbage, trash, rubbish or refuse in containers as approved by the Landlord within the interior of the Premises until removed as herein provided;
 - (e) have such garbage, trash, rubbish and refuse removed at its expense on a regular basis as prescribed by the Landlord.
- 2 No animals or birds shall be brought into the Premises except as permitted by this Lease.
- 3 The Project is a non-smoking facility. Smoking is not permitted in or about the Premises except as designated by the Landlord.

THIS LEASE RENEWAL AGREEMENT effective as of the 1st day of June, 2007, and is made between:

NYGARD PROPERTIES LTD

1771 Inkster Boulevard
Winnipeg, MB
R2X 1R3

"LANDLORD"

- and -

NYGARD INTERNATIONAL PARTNERSHIP

1771 Inkster Boulevard
Winnipeg, MB
R2X 1R3

"TENANT"

BACKGROUND:

This Lease Renewal Agreement ("Renewal Agreement") effective June 1st, 2007, by and between Nygard Properties Ltd. ("Landlord") and Nygård International Partnership ("Tenant").

1

Original Lease

.1

Landlord and Tenant had entered into a lease agreement described above on June 1st, 2002 (the "Original Lease"). The Original Lease expired on May 31st, 2007. All terms, conditions, and provisions of the said Original Lease are hereby incorporated and remain in effect unless otherwise amended herein.

.2

Landlord and Tenant mutually agree to amend the Original Lease as follows:

2

Renewal Terms and Conditions

.1

Original Lease is extended for the term of twenty-five years. The renewed lease will begin on June 1st, 2007 and will end on May 31st, 2032 ("Renewal Term").

.2

Rent being charged to Tenant for the Premises is set out in Schedule of Rent (plus applicable taxes) attached as Schedule "A". Rent also includes all parking charges as more particularly described in Section 3 of the Lease. As of June 1st, 2020, the Rent amount shall be negotiated and agreed to by the Landlord and Tenant, with reference to applicable market rent for similar premises in the geographic location of the Premises.

3

General Provisions

.1

This Renewal Agreement will inure to the benefit of and be binding upon the respective successors, assigns, heirs, executors and/or administrator of both Parties.


.2

This Renewal Agreement is governed, construed, under the laws of Ontario.

IN WITNESS WHEREOF the parties have duly executed this Lease Renewal Agreement.

LANDLORD:
NYGARD PROPERTIES LTD


By:



Name: Denis LaPointe
Title: Director

TENANT:
NYGARD INTERNATIONAL PARTNERSHIP

By:



Name: Denis LaPointe
Title: President

SCHEDULE "A"

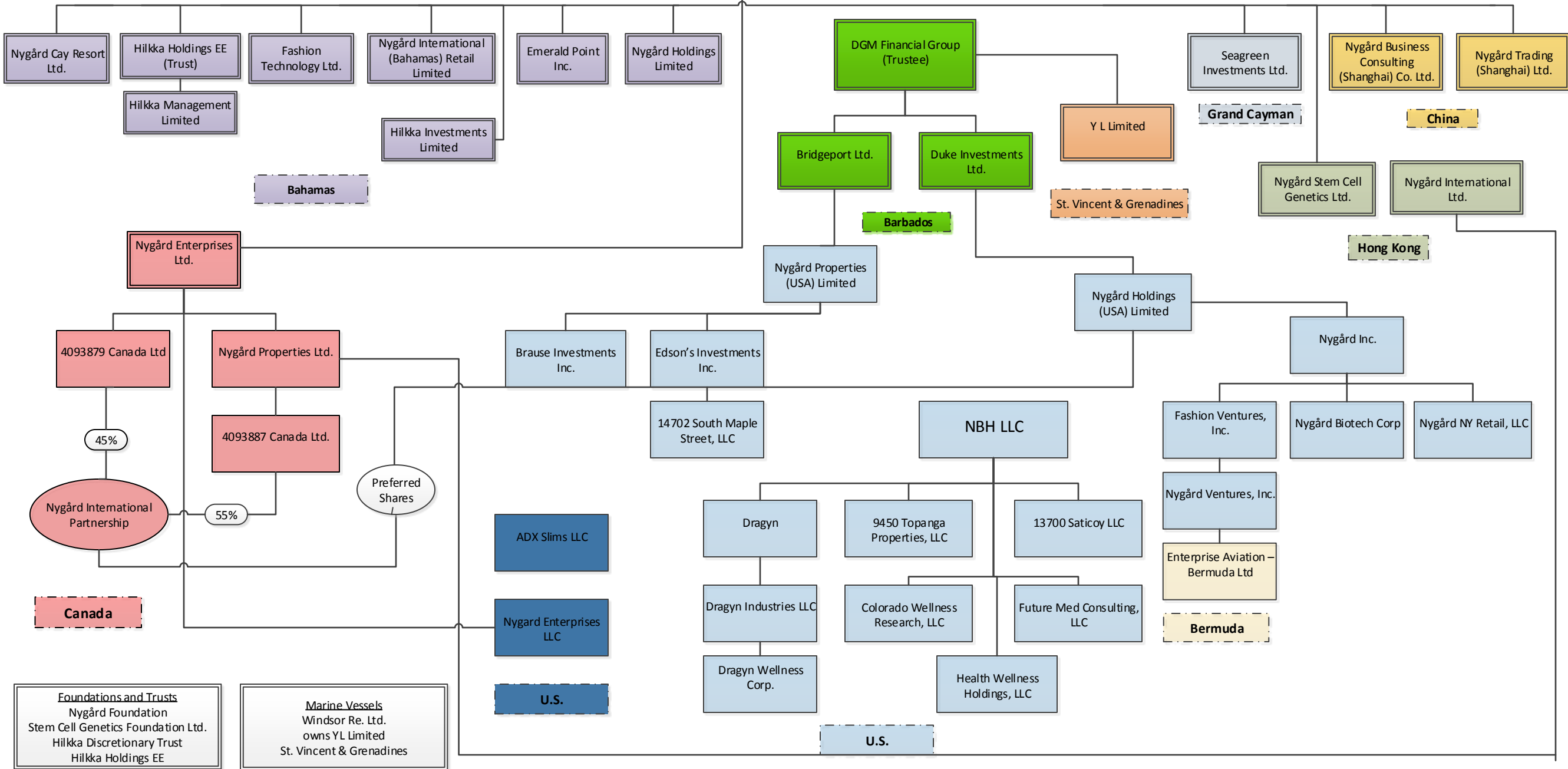
Schedule of Rent for One Niagara Street, Toronto, ON

MONTHLY RENT	RENT AMOUNT
June 1st, 2007 to May 31st, 2008	41,473.00
June 1st, 2008 to May 31st, 2009	42,717.00
June 1st, 2009 to May 31st, 2010	43,998.50
June 1st, 2010 to May 31st, 2011	45,318.42
June 1st, 2011 to May 31st, 2012	45,318.42
June 1st, 2012 to May 31st, 2013	45,318.42
June 1st, 2013 to May 31st, 2014	45,573.38
June 1st, 2014 to May 31st, 2015	45,573.38
June 1st, 2015 to May 31st, 2016	45,573.38
June 1st, 2016 to May 31st, 2017	45,573.38
June 1st, 2017 to May 31st, 2018	45,573.38
June 1st, 2018 to May 31st, 2019	45,573.38
June 1st, 2019 to May 31st, 2020	45,573.38

APPENDIX E

CORPORATE ORGANIZATION CHART
UPDATED – as of March 3, 2020

PETER NYGÅRD



APPENDIX F



Home



My Network



Jobs



Messaging



Notifications

Me



Work

Try Premium
for 1 Month

NYGÅRD

NYGÅRD International

Apparel & Fashion · Winnipeg, MB · 4,360 followers

See all 373 employees on LinkedIn

Follow

Visit website

More

Home

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Posts

Jobs

People

Overview

NYGÅRD is a privately held company controlled by its Founder & Chairman, Peter Nygård. The company was founded in 1967, & is the North American fashion industry leader in developing & operating a "fast to market" automated supply chain merchandising & logistics systems (NR5) that electronically manages garment flow from original design to FMO (Floor Model Order) to shop-floor manufacturing to wholesale warehousing & distribution. NYGÅRD's proprietary systems are fully integrated with retail customer Point-of-Sale systems for real-time performance tracking & SRI (Size Replenishment Inventory) automated replenishment of fashion inventory.

The company has continuously expanded over the last 40 years, its steadily & rapidly growing Retail division consists of over 150 dedicated stores in North America, over 6,000 Department Store 'soft shops' worldwide, & over 1 million square feet of distribution space in North America - shipping close to 40 million garments annually. NYGÅRD also maintains its vibrant online presence at www.Nygard.com.

Along with its new World Headquarters located in the heart of Times Square, the company lays claim to complete design, production & distribution facilities in Los Angeles, Toronto & Winnipeg and superb research & design studios worldwide. NYGÅRD brands; Peter Nygård, Bianca Nygård, NYGÅRD Collection, TanJay, ALIA, Allison Daley & private brands - offer great fashion, value, quality & a consistent fit - for consumers at all price points.

Website <http://corporate.nygard.com>

Industry Apparel & Fashion

Company size 1,001-5,000 employees
373 on LinkedIn

Headquarters Winnipeg, MB

Type Privately Held

Founded 1967

Specialties Women's Fashion

Locations (3)

Interact with the map to explore all locations



Pages people also viewed

NYGARD

Retail

9 followers

+ Follow



Peerless Clothing Inc.

Apparel & Fashion

3,318 followers

+ Follow



Canada Goose

Apparel & Fashion

69,220 followers

+ Follow

See all similar pages

Messaging





3

Home

My Network

Jobs

Messaging

Noti



Messaging



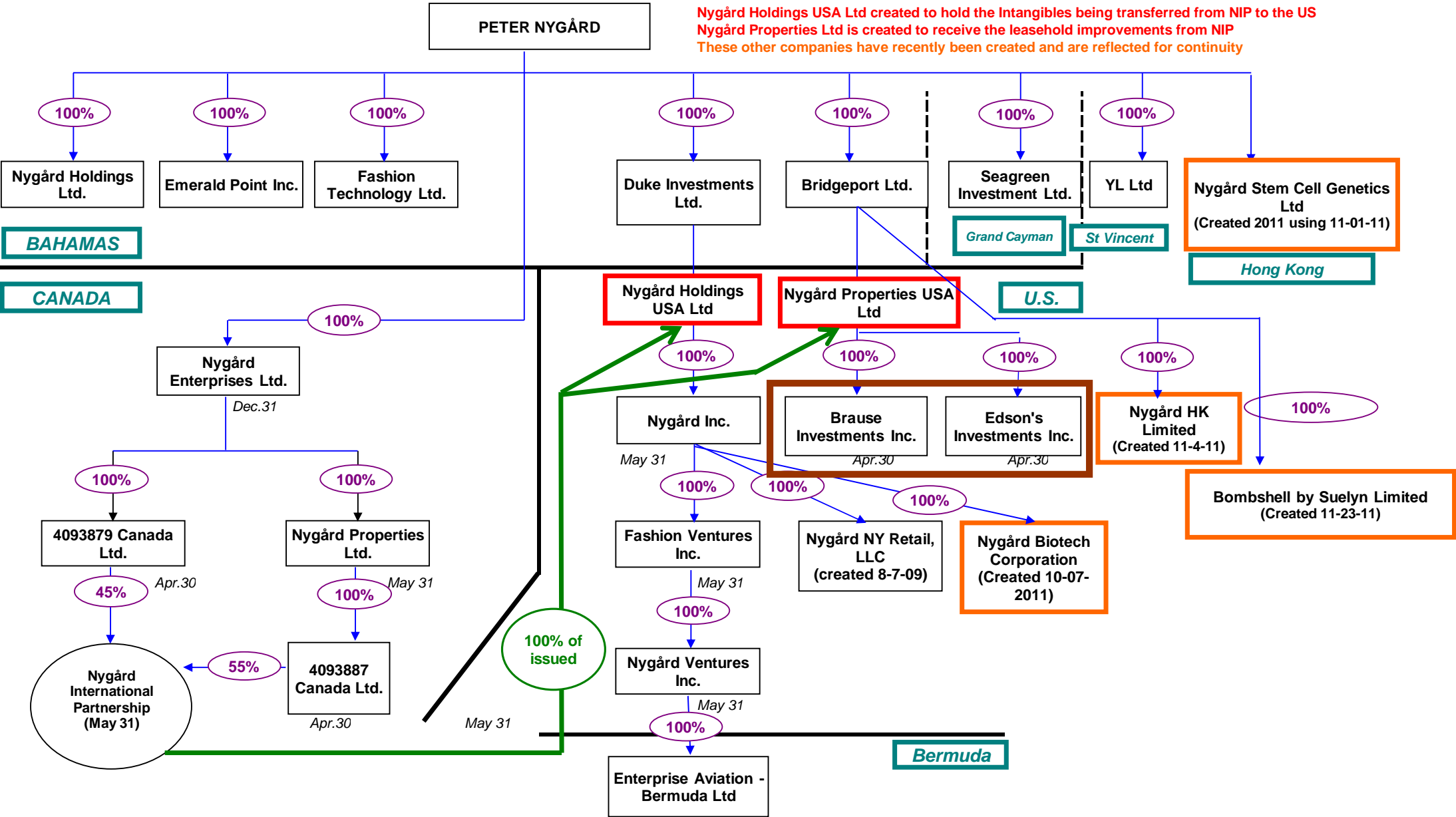
APPENDIX G

NYGÅRD GROUP OF COMPANIES

Corporate Structure

As of May 31, 2012

DB 06-25-12 -- Slight modification to account for actual ownership though know in Dec-11 not properly reflected at that time.



APPENDIX H

**NYGARD INC.
NYGÅRD HOLDINGS (USA) LIMITED
FASHION VENTURES, INC.**

Omnibus Officer's Certificate

December 30, 2019

I, Tiina Tulikorpi, do hereby certify that I am the duly appointed and acting President of Nygård Holdings (USA) Limited, a Delaware corporation ("Nygard Holdings"), the Treasurer and Secretary of Nygard Inc., a Delaware corporation ("Nygard"), and the Treasurer and Chief Financial Officer of FASHION VENTURES, INC., a California corporation ("Fashion Ventures") and together with Nygard Holdings and Nygard, each entity individually, a "Company" and collectively, the "Companies", and that, as such, I am authorized to execute and deliver this certificate in connection with the Credit Agreement, dated as of the date hereof (the "Credit Agreement"), among the Companies, the lenders party thereto (each, a "Lender" and collectively, the "Lenders"), White Oak Commercial Finance, LLC, as agent for the Lenders (the "Agent"), and the other parties party thereto. Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement.

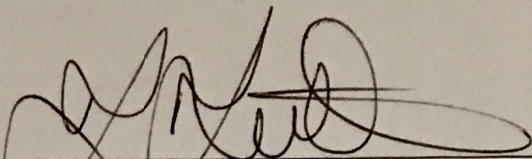
I further certify to the Agent and the Lenders, in my capacity as an officer of each of the Companies and not in an individual capacity, that:

1. Attached hereto as Exhibits A-1 and A-3, respectively, is a true, correct and complete copy of the by-laws of each Company (collectively, the "Governing Documents"), including all amendments thereto, if any, as in full force and effect on the date hereof. No actions or proceedings for the amendment, modification or rescission of the Governing Documents are pending or contemplated.
2. Attached hereto as Exhibits B-1 and B-3, respectively, is a true, correct and complete copy of the certificate of incorporation or articles of incorporation, as applicable, of each Company (collectively, the "Charter Documents"), including all amendments thereto, if any, as in full force and effect on the date hereof and certified by the Secretary of State of the State of Delaware or the Secretary of State of the State of California, as applicable. No action has been taken by any Company or by the stockholders, directors or officers of any Company in contemplation of the filing of any amendment to any Charter Document, and no action or proceeding with respect to liquidation or dissolution of any Company is pending or contemplated.
3. Attached hereto as Exhibits C-1 and C-3, respectively, is a true and correct copy of the resolutions duly adopted by the board of directors of each Company authorizing, among other things, the execution and delivery of the Credit Agreement, the Loan Documents and all other agreements, documents and instruments executed in connection therewith to which such Company is a party and the consummation of the transactions contemplated thereby. Such resolutions or any company actions taken pursuant thereto have not been amended, superseded, modified or rescinded, and such resolutions are in full force and effect on the date hereof.

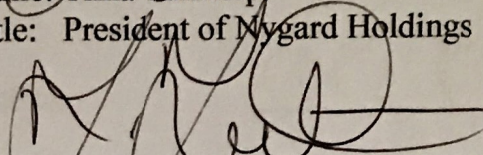
4. Each of the officers listed on Exhibit D hereto are at the date hereof the duly elected or appointed, qualified and acting incumbents of the offices set forth opposite their respective names, and the signatures set forth opposite said offices are their true and correct signatures and each is authorized to execute, on behalf of the respective Company, the Credit Agreement, the Loan Documents and all other agreements, documents and instruments executed in connection therewith to which such Company is a party.
5. Attached hereto as Exhibits E-1 and E-3, respectively, is a certificate of good standing of each Company certified by the Secretary of State of the State of Delaware, the Secretary of State of the State of California or the Executive Deputy Secretary of State of the Department of State of the State of New York, as applicable.
6. Jones Day is entitled to rely on this certificate in connection with the opinion it is rendering pursuant to Section 4.01(a)(v) of the Credit Agreement.

[Signature Pages Follow]

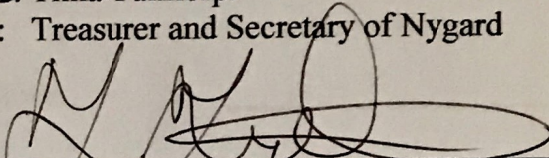
IN WITNESS WHEREOF, I have hereunto set my hand as President, Treasurer, Secretary and/or Chief Financial Officer, as applicable, of each Company as of the date first above written.



Name: Tiina Tulikorpi
Title: President of Nygard Holdings



Name: Tiina Tulikorpi
Title: Treasurer and Secretary of Nygard



Name: Tiina Tulikorpi
Title: Treasurer and Chief Financial Officer of Fashion Ventures

I, Angela Dyborn, as Secretary or Senior Special Projects Manager, as applicable, of Fashion Ventures and Nygard, do hereby certify that Tiina Tulikorpi is the duly elected and qualified Treasurer and Chief Financial Officer of Fashion Ventures and the duly elected and qualified Treasurer and Secretary of Nygard, and that her signature set forth above is her genuine signature and that she is authorized on behalf of each of Fashion Ventures and Nygard to deliver the foregoing certificate.

IN WITNESS WHEREOF, I have hereunto set my hand as Secretary or Senior Special Projects Manager, as applicable, of Fashion Ventures and Nygard as of the date first above written.

Name: Angela Dyborn
Title: Secretary of Fashion Ventures

Name: Angela Dyborn
Title: Senior Special Projects Manager of Nygard

IN WITNESS WHEREOF, I have hereunto set my hand as President, Treasurer, Secretary and/or Chief Financial Officer, as applicable, of each Company as of the date first above written.

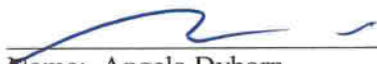
Name: Tiina Tulikorpi
Title: President of Nygard Holdings

Name: Tiina Tulikorpi
Title: Treasurer and Secretary of Nygard


Name: Tiina Tulikorpi
Title: Treasurer and Chief Financial Officer of Fashion Ventures

I, Angela Dyborn, as Secretary or Senior Special Projects Manager, as applicable, of Fashion Ventures and Nygard, do hereby certify that Tiina Tulikorpi is the duly elected and qualified Treasurer and Chief Financial Officer of Fashion Ventures and the duly elected and qualified Treasurer and Secretary of Nygard, and that her signature set forth above is her genuine signature and that she is authorized on behalf of each of Fashion Ventures and Nygard to deliver the foregoing certificate.

IN WITNESS WHEREOF, I have hereunto set my hand as Secretary or Senior Special Projects Manager, as applicable, of Fashion Ventures and Nygard as of the date first above written.



Name: Angela Dyborn
Title: Secretary of Fashion Ventures

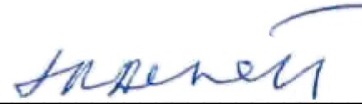


Name: Angela Dyborn
Title: Senior Special Projects Manager of Nygard

[Signature Page to Omnibus Officer's Certificate]

I, James Bennett, as Secretary and Treasurer of Nygard Holdings, do hereby certify that Tiina Tulikorpi is the duly elected and qualified President of Nygard Holdings, and that her signature set forth above is her genuine signature and that she is authorized on behalf of Nygard Holdings to deliver the foregoing certificate.

IN WITNESS WHEREOF, I have hereunto set my hand as Secretary and Treasurer of Nygard Holdings as of the date first above written.



Name: James Bennett

Title: Secretary and Treasurer of Nygard Holdings

NYGARD INC.

**Action of the Board of Directors
Taken by Unanimous Written Consent**

December 30, 2019

The undersigned, being all of the members of the Board of Directors (the “Governing Body”) of Nygard Inc., a Delaware corporation (the “Loan Party”), hereby consent to the adoption of the resolutions attached hereto as Exhibit A by unanimous written consent without a meeting of the Governing Body with the same force and effect as if such resolutions were approved and adopted at a duly convened meeting of the Governing Body.

This written consent may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall form a single instrument. This written consent shall be effective as of the date first written above when executed by all of the members of the Governing Body in the places designated for their signatures below.

Upon execution of this written consent, the undersigned hereby direct this consent to be filed in the minute book of the Loan Party.



Greg Fenske

James Bennett

Tiina Tulikorpi

[Resolutions to Follow]

NYGARD INC.

**Action of the Board of Directors
Taken by Unanimous Written Consent**

December 30, 2019

The undersigned, being all of the members of the Board of Directors (the “Governing Body”) of Nygard Inc., a Delaware corporation (the “Loan Party”), hereby consent to the adoption of the resolutions attached hereto as Exhibit A by unanimous written consent without a meeting of the Governing Body with the same force and effect as if such resolutions were approved and adopted at a duly convened meeting of the Governing Body.

This written consent may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall form a single instrument. This written consent shall be effective as of the date first written above when executed by all of the members of the Governing Body in the places designated for their signatures below.

Upon execution of this written consent, the undersigned hereby direct this consent to be filed in the minute book of the Loan Party.

Greg Fenske



James Bennett

Tiina Tulikorpi

[Resolutions to Follow]

NYGARD INC.

**Action of the Board of Directors
Taken by Unanimous Written Consent**

December30, 2019

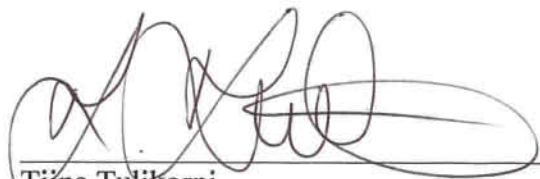
The undersigned, being all of the members of the Board of Directors (the "Governing Body") of Nygard Inc., a Delaware corporation (the "Loan Party"), hereby consent to the adoption of the resolutions attached hereto as Exhibit A by unanimous written consent without a meeting of the Governing Body with the same force and effect as if such resolutions were approved and adopted at a duly convened meeting of the Governing Body.

This written consent may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall form a single instrument. This written consent shall be effective as of the date first written above when executed by all of the members of the Governing Body in the places designated for their signatures below.

Upon execution of this written consent, the undersigned hereby direct this consent to be filed in the minute book of the Loan Party.

Greg Fenske

James Bennett



Tiina Tulikorpi

[Resolutions to Follow]

Exhibit A

Capitalized terms used but not defined herein shall have the meaning given to them in the resolution cover pages.

Recitals

WHEREAS, the Loan Party intends to enter into that certain Credit Agreement, dated as of the date hereof (the “Credit Agreement”), among the Loan Party, the other loan parties party thereto, the financial institutions party thereto as lenders (the “Lenders”) and White Oak Commercial Finance, LLC, as agent for the Lenders (in such capacity, the “Agent”);

WHEREAS, the Loan Party desires to secure all of its obligations under the Loan Documents (as such term is defined in the Credit Agreement) by granting to the Agent, for the benefit of the Agent and the Lenders, a perfected lien upon substantially all of its personal and owned real property; and

WHEREAS, the Governing Body has determined that the Loan Party will derive substantial benefits from the Credit Agreement.

NOW THEREFORE BE IT RESOLVED:

Officers

RESOLVED, that, the following persons are hereby elected, or confirmed to have previously been elected, to the offices of the Loan Party set opposite his or her respective name, to serve until his or her respective successor is appointed or until his or her earlier resignation, removal or death:

Greg Fenske	Chief Executive Officer and President
Tiina Tulikorpi	Treasurer and Secretary
Angela Dyborn	Senior Special Projects Manager

Bylaws

RESOLVED, that, Section 1 of Article VII of the Bylaws of the Loan Party is hereby amended and restated in its entirety as follows:

“Section 1. Certificates of Stock. The certificates for shares of the capital stock of the Corporation shall be in such form, not inconsistent with that required by law and the Certificate of Incorporation, as shall be approved by the Board of Directors. Such certificates shall be signed by, or in the name of the Corporation by, any two duly appointed officers of the Corporation. Any or all of the signatures upon such certificates may be facsimiles, engraved or printed. The stock record books and the blank stock certificate books shall be kept by the Secretary, or at the office of such transfer agent or transfer agents

as the Board of Directors may from time to time determine. In case any officer, transfer agent or registrar who shall have signed or whose facsimile signature or signatures shall have been placed upon any such certificate or certificates shall have ceased to be such officer, transfer agent or registrar before such certificate is issued by the Corporation, such certificate may nevertheless be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue. The stock certificates shall be consecutively numbered and shall be entered in the books of the Corporation as they are issued and shall exhibit the holder's name and number of shares."

Any actions previously taken by any duly appointed officer of the Loan Party, during the time that such person served as an officer of the Loan Party, related to the stock certificates of the Loan Party are hereby ratified, confirmed and approved in all respects.

Loan Documents

RESOLVED, that the Credit Agreement, in the form approved by any officer or officers of the Loan Party (each, an "Authorized Officer" and collectively, the "Authorized Officers"), and any and all amendments, amendments and restatements or other modifications to the Credit Agreement (including amendments increasing the maximum amount of credit available thereunder and/or extending the maturity date of the same), and the transactions, other actions and instruments contemplated by or incident to the Credit Agreement, be and hereby are authorized, confirmed, ratified and approved;

FURTHER RESOLVED, that any promissory notes (the "Notes"), made by the Loan Party in favor of any Lender, in the form approved by any Authorized Officer, and any and all amendments, amendments and restatements or other modifications thereto (including amendments increasing the maximum amount of credit available thereunder and/or extending the maturity date of the same), and the transactions, other actions and instruments contemplated by or incident to the Notes, be and hereby are authorized, confirmed, ratified and approved;

FURTHER RESOLVED, that the Security Agreement (the "Security Agreement"), among the Loan Party, the other grantors party thereto and the Agent, in the form approved by any Authorized Officer, and any and all amendments, amendments and restatements or other modifications to the Security Agreement, and the transactions (including the granting of security interests with respect to substantially all of the Loan Party's assets), and all other actions and instruments contemplated by or incident to the Security Agreement, be and hereby are authorized, confirmed, ratified and approved;

FURTHER RESOLVED, that all other Loan Documents, in the form approved by any Authorized Officer, and any and all amendments, amendments and restatements or other modifications thereto, and the transactions, and all other actions and instruments contemplated by or incident to the other Loan Documents, be and hereby are authorized, confirmed, ratified and approved; and

FURTHER RESOLVED, that the Loan Party is hereby authorized, empowered and directed to perform its obligations under the Credit Agreement, the Notes, the Security

Agreement and each of the other Loan Documents to which it is a party (collectively, the “Debt Documents”).

Nygard NY Retail, LLC Actions

RESOLVED, that any Authorized Officer, be and each of them hereby is, authorized, empowered and directed to act for and on behalf of the Loan Party in its capacity as sole member and sole manager of Nygard NY Retail, LLC (“Nygard”) to approve and effect the transactions, actions and instruments contemplated to be performed or executed by Nygard in connection with the Debt Documents, including by the execution of a written consent of the sole member and sole manager of Nygard adopting and approving resolutions that authorize, empower and direct the officers of the Loan Party to effect such transactions.

General

RESOLVED, that any Authorized Officer, be and each of them hereby is, authorized, empowered and directed to (a) execute and deliver, for and on behalf of the Loan Party, the Debt Documents, together with any other agreements, documents or instruments including but not limited to intercreditor agreements, documents, mortgages, assignments, collateral assignments, financing statements, landlord agreements, pledges, control agreements and instruments in connection therewith and any schedules, exhibits, annexes or attachments thereto, in each case with such changes therein, additions thereto or omissions therefrom as such Authorized Officers may deem necessary, advisable or appropriate, such execution and delivery by any such Authorized Officer to be conclusive evidence of such authorization and approval from and by the Governing Body of the Loan Party and (b) execute such other documents and instruments, and do and perform such other acts and things as such Authorized Officer deems necessary, expedient or appropriate to effect the resolutions set forth above;

FURTHER RESOLVED, that any and all actions heretofore or hereafter taken by the Authorized Officers, or any of them, within the foregoing resolutions, be and each of them is hereby, adopted, ratified, confirmed and approved;

FURTHER RESOLVED, that the Authorized Officers be, and each of them hereby is, authorized and empowered in the name and on behalf of the Loan Party, to execute and deliver such additional agreements, instruments and documents, and to take or cause to be taken such other actions, as such Authorized Officer or Authorized Officers may determine to be necessary or advisable to implement the purposes and intent of the foregoing resolutions; each such agreement, instrument and document to be in such form and to contain such terms and conditions, consistent with the foregoing resolutions, as such Authorized Officer or Authorized Officers executing the same may approve, the execution and delivery of any such agreement, instrument or document by any such Authorized Officer or the taking of such action to be conclusive evidence of such authorization and approval from and by the Governing Body of the Loan Party;

FURTHER RESOLVED, that the Loan Party's execution, delivery and performance of each of the documents and transactions described in the foregoing resolutions is necessary and convenient, incidental and related to the conduct, promotion or attainment of the business and purposes of the Loan Party; and

FURTHER RESOLVED, that any prior acts of the Governing Body of the Loan Party or the Authorized Officers related to the Bylaws of the Loan Party, the stock certificates of the Loan Party or the Debt Documents or the transactions contemplated by any of the foregoing are hereby ratified, confirmed and approved in all respects.

[Remainder of Page Intentionally Left Blank]

NYGÅRD HOLDINGS (USA) LIMITED

**Action of the Board of Directors
Taken by Unanimous Written Consent**

December 27, 2019

The undersigned, being all of the members of the Board of Directors (the “Governing Body”) of Nygård Holdings (USA) Limited, a Delaware corporation (the “Loan Party”), hereby consent to the adoption of the resolutions attached hereto as Exhibit A by unanimous written consent without a meeting of the Governing Body with the same force and effect as if such resolutions were approved and adopted at a duly convened meeting of the Governing Body.

This written consent may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall form a single instrument. This written consent shall be effective as of the date first written above when executed by all of the members of the Governing Body in the places designated for their signatures below.

Upon execution of this written consent, the undersigned hereby direct this consent to be filed in the minute book of the Loan Party.



Greg Fenske

James Bennett

Tiina Tulikorpi

[Resolutions to Follow]

NYGÅRD HOLDINGS (USA) LIMITED

**Action of the Board of Directors
Taken by Unanimous Written Consent**

December 27, 2019

The undersigned, being all of the members of the Board of Directors (the “Governing Body”) of Nygård Holdings (USA) Limited, a Delaware corporation (the “Loan Party”), hereby consent to the adoption of the resolutions attached hereto as Exhibit A by unanimous written consent without a meeting of the Governing Body with the same force and effect as if such resolutions were approved and adopted at a duly convened meeting of the Governing Body.

This written consent may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall form a single instrument. This written consent shall be effective as of the date first written above when executed by all of the members of the Governing Body in the places designated for their signatures below.

Upon execution of this written consent, the undersigned hereby direct this consent to be filed in the minute book of the Loan Party.

Greg Fenske



James Bennett

Tiina Tulikorpi

[Resolutions to Follow]

NYGÅRD HOLDINGS (USA) LIMITED

**Action of the Board of Directors
Taken by Unanimous Written Consent**

December 27, 2019

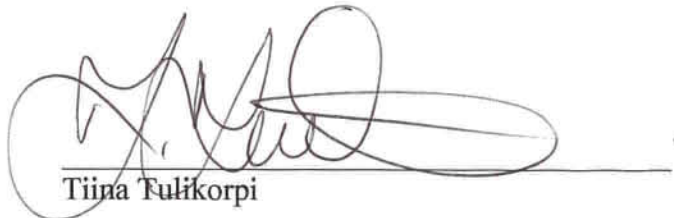
The undersigned, being all of the members of the Board of Directors (the "Governing Body") of Nygård Holdings (USA) Limited, a Delaware corporation (the "Loan Party"), hereby consent to the adoption of the resolutions attached hereto as Exhibit A by unanimous written consent without a meeting of the Governing Body with the same force and effect as if such resolutions were approved and adopted at a duly convened meeting of the Governing Body.

This written consent may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall form a single instrument. This written consent shall be effective as of the date first written above when executed by all of the members of the Governing Body in the places designated for their signatures below.

Upon execution of this written consent, the undersigned hereby direct this consent to be filed in the minute book of the Loan Party.

Greg Fenske

James Bennett



Tiina Tulikorpi

[Resolutions to Follow]

Exhibit A

Capitalized terms used but not defined herein shall have the meaning given to them in the resolution cover pages.

Recitals

WHEREAS, the Loan Party intends to enter into that certain Credit Agreement, (the “Credit Agreement”), among the Loan Party, the other loan parties party thereto, the financial institutions party thereto as lenders (the “Lenders”) and White Oak Commercial Finance, LLC, as agent for the Lenders (in such capacity, the “Agent”);

WHEREAS, the Loan Party desires to secure all of its obligations under the Loan Documents (as such term is defined in the Credit Agreement) by granting to the Agent, for the benefit of the Agent and the Lenders, a perfected lien upon substantially all of its personal and owned real property; and

WHEREAS, the Governing Body has determined that the Loan Party will derive substantial benefits from the Credit Agreement.

NOW THEREFORE BE IT RESOLVED:

Loan Documents

RESOLVED, that the Credit Agreement, in the form approved by any officer or officers of the Loan Party (each, an “Authorized Officer” and collectively, the “Authorized Officers”), and any and all amendments, amendments and restatements or other modifications to the Credit Agreement (including amendments increasing the maximum amount of credit available thereunder and/or extending the maturity date of the same), and the transactions, other actions and instruments contemplated by or incident to the Credit Agreement, be and hereby are authorized, confirmed, ratified and approved;

FURTHER RESOLVED, that any promissory notes (the “Notes”), made by the Loan Party in favor of any Lender, in the form approved by any Authorized Officer, and any and all amendments, amendments and restatements or other modifications thereto (including amendments increasing the maximum amount of credit available thereunder and/or extending the maturity date of the same), and the transactions, other actions and instruments contemplated by or incident to the Notes, be and hereby are authorized, confirmed, ratified and approved;

FURTHER RESOLVED, that the Security Agreement (the “Security Agreement”), among the Loan Party, the other grantors party thereto and the Agent, in the form approved by any Authorized Officer, and any and all amendments, amendments and restatements or other modifications to the Security Agreement, and the transactions (including the granting of security interests with respect to substantially all of the Loan Party’s assets), and all

other actions and instruments contemplated by or incident to the Security Agreement, be and hereby are authorized, confirmed, ratified and approved;

FURTHER RESOLVED, that all other Loan Documents, in the form approved by any Authorized Officer, and any and all amendments, amendments and restatements or other modifications thereto, and the transactions, and all other actions and instruments contemplated by or incident to the other Loan Documents, be and hereby are authorized, confirmed, ratified and approved; and

FURTHER RESOLVED, that the Loan Party is hereby authorized, empowered and directed to perform its obligations under the Credit Agreement, the Notes, the Security Agreement and each of the other Loan Documents to which it is a party (collectively, the "Debt Documents").

Officers

RESOLVED, that, the following persons are hereby elected, or confirmed to have previously been elected, to the offices of the Loan Party set opposite his or her respective name, to serve until his or her respective successor is appointed or until his or her earlier resignation, removal or death:

Greg Fenske	Vice President
Tiina Tulikorpi	President
James Bennett	Secretary and Treasurer

Bylaws

RESOLVED, that, Section 1 of Article V of the Bylaws of the Loan Party is hereby amended and restated in its entirety as follows:

“Section 1. Certificates of Stock. The certificates for shares of the capital stock of the Corporation shall be in such form, not inconsistent with that required by law and the Certificate of Incorporation, as shall be approved by the Board of Directors. Such certificates shall be signed by, or in the name of the Corporation by, any two duly appointed officers of the Corporation. Any or all of the signatures upon such certificates may be facsimiles, engraved or printed. The stock record books and the blank stock certificate books shall be kept by the Secretary, or at the office of such transfer agent or transfer agents as the Board of Directors may from time to time determine. In case any officer, transfer agent or registrar who shall have signed or whose facsimile signature or signatures shall have been placed upon any such certificate or certificates shall have ceased to be such officer, transfer agent or registrar before such certificate is issued by the Corporation, such certificate may nevertheless be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue. The stock certificates shall be consecutively numbered and shall be entered in the books of the Corporation as they are issued and shall exhibit the holder's name and number of shares.”

Any actions previously taken by any duly appointed officer of the Loan Party, during the time that such person served as an officer of the Loan Party, related to the stock certificates of the Loan Party are hereby ratified, confirmed and approved in all respects.

Amendment to Amended and Restated Certificate of Incorporation

WHEREAS, the Governing Body and the stockholders of the Loan Party have determined that it is advisable and in the best interests of the Loan Party to amend the Loan Party's Amended and Restated Certificate of Incorporation as set forth in the Certificate of Amendment to the Amended and Restated Certificate of Incorporation attached hereto as Annex A (the "Certificate of Amendment").

RESOLVED, that, any Authorized Officer of the Loan Party, be, and each of them hereby is, authorized and empowered to execute and deliver, for and on behalf of the Loan Party, the Certificate of Amendment, and to cause the Certificate of Amendment to be filed with the Secretary of State of the State of Delaware or such other appropriate office; and

FURTHER RESOLVED, that any actions previously taken by any duly appointed officer of the Loan Party, during the time that such person served as an officer of the Loan Party, related to the shares of the Loan Party are hereby ratified, confirmed and approved in all respects.

General

RESOLVED, that any Authorized Officer, be and each of them hereby is, authorized, empowered and directed to (a) execute and deliver, for and on behalf of the Loan Party, the Debt Documents, together with any other agreements, documents or instruments including but not limited to intercreditor agreements, documents, mortgages, assignments, collateral assignments, financing statements, landlord agreements, pledges, control agreements and instruments in connection therewith and any schedules, exhibits, annexes or attachments thereto, in each case with such changes therein, additions thereto or omissions therefrom as such Authorized Officers may deem necessary, advisable or appropriate, such execution and delivery by any such Authorized Officer to be conclusive evidence of such authorization and approval from and by the Governing Body of the Loan Party and (b) execute such other documents and instruments, and do and perform such other acts and things as such Authorized Officer deems necessary, expedient or appropriate to effect the resolutions set forth above;

FURTHER RESOLVED, that any and all actions heretofore or hereafter taken by the Authorized Officers, or any of them, within the foregoing resolutions, be and each of them is hereby, adopted, ratified, confirmed and approved;

FURTHER RESOLVED, that the Authorized Officers be, and each of them hereby is, authorized and empowered in the name and on behalf of the Loan Party, to execute and deliver such additional agreements, instruments and documents, and to take or cause to be taken such other actions, as such Authorized Officer or Authorized Officers may determine to be necessary or advisable to implement the purposes and intent of the foregoing

resolutions; each such agreement, instrument and document to be in such form and to contain such terms and conditions, consistent with the foregoing resolutions, as such Authorized Officer or Authorized Officers executing the same may approve, the execution and delivery of any such agreement, instrument or document by any such Authorized Officer or the taking of such action to be conclusive evidence of such authorization and approval from and by the Governing Body of the Loan Party;

FURTHER RESOLVED, that the Loan Party's execution, delivery and performance of each of the documents and transactions described in the foregoing resolutions is necessary and convenient, incidental and related to the conduct, promotion or attainment of the business and purposes of the Loan Party; and

FURTHER RESOLVED, that any prior acts of the Governing Body of the Loan Party or the Authorized Officers related to the Certificate of Amendment, the Bylaws of the Loan Party, the stock certificates of the Loan Party or the Debt Documents or the transactions contemplated any of the foregoing are hereby ratified, confirmed and approved in all respects.

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Annex A

(see attached)

**CERTIFICATE OF AMENDMENT
TO
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION**

Nygård Holdings (USA) Limited, a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the “**Corporation**”),

DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Corporation, by the unanimous written consent of its members, filed with the minutes of the Board of Directors, adopted a resolution proposing and declaring advisable the following amendment to the Amended and Restated Certificate of Incorporation of the Corporation:

RESOLVED, that the Amended and Restated Certificate of Incorporation of the Corporation be amended by replacing the entirety of Article Fourth thereof so that, as amended, said Article shall be read as follows:

FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is 5,500 of which: (i) 4,500 shares shall be Common Stock, \$.0001 par value (“**Common Stock**”), and (ii) 1,000 shares shall be Preferred Stock, \$.0001 par value (“**Preferred Stock**”).

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation:

A. COMMON STOCK

1. General. The dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and preferences of the holders of the Preferred Stock set forth herein.

2. Voting. The holders of Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings). There shall be no cumulative voting.

3. Dividends. Dividends may be declared and paid on the Common Stock from funds lawfully available therefor as and when determined by the Board and subject to any preferential dividend rights of any then outstanding Preferred Stock.

B. PREFERRED STOCK

1. Classes. There shall be two classes of Preferred Stock, Class A-1 Preferred Stock and Class A-2 Preferred Stock. Class A-1 Preferred Stock is represented by Certificate No. P-2. Class A-2 Preferred Stock is represented by Certificate No. P-1.

2. Voting. No Preferred Stock shall have voting rights, including without limitation the right to elect directors.

3. Dividends. The holders of Preferred Stock, in preference to the holders of Common Stock and prior to the payment of any dividend on shares of Common Stock, shall be entitled to receive, if, when and as declared by the Board, dividends on an annual basis as follows:

a. With respect to Class A-1 Preferred Stock, dividends issued at a fixed rate equal to 6.6% of the Preferred Stockholder's Liquidation Amount (as defined below).

b. With respect to Class A-2 Preferred Stock, dividends issued at a fixed rate equal to 4.5% of the Preferred Stockholder's Liquidation Amount (as defined below). Accumulated and unpaid dividends will compound annually (except to the extent previously paid) from and including January 1, 2012.

No adjustment shall be made for inflation or changes in interest rates, commodity prices or similar indices. All dividends payable under this Section B.3 shall be payable in cash. Such dividends will accrue whether or not there are profits, surplus or other funds of the Corporation legally available for the payment of dividends.

4. Liquidation Rights.

a. Liquidation Event. A “**Liquidation Event**” shall be deemed to have occurred if there shall be: (A) any consolidation to which the Corporation shall be a party, (B) any merger in which the Corporation shall not survive, (C) any merger in which the Common Stock outstanding immediately prior to such merger shall be exchanged for or converted into any cash, securities or other property, (D) any complete liquidation of the Corporation or (E) any partial liquidation of the Corporation for which the approval of the holders of Common Stock is required or which is involuntary.

i. For the purposes of Class A-1 Preferred Stock, other than a merger of the Corporation for the purpose of reincorporation in another jurisdiction without a material change in stock ownership, a holder of Class A-1 Preferred Stock shall have the right at any time prior to the consummation of the Liquidation Event and prior and in preference to any distribution of the assets or

surplus funds for distribution to the holders of the Class A-1 Preferred Stock or Common Stock by reason of their ownership thereof, to redeem the Class A-1 Preferred Stock for \$5,304,554.67 plus accrued dividends as of the effective date of the Liquidation Event.

ii. For the purposes of Class A-2 Preferred Stock, the holders of Class A-2 Preferred Stock shall be entitled to receive, prior and in preference to any distribution of any of the assets or surplus funds available for distribution to the holders of the Common Stock by reason of their ownership thereof, an amount equal to \$17,756 per share of Class A-2 Preferred Stock (subject to equitable adjustment in the event of any stock dividend, stock split, combination, reorganization, recapitalization, reclassification, or other similar event affecting the number of outstanding shares of Class A-2 Preferred Stock) held by each Class A-2 preferred stockholder at the time of the Liquidation Event (the "***Liquidation Amount***"). If, upon the occurrence of such Liquidation Event, the assets and funds thus distributed among the holders of the Preferred Stock shall be insufficient to permit the payment to such holders of the full aforesaid preferential amount, then the entire assets and funds of the Corporation legally available for distribution shall be distributed ratably among the holders of the Class A-2 Preferred Stock in proportion to the amount of such stock owned by each such holder.

iii. To the extent that a Liquidation Event constitutes a sale of less than all of the Common Stock of the Corporation or a merger, any unpaid preferential amounts due to the Class A-1 and Class A-2 preferred stockholders under this Section shall continue as accrued obligations of the Corporation or its successor. After payment to the holders of Preferred Stock of the amounts set forth in this Section, the entire remaining assets and funds of the Corporation legally available for distribution, if any, shall be distributed among all holders of Common Stock in proportion to the number of shares of Common Stock then held by them.

b. Notice of Liquidation Event. The Corporation shall give each holder of record of Preferred Stock written notice of any impending transaction which may qualify as a Liquidation Event pursuant to this Section not later than 10 days prior to any stockholders' meeting that may be called to approve such transaction, or 10 days prior to the effective date of such transaction, whichever is earlier, and shall also notify such holders in writing of the final approval of such transaction.

5. Redemption.

a. Class A-1 Redemption. With respect to Class A-1 Preferred Stock, the following provisions apply:

i. Corporation's Redemption Option. Upon or after the first anniversary of the issue date, the Corporation shall have the right to redeem the Class A-1 Preferred Stock for \$5,304,554.67 plus accrued dividends.

ii. Mandatory Redemption. If the Corporation determines to liquidate, dissolve or wind-up its business and affairs, or effect any Liquidation Event, the Corporation shall redeem the Class A-1 Preferred Stock at the then outstanding face amount plus accrued dividends.

iii. Mechanics of Redemption. If the Corporation elects to redeem the Class A-1 Preferred Stock, it shall do so by delivering written notice to the registered holder. Such notice shall be served by electronic means or overnight courier, to the last known address of the holder. Following receipt of the Certificate No. P-2, the Corporation shall pay the redemption price of \$5,304,554.67 plus accrued dividends to the date of redemption. Such payment shall be effected by electronic funds transfer.

b. Class A-2 Redemption. The Class A-2 Preferred Stock is not redeemable for the period of time beginning on the date such Class A-2 Preferred Stock is issued (the "**Issue Date**") and ending on the date which is twenty (20) years and one day following the Issue Date.

6. Remedies.

a. Events of Default. A "**Default**" shall be deemed to exist for purposes of Class A-1 Preferred Stock so long as:

i. any dividends owed shall be past due and shall have been past due for 30 days; or

ii. the principal owed on the Class A-1 Preferred Stock shall be past due; or

iii. the Corporation shall be in breach of any other covenant, agreement or warranty of the Corporation with respect to the Class A-1 Preferred Stock, and such breach shall have continued for at least 30 days after there has been given to the Chief Financial Officer or Treasurer of the Corporation, by a holder of Preferred Stock, a written notice specifying such breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder, or

iv. a decree or order by a court having jurisdiction shall have been entered adjudicating the Corporation a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization of the Corporation under bankruptcy or insolvency legislation or any other applicable Federal, state or

provincial law, and such decree or order shall have been in effect for a period of 60 days; or a decree or order of a court having jurisdiction for the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of the Corporation or of any property of the Corporation or for the winding up or liquidation of its affairs shall be in effect and shall have been in effect for a period of 60 days; or

v. the Corporation or any subsidiary shall have instituted proceedings to be adjudicated a voluntary bankrupt, or shall consent to the filing of a bankruptcy proceeding against it, or shall have filed a petition or answer or consent seeking reorganization under the bankruptcy or insolvency legislation or any other applicable Federal, state or provincial law, or shall have consented to the filing of any such petition, or shall consent to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of it or of its property, or shall have made an assignment for the benefit of creditors, or shall have admitted in writing its inability to pay its debts generally as they become due, or corporate action shall be taken by the Corporation or any subsidiary in furtherance of any of the aforesaid purposes.

A Default shall be deemed to exist whenever prescribed by the terms of this Section regardless of whether such Default shall be voluntary or involuntary or shall result from compliance with any legal requirement or any other circumstance of any kind.

b. Acceleration of Redemption. Whenever a Default exists, the holders of Class A-1 Preferred Stock may declare the principal of this class of shares to be due and payable immediately, by a notice in writing to the Chief Financial Officer or Treasurer of the Corporation, and upon any such declaration such principal (subject to the provisions of Section 4) shall become immediately due and payable.

7. Conversion. No Preferred Stock may be converted to any other class of stock issued by the Corporation.

8. Subordination. The following provisions apply to all classes of Preferred Stock:

a. Extent of Subordination. The indebtedness evidenced by this class of shares shall be subordinate in right of payment to any given Senior Obligation (as defined below) in the manner and to the extent provided (i) in this Section and (ii) in any written commitment which the Corporation may at any time make in good faith with respect to the given Senior Obligation. Without limiting by implication the generality of the preceding sentence, the Corporation shall have the right to enter into commitments with respect to any given Senior Obligation (either at the time such Senior Obligation shall be incurred or at any time

thereafter) which may preclude the Corporation from making payments on the Preferred Stock until all amounts on the Senior Obligation are satisfied. Nothing herein stated shall in any way undermine the right of the shareholder to obtain payment pursuant to the guarantees described below.

b. Senior Obligations. Any obligation of the Corporation evidenced by a mortgage or other evidence of hypothecation or collateralization of real or personal property and any loan extended by a bank shall be deemed to be a “**Senior Obligation**” unless the terms governing such obligation expressly provide that such obligation should not be deemed a “**Senior Obligation**” for purposes of this class of shares.

c. Reorganization Distribution. If any payment or distribution of assets of the Corporation of any kind or character, whether in cash, property or securities, is made to creditors upon any total liquidation of the Corporation, whether voluntary or involuntary, or upon any liquidation or reorganization of the Corporation in bankruptcy, insolvency, receivership or other proceedings, then all amounts due upon all Senior Obligations owed by the Corporation shall first be paid in full or payment thereof duly provided for before the shareholder is entitled to receive or retain any assets so paid or distributed in respect hereof; and upon such liquidation or reorganization any payment or distribution of assets of the Corporation of any kind or character, whether in cash, property or securities, to which the shareholder would be entitled except for these provisions shall be paid by the Corporation, or by any receiver, trustee in bankruptcy, liquidating trustee, agent or other person making such payment or distribution, directly to the holders of Senior Obligations (pro rata on the basis of the respective amounts of the Senior Obligations held by such holders or their representatives), until all such Senior Obligations are paid in full, in money or money’s worth, after giving effect to any concurrent payment or distribution to or for the holders of Senior Obligations, before any payment or distribution is made to the shareholder. If any holder of any Senior Obligation receives any payment or distribution which, except for the provisions of this Section, would have been payable or deliverable with respect to the Preferred Stock, the shareholder shall be subrogated to the rights of the holder of such Senior Obligation.

d. Rights Reserved. The provisions of this Section 8 are for the purpose of defining the relative rights of the holders of Senior Obligations on the one hand and the holder of the Preferred Stock on the other hand. Nothing herein shall impair the Corporation’s obligation to the holder of the Preferred Stock to pay to such shareholder principal and accrued dividends in accordance with the terms of the Preferred Stock. An amount shall be deemed “past due” for the purpose of the Preferred Stock if it shall not be paid when its payment would have been due if this Section 8 had not been applicable. No provision of this Section 8 shall be construed to prevent the holder of the Preferred Stock from exercising all remedies otherwise available under the terms of the Preferred Stock or under applicable securities laws upon the occurrence of Default (including, but not

limited to, acceleration of the maturity of principal owed on the Preferred Stock), no portion of the amounts owed on the Preferred Stock shall be paid by the Corporation until and unless such payment shall be permitted under this Section 8 and any commitment made in accordance with Section 8.

8. Participation in Corporate Growth. Except as otherwise expressly provided in Sections B.3 and B.4 with respect to dividends and payment upon a Liquidation Event or Section B.5 with respect to a redemption, the Preferred Stock shall have no right to participate in (or have any other rights with respect thereto) the earnings or growth of the Corporation.

9. Notices. Any notice required or permitted by the provisions of this Article Fourth to be given to a holder of shares of Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation. or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission.

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders of the Corporation have approved and adopted said amendment by written consent in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, the Corporation has caused this certificate to be signed this
_____ day of December 2019.

By: _____

Name: Greg Fenske

Title: Vice President

NYGARD INC.

**Action of the Board of Directors
Taken by Unanimous Written Consent**

December 30, 2019

The undersigned, being all of the members of the Board of Directors (the “Governing Body”) of Nygard Inc., a Delaware corporation (the “Loan Party”), hereby consent to the adoption of the resolutions attached hereto as Exhibit A by unanimous written consent without a meeting of the Governing Body with the same force and effect as if such resolutions were approved and adopted at a duly convened meeting of the Governing Body.

This written consent may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall form a single instrument. This written consent shall be effective as of the date first written above when executed by all of the members of the Governing Body in the places designated for their signatures below.

Upon execution of this written consent, the undersigned hereby direct this consent to be filed in the minute book of the Loan Party.



Greg Fenske

James Bennett

Tiina Tulikorpi

[Resolutions to Follow]

NYGARD INC.

**Action of the Board of Directors
Taken by Unanimous Written Consent**

December 30, 2019

The undersigned, being all of the members of the Board of Directors (the “Governing Body”) of Nygard Inc., a Delaware corporation (the “Loan Party”), hereby consent to the adoption of the resolutions attached hereto as Exhibit A by unanimous written consent without a meeting of the Governing Body with the same force and effect as if such resolutions were approved and adopted at a duly convened meeting of the Governing Body.

This written consent may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall form a single instrument. This written consent shall be effective as of the date first written above when executed by all of the members of the Governing Body in the places designated for their signatures below.

Upon execution of this written consent, the undersigned hereby direct this consent to be filed in the minute book of the Loan Party.

Greg Fenske



James Bennett

Tiina Tulikorpi

[Resolutions to Follow]

NYGARD INC.

**Action of the Board of Directors
Taken by Unanimous Written Consent**

December30, 2019

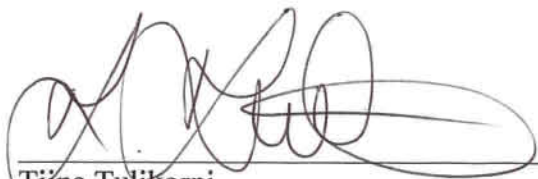
The undersigned, being all of the members of the Board of Directors (the "Governing Body") of Nygard Inc., a Delaware corporation (the "Loan Party"), hereby consent to the adoption of the resolutions attached hereto as Exhibit A by unanimous written consent without a meeting of the Governing Body with the same force and effect as if such resolutions were approved and adopted at a duly convened meeting of the Governing Body.

This written consent may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall form a single instrument. This written consent shall be effective as of the date first written above when executed by all of the members of the Governing Body in the places designated for their signatures below.

Upon execution of this written consent, the undersigned hereby direct this consent to be filed in the minute book of the Loan Party.

Greg Fenske

James Bennett



Tiina Tulikorpi

[Resolutions to Follow]

Exhibit A

Capitalized terms used but not defined herein shall have the meaning given to them in the resolution cover pages.

Recitals

WHEREAS, the Loan Party intends to enter into that certain Credit Agreement, dated as of the date hereof (the "Credit Agreement"), among the Loan Party, the other loan parties party thereto, the financial institutions party thereto as lenders (the "Lenders") and White Oak Commercial Finance, LLC, as agent for the Lenders (in such capacity, the "Agent");

WHEREAS, the Loan Party desires to secure all of its obligations under the Loan Documents (as such term is defined in the Credit Agreement) by granting to the Agent, for the benefit of the Agent and the Lenders, a perfected lien upon substantially all of its personal and owned real property; and

WHEREAS, the Governing Body has determined that the Loan Party will derive substantial benefits from the Credit Agreement.

NOW THEREFORE BE IT RESOLVED:

Officers

RESOLVED, that, the following persons are hereby elected, or confirmed to have previously been elected, to the offices of the Loan Party set opposite his or her respective name, to serve until his or her respective successor is appointed or until his or her earlier resignation, removal or death:

Greg Fenske	Chief Executive Officer and President
Tiina Tulikorpi	Treasurer and Secretary
Angela Dyborn	Senior Special Projects Manager

Bylaws

RESOLVED, that, Section 1 of Article VII of the Bylaws of the Loan Party is hereby amended and restated in its entirety as follows:

"Section 1. Certificates of Stock. The certificates for shares of the capital stock of the Corporation shall be in such form, not inconsistent with that required by law and the Certificate of Incorporation, as shall be approved by the Board of Directors. Such certificates shall be signed by, or in the name of the Corporation by, any two duly appointed officers of the Corporation. Any or all of the signatures upon such certificates may be facsimiles, engraved or printed. The stock record books and the blank stock certificate books shall be kept by the Secretary, or at the office of such transfer agent or transfer agents

as the Board of Directors may from time to time determine. In case any officer, transfer agent or registrar who shall have signed or whose facsimile signature or signatures shall have been placed upon any such certificate or certificates shall have ceased to be such officer, transfer agent or registrar before such certificate is issued by the Corporation, such certificate may nevertheless be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue. The stock certificates shall be consecutively numbered and shall be entered in the books of the Corporation as they are issued and shall exhibit the holder's name and number of shares."

Any actions previously taken by any duly appointed officer of the Loan Party, during the time that such person served as an officer of the Loan Party, related to the stock certificates of the Loan Party are hereby ratified, confirmed and approved in all respects.

Loan Documents

RESOLVED, that the Credit Agreement, in the form approved by any officer or officers of the Loan Party (each, an "Authorized Officer" and collectively, the "Authorized Officers"), and any and all amendments, amendments and restatements or other modifications to the Credit Agreement (including amendments increasing the maximum amount of credit available thereunder and/or extending the maturity date of the same), and the transactions, other actions and instruments contemplated by or incident to the Credit Agreement, be and hereby are authorized, confirmed, ratified and approved;

FURTHER RESOLVED, that any promissory notes (the "Notes"), made by the Loan Party in favor of any Lender, in the form approved by any Authorized Officer, and any and all amendments, amendments and restatements or other modifications thereto (including amendments increasing the maximum amount of credit available thereunder and/or extending the maturity date of the same), and the transactions, other actions and instruments contemplated by or incident to the Notes, be and hereby are authorized, confirmed, ratified and approved;

FURTHER RESOLVED, that the Security Agreement (the "Security Agreement"), among the Loan Party, the other grantors party thereto and the Agent, in the form approved by any Authorized Officer, and any and all amendments, amendments and restatements or other modifications to the Security Agreement, and the transactions (including the granting of security interests with respect to substantially all of the Loan Party's assets), and all other actions and instruments contemplated by or incident to the Security Agreement, be and hereby are authorized, confirmed, ratified and approved;

FURTHER RESOLVED, that all other Loan Documents, in the form approved by any Authorized Officer, and any and all amendments, amendments and restatements or other modifications thereto, and the transactions, and all other actions and instruments contemplated by or incident to the other Loan Documents, be and hereby are authorized, confirmed, ratified and approved; and

FURTHER RESOLVED, that the Loan Party is hereby authorized, empowered and directed to perform its obligations under the Credit Agreement, the Notes, the Security

Agreement and each of the other Loan Documents to which it is a party (collectively, the “Debt Documents”).

Nygard NY Retail, LLC Actions

RESOLVED, that any Authorized Officer, be and each of them hereby is, authorized, empowered and directed to act for and on behalf of the Loan Party in its capacity as sole member and sole manager of Nygard NY Retail, LLC (“Nygard”) to approve and effect the transactions, actions and instruments contemplated to be performed or executed by Nygard in connection with the Debt Documents, including by the execution of a written consent of the sole member and sole manager of Nygard adopting and approving resolutions that authorize, empower and direct the officers of the Loan Party to effect such transactions.

General

RESOLVED, that any Authorized Officer, be and each of them hereby is, authorized, empowered and directed to (a) execute and deliver, for and on behalf of the Loan Party, the Debt Documents, together with any other agreements, documents or instruments including but not limited to intercreditor agreements, documents, mortgages, assignments, collateral assignments, financing statements, landlord agreements, pledges, control agreements and instruments in connection therewith and any schedules, exhibits, annexes or attachments thereto, in each case with such changes therein, additions thereto or omissions therefrom as such Authorized Officers may deem necessary, advisable or appropriate, such execution and delivery by any such Authorized Officer to be conclusive evidence of such authorization and approval from and by the Governing Body of the Loan Party and (b) execute such other documents and instruments, and do and perform such other acts and things as such Authorized Officer deems necessary, expedient or appropriate to effect the resolutions set forth above;

FURTHER RESOLVED, that any and all actions heretofore or hereafter taken by the Authorized Officers, or any of them, within the foregoing resolutions, be and each of them is hereby, adopted, ratified, confirmed and approved;

FURTHER RESOLVED, that the Authorized Officers be, and each of them hereby is, authorized and empowered in the name and on behalf of the Loan Party, to execute and deliver such additional agreements, instruments and documents, and to take or cause to be taken such other actions, as such Authorized Officer or Authorized Officers may determine to be necessary or advisable to implement the purposes and intent of the foregoing resolutions; each such agreement, instrument and document to be in such form and to contain such terms and conditions, consistent with the foregoing resolutions, as such Authorized Officer or Authorized Officers executing the same may approve, the execution and delivery of any such agreement, instrument or document by any such Authorized Officer or the taking of such action to be conclusive evidence of such authorization and approval from and by the Governing Body of the Loan Party;

FURTHER RESOLVED, that the Loan Party's execution, delivery and performance of each of the documents and transactions described in the foregoing resolutions is necessary and convenient, incidental and related to the conduct, promotion or attainment of the business and purposes of the Loan Party; and

FURTHER RESOLVED, that any prior acts of the Governing Body of the Loan Party or the Authorized Officers related to the Bylaws of the Loan Party, the stock certificates of the Loan Party or the Debt Documents or the transactions contemplated by any of the foregoing are hereby ratified, confirmed and approved in all respects.

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NYGÅRD HOLDINGS (USA) LIMITED

**Action of the Board of Directors
Taken by Unanimous Written Consent**

December 27, 2019

The undersigned, being all of the members of the Board of Directors (the “Governing Body”) of Nygård Holdings (USA) Limited, a Delaware corporation (the “Loan Party”), hereby consent to the adoption of the resolutions attached hereto as Exhibit A by unanimous written consent without a meeting of the Governing Body with the same force and effect as if such resolutions were approved and adopted at a duly convened meeting of the Governing Body.

This written consent may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall form a single instrument. This written consent shall be effective as of the date first written above when executed by all of the members of the Governing Body in the places designated for their signatures below.

Upon execution of this written consent, the undersigned hereby direct this consent to be filed in the minute book of the Loan Party.



Greg Fenske

James Bennett

Tiina Tulikorpi

[Resolutions to Follow]

NYGÅRD HOLDINGS (USA) LIMITED

**Action of the Board of Directors
Taken by Unanimous Written Consent**

December 27, 2019

The undersigned, being all of the members of the Board of Directors (the “Governing Body”) of Nygård Holdings (USA) Limited, a Delaware corporation (the “Loan Party”), hereby consent to the adoption of the resolutions attached hereto as Exhibit A by unanimous written consent without a meeting of the Governing Body with the same force and effect as if such resolutions were approved and adopted at a duly convened meeting of the Governing Body.

This written consent may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall form a single instrument. This written consent shall be effective as of the date first written above when executed by all of the members of the Governing Body in the places designated for their signatures below.

Upon execution of this written consent, the undersigned hereby direct this consent to be filed in the minute book of the Loan Party.

Greg Fenske



James Bennett

Tiina Tulikorpi

[Resolutions to Follow]

NYGÅRD HOLDINGS (USA) LIMITED

**Action of the Board of Directors
Taken by Unanimous Written Consent**

December 27, 2019

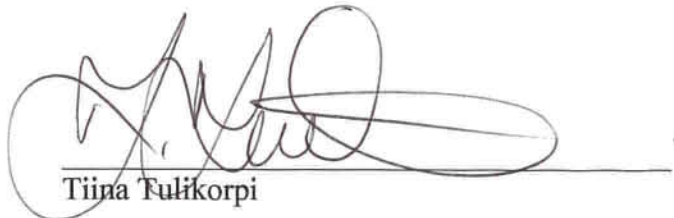
The undersigned, being all of the members of the Board of Directors (the "Governing Body") of Nygård Holdings (USA) Limited, a Delaware corporation (the "Loan Party"), hereby consent to the adoption of the resolutions attached hereto as Exhibit A by unanimous written consent without a meeting of the Governing Body with the same force and effect as if such resolutions were approved and adopted at a duly convened meeting of the Governing Body.

This written consent may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall form a single instrument. This written consent shall be effective as of the date first written above when executed by all of the members of the Governing Body in the places designated for their signatures below.

Upon execution of this written consent, the undersigned hereby direct this consent to be filed in the minute book of the Loan Party.

Greg Fenske

James Bennett



Tiina Tulikorpi

[Resolutions to Follow]

Exhibit A

Capitalized terms used but not defined herein shall have the meaning given to them in the resolution cover pages.

Recitals

WHEREAS, the Loan Party intends to enter into that certain Credit Agreement, (the “Credit Agreement”), among the Loan Party, the other loan parties party thereto, the financial institutions party thereto as lenders (the “Lenders”) and White Oak Commercial Finance, LLC, as agent for the Lenders (in such capacity, the “Agent”);

WHEREAS, the Loan Party desires to secure all of its obligations under the Loan Documents (as such term is defined in the Credit Agreement) by granting to the Agent, for the benefit of the Agent and the Lenders, a perfected lien upon substantially all of its personal and owned real property; and

WHEREAS, the Governing Body has determined that the Loan Party will derive substantial benefits from the Credit Agreement.

NOW THEREFORE BE IT RESOLVED:

Loan Documents

RESOLVED, that the Credit Agreement, in the form approved by any officer or officers of the Loan Party (each, an “Authorized Officer” and collectively, the “Authorized Officers”), and any and all amendments, amendments and restatements or other modifications to the Credit Agreement (including amendments increasing the maximum amount of credit available thereunder and/or extending the maturity date of the same), and the transactions, other actions and instruments contemplated by or incident to the Credit Agreement, be and hereby are authorized, confirmed, ratified and approved;

FURTHER RESOLVED, that any promissory notes (the “Notes”), made by the Loan Party in favor of any Lender, in the form approved by any Authorized Officer, and any and all amendments, amendments and restatements or other modifications thereto (including amendments increasing the maximum amount of credit available thereunder and/or extending the maturity date of the same), and the transactions, other actions and instruments contemplated by or incident to the Notes, be and hereby are authorized, confirmed, ratified and approved;

FURTHER RESOLVED, that the Security Agreement (the “Security Agreement”), among the Loan Party, the other grantors party thereto and the Agent, in the form approved by any Authorized Officer, and any and all amendments, amendments and restatements or other modifications to the Security Agreement, and the transactions (including the granting of security interests with respect to substantially all of the Loan Party’s assets), and all

other actions and instruments contemplated by or incident to the Security Agreement, be and hereby are authorized, confirmed, ratified and approved;

FURTHER RESOLVED, that all other Loan Documents, in the form approved by any Authorized Officer, and any and all amendments, amendments and restatements or other modifications thereto, and the transactions, and all other actions and instruments contemplated by or incident to the other Loan Documents, be and hereby are authorized, confirmed, ratified and approved; and

FURTHER RESOLVED, that the Loan Party is hereby authorized, empowered and directed to perform its obligations under the Credit Agreement, the Notes, the Security Agreement and each of the other Loan Documents to which it is a party (collectively, the "Debt Documents").

Officers

RESOLVED, that, the following persons are hereby elected, or confirmed to have previously been elected, to the offices of the Loan Party set opposite his or her respective name, to serve until his or her respective successor is appointed or until his or her earlier resignation, removal or death:

Greg Fenske	Vice President
Tiina Tulikorpi	President
James Bennett	Secretary and Treasurer

Bylaws

RESOLVED, that, Section 1 of Article V of the Bylaws of the Loan Party is hereby amended and restated in its entirety as follows:

“Section 1. Certificates of Stock. The certificates for shares of the capital stock of the Corporation shall be in such form, not inconsistent with that required by law and the Certificate of Incorporation, as shall be approved by the Board of Directors. Such certificates shall be signed by, or in the name of the Corporation by, any two duly appointed officers of the Corporation. Any or all of the signatures upon such certificates may be facsimiles, engraved or printed. The stock record books and the blank stock certificate books shall be kept by the Secretary, or at the office of such transfer agent or transfer agents as the Board of Directors may from time to time determine. In case any officer, transfer agent or registrar who shall have signed or whose facsimile signature or signatures shall have been placed upon any such certificate or certificates shall have ceased to be such officer, transfer agent or registrar before such certificate is issued by the Corporation, such certificate may nevertheless be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue. The stock certificates shall be consecutively numbered and shall be entered in the books of the Corporation as they are issued and shall exhibit the holder's name and number of shares.”

Any actions previously taken by any duly appointed officer of the Loan Party, during the time that such person served as an officer of the Loan Party, related to the stock certificates of the Loan Party are hereby ratified, confirmed and approved in all respects.

Amendment to Amended and Restated Certificate of Incorporation

WHEREAS, the Governing Body and the stockholders of the Loan Party have determined that it is advisable and in the best interests of the Loan Party to amend the Loan Party's Amended and Restated Certificate of Incorporation as set forth in the Certificate of Amendment to the Amended and Restated Certificate of Incorporation attached hereto as Annex A (the "Certificate of Amendment").

RESOLVED, that, any Authorized Officer of the Loan Party, be, and each of them hereby is, authorized and empowered to execute and deliver, for and on behalf of the Loan Party, the Certificate of Amendment, and to cause the Certificate of Amendment to be filed with the Secretary of State of the State of Delaware or such other appropriate office; and

FURTHER RESOLVED, that any actions previously taken by any duly appointed officer of the Loan Party, during the time that such person served as an officer of the Loan Party, related to the shares of the Loan Party are hereby ratified, confirmed and approved in all respects.

General

RESOLVED, that any Authorized Officer, be and each of them hereby is, authorized, empowered and directed to (a) execute and deliver, for and on behalf of the Loan Party, the Debt Documents, together with any other agreements, documents or instruments including but not limited to intercreditor agreements, documents, mortgages, assignments, collateral assignments, financing statements, landlord agreements, pledges, control agreements and instruments in connection therewith and any schedules, exhibits, annexes or attachments thereto, in each case with such changes therein, additions thereto or omissions therefrom as such Authorized Officers may deem necessary, advisable or appropriate, such execution and delivery by any such Authorized Officer to be conclusive evidence of such authorization and approval from and by the Governing Body of the Loan Party and (b) execute such other documents and instruments, and do and perform such other acts and things as such Authorized Officer deems necessary, expedient or appropriate to effect the resolutions set forth above;

FURTHER RESOLVED, that any and all actions heretofore or hereafter taken by the Authorized Officers, or any of them, within the foregoing resolutions, be and each of them is hereby, adopted, ratified, confirmed and approved;

FURTHER RESOLVED, that the Authorized Officers be, and each of them hereby is, authorized and empowered in the name and on behalf of the Loan Party, to execute and deliver such additional agreements, instruments and documents, and to take or cause to be taken such other actions, as such Authorized Officer or Authorized Officers may determine to be necessary or advisable to implement the purposes and intent of the foregoing

resolutions; each such agreement, instrument and document to be in such form and to contain such terms and conditions, consistent with the foregoing resolutions, as such Authorized Officer or Authorized Officers executing the same may approve, the execution and delivery of any such agreement, instrument or document by any such Authorized Officer or the taking of such action to be conclusive evidence of such authorization and approval from and by the Governing Body of the Loan Party;

FURTHER RESOLVED, that the Loan Party's execution, delivery and performance of each of the documents and transactions described in the foregoing resolutions is necessary and convenient, incidental and related to the conduct, promotion or attainment of the business and purposes of the Loan Party; and

FURTHER RESOLVED, that any prior acts of the Governing Body of the Loan Party or the Authorized Officers related to the Certificate of Amendment, the Bylaws of the Loan Party, the stock certificates of the Loan Party or the Debt Documents or the transactions contemplated any of the foregoing are hereby ratified, confirmed and approved in all respects.

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Annex A

(see attached)

**CERTIFICATE OF AMENDMENT
TO
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION**

Nygård Holdings (USA) Limited, a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the “**Corporation**”),

DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Corporation, by the unanimous written consent of its members, filed with the minutes of the Board of Directors, adopted a resolution proposing and declaring advisable the following amendment to the Amended and Restated Certificate of Incorporation of the Corporation:

RESOLVED, that the Amended and Restated Certificate of Incorporation of the Corporation be amended by replacing the entirety of Article Fourth thereof so that, as amended, said Article shall be read as follows:

FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is 5,500 of which: (i) 4,500 shares shall be Common Stock, \$.0001 par value (“**Common Stock**”), and (ii) 1,000 shares shall be Preferred Stock, \$.0001 par value (“**Preferred Stock**”).

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation:

A. COMMON STOCK

1. General. The dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and preferences of the holders of the Preferred Stock set forth herein.

2. Voting. The holders of Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings). There shall be no cumulative voting.

3. Dividends. Dividends may be declared and paid on the Common Stock from funds lawfully available therefor as and when determined by the Board and subject to any preferential dividend rights of any then outstanding Preferred Stock.

B. PREFERRED STOCK

1. Classes. There shall be two classes of Preferred Stock, Class A-1 Preferred Stock and Class A-2 Preferred Stock. Class A-1 Preferred Stock is represented by Certificate No. P-2. Class A-2 Preferred Stock is represented by Certificate No. P-1.

2. Voting. No Preferred Stock shall have voting rights, including without limitation the right to elect directors.

3. Dividends. The holders of Preferred Stock, in preference to the holders of Common Stock and prior to the payment of any dividend on shares of Common Stock, shall be entitled to receive, if, when and as declared by the Board, dividends on an annual basis as follows:

a. With respect to Class A-1 Preferred Stock, dividends issued at a fixed rate equal to 6.6% of the Preferred Stockholder's Liquidation Amount (as defined below).

b. With respect to Class A-2 Preferred Stock, dividends issued at a fixed rate equal to 4.5% of the Preferred Stockholder's Liquidation Amount (as defined below). Accumulated and unpaid dividends will compound annually (except to the extent previously paid) from and including January 1, 2012.

No adjustment shall be made for inflation or changes in interest rates, commodity prices or similar indices. All dividends payable under this Section B.3 shall be payable in cash. Such dividends will accrue whether or not there are profits, surplus or other funds of the Corporation legally available for the payment of dividends.

4. Liquidation Rights.

a. Liquidation Event. A “**Liquidation Event**” shall be deemed to have occurred if there shall be: (A) any consolidation to which the Corporation shall be a party, (B) any merger in which the Corporation shall not survive, (C) any merger in which the Common Stock outstanding immediately prior to such merger shall be exchanged for or converted into any cash, securities or other property, (D) any complete liquidation of the Corporation or (E) any partial liquidation of the Corporation for which the approval of the holders of Common Stock is required or which is involuntary.

i. For the purposes of Class A-1 Preferred Stock, other than a merger of the Corporation for the purpose of reincorporation in another jurisdiction without a material change in stock ownership, a holder of Class A-1 Preferred Stock shall have the right at any time prior to the consummation of the Liquidation Event and prior and in preference to any distribution of the assets or

surplus funds for distribution to the holders of the Class A-1 Preferred Stock or Common Stock by reason of their ownership thereof, to redeem the Class A-1 Preferred Stock for \$5,304,554.67 plus accrued dividends as of the effective date of the Liquidation Event.

ii. For the purposes of Class A-2 Preferred Stock, the holders of Class A-2 Preferred Stock shall be entitled to receive, prior and in preference to any distribution of any of the assets or surplus funds available for distribution to the holders of the Common Stock by reason of their ownership thereof, an amount equal to \$17,756 per share of Class A-2 Preferred Stock (subject to equitable adjustment in the event of any stock dividend, stock split, combination, reorganization, recapitalization, reclassification, or other similar event affecting the number of outstanding shares of Class A-2 Preferred Stock) held by each Class A-2 preferred stockholder at the time of the Liquidation Event (the "***Liquidation Amount***"). If, upon the occurrence of such Liquidation Event, the assets and funds thus distributed among the holders of the Preferred Stock shall be insufficient to permit the payment to such holders of the full aforesaid preferential amount, then the entire assets and funds of the Corporation legally available for distribution shall be distributed ratably among the holders of the Class A-2 Preferred Stock in proportion to the amount of such stock owned by each such holder.

iii. To the extent that a Liquidation Event constitutes a sale of less than all of the Common Stock of the Corporation or a merger, any unpaid preferential amounts due to the Class A-1 and Class A-2 preferred stockholders under this Section shall continue as accrued obligations of the Corporation or its successor. After payment to the holders of Preferred Stock of the amounts set forth in this Section, the entire remaining assets and funds of the Corporation legally available for distribution, if any, shall be distributed among all holders of Common Stock in proportion to the number of shares of Common Stock then held by them.

b. Notice of Liquidation Event. The Corporation shall give each holder of record of Preferred Stock written notice of any impending transaction which may qualify as a Liquidation Event pursuant to this Section not later than 10 days prior to any stockholders' meeting that may be called to approve such transaction, or 10 days prior to the effective date of such transaction, whichever is earlier, and shall also notify such holders in writing of the final approval of such transaction.

5. Redemption.

a. Class A-1 Redemption. With respect to Class A-1 Preferred Stock, the following provisions apply:

i. Corporation's Redemption Option. Upon or after the first anniversary of the issue date, the Corporation shall have the right to redeem the Class A-1 Preferred Stock for \$5,304,554.67 plus accrued dividends.

ii. Mandatory Redemption. If the Corporation determines to liquidate, dissolve or wind-up its business and affairs, or effect any Liquidation Event, the Corporation shall redeem the Class A-1 Preferred Stock at the then outstanding face amount plus accrued dividends.

iii. Mechanics of Redemption. If the Corporation elects to redeem the Class A-1 Preferred Stock, it shall do so by delivering written notice to the registered holder. Such notice shall be served by electronic means or overnight courier, to the last known address of the holder. Following receipt of the Certificate No. P-2, the Corporation shall pay the redemption price of \$5,304,554.67 plus accrued dividends to the date of redemption. Such payment shall be effected by electronic funds transfer.

b. Class A-2 Redemption. The Class A-2 Preferred Stock is not redeemable for the period of time beginning on the date such Class A-2 Preferred Stock is issued (the "**Issue Date**") and ending on the date which is twenty (20) years and one day following the Issue Date.

6. Remedies.

a. Events of Default. A "**Default**" shall be deemed to exist for purposes of Class A-1 Preferred Stock so long as:

i. any dividends owed shall be past due and shall have been past due for 30 days; or

ii. the principal owed on the Class A-1 Preferred Stock shall be past due; or

iii. the Corporation shall be in breach of any other covenant, agreement or warranty of the Corporation with respect to the Class A-1 Preferred Stock, and such breach shall have continued for at least 30 days after there has been given to the Chief Financial Officer or Treasurer of the Corporation, by a holder of Preferred Stock, a written notice specifying such breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder, or

iv. a decree or order by a court having jurisdiction shall have been entered adjudicating the Corporation a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization of the Corporation under bankruptcy or insolvency legislation or any other applicable Federal, state or

provincial law, and such decree or order shall have been in effect for a period of 60 days; or a decree or order of a court having jurisdiction for the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of the Corporation or of any property of the Corporation or for the winding up or liquidation of its affairs shall be in effect and shall have been in effect for a period of 60 days; or

v. the Corporation or any subsidiary shall have instituted proceedings to be adjudicated a voluntary bankrupt, or shall consent to the filing of a bankruptcy proceeding against it, or shall have filed a petition or answer or consent seeking reorganization under the bankruptcy or insolvency legislation or any other applicable Federal, state or provincial law, or shall have consented to the filing of any such petition, or shall consent to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of it or of its property, or shall have made an assignment for the benefit of creditors, or shall have admitted in writing its inability to pay its debts generally as they become due, or corporate action shall be taken by the Corporation or any subsidiary in furtherance of any of the aforesaid purposes.

A Default shall be deemed to exist whenever prescribed by the terms of this Section regardless of whether such Default shall be voluntary or involuntary or shall result from compliance with any legal requirement or any other circumstance of any kind.

b. Acceleration of Redemption. Whenever a Default exists, the holders of Class A-1 Preferred Stock may declare the principal of this class of shares to be due and payable immediately, by a notice in writing to the Chief Financial Officer or Treasurer of the Corporation, and upon any such declaration such principal (subject to the provisions of Section 4) shall become immediately due and payable.

7. Conversion. No Preferred Stock may be converted to any other class of stock issued by the Corporation.

8. Subordination. The following provisions apply to all classes of Preferred Stock:

a. Extent of Subordination. The indebtedness evidenced by this class of shares shall be subordinate in right of payment to any given Senior Obligation (as defined below) in the manner and to the extent provided (i) in this Section and (ii) in any written commitment which the Corporation may at any time make in good faith with respect to the given Senior Obligation. Without limiting by implication the generality of the preceding sentence, the Corporation shall have the right to enter into commitments with respect to any given Senior Obligation (either at the time such Senior Obligation shall be incurred or at any time

thereafter) which may preclude the Corporation from making payments on the Preferred Stock until all amounts on the Senior Obligation are satisfied. Nothing herein stated shall in any way undermine the right of the shareholder to obtain payment pursuant to the guarantees described below.

b. Senior Obligations. Any obligation of the Corporation evidenced by a mortgage or other evidence of hypothecation or collateralization of real or personal property and any loan extended by a bank shall be deemed to be a “**Senior Obligation**” unless the terms governing such obligation expressly provide that such obligation should not be deemed a “**Senior Obligation**” for purposes of this class of shares.

c. Reorganization Distribution. If any payment or distribution of assets of the Corporation of any kind or character, whether in cash, property or securities, is made to creditors upon any total liquidation of the Corporation, whether voluntary or involuntary, or upon any liquidation or reorganization of the Corporation in bankruptcy, insolvency, receivership or other proceedings, then all amounts due upon all Senior Obligations owed by the Corporation shall first be paid in full or payment thereof duly provided for before the shareholder is entitled to receive or retain any assets so paid or distributed in respect hereof; and upon such liquidation or reorganization any payment or distribution of assets of the Corporation of any kind or character, whether in cash, property or securities, to which the shareholder would be entitled except for these provisions shall be paid by the Corporation, or by any receiver, trustee in bankruptcy, liquidating trustee, agent or other person making such payment or distribution, directly to the holders of Senior Obligations (pro rata on the basis of the respective amounts of the Senior Obligations held by such holders or their representatives), until all such Senior Obligations are paid in full, in money or money’s worth, after giving effect to any concurrent payment or distribution to or for the holders of Senior Obligations, before any payment or distribution is made to the shareholder. If any holder of any Senior Obligation receives any payment or distribution which, except for the provisions of this Section, would have been payable or deliverable with respect to the Preferred Stock, the shareholder shall be subrogated to the rights of the holder of such Senior Obligation.

d. Rights Reserved. The provisions of this Section 8 are for the purpose of defining the relative rights of the holders of Senior Obligations on the one hand and the holder of the Preferred Stock on the other hand. Nothing herein shall impair the Corporation’s obligation to the holder of the Preferred Stock to pay to such shareholder principal and accrued dividends in accordance with the terms of the Preferred Stock. An amount shall be deemed “past due” for the purpose of the Preferred Stock if it shall not be paid when its payment would have been due if this Section 8 had not been applicable. No provision of this Section 8 shall be construed to prevent the holder of the Preferred Stock from exercising all remedies otherwise available under the terms of the Preferred Stock or under applicable securities laws upon the occurrence of Default (including, but not

limited to, acceleration of the maturity of principal owed on the Preferred Stock), no portion of the amounts owed on the Preferred Stock shall be paid by the Corporation until and unless such payment shall be permitted under this Section 8 and any commitment made in accordance with Section 8.

8. Participation in Corporate Growth. Except as otherwise expressly provided in Sections B.3 and B.4 with respect to dividends and payment upon a Liquidation Event or Section B.5 with respect to a redemption, the Preferred Stock shall have no right to participate in (or have any other rights with respect thereto) the earnings or growth of the Corporation.

9. Notices. Any notice required or permitted by the provisions of this Article Fourth to be given to a holder of shares of Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation. or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission.

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders of the Corporation have approved and adopted said amendment by written consent in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, the Corporation has caused this certificate to be signed this
_____ day of December 2019.

By: _____

Name: Greg Fenske

Title: Vice President

FASHION VENTURES, INC.,

**Action of the Board of Directors
Taken by Unanimous Written Consent**

December 30, 2019

The undersigned, being all of the members of the Board of Directors (the “Governing Body”) of FASHION VENTURES, INC., a California corporation (the “Loan Party”), hereby consent to the adoption of the resolutions attached hereto as Exhibit A by unanimous written consent without a meeting of the Governing Body with the same force and effect as if such resolutions were approved and adopted at a duly convened meeting of the Governing Body.

This written consent may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall form a single instrument. This written consent shall be effective as of the date first written above when executed by all of the members of the Governing Body in the places designated for their signatures below.

Upon execution of this written consent, the undersigned hereby direct this consent to be filed in the minute book of the Loan Party.



Greg Fenske

James Bennett

Tiina Tulikorpi

[Resolutions to Follow]

FASHION VENTURES, INC.,

**Action of the Board of Directors
Taken by Unanimous Written Consent**

December 30, 2019

The undersigned, being all of the members of the Board of Directors (the “Governing Body”) of FASHION VENTURES, INC., a California corporation (the “Loan Party”), hereby consent to the adoption of the resolutions attached hereto as Exhibit A by unanimous written consent without a meeting of the Governing Body with the same force and effect as if such resolutions were approved and adopted at a duly convened meeting of the Governing Body.

This written consent may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall form a single instrument. This written consent shall be effective as of the date first written above when executed by all of the members of the Governing Body in the places designated for their signatures below.

Upon execution of this written consent, the undersigned hereby direct this consent to be filed in the minute book of the Loan Party.

Greg Fenske



James Bennett

Tiina Tulikorpi

[Resolutions to Follow]

FASHION VENTURES, INC.,

**Action of the Board of Directors
Taken by Unanimous Written Consent**

December 30, 2019

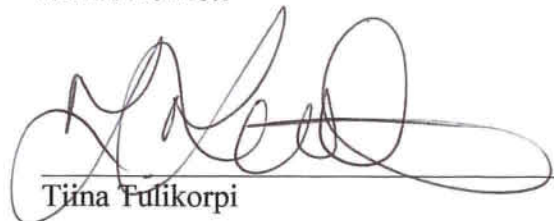
The undersigned, being all of the members of the Board of Directors (the "Governing Body") of FASHION VENTURES, INC., a California corporation (the "Loan Party"), hereby consent to the adoption of the resolutions attached hereto as Exhibit A by unanimous written consent without a meeting of the Governing Body with the same force and effect as if such resolutions were approved and adopted at a duly convened meeting of the Governing Body.

This written consent may be executed in two or more counterparts, each of which shall constitute an original and all of which together shall form a single instrument. This written consent shall be effective as of the date first written above when executed by all of the members of the Governing Body in the places designated for their signatures below.

Upon execution of this written consent, the undersigned hereby direct this consent to be filed in the minute book of the Loan Party.

Greg Fenske

James Bennett



Tiina Tulikorpi

[Resolutions to Follow]

Exhibit A

Capitalized terms used but not defined herein shall have the meaning given to them in the resolution cover pages.

Recitals

WHEREAS, the Loan Party intends to enter into that certain Credit Agreement, dated as of the date hereof (the “Credit Agreement”), among the Loan Party, the other loan parties party thereto, the financial institutions party thereto as lenders (the “Lenders”) and White Oak Commercial Finance, LLC, as agent for the Lenders (in such capacity, the “Agent”);

WHEREAS, the Loan Party desires to secure all of its obligations under the Loan Documents (as such term is defined in the Credit Agreement) by granting to the Agent, for the benefit of the Agent and the Lenders, a perfected lien upon substantially all of its personal and owned real property; and

WHEREAS, the Governing Body has determined that the Loan Party will derive substantial benefits from the Credit Agreement.

NOW THEREFORE BE IT RESOLVED:

Officers

RESOLVED, that, the following persons are hereby elected, or confirmed to have previously been elected, to the offices of the Loan Party set opposite his or her respective name, to serve until his or her respective successor is appointed or until his or her earlier resignation, removal or death:

Greg Fenske	Chief Executive Officer and President
Tiina Tulikorpi	Treasurer and Chief Financial Officer
Angela Dyborn	Secretary

Loan Documents

RESOLVED, that the Credit Agreement, in the form approved by any officer or officers of the Loan Party (each, an “Authorized Officer” and collectively, the “Authorized Officers”), and any and all amendments, amendments and restatements or other modifications to the Credit Agreement (including amendments increasing the maximum amount of credit available thereunder and/or extending the maturity date of the same), and the transactions, other actions and instruments contemplated by or incident to the Credit Agreement, be and hereby are authorized, confirmed, ratified and approved;

FURTHER RESOLVED, that any promissory notes (the “Notes”), made by the Loan Party in favor of any Lender, in the form approved by any Authorized Officer, and

any and all amendments, amendments and restatements or other modifications thereto (including amendments increasing the maximum amount of credit available thereunder and/or extending the maturity date of the same), and the transactions, other actions and instruments contemplated by or incident to the Notes, be and hereby are authorized, confirmed, ratified and approved;

FURTHER RESOLVED, that the Security Agreement (the “Security Agreement”), among the Loan Party, the other grantors party thereto and the Agent, in the form approved by any Authorized Officer, and any and all amendments, amendments and restatements or other modifications to the Security Agreement, and the transactions (including the granting of security interests with respect to substantially all of the Loan Party’s assets), and all other actions and instruments contemplated by or incident to the Security Agreement, be and hereby are authorized, confirmed, ratified and approved;

FURTHER RESOLVED, that all other Loan Documents, in the form approved by any Authorized Officer, and any and all amendments, amendments and restatements or other modifications thereto, and the transactions, and all other actions and instruments contemplated by or incident to the other Loan Documents, be and hereby are authorized, confirmed, ratified and approved; and

FURTHER RESOLVED, that the Loan Party is hereby authorized, empowered and directed to perform its obligations under the Credit Agreement, the Notes, the Security Agreement and each of the other Loan Documents to which it is a party (collectively, the “Debt Documents”).

General

RESOLVED, that any Authorized Officer, be and each of them hereby is, authorized, empowered and directed to (a) execute and deliver, for and on behalf of the Loan Party, the Debt Documents, together with any other agreements, documents or instruments including but not limited to intercreditor agreements, documents, mortgages, assignments, collateral assignments, financing statements, landlord agreements, pledges, control agreements and instruments in connection therewith and any schedules, exhibits, annexes or attachments thereto, in each case with such changes therein, additions thereto or omissions therefrom as such Authorized Officers may deem necessary, advisable or appropriate, such execution and delivery by any such Authorized Officer to be conclusive evidence of such authorization and approval from and by the Governing Body of the Loan Party and (b) execute such other documents and instruments, and do and perform such other acts and things as such Authorized Officer deems necessary, expedient or appropriate to effect the resolutions set forth above;

FURTHER RESOLVED, that any and all actions heretofore or hereafter taken by the Authorized Officers, or any of them, within the foregoing resolutions, be and each of them is hereby, adopted, ratified, confirmed and approved;

FURTHER RESOLVED, that the Authorized Officers be, and each of them hereby is, authorized and empowered in the name and on behalf of the Loan Party, to execute and

deliver such additional agreements, instruments and documents, and to take or cause to be taken such other actions, as such Authorized Officer or Authorized Officers may determine to be necessary or advisable to implement the purposes and intent of the foregoing resolutions; each such agreement, instrument and document to be in such form and to contain such terms and conditions, consistent with the foregoing resolutions, as such Authorized Officer or Authorized Officers executing the same may approve, the execution and delivery of any such agreement, instrument or document by any such Authorized Officer or the taking of such action to be conclusive evidence of such authorization and approval from and by the Governing Body of the Loan Party;

FURTHER RESOLVED, that the Loan Party's execution, delivery and performance of each of the documents and transactions described in the foregoing resolutions is necessary and convenient, incidental and related to the conduct, promotion or attainment of the business and purposes of the Loan Party; and

FURTHER RESOLVED, that any prior acts of the Governing Body of the Loan Party or the Authorized Officers related to the Debt Documents or the transactions contemplated thereby are hereby ratified, confirmed and approved in all respects.

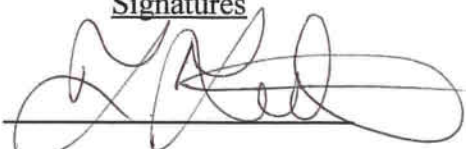
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EXHIBIT D

Officers of Nygard:

<u>Name</u>	<u>Office</u>
Tiina Tulikorpi	Treasurer and Secretary
Angela Dyborn	Senior Special Projects Manager
Greg Fenske	Chief Executive Officer and President

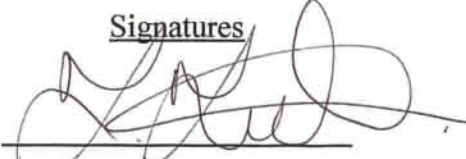
Signatures



Officers of Nygard Holdings:

<u>Name</u>	<u>Office</u>
Tiina Tulikorpi	President
James Bennett	Secretary and Treasurer
Greg Fenske	Vice President

Signatures



Officers of Fashion Ventures:

<u>Name</u>	<u>Office</u>
Tiina Tulikorpi	Treasurer and Chief Financial Officer
Angela Dyborn	Secretary
Greg Fenske	Chief Executive Officer and President

Signatures

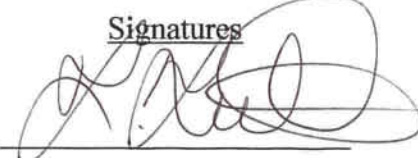


EXHIBIT D

Officers of Nygard:

<u>Name</u>	<u>Office</u>	<u>Signatures</u>
Tiina Tulikorpi	Treasurer and Secretary	_____
Angela Dyborn	Senior Special Projects Manager	_____
Greg Fenske	Chief Executive Officer and President	_____

Officers of Nygard Holdings:

<u>Name</u>	<u>Office</u>	<u>Signatures</u>
Tiina Tulikorpi	President	_____
James Bennett	Secretary and Treasurer	_____
Greg Fenske	Vice President	_____

Officers of Fashion Ventures:

<u>Name</u>	<u>Office</u>	<u>Signatures</u>
Tiina Tulikorpi	Treasurer and Chief Financial Officer	_____
Angela Dyborn	Secretary	_____
Greg Fenske	Chief Executive Officer and President	_____

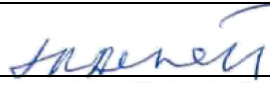
[Signature Page to Omnibus Officer's Certificate]

EXHIBIT D

Officers of Nygard:

<u>Name</u>	<u>Office</u>	<u>Signatures</u>
Tiina Tulikorpi	Treasurer and Secretary	_____
Angela Dyborn	Senior Special Projects Manager	_____
Greg Fenske	Chief Executive Officer and President	_____

Officers of Nygard Holdings:

<u>Name</u>	<u>Office</u>	<u>Signatures</u>
Tiina Tulikorpi	President	_____
James Bennett	Secretary and Treasurer	_____ 
Greg Fenske	Vice President	_____

Officers of Fashion Ventures:

<u>Name</u>	<u>Office</u>	<u>Signatures</u>
Tiina Tulikorpi	Treasurer and Chief Financial Officer	_____
Angela Dyborn	Secretary	_____
Greg Fenske	Chief Executive Officer and President	_____

EXHIBIT D

Officers of Nygard:

<u>Name</u>	<u>Office</u>	<u>Signatures</u>
Tiina Tulikorpi	Treasurer and Secretary	_____
Angela Dyborn	Senior Special Projects Manager	_____
Greg Fenske	Chief Executive Officer and President	_____

Officers of Nygard Holdings:

<u>Name</u>	<u>Office</u>	<u>Signatures</u>
Tiina Tulikorpi	President	_____
James Bennett	Secretary and Treasurer	_____
Greg Fenske	Vice President	_____

Officers of Fashion Ventures:

<u>Name</u>	<u>Office</u>	<u>Signatures</u>
Tiina Tulikorpi	Treasurer and Chief Financial Officer	_____
Angela Dyborn	Secretary	_____
Greg Fenske	Chief Executive Officer and President	_____

[Signature Page to Omnibus Officer's Certificate]

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OFFICER'S CERTIFICATE

OF

4093887 CANADA LTD.

(the "Corporation")

January 2, 2020

TO: **WHITE OAK COMMERCIAL FINANCE, LLC**, in its capacity as administrative agent and collateral agent (the "**Agent**")

AND TO: **WHITE OAK COMMERCIAL FINANCE, LLC**, as lender

AND TO: **SECOND AVENUE CAPITAL, LLC**, as lender (together with White Oak Commercial Finance, LLC, the "**Lenders**")

AND TO: **MILLER THOMSON LLP ("MT")**

AND TO: **JONES DAY LLP ("JD")**

AND TO: **OSLER, HOSKIN & HARCOURT LLP ("Osler")**

AND TO: **HAHN & HESSON LLP ("HH")**

RE: Credit facilities to be made available to Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc. and Nygard NY Retail, LLC (collectively, the "**Borrowers**"), pursuant to a credit agreement dated December 30, 2019 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Credit Agreement**") entered into by the Borrowers, the Corporation and the other Guarantors (as such term is defined in the Credit Agreement), the Limited Recourse Guarantors (as such term is defined in the Credit Agreement), the Agent and the Lenders. Capitalized terms used in this certificate and not otherwise defined shall have the respective meanings ascribed thereto in the Credit Agreement.

The undersigned officer of the Corporation hereby certifies, on behalf of the Corporation and without personal liability, that:

1. I have reviewed such books and records of the Corporation and other applicable documents and have made such enquiries and investigations as I have considered necessary and advisable to verify the matters set out in this certificate.
2. The Corporation is a validly existing corporation incorporated under the laws of Canada by Articles of Incorporation (the "**Articles**"), a true and complete copy of which are attached hereto as Schedule "A". The Articles are in full force and effect as of the date hereof, have not been amended or varied and neither the directors nor the shareholders of the Corporation have passed, confirmed or consented to any amendments or variations to the Articles.

3. A true and complete copy of all by-laws of the Corporation is attached hereto as Schedule “B” (the “**By-Laws**”). The By-Laws have been duly enacted by the directors of the Corporation and confirmed by its shareholders. The By-Laws comprise the only by-laws of the Corporation, are in full force and effect, unamended, as of the date hereof, and neither the directors nor the shareholders of the Corporation have passed, confirmed or consented to any resolutions amending or varying the By-Laws.
4. Attached as Schedule “C” is a true and complete copy of a resolution duly passed by the board of directors of the Corporation on the 18th day of December, 2019 (the “**Authorizing Resolutions**”) authorizing and approving the entering into, execution and delivery by the Corporation of certain agreements in connection with the Credit Agreement and the performance by the Corporation of its obligations in connection with the Credit Agreement, as further described in the Authorizing Resolutions (the “**Documents**”). The Authorizing Resolutions are the only resolutions of the board of directors or the of the Corporation pertaining to such subject matter, are in full force and effect and are unamended as of the date hereof.
5. Neither the Corporation nor the shareholders have taken any steps to terminate or change the Corporation’s existence or to amalgamate or merge or continue into any other jurisdiction, nor has the Corporation received any notice or other communication from any governmental authority or other person indicating that there exists any situation which, unless remedied, could result in the termination of the existence of the Corporation.
6. The Corporation, is validly existing, in good standing and qualified to engage in business in each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification, except to the extent that failure to so qualify in such jurisdiction could not reasonably be expected to have a Material Adverse Effect.
7. There is no agreement in existence among all the shareholders of the Corporation that restricts in whole or in part the powers of the directors to manage or supervise the management of the business and affairs of the Corporation.
8. No winding-up, liquidation, dissolution, bankruptcy, merger, amalgamation or continuation of the Corporation and no sale of the assets of the Corporation out of the ordinary course of business of the Corporation has been commenced or is being contemplated by the Corporation as of the date hereof and I have no knowledge of any such proceedings having been commenced or being contemplated in respect of the Corporation by any other person.
9. The Corporation is up to date as at the date hereof in all of its corporate filings, including, without limitation, those required under its statute of incorporation. The Corporation has not received any notice or other communication from any person or government authority indicating that there exists a situation where, unless remedied, could result in the dissolution of the Corporation.
10. Attached hereto as Schedule “D” is a list of all of the officers and directors of the Corporation and set forth opposite their respective names is the position or positions he or

she occupies within the Corporation and a true specimen of the signature of any such person who has executed one or more of the Documents.

11. The Corporation's chief executive office and other places of business are listed in Schedule "E" attached hereto. The Corporation does not keep tangible assets at any location other than the locations listed in Schedule "E" (other than tangible assets in transit to and from such locations).
12. The authorized share capital of the Corporation is an unlimited number of Voting Common Shares, an unlimited number of Non-Voting Common Shares, an unlimited number of Class A Shares, an unlimited number of Class B Shares, an unlimited number of Class C Shares and an unlimited number of Class D Shares of which 200 Voting Common Shares are issued and outstanding. As of the date hereof, the registered owners of such issued and outstanding shares is as follows:

Name	Number and Class of Shares
Nygard Properties Ltd.	200 Voting Common Shares

All such shares have been duly authorized and validly issued and are fully paid and non-assessable. The Corporation has not received notice of and I am not aware of any claim to such shares adverse to any claim or interest the Lenders have or may obtain therein.

13. There is no litigation or proceeding pending or threatened before any court, agency, tribunal, arbitration board or any other body which has or could have a Material Adverse Effect on the condition, either financial or otherwise, of the Corporation or on the ability of the Corporation to perform its obligations under any of the Documents.
14. No event of default has occurred under any of the Corporation's Material Contracts.
15. There are no material consents, licenses, approvals, authorizations or exemptions of any third party required for or in connection with the execution or delivery by the Corporation of the Documents to which it is a party or the performance by the Corporation of any of its rights and obligations therein other than as previously obtained and which remain in full force and effect.
16. As of the date hereof, each of the representations and warranties contained in the Credit Agreement and in any other Document to which the Corporation is a party given by the Corporation are true and correct, except to the extent that any such representation or warranty is expressly stated to relate to a specific earlier date, in which case, such representation and warranty is true and correct as of such earlier date.
17. No Default or Event of Default has occurred and is continuing or would result after giving effect to the Revolving Credit Borrowing or issuance of a Letter of Credit or from the application of the proceeds thereof under the Credit Agreement.

18. There has been no event or circumstance since December 31, 2018 that has had or could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.
19. The transactions contemplated under the Credit Agreement do not violate any applicable Law or any Organization Document of the Corporation.
20. Attached hereto as Schedule "F" is a true and complete copy of the Nygard Privacy Code.

I acknowledge that the Agent, the Lenders, MT, JD, Osler and HH are relying on this Certificate in connection with the Credit Agreements, the Documents and the delivery of the opinion letters to the Agent and the Lenders under the Credit Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date first written above.

A handwritten signature in dark ink, appearing to read "J R Bennett", is written over a horizontal line.

Name: James R. Bennett

Title: Secretary and Treasurer

SCHEDULE “C”
AUTHORIZING RESOLUTIONS OF THE DIRECTORS OF
4093887 CANADA LTD.
(the “Corporation”)

“**WHEREAS** credit facilities are to be made available by White Oak Commercial Finance, LLC and Second Avenue Capital, LLC (collectively, the “**Lenders**”) to Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc. and Nygard NY Retail, LLC (collectively, the “**Borrowers**”), pursuant to a credit agreement (as amended, restated, supplemented, replaced or otherwise modified from time to time, the “**Credit Agreement**”) entered into by the Borrowers, the Corporation and the other Guarantors (as such term is defined in the Credit Agreement), White Oak Commercial Finance, LLC, in its capacity as administrative agent and collateral agent (the “**Agent**”) and the Lenders.

AND WHEREAS it is deemed expedient and in the interests of the Corporation that it enter into, execute and deliver the Credit Agreement and the Documents (as hereinafter defined) together with all such instruments, documents and assurances as may reasonably be required by the Agent and Lenders pursuant to or in respect thereof.

BE IT RESOLVED THAT:

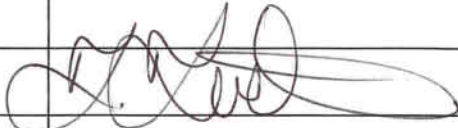
1. The acceptance, execution and delivery by the Corporation of the Credit Agreement is hereby ratified, approved and confirmed and the Corporation agrees to be bound by the terms and conditions therein set out.
2. The Corporation is authorized to guarantee payment to the Agent and Lenders of the obligations of others pursuant to the Credit Agreement, and to perform all its obligations pursuant to each of the documents referred to in this resolution.
3. The Corporation be and is authorized to hypothecate, mortgage, charge, collaterally assign and otherwise transfer and encumber and grant security interests in all its present and future property, undertaking and other assets as security for its present and future indebtedness and liability arising under or in connection with the Credit Agreement and the other Documents to which it is a party.
4. The Corporation is hereby authorized and directed to enter into, execute and deliver to the Agent and the Lenders and to perform its obligations under all such security, instruments and other documents as are required pursuant to the terms and conditions of the Credit Agreement (collectively, together with the Credit Agreement, the “**Documents**”), including without limitation:
 - (a) a general security and pledge agreement in favour of the Agent;

- (b) a deed of hypothec charging all present and future, movable and immovable, corporeal and incorporeal property of the Corporation, including a pledge of all issued and outstanding shares held by the Corporation, in favour of the Agent, in its capacity as hypothecary representative for the Lenders under Article 2692 of the *Civil Code of Quebec* (the “**Hypothec**”);
 - (c) an assignment of material contracts granted by the Corporation to the Agent;
 - (d) an inter-company debt subordination agreement made by, *inter alios*, the Corporation and the Agent; and
 - (e) such other loan, security and other documents as the Agent and Lenders may require from time to time in accordance with the terms of the Credit Agreement or the Security (as defined in the Credit Agreement).
5. The Corporation hereby (i) consents to the pledge of shares to be made by Nygard Enterprises Ltd. or any of the Corporation’s future shareholders (each, a “**Pledgor**”) of all of the issued and outstanding shares in the capital of the Corporation held by such applicable Pledgor from time to time, in favour of the Lenders, the Agent or any other person acting on their behalf, as general and continuing collateral security for the payment and performance of the Obligations (as such term is defined in the Credit Agreement) (ii) irrevocably consents to the transfer, sale or disposition by such Pledgor, of such shares held by such Pledgor now or in the future to the Lenders, the Agent, or their respective nominee pursuant to any security from time to time provided by its shareholder(s) in connection with the Credit Agreement and if such security is realized or enforced on, to the transfer of such shares or units by such Pledgor, the Lenders, the Agent or their respective nominee to any third party or parties in connection with such realization or enforcement and (iii) agree to reflect in the appropriate registers, indexes and books of the undersigned any transfer of such shares following the exercise by the Lenders, the Agent or any other person acting for or on their behalf of their rights, recourses and remedies under the terms of such security.
6. The Corporation hereby authorizes the shareholders of the Corporation to pledge and grant security interests in the shares of the Corporation in favour of the Lenders, the Agent or any other person acting on their behalf, as general and continuing collateral security for the payment and performance of the Obligations (as such term is defined in the Credit Agreement).
7. Any officer or director of the Corporation (the “**Authorized Signing Officer**”) be and is hereby authorized and directed for and on behalf of the Corporation whether under corporate seal or otherwise, to execute and deliver the Documents, substantially in the form of the draft Documents presented to and approved by any officer or director of the Corporation, subject to such alterations, amendments or additions to which the Authorized Signing Officer executing and delivering the Documents may agree, the execution by such Authorized Signing Officer to be conclusive proof of his or her agreement to any amendments, alterations or additions incorporated therein and the Corporation shall be bound thereby.

8. Any one of Francis Trifiro, Julie St-Hilaire or any other lawyer, each practicing at the Montreal Office of Miller Thomson LLP (each an "**Authorized Signatory**") be and is hereby authorized and directed for and on behalf of the Corporation whether under corporate seal or otherwise, to execute and deliver the Hypothec, substantially in the form of the draft Hypothec presented to and approved by any officer or director of the Corporation, subject to such alterations, amendments or additions to which the Authorized Signatory executing and delivering the Hypothec may agree, the execution by such Authorized Signatory to be conclusive proof of his or her agreement to any amendments, alterations or additions incorporated therein and the Corporation shall be bound thereby.
9. The Authorized Signing Officer and each Authorized Signatory is hereby authorized and directed for and on behalf of and in the name of the Corporation to do, sign and execute, under the corporate seal of the Corporation or otherwise, all such other agreements, security documents, securities, notes, instruments, certificates, powers of attorney and things as in his opinion may be provided for under the Documents, or which may be advisable or necessary, or which may be requested by the Agent or the Lenders, in connection with the foregoing resolutions or in connection with the execution, delivery or registration of, or the performance of any of the Corporation's obligations under, any of the Documents.
10. The acknowledgement and acceptance of the Credit Agreement, the Documents, and of any other agreements, instruments or documents described above which may have been executed or delivered prior to the adoption of these resolutions, regardless of by which officer or other employee such Credit Agreement or other agreement, instrument or document was executed and delivered, and regardless of any informality in such execution or delivery, be and the same hereby are ratified, approved and confirmed in all respects.
11. This resolution may be executed in several counterparts, which together shall constitute one and the same resolution. The delivery of an executed counterpart of this resolution by facsimile or telecopy or by electronic transmission in portable document format (PDF) shall be deemed to be the equivalent of the delivery of an original executed copy thereof."


SCHEDULE "D"

INCUMBENCY

Name	Position	Signature
Peter John Nygard	Chairman	
Tiina Tulikorpi	Vice President and Director	
James R. Bennett	Secretary, Treasurer and Director	
Denis J. Lapointe	Director	


SCHEDULE "D"

INCUMBENCY

Name	Position	Signature
Peter John Nygard	Chairman	
Tiina Tulikorpi	Vice President and Director	
James R. Bennett	Secretary, Treasurer and Director	
Denis J. Lapointe	Director	

SCHEDULE "D"

INCUMBENCY

Name	Position	Signature
Peter John Nygard	Chairman	
Tiina Tuilkorpi	Vice President and Director	
James R. Bennett	Secretary, Treasurer and Director	
Denis J. Lapointe	Director	

SCHEDULE “E”

CHIEF EXECUTIVE OFFICE AND OTHER PLACES OF BUSINESS

1. 1771 Inkster Boulevard, Winnipeg, Manitoba

SCHEDULE “F”
NYGARD PRIVACY CODE

See attached.

NYGÅRD INTERNATIONAL PARTNERSHIP AND 4093887 CANADA LTD. ("NYGÅRD")

NYGÅRD Privacy Code

Scope and Application Of The NYGÅRD Privacy Code:

The scope and application of the NYGÅRD Privacy Code are as follows: The NYGÅRD Privacy Code applies to Personal Information about NYGÅRD Employees and non-employee Persons who interact with NYGÅRD that is collected, used or disclosed by NYGÅRD.

- Employees in this context includes past and present employees and independent contractors of NYGÅRD.
- Non-employee Persons in this context includes Individuals who are viewers, readers, subscribers, advertisers, contest participants, job applicants, Internet users who are exposed to the media content of NYGÅRD or a NYGÅRD Company and about whom NYGÅRD collects Personal Information.

The NYGÅRD Privacy Code applies to the management of Personal Information in any form whether oral, electronic or written. NYGÅRD reserves the right to amend this NYGÅRD Privacy Code from time to time.

The application of the NYGÅRD Privacy Code is subject to the requirements or provisions of any applicable legislation, regulations or agreements, or the order of any court or other lawful authority.

Exclusions from privacy protection: The NYGÅRD Privacy Code does not impose any limits on the collection, use or disclosure of the following information by a NYGÅRD Company: a) information that is publicly available, such as a Person's name, address, telephone number and electronic address, when listed in a directory or made available through directory assistance; b) business-contact information, such as the name, title or business address or telephone number of an employee of an organization; c) information collected, used or disclosed in the course of journalistic, literary or artistic activities; or d) aggregate information that cannot be associated with a specific person, such as demographic statistics about NYGÅRD customers, or number of visitors and average time spent on a website.

Purposes for Collection of Personal Information:

NYGÅRD has collected and collects Personal Information for the following purposes: a) to establish and maintain responsible commercial relations with Individuals and to provide ongoing service; b) to understand Individual needs; c) to develop, enhance, market or provide products and services; d) to manage and develop its business and operations, including personnel and employment matters; and e) to meet legal or regulatory requirements, including to protect or defend a legal interest, and in connection with an actual or possible NYGÅRD corporate re-organization, merger or amalgamation with another entity, or an actual or possible sale of all or a substantial portion of the assets of NYGÅRD, provided that the Personal Information disclosed continues to be used by the entity acquiring the information either for evaluation of the possible transaction, or, on completion of any such transaction, for the purposes permitted by this Privacy Policy.

As examples of the above:

- i) NYGÅRD may from time to time use a Person's Personal Information to contact the Person about changes, enhancements or similar notices related to NYGÅRD products and services;
- ii) if a Person indicated that he/she was interested in receiving offers or information from NYGÅRD, NYGÅRD may send the Person materials about products and services that NYGÅRD feels may be of interest to the Person; and

Obtaining Consent:

NYGÅRD will make a reasonable effort to make sure Persons understand how their Personal Information will be used by NYGÅRD. NYGÅRD will obtain consent from Persons before or when it collects or uses the Personal Information. NYGÅRD will not attempt to deceive Persons into giving consent.

A Person's consent can be express, implied, or given through an authorized representative. A Person can withdraw consent at any time, with certain exceptions noted herein. NYGÅRD, however, may collect, use or disclose Personal Information without the Person's knowledge or consent in exceptional circumstances where such collection, use or disclosure is permitted or as required by law.

Note: If any Person at any time has any questions or concerns about NYGÅRD's privacy practices, the Person can write to: VP Legal Services & General Counsel Abe.Rubinfeld@Nygard.com or contact by telephone at 416-598-6966.

Refusing or withdrawing Consent:

Subject to legal and contractual requirements, a Person can refuse to consent to NYGÅRD's collection, use or disclosure of Personal Information about the Person, or a Person may withdraw the Person's consent to NYGÅRD's further collection, use or disclosure of Personal Information at any time in the future by giving NYGÅRD reasonable notice, unless: i) the consent relates to certain information required for credit approval which a Person applies for or accepts, ii) the consent is otherwise required by law, or iii) the use or disclosure is permitted by law or is related to the legal or regulatory requirements described herein. If a Person refuses or withdraws the Person's consent, NYGÅRD may not be able to provide the Person or continue to provide the Person with some products, services or information which may be of value to the Person.

Internet Aspects:

Personal Information may be collected when a user conducts activities on or related to all websites of NYGÅRD Companies ("NYGÅRD Companies Sites") or related to services made available on the NYGÅRD Companies Sites ("NYGÅRD Companies Services"). Although information collected, used or disclosed on the Internet as described below often does not constitute Personal Information (and to the extent that such is the case, then the obligations under the NYGÅRD Privacy Code do not extend to such information), NYGÅRD's Website Privacy Statement governs. To the extent of any conflict between the provisions of that Statement and the following provisions, the following provisions shall exclusively apply.

Internet Protocol Address (IP Address)

When the user's web browser requests a web page from another computer on the Internet, it automatically gives that computer the address where it should send the information. This address is called the computer's "IP address." For most users accessing the Internet from a dial-up Internet service provider (ISP), the IP address will be different every time the user logs on.

NYGÅRD Companies may use the user's IP Address to:

- facilitate the diagnosis and remedy of a technical problem reported by the user's or NYGÅRD Company's technical team
- display (or allow the display by Third Party advertising providers of) more appropriate and relevant content and advertising, such as content and advertising based on the user's geographic area
- estimate user traffic from specific countries or organizations. Many IP addresses are commonly associated with Internet service providers, universities, or major corporations in specific regions or localities. Aggregate information derived from IP addresses may also be reported to advertisers

Cookies

A cookie is a small text file, which often includes an anonymous unique identifier, that is sent to the user's web browser from a web site's computers and is stored on the user's computer's hard drive. Cookies cannot be used to run programs or deliver viruses to a user's computer.

NYGÅRD Companies may use cookies to:

- Improve the operation and performance of the NYGÅRD Companies Services and to make NYGÅRD Companies Services easier and more convenient to use. For example, cookies help NYGÅRD Companies provide more personalized services by recalling user preferences on subsequent visits (e.g. language preference). Cookies also allow NYGÅRD Companies to save passwords and preferences for a user so that the user will not have to re-enter them on the next visit to a NYGÅRD Companies Site;
- Measure aggregate user traffic and demographic statistics related to NYGÅRD Companies Services and advertisements (e.g. number of users, average time spent, average age and similar statistics). This information helps NYGÅRD Companies to better understand when to update, change or offer new services and provides NYGÅRD Companies with details as to the performance of Third Party advertisements and content.

Most browsers are initially set up to accept cookies. If a user prefers, the user can reset his/her browser either to notify the user when the user has received a cookie, or to refuse to accept cookies. The user should understand that while NYGÅRD Companies do not require a user to use cookies, certain NYGÅRD Companies Services will not function properly if a user sets his/her browser to not accept cookies.

Web Beacons

Certain NYGÅRD Companies Services may contain electronic images known as Web beacons - sometimes called single-pixel gifs - that allow NYGÅRD Companies to count users who have visited those pages and to deliver co-branded services. Web beacons are not used to access Personal Information; they are a technique used to compile aggregated statistics about NYGÅRD Companies service usage. Web beacons collect only a limited set of information including a cookie number, time and date of a page view, and a description of the page on which the Web beacon resides.

Links To Other Sites And Advertisements

A NYGÅRD Companies Service may contain links to other websites and services. While NYGÅRD Companies try to link only to sites and services that share NYGÅRD Companies' high standards and respect for privacy, a user should understand that NYGÅRD Companies are not responsible for the content of, or the privacy practices employed by, other companies or websites. This NYGÅRD Privacy Code applies only to the NYGÅRD Companies Services related to this NYGÅRD Privacy Code.

Additional Information

NYGÅRD Companies automatically collect certain information about the user's computer hardware and software. This information may include: browser type, operating system type, domain names, access times and referring Web site addresses. This information is used by NYGÅRD Companies to operate the service, to maintain the quality of the service, and to provide general statistics regarding use of the NYGÅRD Companies Sites.

Certain NYGÅRD Companies Services may be co-branded and offered in conjunction with another company. If a user registers for or uses such services, both NYGÅRD Companies and the other company may receive information collected in conjunction with the co-branded services.

The NYGÅRD Privacy Code in Detail

Definitions

NYGÅRD Companies – NYGÅRD and all subsidiaries of NYGÅRD and any successor company or companies thereof, as a result of corporate reorganization or restructuring

Collection – the act of gathering, acquiring, recording or obtaining Personal Information from any source, including third parties, by any means

Consent – voluntary agreement with the collection, use and disclosure of Personal Information for defined purposes. Consent can be either express or implied and can be provided directly by the Person or by an authorized representative. Express consent can be given orally, electronically or in writing but is always unequivocal and does not require any inference on the part of NYGÅRD. Implied consent is consent that can reasonably be inferred from a Person's action or inaction

Disclosure – making Personal Information available to a Third Party

Employee – an employee or independent contractor of NYGÅRD.

The inclusion of independent contractors within the definition of "Employee" is for convenience of reference only, and does in no manner imply that such individuals are employees of the company within the meaning of employment legislation or are in an employee-employer relationship with the company

Individual – an individual other than an Employee who (a) corresponds with NYGÅRD, including complaints and including applications for employment; or (b) uses, or applies to use, the products or services of NYGÅRD

Person – an Employee or an Individual

Personal Information – information about an identifiable Person, but not: a) information that is publicly available, such as a Person's name, address, telephone number and electronic address, when listed in a directory or made available through directory assistance; b) business-contact information, such as the name, title or business address or telephone number of an employee of an organization; c) information collected, used or disclosed in the course of journalistic, literary or artistic activities; or d) aggregate information that cannot be associated with a specific person, such as demographic statistics about NYGÅRD customers, or number of visitors and average time spent on a website

Third Party – a person other than the Person or his agent, or an organization other than a NYGÅRD Company

Use – the treatment, handling, and management of Personal Information by the NYGÅRD Companies

Principle 1 - Accountability

NYGÅRD is responsible for Personal Information under its control and shall designate one or more persons who are accountable for NYGÅRD's compliance with the following principles.

1.1 Responsibility for ensuring compliance with the provisions of the NYGÅRD Privacy Code rests with the senior management of NYGÅRD, which shall designate one or more persons to be accountable for compliance with the NYGÅRD Privacy Code. Other people within NYGÅRD Companies may be delegated to act on behalf of the designated person(s) or to take responsibility for the day-to-day collection and processing of Personal Information.

1.2 NYGÅRD has designated its General Counsel as Chief Privacy Officer to oversee compliance with the NYGÅRD Privacy Code. The Chief Privacy Officer can be contacted at Abe.Rubinfeld@Nygard.com or by telephone at 416-598-6966.

1.3 NYGÅRD is responsible for Personal Information in its possession or control, including information that has been transferred to a Third Party for processing. NYGÅRD shall use appropriate means to provide a comparable level of protection while information is being processed by a Third Party (see Principle 7).

1.4 NYGÅRD has implemented policies and procedures to give effect to the NYGÅRD Privacy Code, including: a) implementing procedures to protect Personal Information and to oversee NYGÅRD's compliance with the NYGÅRD Privacy Code; b) establishing procedures to receive and respond to inquiries or complaints; c) training and communicating to staff about NYGÅRD's policies and practices; and d) developing public information to explain NYGÅRD's policies and practices.

Principle 2 - Identifying Purposes for Collection of Personal Information

NYGÅRD has collected and collects Personal Information for the purposes set out below, and shall identify the purposes for which Personal Information is collected at or before the time the information is collected.

2.1 NYGÅRD has collected and collects Personal Information for the following purposes: a) to establish and maintain responsible commercial relations with Individuals and to provide ongoing service; b) to understand Individual needs; c) to develop, enhance, market or provide products and services; d) to manage and develop its business and operations, including personnel and employment matters; and e) to meet legal or regulatory requirements, including to protect or defend a legal interest, and in connection with an actual or possible NYGÅRD corporate re-organization, merger or amalgamation with another entity, or an actual or possible sale of all or a substantial portion of the assets of NYGÅRD, provided that the Personal Information disclosed continues to be used by the entity acquiring the information either for evaluation of the possible transaction, or, on completion of any such transaction, for the purposes permitted by this Privacy Policy.

As examples of the above:

- i) NYGÅRD may from time to time use a Person's Personal Information to contact the Person about changes, enhancements or similar notices related to NYGÅRD products and services;
- ii) if a Person indicated that he/she was interested in receiving offers or information from NYGÅRD or certain of our selected partners, NYGÅRD may send the Person materials about products and services that NYGÅRD feels may be of interest to the Person

Further references to "identified purposes" mean the purposes identified in this Principle 2.

2.2 NYGÅRD shall specify orally, electronically or in writing the identified purposes to the Person at or before the time Personal Information is collected. Upon request, persons collecting Personal Information shall explain these identified purposes or refer the Person to a designated person within NYGÅRD who shall explain the purposes.

2.3 Unless required by law, NYGÅRD shall not use or disclose, for any new purpose, Personal Information that has been collected without first identifying the new purpose and obtaining the consent of the Person.

Principle 3 - Obtaining Consent for Collection, Use or Disclosure of Personal Information

The knowledge and consent of a Person are required for the collection, use or disclosure of Personal Information, except where inappropriate.

3.1 Generally, NYGÅRD shall seek consent to use and disclose Personal Information at the same time it collects the information. However, NYGÅRD may seek consent to use and disclose Personal Information after it has been collected but before it is used or disclosed for a new purpose.

3.2 In obtaining consent, NYGÅRD shall use reasonable efforts to ensure that a Person is advised of the identified purposes for which Personal Information will be used or disclosed. Purposes shall be stated in a manner that can be reasonably understood by the Person.

3.3 NYGÅRD will require Individuals to consent to the collection, use or disclosure of Personal Information as a condition of the supply of a product or service only if such collection, use or disclosure is required to fulfill the identified purposes.

3.4 In determining the appropriate form of consent, NYGÅRD shall take into account the sensitivity of the Personal Information and the reasonable expectations of the Persons.

3.5 In general, the use of products and services by an Individual, or the acceptance of employment or benefits by an Employee, constitutes implied consent for NYGÅRD to collect, use and disclose Personal Information for all identified purposes.

3.6 An Individual may withdraw consent at any time, subject to legal or contractual restrictions and reasonable notice. Individuals may contact NYGÅRD for more information regarding the implications of withdrawing consent.

3.7 In certain circumstances Personal Information can be collected, used or disclosed without the knowledge and consent of the Person. For example, NYGÅRD may collect or use Personal Information without knowledge or consent if it is clearly in the interests of the Person and consent cannot be obtained in a timely way, such as when the Person is a minor, seriously ill or mentally incapacitated. NYGÅRD may also collect, use or disclose Personal Information without knowledge or consent if seeking the consent of the Person might defeat the purpose of collecting the information such as in the investigation of a breach of an agreement or a contravention of a federal or provincial law.

NYGÅRD may also use or disclose Personal Information without knowledge or consent in the case of an emergency where the life, health or security of an individual or property is threatened.

NYGÅRD may disclose Personal Information without knowledge or consent to collect a debt, to comply with a subpoena, warrant or other court order, or as may be otherwise related to the legal or regulatory requirements described herein.

Principle 4 - Limiting Collection of Personal Information

NYGÅRD shall limit the collection of Personal Information to that which is necessary for the purposes identified by NYGÅRD.

NYGÅRD shall collect Personal Information by fair and lawful means.

4.1 NYGÅRD collects Personal Information primarily from Individuals or its Employees.

4.2 NYGÅRD may also collect Personal Information from other sources including credit bureaus, employers or personal references, or other third parties that represent that they have the right to disclose the information.

Principle 5 - Limiting Use, Disclosure and Retention of Personal Information

NYGÅRD shall not use or disclose Personal Information for purposes other than those for which it was collected, except with the consent of the Person or as required by law. NYGÅRD shall retain Personal Information only as long as necessary for the fulfillment of the purposes for which it was collected.

5.1 In certain circumstances Personal Information can be collected, used or disclosed without the knowledge and consent of the Person. (see Principle 3.7)

5.2 In addition, NYGÅRD may disclose a Person's Personal Information to: a) another person for the development, enhancement, marketing or provision of any of the products or services of NYGÅRD; b) a person who, in the reasonable judgment of the NYGÅRD Companies, is seeking the information as an agent of the Person; c) any NYGÅRD Companies to permit the provision of services requested by the Person, and d) a Third Party or Third Parties, where the Person consents to such disclosure or disclosure is required by law.

5.3 NYGÅRD may disclose Personal Information about its employees: a) for normal personnel and benefits administration; b) in the context of providing references regarding current or former employees in response to requests from prospective employers; or c) where disclosure is required by law.

5.4 Only those Employees of NYGÅRD who require access for business reasons, or whose duties reasonably so require, or properly designated representatives of NYGÅRD, are granted access to Personal Information about Individuals and Employees.

5.5 NYGÅRD shall keep Personal Information only as long as it remains necessary or relevant for the identified purposes or as required by law. Depending on the circumstances, where Personal Information has been used to make a decision about a Person, NYGÅRD shall retain, for a period of time that is reasonably sufficient to allow for access by the Person, either the actual information or the rationale for making the decision.

5.6 NYGÅRD shall maintain reasonable and systematic controls, schedules and practices for information and records retention and destruction which apply to Personal Information that is no longer necessary or relevant for the identified purposes or required by law to be retained. Such information shall be destroyed, erased or made anonymous.

Principle 6 - Accuracy of Personal Information

Personal Information shall be as accurate, complete and up-to-date as is necessary for the purposes for which it is to be used.

6.1 Personal Information used by NYGÅRD shall be sufficiently accurate, complete and up-to-date to minimize the possibility that inappropriate information may be used to make a decision about a Person.

6.2 NYGÅRD shall update Personal Information about Persons as and when necessary to fulfill the identified purposes or upon notification by the Person.

Principle 7 - Security Safeguards

NYGÅRD shall protect Personal Information by security safeguards appropriate to the sensitivity of the information.

7.1 NYGÅRD shall protect Personal Information against such risks as loss or theft, unauthorized access, disclosure, copying, use, modification or destruction, through appropriate security measures. NYGÅRD shall protect the information regardless of the format in which it is held.

7.2 NYGÅRD shall protect Personal Information disclosed to third parties by contractual agreements stipulating the confidentiality of the information and the purposes for which it is to be used.

7.3 All employees of NYGÅRD with access to Personal Information shall be required as a condition of employment to respect the confidentiality of Personal Information.

Principle 8 - Openness Concerning Policies and Practices

NYGÅRD shall make readily available to Persons specific information about its policies and practices relating to the management of Personal Information.

8.1 NYGÅRD shall make information about its policies and practices easy to understand, including: a) The title and address of the person or persons accountable for the compliance with the NYGÅRD Privacy Code and to whom inquiries or complaints can be forwarded; b) The means of gaining access to Personal Information held by NYGÅRD; and c) A description of the type of Personal Information held by NYGÅRD, including a general account of its use.

8.2 NYGÅRD shall make available information to help Persons exercise choices regarding the use of their Personal Information.

Principle 9 - Access to Personal Information

*NYGÅRD shall inform a Person of the existence, use and disclosure of his or her Personal Information upon request and shall give the Person access to that information.
A Person shall be able to challenge the accuracy and completeness of the Personal Information and have it amended as appropriate.*

9.1 Upon request, NYGÅRD shall afford to a Person a reasonable opportunity to review the Personal Information in the Person's file. Personal Information shall be provided in understandable form within a reasonable time and at minimal or no cost to the Person.

9.2 In certain situations, NYGÅRD may not be able to provide access to all of the Personal Information that they hold about a Person. For example, NYGÅRD may not provide access to information if doing so would likely reveal Personal Information about a Third Party or could reasonably be expected to threaten the life or security of another person. Also, NYGÅRD may not provide access to information if disclosure would reveal confidential commercial information, if the information is protected by solicitor-client privilege, if the information was generated in the course of a formal dispute resolution process, or if the information was collected in relation to the investigation of a breach of an agreement or a contravention of a federal or provincial law, or if the information was collected as part of journalistic, literary or artistic activities. If access to Personal Information cannot be provided, NYGÅRD shall provide the reasons for denying access upon request.

9.3 Upon request, NYGÅRD shall provide an account of the use and disclosure of Personal Information and, where reasonably possible, shall state the source of the information. In providing an account of disclosure, NYGÅRD shall provide a list of organizations to which it may have disclosed Personal Information about the individual when it is not possible to provide an actual list.

9.4 In order to safeguard Personal Information, an individual or employee may be required to provide sufficient identification information to permit NYGÅRD to account for the existence, use and disclosure of Personal Information and to authorize access to the individual's file. Any such information shall be used only for this purpose.

9.5 NYGÅRD shall promptly correct or complete any Personal Information found to be inaccurate or incomplete. Any unresolved differences as to accuracy or completeness shall be noted in the Person's file. Where appropriate, NYGÅRD shall transmit to third parties having access to the Personal Information in question any amended information or the existence of any unresolved differences.

9.6 A Person can obtain information or seek access to his or her Personal Information by contacting a designated representative at NYGÅRD principal office.

9.7 An employee can obtain information or seek access to his or her Personal Information by contacting his or her immediate supervisor within NYGÅRD.

Principle 10 - Challenging Compliance

A Person shall be able to address a challenge concerning compliance with the above principles to the designated person or persons accountable for the compliance of NYGÅRD with the NYGÅRD Privacy Code.

10.1 NYGÅRD shall maintain procedures for addressing and responding to all inquiries or complaints from Persons about NYGÅRD's handling of their Personal Information. If any Person at any time has any questions or concerns about NYGÅRD's privacy practices, the Person can contact the VP Legal Services & General Counsel Abe.Rubinfeld@Nygard.com or by telephone at 416-598-6966.

10.2 NYGÅRD shall inform Persons about the existence of these procedures as well as the availability of complaint procedures.

10.3 The person or persons accountable for compliance with the NYGÅRD Privacy Code may seek external advice where appropriate before providing a final response to individual complaints.

10.4 NYGÅRD shall investigate all complaints concerning compliance with the NYGÅRD Privacy Code. If a complaint is found to be justified, NYGÅRD shall take appropriate measures to resolve the complaint including, if necessary, amending its policies and procedures. A Person shall be informed of the outcome of the investigation regarding his or her complaint.

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OFFICER'S CERTIFICATE

OF

4093879 CANADA LTD.

(the "Corporation")

January 2, 2020

TO: **WHITE OAK COMMERCIAL FINANCE, LLC**, in its capacity as administrative agent and collateral agent (the "**Agent**")

AND TO: **WHITE OAK COMMERCIAL FINANCE, LLC**, as lender

AND TO: **SECOND AVENUE CAPITAL, LLC**, as lender (together with White Oak Commercial Finance, LLC, the "**Lenders**")

AND TO: **MILLER THOMSON LLP ("MT")**

AND TO: **JONES DAY LLP ("JD")**

AND TO: **OSLER, HOSKIN & HARCOURT LLP ("Osler")**

AND TO: **HAHN & HESSON LLP ("HH")**

RE: Credit facilities to be made available to Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc. and Nygard NY Retail, LLC (collectively, the "**Borrowers**"), pursuant to a credit agreement dated December 30, 2019 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Credit Agreement**") entered into by the Borrowers, the Corporation and the other Guarantors (as such term is defined in the Credit Agreement), the Limited Recourse Guarantors (as such term is defined in the Credit Agreement), the Agent and the Lenders. Capitalized terms used in this certificate and not otherwise defined shall have the respective meanings ascribed thereto in the Credit Agreement.

The undersigned officer of the Corporation hereby certifies, on behalf of the Corporation and without personal liability, that:

1. I have reviewed such books and records of the Corporation and other applicable documents and have made such enquiries and investigations as I have considered necessary and advisable to verify the matters set out in this certificate.
2. The Corporation is a validly existing corporation incorporated under the laws of Canada by Articles of Incorporation (the "**Articles**"), a true and complete copy of which are attached hereto as Schedule "A". The Articles are in full force and effect as of the date hereof, have not been amended or varied and neither the directors nor the shareholders of the Corporation have passed, confirmed or consented to any amendments or variations to the Articles.

3. A true and complete copy of all by-laws of the Corporation is attached hereto as Schedule “B” (the “**By-Laws**”). The By-Laws have been duly enacted by the directors of the Corporation and confirmed by its shareholders. The By-Laws comprise the only by-laws of the Corporation, are in full force and effect, unamended, as of the date hereof, and neither the directors nor the shareholders of the Corporation have passed, confirmed or consented to any resolutions amending or varying the By-Laws.
4. Attached as Schedule “C” is a true and complete copy of a resolution duly passed by the board of directors of the Corporation on the 18th day of December, 2019 (the “**Authorizing Resolutions**”) authorizing and approving the entering into, execution and delivery by the Corporation of certain agreements in connection with the Credit Agreement and the performance by the Corporation of its obligations in connection with the Credit Agreement, as further described in the Authorizing Resolutions (the “**Documents**”). The Authorizing Resolutions are the only resolutions of the board of directors of the Corporation pertaining to such subject matter, are in full force and effect and are unamended as of the date hereof.
5. Neither the Corporation nor the shareholders have taken any steps to terminate or change the Corporation’s existence or to amalgamate or merge or continue into any other jurisdiction, nor has the Corporation received any notice or other communication from any governmental authority or other person indicating that there exists any situation which, unless remedied, could result in the termination of the existence of the Corporation.
6. The Corporation, is validly existing, in good standing and qualified to engage in business in each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification, except to the extent that failure to so qualify in such jurisdiction could not reasonably be expected to have a Material Adverse Effect.
7. There is no agreement in existence among all the shareholders of the Corporation that restricts in whole or in part the powers of the directors to manage or supervise the management of the business and affairs of the Corporation.
8. No winding-up, liquidation, dissolution, bankruptcy, merger, amalgamation or continuation of the Corporation and no sale of the assets of the Corporation out of the ordinary course of business of the Corporation has been commenced or is being contemplated by the Corporation as of the date hereof and I have no knowledge of any such proceedings having been commenced or being contemplated in respect of the Corporation by any other person.
9. The Corporation is up to date as at the date hereof in all of its corporate filings, including, without limitation, those required under its statute of incorporation. The Corporation has not received any notice or other communication from any person or government authority indicating that there exists a situation where, unless remedied, could result in the dissolution of the Corporation.
10. Attached hereto as Schedule “D” is a list of all of the officers and directors of the Corporation and set forth opposite their respective names is the position or positions he or

she occupies within the Corporation and a true specimen of the signature of any such person who has executed one or more of the Documents.

11. The Corporation's chief executive office and other places of business are listed in Schedule "E" attached hereto. The Corporation does not keep tangible assets at any location other than the locations listed in Schedule "E" (other than tangible assets in transit to and from such locations).
12. The authorized share capital of the Corporation is an unlimited number of Voting Common Shares, an unlimited number of Non-Voting Common Shares, an unlimited number of Class A Shares, an unlimited number of Class B Shares, an unlimited number of Class C Shares and an unlimited number of Class D Shares of which 200 Voting Common Shares are issued and outstanding. As of the date hereof, the registered owners of such issued and outstanding shares is as follows:

Name	Number and Class of Shares
Nygard Enterprises Ltd.	200 Voting Common Shares

All such shares have been duly authorized and validly issued and are fully paid and non-assessable. The Corporation has not received notice of and I am not aware of any claim to such shares adverse to any claim or interest the Lenders have or may obtain therein.

13. There is no litigation or proceeding pending or threatened before any court, agency, tribunal, arbitration board or any other body which has or could have a Material Adverse Effect on the condition, either financial or otherwise, of the Corporation or on the ability of the Corporation to perform its obligations under any of the Documents.
14. No event of default has occurred under any of the Corporation's Material Contracts.
15. There are no material consents, licenses, approvals, authorizations or exemptions of any third party required for or in connection with the execution or delivery by the Corporation of the Documents to which it is a party or the performance by the Corporation of any of its rights and obligations therein other than as previously obtained and which remain in full force and effect.
16. As of the date hereof, each of the representations and warranties contained in the Credit Agreement and in any other Document to which the Corporation is a party given by the Corporation are true and correct, except to the extent that any such representation or warranty is expressly stated to relate to a specific earlier date, in which case, such representation and warranty is true and correct as of such earlier date.
17. No Default or Event of Default has occurred and is continuing or would result after giving effect to the Revolving Credit Borrowing or issuance of a Letter of Credit or from the application of the proceeds thereof under the Credit Agreement.

18. There has been no event or circumstance since December 31, 2018 that has had or could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.
19. The transactions contemplated under the Credit Agreement do not violate any applicable Law or any Organization Document of the Corporation.
20. Attached hereto as Schedule "F" is a true and complete copy of the Nygard Privacy Code.

I acknowledge that the Agent, the Lenders, MT, JD, Osler and HH are relying on this Certificate in connection with the Credit Agreements, the Documents and the delivery of the opinion letters to the Agent and the Lenders under the Credit Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date first written above.



Name: James R. Bennett

Title: Secretary and Treasurer



Form 6
Changes Regarding Directors
Canada Business Corporations Act
(CBCA) (s. 106 and 113)

Formulaire 6
**Changements concernant les
administrateurs**

*Loi canadienne sur les sociétés par
actions (LCSA) (art. 106 et 113)*

Received Date (YYYY-MM-DD): 2019-10-24
Date de réception (AAAA-MM-JJ):

1 Corporate name
Dénomination sociale
4093879 CANADA LTD.

2 Corporation number
Numéro de la société
409387-9

3 Members of the Board of Directors (new directors in bold)
Membres du conseil d'administration (les nouveaux administrateurs sont indiqués en caractère gras)

Name Nom	Start Date YYYY-MM-DD Date d'entrée en fonction AAAA-MM-DD	Address Adresse	Resident Canadian Résident Canadien
James R. Bennett	2002-07-15	One Niagara Street, Toronto ON M5V 1C2, Canada	Yes
TIINA TULIKORPI	2019-10-23	1 Niagara Street, Toronto ON M5V 1C2, Canada	Yes
Denis J. LaPointe	2002-07-15	1771 Inkster Boulevard, Winnipeg MB R2X 1R3, Canada	Yes

4 The following individuals are no longer directors
Les individus suivants ont cessé d'être administrateur de la société

Name Nom	End Date YYYY-MM-DD Date de fin de mandat AAAA-MM-DD
-------------	---

5 Declaration: I certify that I have relevant knowledge of the corporation and that I am authorized to sign this form.
Déclaration: J'atteste que je possède une connaissance suffisante de la société et que je suis autorisé(e) à signer le présent formulaire.

Original signed by / Original signé par
ABRAHAM N. RUBINFELD
ABRAHAM N. RUBINFELD
416-598-6966

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding \$5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA)

Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 \$ et d'un emprisonnement maximal de six mois, ou l'une de ces peines (paragraphe 250(1) de la LCSA)

You are providing information required by the CBCA. Note that both the CBCA and the *Privacy Act* allow this information to be disclosed to the public. It will be stored in personal information bank number IC/PPU-049.

Vous fournissez des renseignements exigés par la LCSA. Il est à noter que la LCSA et la *Loi sur les renseignements personnels* permettent que de tels renseignements soient divulgués au public. Ils seront stockés dans la banque de renseignements personnels numéro IC/PPU-049.

SCHEDULE “C”

AUTHORIZING RESOLUTIONS OF THE DIRECTORS OF

4093879 CANADA LTD.

(the “Corporation”)

“**WHEREAS** credit facilities are to be made available by White Oak Commercial Finance, LLC and Second Avenue Capital, LLC (collectively, the “**Lenders**”) to Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc. and Nygard NY Retail, LLC (collectively, the “**Borrowers**”), pursuant to a credit agreement (as amended, restated, supplemented, replaced or otherwise modified from time to time, the “**Credit Agreement**”) entered into by the Borrowers, the Corporation and the other Guarantors (as such term is defined in the Credit Agreement), the Limited Recourse Guarantors (as such term is defined in the Credit Agreement), White Oak Commercial Finance, LLC, in its capacity as administrative agent and collateral agent (the “**Agent**”) and the Lenders.

AND WHEREAS it is deemed expedient and in the interests of the Corporation that it enter into, execute and deliver the Credit Agreement and the Documents (as hereinafter defined) together with all such instruments, documents and assurances as may reasonably be required by the Agent and Lenders pursuant to or in respect thereof.

BE IT RESOLVED THAT:


1. The acceptance, execution and delivery by the Corporation of the Credit Agreement is hereby ratified, approved and confirmed and the Corporation agrees to be bound by the terms and conditions therein set out.
2. The Corporation is authorized to guarantee payment to the Agent and Lenders of the obligations of others pursuant to the Credit Agreement, and to perform all its obligations pursuant to each of the documents referred to in this resolution.
3. The Corporation be and is authorized to hypothecate, mortgage, charge, collaterally assign and otherwise transfer and encumber and grant security interests in all its present and future property, undertaking and other assets as security for its present and future indebtedness and liability arising under or in connection with the Credit Agreement and the other Documents to which it is a party.
4. The Corporation is hereby authorized and directed to enter into, execute and deliver to the Agent and the Lenders and to perform its obligations under all such security, instruments and other documents as are required pursuant to the terms and conditions of the Credit Agreement (collectively, together with the Credit Agreement, the “**Documents**”), including without limitation:
 - (a) a general security and pledge agreement in favour of the Agent;

- (b) a deed of hypothec charging all present and future, movable and immovable, corporeal and incorporeal property of the Corporation, including a pledge of all issued and outstanding shares held by the Corporation, in favour of the Agent, in its capacity as hypothecary representative for the Lenders under Article 2692 of the *Civil Code of Quebec* (the “**Hypothec**”);
 - (c) an assignment of material contracts granted by the Corporation to the Agent; and
 - (d) such other loan, security and other documents as the Agent and Lenders may require from time to time in accordance with the terms of the Credit Agreement or the Security (as defined in the Credit Agreement).
- 5. The Corporation hereby (i) consents to the pledge of shares to be made by Nygard Enterprises Ltd. or any of the Corporation’s future shareholders (each, a “**Pledgor**”) of all of the issued and outstanding shares in the capital of the Corporation held by such applicable Pledgor from time to time, in favour of the Lenders, the Agent or any other person acting on their behalf, as general and continuing collateral security for the payment and performance of the Obligations (as such term is defined in the Credit Agreement) (ii) irrevocably consents to the transfer, sale or disposition by such Pledgor, of such shares held by such Pledgor now or in the future to the Lenders, the Agent, or their respective nominee pursuant to any security from time to time provided by its shareholder(s) in connection with the Credit Agreement and if such security is realized or enforced on, to the transfer of such shares or units by such Pledgor, the Lenders, the Agent or their respective nominee to any third party or parties in connection with such realization or enforcement and (iii) agree to reflect in the appropriate registers, indexes and books of the undersigned any transfer of such shares following the exercise by the Lenders, the Agent or any other person acting for or on their behalf of their rights, recourses and remedies under the terms of such security.
- 6. The Corporation hereby authorizes the shareholders of the Corporation to pledge and grant security interests in the shares of the Corporation in favour of the Lenders, the Agent or any other person acting on their behalf, as general and continuing collateral security for the payment and performance of the Obligations (as such term is defined in the Credit Agreement).
- 7. Any officer or director of the Corporation (the “**Authorized Signing Officer**”) be and is hereby authorized and directed for and on behalf of the Corporation whether under corporate seal or otherwise, to execute and deliver the Documents, substantially in the form of the draft Documents presented to and approved by any officer or director of the Corporation, subject to such alterations, amendments or additions to which the Authorized Signing Officer executing and delivering the Documents may agree, the execution by such Authorized Signing Officer to be conclusive proof of his or her agreement to any amendments, alterations or additions incorporated therein and the Corporation shall be bound thereby.

8. Any one of Francis Trifiro, Julie St-Hilaire or any other lawyer, each practicing at the Montreal Office of Miller Thomson LLP (each an "**Authorized Signatory**") be and is hereby authorized and directed for and on behalf of the Corporation whether under corporate seal or otherwise, to execute and deliver the Hypothec, substantially in the form of the draft Hypothec presented to and approved by any officer or director of the Corporation, subject to such alterations, amendments or additions to which the Authorized Signatory executing and delivering the Hypothec may agree, the execution by such Authorized Signatory to be conclusive proof of his or her agreement to any amendments, alterations or additions incorporated therein and the Corporation shall be bound thereby.
9. The Authorized Signing Officer and each Authorized Signatory is hereby authorized and directed for and on behalf of and in the name of the Corporation to do, sign and execute, under the corporate seal of the Corporation or otherwise, all such other agreements, security documents, securities, notes, instruments, certificates, powers of attorney and things as in his opinion may be provided for under the Documents, or which may be advisable or necessary, or which may be requested by the Agent or the Lenders, in connection with the foregoing resolutions or in connection with the execution, delivery or registration of, or the performance of any of the Corporation's obligations under, any of the Documents.
10. The acknowledgement and acceptance of the Credit Agreement, the Documents, and of any other agreements, instruments or documents described above which may have been executed or delivered prior to the adoption of these resolutions, regardless of by which officer or other employee such Credit Agreement or other agreement, instrument or document was executed and delivered, and regardless of any informality in such execution or delivery, be and the same hereby are ratified, approved and confirmed in all respects.
11. This resolution may be executed in several counterparts, which together shall constitute one and the same resolution. The delivery of an executed counterpart of this resolution by facsimile or telecopy or by electronic transmission in portable document format (PDF) shall be deemed to be the equivalent of the delivery of an original executed copy thereof."


SCHEDULE "D"

INCUMBENCY

Name	Position	Signature
Peter John Nygard	Chairman	
Tiina Tuilkorpi	Vice President and Director	
James R. Bennett	Secretary, Treasurer and Director	
Denis J. Lapointe	Director	

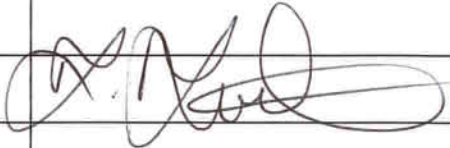
SCHEDULE "D"

INCUMBENCY

Name	Position	Signature
Peter John Nygard	Chairman	
Tiina Tulikorpi	Vice President and Director	
James R. Bennett	Secretary, Treasurer and Director	
Denis J. Lapointe	Director	

SCHEDULE "D"

INCUMBENCY

Name	Position	Signature
Peter John Nygard	Chairman	
Tiina Tulikorpi	Vice President and Director	
James R. Bennett	Secretary, Treasurer and Director	
Denis J. Lapointe	Director	

SCHEDULE “E”

CHIEF EXECUTIVE OFFICE AND OTHER PLACES OF BUSINESS

1. 1771 Inkster Boulevard, Winnipeg, Manitoba

SCHEDULE “F”
NYGARD PRIVACY CODE

See attached.

NYGÅRD INTERNATIONAL PARTNERSHIP AND 4093879 CANADA LTD. ("NYGÅRD")

NYGÅRD Privacy Code

Scope and Application Of The NYGÅRD Privacy Code:

The scope and application of the NYGÅRD Privacy Code are as follows: The NYGÅRD Privacy Code applies to Personal Information about NYGÅRD Employees and non-employee Persons who interact with NYGÅRD that is collected, used or disclosed by NYGÅRD.

- Employees in this context includes past and present employees and independent contractors of NYGÅRD.
- Non-employee Persons in this context includes Individuals who are viewers, readers, subscribers, advertisers, contest participants, job applicants, Internet users who are exposed to the media content of NYGÅRD or a NYGÅRD Company and about whom NYGÅRD collects Personal Information.

The NYGÅRD Privacy Code applies to the management of Personal Information in any form whether oral, electronic or written. NYGÅRD reserves the right to amend this NYGÅRD Privacy Code from time to time.

The application of the NYGÅRD Privacy Code is subject to the requirements or provisions of any applicable legislation, regulations or agreements, or the order of any court or other lawful authority.

Exclusions from privacy protection: The NYGÅRD Privacy Code does not impose any limits on the collection, use or disclosure of the following information by a NYGÅRD Company: a) information that is publicly available, such as a Person's name, address, telephone number and electronic address, when listed in a directory or made available through directory assistance; b) business-contact information, such as the name, title or business address or telephone number of an employee of an organization; c) information collected, used or disclosed in the course of journalistic, literary or artistic activities; or d) aggregate information that cannot be associated with a specific person, such as demographic statistics about NYGÅRD customers, or number of visitors and average time spent on a website.

Purposes for Collection of Personal Information:

NYGÅRD has collected and collects Personal Information for the following purposes: a) to establish and maintain responsible commercial relations with Individuals and to provide ongoing service; b) to understand Individual needs; c) to develop, enhance, market or provide products and services; d) to manage and develop its business and operations, including personnel and employment matters; and e) to meet legal or regulatory requirements, including to protect or defend a legal interest, and in connection with an actual or possible NYGÅRD corporate re-organization, merger or amalgamation with another entity, or an actual or possible sale of all or a substantial portion of the assets of NYGÅRD, provided that the Personal Information disclosed continues to be used by the entity acquiring the information either for evaluation of the possible transaction, or, on completion of any such transaction, for the purposes permitted by this Privacy Policy.

As examples of the above:

- i) NYGÅRD may from time to time use a Person's Personal Information to contact the Person about changes, enhancements or similar notices related to NYGÅRD products and services;
- ii) if a Person indicated that he/she was interested in receiving offers or information from NYGÅRD, NYGÅRD may send the Person materials about products and services that NYGÅRD feels may be of interest to the Person; and

Obtaining Consent:

NYGÅRD will make a reasonable effort to make sure Persons understand how their Personal Information will be used by NYGÅRD. NYGÅRD will obtain consent from Persons before or when it collects or uses the Personal Information. NYGÅRD will not attempt to deceive Persons into giving consent.

A Person's consent can be express, implied, or given through an authorized representative. A Person can withdraw consent at any time, with certain exceptions noted herein. NYGÅRD, however, may collect, use or disclose Personal Information without the Person's knowledge or consent in exceptional circumstances where such collection, use or disclosure is permitted or as required by law.

Note: If any Person at any time has any questions or concerns about NYGÅRD's privacy practices, the Person can write to: VP Legal Services & General Counsel Abe.Rubinfeld@Nygard.com or contact by telephone at 416-598-6966.

Refusing or withdrawing Consent:

Subject to legal and contractual requirements, a Person can refuse to consent to NYGÅRD's collection, use or disclosure of Personal Information about the Person, or a Person may withdraw the Person's consent to NYGÅRD's further collection, use or disclosure of Personal Information at any time in the future by giving NYGÅRD reasonable notice, unless: i) the consent relates to certain information required for credit approval which a Person applies for or accepts, ii) the consent is otherwise required by law, or iii) the use or disclosure is permitted by law or is related to the legal or regulatory requirements described herein. If a Person refuses or withdraws the Person's consent, NYGÅRD may not be able to provide the Person or continue to provide the Person with some products, services or information which may be of value to the Person.

Internet Aspects:

Personal Information may be collected when a user conducts activities on or related to all websites of NYGÅRD Companies ("NYGÅRD Companies Sites") or related to services made available on the NYGÅRD Companies Sites ("NYGÅRD Companies Services"). Although information collected, used or disclosed on the Internet as described below often does not constitute Personal Information (and to the extent that such is the case, then the obligations under the NYGÅRD Privacy Code do not extend to such information), NYGÅRD's Website Privacy Statement governs. To the extent of any conflict between the provisions of that Statement and the following provisions, the following provisions shall exclusively apply.

Internet Protocol Address (IP Address)

When the user's web browser requests a web page from another computer on the Internet, it automatically gives that computer the address where it should send the information. This address is called the computer's "IP address." For most users accessing the Internet from a dial-up Internet service provider (ISP), the IP address will be different every time the user logs on.

NYGÅRD Companies may use the user's IP Address to:

- facilitate the diagnosis and remedy of a technical problem reported by the user's or NYGÅRD Company's technical team
- display (or allow the display by Third Party advertising providers of) more appropriate and relevant content and advertising, such as content and advertising based on the user's geographic area
- estimate user traffic from specific countries or organizations. Many IP addresses are commonly associated with Internet service providers, universities, or major corporations in specific regions or localities. Aggregate information derived from IP addresses may also be reported to advertisers

Cookies

A cookie is a small text file, which often includes an anonymous unique identifier, that is sent to the user's web browser from a web site's computers and is stored on the user's computer's hard drive. Cookies cannot be used to run programs or deliver viruses to a user's computer.

NYGÅRD Companies may use cookies to:

- Improve the operation and performance of the NYGÅRD Companies Services and to make NYGÅRD Companies Services easier and more convenient to use. For example, cookies help NYGÅRD Companies provide more personalized services by recalling user preferences on subsequent visits (e.g. language preference). Cookies also allow NYGÅRD Companies to save passwords and preferences for a user so that the user will not have to re-enter them on the next visit to a NYGÅRD Companies Site;
- Measure aggregate user traffic and demographic statistics related to NYGÅRD Companies Services and advertisements (e.g. number of users, average time spent, average age and similar statistics). This information helps NYGÅRD Companies to better understand when to update, change or offer new services and provides NYGÅRD Companies with details as to the performance of Third Party advertisements and content.

Most browsers are initially set up to accept cookies. If a user prefers, the user can reset his/her browser either to notify the user when the user has received a cookie, or to refuse to accept cookies. The user should understand that while NYGÅRD Companies do not require a user to use cookies, certain NYGÅRD Companies Services will not function properly if a user sets his/her browser to not accept cookies.

Web Beacons

Certain NYGÅRD Companies Services may contain electronic images known as Web beacons - sometimes called single-pixel gifs - that allow NYGÅRD Companies to count users who have visited those pages and to deliver co-branded services. Web beacons are not used to access Personal Information; they are a technique used to compile aggregated statistics about NYGÅRD Companies service usage. Web beacons collect only a limited set of information including a cookie number, time and date of a page view, and a description of the page on which the Web beacon resides.

Links To Other Sites And Advertisements

A NYGÅRD Companies Service may contain links to other websites and services. While NYGÅRD Companies try to link only to sites and services that share NYGÅRD Companies' high standards and respect for privacy, a user should understand that NYGÅRD Companies are not responsible for the content of, or the privacy practices employed by, other companies or websites. This NYGÅRD Privacy Code applies only to the NYGÅRD Companies Services related to this NYGÅRD Privacy Code.

Additional Information

NYGÅRD Companies automatically collect certain information about the user's computer hardware and software. This information may include: browser type, operating system type, domain names, access times and referring Web site addresses. This information is used by NYGÅRD Companies to operate the service, to maintain the quality of the service, and to provide general statistics regarding use of the NYGÅRD Companies Sites.

Certain NYGÅRD Companies Services may be co-branded and offered in conjunction with another company. If a user registers for or uses such services, both NYGÅRD Companies and the other company may receive information collected in conjunction with the co-branded services.

The NYGÅRD Privacy Code in Detail

Definitions

NYGÅRD Companies – NYGÅRD and all subsidiaries of NYGÅRD and any successor company or companies thereof, as a result of corporate reorganization or restructuring

Collection – the act of gathering, acquiring, recording or obtaining Personal Information from any source, including third parties, by any means

Consent – voluntary agreement with the collection, use and disclosure of Personal Information for defined purposes. Consent can be either express or implied and can be provided directly by the Person or by an authorized representative. Express consent can be given orally, electronically or in writing but is always unequivocal and does not require any inference on the part of NYGÅRD. Implied consent is consent that can reasonably be inferred from a Person's action or inaction

Disclosure – making Personal Information available to a Third Party

Employee – an employee or independent contractor of NYGÅRD.

The inclusion of independent contractors within the definition of "Employee" is for convenience of reference only, and does in no manner imply that such individuals are employees of the company within the meaning of employment legislation or are in an employee-employer relationship with the company

Individual – an individual other than an Employee who (a) corresponds with NYGÅRD, including complaints and including applications for employment; or (b) uses, or applies to use, the products or services of NYGÅRD

Person – an Employee or an Individual

Personal Information – information about an identifiable Person, but not: a) information that is publicly available, such as a Person's name, address, telephone number and electronic address, when listed in a directory or made available through directory assistance; b) business-contact information, such as the name, title or business address or telephone number of an employee of an organization; c) information collected, used or disclosed in the course of journalistic, literary or artistic activities; or d) aggregate information that cannot be associated with a specific person, such as demographic statistics about NYGÅRD customers, or number of visitors and average time spent on a website

Third Party – a person other than the Person or his agent, or an organization other than a NYGÅRD Company

Use – the treatment, handling, and management of Personal Information by the NYGÅRD Companies

Principle 1 - Accountability

NYGÅRD is responsible for Personal Information under its control and shall designate one or more persons who are accountable for NYGÅRD's compliance with the following principles.

1.1 Responsibility for ensuring compliance with the provisions of the NYGÅRD Privacy Code rests with the senior management of NYGÅRD, which shall designate one or more persons to be accountable for compliance with the NYGÅRD Privacy Code. Other people within NYGÅRD Companies may be delegated to act on behalf of the designated person(s) or to take responsibility for the day-to-day collection and processing of Personal Information.

1.2 NYGÅRD has designated its General Counsel as Chief Privacy Officer to oversee compliance with the NYGÅRD Privacy Code. The Chief Privacy Officer can be contacted at Abe.Rubinfeld@Nygard.com or by telephone at 416-598-6966.

1.3 NYGÅRD is responsible for Personal Information in its possession or control, including information that has been transferred to a Third Party for processing. NYGÅRD shall use appropriate means to provide a comparable level of protection while information is being processed by a Third Party (see Principle 7).

1.4 NYGÅRD has implemented policies and procedures to give effect to the NYGÅRD Privacy Code, including: a) implementing procedures to protect Personal Information and to oversee NYGÅRD's compliance with the NYGÅRD Privacy Code; b) establishing procedures to receive and respond to inquiries or complaints; c) training and communicating to staff about NYGÅRD's policies and practices; and d) developing public information to explain NYGÅRD's policies and practices.

Principle 2 - Identifying Purposes for Collection of Personal Information

NYGÅRD has collected and collects Personal Information for the purposes set out below, and shall identify the purposes for which Personal Information is collected at or before the time the information is collected.

2.1 NYGÅRD has collected and collects Personal Information for the following purposes: a) to establish and maintain responsible commercial relations with Individuals and to provide ongoing service; b) to understand Individual needs; c) to develop, enhance, market or provide products and services; d) to manage and develop its business and operations, including personnel and employment matters; and e) to meet legal or regulatory requirements, including to protect or defend a legal interest, and in connection with an actual or possible NYGÅRD corporate re-organization, merger or amalgamation with another entity, or an actual or possible sale of all or a substantial portion of the assets of NYGÅRD, provided that the Personal Information disclosed continues to be used by the entity acquiring the information either for evaluation of the possible transaction, or, on completion of any such transaction, for the purposes permitted by this Privacy Policy.

As examples of the above:

- i) NYGÅRD may from time to time use a Person's Personal Information to contact the Person about changes, enhancements or similar notices related to NYGÅRD products and services;
- ii) if a Person indicated that he/she was interested in receiving offers or information from NYGÅRD or certain of our selected partners, NYGÅRD may send the Person materials about products and services that NYGÅRD feels may be of interest to the Person

Further references to "identified purposes" mean the purposes identified in this Principle 2.

2.2 NYGÅRD shall specify orally, electronically or in writing the identified purposes to the Person at or before the time Personal Information is collected. Upon request, persons collecting Personal Information shall explain these identified purposes or refer the Person to a designated person within NYGÅRD who shall explain the purposes.

2.3 Unless required by law, NYGÅRD shall not use or disclose, for any new purpose, Personal Information that has been collected without first identifying the new purpose and obtaining the consent of the Person.

Principle 3 - Obtaining Consent for Collection, Use or Disclosure of Personal Information

The knowledge and consent of a Person are required for the collection, use or disclosure of Personal Information, except where inappropriate.

3.1 Generally, NYGÅRD shall seek consent to use and disclose Personal Information at the same time it collects the information. However, NYGÅRD may seek consent to use and disclose Personal Information after it has been collected but before it is used or disclosed for a new purpose.

3.2 In obtaining consent, NYGÅRD shall use reasonable efforts to ensure that a Person is advised of the identified purposes for which Personal Information will be used or disclosed. Purposes shall be stated in a manner that can be reasonably understood by the Person.

3.3 NYGÅRD will require Individuals to consent to the collection, use or disclosure of Personal Information as a condition of the supply of a product or service only if such collection, use or disclosure is required to fulfill the identified purposes.

3.4 In determining the appropriate form of consent, NYGÅRD shall take into account the sensitivity of the Personal Information and the reasonable expectations of the Persons.

3.5 In general, the use of products and services by an Individual, or the acceptance of employment or benefits by an Employee, constitutes implied consent for NYGÅRD to collect, use and disclose Personal Information for all identified purposes.

3.6 An Individual may withdraw consent at any time, subject to legal or contractual restrictions and reasonable notice. Individuals may contact NYGÅRD for more information regarding the implications of withdrawing consent.

3.7 In certain circumstances Personal Information can be collected, used or disclosed without the knowledge and consent of the Person. For example, NYGÅRD may collect or use Personal Information without knowledge or consent if it is clearly in the interests of the Person and consent cannot be obtained in a timely way, such as when the Person is a minor, seriously ill or mentally incapacitated. NYGÅRD may also collect, use or disclose Personal Information without knowledge or consent if seeking the consent of the Person might defeat the purpose of collecting the information such as in the investigation of a breach of an agreement or a contravention of a federal or provincial law.

NYGÅRD may also use or disclose Personal Information without knowledge or consent in the case of an emergency where the life, health or security of an individual or property is threatened.

NYGÅRD may disclose Personal Information without knowledge or consent to collect a debt, to comply with a subpoena, warrant or other court order, or as may be otherwise related to the legal or regulatory requirements described herein.

Principle 4 - Limiting Collection of Personal Information

NYGÅRD shall limit the collection of Personal Information to that which is necessary for the purposes identified by NYGÅRD.

NYGÅRD shall collect Personal Information by fair and lawful means.

4.1 NYGÅRD collects Personal Information primarily from Individuals or its Employees.

4.2 NYGÅRD may also collect Personal Information from other sources including credit bureaus, employers or personal references, or other third parties that represent that they have the right to disclose the information.

Principle 5 - Limiting Use, Disclosure and Retention of Personal Information

NYGÅRD shall not use or disclose Personal Information for purposes other than those for which it was collected, except with the consent of the Person or as required by law. NYGÅRD shall retain Personal Information only as long as necessary for the fulfillment of the purposes for which it was collected.

5.1 In certain circumstances Personal Information can be collected, used or disclosed without the knowledge and consent of the Person. (see Principle 3.7)

5.2 In addition, NYGÅRD may disclose a Person's Personal Information to: a) another person for the development, enhancement, marketing or provision of any of the products or services of NYGÅRD; b) a person who, in the reasonable judgment of the NYGÅRD Companies, is seeking the information as an agent of the Person; c) any NYGÅRD Companies to permit the provision of services requested by the Person, and d) a Third Party or Third Parties, where the Person consents to such disclosure or disclosure is required by law.

5.3 NYGÅRD may disclose Personal Information about its employees: a) for normal personnel and benefits administration; b) in the context of providing references regarding current or former employees in response to requests from prospective employers; or c) where disclosure is required by law.

5.4 Only those Employees of NYGÅRD who require access for business reasons, or whose duties reasonably so require, or properly designated representatives of NYGÅRD, are granted access to Personal Information about Individuals and Employees.

5.5 NYGÅRD shall keep Personal Information only as long as it remains necessary or relevant for the identified purposes or as required by law. Depending on the circumstances, where Personal Information has been used to make a decision about a Person, NYGÅRD shall retain, for a period of time that is reasonably sufficient to allow for access by the Person, either the actual information or the rationale for making the decision.

5.6 NYGÅRD shall maintain reasonable and systematic controls, schedules and practices for information and records retention and destruction which apply to Personal Information that is no longer necessary or relevant for the identified purposes or required by law to be retained. Such information shall be destroyed, erased or made anonymous.

Principle 6 - Accuracy of Personal Information

Personal Information shall be as accurate, complete and up-to-date as is necessary for the purposes for which it is to be used.

6.1 Personal Information used by NYGÅRD shall be sufficiently accurate, complete and up-to-date to minimize the possibility that inappropriate information may be used to make a decision about a Person.

6.2 NYGÅRD shall update Personal Information about Persons as and when necessary to fulfill the identified purposes or upon notification by the Person.

Principle 7 - Security Safeguards

NYGÅRD shall protect Personal Information by security safeguards appropriate to the sensitivity of the information.

7.1 NYGÅRD shall protect Personal Information against such risks as loss or theft, unauthorized access, disclosure, copying, use, modification or destruction, through appropriate security measures. NYGÅRD shall protect the information regardless of the format in which it is held.

7.2 NYGÅRD shall protect Personal Information disclosed to third parties by contractual agreements stipulating the confidentiality of the information and the purposes for which it is to be used.

7.3 All employees of NYGÅRD with access to Personal Information shall be required as a condition of employment to respect the confidentiality of Personal Information.

Principle 8 - Openness Concerning Policies and Practices

NYGÅRD shall make readily available to Persons specific information about its policies and practices relating to the management of Personal Information.

8.1 NYGÅRD shall make information about its policies and practices easy to understand, including: a) The title and address of the person or persons accountable for the compliance with the NYGÅRD Privacy Code and to whom inquiries or complaints can be forwarded; b) The means of gaining access to Personal Information held by NYGÅRD; and c) A description of the type of Personal Information held by NYGÅRD, including a general account of its use.

8.2 NYGÅRD shall make available information to help Persons exercise choices regarding the use of their Personal Information.

Principle 9 - Access to Personal Information

*NYGÅRD shall inform a Person of the existence, use and disclosure of his or her Personal Information upon request and shall give the Person access to that information.
A Person shall be able to challenge the accuracy and completeness of the Personal Information and have it amended as appropriate.*

9.1 Upon request, NYGÅRD shall afford to a Person a reasonable opportunity to review the Personal Information in the Person's file. Personal Information shall be provided in understandable form within a reasonable time and at minimal or no cost to the Person.

9.2 In certain situations, NYGÅRD may not be able to provide access to all of the Personal Information that they hold about a Person. For example, NYGÅRD may not provide access to information if doing so would likely reveal Personal Information about a Third Party or could reasonably be expected to threaten the life or security of another person. Also, NYGÅRD may not provide access to information if disclosure would reveal confidential commercial information, if the information is protected by solicitor-client privilege, if the information was generated in the course of a formal dispute resolution process, or if the information was collected in relation to the investigation of a breach of an agreement or a contravention of a federal or provincial law, or if the information was collected as part of journalistic, literary or artistic activities. If access to Personal Information cannot be provided, NYGÅRD shall provide the reasons for denying access upon request.

9.3 Upon request, NYGÅRD shall provide an account of the use and disclosure of Personal Information and, where reasonably possible, shall state the source of the information. In providing an account of disclosure, NYGÅRD shall provide a list of organizations to which it may have disclosed Personal Information about the individual when it is not possible to provide an actual list.

9.4 In order to safeguard Personal Information, an individual or employee may be required to provide sufficient identification information to permit NYGÅRD to account for the existence, use and disclosure of Personal Information and to authorize access to the individual's file. Any such information shall be used only for this purpose.

9.5 NYGÅRD shall promptly correct or complete any Personal Information found to be inaccurate or incomplete. Any unresolved differences as to accuracy or completeness shall be noted in the Person's file. Where appropriate, NYGÅRD shall transmit to third parties having access to the Personal Information in question any amended information or the existence of any unresolved differences.

9.6 A Person can obtain information or seek access to his or her Personal Information by contacting a designated representative at NYGÅRD principal office.

9.7 An employee can obtain information or seek access to his or her Personal Information by contacting his or her immediate supervisor within NYGÅRD.

Principle 10 - Challenging Compliance

A Person shall be able to address a challenge concerning compliance with the above principles to the designated person or persons accountable for the compliance of NYGÅRD with the NYGÅRD Privacy Code.

10.1 NYGÅRD shall maintain procedures for addressing and responding to all inquiries or complaints from Persons about NYGÅRD's handling of their Personal Information. If any Person at any time has any questions or concerns about NYGÅRD's privacy practices, the Person can contact the VP Legal Services & General Counsel Abe.Rubinfeld@Nygard.com or by telephone at 416-598-6966.

10.2 NYGÅRD shall inform Persons about the existence of these procedures as well as the availability of complaint procedures.

10.3 The person or persons accountable for compliance with the NYGÅRD Privacy Code may seek external advice where appropriate before providing a final response to individual complaints.

10.4 NYGÅRD shall investigate all complaints concerning compliance with the NYGÅRD Privacy Code. If a complaint is found to be justified, NYGÅRD shall take appropriate measures to resolve the complaint including, if necessary, amending its policies and procedures. A Person shall be informed of the outcome of the investigation regarding his or her complaint.

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OFFICER'S CERTIFICATE
OF
NYGARD PROPERTIES LTD.

(the "Corporation")

January 2, 2020

TO: **WHITE OAK COMMERCIAL FINANCE, LLC**, in its capacity as administrative agent and collateral agent (the "**Agent**")

AND TO: **WHITE OAK COMMERCIAL FINANCE, LLC**, as lender

AND TO: **SECOND AVENUE CAPITAL, LLC**, as lender (together with White Oak Commercial Finance, LLC, the "**Lenders**")

AND TO: **MILLER THOMSON LLP ("MT")**

AND TO: **JONES DAY LLP ("JD")**

AND TO: **OSLER, HOSKIN & HARCOURT LLP ("Osler")**

AND TO: **HAHN & HESSON LLP ("HH")**

AND TO: **FILLMORE RILEY LLP ("FR")**

RE: Credit facilities to be made available to Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc. and Nygard NY Retail, LLC (collectively, the "**Borrowers**"), pursuant to a credit agreement dated December 30, 2019 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Credit Agreement**") entered into by the Borrowers, the Guarantors (as such term is defined in the Credit Agreement), the Corporation and the other Limited Recourse Guarantor (as such term is defined in the Credit Agreement), the Agent and the Lenders. Capitalized terms used in this certificate and not otherwise defined shall have the respective meanings ascribed thereto in the Credit Agreement.

The undersigned officer of the Corporation hereby certifies, on behalf of the Corporation and without personal liability, that:

1. I have reviewed such books and records of the Corporation and other applicable documents and have made such enquiries and investigations as I have considered necessary and advisable to verify the matters set out in this certificate.
2. The Corporation is a validly existing corporation under the laws of the Province of Manitoba by Articles of Amalgamation and Articles of Continuance (collectively, the "**Articles**"), a true and complete copy of which are attached hereto as Schedule "A". The Articles are in full force and effect as of the date hereof, have not been further amended

or varied and neither the directors nor the shareholders of the Corporation have passed, confirmed or consented to any amendments or variations to the Articles.

3. A true and complete copy of all by-laws of the Corporation is attached hereto as Schedule “B” (the “**By-Laws**”). The By-Laws have been duly enacted by the directors of the Corporation and confirmed by its shareholders. The By-Laws comprise the only by-laws of the Corporation, are in full force and effect, unamended, as of the date hereof, and neither the directors nor the shareholders of the Corporation have passed, confirmed or consented to any resolutions amending or varying the By-Laws.
4. Attached as Schedule “C” is a true and complete copy of a resolution duly passed by the board of directors of the Corporation on the 18th day of December, 2019 (the “**Authorizing Resolutions**”) authorizing and approving the entering into, execution and delivery by the Corporation of certain agreements in connection with the Credit Agreement and the performance by the Corporation of its obligations in connection with the Credit Agreement, as further described in the Authorizing Resolutions (the “**Documents**”). The Authorizing Resolutions are the only resolutions of the board of directors of the of the Corporation pertaining to such subject matter, are in full force and effect and are unamended as of the date hereof.
5. Neither the Corporation nor the shareholders have taken any steps to terminate or change the Corporation’s existence or to amalgamate or merge or continue into any other jurisdiction, nor has the Corporation received any notice or other communication from any governmental authority or other person indicating that there exists any situation which, unless remedied, could result in the termination of the existence of the Corporation.
6. The Corporation, is validly existing, in good standing and qualified to engage in business in each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification, except to the extent that failure to so qualify in such jurisdiction could not reasonably be expected to have a Material Adverse Effect.
7. There is no agreement in existence among all the shareholders of the Corporation that restricts in whole or in part the powers of the directors to manage or supervise the management of the business and affairs of the Corporation.
8. No winding-up, liquidation, dissolution, bankruptcy, merger, amalgamation or continuation of the Corporation and no sale of the assets of the Corporation out of the ordinary course of business of the Corporation has been commenced or is being contemplated by the Corporation as of the date hereof and I have no knowledge of any such proceedings having been commenced or being contemplated in respect of the Corporation by any other person.
9. The Corporation is up to date as at the date hereof in all of its corporate filings, including, without limitation, those required under its statute of incorporation. The Corporation has not received any notice or other communication from any person or government authority indicating that there exists a situation where, unless remedied, could result in the dissolution of the Corporation.

10. Attached hereto as Schedule “D” is a list of all of the officers and directors of the Corporation and set forth opposite their respective names is the position or positions he or she occupies within the Corporation and a true specimen of the signature of any such person who has executed one or more of the Documents.
11. The Corporation’s chief executive office and other places of business are listed in Schedule “E” attached hereto. The Corporation does not keep tangible assets at any location other than the locations listed in Schedule “E” (other than tangible assets in transit to and from such locations).
12. There is no litigation or proceeding pending or threatened before any court, agency, tribunal, arbitration board or any other body which has or could have a Material Adverse Effect on the condition, either financial or otherwise, of the Corporation or on the ability of the Corporation to perform its obligations under any of the Documents.
13. No event of default has occurred under any of the Corporation’s Material Contracts.
14. There are no material consents, licenses, approvals, authorizations or exemptions of any third party required for or in connection with the execution or delivery by the Corporation of the Documents to which it is a party or the performance by the Corporation of any of its rights and obligations therein other than as previously obtained and which remain in full force and effect.
15. As of the date hereof, each of the representations and warranties contained in the Credit Agreement and in any other Document to which the Corporation is a party given by the Corporation are true and correct, except to the extent that any such representation or warranty is expressly stated to relate to a specific earlier date, in which case, such representation and warranty is true and correct as of such earlier date.
16. No Default or Event of Default has occurred and is continuing or would result after giving effect to the Revolving Credit Borrowing or issuance of a Letter of Credit or from the application of the proceeds thereof under the Credit Agreement.
17. There has been no event or circumstance since December 31, 2018 that has had or could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.
18. The transactions contemplated under the Credit Agreement do not violate any applicable Law or any Organization Document of the Corporation.
19. The Corporation is in compliance with all pertinent federal, state, provincial local or territorial Laws.
20. Attached hereto as Schedule “F” is a true and complete copy of the Nygard Privacy Code.

I acknowledge that the Agent, the Lenders, MT, JD, Osler, HH and FR are relying on this Certificate in connection with the Credit Agreements, the Documents and the delivery of the opinion letters to the Agent and the Lenders under the Credit Agreement.

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IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date first written above.



Name: James R. Bennett

Title: Secretary and Treasurer

SCHEDULE “C”

AUTHORIZING RESOLUTIONS OF THE DIRECTORS OF NYGARD PROPERTIES LTD.

(the “Corporation”)

“**WHEREAS** credit facilities are to be made available by White Oak Commercial Finance, LLC and Second Avenue Capital, LLC (collectively, the “**Lenders**”) to Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, LLC and Nygard NY Retail, LLC (collectively, the “**Borrowers**”), pursuant to a credit agreement dated (as amended, restated, supplemented, replaced or otherwise modified from time to time, the “**Credit Agreement**”) entered into by the Borrowers, the Guarantors (as such term is defined in the Credit Agreement), the Corporation and the other Limited Recourse Guarantor (as such term is defined in the Credit Agreement), White Oak Commercial Finance, LLC, in its capacity as administrative agent and collateral agent (the “**Agent**”) and the Lenders.

AND WHEREAS it is deemed expedient and in the interests of the Corporation that it enter into, execute and deliver the Credit Agreement and the Documents (as hereinafter defined) together with all such instruments, documents and assurances as may reasonably be required by the Agent and Lenders pursuant to or in respect thereof.

BE IT RESOLVED THAT:

1. The acceptance, execution and delivery by the Corporation of the Credit Agreement is hereby ratified, approved and confirmed and the Corporation agrees to be bound by the terms and conditions therein set out.
2. The Corporation is authorized to guarantee payment to the Agent and Lenders of the obligations of others pursuant to the Credit Agreement, and to perform all its obligations pursuant to each of the documents referred to in this resolution.
3. The Corporation be and is authorized to hypothecate, mortgage, charge, collaterally assign and otherwise transfer and encumber and grant security interests in all its present and future property, undertaking and other assets as security for its present and future indebtedness and liability arising under or in connection with the Credit Agreement and the other Documents to which it is a party.
4. The Corporation is hereby authorized and directed to enter into, execute and deliver to the Agent and the Lenders and to perform its obligations under all such security, instruments and other documents as are required pursuant to the terms and conditions of the Credit Agreement (collectively, together with the Credit Agreement, the “**Documents**”), including without limitation:
 - (a) a general security and pledge agreement in favour of the Agent;

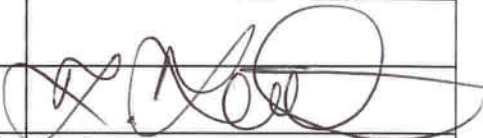
- (b) a deed of hypothec charging all present and future, movable and immovable, corporeal and incorporeal property of the Corporation, including a pledge of all issued and outstanding shares held by the Corporation, in favour of the Agent, in its capacity as hypothecary representative for the Lenders under Article 2692 of the *Civil Code of Quebec* (the “**Hypothec**”);
 - (c) an assignment of material contracts granted by the Corporation to the Agent;
 - (d) an inter-company debt subordination agreement made by, *inter alios*, the Corporation and the Agent;
 - (e) a non-disturbance and attornment agreement among the Agent, Nygard International Partnership, as tenant, and the Corporation, as landlord, for each property where Nygard International Partnership is a tenant; and
 - (f) such other loan, security and other documents as the Agent and Lenders may require from time to time in accordance with the terms of the Credit Agreement or the Security (as defined in the Credit Agreement).
5. The Corporation hereby (i) consents to the pledge of shares to be made by Nygard Enterprises Ltd. or any of the Corporation’s future shareholders (each, a “**Pledgor**”) of all of the issued and outstanding shares in the capital of the Corporation held by such applicable Pledgor from time to time, in favour of the Lenders, the Agent or any other person acting on their behalf, as general and continuing collateral security for the payment and performance of the Obligations (as such term is defined in the Credit Agreement) (ii) irrevocably consents to the transfer, sale or disposition by such Pledgor, of such shares held by such Pledgor now or in the future to the Lenders, the Agent, or their respective nominee pursuant to any security from time to time provided by its shareholder(s) in connection with the Credit Agreement and if such security is realized or enforced on, to the transfer of such shares or units by such Pledgor, the Lenders, the Agent or their respective nominee to any third party or parties in connection with such realization or enforcement and (iii) agree to reflect in the appropriate registers, indexes and books of the undersigned any transfer of such shares following the exercise by the Lenders, the Agent or any other person acting for or on their behalf of their rights, recourses and remedies under the terms of such security.
6. The Corporation hereby authorizes the shareholders of the Corporation to pledge and grant security interests in the shares of the Corporation in favour of the Lenders, the Agent or any other person acting on their behalf, as general and continuing collateral security for the payment and performance of the Obligations (as such term is defined in the Credit Agreement).
7. Any officer or director of the Corporation (the “**Authorized Signing Officer**”) be and is hereby authorized and directed for and on behalf of the Corporation whether under corporate seal or otherwise, to execute and deliver the Documents, substantially in the form of the draft Documents presented to and approved by any officer or director of the Corporation, subject to such alterations, amendments or additions to which the Authorized

Signing Officer executing and delivering the Documents may agree, the execution by such Authorized Signing Officer to be conclusive proof of his or her agreement to any amendments, alterations or additions incorporated therein and the Corporation shall be bound thereby.

8. Any one of Francis Trifiro, Julie St-Hilaire or any other lawyer, each practicing at the Montreal Office of Miller Thomson LLP (each an "**Authorized Signatory**") be and is hereby authorized and directed for and on behalf of the Corporation whether under corporate seal or otherwise, to execute and deliver the Hypothec, substantially in the form of the draft Hypothec presented to and approved by any officer or director of the Corporation, subject to such alterations, amendments or additions to which the Authorized Signatory executing and delivering the Hypothec may agree, the execution by such Authorized Signatory to be conclusive proof of his or her agreement to any amendments, alterations or additions incorporated therein and the Corporation shall be bound thereby.
9. The Authorized Signing Officer and each Authorized Signatory is hereby authorized and directed for an on behalf of and in the name of the Corporation to do, sign and execute, under the corporate seal of the Corporation or otherwise, all such other agreements, security documents, securities, notes, instruments, certificates, powers of attorney and things as in his opinion may be provided for under the Documents, or which may be advisable or necessary, or which may be requested by the Agent or the Lenders, in connection with the foregoing resolutions or in connection with the execution, delivery or registration of, or the performance of any of the Corporation's obligations under, any of the Documents.
10. The acknowledgement and acceptance of the Credit Agreement, the Documents, and of any other agreements, instruments or documents described above which may have been executed or delivered prior to the adoption of these resolutions, regardless of by which officer or other employee such Credit Agreement or other agreement, instrument or document was executed and delivered, and regardless of any informality in such execution or delivery, be and the same hereby are ratified, approved and confirmed in all respects.
11. This resolution may be executed in several counterparts, which together shall constitute one and the same resolution. The delivery of an executed counterpart of this resolution by facsimile or telecopy or by electronic transmission in portable document format (PDF) shall be deemed to be the equivalent of the delivery of an original executed copy thereof."

SCHEDULE "D"


INCUMBENCY

Name	Position	Signature
Peter John Nygard	Chairman	
Tiina Tulikorpi	Vice-President and Director	
James R. Bennett	Director	
Denis J. Lapointe	Director	

[Signature page of Incumbency Certificate - Nygard Properties Ltd.]


SCHEDULE "D"

INCUMBENCY

Name	Position	Signature
Peter John Nygard	Chairman	
Tiina Tulikorpi	Vice-President and Director	
James R. Bennett	Director	
Denis J. Lapointe	Director	

SCHEDULE “D”

INCUMBENCY

Name	Position	Signature
Peter John Nygard	Chairman	
Tiina Tulikorpi	Vice-President and Director	
James R. Bennett	Director	
Denis J. Lapointe	Director	

SCHEDULE “E”

CHIEF EXECUTIVE OFFICE AND OTHER PLACES OF BUSINESS

1. 1700-360 Main Street, Winnipeg, Manitoba

SCHEDULE “F”
NYGARD PRIVACY CODE

See attached.

NYGÅRD INTERNATIONAL PARTNERSHIP AND NYGÅRD PROPERTIES LTD. ("NYGÅRD")

NYGÅRD Privacy Code

Scope and Application Of The NYGÅRD Privacy Code:

The scope and application of the NYGÅRD Privacy Code are as follows: The NYGÅRD Privacy Code applies to Personal Information about NYGÅRD Employees and non-employee Persons who interact with NYGÅRD that is collected, used or disclosed by NYGÅRD.

- Employees in this context includes past and present employees and independent contractors of NYGÅRD.
- Non-employee Persons in this context includes Individuals who are viewers, readers, subscribers, advertisers, contest participants, job applicants, Internet users who are exposed to the media content of NYGÅRD or a NYGÅRD Company and about whom NYGÅRD collects Personal Information.

The NYGÅRD Privacy Code applies to the management of Personal Information in any form whether oral, electronic or written. NYGÅRD reserves the right to amend this NYGÅRD Privacy Code from time to time.

The application of the NYGÅRD Privacy Code is subject to the requirements or provisions of any applicable legislation, regulations or agreements, or the order of any court or other lawful authority.

Exclusions from privacy protection: The NYGÅRD Privacy Code does not impose any limits on the collection, use or disclosure of the following information by a NYGÅRD Company: a) information that is publicly available, such as a Person's name, address, telephone number and electronic address, when listed in a directory or made available through directory assistance; b) business-contact information, such as the name, title or business address or telephone number of an employee of an organization; c) information collected, used or disclosed in the course of journalistic, literary or artistic activities; or d) aggregate information that cannot be associated with a specific person, such as demographic statistics about NYGÅRD customers, or number of visitors and average time spent on a website.

Purposes for Collection of Personal Information:

NYGÅRD has collected and collects Personal Information for the following purposes: a) to establish and maintain responsible commercial relations with Individuals and to provide ongoing service; b) to understand Individual needs; c) to develop, enhance, market or provide products and services; d) to manage and develop its business and operations, including personnel and employment matters; and e) to meet legal or regulatory requirements, including to protect or defend a legal interest, and in connection with an actual or possible NYGÅRD corporate re-organization, merger or amalgamation with another entity, or an actual or possible sale of all or a substantial portion of the assets of NYGÅRD, provided that the Personal Information disclosed continues to be used by the entity acquiring the information either for evaluation of the possible transaction, or, on completion of any such transaction, for the purposes permitted by this Privacy Policy.

As examples of the above:

- i) NYGÅRD may from time to time use a Person's Personal Information to contact the Person about changes, enhancements or similar notices related to NYGÅRD products and services;
- ii) if a Person indicated that he/she was interested in receiving offers or information from NYGÅRD, NYGÅRD may send the Person materials about products and services that NYGÅRD feels may be of interest to the Person; and

Obtaining Consent:

NYGÅRD will make a reasonable effort to make sure Persons understand how their Personal Information will be used by NYGÅRD. NYGÅRD will obtain consent from Persons before or when it collects or uses the Personal Information. NYGÅRD will not attempt to deceive Persons into giving consent.

A Person's consent can be express, implied, or given through an authorized representative. A Person can withdraw consent at any time, with certain exceptions noted herein. NYGÅRD, however, may collect, use or disclose Personal Information without the Person's knowledge or consent in exceptional circumstances where such collection, use or disclosure is permitted or as required by law.

Note: If any Person at any time has any questions or concerns about NYGÅRD's privacy practices, the Person can write to: VP Legal Services & General Counsel Abe.Rubinfeld@Nygard.com or contact by telephone at 416-598-6966.

Refusing or withdrawing Consent:

Subject to legal and contractual requirements, a Person can refuse to consent to NYGÅRD's collection, use or disclosure of Personal Information about the Person, or a Person may withdraw the Person's consent to NYGÅRD's further collection, use or disclosure of Personal Information at any time in the future by giving NYGÅRD reasonable notice, unless: i) the consent relates to certain information required for credit approval which a Person applies for or accepts, ii) the consent is otherwise required by law, or iii) the use or disclosure is permitted by law or is related to the legal or regulatory requirements described herein. If a Person refuses or withdraws the Person's consent, NYGÅRD may not be able to provide the Person or continue to provide the Person with some products, services or information which may be of value to the Person.

Internet Aspects:

Personal Information may be collected when a user conducts activities on or related to all websites of NYGÅRD Companies ("NYGÅRD Companies Sites") or related to services made available on the NYGÅRD Companies Sites ("NYGÅRD Companies Services"). Although information collected, used or disclosed on the Internet as described below often does not constitute Personal Information (and to the extent that such is the case, then the obligations under the NYGÅRD Privacy Code do not extend to such information), NYGÅRD's Website Privacy Statement governs. To the extent of any conflict between the provisions of that Statement and the following provisions, the following provisions shall exclusively apply.

Internet Protocol Address (IP Address)

When the user's web browser requests a web page from another computer on the Internet, it automatically gives that computer the address where it should send the information. This address is called the computer's "IP address." For most users accessing the Internet from a dial-up Internet service provider (ISP), the IP address will be different every time the user logs on.

NYGÅRD Companies may use the user's IP Address to:

- facilitate the diagnosis and remedy of a technical problem reported by the user's or NYGÅRD Company's technical team
- display (or allow the display by Third Party advertising providers of) more appropriate and relevant content and advertising, such as content and advertising based on the user's geographic area
- estimate user traffic from specific countries or organizations. Many IP addresses are commonly associated with Internet service providers, universities, or major corporations in specific regions or localities. Aggregate information derived from IP addresses may also be reported to advertisers

Cookies

A cookie is a small text file, which often includes an anonymous unique identifier, that is sent to the user's web browser from a web site's computers and is stored on the user's computer's hard drive. Cookies cannot be used to run programs or deliver viruses to a user's computer.

NYGÅRD Companies may use cookies to:

- Improve the operation and performance of the NYGÅRD Companies Services and to make NYGÅRD Companies Services easier and more convenient to use. For example, cookies help NYGÅRD Companies provide more personalized services by recalling user preferences on subsequent visits (e.g. language preference). Cookies also allow NYGÅRD Companies to save passwords and preferences for a user so that the user will not have to re-enter them on the next visit to a NYGÅRD Companies Site;
- Measure aggregate user traffic and demographic statistics related to NYGÅRD Companies Services and advertisements (e.g. number of users, average time spent, average age and similar statistics). This information helps NYGÅRD Companies to better understand when to update, change or offer new services and provides NYGÅRD Companies with details as to the performance of Third Party advertisements and content.

Most browsers are initially set up to accept cookies. If a user prefers, the user can reset his/her browser either to notify the user when the user has received a cookie, or to refuse to accept cookies. The user should understand that while NYGÅRD Companies do not require a user to use cookies, certain NYGÅRD Companies Services will not function properly if a user sets his/her browser to not accept cookies.

Web Beacons

Certain NYGÅRD Companies Services may contain electronic images known as Web beacons - sometimes called single-pixel gifs - that allow NYGÅRD Companies to count users who have visited those pages and to deliver co-branded services. Web beacons are not used to access Personal Information; they are a technique used to compile aggregated statistics about NYGÅRD Companies service usage. Web beacons collect only a limited set of information including a cookie number, time and date of a page view, and a description of the page on which the Web beacon resides.

Links To Other Sites And Advertisements

A NYGÅRD Companies Service may contain links to other websites and services. While NYGÅRD Companies try to link only to sites and services that share NYGÅRD Companies' high standards and respect for privacy, a user should understand that NYGÅRD Companies are not responsible for the content of, or the privacy practices employed by, other companies or websites. This NYGÅRD Privacy Code applies only to the NYGÅRD Companies Services related to this NYGÅRD Privacy Code.

Additional Information

NYGÅRD Companies automatically collect certain information about the user's computer hardware and software. This information may include: browser type, operating system type, domain names, access times and referring Web site addresses. This information is used by NYGÅRD Companies to operate the service, to maintain the quality of the service, and to provide general statistics regarding use of the NYGÅRD Companies Sites.

Certain NYGÅRD Companies Services may be co-branded and offered in conjunction with another company. If a user registers for or uses such services, both NYGÅRD Companies and the other company may receive information collected in conjunction with the co-branded services.

The NYGÅRD Privacy Code in Detail

Definitions

NYGÅRD Companies – NYGÅRD and all subsidiaries of NYGÅRD and any successor company or companies thereof, as a result of corporate reorganization or restructuring

Collection – the act of gathering, acquiring, recording or obtaining Personal Information from any source, including third parties, by any means

Consent – voluntary agreement with the collection, use and disclosure of Personal Information for defined purposes. Consent can be either express or implied and can be provided directly by the Person or by an authorized representative. Express consent can be given orally, electronically or in writing but is always unequivocal and does not require any inference on the part of NYGÅRD. Implied consent is consent that can reasonably be inferred from a Person's action or inaction

Disclosure – making Personal Information available to a Third Party

Employee – an employee or independent contractor of NYGÅRD.

The inclusion of independent contractors within the definition of "Employee" is for convenience of reference only, and does in no manner imply that such individuals are employees of the company within the meaning of employment legislation or are in an employee-employer relationship with the company

Individual – an individual other than an Employee who (a) corresponds with NYGÅRD, including complaints and including applications for employment; or (b) uses, or applies to use, the products or services of NYGÅRD

Person – an Employee or an Individual

Personal Information – information about an identifiable Person, but not: a) information that is publicly available, such as a Person's name, address, telephone number and electronic address, when listed in a directory or made available through directory assistance; b) business-contact information, such as the name, title or business address or telephone number of an employee of an organization; c) information collected, used or disclosed in the course of journalistic, literary or artistic activities; or d) aggregate information that cannot be associated with a specific person, such as demographic statistics about NYGÅRD customers, or number of visitors and average time spent on a website

Third Party – a person other than the Person or his agent, or an organization other than a NYGÅRD Company

Use – the treatment, handling, and management of Personal Information by the NYGÅRD Companies

Principle 1 - Accountability

NYGÅRD is responsible for Personal Information under its control and shall designate one or more persons who are accountable for NYGÅRD's compliance with the following principles.

1.1 Responsibility for ensuring compliance with the provisions of the NYGÅRD Privacy Code rests with the senior management of NYGÅRD, which shall designate one or more persons to be accountable for compliance with the NYGÅRD Privacy Code. Other people within NYGÅRD Companies may be delegated to act on behalf of the designated person(s) or to take responsibility for the day-to-day collection and processing of Personal Information.

1.2 NYGÅRD has designated its General Counsel as Chief Privacy Officer to oversee compliance with the NYGÅRD Privacy Code. The Chief Privacy Officer can be contacted at Abe.Rubinfeld@Nygard.com or by telephone at 416-598-6966.

1.3 NYGÅRD is responsible for Personal Information in its possession or control, including information that has been transferred to a Third Party for processing. NYGÅRD shall use appropriate means to provide a comparable level of protection while information is being processed by a Third Party (see Principle 7).

1.4 NYGÅRD has implemented policies and procedures to give effect to the NYGÅRD Privacy Code, including: a) implementing procedures to protect Personal Information and to oversee NYGÅRD's compliance with the NYGÅRD Privacy Code; b) establishing procedures to receive and respond to inquiries or complaints; c) training and communicating to staff about NYGÅRD's policies and practices; and d) developing public information to explain NYGÅRD's policies and practices.

Principle 2 - Identifying Purposes for Collection of Personal Information

NYGÅRD has collected and collects Personal Information for the purposes set out below, and shall identify the purposes for which Personal Information is collected at or before the time the information is collected.

2.1 NYGÅRD has collected and collects Personal Information for the following purposes: a) to establish and maintain responsible commercial relations with Individuals and to provide ongoing service; b) to understand Individual needs; c) to develop, enhance, market or provide products and services; d) to manage and develop its business and operations, including personnel and employment matters; and e) to meet legal or regulatory requirements, including to protect or defend a legal interest, and in connection with an actual or possible NYGÅRD corporate re-organization, merger or amalgamation with another entity, or an actual or possible sale of all or a substantial portion of the assets of NYGÅRD, provided that the Personal Information disclosed continues to be used by the entity acquiring the information either for evaluation of the possible transaction, or, on completion of any such transaction, for the purposes permitted by this Privacy Policy.

As examples of the above:

- i) NYGÅRD may from time to time use a Person's Personal Information to contact the Person about changes, enhancements or similar notices related to NYGÅRD products and services;
- ii) if a Person indicated that he/she was interested in receiving offers or information from NYGÅRD or certain of our selected partners, NYGÅRD may send the Person materials about products and services that NYGÅRD feels may be of interest to the Person

Further references to "identified purposes" mean the purposes identified in this Principle 2.

2.2 NYGÅRD shall specify orally, electronically or in writing the identified purposes to the Person at or before the time Personal Information is collected. Upon request, persons collecting Personal Information shall explain these identified purposes or refer the Person to a designated person within NYGÅRD who shall explain the purposes.

2.3 Unless required by law, NYGÅRD shall not use or disclose, for any new purpose, Personal Information that has been collected without first identifying the new purpose and obtaining the consent of the Person.

Principle 3 - Obtaining Consent for Collection, Use or Disclosure of Personal Information

The knowledge and consent of a Person are required for the collection, use or disclosure of Personal Information, except where inappropriate.

3.1 Generally, NYGÅRD shall seek consent to use and disclose Personal Information at the same time it collects the information. However, NYGÅRD may seek consent to use and disclose Personal Information after it has been collected but before it is used or disclosed for a new purpose.

3.2 In obtaining consent, NYGÅRD shall use reasonable efforts to ensure that a Person is advised of the identified purposes for which Personal Information will be used or disclosed. Purposes shall be stated in a manner that can be reasonably understood by the Person.

3.3 NYGÅRD will require Individuals to consent to the collection, use or disclosure of Personal Information as a condition of the supply of a product or service only if such collection, use or disclosure is required to fulfill the identified purposes.

3.4 In determining the appropriate form of consent, NYGÅRD shall take into account the sensitivity of the Personal Information and the reasonable expectations of the Persons.

3.5 In general, the use of products and services by an Individual, or the acceptance of employment or benefits by an Employee, constitutes implied consent for NYGÅRD to collect, use and disclose Personal Information for all identified purposes.

3.6 An Individual may withdraw consent at any time, subject to legal or contractual restrictions and reasonable notice. Individuals may contact NYGÅRD for more information regarding the implications of withdrawing consent.

3.7 In certain circumstances Personal Information can be collected, used or disclosed without the knowledge and consent of the Person. For example, NYGÅRD may collect or use Personal Information without knowledge or consent if it is clearly in the interests of the Person and consent cannot be obtained in a timely way, such as when the Person is a minor, seriously ill or mentally incapacitated. NYGÅRD may also collect, use or disclose Personal Information without knowledge or consent if seeking the consent of the Person might defeat the purpose of collecting the information such as in the investigation of a breach of an agreement or a contravention of a federal or provincial law.

NYGÅRD may also use or disclose Personal Information without knowledge or consent in the case of an emergency where the life, health or security of an individual or property is threatened.

NYGÅRD may disclose Personal Information without knowledge or consent to collect a debt, to comply with a subpoena, warrant or other court order, or as may be otherwise related to the legal or regulatory requirements described herein.

Principle 4 - Limiting Collection of Personal Information

NYGÅRD shall limit the collection of Personal Information to that which is necessary for the purposes identified by NYGÅRD.

NYGÅRD shall collect Personal Information by fair and lawful means.

4.1 NYGÅRD collects Personal Information primarily from Individuals or its Employees.

4.2 NYGÅRD may also collect Personal Information from other sources including credit bureaus, employers or personal references, or other third parties that represent that they have the right to disclose the information.

Principle 5 - Limiting Use, Disclosure and Retention of Personal Information

NYGÅRD shall not use or disclose Personal Information for purposes other than those for which it was collected, except with the consent of the Person or as required by law. NYGÅRD shall retain Personal Information only as long as necessary for the fulfillment of the purposes for which it was collected.

5.1 In certain circumstances Personal Information can be collected, used or disclosed without the knowledge and consent of the Person. (see Principle 3.7)

5.2 In addition, NYGÅRD may disclose a Person's Personal Information to: a) another person for the development, enhancement, marketing or provision of any of the products or services of NYGÅRD; b) a person who, in the reasonable judgment of the NYGÅRD Companies, is seeking the information as an agent of the Person; c) any NYGÅRD Companies to permit the provision of services requested by the Person, and d) a Third Party or Third Parties, where the Person consents to such disclosure or disclosure is required by law.

5.3 NYGÅRD may disclose Personal Information about its employees: a) for normal personnel and benefits administration; b) in the context of providing references regarding current or former employees in response to requests from prospective employers; or c) where disclosure is required by law.

5.4 Only those Employees of NYGÅRD who require access for business reasons, or whose duties reasonably so require, or properly designated representatives of NYGÅRD, are granted access to Personal Information about Individuals and Employees.

5.5 NYGÅRD shall keep Personal Information only as long as it remains necessary or relevant for the identified purposes or as required by law. Depending on the circumstances, where Personal Information has been used to make a decision about a Person, NYGÅRD shall retain, for a period of time that is reasonably sufficient to allow for access by the Person, either the actual information or the rationale for making the decision.

5.6 NYGÅRD shall maintain reasonable and systematic controls, schedules and practices for information and records retention and destruction which apply to Personal Information that is no longer necessary or relevant for the identified purposes or required by law to be retained. Such information shall be destroyed, erased or made anonymous.

Principle 6 - Accuracy of Personal Information

Personal Information shall be as accurate, complete and up-to-date as is necessary for the purposes for which it is to be used.

6.1 Personal Information used by NYGÅRD shall be sufficiently accurate, complete and up-to-date to minimize the possibility that inappropriate information may be used to make a decision about a Person.

6.2 NYGÅRD shall update Personal Information about Persons as and when necessary to fulfill the identified purposes or upon notification by the Person.

Principle 7 - Security Safeguards

NYGÅRD shall protect Personal Information by security safeguards appropriate to the sensitivity of the information.

7.1 NYGÅRD shall protect Personal Information against such risks as loss or theft, unauthorized access, disclosure, copying, use, modification or destruction, through appropriate security measures. NYGÅRD shall protect the information regardless of the format in which it is held.

7.2 NYGÅRD shall protect Personal Information disclosed to third parties by contractual agreements stipulating the confidentiality of the information and the purposes for which it is to be used.

7.3 All employees of NYGÅRD with access to Personal Information shall be required as a condition of employment to respect the confidentiality of Personal Information.

Principle 8 - Openness Concerning Policies and Practices

NYGÅRD shall make readily available to Persons specific information about its policies and practices relating to the management of Personal Information.

8.1 NYGÅRD shall make information about its policies and practices easy to understand, including: a) The title and address of the person or persons accountable for the compliance with the NYGÅRD Privacy Code and to whom inquiries or complaints can be forwarded; b) The means of gaining access to Personal Information held by NYGÅRD; and c) A description of the type of Personal Information held by NYGÅRD, including a general account of its use.

8.2 NYGÅRD shall make available information to help Persons exercise choices regarding the use of their Personal Information.

Principle 9 - Access to Personal Information

*NYGÅRD shall inform a Person of the existence, use and disclosure of his or her Personal Information upon request and shall give the Person access to that information.
A Person shall be able to challenge the accuracy and completeness of the Personal Information and have it amended as appropriate.*

9.1 Upon request, NYGÅRD shall afford to a Person a reasonable opportunity to review the Personal Information in the Person's file. Personal Information shall be provided in understandable form within a reasonable time and at minimal or no cost to the Person.

9.2 In certain situations, NYGÅRD may not be able to provide access to all of the Personal Information that they hold about a Person. For example, NYGÅRD may not provide access to information if doing so would likely reveal Personal Information about a Third Party or could reasonably be expected to threaten the life or security of another person. Also, NYGÅRD may not provide access to information if disclosure would reveal confidential commercial information, if the information is protected by solicitor-client privilege, if the information was generated in the course of a formal dispute resolution process, or if the information was collected in relation to the investigation of a breach of an agreement or a contravention of a federal or provincial law, or if the information was collected as part of journalistic, literary or artistic activities. If access to Personal Information cannot be provided, NYGÅRD shall provide the reasons for denying access upon request.

9.3 Upon request, NYGÅRD shall provide an account of the use and disclosure of Personal Information and, where reasonably possible, shall state the source of the information. In providing an account of disclosure, NYGÅRD shall provide a list of organizations to which it may have disclosed Personal Information about the individual when it is not possible to provide an actual list.

9.4 In order to safeguard Personal Information, an individual or employee may be required to provide sufficient identification information to permit NYGÅRD to account for the existence, use and disclosure of Personal Information and to authorize access to the individual's file. Any such information shall be used only for this purpose.

9.5 NYGÅRD shall promptly correct or complete any Personal Information found to be inaccurate or incomplete. Any unresolved differences as to accuracy or completeness shall be noted in the Person's file. Where appropriate, NYGÅRD shall transmit to third parties having access to the Personal Information in question any amended information or the existence of any unresolved differences.

9.6 A Person can obtain information or seek access to his or her Personal Information by contacting a designated representative at NYGÅRD principal office.

9.7 An employee can obtain information or seek access to his or her Personal Information by contacting his or her immediate supervisor within NYGÅRD.

Principle 10 - Challenging Compliance

A Person shall be able to address a challenge concerning compliance with the above principles to the designated person or persons accountable for the compliance of NYGÅRD with the NYGÅRD Privacy Code.

10.1 NYGÅRD shall maintain procedures for addressing and responding to all inquiries or complaints from Persons about NYGÅRD's handling of their Personal Information. If any Person at any time has any questions or concerns about NYGÅRD's privacy practices, the Person can contact the VP Legal Services & General Counsel Abe.Rubinfeld@Nygard.com or by telephone at 416-598-6966.

10.2 NYGÅRD shall inform Persons about the existence of these procedures as well as the availability of complaint procedures.

10.3 The person or persons accountable for compliance with the NYGÅRD Privacy Code may seek external advice where appropriate before providing a final response to individual complaints.

10.4 NYGÅRD shall investigate all complaints concerning compliance with the NYGÅRD Privacy Code. If a complaint is found to be justified, NYGÅRD shall take appropriate measures to resolve the complaint including, if necessary, amending its policies and procedures. A Person shall be informed of the outcome of the investigation regarding his or her complaint.

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PARTNERSHIP CERTIFICATE
OF
NYGARD INTERNATIONAL PARTNERSHIP
(the “Partnership”)
January 2, 2020

TO: **WHITE OAK COMMERCIAL FINANCE, LLC**, in its capacity as administrative agent and collateral agent (the “**Agent**”)

AND TO: **WHITE OAK COMMERCIAL FINANCE, LLC**, as lender

AND TO: **SECOND AVENUE CAPITAL, LLC**, as lender (together with White Oak Commercial Finance, LLC, the “**Lenders**”)

AND TO: **MILLER THOMSON LLP (“MT”)**

AND TO: **JONES DAY LLP (“JD”)**

AND TO: **OSLER, HOSKIN & HARCOURT LLP (“Osler”)**

AND TO: **HAHN & HESSON LLP (“HH”)**

AND TO: **FILLMORE RILEY LLP (“FR”)**

RE: Credit facilities to be made available to Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc. and Nygard NY Retail, LLC (collectively, the “**Borrowers**”), pursuant to a credit agreement dated December 30, 2019 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the “**Credit Agreement**”) entered into by the Borrowers, the Partnership and the other Guarantors (as such term is defined in the Credit Agreement), the Agent and the Lenders. Capitalized terms used in this certificate and not otherwise defined shall have the respective meanings ascribed thereto in the Credit Agreement.

The undersigned officer of each of 4093879 Canada Ltd. and 4093887 Canada Ltd. (each a “**Partner**” and together, the “**Partners**”), all of the partners of the Partnership, certify, for and on behalf of the Partnership and without personal liability, that:

1. I have reviewed such books and records of the Partnership and other applicable documents and have made such enquiries and investigations as I have considered necessary and advisable to verify the matters set out in this certificate.
2. The Partnership is a validly existing partnership under the laws of the Province of Manitoba. Attached hereto as Schedule “A” is a true and complete copy of the partnership agreement dated as of July 15, 2002, with all amendments thereto to the date hereof (collectively, the “**Partnership Agreement**”). The Partnership Agreement is in full force and effect as of the date hereof, has not been further amended and no

resolutions have passed, nor have any other actions been taken or notice received to authorize or require any amendments to the Partnership Agreement.

3. Attached as Schedule “B” is a true copy of the partnership search relating to the Partnership issued by the Manitoba Companies Office under *The Business Names Registration Act C.C.S.M. c. B110* and dated January 2, 2020.
4. Attached as Schedule “C” is a true and complete copy of a resolution duly passed by all of the Partners of the Partnership on the 18th day of December, 2019 (the “**Authorizing Resolutions**”) authorizing and approving the entering into, execution and delivery by the Partnership of certain agreements in connection with the Credit Agreement and the performance by the Partnership of its obligations in connection with the Credit Agreement, as further described in the Authorizing Resolutions (the “**Documents**”). The Authorizing Resolutions are the only resolutions of the Partners or of the Partnership pertaining to such subject matter, are in full force and effect and are unamended as of the date hereof.
5. Neither the Partnership nor the Partners have taken any steps to terminate or change the Partnership’s existence or continue into any other jurisdiction, nor has either Partner or the Partnership received any notice or other communication from any governmental authority or other person indicating that there exists any situation which, unless remedied, could result in the termination of the existence of the Partnership.
6. Other than the Partnership Agreement, no resolution has been passed, and no agreement among all of the Partners of the Partnership exists, that removes or restricts, in whole or in part, the powers of the Partners of the Partnership to manage or supervise the management of the business and the affairs of the Partnership.
7. The Partnership, is validly existing, in good standing and qualified to engage in business in each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification, except to the extent that failure to so qualify in such jurisdiction could not reasonably be expected to have a Material Adverse Effect.
8. No winding-up, liquidation, dissolution, bankruptcy, merger, amalgamation or continuation of the Partnership and no sale of the assets of the Partnership out of the ordinary course of business of the Partnership has been commenced or is being contemplated by the Partnership as of the date hereof and I have no knowledge of any such proceedings having been commenced or being contemplated in respect of the Partnership by any other person.
9. Attached hereto as Schedule “C” is a list of all of the officers and directors of each of the Partners and set forth opposite their respective names is the position or positions he or she occupies within each of the Partners and a true specimen of the signature of any such person who has executed one or more of the Documents.
10. The Partnership’s chief executive office and other places of business are listed in Schedule “D” attached hereto. The Partnership does not keep tangible assets at any location other than the locations listed in Schedule “E” (other than tangible assets in transit to and from such locations).

11. As of the date hereof, the partners of the Partnership and their respective interest in the Partnership are as follows:

Name	Ownership Interest
4093887 Canada Ltd.	55%
4093879 Canada Ltd.	45%

12. There is no litigation or proceeding pending or threatened before any court, agency, tribunal, arbitration board or any other body which has or could have a Material Adverse Effect on the condition, either financial or otherwise, of the Partnership or on the ability of the Partnership to perform its obligations under any of the Documents.
13. No event of default has occurred under any of the Partnership's Material Contracts.
14. There are no material consents, licenses, approvals, authorizations or exemptions of any third party required for or in connection with the execution or delivery by the Partnership of the Documents to which it is a party or the performance by the Partnership of any of its rights and obligations therein other than as previously obtained and which remain in full force and effect.
15. As of the date hereof, each of the representations and warranties contained in the Credit Agreement and in any other Document to which the Partnership is a party given by the Partnership are true and correct, except to the extent that any such representation or warranty is expressly stated to relate to a specific earlier date, in which case, such representation and warranty is true and correct as of such earlier date.
16. No Default or Event of Default has occurred and is continuing or would result after giving effect to the Revolving Credit Borrowing or issuance of a Letter of Credit or from the application of the proceeds thereof under the Credit Agreement.
17. There has been no event or circumstance since December 31, 2018 that has had or could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.
18. The transactions contemplated under the Credit Agreement do not violate any applicable Law or any Organization Document of the Partnership.
19. Attached hereto as Schedule "F" is a true and complete copy of the Nygard Privacy Code.

I acknowledge that the Agent, the Lenders, MT, JD, Osler, HH and FR are relying on this Certificate in connection with the Credit Agreements, the Documents and the delivery of the opinion letters to the Agent and the Lenders under the Credit Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date first written above.

A handwritten signature in dark ink, appearing to read "J. R. Bennett", is written above a horizontal line.

Name: James R. Bennett

Title: Secretary and Treasurer

SCHEDULE “A”
PARTNERSHIP AGREEMENT

See attached.

THIS AGREEMENT made as of the 15th day of July, 2002;
BETWEEN:

NYGARDCO,
a partnership duly organized under
the laws of the Province of Manitoba,
("NygardCo")

OF THE FIRST PART

- and -

NYGARD INTERNATIONAL LTD.,
a corporation duly continued under
the laws of the Province of Ontario,
("NIL")

OF THE SECOND PART

WHEREAS:

A. NygardCo and NIL have agreed to enter into a general partnership (the "Partnership") under the name Nygard International Partnership on the terms and conditions hereinafter set out;

NOW THEREFORE THIS AGREEMENT WITNESSETH as follows:

ARTICLE I - STRUCTURE AND PROPERTY OF THE PARTNERSHIP

1.01 Preamble

The preamble hereto shall form an integral part of this Agreement.

1.02 Name, Business and Partners

NygardCo and NIL hereby agree to enter into the Partnership under the laws of Manitoba effective the 15th day of July, 2002 on and subject to the terms, conditions and stipulations set forth in this Agreement and functioning under the general firm name and style of Nygard International Partnership. The principal offices of the Partnership shall be located at 1340 Notre Dame Avenue and 1771 Inkster Boulevard, Winnipeg, Manitoba, and at such other places as may be agreed upon in Canada and the United States.

The business of the Partnership shall be the manufacture, distribution and retail sale of clothing (the "Business") under the subdesignation of various divisions, operations and profit centres. The Partnership may carry on any business and exercise all powers necessary, convenient or incidental to or in furtherance of the Business and accomplishment of the purposes of the Partnership. The Partnership may acquire interests in other partnerships and shares in corporations which carry on manufacturing, distribution and/or retail sales businesses in the clothing industry.

The Partnership may sell or transfer any or the whole part of its business and property in exchange for interests in other partnerships or for shares in corporations (such partnership interests and shares hereinafter referred to as "Substituted Assets") which carry on manufacturing, distribution and/or retail sales businesses in the clothing industry, and in such event the Partnership shall continue and the Substituted Assets shall be held as partnership property of the Partnership. Substituted Assets may subsequently also be sold or transferred in similar fashion and the Partnership shall continue and shall hold the partnership interests or shares received in exchange therefore as partnership property of the Partnership and so on and so forth.

For the purposes of this Agreement NygardCo and NIL are each referred to as a "partner" and sometimes collectively referred to as the "partners".

1.03 Term

The Partnership shall commence from the date hereof and from year to year until a partner decides to withdraw from the Partnership or until the partners otherwise agree to terminate the Partnership. Without restricting the generality of the foregoing, neither the introduction of a new partner or the sale by a partner of its partnership interest, nor the sale or transfer of all or part of the Business of the Partnership in exchange for Substituted Assets, shall terminate the Partnership.

1.04 Contributions of Capital

- (a) NygardCo and NIL agree to make initial capital contributions of One Hundred (\$100.00) Dollars each at the commencement of the Partnership;
- (b) NygardCo and NIL agree that within ninety (90) days of the date of this Agreement each shall concurrently contribute to the Partnership all or substantially all of the assets comprising their businesses in Canada and in the United States of America (excluding real property) on such terms and conditions as agreed to by the parties. The

contribution of capital by NygardCo to its capital account in the Partnership shall be equal to the fair market value of the assets contributed by NygardCo net of any liabilities assumed by the Partnership. The contribution of capital by NIL to its capital account in the Partnership shall be equal to the fair market value of the assets contributed by NIL net of any liabilities assumed by the Partnership.

1.05 Interest of Partners

(a) The initial proportionate interests of the partners in the Partnership shall be as follows:

<u>Name</u>	<u>Proportions</u>
Nygardco	50%
NIL	<u>50%</u>
TOTAL	<u>100%</u>

(b) NygardCo and NIL agree that on determining the amount of their contributions referred to in section 1.04, they shall amend and restate the Partnership Agreement so that their proportionate interests in the Partnership are re-determined as follows:

$$\begin{array}{lcl}
 \text{Proportionate Interest of NygardCo} & = & \frac{\text{Capital account of NygardCo}}{\text{Total of capital accounts of NygardCo and NIL}} \times 100\% \\
 \\
 \text{Proportionate Interest of NIL} & = & 100\% - \text{Proportionate interest of NygardCo}
 \end{array}$$

1.06 Sale or Transfer of Interest by Partner

A partner may sell or transfer its interest in the Partnership only if the other partner consents to such sale or transfer.

1.07 Partnership Act

(a) Inasmuch as the Partnership Act of Manitoba makes each partner liable for the debts of the partnership without regard to the amount of its partnership interest, each of the partners hereby agrees to indemnify and save harmless such of the other partners as shall pay any of such debts in an amount disproportionate to its interest referred to in

section 1.05 hereof.

(b) Section 27 of the said Partnership Act shall be deemed to be modified by this agreement to the extent hereinafter set out:

Wording of Statutory Clause

Modification

- | | |
|---|---|
| “(a) All partners are entitled to share equally in the capital and profits of the business, and must contribute equally towards the losses, whether of capital or otherwise, sustained by the firm.” | As per sections 2.04 and 2.06 of this Agreement |
| “(c) A partner making, for the purpose the partnership, any actual payment or advance beyond the amount of capital which he has agreed to subscribe, is entitled to interest at a rate of five per centum per annum from the date of the payment or advance.” | As per section 2.05 of this Agreement |
| “(g) No person may be introduced as a partner without the consent of all existing partners. | As per Article IV of this Agreement |
| “(i) The partnership books are to be kept at the place of business of the partnership, or the principal place, if there is more than one; and every partner may, when he thinks fit, have access to and inspect and copy any of them.” | As per sections 2.01 and 2.07 of this Agreement |

ARTICLE II - FINANCIAL ASPECTS OF THE PARTNERSHIP

2.01 Year End and Books

The Partnership shall have a May 31 fiscal year end and full and accurate accounts of the transactions of the Partnership shall be kept in proper books at the place of business of the Partnership and each partner at all times shall have access to and may inspect and copy any of them. The Partnership shall prepare its financial statements on the accrual method of accounting.

2.02 Auditors

The auditors for the Partnership shall be such firm of chartered accountants as shall be designated by the partners.

2.03 Banking

All funds of the Partnership shall be deposited with its banker. All withdrawals from such accounts are to be made upon cheques signed by the persons designated from time to time by the partners. The banker shall be designated by the partners.

2.04 Capital Accounts

A capital account shall be maintained for each partner which shall consist of the initial capital contributions of the partner referred to in paragraph 1.04(a) and shall be:

- (a) increased by its additional contributions to capital;
- (b) increased by such portion of its share of partnership profits for a fiscal year which is not distributed in the fiscal year and which is transferred to its capital account;
- (c) decreased by distributions to it in reduction of partnership capital and by its share of any partnership losses charged to its capital account.

2.05 Interest

If so decided by the partners on an annual basis, interest shall be allowed by the Partnership for that year to those partners whose capital and loan accounts are in excess of the percentage referred to in section 1.05 hereof, on the amount of such excess and charged by the Partnership against those partners whose capital and loan accounts are less than such percentage. Such interest shall be at the same rate as charged to the Partnership from time to time by its bankers, or if not so charged, as may be charged by such bankers to businesses of like status. Interest shall be calculated on the monthly outstanding balance, shall be compounded annually and shall be added to the capital and loan accounts of such partner in excess or charged to such account of the partner in deficit.

2.06 Profits and Losses

- (a) The profits (whether ordinary or extraordinary) of the Partnership shall be allocated for any fiscal year (but only as hereinafter provided) to the accounts of the partners according to their respective proportionate interests therein at the end of the fiscal year;
- (b) The losses of the Partnership for any fiscal year shall be borne and allocated amongst the partners according to their respective proportionate interests therein at the end of the fiscal year;
- (c) In the event that a partner (the "Outgoing Partner") sells or transfers its partnership interest to another individual, corporation or partnership during a fiscal year, as otherwise permitted hereunder, none of the profits or losses for the fiscal year shall be allocated to the Outgoing Partner;
- (d) The taxable income or tax loss, as the case may be, of the Partnership for a fiscal year, as calculated for purposes of the Income Tax Act (Canada), shall be allocated between the Partners in the same manner as profits and losses are allocated pursuant to paragraphs (a), (b) and (c) of this section 2.06;
- (e) In the event of the termination of the Partnership prior to the end of a fiscal year, the preceding provisions of section 2.06 shall apply to the portion of the year from June 1, to the time of termination as if it were a fiscal year.

Unless otherwise determined by the partners, all such profits shall be transferred to the capital account of each of the respective partners in the exact amount thereof. Any drawings determined to be made by the partners shall be made to the partners according to their respective proportionate interests unless otherwise agreed to by the partners.

2.07 Annual Financial Statement

An annual financial statement of the Partnership shall be prepared and reported upon by the auditors of the Partnership in accordance with generally accepted accounting principles consistently applied within 90 days of its preparation, to each partner.

ARTICLE III - MANAGEMENT

3.01 Management

Unless and until otherwise agreed by the Partners, all management decisions for the Partnership shall be made by mutual agreement of the partners.

ARTICLE IV – TERMINATION OF THE PARTNERSHIP

4.01 Profits and Losses

In the event of termination of the Partnership the partners shall determine which property of the Partnership they desire to realize and convert into cash and which they do not. The profits or losses shall be computed for the portion of the year in which the termination occurs. Each partner's share of profits shall be credited to its capital account or each partner's share of losses shall be charged to its capital account. For the purpose of determining profits or losses any property of the Partnership which is not realized and converted into cash but which is distributed in kind to the partners shall be deemed to have been sold at its then fair market value as determined by the partners.

4.02 Order of Distribution

Property of the Partnership shall be distributed in the following order:

- (a) firstly in payment to creditors on account of liabilities of the Partnership;
- (b) secondly in payment to the partners pro rata to their respective capital accounts.

Property of the Partnership so distributed which has not been realized and converted into cash shall be valued at its then fair market value as determined by the partners. Should, on termination, any partner's capital account have a debit balance, it shall pay to the Partnership the amount of such debit balance.

4.03 Manner of Distribution

It is the intention of the parties that subsection 98(3) of the *Income Tax Act* (Canada) apply to the distribution of the property of the Partnership and the parties agree to conduct the termination of the Partnership in a manner consistent with the requirements of said provision of the *Income Tax Act* (Canada). Accordingly, unless otherwise agreed upon by the partners in

writing, the property which is distributed to the partners in payment of their capital accounts as provided for in paragraph (b) of section 4.02 shall be distributed to them in such manner that each partner has, in each such property, an undivided interest that, when expressed as a percentage (herein referred to as that partner's "percentage") of all undivided interests in the property, is equal to the partner's undivided interest, when so expressed, in each other such property.

4.04 Article IV Governs

For purposes of greater certainty, it is herewith stated that Article IV of this Agreement shall govern the termination of the Partnership in place of sections 42 and 47 of the Partnership Act of Manitoba.

ARTICLE V – GENERAL

5.01 Headings and Interpretation

(a) Article and section headings are not to be considered part of this Agreement and are included solely for convenience and are not intended to be full or accurate descriptions of the contents thereof;

(b) In this Agreement, words importing the singular number include the plural and vice versa and words importing the masculine gender include the neuter genders and vice versa.

5.02 Applicable Laws and Courts

Notwithstanding that a portion of the property of this Partnership is located in jurisdictions other than Manitoba, this Agreement shall be construed according to the laws of Manitoba and the laws of Canada applicable therein, and resort shall be had only to the courts of that province.

5.03 Notice

Any notice or other communication required or permitted to be given hereunder will be in writing and will be given by facsimile or sent by registered mail or hand-delivery as hereinafter provided. Any such notice or other communication, if sent by facsimile will be deemed to have been received on the business day following the sending, or if mailed will be deemed to have been received on the third business day following the date of mailing, or if delivered by hand will

be deemed to have been received at the time it is delivered to the applicable address noted below or to an individual at such address having apparent authority to accept deliveries on behalf of the addresses. Notice of change of address will also be governed by this section 5.03. Until any notice of change of address, notices and other communications will be addressed to each partner at the principal offices of the Partnership.

5.04 Enuring Clause

This Agreement shall enure to the benefit of and be binding upon the respective parties hereto and their respective successors and assigns as may be permitted by this Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

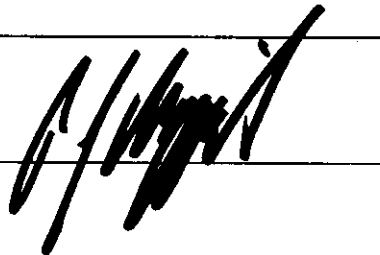
NygardCo

By its partner:

NYGARD ENTERPRISES LTD.

Per: _____
Position _____

Per: _____
Position _____



NYGARD INTERNATIONAL LTD.

Per: *J. Sennett*
Position _____

Per: _____
Position _____

TRANSFER AGREEMENT ("Agreement") made the 16th day of July, 2002 (the "Effective Date").

BETWEEN:

4093879 CANADA LTD.,

(hereinafter called the "Transferee"),

OF THE FIRST PART,

- and -

NYGARDCO,

(hereinafter called the "Transferor"),

OF THE SECOND PART.

WHEREAS the Transferor has been a partner in the Nygard International Partnership (the "Partnership") under an agreement of general partnership with Nygard International Ltd. dated July 15, 2002 as amended and restated from time to time (the "Partnership Agreement");

AND WHEREAS the Transferor has a capital account of \$37,568,622.00 in the Partnership and the Transferor's partnership interest in the Partnership otherwise entitles it to a 45% interest of the income and loss of the Partnership, to a capital account and to other benefits of the Partnership all as described in the Partnership Agreement (all such rights and benefits of the Transferor's interest in the Partnership together with any obligations in connection therewith hereinafter being referred to as the "Partnership Interest");

AND WHEREAS the Transferor has agreed to transfer, and the Transferee has agreed to acquire, the Partnership Interest in exchange for fully paid and non-assessable Voting Common Shares ("Canada Shares") in the capital of the Transferee for the aggregate fair market value of the Partnership Interest at the Effective Date;

AND WHEREAS among other considerations and advantages, one of the purposes of this transaction is to limit the Transferor's exposure to liability for the operations of the Partnership.

NOW, THEREFORE for good and valuable consideration, the parties agree as follows:

Transfer

1. (a) Subject to the terms and conditions of this Agreement, the Transferor transfers the Partnership Interest to the Transferee, and the Transferee acquires the Partnership Interest from the Transferor solely in exchange for 100 Canada Shares which shall be issued by the Transferee to the Transferor at the Effective Date as fully paid and non-assessable.

(b) The Transferor and the Transferee agree to jointly elect under Section 85 of the Income Tax Act of Canada that for income tax purposes the transfer value (that is, the Transferor's proceeds of disposition and the Transferee's cost) for the Partnership Interest shall be the amount which is the Transferor's adjusted cost base of the Partnership Interest within the meaning of the Income Tax Act of Canada by filing the prescribed election form within the time prescribed under Section 85 of the Income Tax Act of Canada.

(c) The Transferee and the Transferor agree that for purposes of subsection 26(3) of the Canada Business Corporations Act and paragraph 89(1)(c) of the Income Tax Act of Canada the stated capital and paid up capital for the 100 Canada Shares being issued to the Transferor shall be the amount of the election referred to in paragraph 1(b) hereof (regardless of the amount of the consideration received by the Transferee for the issuance of the 100 Canada Shares) and the Transferee covenants that it will add the said amount to the stated capital account of the class of Voting Common Shares in the capital stock of the Transferee.

(d) The Transferor and the Transferee agree that the transfer of the Partnership Interest by the Transferor to the Transferee will be effectuated pursuant to an exchange under Section 351 of the Internal Revenue Code of the U.S.A.

Representations and Warranties

2. (a) Each party represents and warrants to the other party as follows:

- i) the party has been duly incorporated (in the case of the Transferee) and organized (in the case of the Transferor) and is in good standing under the laws of its governing jurisdiction;

- ii) the party has full power and authority to execute and deliver this Agreement and to complete the transaction contemplated hereby;
 - iii) the execution and delivery of this Agreement and the completion of the transaction contemplated hereby have been duly and validly authorized by the party and no other proceedings on its part are necessary to authorize this Agreement or the completion of the transaction contemplated hereby;
 - iv) this Agreement has been duly executed and delivered by the party, is a valid and legally binding Agreement of the party enforceable against it in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency and other laws affecting creditors' rights generally and to general principles of equity, and its execution, delivery and performance by the party will not result in any violation of or default under and will not conflict with any agreement or instrument by which the party is bound or any judgment, decree or order or any statute, rule or regulation applicable to the party; and
 - v) all consents, approvals, authorizations and actions required in respect of the subject matter of this Agreement on the part of the party have been obtained and taken.
- (b) The Transferor further represents and warrants to the Transferee as follows:
- i) the Partnership is registered in good standing under the laws of each jurisdiction in which it carries on business;
 - ii) the Partnership Interest is legally and beneficially owned by the Transferor with a good and marketable title, free of any liens, pledges, charges, encumbrances, security interests or claims or others;
 - iii) the Transferor is not a non-resident of Canada for the purposes of the Income Tax Act of Canada; and
 - iv) the consent of Nygard International Ltd. to the sale of the Partnership Interest to the Transferee has been obtained.

(c) The Transferee further represents and warrants to the Transferor as follows:

- i) upon issuance in accordance with the provisions hereof, the 100 Canada Shares shall be validly issued and outstanding as fully paid and non-assessable shares in the capital of the Transferee;
- ii) it agrees to be bound by all of the terms of the Partnership Agreement as it had been originally named therein in the place of the Transferor; and
- iii) it is registered to lawfully carry on business in each jurisdiction in which the Partnership carries on business.

Closing

3. The closing of the transaction contemplated hereby shall take place on the Effective Date at which time the Transferor shall deliver to the Transferee the consent of Nygard International Ltd. to admitting the Transferee as a partner in the Partnership, together with such other documents as the Transferee may reasonably consider necessary, against receipt by the Transferor of a certificate for the 100 Canada Shares to be issued by the Transferee to the Transferor, together with such other documents as the Transferor may reasonably consider necessary.

Miscellaneous

4. (a) Each party shall from time to time both before and after the Effective Date take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such documents and further assurances as may, in the reasonable opinion of the other, be necessary to give effect to this Agreement.

(b) A party shall not assign its rights or obligations under this Agreement without the prior written consent of the other party.

(c) This Agreement shall enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

(d) This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Manitoba and each of the parties irrevocably submits to the jurisdiction of the courts of Manitoba.

Execution

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

4093879 CANADA LTD.

Per: _____

Per: _____

**NYGARDCO
by its partner:**

NYGARD ENTERPRISES LTD.

Per: _____

Per: _____

THIS CONSENT AGREEMENT made this 16th day of July, 2002 between:

NYGARD INTERNATIONAL LTD.,
a corporation duly continued under
the laws of the Province of Ontario,
("NIL")

OF THE FIRST PART,

- and -

4093879 CANADA LTD.,
a corporation duly incorporated under
the laws of Canada,
("4093879")

OF THE SECOND PART.

WHEREAS NIL and NygardCo are carrying on business in partnership under the name Nygard International Partnership (the "Partnership") under and by virtue of an agreement dated the 15th day of July, 2002 (the "Partnership Agreement");

AND WHEREAS NygardCo has entered into an Agreement with 4093879 effective July 16th, 2002 whereby NygardCo has transferred its interest in the Partnership to 4093879;

AND WHEREAS NIL wishes to acknowledge its consent to the transfer of NygardCo's interest in the Partnership to 4093879 as well as its intention to continue to carry on business in partnership with 4093879 under the terms of the Partnership Agreement as amended from time to time;

NOW THEREFORE in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto hereby agree as follows:

1. NIL hereby consents to the transfer of NygardCo's interest in the Partnership to 4093879.
2. NIL and 4093879 agree to carry on the Partnership under the terms of the Partnership Agreement as amended from time to time.

IN WITNESS WHEREOF the parties have executed this Agreement as of the day and year first above written.

NYGARD INTERNATIONAL LTD.

Per: 
Position

4093879 CANADA LTD.

Per: 
Position

TRANSFER AGREEMENT ("Agreement") made the 17th day of July, 2002 (the "Effective Date").

BETWEEN:

4093887 CANADA LTD.,

(hereinafter called the "Transferee"),

OF THE FIRST PART,

- and -

NYGARD INTERNATIONAL LTD.,

(hereinafter called the "Transferor"),

OF THE SECOND PART.

WHEREAS the Transferor has been a partner in the Nygard International Partnership (the "Partnership") under an agreement of general partnership with 4093879 Canada Ltd. (successor by transfer from NygardCo) dated July 15, 2002 as amended and restated from time to time (the "Partnership Agreement");

AND WHEREAS the Transferor has a capital account of \$45,327,223.00 in the Partnership and the Transferor's partnership interest in the Partnership otherwise entitles it to a 55% interest of the income and loss of the Partnership, to a capital account and to other benefits of the Partnership all as described in the Partnership Agreement (all such rights and benefits of the Transferor's interest in the Partnership together with any obligations in connection therewith hereinafter being referred to as the "Partnership Interest");

AND WHEREAS the Transferor has agreed to transfer, and the Transferee has agreed to acquire, the Partnership Interest in exchange for fully paid and non-assessable Voting Common Shares ("Canada Shares") in the capital of the Transferee for the aggregate fair market value of the Partnership Interest at the Effective Date;

AND WHEREAS among other considerations and advantages, one of the purposes of this transaction is to limit the Transferor's exposure to liability for the operations of the Partnership.

NOW, THEREFORE for good and valuable consideration, the parties agree as follows:

Transfer

1. (a) Subject to the terms and conditions of this Agreement, the Transferor transfers the Partnership Interest to the Transferee, and the Transferee acquires the Partnership Interest from the Transferor solely in exchange for 100 Canada Shares which shall be issued by the Transferee to the Transferor at the Effective Date as fully paid and non-assessable.

(b) The Transferor and the Transferee agree to jointly elect under Section 85 of the Income Tax Act of Canada that for income tax purposes the transfer value (that is, the Transferor's proceeds of disposition and the Transferee's cost) for the Partnership Interest shall be the amount which is the Transferor's adjusted cost base of the Partnership Interest within the meaning of the Income Tax Act of Canada by filing the prescribed election form within the time prescribed under Section 85 of the Income Tax Act of Canada.

(c) The Transferee and the Transferor agree that for purposes of subsection 26(3) of the Canada Business Corporations Act and paragraph 89(1)(c) of the Income Tax Act of Canada the stated capital and paid up capital for the 100 Canada Shares being issued to the Transferor shall be the amount of the election referred to in paragraph 1(b) hereof (regardless of the amount of the consideration received by the Transferee for the issuance of the 100 Canada Shares) and the Transferee covenants that it will add the said amount to the stated capital account of the class of Voting Common Shares in the capital stock of the Transferee.

(d) The Transferor and the Transferee agree that the transfer of the Partnership Interest by the Transferor to the Transferee will be effectuated pursuant to an exchange under Section 351 of the Internal Revenue Code of the U.S.A.

Representations and Warranties

2. (a) Each party represents and warrants to the other party as follows:

- i) the party has been duly incorporated and organized and is a subsisting corporation in good standing under the laws of its governing jurisdiction;

- ii) the party has full corporate power and authority to execute and deliver this Agreement and to complete the transaction contemplated hereby;
 - iii) the execution and delivery of this Agreement and the completion of the transaction contemplated hereby have been duly and validly authorized by the party and no other corporate proceedings on its part are necessary to authorize this Agreement or the completion of the transaction contemplated hereby;
 - iv) this Agreement has been duly executed and delivered by the party, is a valid and legally binding Agreement of the party enforceable against it in accordance with its terms, subject, as to enforcement, to bankruptcy, insolvency and other laws affecting creditors' rights generally and to general principles of equity, and its execution, delivery and performance by the party will not result in any violation of or default under and will not conflict with any agreement or instrument by which the party is bound or any judgment, decree or order or any statute, rule or regulation applicable to the party; and
 - v) all consents, approvals, authorizations and actions required in respect of the subject matter of this Agreement on the part of the party have been obtained and taken.
- b) The Transferor further represents and warrants to the Transferee as follows:
- i) the Partnership is registered in good standing under the laws of each jurisdiction in which it carries on business;
 - ii) the Partnership Interest is legally and beneficially owned by the Transferor with a good and marketable title, free of any liens, pledges, charges, encumbrances, security interests or claims or others;
 - iii) the Transferor is not a non-resident of Canada for the purposes of the Income Tax Act of Canada; and
 - iv) the consent of 4093879 Canada Ltd. to the sale of the Partnership Interest to the Transferee has been obtained.

- (c) The Transferee further represents and warrants to the Transferor as follows:
- i) upon issuance in accordance with the provisions hereof, the 100 Canada Shares shall be validly issued and outstanding as fully paid and non-assessable shares in the capital of the Transferee;
 - ii) it agrees to be bound by all of the terms of the Partnership Agreement as it had been originally named therein in the place of the Transferor; and
 - iii) it is registered to lawfully carry on business in each jurisdiction in which the Partnership carries on business.

Closing

3. The closing of the transaction contemplated hereby shall take place on the Effective Date at which time the Transferor shall deliver to the Transferee the consent of Canada Limited to admitting the Transferee as a partner in the Partnership, together with such other documents as the Transferee may reasonably consider necessary, against receipt by the Transferor of a certificate for the 100 Canada Shares to be issued by the Transferee to the Transferor, together with such other documents as the Transferor may reasonably consider necessary.

Miscellaneous

4. (a) Each party shall from time to time both before and after the Effective Date take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such documents and further assurances as may, in the reasonable opinion of the other, be necessary to give effect to this Agreement.

(b) A party shall not assign its rights or obligations under this Agreement without the prior written consent of the other party.

(c) This Agreement shall enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

(d) This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Manitoba and each of the parties irrevocably submits to the jurisdiction of the courts of Manitoba.

Execution

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

4093887 CANADA LTD

Per: 

Per: 

NYGARD INTERNATIONAL LTD.

Per: 

Per: 

THIS CONSENT AGREEMENT made this 17th day of July, 2002 between:

4093879 CANADA LTD.,
a corporation duly incorporated under
the laws of Canada,
("4093879")

OF THE FIRST PART,

- and -

4093887 CANADA LTD.,
a corporation duly incorporated under
the laws of Canada,
("4093887")

OF THE SECOND PART.

WHEREAS Nygard International Ltd. ("NIL") and 4093879 are carrying on business in partnership under the name Nygard International Partnership (the "Partnership") under and by virtue of an agreement dated the 15th day of July, 2002 (the "Partnership Agreement") as amended from time to time;

AND WHEREAS NIL has entered into an Agreement with 4093887 effective July 17th, 2002 whereby NIL has transferred its interest in the Partnership to 4093887;

AND WHEREAS 4093879 wishes to acknowledge its consent to the transfer of NIL's interest in the Partnership to 4093887 as well as its intention to continue to carry on business in partnership with 4093887 under the terms of the Partnership Agreement as amended from time to time;

NOW THEREFORE in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto hereby agree as follows:

1. 4093879 hereby consents to the transfer of NIL's interest in the Partnership to 4093887.
2. 4093879 and 4093887 agree to carry on the Partnership under the terms of the Partnership Agreement as amended from time to time.

IN WITNESS WHEREOF the parties have executed this Agreement as of the day and year first above written.

4093879 CANADA LTD.

Per: 

Position

4093887 CANADA LTD.

Per: 

Position

SCHEDULE “C”

AUTHORIZING RESOLUTIONS OF THE PARTNERS OF NYGARD INTERNATIONAL PARTNERSHIP

(the “Partnership”)

“**WHEREAS** credit facilities are to be made available by White Oak Commercial Finance, LLC and Second Avenue Capital, LLC (collectively, the “**Lenders**”) to Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc. and Nygard NY Retail, LLC (collectively, the “**Borrowers**”), pursuant to a credit agreement (as amended, restated, supplemented, replaced or otherwise modified from time to time, the “**Credit Agreement**”) entered into by the Borrowers, the Partnership and the other Guarantors (as such term is defined in the Credit Agreement), White Oak Commercial Finance, LLC, in its capacity as administrative agent and collateral agent (the “**Agent**”) and the Lenders.

AND WHEREAS, 4093879 Canada Ltd. And 4093887 Canada Ltd., (each a “**Partner**,” and together, the “**Partners**”) are all of the Partners to the Partnership. It is deemed expedient and in the interests of the Partnership that it enter into, execute and deliver the Credit Agreement and the Documents (as hereinafter defined) together with all such instruments, documents and assurances as may reasonably be required by the Agent and Lenders pursuant to or in respect thereof.

BE IT RESOLVED THAT:

1. The acceptance, execution and delivery by the Partners (in their capacity as Partners of the Partnership, on behalf of the Partnership) of the Credit Agreement is hereby ratified, approved and confirmed and the Partners, on behalf of the Partnership, agree to be bound by the terms and conditions therein set out.
2. The Partnership is authorized to guarantee payment to the Agent and Lenders of the obligations of others pursuant to the Credit Agreement, and to perform all its obligations pursuant to each of the documents referred to in this resolution.
3. The Partnership be and is authorized to hypothecate, mortgage, charge, collaterally assign and otherwise transfer and encumber and grant security interests in all its present and future property, undertaking and other assets as security for its present and future indebtedness and liability arising under or in connection with the Credit Agreement and the other Documents to which it is a party.
4. The Partners, in their capacity as Partners of the Partnership, are hereby authorized and directed, on behalf of the Partnership, to enter into, execute and deliver to the Agent and the Lenders and to perform its obligations under all such security, instruments and other documents as are required pursuant to the terms and conditions of the Credit Agreement

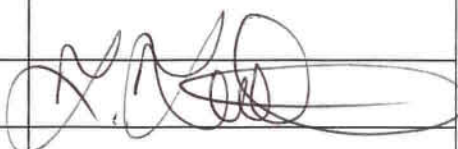
(collectively, together with the Credit Agreement, the “**Documents**”), including without limitation:

- (a) a general security and pledge agreement in favour of the Agent;
 - (b) a deed of hypothec charging all present and future, movable and immovable, corporeal and incorporeal property of the Partnership, in favour of the Agent, in its capacity as hypothecary representative for the Lenders under Article 2692 of the *Civil Code of Quebec* (the “**Hypothec**”);
 - (c) a Canadian intellectual property security agreement between the Partnership and the Agent;
 - (d) an assignment of material contracts granted by the Partnership to the Agent;
 - (e) a non-disturbance and attornment agreement among the Agent, the Partnership, as tenant, and Nygard Properties Ltd., as landlord, for each property where the Partnership is a tenant;
 - (f) an inter-company debt subordination agreement made by, *inter alios*, the Partnership and the Agent; and
 - (g) such other loan, security and other documents as the Agent and Lenders may require from time to time in accordance with the terms of the Credit Agreement or the Security (as defined in the Credit Agreement).
5. The Partners, in their capacity as Partners in the Partnership, hereby (i) consents to the pledge of units to be made by 4093879 Canada Ltd., 4093887 Canada Ltd. or any of the Corporation’s future unitholders (each, a “**Pledgor**”) of all of the issued and outstanding units in the capital of the Partnership held by such applicable Pledgor from time to time, in favour of the Lenders, the Agent or any other person acting on their behalf, as general and continuing collateral security for the payment and performance of the Obligations (as such term is defined in the Credit Agreement) (ii) irrevocably consents to the transfer, sale or disposition by such Pledgor, of such units held by such Pledgor now or in the future to the Lenders, the Agent, or their respective nominee pursuant to any security from time to time provided by its unitholder(s) in connection with the Credit Agreement and if such security is realized or enforced on, to the transfer of such units by such Pledgor, the Lenders, the Agent or their respective nominee to any third party or parties in connection with such realization or enforcement and (iii) agree to reflect in the appropriate registers, indexes and books of the undersigned any transfer of such shares following the exercise by the Lenders, the Agent or any other person acting for or on their behalf of their rights, recourses and remedies under the terms of such security.
6. The Partners, in their capacity as Partners in the Partnership, hereby authorize, on behalf of the Partnership, the unitholders of the Partnership to pledge and grant security interests in the units of the Partnership in favour of the Lenders, the Agent or any other person acting

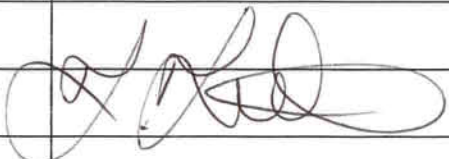
on their behalf, as general and continuing collateral security for the payment and performance of the Obligations (as such term is defined in the Credit Agreement).

7. Any officer or director of each of the Partners (the “**Authorized Signing Officer**”) be and is hereby authorized and directed for and on behalf of each of the Partners of the Partnership whether under corporate seal or otherwise, to execute and deliver the Documents, substantially in the form of the draft Documents presented to and approved by any officer or director of each of the Partners of the Partnership, on behalf of the Partnership, subject to such alterations, amendments or additions to which the Authorized Signing Officer executing and delivering the Documents may agree, the execution by such Authorized Signing Officer to be conclusive proof of his or her agreement to any amendments, alterations or additions incorporated therein and the Partnership shall be bound thereby.
8. Any one of Francis Trifiro, Julie St-Hilaire or any other lawyer, each practicing at the Montreal Office of Miller Thomson LLP (each an “**Authorized Signatory**”) be and is hereby authorized and directed for and on behalf of the Partnership whether under corporate seal or otherwise, to execute and deliver the Hypothec, substantially in the form of the draft Hypothec presented to and approved by any officer or director of each of the Partners of the Partnership, subject to such alterations, amendments or additions to which the Authorized Signatory executing and delivering the Hypothec may agree, the execution by such Authorized Signatory to be conclusive proof of his or her agreement to any amendments, alterations or additions incorporated therein and the Partnership shall be bound thereby.
9. The Authorized Signing Officer and each Authorized Signatory is hereby authorized and directed for and on behalf of and in the name of the Partnership to do, sign and execute, under the corporate seal of the Partnership or otherwise, all such other agreements, security documents, securities, notes, instruments, certificates, powers of attorney and things as in his opinion may be provided for under the Documents, or which may be advisable or necessary, or which may be requested by the Agent or the Lenders, in connection with the foregoing resolutions or in connection with the execution, delivery or registration of, or the performance of any of the Partnership’s obligations under, any of the Documents.
10. The acknowledgement and acceptance of the Credit Agreement, the Documents, and of any other agreements, instruments or documents described above which may have been executed or delivered prior to the adoption of these resolutions, regardless of by which officer or other employee such Credit Agreement or other agreement, instrument or document was executed and delivered, and regardless of any informality in such execution or delivery, be and the same hereby are ratified, approved and confirmed in all respects.
11. This resolution may be executed in several counterparts, which together shall constitute one and the same resolution. The delivery of an executed counterpart of this resolution by facsimile or telecopy or by electronic transmission in portable document format (PDF) shall be deemed to be the equivalent of the delivery of an original executed copy thereof.”

SCHEDULE "C"**INCUMBENCY****4093879 Canada Ltd.**

Name	Position	Signature
Peter John Nygard	Chairman	
Tiina Tulikorpi	Vice President and Director	
James Bennett	Secretary, Treasurer and Director	
Denis LaPointe	Director	


4093887 Canada Ltd.

Name	Position	Signature
Peter John Nygard	Chairman	
Tiina Tulikorpi	Vice President and Director	
James R. Bennett	Secretary, Treasurer and Director	
Denis J. Lapointe	Director	


SCHEDULE "C"

INCUMBENCY


4093879 Canada Ltd.

Name	Position	Signature
Peter John Nygard	Chairman	
Tiina Tulikorpi	Vice President and Director	
James Bennett	Secretary, Treasurer and Director	
Denis LaPointe	Director	


4093887 Canada Ltd.

Name	Position	Signature
Peter John Nygard	Chairman	
Tiina Tulikorpi	Vice President and Director	
James R. Bennett	Secretary, Treasurer and Director	
Denis J. Lapointe	Director	

SCHEDULE "C"**INCUMBENCY****4093879 Canada Ltd.**

Name	Position	Signature
Peter John Nygard	Chairman	
Tiina Tuilkorpi	Vice President and Director	
James Bennett	Secretary, Treasurer and Director	
Denis LaPointe	Director	

4093887 Canada Ltd.

Name	Position	Signature
Peter John Nygard	Chairman	
Tiina Tuilkorpi	Vice President and Director	
James R. Bennett	Secretary, Treasurer and Director	
Denis J. Lapointe	Director	

SCHEDULE “D”

CHIEF EXECUTIVE OFFICE AND OTHER PLACES OF BUSINESS

1. 1771 Inkster Boulevard, Winnipeg, Manitoba

SCHEDULE “F”

NYGARD PRIVACY CODE

See attached.

NYGÅRD INTERNATIONAL PARTNERSHIP ("NYGÅRD")

NYGÅRD Privacy Code

Scope and Application Of The NYGÅRD Privacy Code:

The scope and application of the NYGÅRD Privacy Code are as follows: The NYGÅRD Privacy Code applies to Personal Information about NYGÅRD Employees and non-employee Persons who interact with NYGÅRD that is collected, used or disclosed by NYGÅRD.

- Employees in this context includes past and present employees and independent contractors of NYGÅRD.
- Non-employee Persons in this context includes Individuals who are viewers, readers, subscribers, advertisers, contest participants, job applicants, Internet users who are exposed to the media content of NYGÅRD or a NYGÅRD Company and about whom NYGÅRD collects Personal Information.

The NYGÅRD Privacy Code applies to the management of Personal Information in any form whether oral, electronic or written. NYGÅRD reserves the right to amend this NYGÅRD Privacy Code from time to time.

The application of the NYGÅRD Privacy Code is subject to the requirements or provisions of any applicable legislation, regulations or agreements, or the order of any court or other lawful authority.

Exclusions from privacy protection: The NYGÅRD Privacy Code does not impose any limits on the collection, use or disclosure of the following information by a NYGÅRD Company: a) information that is publicly available, such as a Person's name, address, telephone number and electronic address, when listed in a directory or made available through directory assistance; b) business-contact information, such as the name, title or business address or telephone number of an employee of an organization; c) information collected, used or disclosed in the course of journalistic, literary or artistic activities; or d) aggregate information that cannot be associated with a specific person, such as demographic statistics about NYGÅRD customers, or number of visitors and average time spent on a website.

Purposes for Collection of Personal Information:

NYGÅRD has collected and collects Personal Information for the following purposes: a) to establish and maintain responsible commercial relations with Individuals and to provide ongoing service; b) to understand Individual needs; c) to develop, enhance, market or provide products and services; d) to manage and develop its business and operations, including personnel and employment matters; and e) to meet legal or regulatory requirements, including to protect or defend a legal interest, and in connection with an actual or possible NYGÅRD corporate re-organization, merger or amalgamation with another entity, or an actual or possible sale of all or a substantial portion of the assets of NYGÅRD, provided that the Personal Information disclosed continues to be used by the entity acquiring the information either for evaluation of the possible transaction, or, on completion of any such transaction, for the purposes permitted by this Privacy Policy.

As examples of the above:

- i) NYGÅRD may from time to time use a Person's Personal Information to contact the Person about changes, enhancements or similar notices related to NYGÅRD products and services;
- ii) if a Person indicated that he/she was interested in receiving offers or information from NYGÅRD, NYGÅRD may send the Person materials about products and services that NYGÅRD feels may be of interest to the Person; and

Obtaining Consent:

NYGÅRD will make a reasonable effort to make sure Persons understand how their Personal Information will be used by NYGÅRD. NYGÅRD will obtain consent from Persons before or when it collects or uses the Personal Information. NYGÅRD will not attempt to deceive Persons into giving consent.

A Person's consent can be express, implied, or given through an authorized representative. A Person can withdraw consent at any time, with certain exceptions noted herein. NYGÅRD, however, may collect, use or disclose Personal Information without the Person's knowledge or consent in exceptional circumstances where such collection, use or disclosure is permitted or as required by law.

Note: If any Person at any time has any questions or concerns about NYGÅRD's privacy practices, the Person can write to: VP Legal Services & General Counsel Abe.Rubinfeld@Nygard.com or contact by telephone at 416-598-6966.

Refusing or withdrawing Consent:

Subject to legal and contractual requirements, a Person can refuse to consent to NYGÅRD's collection, use or disclosure of Personal Information about the Person, or a Person may withdraw the Person's consent to NYGÅRD's further collection, use or disclosure of Personal Information at any time in the future by giving NYGÅRD reasonable notice, unless: i) the consent relates to certain information required for credit approval which a Person applies for or accepts, ii) the consent is otherwise required by law, or iii) the use or disclosure is permitted by law or is related to the legal or regulatory requirements described herein. If a Person refuses or withdraws the Person's consent, NYGÅRD may not be able to provide the Person or continue to provide the Person with some products, services or information which may be of value to the Person.

Internet Aspects:

Personal Information may be collected when a user conducts activities on or related to all websites of NYGÅRD Companies ("NYGÅRD Companies Sites") or related to services made available on the NYGÅRD Companies Sites ("NYGÅRD Companies Services"). Although information collected, used or disclosed on the Internet as described below often does not constitute Personal Information (and to the extent that such is the case, then the obligations under the NYGÅRD Privacy Code do not extend to such information), NYGÅRD's Website Privacy Statement governs. To the extent of any conflict between the provisions of that Statement and the following provisions, the following provisions shall exclusively apply.

Internet Protocol Address (IP Address)

When the user's web browser requests a web page from another computer on the Internet, it automatically gives that computer the address where it should send the information. This address is called the computer's "IP address." For most users accessing the Internet from a dial-up Internet service provider (ISP), the IP address will be different every time the user logs on.

NYGÅRD Companies may use the user's IP Address to:

- facilitate the diagnosis and remedy of a technical problem reported by the user's or NYGÅRD Company's technical team
- display (or allow the display by Third Party advertising providers of) more appropriate and relevant content and advertising, such as content and advertising based on the user's geographic area
- estimate user traffic from specific countries or organizations. Many IP addresses are commonly associated with Internet service providers, universities, or major corporations in specific regions or localities. Aggregate information derived from IP addresses may also be reported to advertisers

Cookies

A cookie is a small text file, which often includes an anonymous unique identifier, that is sent to the user's web browser from a web site's computers and is stored on the user's computer's hard drive. Cookies cannot be used to run programs or deliver viruses to a user's computer.

NYGÅRD Companies may use cookies to:

- Improve the operation and performance of the NYGÅRD Companies Services and to make NYGÅRD Companies Services easier and more convenient to use. For example, cookies help NYGÅRD Companies provide more personalized services by recalling user preferences on subsequent visits (e.g. language preference). Cookies also allow NYGÅRD Companies to save passwords and preferences for a user so that the user will not have to re-enter them on the next visit to a NYGÅRD Companies Site;
- Measure aggregate user traffic and demographic statistics related to NYGÅRD Companies Services and advertisements (e.g. number of users, average time spent, average age and similar statistics). This information helps NYGÅRD Companies to better understand when to update, change or offer new services and provides NYGÅRD Companies with details as to the performance of Third Party advertisements and content.

Most browsers are initially set up to accept cookies. If a user prefers, the user can reset his/her browser either to notify the user when the user has received a cookie, or to refuse to accept cookies. The user should understand that while NYGÅRD Companies do not require a user to use cookies, certain NYGÅRD Companies Services will not function properly if a user sets his/her browser to not accept cookies.

Web Beacons

Certain NYGÅRD Companies Services may contain electronic images known as Web beacons - sometimes called single-pixel gifs - that allow NYGÅRD Companies to count users who have visited those pages and to deliver co-branded services. Web beacons are not used to access Personal Information; they are a technique used to compile aggregated statistics about NYGÅRD Companies service usage. Web beacons collect only a limited set of information including a cookie number, time and date of a page view, and a description of the page on which the Web beacon resides.

Links To Other Sites And Advertisements

A NYGÅRD Companies Service may contain links to other websites and services. While NYGÅRD Companies try to link only to sites and services that share NYGÅRD Companies' high standards and respect for privacy, a user should understand that NYGÅRD Companies are not responsible for the content of, or the privacy practices employed by, other companies or websites. This NYGÅRD Privacy Code applies only to the NYGÅRD Companies Services related to this NYGÅRD Privacy Code.

Additional Information

NYGÅRD Companies automatically collect certain information about the user's computer hardware and software. This information may include: browser type, operating system type, domain names, access times and referring Web site addresses. This information is used by NYGÅRD Companies to operate the service, to maintain the quality of the service, and to provide general statistics regarding use of the NYGÅRD Companies Sites.

Certain NYGÅRD Companies Services may be co-branded and offered in conjunction with another company. If a user registers for or uses such services, both NYGÅRD Companies and the other company may receive information collected in conjunction with the co-branded services.

The NYGÅRD Privacy Code in Detail

Definitions

NYGÅRD Companies – NYGÅRD and all subsidiaries of NYGÅRD and any successor company or companies thereof, as a result of corporate reorganization or restructuring

Collection – the act of gathering, acquiring, recording or obtaining Personal Information from any source, including third parties, by any means

Consent – voluntary agreement with the collection, use and disclosure of Personal Information for defined purposes. Consent can be either express or implied and can be provided directly by the Person or by an authorized representative. Express consent can be given orally, electronically or in writing but is always unequivocal and does not require any inference on the part of NYGÅRD. Implied consent is consent that can reasonably be inferred from a Person's action or inaction

Disclosure – making Personal Information available to a Third Party

Employee – an employee or independent contractor of NYGÅRD.

The inclusion of independent contractors within the definition of "Employee" is for convenience of reference only, and does in no manner imply that such individuals are employees of the company within the meaning of employment legislation or are in an employee-employer relationship with the company

Individual – an individual other than an Employee who (a) corresponds with NYGÅRD, including complaints and including applications for employment; or (b) uses, or applies to use, the products or services of NYGÅRD

Person – an Employee or an Individual

Personal Information – information about an identifiable Person, but not: a) information that is publicly available, such as a Person's name, address, telephone number and electronic address, when listed in a directory or made available through directory assistance; b) business-contact information, such as the name, title or business address or telephone number of an employee of an organization; c) information collected, used or disclosed in the course of journalistic, literary or artistic activities; or d) aggregate information that cannot be associated with a specific person, such as demographic statistics about NYGÅRD customers, or number of visitors and average time spent on a website

Third Party – a person other than the Person or his agent, or an organization other than a NYGÅRD Company

Use – the treatment, handling, and management of Personal Information by the NYGÅRD Companies

Principle 1 - Accountability

NYGÅRD is responsible for Personal Information under its control and shall designate one or more persons who are accountable for NYGÅRD's compliance with the following principles.

1.1 Responsibility for ensuring compliance with the provisions of the NYGÅRD Privacy Code rests with the senior management of NYGÅRD, which shall designate one or more persons to be accountable for compliance with the NYGÅRD Privacy Code. Other people within NYGÅRD Companies may be delegated to act on behalf of the designated person(s) or to take responsibility for the day-to-day collection and processing of Personal Information.

1.2 NYGÅRD has designated its General Counsel as Chief Privacy Officer to oversee compliance with the NYGÅRD Privacy Code. The Chief Privacy Officer can be contacted at Abe.Rubinfeld@Nygard.com or by telephone at 416-598-6966.

1.3 NYGÅRD is responsible for Personal Information in its possession or control, including information that has been transferred to a Third Party for processing. NYGÅRD shall use appropriate means to provide a comparable level of protection while information is being processed by a Third Party (see Principle 7).

1.4 NYGÅRD has implemented policies and procedures to give effect to the NYGÅRD Privacy Code, including: a) implementing procedures to protect Personal Information and to oversee NYGÅRD's compliance with the NYGÅRD Privacy Code; b) establishing procedures to receive and respond to inquiries or complaints; c) training and communicating to staff about NYGÅRD's policies and practices; and d) developing public information to explain NYGÅRD's policies and practices.

Principle 2 - Identifying Purposes for Collection of Personal Information

NYGÅRD has collected and collects Personal Information for the purposes set out below, and shall identify the purposes for which Personal Information is collected at or before the time the information is collected.

2.1 NYGÅRD has collected and collects Personal Information for the following purposes: a) to establish and maintain responsible commercial relations with Individuals and to provide ongoing service; b) to understand Individual needs; c) to develop, enhance, market or provide products and services; d) to manage and develop its business and operations, including personnel and employment matters; and e) to meet legal or regulatory requirements, including to protect or defend a legal interest, and in connection with an actual or possible NYGÅRD corporate re-organization, merger or amalgamation with another entity, or an actual or possible sale of all or a substantial portion of the assets of NYGÅRD, provided that the Personal Information disclosed continues to be used by the entity acquiring the information either for evaluation of the possible transaction, or, on completion of any such transaction, for the purposes permitted by this Privacy Policy.

As examples of the above:

- i) NYGÅRD may from time to time use a Person's Personal Information to contact the Person about changes, enhancements or similar notices related to NYGÅRD products and services;
- ii) if a Person indicated that he/she was interested in receiving offers or information from NYGÅRD or certain of our selected partners, NYGÅRD may send the Person materials about products and services that NYGÅRD feels may be of interest to the Person

Further references to "identified purposes" mean the purposes identified in this Principle 2.

2.2 NYGÅRD shall specify orally, electronically or in writing the identified purposes to the Person at or before the time Personal Information is collected. Upon request, persons collecting Personal Information shall explain these identified purposes or refer the Person to a designated person within NYGÅRD who shall explain the purposes.

2.3 Unless required by law, NYGÅRD shall not use or disclose, for any new purpose, Personal Information that has been collected without first identifying the new purpose and obtaining the consent of the Person.

Principle 3 - Obtaining Consent for Collection, Use or Disclosure of Personal Information

The knowledge and consent of a Person are required for the collection, use or disclosure of Personal Information, except where inappropriate.

3.1 Generally, NYGÅRD shall seek consent to use and disclose Personal Information at the same time it collects the information. However, NYGÅRD may seek consent to use and disclose Personal Information after it has been collected but before it is used or disclosed for a new purpose.

3.2 In obtaining consent, NYGÅRD shall use reasonable efforts to ensure that a Person is advised of the identified purposes for which Personal Information will be used or disclosed. Purposes shall be stated in a manner that can be reasonably understood by the Person.

3.3 NYGÅRD will require Individuals to consent to the collection, use or disclosure of Personal Information as a condition of the supply of a product or service only if such collection, use or disclosure is required to fulfill the identified purposes.

3.4 In determining the appropriate form of consent, NYGÅRD shall take into account the sensitivity of the Personal Information and the reasonable expectations of the Persons.

3.5 In general, the use of products and services by an Individual, or the acceptance of employment or benefits by an Employee, constitutes implied consent for NYGÅRD to collect, use and disclose Personal Information for all identified purposes.

3.6 An Individual may withdraw consent at any time, subject to legal or contractual restrictions and reasonable notice. Individuals may contact NYGÅRD for more information regarding the implications of withdrawing consent.

3.7 In certain circumstances Personal Information can be collected, used or disclosed without the knowledge and consent of the Person. For example, NYGÅRD may collect or use Personal Information without knowledge or consent if it is clearly in the interests of the Person and consent cannot be obtained in a timely way, such as when the Person is a minor, seriously ill or mentally incapacitated. NYGÅRD may also collect, use or disclose Personal Information without knowledge or consent if seeking the consent of the Person might defeat the purpose of collecting the information such as in the investigation of a breach of an agreement or a contravention of a federal or provincial law.

NYGÅRD may also use or disclose Personal Information without knowledge or consent in the case of an emergency where the life, health or security of an individual or property is threatened.

NYGÅRD may disclose Personal Information without knowledge or consent to collect a debt, to comply with a subpoena, warrant or other court order, or as may be otherwise related to the legal or regulatory requirements described herein.

Principle 4 - Limiting Collection of Personal Information

NYGÅRD shall limit the collection of Personal Information to that which is necessary for the purposes identified by NYGÅRD.

NYGÅRD shall collect Personal Information by fair and lawful means.

4.1 NYGÅRD collects Personal Information primarily from Individuals or its Employees.

4.2 NYGÅRD may also collect Personal Information from other sources including credit bureaus, employers or personal references, or other third parties that represent that they have the right to disclose the information.

Principle 5 - Limiting Use, Disclosure and Retention of Personal Information

NYGÅRD shall not use or disclose Personal Information for purposes other than those for which it was collected, except with the consent of the Person or as required by law. NYGÅRD shall retain Personal Information only as long as necessary for the fulfillment of the purposes for which it was collected.

5.1 In certain circumstances Personal Information can be collected, used or disclosed without the knowledge and consent of the Person. (see Principle 3.7)

5.2 In addition, NYGÅRD may disclose a Person's Personal Information to: a) another person for the development, enhancement, marketing or provision of any of the products or services of NYGÅRD; b) a person who, in the reasonable judgment of the NYGÅRD Companies, is seeking the information as an agent of the Person; c) any NYGÅRD Companies to permit the provision of services requested by the Person, and d) a Third Party or Third Parties, where the Person consents to such disclosure or disclosure is required by law.

5.3 NYGÅRD may disclose Personal Information about its employees: a) for normal personnel and benefits administration; b) in the context of providing references regarding current or former employees in response to requests from prospective employers; or c) where disclosure is required by law.

5.4 Only those Employees of NYGÅRD who require access for business reasons, or whose duties reasonably so require, or properly designated representatives of NYGÅRD, are granted access to Personal Information about Individuals and Employees.

5.5 NYGÅRD shall keep Personal Information only as long as it remains necessary or relevant for the identified purposes or as required by law. Depending on the circumstances, where Personal Information has been used to make a decision about a Person, NYGÅRD shall retain, for a period of time that is reasonably sufficient to allow for access by the Person, either the actual information or the rationale for making the decision.

5.6 NYGÅRD shall maintain reasonable and systematic controls, schedules and practices for information and records retention and destruction which apply to Personal Information that is no longer necessary or relevant for the identified purposes or required by law to be retained. Such information shall be destroyed, erased or made anonymous.

Principle 6 - Accuracy of Personal Information

Personal Information shall be as accurate, complete and up-to-date as is necessary for the purposes for which it is to be used.

6.1 Personal Information used by NYGÅRD shall be sufficiently accurate, complete and up-to-date to minimize the possibility that inappropriate information may be used to make a decision about a Person.

6.2 NYGÅRD shall update Personal Information about Persons as and when necessary to fulfill the identified purposes or upon notification by the Person.

Principle 7 - Security Safeguards

NYGÅRD shall protect Personal Information by security safeguards appropriate to the sensitivity of the information.

7.1 NYGÅRD shall protect Personal Information against such risks as loss or theft, unauthorized access, disclosure, copying, use, modification or destruction, through appropriate security measures. NYGÅRD shall protect the information regardless of the format in which it is held.

7.2 NYGÅRD shall protect Personal Information disclosed to third parties by contractual agreements stipulating the confidentiality of the information and the purposes for which it is to be used.

7.3 All employees of NYGÅRD with access to Personal Information shall be required as a condition of employment to respect the confidentiality of Personal Information.

Principle 8 - Openness Concerning Policies and Practices

NYGÅRD shall make readily available to Persons specific information about its policies and practices relating to the management of Personal Information.

8.1 NYGÅRD shall make information about its policies and practices easy to understand, including: a) The title and address of the person or persons accountable for the compliance with the NYGÅRD Privacy Code and to whom inquiries or complaints can be forwarded; b) The means of gaining access to Personal Information held by NYGÅRD; and c) A description of the type of Personal Information held by NYGÅRD, including a general account of its use.

8.2 NYGÅRD shall make available information to help Persons exercise choices regarding the use of their Personal Information.

Principle 9 - Access to Personal Information

NYGÅRD shall inform a Person of the existence, use and disclosure of his or her Personal Information upon request and shall give the Person access to that information.

A Person shall be able to challenge the accuracy and completeness of the Personal Information and have it amended as appropriate.

9.1 Upon request, NYGÅRD shall afford to a Person a reasonable opportunity to review the Personal Information in the Person's file. Personal Information shall be provided in understandable form within a reasonable time and at minimal or no cost to the Person.

9.2 In certain situations, NYGÅRD may not be able to provide access to all of the Personal Information that they hold about a Person. For example, NYGÅRD may not provide access to information if doing so would likely reveal Personal Information about a Third Party or could reasonably be expected to threaten the life or security of another person. Also, NYGÅRD may not provide access to information if disclosure would reveal confidential commercial information, if the information is protected by solicitor-client privilege, if the information was generated in the course of a formal dispute resolution process, or if the information was collected in relation to the investigation of a breach of an agreement or a contravention of a federal or provincial law, or if the information was collected as part of journalistic, literary or artistic activities. If access to Personal Information cannot be provided, NYGÅRD shall provide the reasons for denying access upon request.

9.3 Upon request, NYGÅRD shall provide an account of the use and disclosure of Personal Information and, where reasonably possible, shall state the source of the information. In providing an account of disclosure, NYGÅRD shall provide a list of organizations to which it may have disclosed Personal Information about the individual when it is not possible to provide an actual list.

9.4 In order to safeguard Personal Information, an individual or employee may be required to provide sufficient identification information to permit NYGÅRD to account for the existence, use and disclosure of Personal Information and to authorize access to the individual's file. Any such information shall be used only for this purpose.

9.5 NYGÅRD shall promptly correct or complete any Personal Information found to be inaccurate or incomplete. Any unresolved differences as to accuracy or completeness shall be noted in the Person's file. Where appropriate, NYGÅRD shall transmit to third parties having access to the Personal Information in question any amended information or the existence of any unresolved differences.

9.6 A Person can obtain information or seek access to his or her Personal Information by contacting a designated representative at NYGÅRD principal office.

9.7 An employee can obtain information or seek access to his or her Personal Information by contacting his or her immediate supervisor within NYGÅRD.

Principle 10 - Challenging Compliance

A Person shall be able to address a challenge concerning compliance with the above principles to the designated person or persons accountable for the compliance of NYGÅRD with the NYGÅRD Privacy Code.

10.1 NYGÅRD shall maintain procedures for addressing and responding to all inquiries or complaints from Persons about NYGÅRD's handling of their Personal Information. If any Person at any time has any questions or concerns about NYGÅRD's privacy practices, the Person can contact the VP Legal Services & General Counsel Abe.Rubinfeld@Nygard.com or by telephone at 416-598-6966.

10.2 NYGÅRD shall inform Persons about the existence of these procedures as well as the availability of complaint procedures.

10.3 The person or persons accountable for compliance with the NYGÅRD Privacy Code may seek external advice where appropriate before providing a final response to individual complaints.

10.4 NYGÅRD shall investigate all complaints concerning compliance with the NYGÅRD Privacy Code. If a complaint is found to be justified, NYGÅRD shall take appropriate measures to resolve the complaint including, if necessary, amending its policies and procedures. A Person shall be informed of the outcome of the investigation regarding his or her complaint.

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OFFICER'S CERTIFICATE
OF
NYGARD ENTERPRISES LTD.

(the "Corporation")

January 2, 2020

TO: **WHITE OAK COMMERCIAL FINANCE, LLC**, in its capacity as administrative agent and collateral agent (the "**Agent**")

AND TO: **WHITE OAK COMMERCIAL FINANCE, LLC**, as lender

AND TO: **SECOND AVENUE CAPITAL, LLC**, as lender (together with White Oak Commercial Finance, LLC, the "**Lenders**")

AND TO: **MILLER THOMSON LLP ("MT")**

AND TO: **JONES DAY LLP ("JD")**

AND TO: **OSLER, HOSKIN & HARCOURT LLP ("Osler")**

AND TO: **HAHN & HESSON LLP ("HH")**

RE: Credit facilities to be made available to Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc. and Nygard NY Retail, LLC (collectively, the "**Borrowers**"), pursuant to a credit agreement dated December 30, 2019 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "**Credit Agreement**") entered into by the Borrowers, the Guarantors (as such term is defined in the Credit Agreement), the Corporation and the other Limited Recourse Guarantor (as such term is defined in the Credit Agreement), the Agent and the Lenders. Capitalized terms used in this certificate and not otherwise defined shall have the respective meanings ascribed thereto in the Credit Agreement.

The undersigned officer of the Corporation hereby certifies, on behalf of the Corporation and without personal liability, that:

1. I have reviewed such books and records of the Corporation and other applicable documents and have made such enquiries and investigations as I have considered necessary and advisable to verify the matters set out in this certificate.
2. The Corporation is a validly existing corporation under the laws of the Province of Ontario by Articles of Continuance and amended by Articles of Amendment (collectively, the "**Articles**"), a true and complete copy of which are attached hereto as Schedule "A". The Articles are in full force and effect as of the date hereof, have not been further amended or varied and neither the directors nor the shareholders of the Corporation have passed, confirmed or consented to any amendments or variations to the Articles.

3. A true and complete copy of all by-laws of the Corporation is attached hereto as Schedule “B” (the “**By-Laws**”). The By-Laws have been duly enacted by the directors of the Corporation and confirmed by its shareholders. The By-Laws comprise the only by-laws of the Corporation, are in full force and effect, unamended, as of the date hereof, and neither the directors nor the shareholders of the Corporation have passed, confirmed or consented to any resolutions amending or varying the By-Laws.
4. Attached as Schedule “C” is a true and complete copy of a resolution duly passed by the board of directors of the Corporation on the 18th day of December, 2019 (the “**Authorizing Resolutions**”) authorizing and approving the entering into, execution and delivery by the Corporation of certain agreements in connection with the Credit Agreement and the performance by the Corporation of its obligations in connection with the Credit Agreement, as further described in the Authorizing Resolutions (the “**Documents**”). The Authorizing Resolutions are the only resolutions of the board of directors of the Corporation pertaining to such subject matter, are in full force and effect and are unamended as of the date hereof.
5. Neither the Corporation nor the shareholders have taken any steps to terminate or change the Corporation’s existence or to amalgamate or merge or continue into any other jurisdiction, nor has the Corporation received any notice or other communication from any governmental authority or other person indicating that there exists any situation which, unless remedied, could result in the termination of the existence of the Corporation.
6. The Corporation, is validly existing, in good standing and qualified to engage in business in each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification, except to the extent that failure to so qualify in such jurisdiction could not reasonably be expected to have a Material Adverse Effect.
7. There is no agreement in existence among all the shareholders of the Corporation that restricts in whole or in part the powers of the directors to manage or supervise the management of the business and affairs of the Corporation.
8. No winding-up, liquidation, dissolution, bankruptcy, merger, amalgamation or continuation of the Corporation and no sale of the assets of the Corporation out of the ordinary course of business of the Corporation has been commenced or is being contemplated by the Corporation as of the date hereof and I have no knowledge of any such proceedings having been commenced or being contemplated in respect of the Corporation by any other person.
9. The Corporation is up to date as at the date hereof in all of its corporate filings, including, without limitation, those required under its statute of incorporation. The Corporation has not received any notice or other communication from any person or government authority indicating that there exists a situation where, unless remedied, could result in the dissolution of the Corporation.
10. Attached hereto as Schedule “D” is a list of all of the officers and directors of the Corporation and set forth opposite their respective names is the position or positions he or

she occupies within the Corporation and a true specimen of the signature of any such person who has executed one or more of the Documents.

11. The Corporation's chief executive office and other places of business are listed in Schedule "E" attached hereto. The Corporation does not keep tangible assets at any location other than the locations listed in Schedule "E" (other than tangible assets in transit to and from such locations).
12. There is no litigation or proceeding pending or threatened before any court, agency, tribunal, arbitration board or any other body which has or could have a Material Adverse Effect on the condition, either financial or otherwise, of the Corporation or on the ability of the Corporation to perform its obligations under any of the Documents.
13. No event of default has occurred under any of the Corporation's Material Contracts.
14. There are no material consents, licenses, approvals, authorizations or exemptions of any third party required for or in connection with the execution or delivery by the Corporation of the Documents to which it is a party or the performance by the Corporation of any of its rights and obligations therein other than as previously obtained and which remain in full force and effect.
15. As of the date hereof, each of the representations and warranties contained in the Credit Agreement and in any other Document to which the Corporation is a party given by the Corporation are true and correct, except to the extent that any such representation or warranty is expressly stated to relate to a specific earlier date, in which case, such representation and warranty is true and correct as of such earlier date.
16. No Default or Event of Default has occurred and is continuing or would result after giving effect to the Revolving Credit Borrowing or issuance of a Letter of Credit or from the application of the proceeds thereof under the Credit Agreement.
17. There has been no event or circumstance since December 31, 2018 that has had or could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.
18. The transactions contemplated under the Credit Agreement do not violate any applicable Law or any Organization Document of the Corporation.
19. Attached hereto as Schedule "F" is a true and complete copy of the Nygard Privacy Code.

I acknowledge that the Agent, the Lenders, MT, JD, Osler and HH are relying on this Certificate in connection with the Credit Agreements, the Documents and the delivery of the opinion letters to the Agent and the Lenders under the Credit Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the undersigned has executed this certificate as of the date first written above.

A handwritten signature in dark ink, appearing to read "J. R. Bennett", is written above a horizontal line.

Name: James R. Bennett

Title: Secretary

SCHEDULE “C”

AUTHORIZING RESOLUTIONS OF THE DIRECTORS OF NYGARD ENTERPRISES LTD.

(the “Corporation”)

“**WHEREAS** credit facilities are to be made available by White Oak Commercial Finance, LLC and Second Avenue Capital, LLC (collectively, the “**Lenders**”) to Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, LLC and Nygard NY Retail, LLC (collectively, the “**Borrowers**”), pursuant to a credit agreement (as amended, restated, supplemented, replaced or otherwise modified from time to time, the “**Credit Agreement**”) entered into by the Borrowers, the Guarantors (as such term is defined in the Credit Agreement), the Corporation and the other Limited Recourse Guarantor (as such term is defined in the Credit Agreement), White Oak Commercial Finance, LLC, in its capacity as administrative agent and collateral agent (the “**Agent**”) and the Lenders.

AND WHEREAS it is deemed expedient and in the interests of the Corporation that it enter into, execute and deliver the Credit Agreement and the Documents (as hereinafter defined) together with all such instruments, documents and assurances as may reasonably be required by the Agent and Lenders pursuant to or in respect thereof.

BE IT RESOLVED THAT:


1. The acceptance, execution and delivery by the Corporation of the Credit Agreement is hereby ratified, approved and confirmed and the Corporation agrees to be bound by the terms and conditions therein set out.
2. The Corporation is authorized to guarantee payment to the Agent and Lenders of the obligations of others pursuant to the Credit Agreement, and to perform all its obligations pursuant to each of the documents referred to in this resolution.
3. The Corporation be and is authorized to hypothecate, mortgage, charge, collaterally assign and otherwise transfer and encumber and grant security interests in all its present and future property, undertaking and other assets described in the Documents as security for its present and future indebtedness and liability arising under or in connection with the Credit Agreement and the other Documents to which it is a party.
4. The Corporation is hereby authorized and directed to enter into, execute and deliver to the Agent and the Lenders and to perform its obligations under all such security, instruments and other documents as are required pursuant to the terms and conditions of the Credit Agreement (collectively, together with the Credit Agreement, the “**Documents**”), including without limitation:
 - (a) a pledge agreement in favour of the Agent; and

(b) an intercompany debt subordination agreement in favour of the Agent.

5. Any officer or director of the Corporation (the “**Authorized Signing Officer**”) be and is hereby authorized and directed for and on behalf of the Corporation whether under corporate seal or otherwise, to execute and deliver the Documents, substantially in the form of the draft Documents presented to and approved by any officer or director of the Corporation, subject to such alterations, amendments or additions to which the Authorized Signing Officer executing and delivering the Documents may agree, the execution by such Authorized Signing Officer to be conclusive proof of his or her agreement to any amendments, alterations or additions incorporated therein and the Corporation shall be bound thereby.
6. The Authorized Signing Officer is hereby authorized and directed for and on behalf of and in the name of the Corporation to do, sign and execute, under the corporate seal of the Corporation or otherwise, all such other agreements, security documents, securities, notes, instruments, certificates, powers of attorney and things as in his opinion may be provided under the Documents, or which may be advisable or necessary, or which may be requested by the agent or the Lenders, in connection with the foregoing resolutions or in connection with the execution, delivery or registration of, or the performance of any of the Corporation’s obligations under, any of the Documents.
7. The acknowledgement and acceptance of the Credit Agreement, the Documents, and of any other agreements, instruments or documents described above which may have been executed or delivered prior to the adoption of these resolutions, regardless of by which officer or other employee such Credit Agreement or other agreement, instrument or document was executed and delivered, and regardless of any informality in such execution or delivery, be and the same hereby are ratified, approved and confirmed in all respects.
8. This resolution may be executed in several counterparts, which together shall constitute one and the same resolution. The delivery of an executed counterpart of this resolution by facsimile or telecopy or by electronic transmission in portable document format (PDF) shall be deemed to be the equivalent of the delivery of an original executed copy thereof”


SCHEDULE "D"

INCUMBENCY

Name	Position	Signature
Peter John Nygard	Chairman, President and Director	
Tiina Tulikorpi	Vice-President and Director	
James R. Bennett	Secretary and Director	

SCHEDULE "D"

INCUMBENCY

Name	Position	Signature
Peter John Nygard	Chairman, President and Director	
Tiina Tulikorpi	Vice-President and Director	
James R. Bennett	Secretary and Director	

SCHEDULE “E”

CHIEF EXECUTIVE OFFICE AND OTHER PLACES OF BUSINESS

1. 1 Niagara Street, Toronto, Ontario

SCHEDULE “F”
NYGARD PRIVACY CODE

See attached.

NYGÅRD INTERNATIONAL PARTNERSHIP AND NYGÅRD ENTERPRISES LTD. ("NYGÅRD")

NYGÅRD Privacy Code

Scope and Application Of The NYGÅRD Privacy Code:

The scope and application of the NYGÅRD Privacy Code are as follows: The NYGÅRD Privacy Code applies to Personal Information about NYGÅRD Employees and non-employee Persons who interact with NYGÅRD that is collected, used or disclosed by NYGÅRD.

- Employees in this context includes past and present employees and independent contractors of NYGÅRD.
- Non-employee Persons in this context includes Individuals who are viewers, readers, subscribers, advertisers, contest participants, job applicants, Internet users who are exposed to the media content of NYGÅRD or a NYGÅRD Company and about whom NYGÅRD collects Personal Information.

The NYGÅRD Privacy Code applies to the management of Personal Information in any form whether oral, electronic or written. NYGÅRD reserves the right to amend this NYGÅRD Privacy Code from time to time.

The application of the NYGÅRD Privacy Code is subject to the requirements or provisions of any applicable legislation, regulations or agreements, or the order of any court or other lawful authority.

Exclusions from privacy protection: The NYGÅRD Privacy Code does not impose any limits on the collection, use or disclosure of the following information by a NYGÅRD Company: a) information that is publicly available, such as a Person's name, address, telephone number and electronic address, when listed in a directory or made available through directory assistance; b) business-contact information, such as the name, title or business address or telephone number of an employee of an organization; c) information collected, used or disclosed in the course of journalistic, literary or artistic activities; or d) aggregate information that cannot be associated with a specific person, such as demographic statistics about NYGÅRD customers, or number of visitors and average time spent on a website.

Purposes for Collection of Personal Information:

NYGÅRD has collected and collects Personal Information for the following purposes: a) to establish and maintain responsible commercial relations with Individuals and to provide ongoing service; b) to understand Individual needs; c) to develop, enhance, market or provide products and services; d) to manage and develop its business and operations, including personnel and employment matters; and e) to meet legal or regulatory requirements, including to protect or defend a legal interest, and in connection with an actual or possible NYGÅRD corporate re-organization, merger or amalgamation with another entity, or an actual or possible sale of all or a substantial portion of the assets of NYGÅRD, provided that the Personal Information disclosed continues to be used by the entity acquiring the information either for evaluation of the possible transaction, or, on completion of any such transaction, for the purposes permitted by this Privacy Policy.

As examples of the above:

- i) NYGÅRD may from time to time use a Person's Personal Information to contact the Person about changes, enhancements or similar notices related to NYGÅRD products and services;
- ii) if a Person indicated that he/she was interested in receiving offers or information from NYGÅRD, NYGÅRD may send the Person materials about products and services that NYGÅRD feels may be of interest to the Person; and

Obtaining Consent:

NYGÅRD will make a reasonable effort to make sure Persons understand how their Personal Information will be used by NYGÅRD. NYGÅRD will obtain consent from Persons before or when it collects or uses the Personal Information. NYGÅRD will not attempt to deceive Persons into giving consent.

A Person's consent can be express, implied, or given through an authorized representative. A Person can withdraw consent at any time, with certain exceptions noted herein. NYGÅRD, however, may collect, use or disclose Personal Information without the Person's knowledge or consent in exceptional circumstances where such collection, use or disclosure is permitted or as required by law.

Note: If any Person at any time has any questions or concerns about NYGÅRD's privacy practices, the Person can write to: VP Legal Services & General Counsel Abe.Rubinfeld@Nygard.com or contact by telephone at 416-598-6966.

Refusing or withdrawing Consent:

Subject to legal and contractual requirements, a Person can refuse to consent to NYGÅRD's collection, use or disclosure of Personal Information about the Person, or a Person may withdraw the Person's consent to NYGÅRD's further collection, use or disclosure of Personal Information at any time in the future by giving NYGÅRD reasonable notice, unless: i) the consent relates to certain information required for credit approval which a Person applies for or accepts, ii) the consent is otherwise required by law, or iii) the use or disclosure is permitted by law or is related to the legal or regulatory requirements described herein. If a Person refuses or withdraws the Person's consent, NYGÅRD may not be able to provide the Person or continue to provide the Person with some products, services or information which may be of value to the Person.

Internet Aspects:

Personal Information may be collected when a user conducts activities on or related to all websites of NYGÅRD Companies ("NYGÅRD Companies Sites") or related to services made available on the NYGÅRD Companies Sites ("NYGÅRD Companies Services"). Although information collected, used or disclosed on the Internet as described below often does not constitute Personal Information (and to the extent that such is the case, then the obligations under the NYGÅRD Privacy Code do not extend to such information), NYGÅRD's Website Privacy Statement governs. To the extent of any conflict between the provisions of that Statement and the following provisions, the following provisions shall exclusively apply.

Internet Protocol Address (IP Address)

When the user's web browser requests a web page from another computer on the Internet, it automatically gives that computer the address where it should send the information. This address is called the computer's "IP address." For most users accessing the Internet from a dial-up Internet service provider (ISP), the IP address will be different every time the user logs on.

NYGÅRD Companies may use the user's IP Address to:

- facilitate the diagnosis and remedy of a technical problem reported by the user's or NYGÅRD Company's technical team
- display (or allow the display by Third Party advertising providers of) more appropriate and relevant content and advertising, such as content and advertising based on the user's geographic area
- estimate user traffic from specific countries or organizations. Many IP addresses are commonly associated with Internet service providers, universities, or major corporations in specific regions or localities. Aggregate information derived from IP addresses may also be reported to advertisers

Cookies

A cookie is a small text file, which often includes an anonymous unique identifier, that is sent to the user's web browser from a web site's computers and is stored on the user's computer's hard drive. Cookies cannot be used to run programs or deliver viruses to a user's computer.

NYGÅRD Companies may use cookies to:

- Improve the operation and performance of the NYGÅRD Companies Services and to make NYGÅRD Companies Services easier and more convenient to use. For example, cookies help NYGÅRD Companies provide more personalized services by recalling user preferences on subsequent visits (e.g. language preference). Cookies also allow NYGÅRD Companies to save passwords and preferences for a user so that the user will not have to re-enter them on the next visit to a NYGÅRD Companies Site;
- Measure aggregate user traffic and demographic statistics related to NYGÅRD Companies Services and advertisements (e.g. number of users, average time spent, average age and similar statistics). This information helps NYGÅRD Companies to better understand when to update, change or offer new services and provides NYGÅRD Companies with details as to the performance of Third Party advertisements and content.

Most browsers are initially set up to accept cookies. If a user prefers, the user can reset his/her browser either to notify the user when the user has received a cookie, or to refuse to accept cookies. The user should understand that while NYGÅRD Companies do not require a user to use cookies, certain NYGÅRD Companies Services will not function properly if a user sets his/her browser to not accept cookies.

Web Beacons

Certain NYGÅRD Companies Services may contain electronic images known as Web beacons - sometimes called single-pixel gifs - that allow NYGÅRD Companies to count users who have visited those pages and to deliver co-branded services. Web beacons are not used to access Personal Information; they are a technique used to compile aggregated statistics about NYGÅRD Companies service usage. Web beacons collect only a limited set of information including a cookie number, time and date of a page view, and a description of the page on which the Web beacon resides.

Links To Other Sites And Advertisements

A NYGÅRD Companies Service may contain links to other websites and services. While NYGÅRD Companies try to link only to sites and services that share NYGÅRD Companies' high standards and respect for privacy, a user should understand that NYGÅRD Companies are not responsible for the content of, or the privacy practices employed by, other companies or websites. This NYGÅRD Privacy Code applies only to the NYGÅRD Companies Services related to this NYGÅRD Privacy Code.

Additional Information

NYGÅRD Companies automatically collect certain information about the user's computer hardware and software. This information may include: browser type, operating system type, domain names, access times and referring Web site addresses. This information is used by NYGÅRD Companies to operate the service, to maintain the quality of the service, and to provide general statistics regarding use of the NYGÅRD Companies Sites.

Certain NYGÅRD Companies Services may be co-branded and offered in conjunction with another company. If a user registers for or uses such services, both NYGÅRD Companies and the other company may receive information collected in conjunction with the co-branded services.

The NYGÅRD Privacy Code in Detail

Definitions

NYGÅRD Companies – NYGÅRD and all subsidiaries of NYGÅRD and any successor company or companies thereof, as a result of corporate reorganization or restructuring

Collection – the act of gathering, acquiring, recording or obtaining Personal Information from any source, including third parties, by any means

Consent – voluntary agreement with the collection, use and disclosure of Personal Information for defined purposes. Consent can be either express or implied and can be provided directly by the Person or by an authorized representative. Express consent can be given orally, electronically or in writing but is always unequivocal and does not require any inference on the part of NYGÅRD. Implied consent is consent that can reasonably be inferred from a Person's action or inaction

Disclosure – making Personal Information available to a Third Party

Employee – an employee or independent contractor of NYGÅRD.

The inclusion of independent contractors within the definition of "Employee" is for convenience of reference only, and does in no manner imply that such individuals are employees of the company within the meaning of employment legislation or are in an employee-employer relationship with the company

Individual – an individual other than an Employee who (a) corresponds with NYGÅRD, including complaints and including applications for employment; or (b) uses, or applies to use, the products or services of NYGÅRD

Person – an Employee or an Individual

Personal Information – information about an identifiable Person, but not: a) information that is publicly available, such as a Person's name, address, telephone number and electronic address, when listed in a directory or made available through directory assistance; b) business-contact information, such as the name, title or business address or telephone number of an employee of an organization; c) information collected, used or disclosed in the course of journalistic, literary or artistic activities; or d) aggregate information that cannot be associated with a specific person, such as demographic statistics about NYGÅRD customers, or number of visitors and average time spent on a website

Third Party – a person other than the Person or his agent, or an organization other than a NYGÅRD Company

Use – the treatment, handling, and management of Personal Information by the NYGÅRD Companies

Principle 1 - Accountability

NYGÅRD is responsible for Personal Information under its control and shall designate one or more persons who are accountable for NYGÅRD's compliance with the following principles.

1.1 Responsibility for ensuring compliance with the provisions of the NYGÅRD Privacy Code rests with the senior management of NYGÅRD, which shall designate one or more persons to be accountable for compliance with the NYGÅRD Privacy Code. Other people within NYGÅRD Companies may be delegated to act on behalf of the designated person(s) or to take responsibility for the day-to-day collection and processing of Personal Information.

1.2 NYGÅRD has designated its General Counsel as Chief Privacy Officer to oversee compliance with the NYGÅRD Privacy Code. The Chief Privacy Officer can be contacted at Abe.Rubinfeld@Nygard.com or by telephone at 416-598-6966.

1.3 NYGÅRD is responsible for Personal Information in its possession or control, including information that has been transferred to a Third Party for processing. NYGÅRD shall use appropriate means to provide a comparable level of protection while information is being processed by a Third Party (see Principle 7).

1.4 NYGÅRD has implemented policies and procedures to give effect to the NYGÅRD Privacy Code, including: a) implementing procedures to protect Personal Information and to oversee NYGÅRD's compliance with the NYGÅRD Privacy Code; b) establishing procedures to receive and respond to inquiries or complaints; c) training and communicating to staff about NYGÅRD's policies and practices; and d) developing public information to explain NYGÅRD's policies and practices.

Principle 2 - Identifying Purposes for Collection of Personal Information

NYGÅRD has collected and collects Personal Information for the purposes set out below, and shall identify the purposes for which Personal Information is collected at or before the time the information is collected.

2.1 NYGÅRD has collected and collects Personal Information for the following purposes: a) to establish and maintain responsible commercial relations with Individuals and to provide ongoing service; b) to understand Individual needs; c) to develop, enhance, market or provide products and services; d) to manage and develop its business and operations, including personnel and employment matters; and e) to meet legal or regulatory requirements, including to protect or defend a legal interest, and in connection with an actual or possible NYGÅRD corporate re-organization, merger or amalgamation with another entity, or an actual or possible sale of all or a substantial portion of the assets of NYGÅRD, provided that the Personal Information disclosed continues to be used by the entity acquiring the information either for evaluation of the possible transaction, or, on completion of any such transaction, for the purposes permitted by this Privacy Policy.

As examples of the above:

- i) NYGÅRD may from time to time use a Person's Personal Information to contact the Person about changes, enhancements or similar notices related to NYGÅRD products and services;
- ii) if a Person indicated that he/she was interested in receiving offers or information from NYGÅRD or certain of our selected partners, NYGÅRD may send the Person materials about products and services that NYGÅRD feels may be of interest to the Person

Further references to "identified purposes" mean the purposes identified in this Principle 2.

2.2 NYGÅRD shall specify orally, electronically or in writing the identified purposes to the Person at or before the time Personal Information is collected. Upon request, persons collecting Personal Information shall explain these identified purposes or refer the Person to a designated person within NYGÅRD who shall explain the purposes.

2.3 Unless required by law, NYGÅRD shall not use or disclose, for any new purpose, Personal Information that has been collected without first identifying the new purpose and obtaining the consent of the Person.

Principle 3 - Obtaining Consent for Collection, Use or Disclosure of Personal Information

The knowledge and consent of a Person are required for the collection, use or disclosure of Personal Information, except where inappropriate.

3.1 Generally, NYGÅRD shall seek consent to use and disclose Personal Information at the same time it collects the information. However, NYGÅRD may seek consent to use and disclose Personal Information after it has been collected but before it is used or disclosed for a new purpose.

3.2 In obtaining consent, NYGÅRD shall use reasonable efforts to ensure that a Person is advised of the identified purposes for which Personal Information will be used or disclosed. Purposes shall be stated in a manner that can be reasonably understood by the Person.

3.3 NYGÅRD will require Individuals to consent to the collection, use or disclosure of Personal Information as a condition of the supply of a product or service only if such collection, use or disclosure is required to fulfill the identified purposes.

3.4 In determining the appropriate form of consent, NYGÅRD shall take into account the sensitivity of the Personal Information and the reasonable expectations of the Persons.

3.5 In general, the use of products and services by an Individual, or the acceptance of employment or benefits by an Employee, constitutes implied consent for NYGÅRD to collect, use and disclose Personal Information for all identified purposes.

3.6 An Individual may withdraw consent at any time, subject to legal or contractual restrictions and reasonable notice. Individuals may contact NYGÅRD for more information regarding the implications of withdrawing consent.

3.7 In certain circumstances Personal Information can be collected, used or disclosed without the knowledge and consent of the Person. For example, NYGÅRD may collect or use Personal Information without knowledge or consent if it is clearly in the interests of the Person and consent cannot be obtained in a timely way, such as when the Person is a minor, seriously ill or mentally incapacitated. NYGÅRD may also collect, use or disclose Personal Information without knowledge or consent if seeking the consent of the Person might defeat the purpose of collecting the information such as in the investigation of a breach of an agreement or a contravention of a federal or provincial law.

NYGÅRD may also use or disclose Personal Information without knowledge or consent in the case of an emergency where the life, health or security of an individual or property is threatened.

NYGÅRD may disclose Personal Information without knowledge or consent to collect a debt, to comply with a subpoena, warrant or other court order, or as may be otherwise related to the legal or regulatory requirements described herein.

Principle 4 - Limiting Collection of Personal Information

NYGÅRD shall limit the collection of Personal Information to that which is necessary for the purposes identified by NYGÅRD.

NYGÅRD shall collect Personal Information by fair and lawful means.

4.1 NYGÅRD collects Personal Information primarily from Individuals or its Employees.

4.2 NYGÅRD may also collect Personal Information from other sources including credit bureaus, employers or personal references, or other third parties that represent that they have the right to disclose the information.

Principle 5 - Limiting Use, Disclosure and Retention of Personal Information

NYGÅRD shall not use or disclose Personal Information for purposes other than those for which it was collected, except with the consent of the Person or as required by law. NYGÅRD shall retain Personal Information only as long as necessary for the fulfillment of the purposes for which it was collected.

5.1 In certain circumstances Personal Information can be collected, used or disclosed without the knowledge and consent of the Person. (see Principle 3.7)

5.2 In addition, NYGÅRD may disclose a Person's Personal Information to: a) another person for the development, enhancement, marketing or provision of any of the products or services of NYGÅRD; b) a person who, in the reasonable judgment of the NYGÅRD Companies, is seeking the information as an agent of the Person; c) any NYGÅRD Companies to permit the provision of services requested by the Person, and d) a Third Party or Third Parties, where the Person consents to such disclosure or disclosure is required by law.

5.3 NYGÅRD may disclose Personal Information about its employees: a) for normal personnel and benefits administration; b) in the context of providing references regarding current or former employees in response to requests from prospective employers; or c) where disclosure is required by law.

5.4 Only those Employees of NYGÅRD who require access for business reasons, or whose duties reasonably so require, or properly designated representatives of NYGÅRD, are granted access to Personal Information about Individuals and Employees.

5.5 NYGÅRD shall keep Personal Information only as long as it remains necessary or relevant for the identified purposes or as required by law. Depending on the circumstances, where Personal Information has been used to make a decision about a Person, NYGÅRD shall retain, for a period of time that is reasonably sufficient to allow for access by the Person, either the actual information or the rationale for making the decision.

5.6 NYGÅRD shall maintain reasonable and systematic controls, schedules and practices for information and records retention and destruction which apply to Personal Information that is no longer necessary or relevant for the identified purposes or required by law to be retained. Such information shall be destroyed, erased or made anonymous.

Principle 6 - Accuracy of Personal Information

Personal Information shall be as accurate, complete and up-to-date as is necessary for the purposes for which it is to be used.

6.1 Personal Information used by NYGÅRD shall be sufficiently accurate, complete and up-to-date to minimize the possibility that inappropriate information may be used to make a decision about a Person.

6.2 NYGÅRD shall update Personal Information about Persons as and when necessary to fulfill the identified purposes or upon notification by the Person.

Principle 7 - Security Safeguards

NYGÅRD shall protect Personal Information by security safeguards appropriate to the sensitivity of the information.

7.1 NYGÅRD shall protect Personal Information against such risks as loss or theft, unauthorized access, disclosure, copying, use, modification or destruction, through appropriate security measures. NYGÅRD shall protect the information regardless of the format in which it is held.

7.2 NYGÅRD shall protect Personal Information disclosed to third parties by contractual agreements stipulating the confidentiality of the information and the purposes for which it is to be used.

7.3 All employees of NYGÅRD with access to Personal Information shall be required as a condition of employment to respect the confidentiality of Personal Information.

Principle 8 - Openness Concerning Policies and Practices

NYGÅRD shall make readily available to Persons specific information about its policies and practices relating to the management of Personal Information.

8.1 NYGÅRD shall make information about its policies and practices easy to understand, including: a) The title and address of the person or persons accountable for the compliance with the NYGÅRD Privacy Code and to whom inquiries or complaints can be forwarded; b) The means of gaining access to Personal Information held by NYGÅRD; and c) A description of the type of Personal Information held by NYGÅRD, including a general account of its use.

8.2 NYGÅRD shall make available information to help Persons exercise choices regarding the use of their Personal Information.

Principle 9 - Access to Personal Information

*NYGÅRD shall inform a Person of the existence, use and disclosure of his or her Personal Information upon request and shall give the Person access to that information.
A Person shall be able to challenge the accuracy and completeness of the Personal Information and have it amended as appropriate.*

9.1 Upon request, NYGÅRD shall afford to a Person a reasonable opportunity to review the Personal Information in the Person's file. Personal Information shall be provided in understandable form within a reasonable time and at minimal or no cost to the Person.

9.2 In certain situations, NYGÅRD may not be able to provide access to all of the Personal Information that they hold about a Person. For example, NYGÅRD may not provide access to information if doing so would likely reveal Personal Information about a Third Party or could reasonably be expected to threaten the life or security of another person. Also, NYGÅRD may not provide access to information if disclosure would reveal confidential commercial information, if the information is protected by solicitor-client privilege, if the information was generated in the course of a formal dispute resolution process, or if the information was collected in relation to the investigation of a breach of an agreement or a contravention of a federal or provincial law, or if the information was collected as part of journalistic, literary or artistic activities. If access to Personal Information cannot be provided, NYGÅRD shall provide the reasons for denying access upon request.

9.3 Upon request, NYGÅRD shall provide an account of the use and disclosure of Personal Information and, where reasonably possible, shall state the source of the information. In providing an account of disclosure, NYGÅRD shall provide a list of organizations to which it may have disclosed Personal Information about the individual when it is not possible to provide an actual list.

9.4 In order to safeguard Personal Information, an individual or employee may be required to provide sufficient identification information to permit NYGÅRD to account for the existence, use and disclosure of Personal Information and to authorize access to the individual's file. Any such information shall be used only for this purpose.

9.5 NYGÅRD shall promptly correct or complete any Personal Information found to be inaccurate or incomplete. Any unresolved differences as to accuracy or completeness shall be noted in the Person's file. Where appropriate, NYGÅRD shall transmit to third parties having access to the Personal Information in question any amended information or the existence of any unresolved differences.

9.6 A Person can obtain information or seek access to his or her Personal Information by contacting a designated representative at NYGÅRD principal office.

9.7 An employee can obtain information or seek access to his or her Personal Information by contacting his or her immediate supervisor within NYGÅRD.

Principle 10 - Challenging Compliance

A Person shall be able to address a challenge concerning compliance with the above principles to the designated person or persons accountable for the compliance of NYGÅRD with the NYGÅRD Privacy Code.

10.1 NYGÅRD shall maintain procedures for addressing and responding to all inquiries or complaints from Persons about NYGÅRD's handling of their Personal Information. If any Person at any time has any questions or concerns about NYGÅRD's privacy practices, the Person can contact the VP Legal Services & General Counsel Abe.Rubinfeld@Nygard.com or by telephone at 416-598-6966.

10.2 NYGÅRD shall inform Persons about the existence of these procedures as well as the availability of complaint procedures.

10.3 The person or persons accountable for compliance with the NYGÅRD Privacy Code may seek external advice where appropriate before providing a final response to individual complaints.

10.4 NYGÅRD shall investigate all complaints concerning compliance with the NYGÅRD Privacy Code. If a complaint is found to be justified, NYGÅRD shall take appropriate measures to resolve the complaint including, if necessary, amending its policies and procedures. A Person shall be informed of the outcome of the investigation regarding his or her complaint.

APPENDIX I

Blerot
Masonry (2000) Ltd.
Est. 1974

1611 Forbes Road, Winnipeg, MB R2N 4B7
Phone: (204) 256-6033 Fax: (204) 255-2755
Email: ablerot@mymts.net

INVOICE 2018-1583

INVOICE TO: Nygard International Partnership
1771 Inkster Blvd.
Winnipeg, Manitoba
R2X 1R3
nygardservicesapnygard.com

DATE: March 29 / 2018
Subcontract / P.O. #:
PROJECT: Falcon Lake - New Cabin Fireplace
Labour
Lot 17 Block 11 Southshore Rd.

GST # 87469 6727 RT0001

ORIGINAL CONTRACT: **\$0.00**

REVISIONS

<u>IID#</u>		
1	July 24 - Dec 24 2016	\$219,853.79
2	Jan 8 - Dec 23 2017	\$798,147.60
3	Dec 31 - Jan 27 2018	\$79,338.45
4	Jan 28 - Feb 24 2018	\$91,687.50
5	Feb 26 - March 29	\$107,175.60
6	as per time cards	\$0.00
7		\$0.00
8		\$0.00
9		\$0.00
10		\$0.00

TOTAL REVISIONS: \$1,296,202.94

TOTAL REVISED CONTRACT: **\$1,296,202.94**

COMPLETED TO DATE: \$1,296,202.94

LESS: 0.0% HOLDBACK \$0.00

SUBTOTAL \$1,296,202.94

LESS: PREVIOUS NET CLAIMS: \$1,189,027.34

NET THIS CLAIM: \$107,175.60

ADD GST (5% ON NET) \$5,358.78

PAYMENT THIS CLAIM **\$112,534.38**

GROSS THIS CLAIM: \$107,175.60

LESS: 0.0% HOLDBACK THIS CLAIM \$0.00

NET THIS CLAIM: \$107,175.60

ADD GST (5% ON NET) \$5,358.78

PAYMENT THIS CLAIM: \$112,534.38

APPENDIX J

Re: *The Employment Standards Code*
4093887 Canada Ltd., t/a Nygard International Partnership
4093879 Canada Ltd., t/a Nygard International Partnership
- and -

Case No. 113/20/ESC

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Claim for unpaid bonuses

1 Claim description

My Name is [REDACTED], Case No: 113/20/ESC

I am claiming for unpaid bonuses that were promise to me on the contract signed by me with Nygard International Partnership.

I am seeking for the payment of [REDACTED] as I never received any factual explanation or justification from the employer Nygard International Partnership for nonpayment:

- Annual bonus for 2018 and 2019, totalling [REDACTED]
- Retention bonus for 2019, totalling [REDACTED]
- Quarterly bonus for 2018 and 2019, totalling [REDACTED]
 - May 1st, 2018 to July 31st, 2018: [REDACTED]
 - August 1st, 2018 to October 31st, 2018: [REDACTED]
 - November 1st, 2018 to January 31st, 2019: [REDACTED]
 - February 1st, 2019 to April 30th, 2019: [REDACTED]
 - May 1st, 2019 to July 31st, 2019: [REDACTED]
 - August 1st, to October 31st, 2019: [REDACTED]

T1s from 2015/2016/2017 demonstrate all bonuses were paid out. (T4 in point 8 & T1 in point 9)

Contract breakdown for total Yearly earnings of [REDACTED]: (Contract in point 2 - Year to Year contract unless written changes were done)

- Base annual income: [REDACTED]
- Annual bonus, to be paid out at the end of February: [REDACTED]
- Quarterly bonus, 6K\$ - Total yearly: [REDACTED]
- Retention bonus, to be paid out end of May: [REDACTED]
- Car allowance: [REDACTED]

All projects were completed on Peter NYGARD timing as he controlled all projects and pre-approved all expenses prior to any project commencing. Peter NYGARD was in controlled of the budget via the expense approval in link with the approved blueprints and on-going changes requested by himself implying new expenses and delays compared to the initial blueprint. (supported by documents in points 4-5-6)

I was employed by Nygard International Partnership until I was surprisingly let go with no notification. Still have no definite information on when Nygard International Partnership let me go. I was removed from the employee list in December 2019 and my medical benefits was ended October 2019. (supported by documents in point 7)

My communication device (iPhone) was active until November 30, 2019, last communication via text message with Peter NYGARD. Until November 30, 2019 I was in communication with: (Supported by documents in point 3)

- Jim BENNETT: Vice Chairman
- David PATON: VP of Human Resources
- David GAUTHIER: Construction Project Manager
- Pat MOUSSEAU: Construction logistic Manager
- Amier HABAYEB: Project Manager
- Oscar DEPAULA: Chief of Nygard Security

Further the offered amount [REDACTED] was significantly less than what I would be entitled to at law for reasonable notice of the termination of my employment, recognizing my **27 years of dedicated service**. *(supported by documents in point 3)*

Peter NYGARD is known to manipulate the truth and psychologically play on people's minds referring to be part of the "Nygard Family". Peter NYGARD twist the information to his benefit, never accepts his own failure and always pass the blame on others.

Retaliation and threats are used to put down the associates via verbal abuse (hours of being screamed at and insulted publicly, *example of situation in point 11*) and non-release of financial due (Long term service 10K\$ appreciation bonus withdrawn for [REDACTED] after public announcement at the celebration event of Nygard 50 years at the convention center. *Supported by documents in point 12*)

To close my request,

I am seeking for what is owed to me for all the work performed for Nygard International Partnership.

All work was completed on time for all Nygard events.

I have provided information that Peter NYGARD was responsible for all projects. He controlled the deadlines and budgets. He designed and approved all work.

I worked an average of 10hrs a day, 7 days a week. I provided the company my expertise in getting all project completed.

I am seeking payment for bonuses that were promised to me. This was compensation for all my time given to the company. Peter NYGARD was never unhappy with the work performed until the Nygard Fashion company was failing.

Peter NYGARD was losing control due to the failure the entire company was going through> Product was not selling, and buyers were dropping.

Company was going through financial difficulty. [REDACTED] could no longer take the physical and mental abuse. He walked off the property, never to return.

Peter NYGARD stopped paying trades, contractors, material, suppliers.

Construction was Peter NYGARD hobby. He decided that I would be his stress relief and used me as his target.

2 Employment Contract and Package details

From: [REDACTED]
 Sent: Tuesday, December 22, 2015 12:25 PM
 To: [REDACTED]
 Cc: Jim Bennett JRB5701
 Subject: FW: INCOME PKG MARCEL B

I haven't received any formalized employment letter reflecting this new income pkg

Can you advise/se me how I did % with the pass Qbonus

In the pass my yrly contract was to end of May, My annual bonus was paid out end of Nov

Can you please let me know what is happening

From: Jim Bennett JRB5701
 Sent: Tuesday, August 18, 2015 10:46 AM
 To: [REDACTED]
 Cc: [REDACTED]
 Subject: INCOME PKG MARCEL B

1 Follow up to our conversation - [REDACTED] this gives you a quick summary of your income pkg retroactive to JUN1 -2015

2 PREVIOUS
 Base Annual
 Bonus Annual
 "Q" Bonus
 Ret Bonus
 Car Allow
 TOTAL

[REDACTED]

3 NEW -
 Base Annual
 Bonus Annual
 "Q" bonus
 Ret Bonus
 Car Allow
 TOTAL

[REDACTED]

[REDACTED]

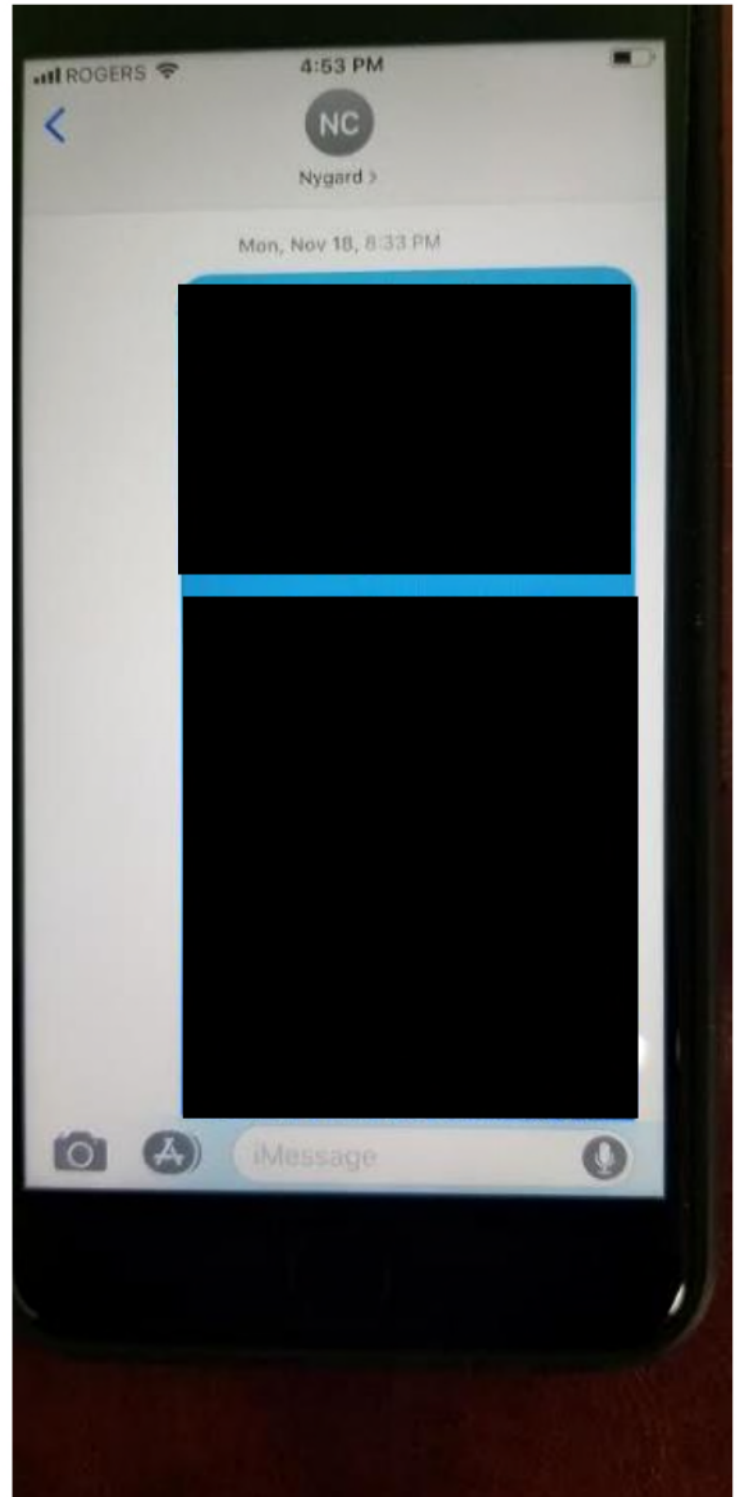
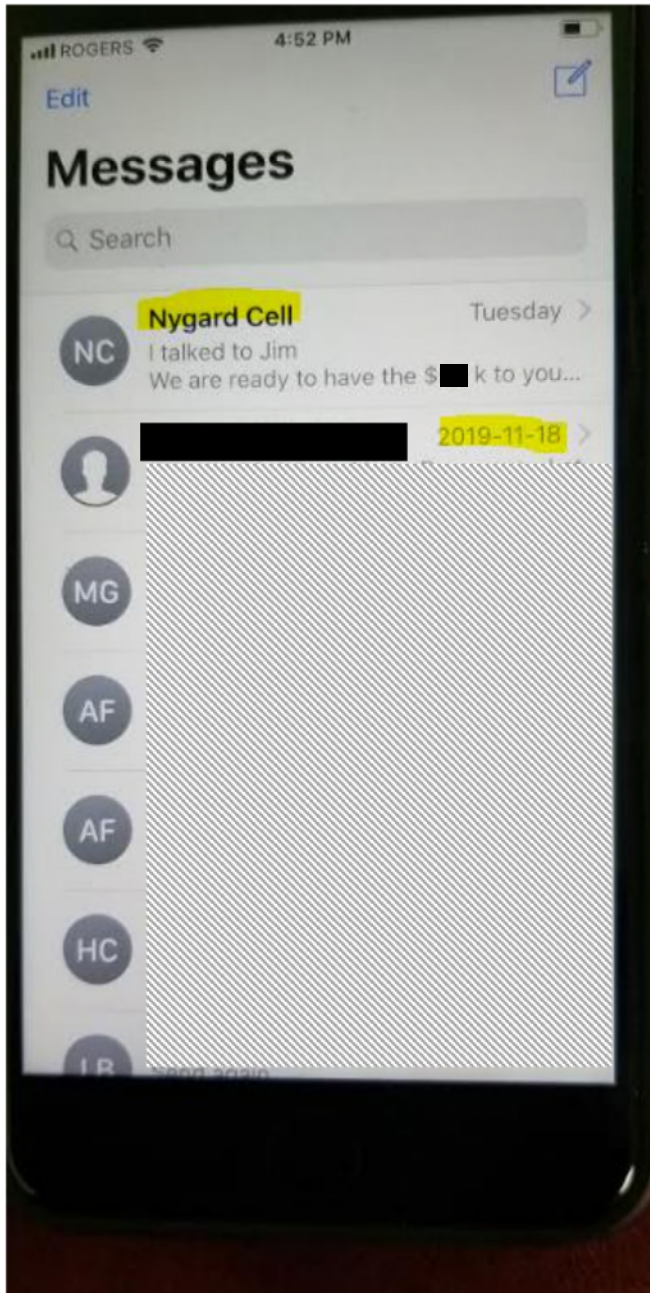
[REDACTED]

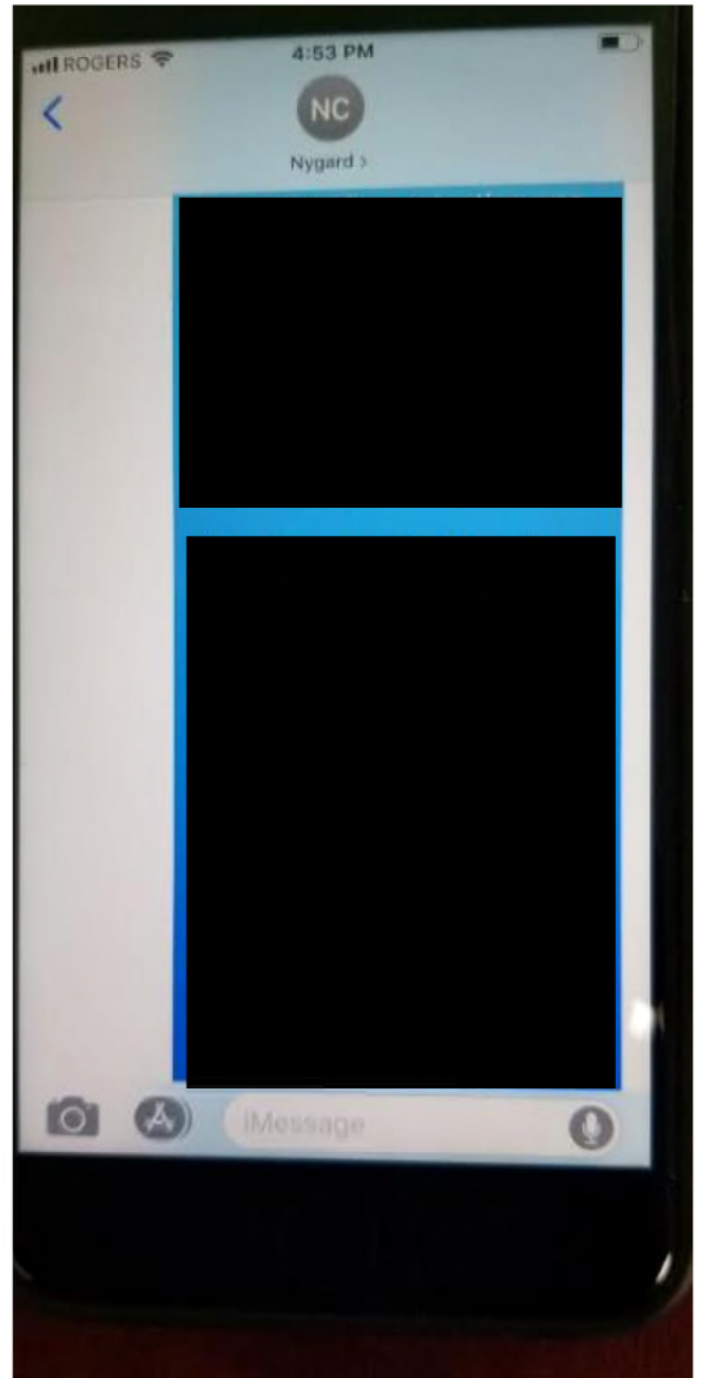
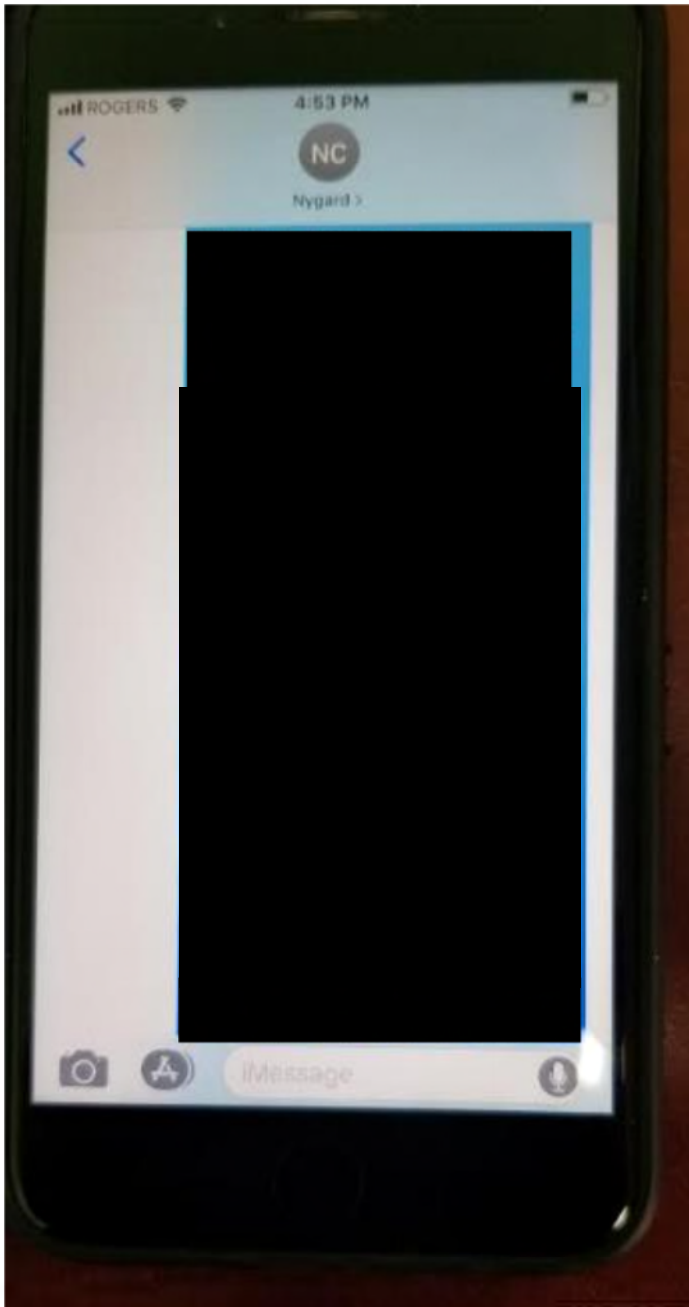
4 Bonuses are paid to all MGT and Assoc on the Achievement of results -(you earned 100% payout on you Q2 payout \$6.0)

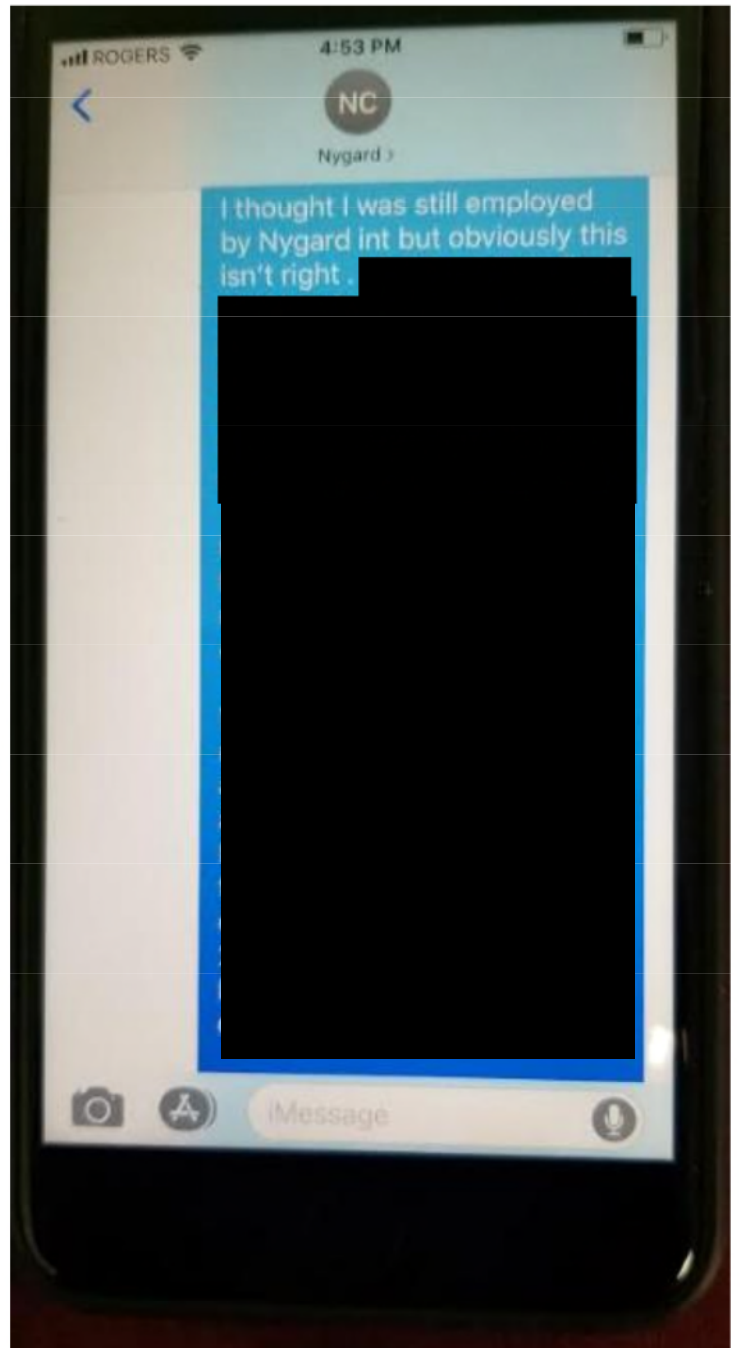
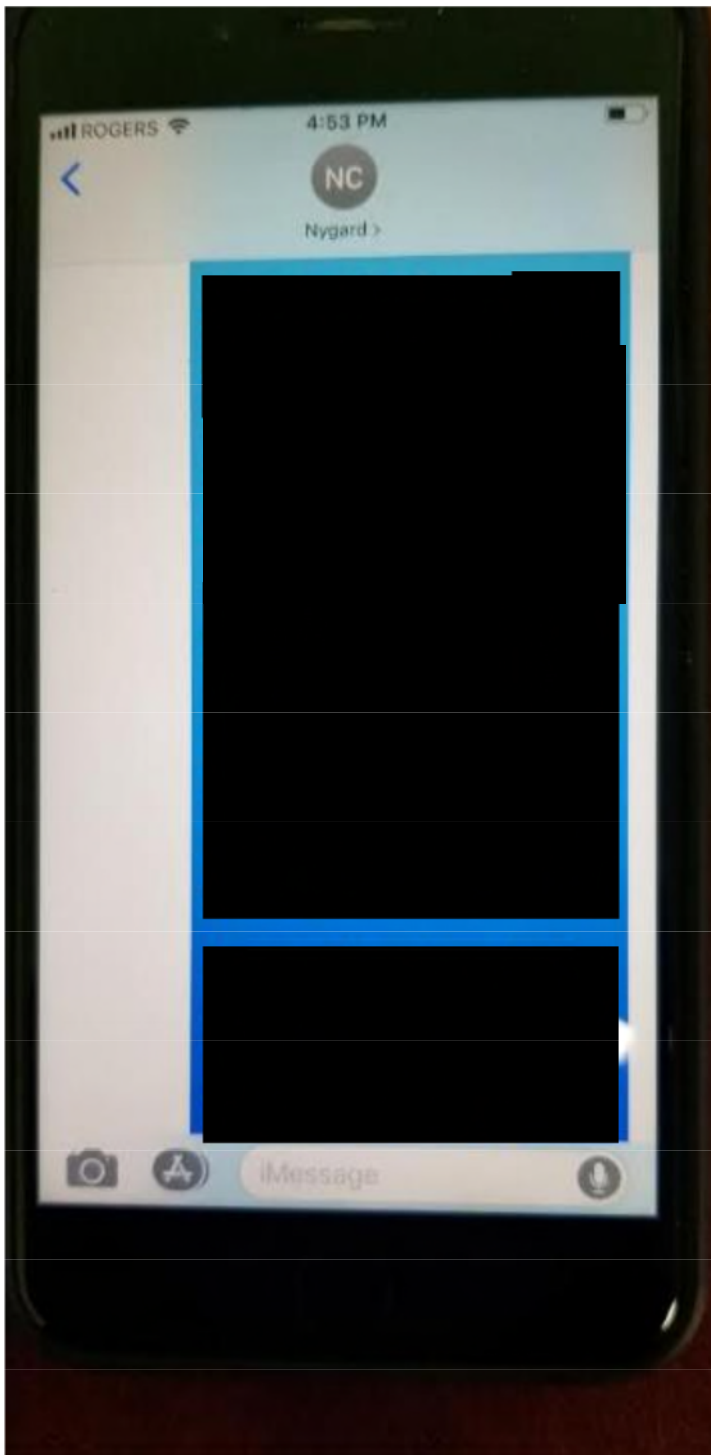
5 Liz will prepare a formalized employment letter for you reflecting you new Income pkg - congratulations

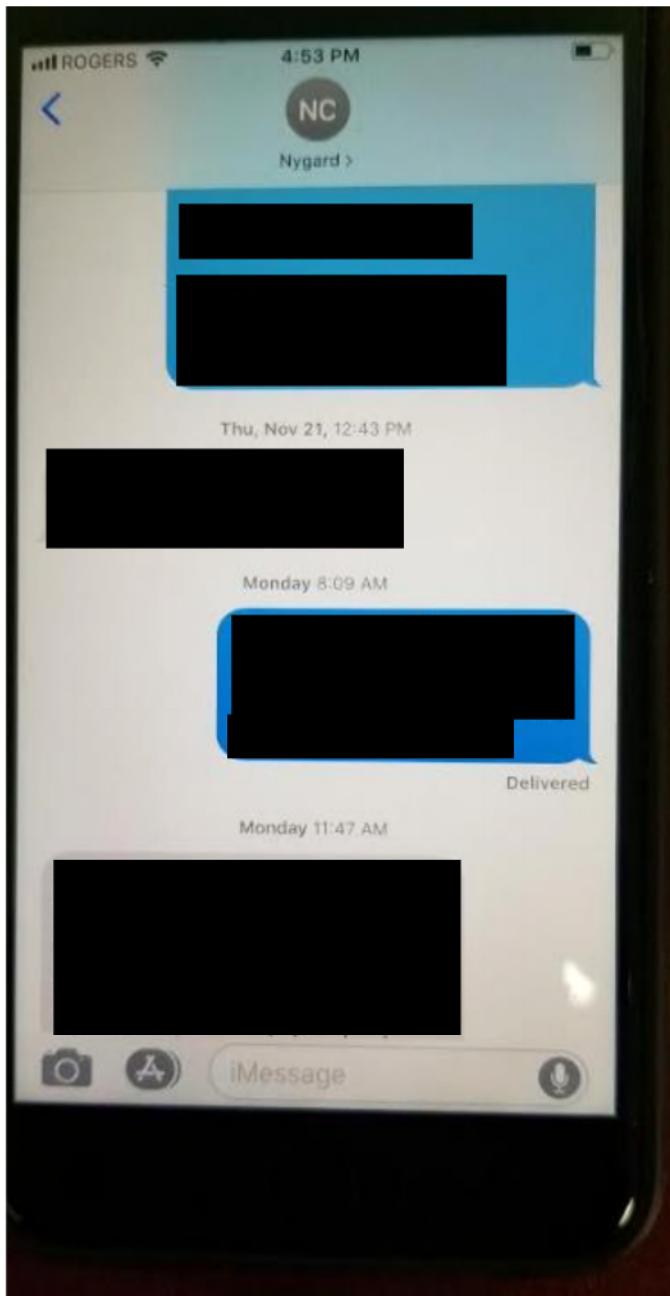
Jim.Bennett@Nygard.com
 Vice Chairman
 416 598 5701
 Visit: www.Nygard.com

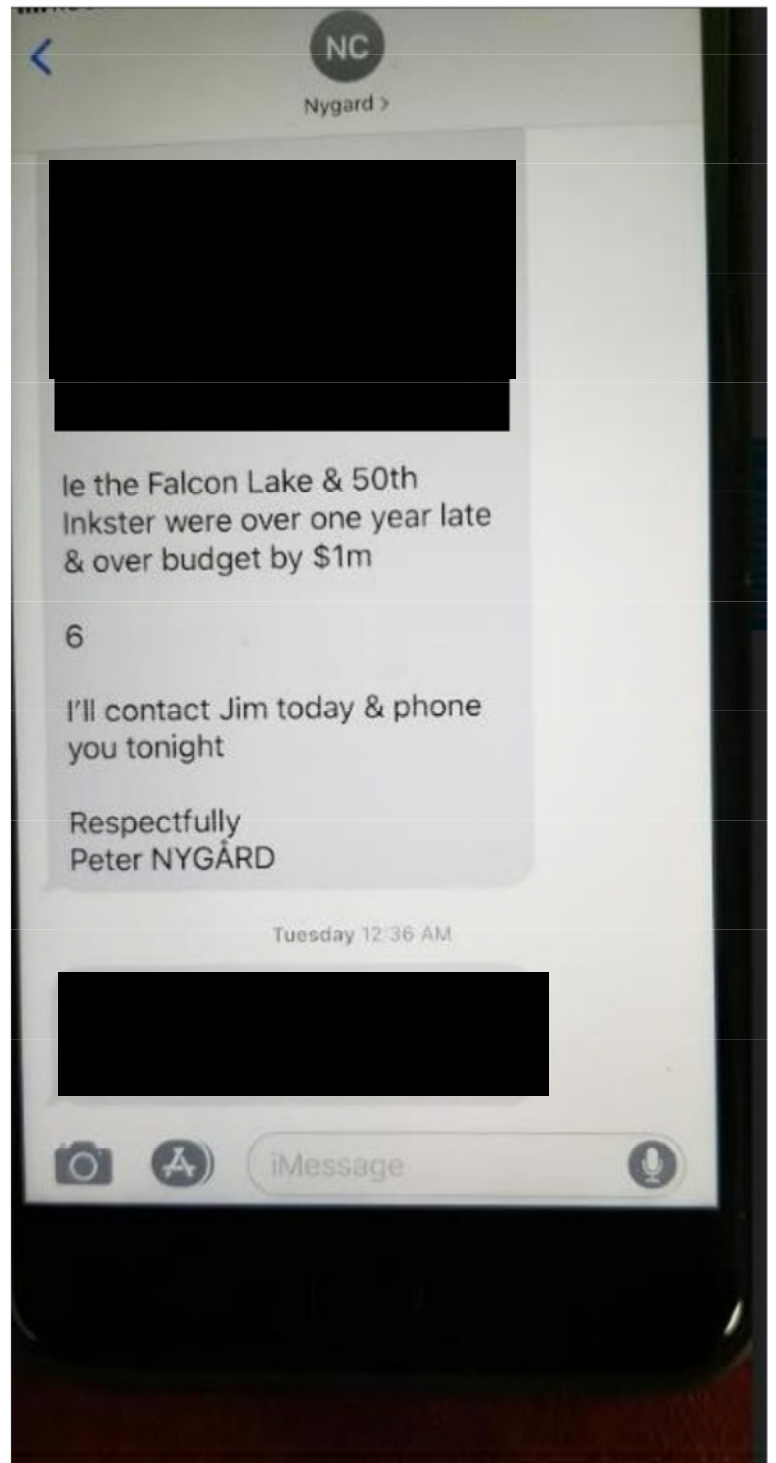
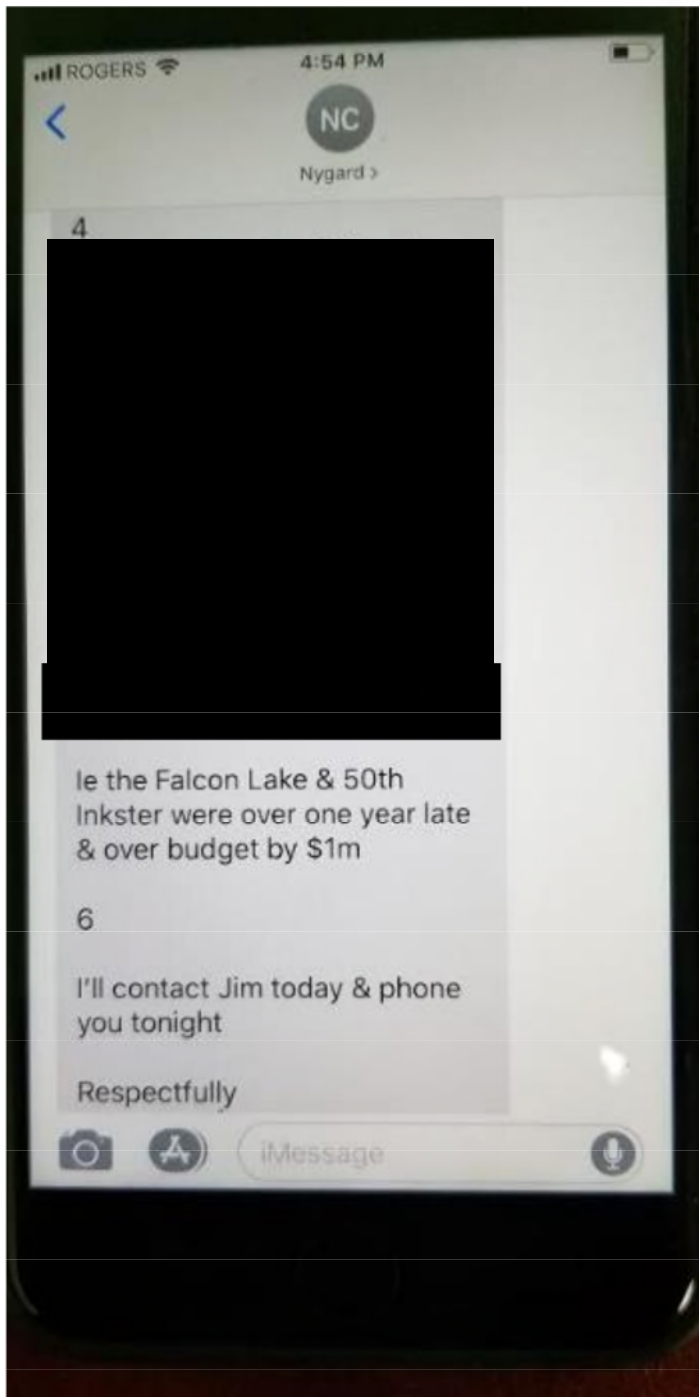
3 Communication with Peter NYGARD on this matter











4 Falcon Lake project delivered on time for Canada Day 2018

Post from the Facebook account: SLIM



Thank you!

Dear Falcon Lake Neighbours,

Thank you so much for joining us for our Canada Day festivities, celebrating 50 years in business. I am overwhelmed by the responses we have received from many of you! I thoroughly enjoyed meeting you, whether on the volleyball court, during the tours of Valhalla or at the fireworks display.

My love affair with Falcon Lake began when I was 14 when I hitchhiked my way out there, then later at 15 years old, cycling out from Winnipeg. I saved money working as a lifeguard on Main Beach to buy the shack that sits on the point that we now call Hilka's Cabin.

It was a pretty emotional moment for me when, after the fireworks were done, I heard the loud cheer from the people on the boats and heard them say "Thank you Peter!". It's a memory I will cherish always.

With Best Personal Regards,

Your neighbour and fellow lover of Falcon Lake

PETER NYGÅRD



GOLD MEDAL WINNERS
July 1st Canada Day Beach Volleyball Tournament



**July 1st 2018 Canada Day
Grand Opening of Valhalla**
Open House from 2pm to 2am



**Peter bought the original
cabin almost 60 years ago
with borrowed money**
Spectacular fireworks for the entire
Falcon Lake sponsored by
NYGÅRD SLIMS

Peter Nygård Returns to his Roots To Falcon Lake

Nygård hosts a 12 hr July 1st Canada Day celebration for all of his neighbors, over 600 attended.

FALCON LAKE, Whiteshell Park, Canada July 1st 2018 CANADA DAY Celebration

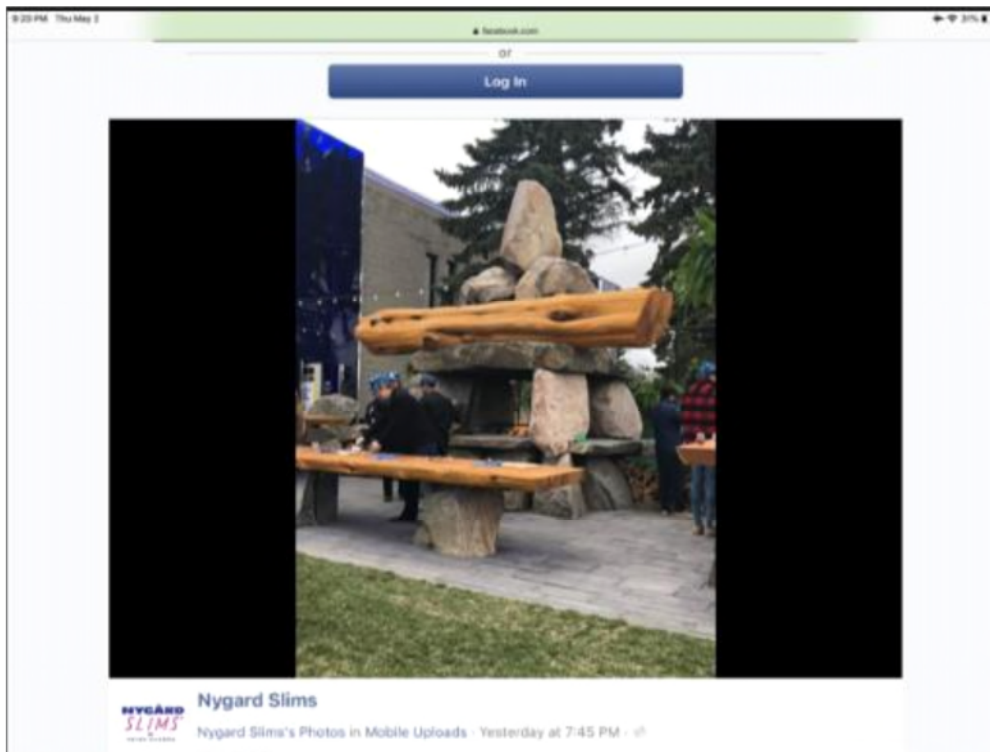
Peter started sailing at age 15 and quickly became the local sailing champion



2018 Peter 77 getting younger and stronger
Ready to play in the beach volleyball tournament with his son Trey 14
— THEY WON

5 Park 50 project delivered on time for Nygard 50 celebration September 2018

Post from the Facebook account: SLIM





<https://www.winnipegfreepress.com/business/fashion-mogul-unveils-inkster-office-renovation-493123961.html>

6 Project's Scopes were changing all the time leading to additional expense & delays

Peter NYGARD and [REDACTED] were in constant communication.

[REDACTED] could not move forward unless he had been given direction from Peter NYGARD that it was OK. Once the OK received, the approval could be changed within a day.

Peter NYGARD micromanaged all construction work.

He would produce architectural designs on napkins or on scrap paper.

Designs would be taken to the Nygard construction design tech Cad drafting department:

- VRD's were created
- VRD's were presented to Peter NYGARD for approval
- Changes were constant, designs took weeks / months for approval

Once the designs were approved all structural designs were created by [REDACTED] and presented to Peter NYGARD for approval

All material required was presented to Peter NYGARD for approval. Once approved the quoting began:

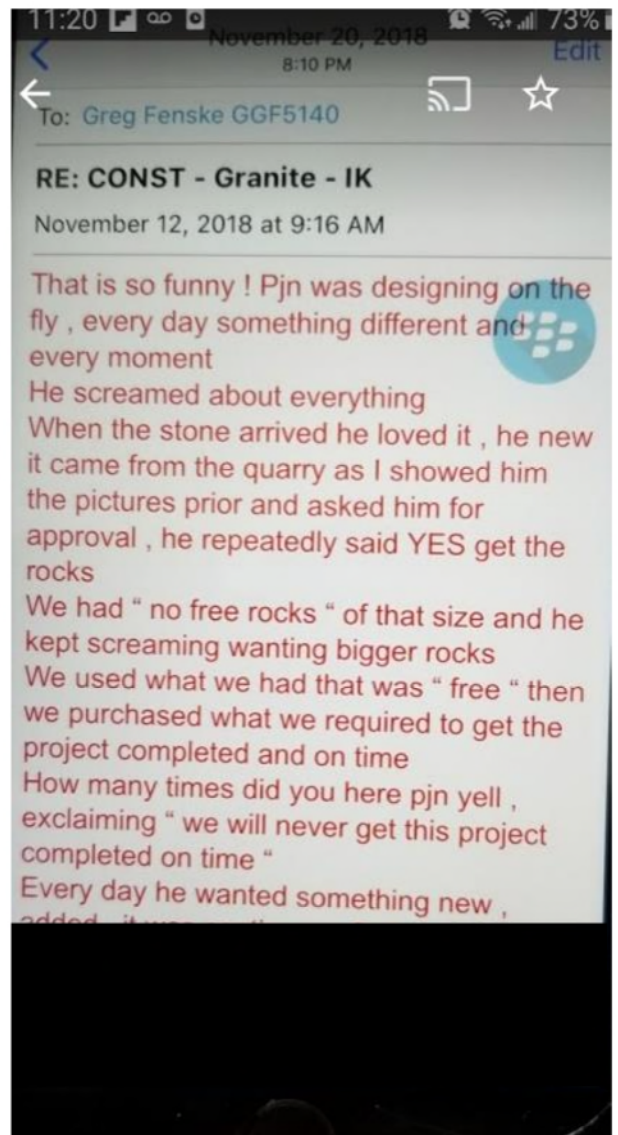
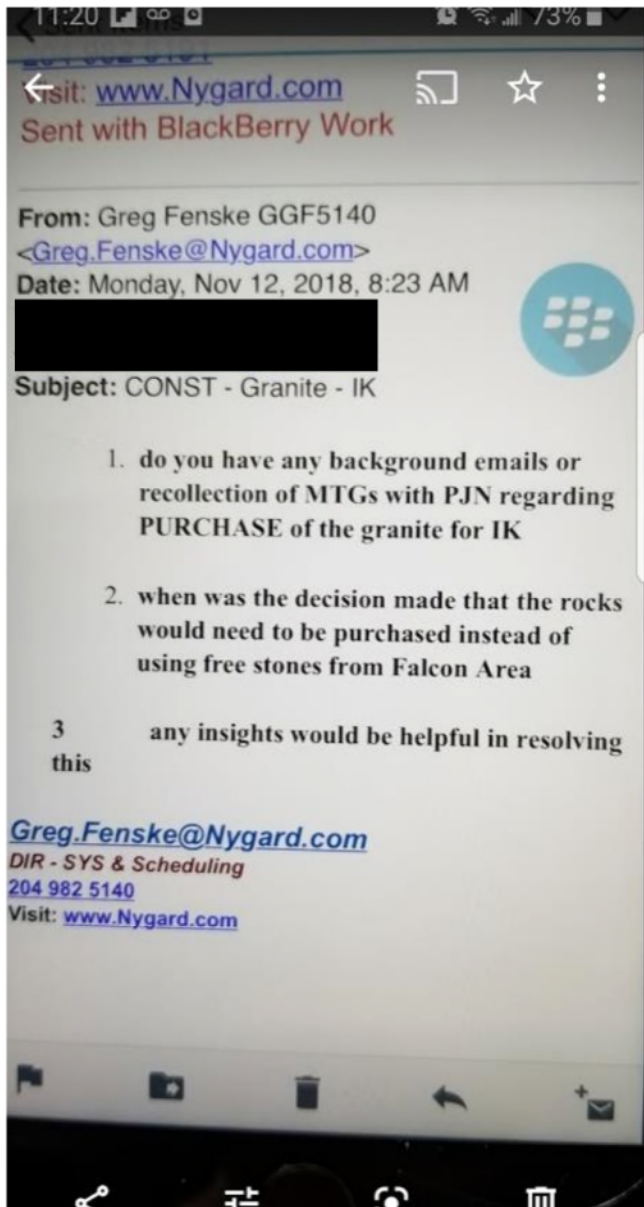
- 3 quotes required for every trade
- 3 quotes required for all material / supplies

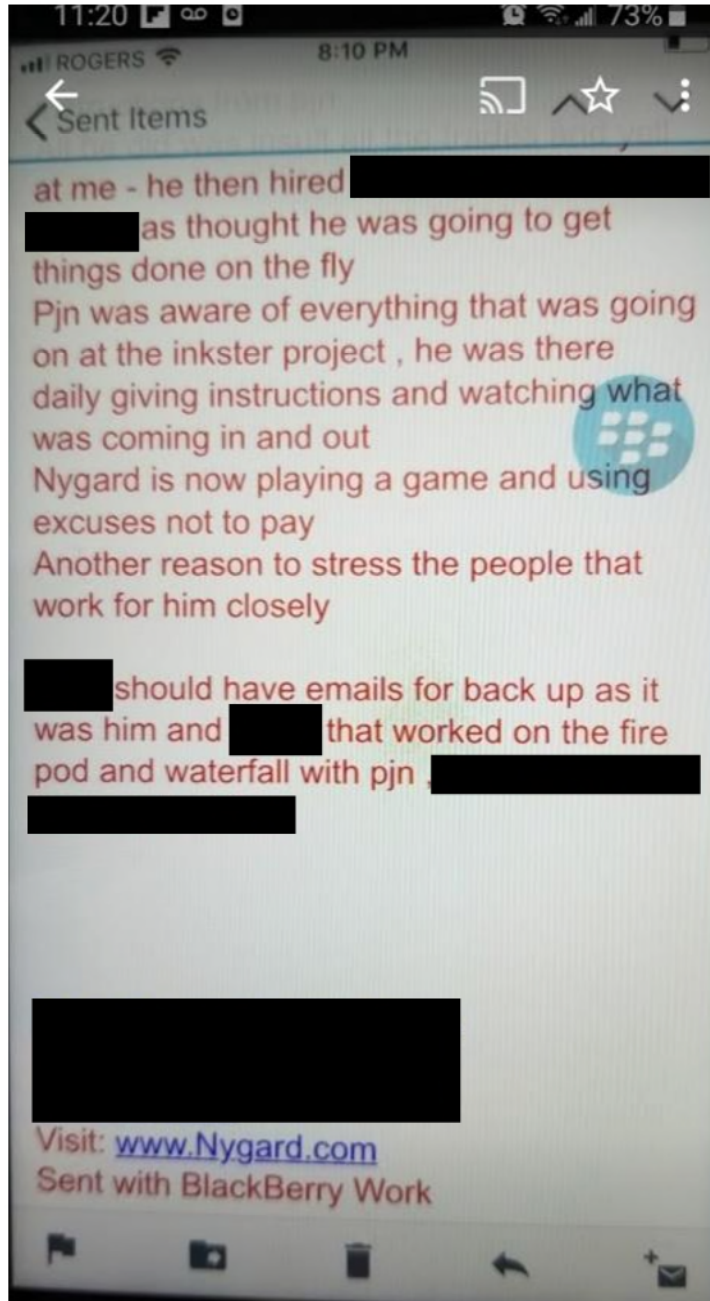
Nothing could be purchased unless:

- Firstly, approved by Peter NYGARD
- Once approved, Purchase Order was created in the ePO system
- P.O. would have to be approved in the system by Peter NYGARD
- Peter NYGARD would then approve or deny the P.O.
- 30 days later Peter NYGARD would receive all the P.O. for review with Greg FENSKE
- Peter NYGARD was the only person that could approve payment for any Nygard construction being contract work or material
- Peter NYGARD controlled the BUDGET

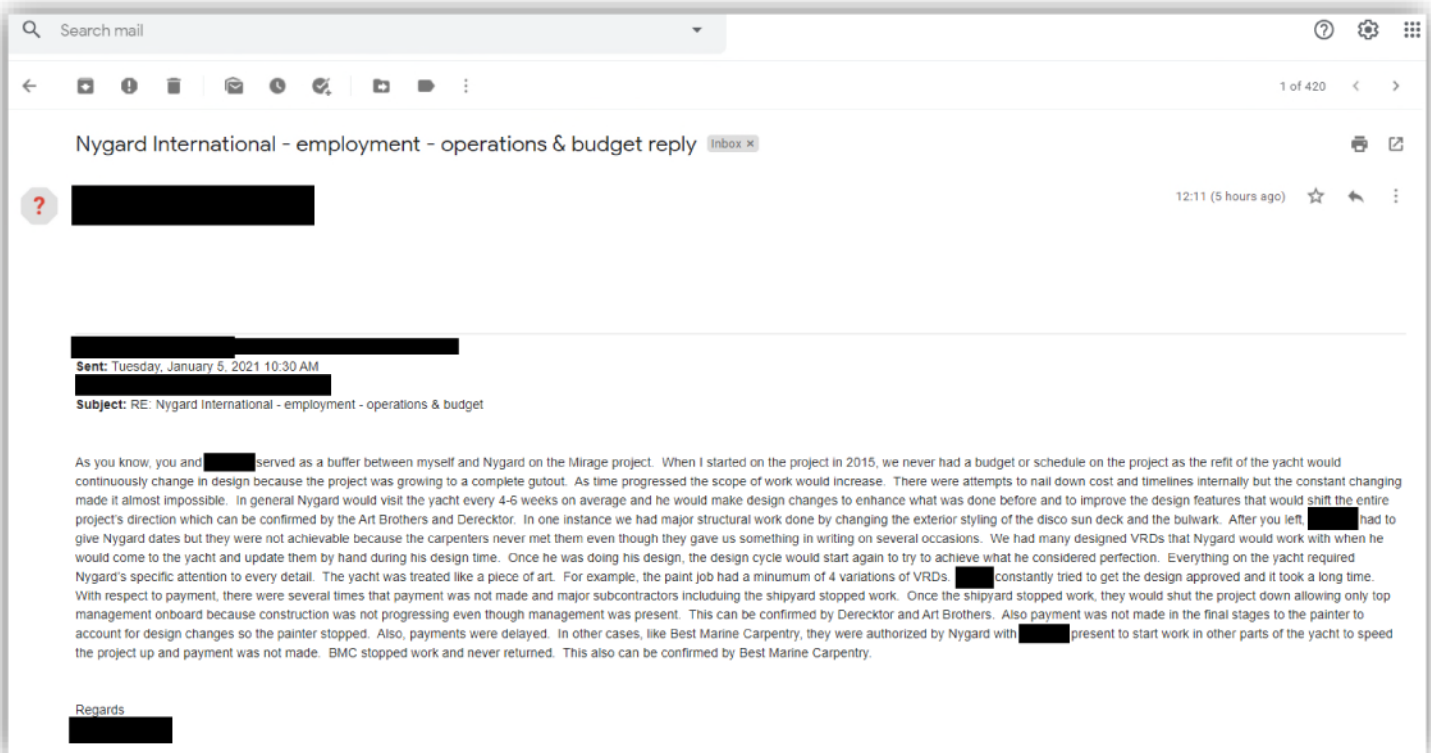
Below a communication via email between Greg FENSKE and [REDACTED]. Greg was looking for information to approve P.O. with Peter NYGARD, every purchase was to be created in the system ePO with documentation confirming the approval of Peter NYGARD for the required expense.

However, this process was made very difficult and very stressful as Peter NYGARD will come back on his decision after the fact, causing abuse on the associates and non-payment to the suppliers.





Below [REDACTED] confirming by email the fact that Peter NYGARD was the one controlling projects - completion dates and budget.



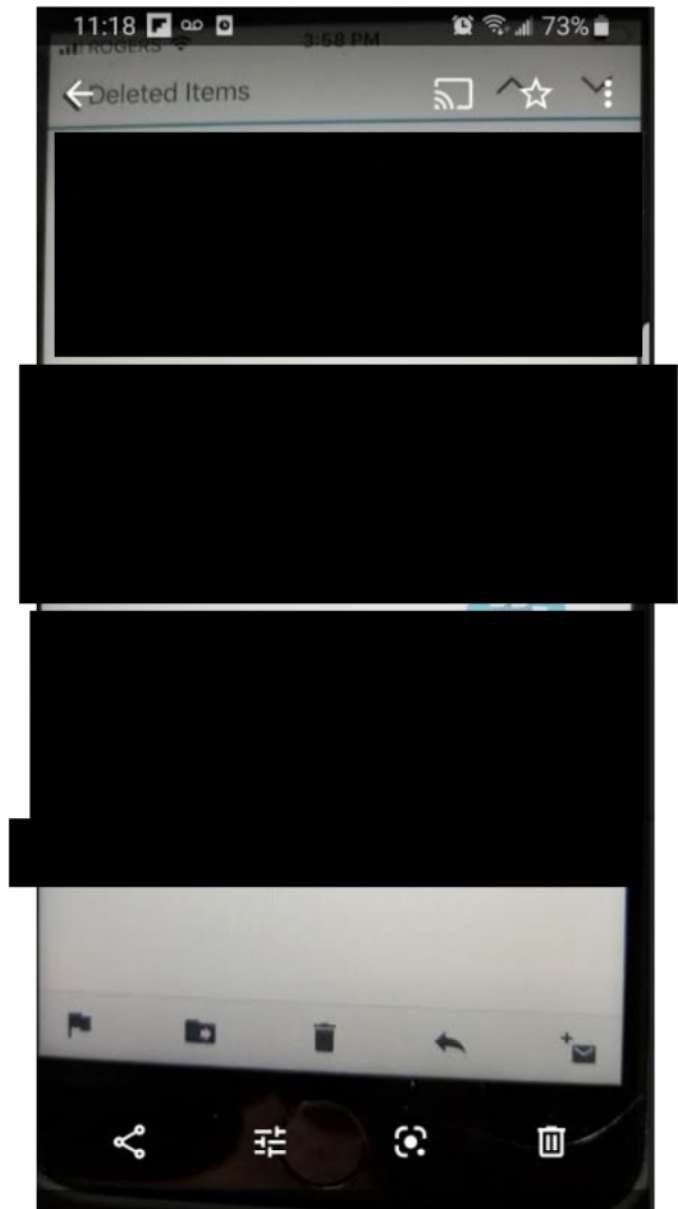
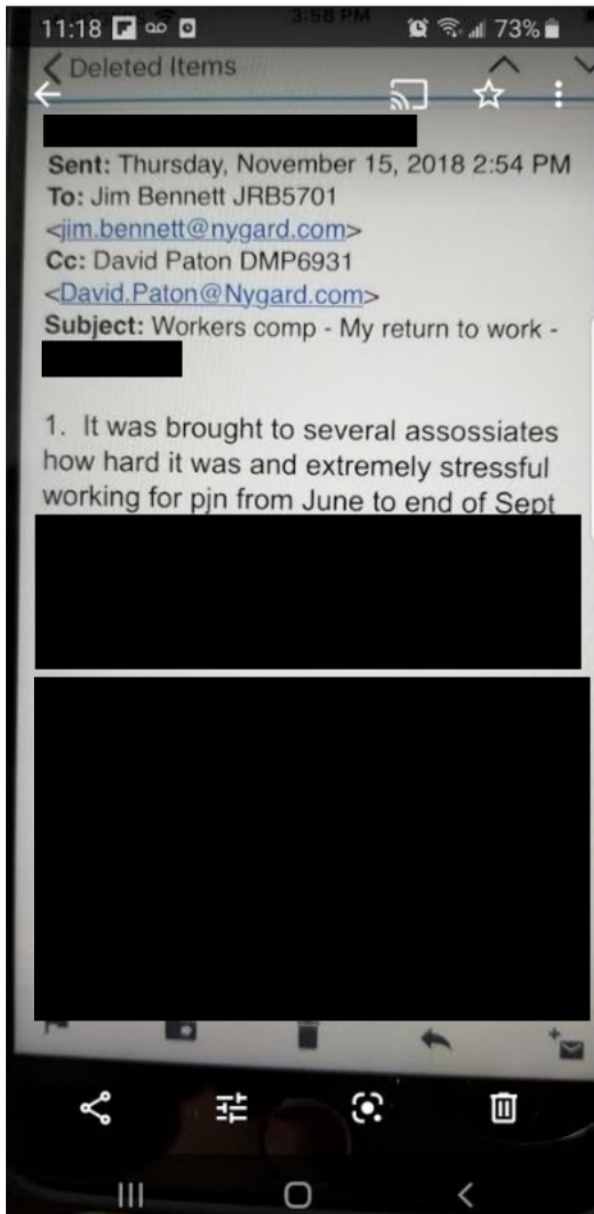
Below Communication via email between Jim BENNETT and [REDACTED] exposing the impossible conditions of work.

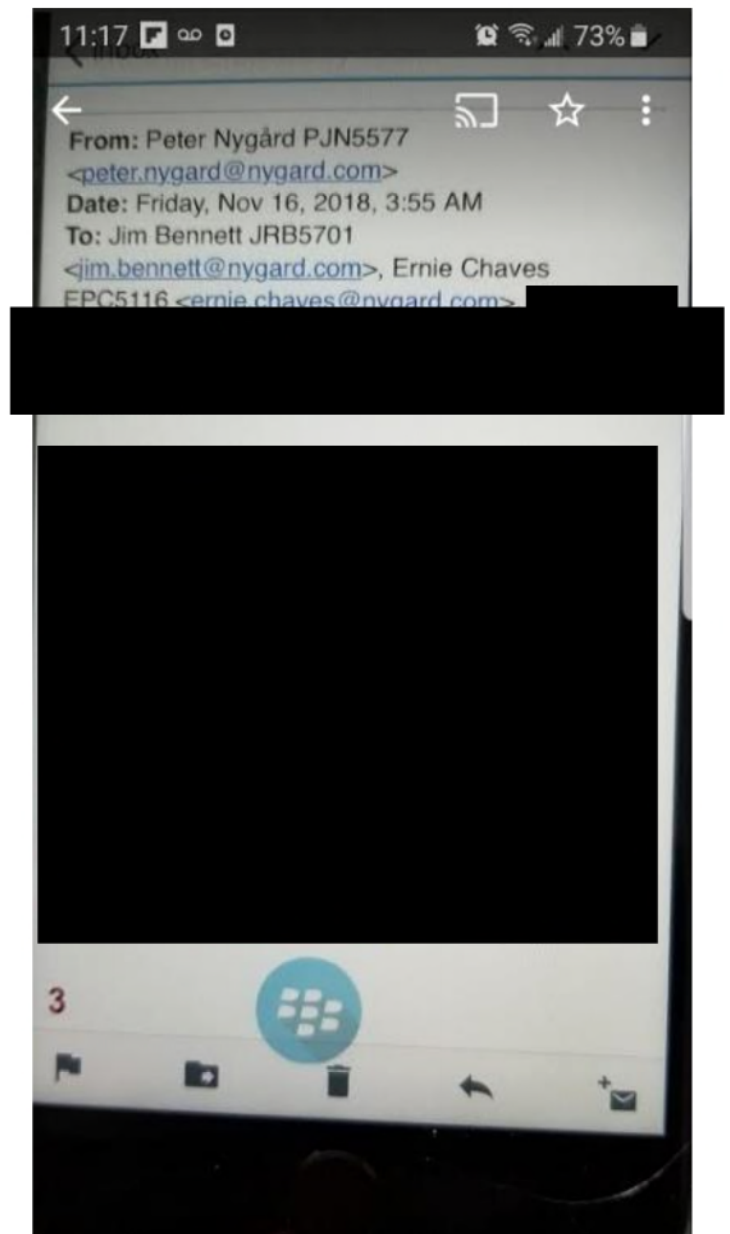
Email was then forwarded by Jim BENNETT to Peter NYGARD, Peter NYGARD responded playing the emotional side of the situation versus actual facts due to his constant changes and redesign.

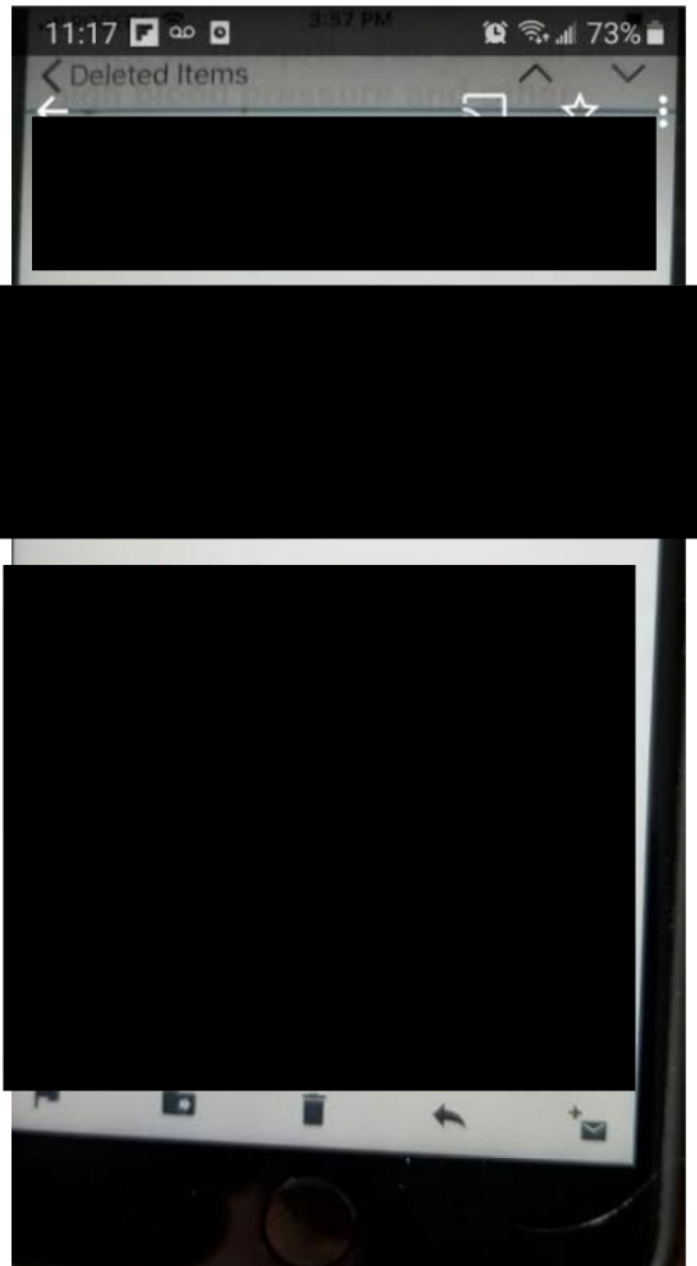
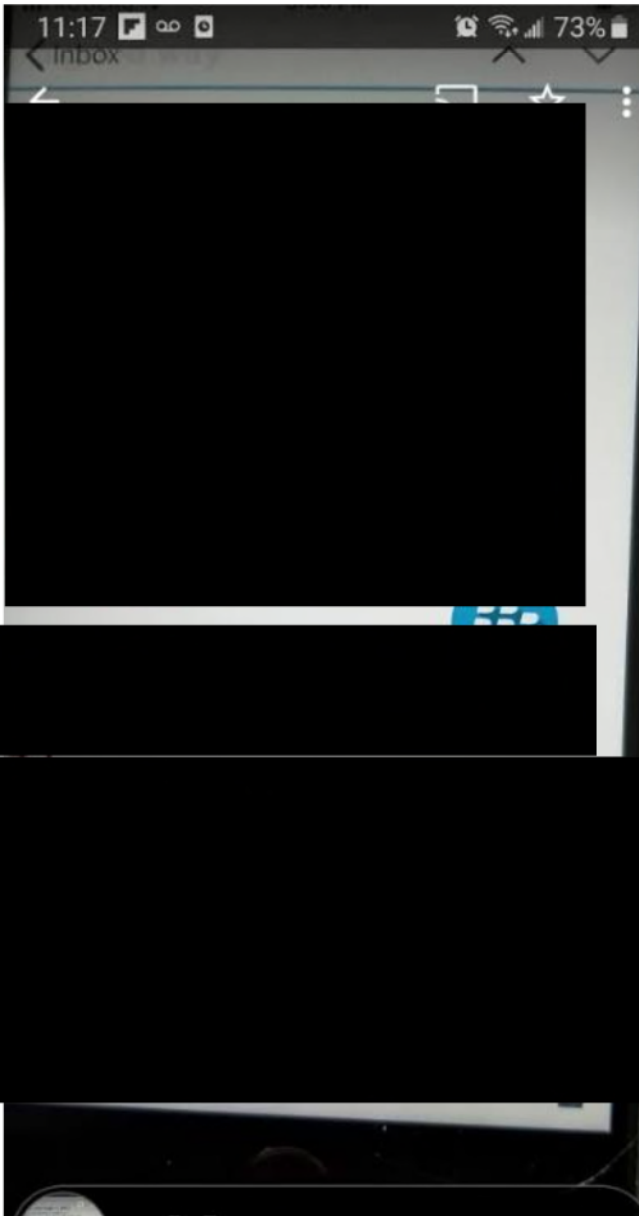
Projects never had deadlines clearly defined, the scopes kept changing even after approval of the blueprints (VRD) and no budget was clearly set up at the beginning of the project. Peter NYGARD was controlling the budget via the Purchase Order approval described previously. Nor a budget could be tracked due to the numerous changes done on the fly and the bullying done by Peter NYGARD to execute his requests immediately in unrealistic timeline.

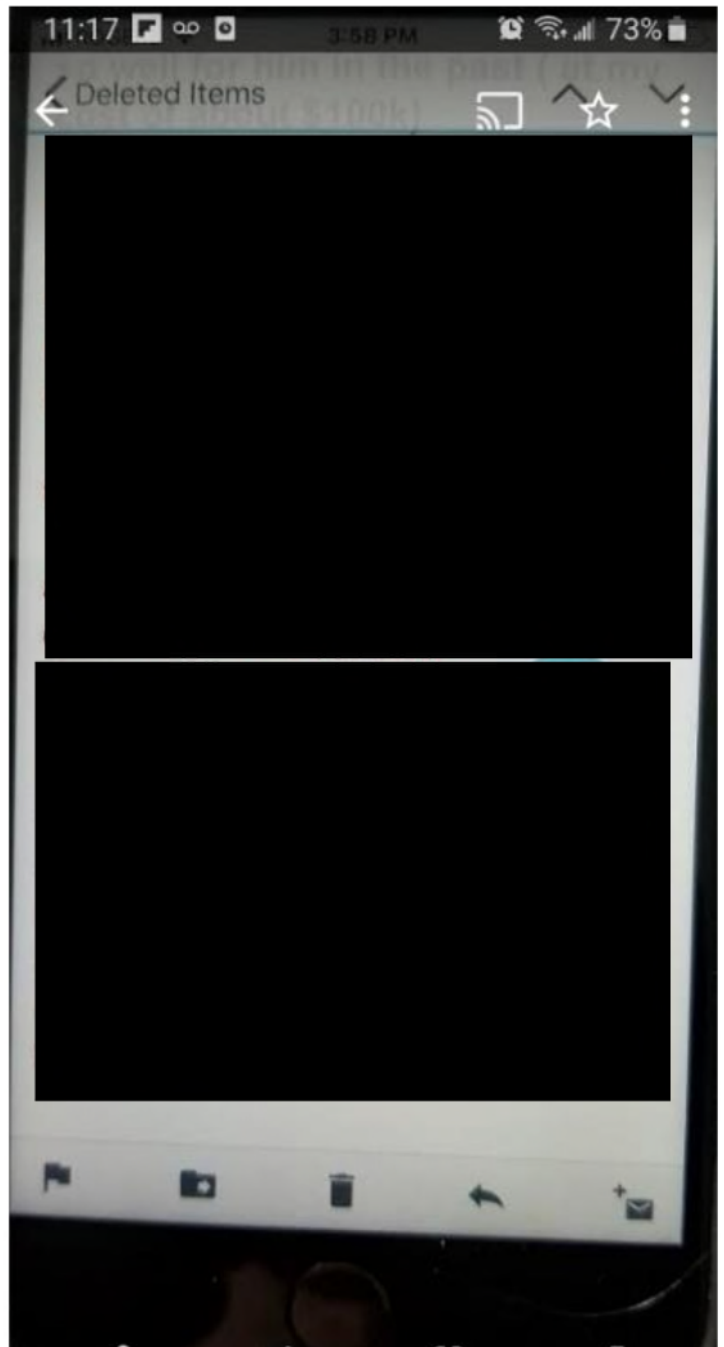
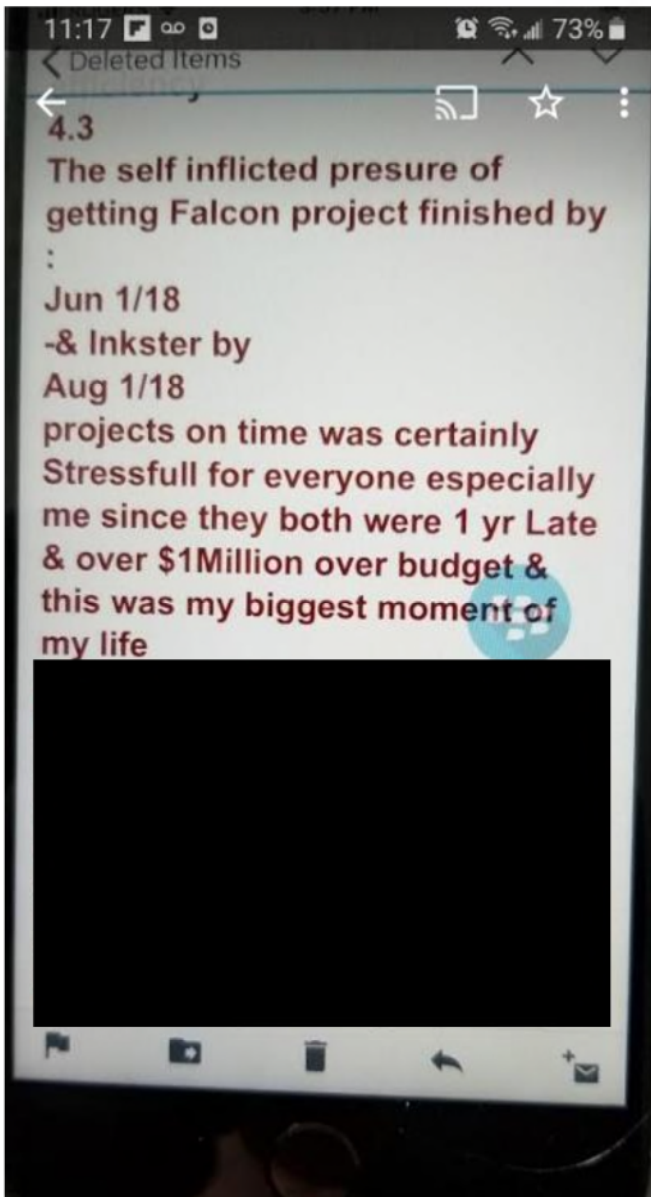
For example, the Falcon lake project was completed June 1st, 2018 however when Peter NYGARD arrived on site June 26, 2018, he instructed the construction crew to change overnight the entire grounds from removing 100 yards of wood chips and bringing in 200 yards of sands. All this work had to be done manually as equipment was not allowed on site due to park's "no noise bans".

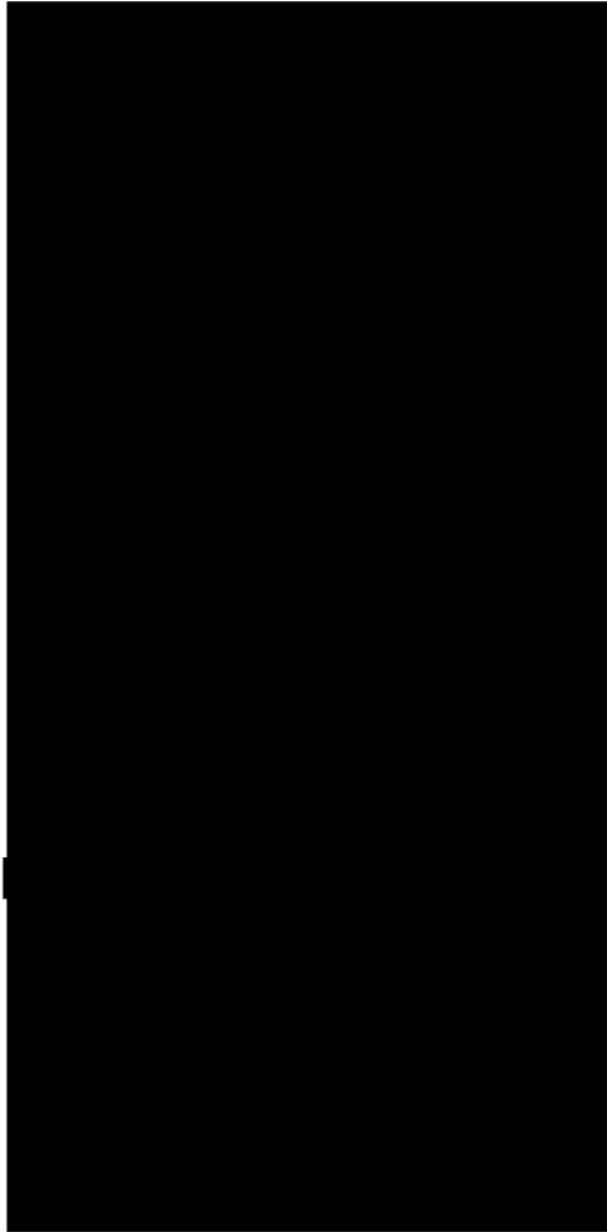
This example is only one of many which added stress, delays to complete the work and additional unplanned costs.



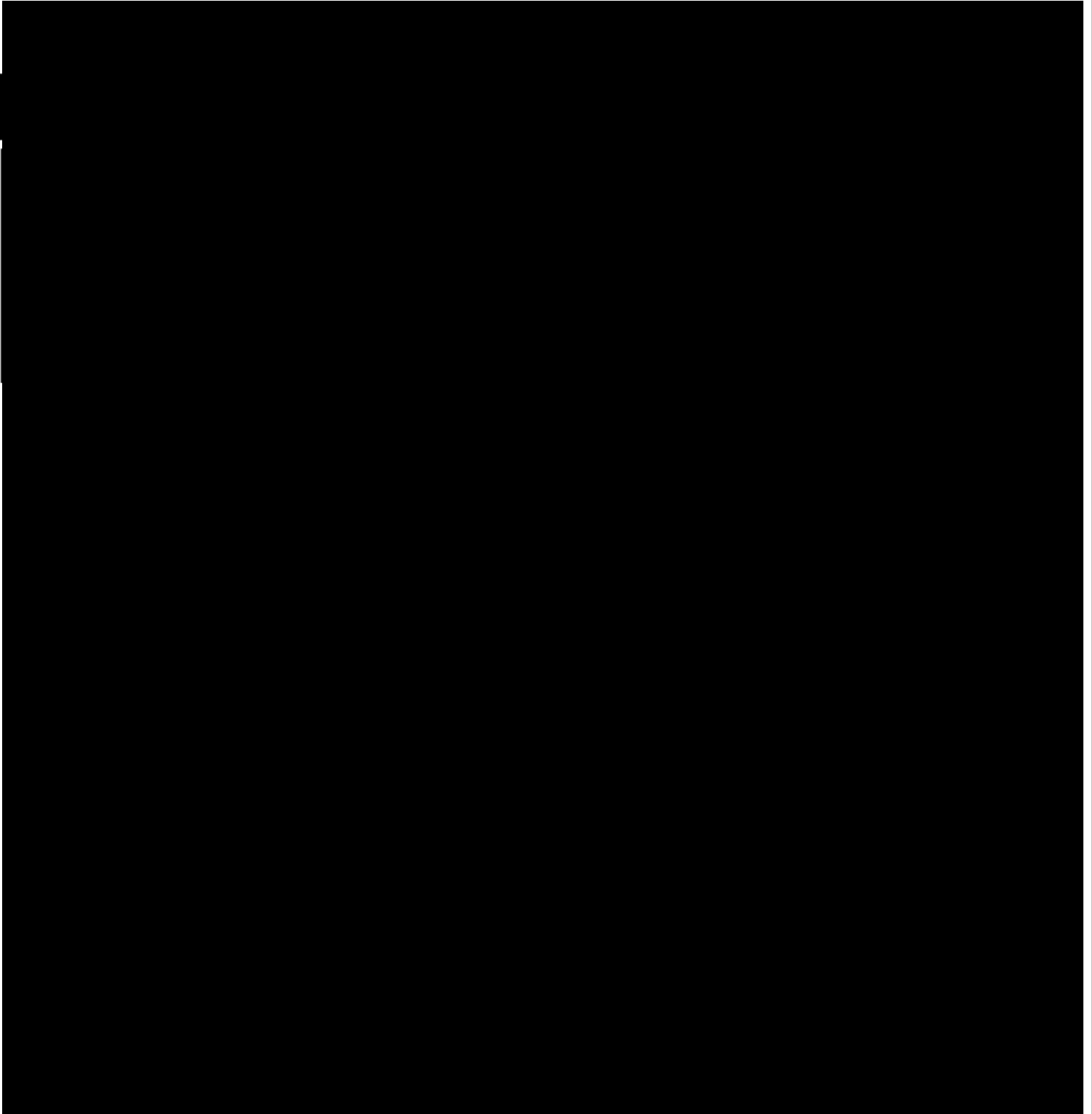


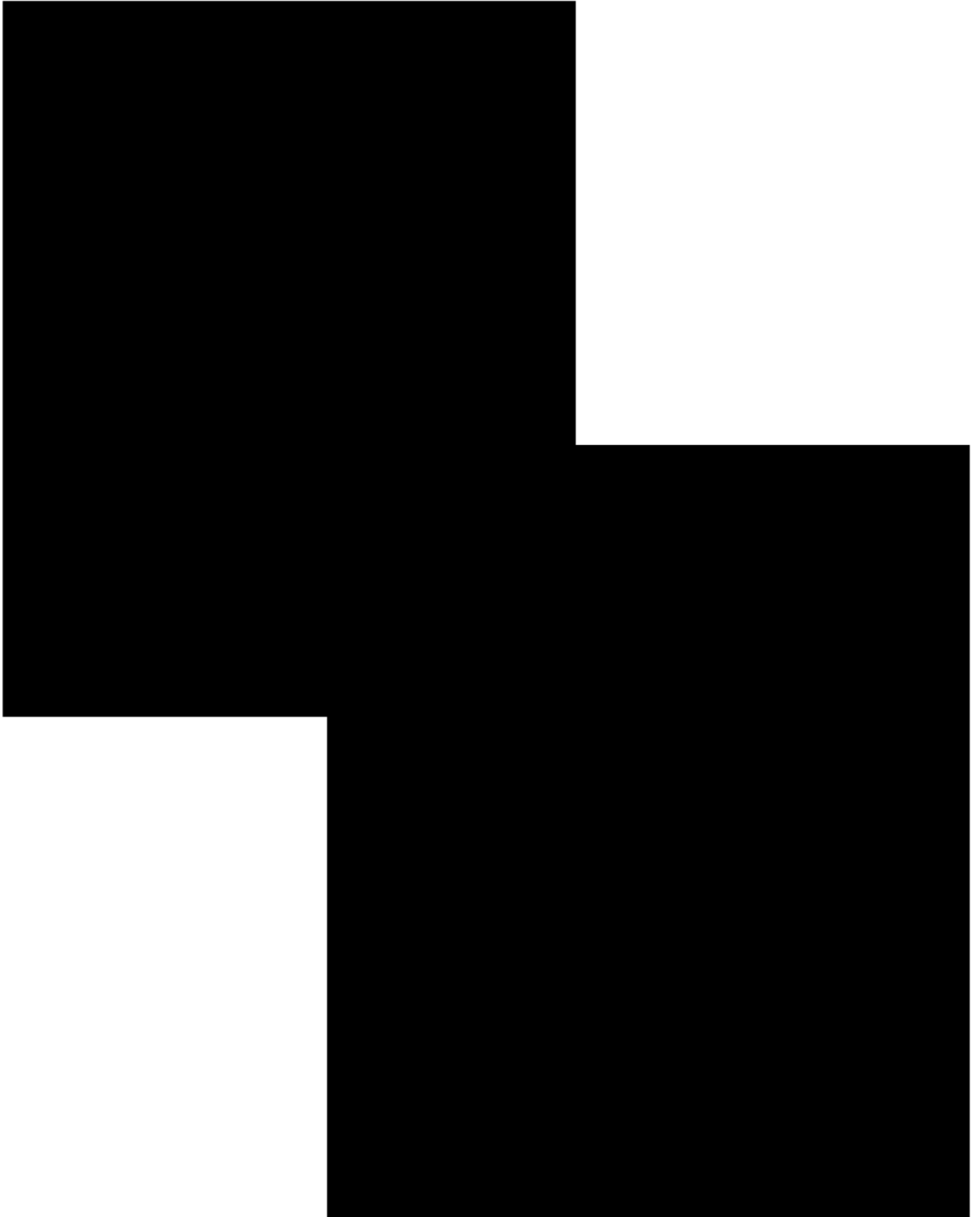




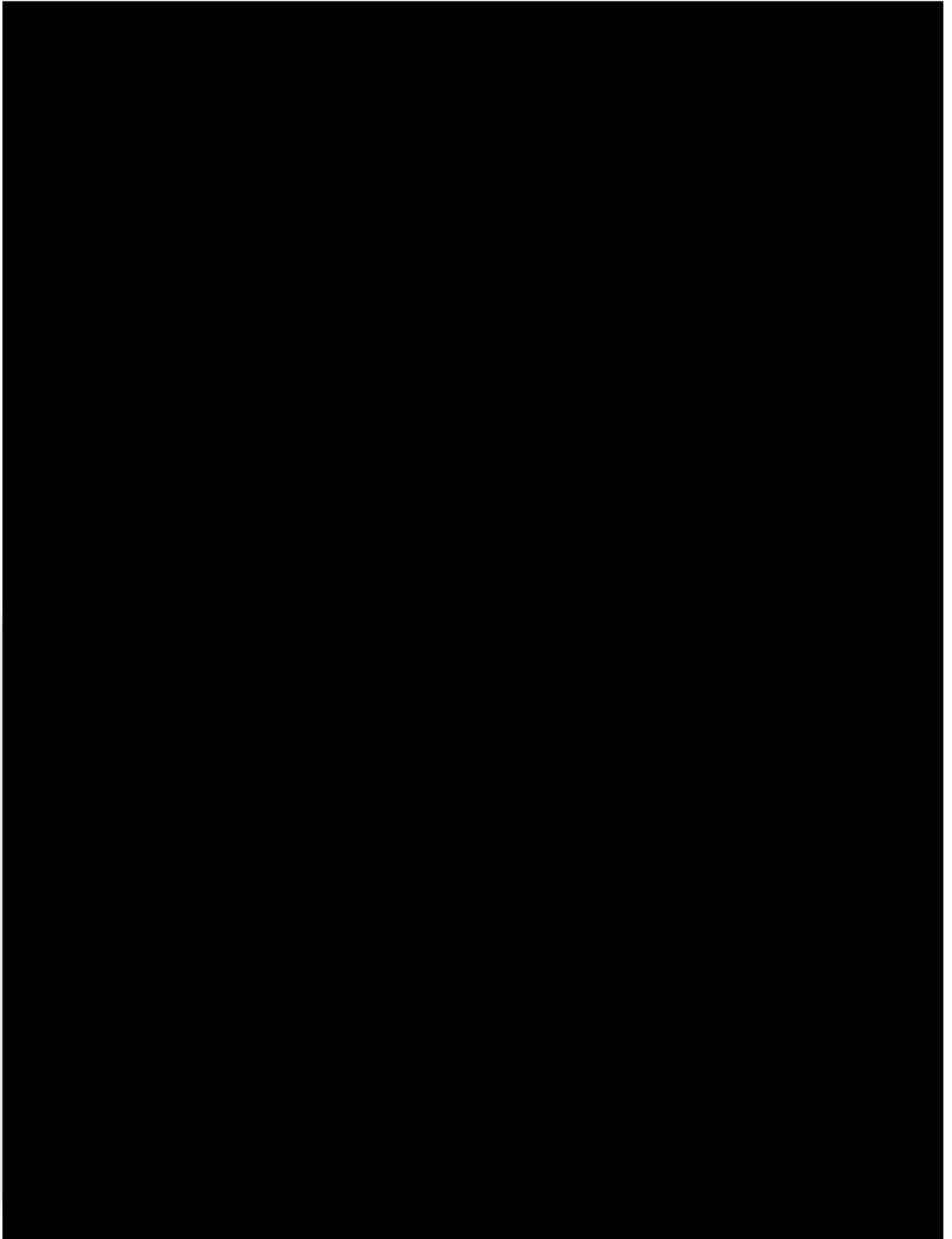


7 Termination of employment and medical coverage without notification



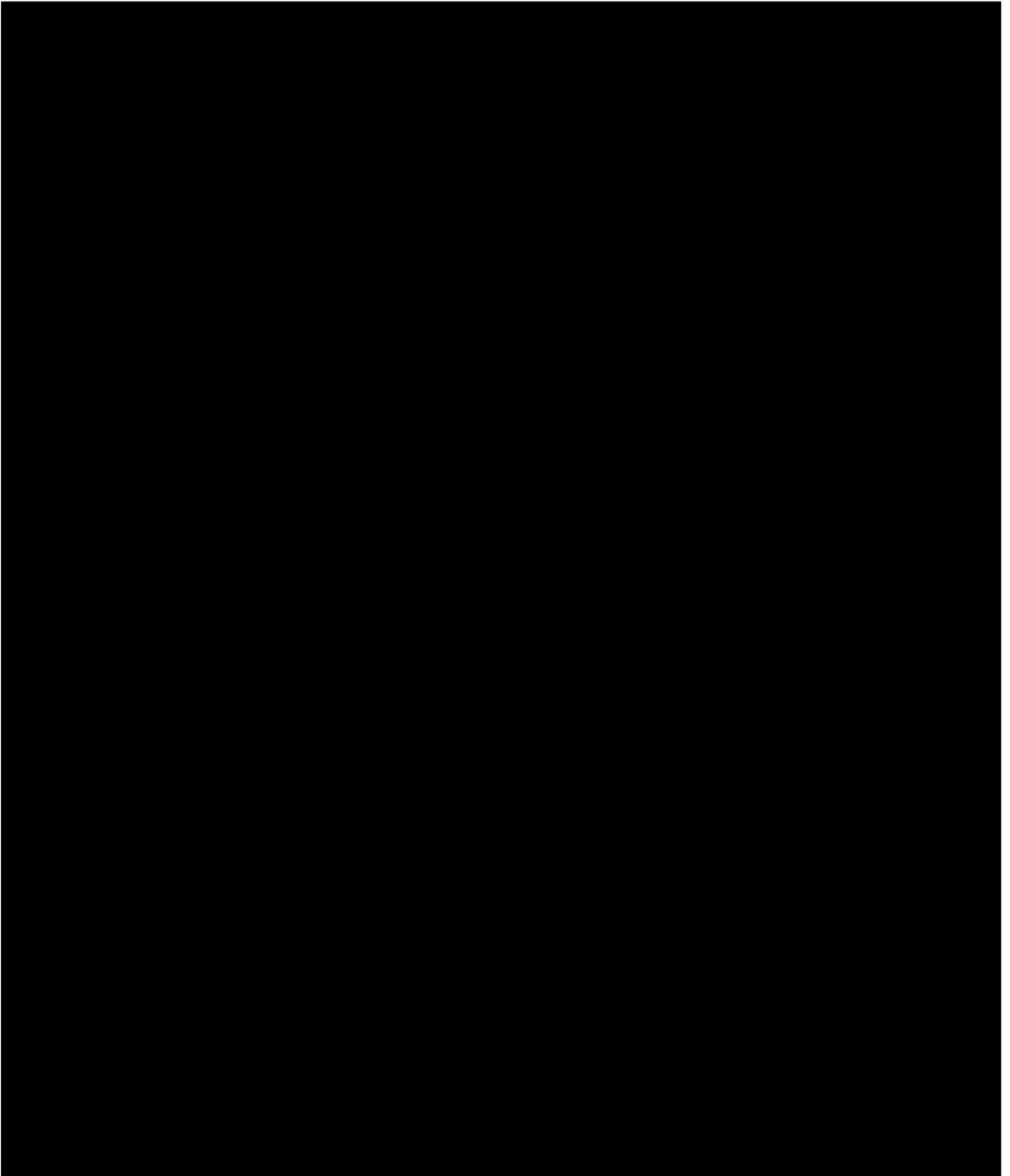


8 T4: 2018-2019

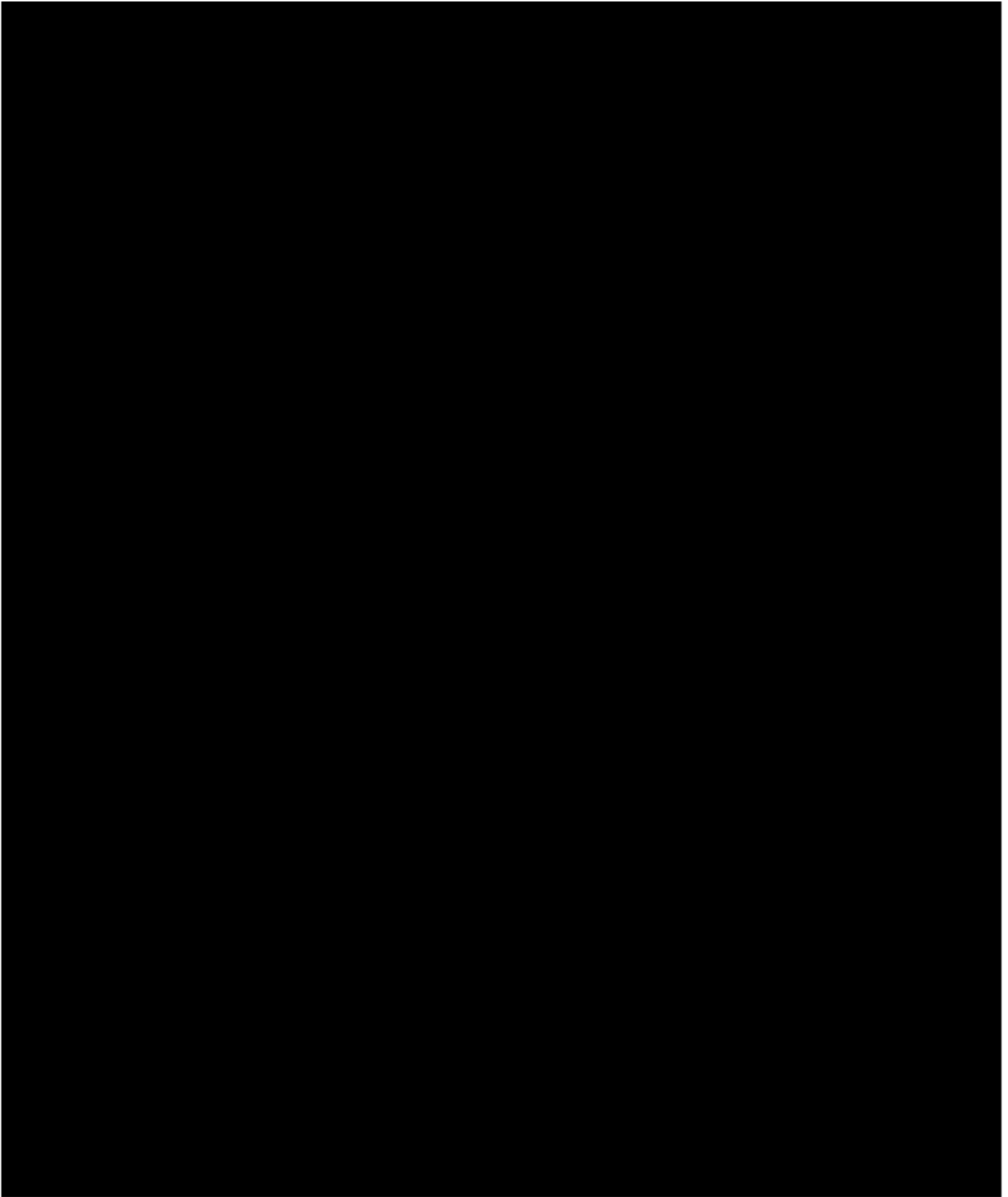


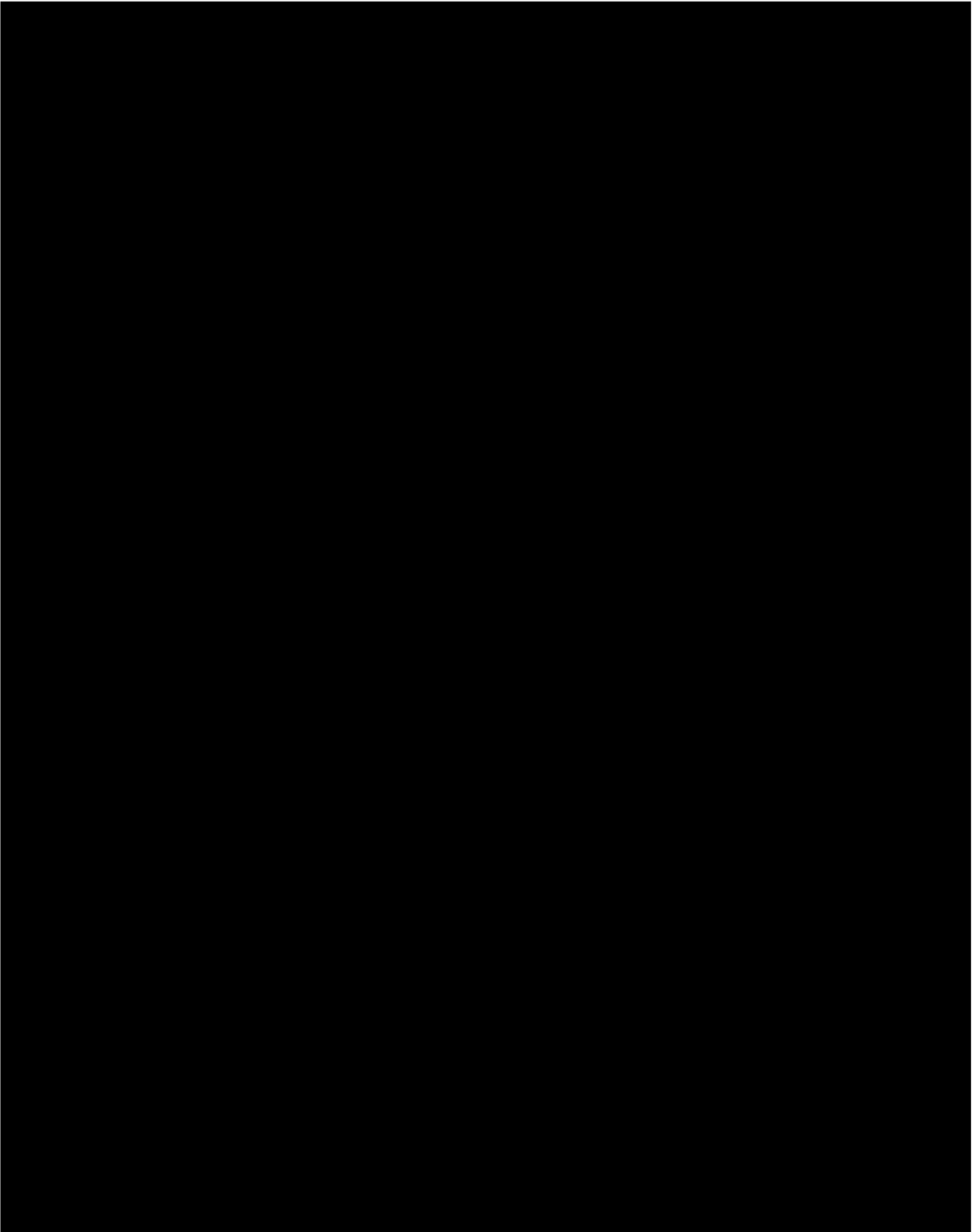
9

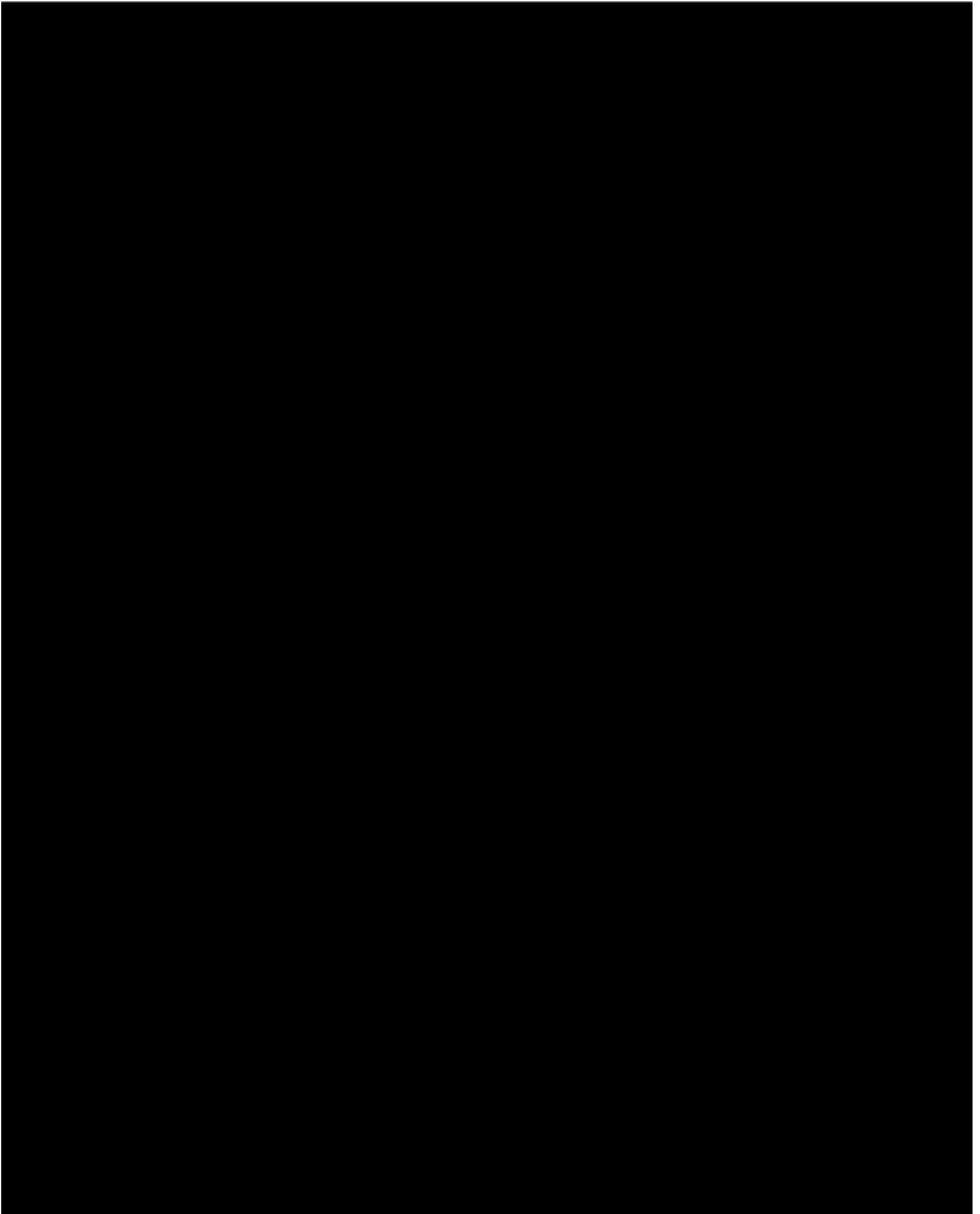


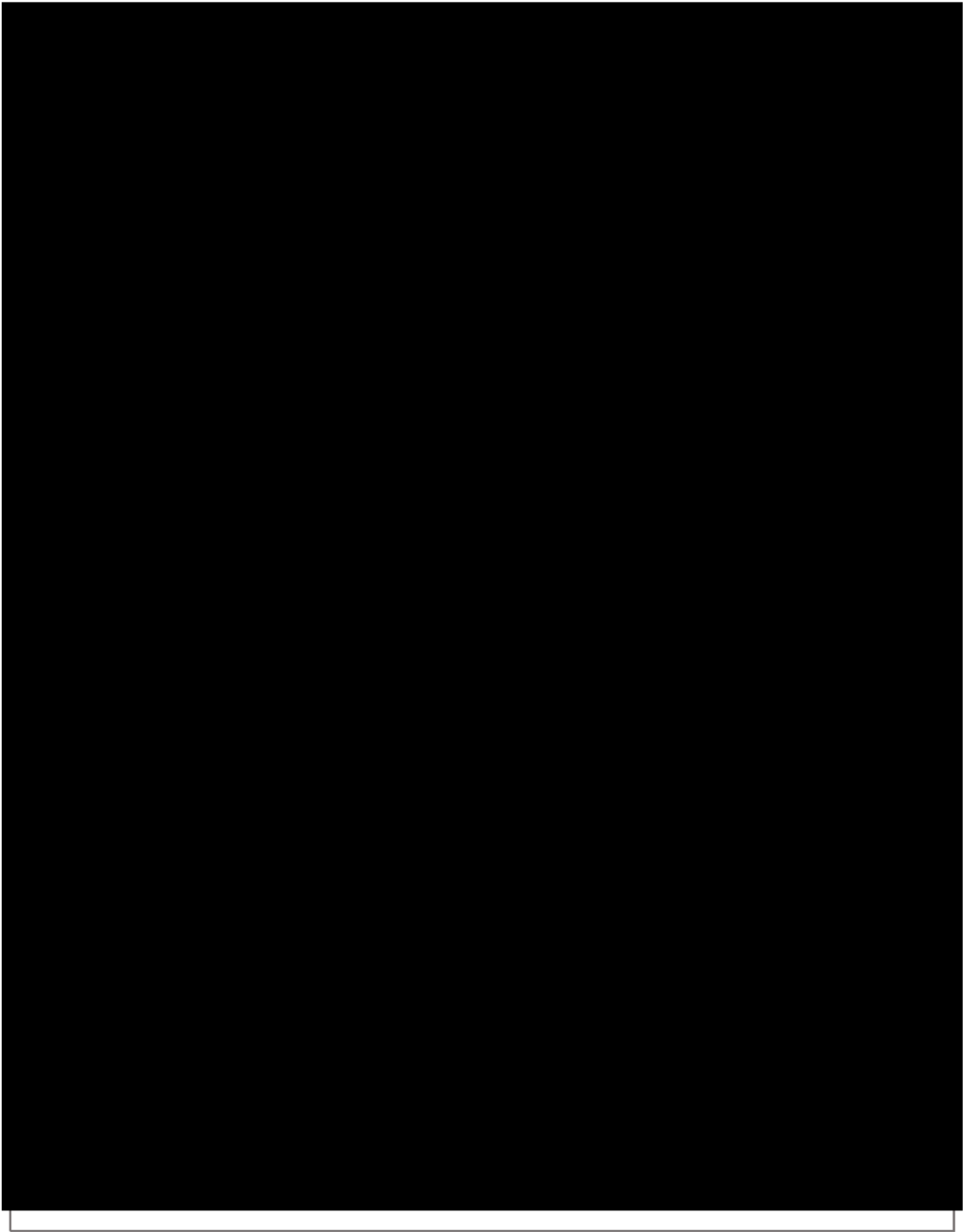


10 Blue Cross Application for benefits



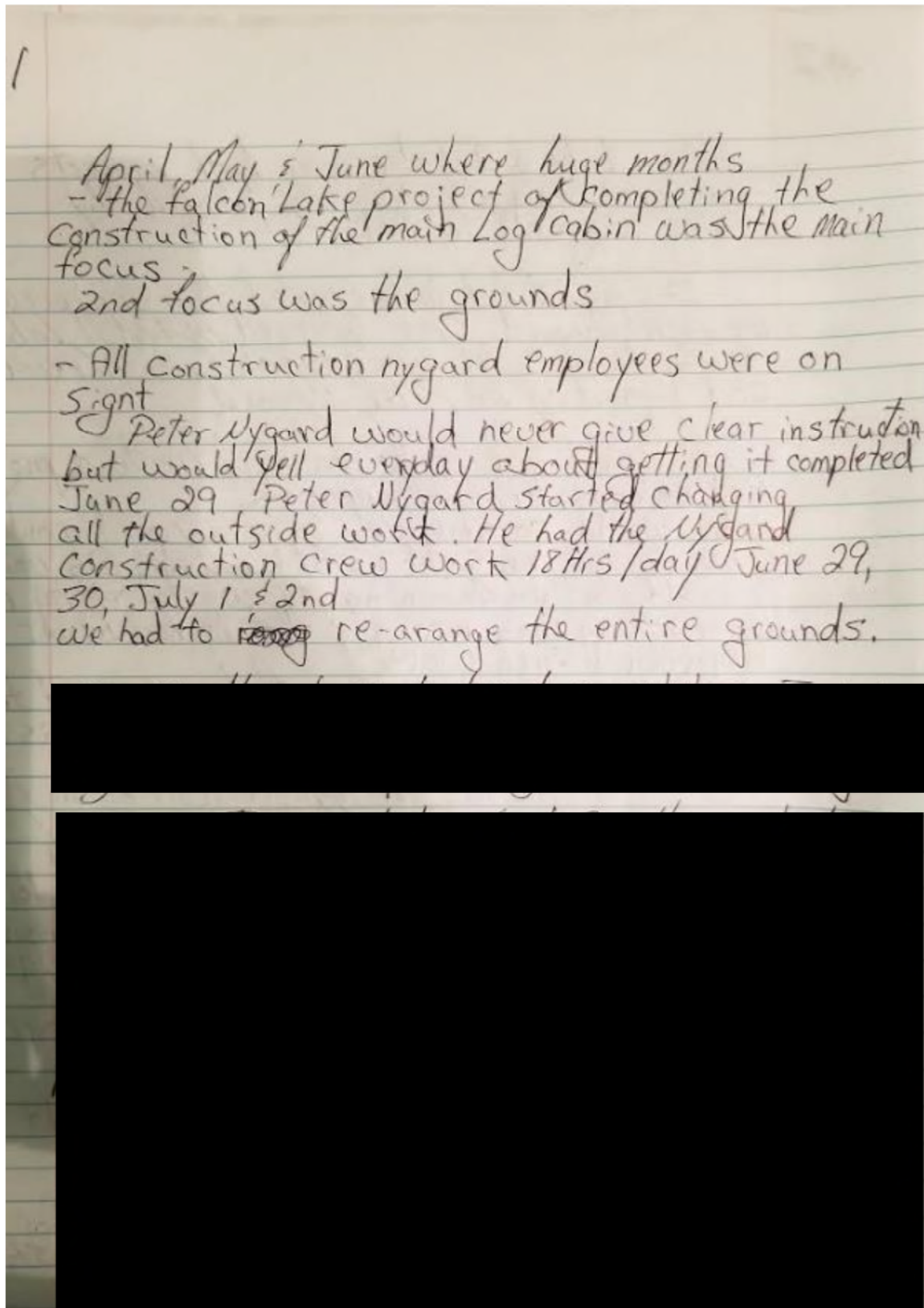




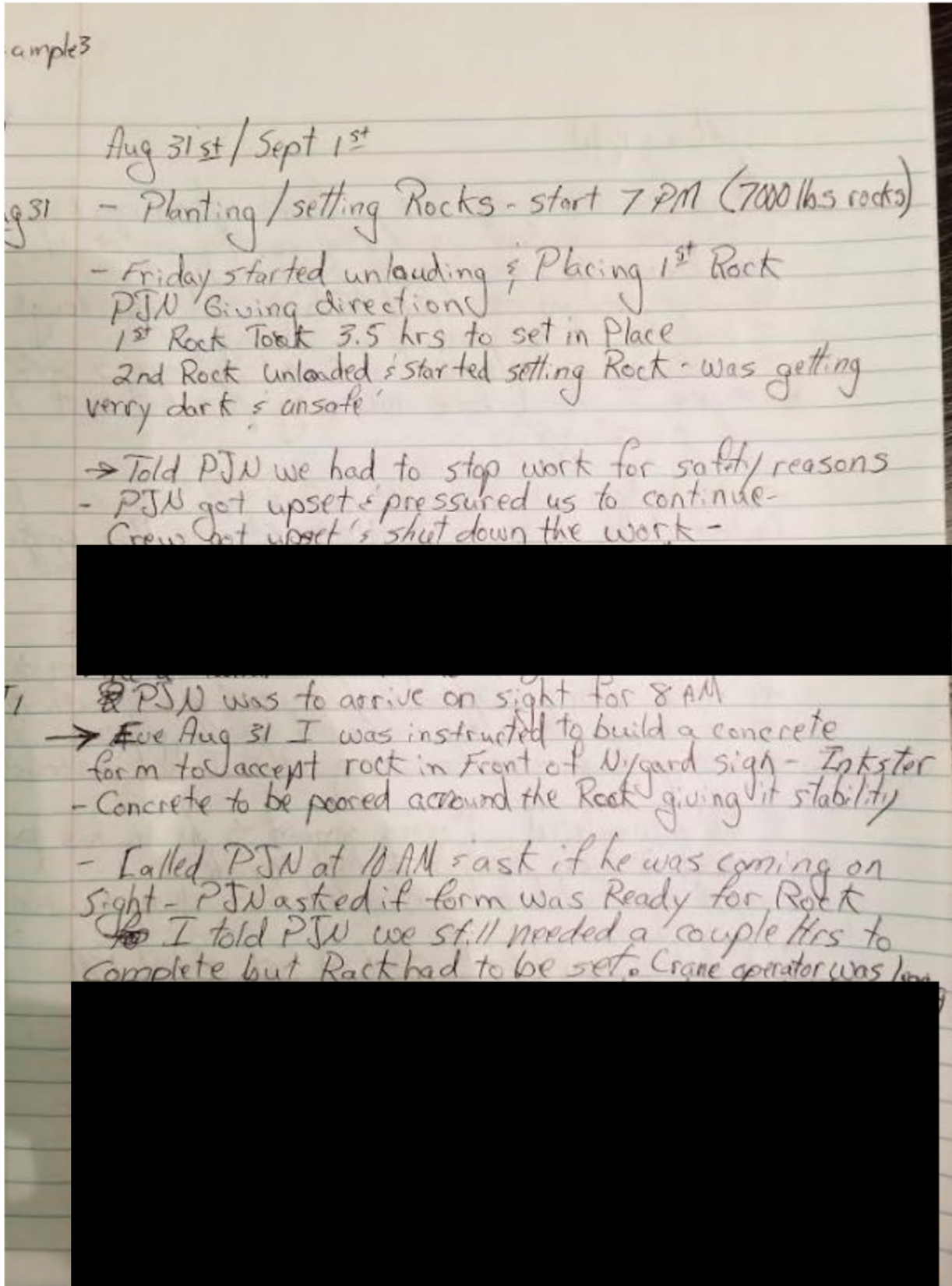


11 [REDACTED] workers comp explanation regarding the work conditions

Example for Falcon Lake:



Example for Park 50:



[REDACTED]
[REDACTED]
→ 27 yrs I did some amazing project but PJN
[REDACTED]

On the Friday eve, the night before P.J.N & I had
looked at the Rock to be installed, we then looked
at the sight - he told me what to do, I repeated his
instructions, ~~see~~
Sat morning we did what was instructed. ~~to~~

[REDACTED]
[REDACTED]
Job got completed I clocked out at 9 PM
[REDACTED]

Other unfulfilled commitments

[REDACTED]

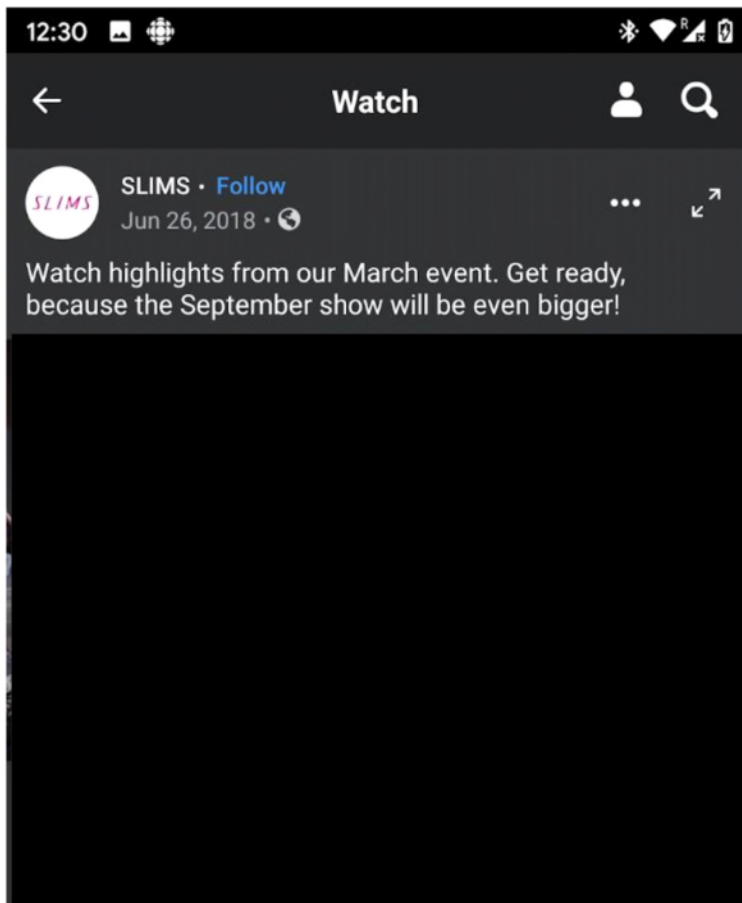
[REDACTED]

[REDACTED]

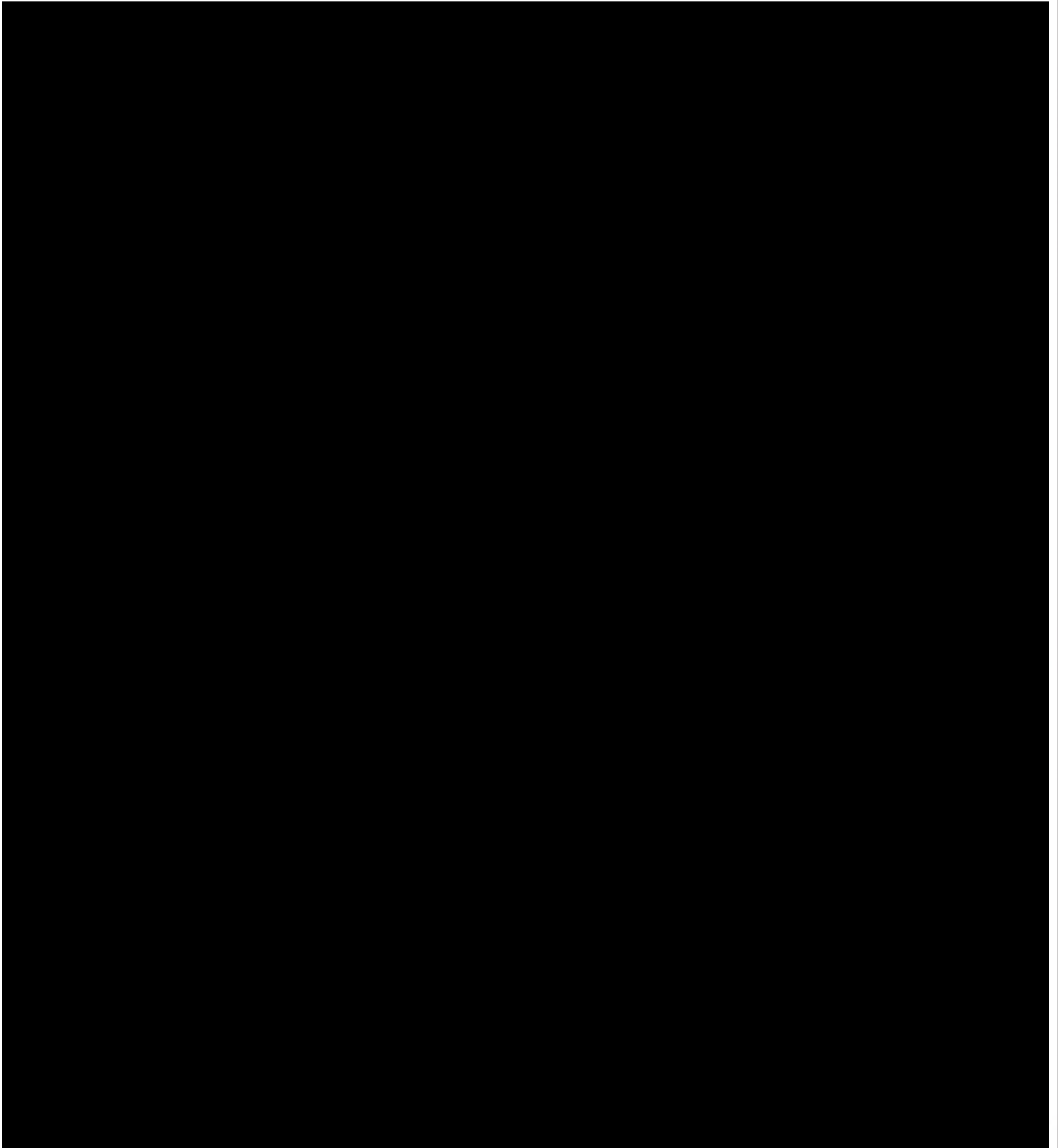
[REDACTED]

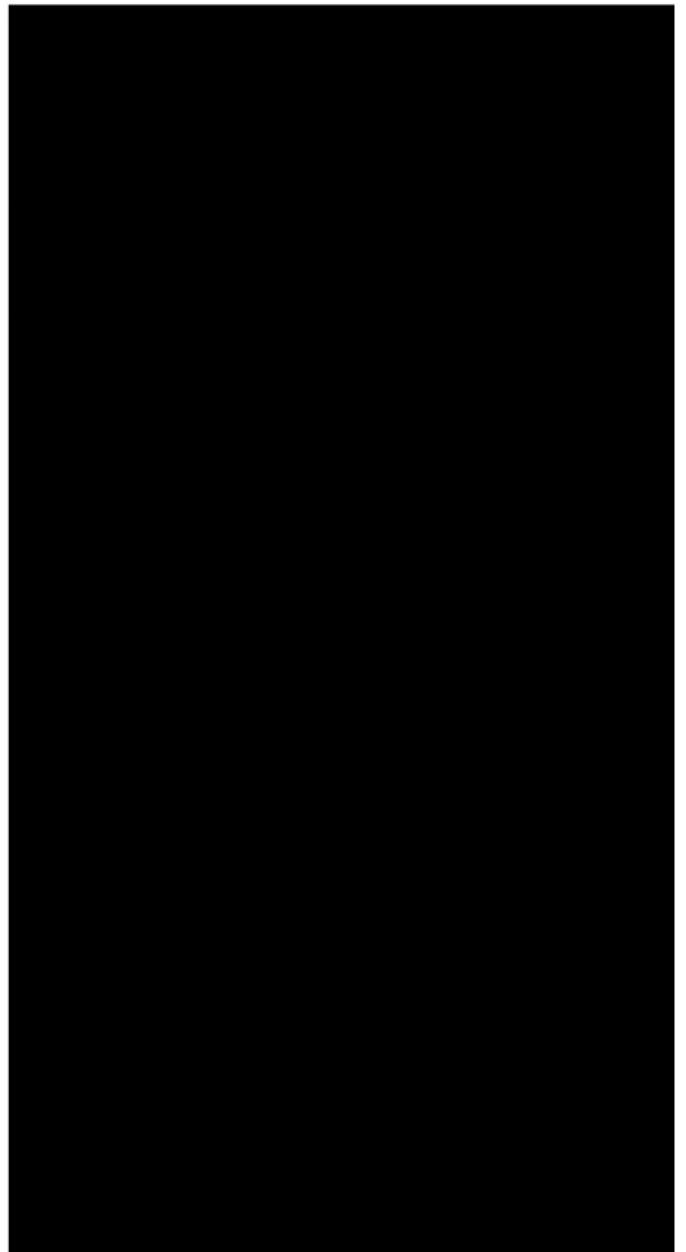
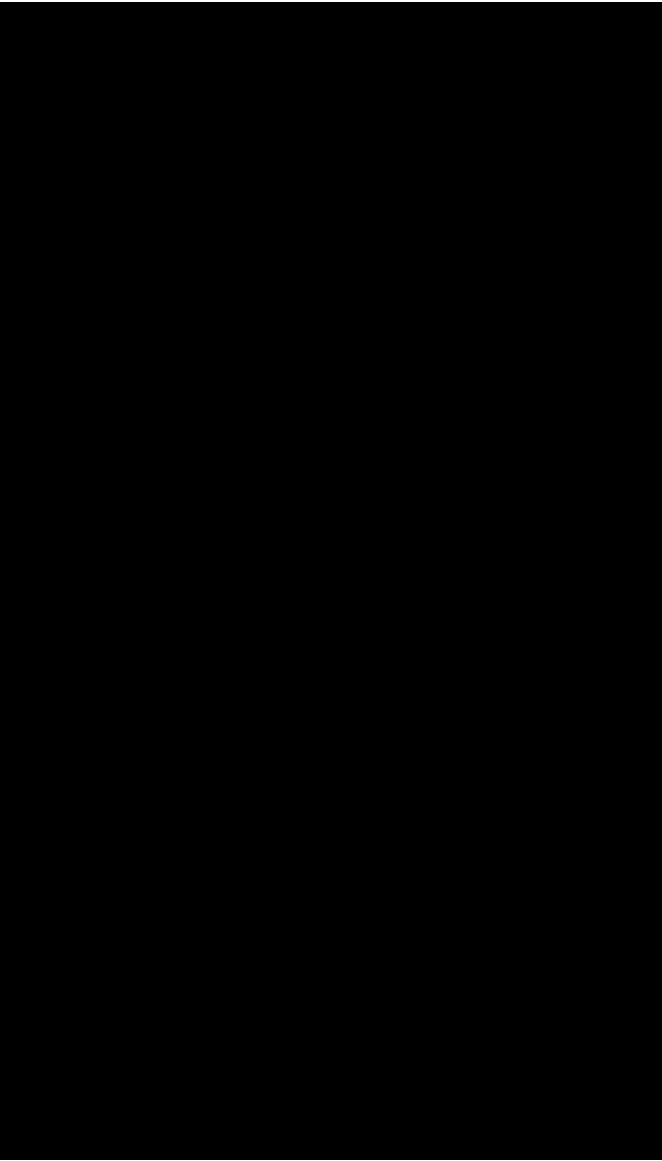
[REDACTED]

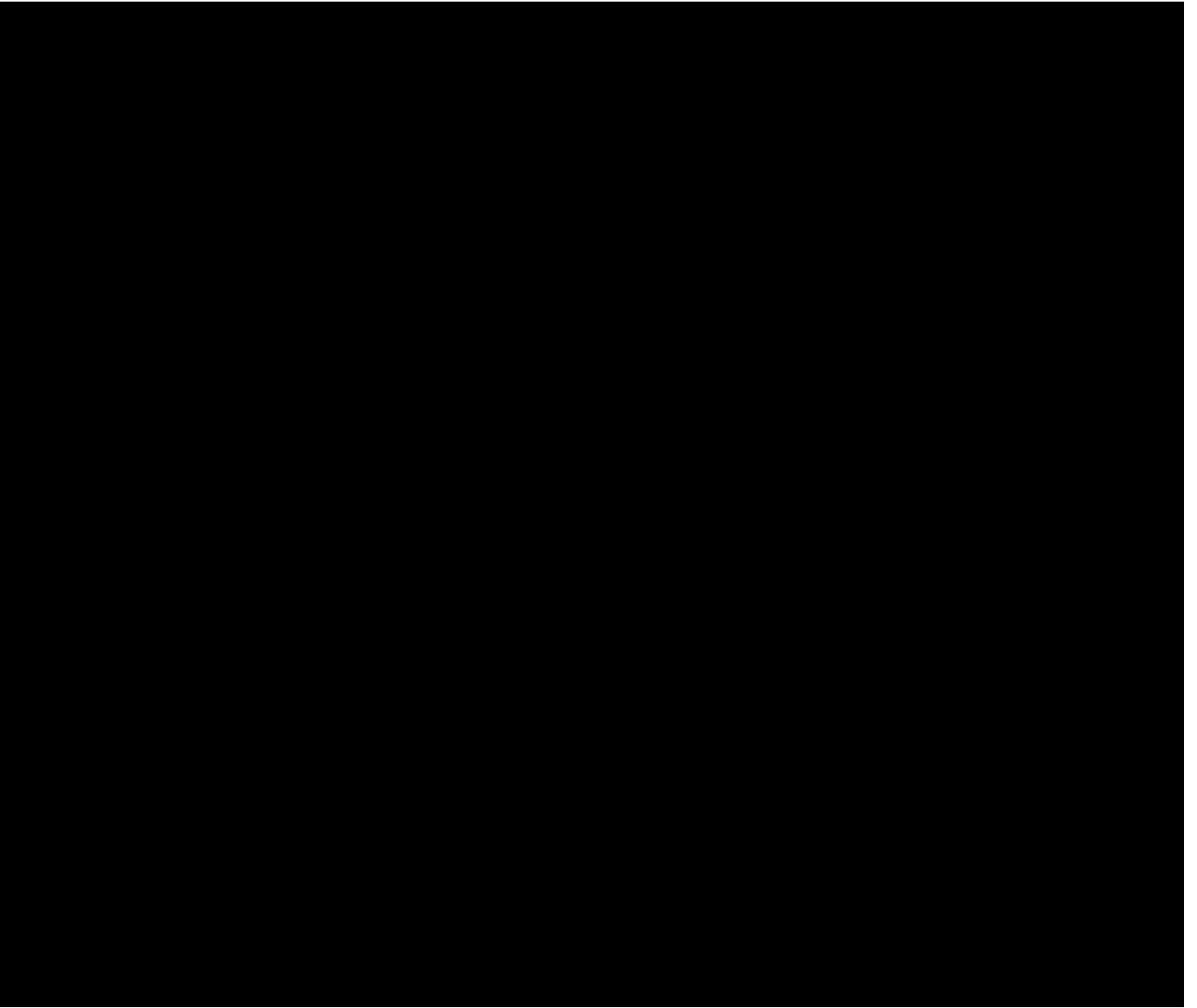
[REDACTED]



13 Vice Chairman manipulating to withdraw the claim with the WCB







APPENDIX K



Garret Soloway · 3rd

SR Tech at Harack Consulting

Winnipeg, Manitoba, Canada · [Contact info](#)

157 connections

[Connect](#)

[Message](#)

[More](#)



Harack Consulting



CDI College

Activity

157 followers

Posts Garret created, shared, or commented on in the last 90 days are displayed here.

[See all activity](#)

Experience



SR Tech

Harack Consulting · Permanent Full-time

Jun 2020 – Present · 1 yr

NYGÅRD

Manager of Infrastructure

NYGÅRD International

Jul 2004 – Present · 16 yrs 11 mos

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Kerwin Raghunanan · 3rd

Tax Avoidance - International and Large Business Case at Canada Revenue Agency - Agence du revenu du Canada

Toronto, Ontario, Canada · [Contact info](#)

398 connections

[Connect](#) [Message](#) [More](#)



Canada Revenue Agency -
Agence du revenu du Canada

About

Accountant - Tax, Audit and Financial Reporting. I have many years of diverse Audit experience primarily in Insurance and Telecommunications, and over 9 years Corporate Taxation Compliance and Reporting experience in the Insurance and Retail Industries. [... see more](#)

Activity

399 followers

Posts Kerwin created, shared, or commented on in the last 90 days are displayed here.

[See all activity](#)

Experience



Tax Avoidance - International and Large Business

Canada Revenue Agency - Agence du revenu du Canada · Full-time

Feb 2020 – Present · 1 yr 4 mos



Tax Manager

NYGÅRD International

2018 – Feb 2020 · 2 yrs

Reporting to Director Taxation prepared filings of T5013, T2, 1099, 1042, NR4, 1120, 5471, 5472. Involved in Audit and Defense process with CRA including audit queries and NOO. Research for tax planning opportunities. From Sept 2019 successfully managed the Tax Dept on my own.

APPENDIX L

A- Debtor Intercompany Agreement Matrix

[illegible]

**B- Licensing Agreement Between NIP and NI for the Use of
Certain Brands Owned by NIP**

LICENSING AGREEMENT

THIS LICENSING AGREEMENT made as of the 1st day of June, 2012, by and between **NYGÅRD INTERNATIONAL PARTNERSHIP**, having an office in Winnipeg, Manitoba, CANADA, and **NYGÅRD INC.**, having an office in Gardena, California.

WHEREAS, the parties entered into a License Agreement on or about January 1, 2012 ("Original License Agreement") and the Original License Agreement was lost;

AND WHEREAS, the parties confirm that the terms of the Original License Agreement have remained in force and effect, and Nygård Inc. has continued to pay royalty fees since the effective date of the Original License Agreement. Such payments have been accounted for in the financial records of both parties;

NOW THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties agree as follows:

1

Grant of License

Nygård International Partnership ("NIP") hereby grants to Nygård Inc. ("Inc.") a non-exclusive license to use the brand identified in Exhibit A (the "Licensed Brand") owned by NIP in connection with the Inc.'s sales operations in the United States.

.2

NIP shall use its best efforts to protect the Licensed Brand and shall defend, at NIP's expense, any claims of infringement or unfair competition brought against Inc. in connection with Inc.'s proper use of the Licensed Brand. Inc. shall notify NIP of the existence of any such claims promptly after being advised thereof. The defense, settlement and handling of such claim for infringement or unfair competition shall be determined by NIP in its sole discretion.

.3

Inc. agrees to notify NIP of any unauthorized use of the Licensed Brand by others promptly as it comes to Inc.'s attention. NIP shall have the sole right and discretion to bring infringement or unfair competition proceedings involving the Licensed Brand.

.4

The Licensed Brand and any goodwill associated therewith are and shall at all times remain the property of NIP. All use of the Licensed Brand by Inc. and all goodwill generated by use of the Licensed Brand shall enure to the benefit of NIP.

.5

Inc. shall not contest or challenge the validity of the Licensed Brand or the ownership thereof by NIP. NIP is not granting Inc. any right, title or interest in the Licensed Brand except the right to use the Licensed Brand in compliance herewith.

.6

NIP shall use the Licensed Brand at all times solely in connection with its sales operations.

.7

NIP reserves the right to approve in advance all public uses of the Licensed Brand other than uses on materials prepared by Inc. or previously approved by NIP.

.8

Inc. understands and agrees that its license to use the Licensed Brand is non-exclusive and that NIP may itself use and license others to use the Licensed Brand provided that such use is not in violation of any of the express terms of this Agreement.

.9

Inc. agrees that the nature and quality of all goods sold by Inc. under the Licensed Brand and all related advertising, promotional and other related uses of the Licensed Brand by Inc. shall conform to standards set by and be under the control of NIP.

.10

In order to preserve the validity and integrity of the Licensed Brand licensed to Inc., Inc. hereby grants NIP the right, at any reasonable time and from time to time, to enter upon any premises owned, leased or controlled by Inc., to inspect such premises and all of the operations there to ensure that all uses of the Licensed Brand are permissible uses thereof. NIP may confer with the employees of Inc. in order to determine the effect of the operations of the business and the use of the Licensed Brand on the goodwill associated with the Licensed Brand. Inc. will comply with all requests from NIP for inspection, samples or other activity in connection with the validity, integrity and use of the Licensed Brand.

.11

If at any time NIP determines that it is appropriate to change or cease use of the Licensed Brand, or to substitute or add additional Licensed Brand, then the definition of "Licensed Brand" shall automatically, and without further action of the parties hereto, be amended to reflect any such change, cessation, substitution or addition.

2

Territory

Inc. may utilize the Licensed Brand only in the United States.

3

Quality Control and Supervision

During the term of this Agreement (including any renewal terms), Inc. will diligently and strictly comply with all standards, specifications, and instructions of NIP (as same may be amended from time to time) regarding the use of the Licensed Brand.

4

Royalties

4.1

Inc. shall pay NIP a royalty fee of 4.5 percent of the net selling price of all products utilizing Licensed Brand. All payments must be made within 10 days of the end of the subject calendar month.

4.2

The term "net selling price" shall mean the invoice price charged by Inc. excluding (a) direct taxes and/or direct governmental charges assessed on the manufacture, sale and/or delivery of products by Inc., which are included on the invoice as a separately stated charge; and (b) common-carrier charges for transporting the products from the factory to the customer, to the extent included on the invoice as a separately stated charge.

4.3

The royalty fee shall be paid to NIP monthly based upon the Inc.'s sales of products utilizing Licensed Brand in the subject calendar month. The royalty fee shall be payable as of the last day of each and every calendar month continuing until this Agreement is either terminated or expired. At the time the royalty fee is paid, Inc. shall also provide such documentation regarding the computation of the royalty as NIP shall from time to time require.

5

Reports and Records

Inc. shall maintain financial records in accordance with generally accepted accounting principles. All billings for products utilizing Licensed Brand shall at all times be recorded on a current basis in a manner and on forms approved by NIP.

6

Transfer

No transfer of any right or interest of Inc. under this Agreement, in whole or in part (whether voluntarily or by operation of law), directly, indirectly or contingently, shall be permitted without the prior written consent of NIP. If NIP sells, assigns or otherwise transfers its rights to the Licensed Brand, NIP may assign this Agreement without the consent of Inc.

7

Effective Date and Term

This Agreement is effective from June 1, 2012. The term of this Agreement shall continue through May 31, 2022 unless sooner terminated pursuant to the terms of this Agreement. Thereafter, this Agreement shall automatically renew for successive one-year terms unless either party notifies the other party at least ninety (90) days prior to the end of the initial term or the then-current renewal term of its desire to terminate the Agreement at the end of the initial term or the then-current renewal terms.

8

Termination

8.1

Events of Termination

This Agreement shall terminate automatically upon the occurrence of a "Material Breach". It shall be a Material Breach if Inc. fails to cure a default within 15 days following receipt of a written notice of such default. For purposes of this Agreement, it shall be a default if Inc.:

.1

fails or refuses to make payments of any amounts due for royalty fees;

.2

conducts any portion of its business or uses the Licensed Brand in a manner that NIP believes threatens the validity or integrity of the Licensed Brand or threatens the goodwill associated therewith;

.3

attempts to transfer an interest in this Agreement in violation of Section 6 of this Agreement;

.4

submits to NIP any reports or other data, information or supporting records that understate by more than 5 percent the customer billings of Inc. or royalty fees for any period (such period not to exceed one year), and Inc. is unable to demonstrate to NIP's reasonable satisfaction that such understatements resulted from inadvertent error;

.5

becomes insolvent by reason of an inability to pay its debts as they mature or makes an assignment for the benefit of creditors or any admission of inability to pay obligations as they become due;

.6

fails to submit when due reports or other information or supporting records required under Section 5 hereof; or

.7

fails or refuses to comply with any other provision of this Agreement or any instruction of NIP concerning use of the Licensed Brand.

8.2

Events of Immediate Termination

It shall be a Material Breach, and this Agreement shall terminate without further action by NIP or notice to Inc., if Inc.:

.1

misuses or makes an unauthorized use of the Licensed Brand or commits any act which could reasonably be expected to materially impair the goodwill associated with the Licensed Brand;

.2

is convicted of or pleads no contest to a crime or offense that NIP believes is likely to adversely affect the reputation of NIP, its goodwill, or the Licensed Brand; or

In the event of termination under this Section 8.2, Inc. shall not be entitled to cure the matter giving rise to termination.

8.3

Compliance With Laws

To the extent that the provisions of this Agreement provide for periods of notice less than those required by applicable law, or provide for termination, cancellation, non-renewal or the like other than in accordance with applicable law, such provisions shall, to the extent such are not in accordance with applicable law, be deemed to be amended to comply with applicable law and Inc. shall comply with applicable law in connection with each of these matters.

8.4

Effect of Termination

Upon termination of this Agreement, Inc. shall:

.1

pay NIP within 10 days after the effective date of termination, or such later date that the amounts due to NIP are determined, all royalty fees due that are then unpaid;

.2

cease using any advertising materials, signs, sign faces, forms, invoices, or other materials that bear the Licensed Brand;

.3

discontinue use of the Licensed Brand, or any colorable imitation thereof; in any manner or for any purpose, and discontinue utilizing for any purpose the Licensed Brand or other mark that suggests or indicates a current or prior connection or association with NIP or its affiliates;

.4

promptly take such action as may be required to cancel all fictitious or assumed name or equivalent registrations relating to Inc.'s use of the Licensed Brand; and

.5

furnish to NIP within 30 days after the effective date of termination, evidence satisfactory to NIP of Inc.'s compliance with the foregoing obligations.

8.5

Survival

All obligations of NIP and Inc. that expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature expire.

9

Option to Purchase

Licensee shall have the option to purchase the Licensed Brand at any time during the term of this Agreement. The Purchase price shall be determined by an independent valuator appointed by the parties by mutual agreement. The purchase price as determined by an independent valuator shall be final and binding upon the parties. The parties shall thereafter forthwith execute the required purchase and sale documentation.

10

Miscellaneous

10.1

Interest on Unpaid Amounts

Any amounts due to NIP or pursuant to any other relationship between NIP and Inc. that are not paid as and when due shall bear interest at the rate of the lower of 2 percent per month or the maximum amount permitted by law. Such interest shall be in addition to, and not in lieu of, other remedies afforded NIP, at law or in equity for breach of this Agreement.

10.2

Notices

Any notice to either party to this Agreement by the other shall be deemed to have been properly given if mailed to said party by mail return receipt requested or to such other address or person as either party may designate by notice to the other party. Notice is effective as of the date that the notice is received, unless such date is not a business day in the jurisdiction of receipt, in which case the deemed day of receipt is the next business day in that jurisdiction

To NIP:

1771 Inkster Blvd
Winnipeg, Manitoba
R2X 1R3

Attention: Ahileas Tsekouras
Chief Financial Officer – Nygård Company
Email: Ahileas.Tsekouras@Nygard.com

With a copy to legal department
Email: LegalDept@Nygard.com

To Inc.:

Nygård Inc.
1771 Inkster Blvd
Winnipeg, Manitoba
R2X 1R3

Attention: James R. Bennett
Email: Jim.Bennett@Nygard.com

10.3

Headings

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

10.4

Entire Agreement, Modification.

This Agreement contains the complete expression of the agreement between the parties with respect to the matters addressed herein and there are no promises, representations, or inducements except as herein provided. The terms and provisions of this Agreement may not be modified, supplemented or amended except in writing signed by both parties hereto. All terms and provisions of this Agreement shall be binding upon and enure to the benefit of and be enforceable by the respective successors and permitted assigns of the parties hereto.

10.5

No Waiver

Failure by either party hereto to enforce at any time or for any period of time any provision or right shall not constitute a waiver of such provision or of the right of such party thereafter to enforce each and every such provision.

10.6

Governing Law

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California, and applicable federal and state laws. The prevailing party in any litigation concerning this Agreement shall be entitled to reimbursement of its reasonable costs, including legal and accounting fees, incurred in connection with any such matter.

10.7

Counterparts

This Agreement may be executed in any number of counterparts, all of which together shall constitute one agreement binding on the parties hereto.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

NYGÅRD INTERNATIONAL PARTNERSHIP

NYGÅRD INC.

By: 

Name: Denis LaPointe
Title: President NYGÅRD Company

By: 

Name: James R. Bennett
Title: Director

By: 

Name: Ahileas Tsekouras
Title: CFO – NYGÅRD Company

By: 

Name: Tiina Tulikorpi
Title: Director

Exhibit “A”

Licensed Brand

PETER NYGÅRD SIGNATURE COLLECTION

**C- Royalty and Licensing Agreement Between NIP and NI for the
Use of Certain Brands Owned by NI**

ROYALTY AND LICENSING AGREEMENT

BY AND BETWEEN

NYGÅRD INC.

AND

NYGÅRD INTERNATIONAL PARTNERSHIP

DATED AS OF JUNE 1, 2005

ROYALTY AND LICENSING AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into as of June 1, 2005, between Nygård Inc., a Delaware corporation, having an office at 332 East Rosecrans Avenue, Gardena, California 90246 ("Licensor") and Nygård International Partnership, a Partnership constituted under the laws of the Province of Manitoba, having an office at 1771 Inkster Boulevard, Winnipeg, Manitoba, R2X 1R3, Canada ("Licensee").

WHEREAS Licensee is engaged in, among other things, the business of selling and distributing apparel products in the United States (the "Operations");

WHEREAS Licensor owns certain trademarks registered in the United States, which Licensee wishes to continue using in connection with the Operations and which it and its predecessors used pursuant to a royalty and licensing agreement dated June 1, 1995,

WHEREAS pursuant to the terms of a partnership agreement dated July 15, 2002 between Nygård International Ltd. and Nygård International Partnership, the latter assumed all of the assets and liabilities of Nygård International Ltd., including but not limited to the right to use certain trademarks held by the Licensor pursuant to a royalty and licensing agreement dated June 1, 1995;

AND WHEREAS the parties hereto desire to enter into a new royalty and licensing agreement, replacing the former agreement effective June 1, 2005.

NOW THEREFORE in consideration of the mutual covenants and agreements contained herein, the parties do hereby irrevocably agree as follows:

ARTICLE I

Grant of Licence

1.1 Licensor hereby grants to Licensee the non-exclusive right and license to use the trademarks, identified in Exhibit A (the "Licensed Assets") held by Licensor in connection with Licensee's Operations in the United States or as otherwise permitted hereunder.

1.2 Licensor shall use its best efforts to protect the Licensed Assets and shall defend, at Licensor's expense, any claims of infringement or unfair competition brought against Licensee in connection with Licensee's proper use hereunder of the Licensed Assets. Licensee shall notify Licensor of the existence of any such claims promptly after being advised thereof. The defense, settlement and disposition of such claim for infringement or unfair competition shall be determined by Licensor in its sole discretion.

1.3 The Licensed Assets and all goodwill and reputation associated therewith are the sole and exclusive property of Licensor. Any use of the Licensed Assets by Licensee and any goodwill generated by the use of any of the Licensed Assets shall enure to the benefit of Licensor.

1.4 Licensee shall not dispute or contest, for any reason whatsoever, directly or indirectly, the validity or enforceability of any of the trademarks associated with any Licensed Asset, directly or indirectly attempt to dilute the value of the goodwill attaching to the Licensed Assets, counsel, procure or assist anyone else to do same, or undertake any act or omit to take any action the consequences of which will or may result in an adverse impact to the Licensed Assets.

1.5 Licensee acknowledges that Licensor is not granting Licensee any right, title or interest in the Licensed Assets except the right to use the Licensed Assets in compliance herewith.

1.6 Licensee shall use the Licensed Assets solely in connection with the Operations.

1.7 Licensee acknowledges that its license to use the Licensed Assets is non-exclusive and that Licensor may itself use and license others to use the Licensed Assets provided such grant to a third party does not adversely affect the Operations.

1.8 Licensee shall permit Licensor and its designated representatives reasonable access to Licensee's premises for the inspection of its Operations, relevant records and its use of the Licensed Assets.

1.9 Licensor may, in its sole discretion, from time to time modify the Licensed Assets or any part thereof in any manner whatsoever. Licensee shall be bound by any modification from the moment Licensor advises in writing Licensee of same. Licensee shall accept and use all such modifications as if originally incorporated therein and make all changes required thereby, at its cost, from the moment it receives notice and particulars of such modifications.

ARTICLE II

Territory

2 Licensee may only utilize the Licensed Assets in the United States, its territories and possessions.

ARTICLE III

Term

3 The term of this Agreement shall begin on June 1, 2005 and shall end, unless sooner terminated pursuant hereto, on May 31, 2015, whereupon this Agreement shall be terminated.

ARTICLE IV

Royalties

4.1 Licensee shall pay to Licensor a royalty fee equal to six percent (6%) of the net selling price of all products bearing any of the Licensed Assets. For the purposes of this

Agreement, "net selling price" shall mean the invoice price charged by Licensee excluding (a) direct taxes and/or direct governmental charges assessed on the manufacture, sale and/or delivery of the subject products by Licensee, which are included on the invoice identified as a separately stated charge; and (b) common-carrier charges for transporting the products from the factory to the customer.

4.2 The royalties payable by Licensee to Licensors hereunder will not be subject to Canadian withholding taxes in accordance with the provisions of the Income Tax Treaty between the United States and Canada.

4.3 The royalty fee shall be paid to Licensors on a semi-annual basis, not later than two (2) calendar months after the end of each semi-annual period ending May 31 and November 30, for the royalties accrued during the preceding six months. Licensee shall also provide to Licensors all reasonable documentation indicating the computation of the amount of the royalty payable hereunder.

ARTICLE V

Reports and Records

5.1 Licensee shall prepare and maintain, in accordance with generally accepted accounting principles consistently applied, complete and accurate books of account and records with respect to the accounting for the royalty fee set out in Article IV herein.

ARTICLE VI

Transfer

6.1 No transfer of any right or interest of Licensee under this Agreement, in whole or in part (whether voluntarily or by operation of law), directly, indirectly or contingently, shall be permitted without the prior written consent of Licensors.

6.2 Licensors may sell or assign its rights to the Licensed Assets, provided such assumption includes an assumption and acknowledgment by the purchaser/assignee of Licensee's rights and obligations herein with respect to the Licensed Assets.

ARTICLE VII

Default and Termination

7.1 Either party may, upon written notice to the other party, terminate this Agreement, by providing at least thirty (30) days written notice. Such termination may be with or without cause.

7.2 In the event of a material breach of this Agreement, and the defaulting party fails to cure such material breach within ten (10) days of receiving notice to do so by the opposite party, the non-defaulting party may terminate this Agreement by providing written notice of termination, such notice to be effective ten (10) days after actual receipt thereof by the defaulting party.

7.3 The following events constitute a material breach:

(a) if Licensee fails to pay any royalty payments or any other amount owed hereunder;

(b) if Licensee conducts Operations or uses any of the Licensed Assets in a manner that threatens the validity or integrity of any of the Licensed Assets or threatens the goodwill associated therewith;

(c) if Licensee attempts to assign this Agreement or any of its rights hereunder, or any of its other business assets without Licensors prior written consent;

(d) if Licensee submits to Licensors any reports or other data, information or supporting records that understate by more than five percent (5%) of Net Sales of Licensee for calendar quarter period, and Licensee is unable to demonstrate to Licensors reasonable satisfaction that such understatements resulted from inadvertent error;

(e) if either party makes a general assignment for the benefit of its respective creditors or a proposal under any applicable insolvency or bankruptcy legislation, or if any party Licensee shall be declared insolvent or bankrupt, or if a liquidator, trustee or receiver is appointed with respect to the administration of a party's assets pursuant to law or agreement;

(f) if Licensee fails to submit reports or other information or supporting records required under Article IV hereof; or

(g) If Licensee ceases to conduct business and such cessation continues for a period of thirty (30) continuous days.

7.4 Upon the termination or expiration of this Agreement:

(a) all of the rights of Licensee shall terminate forthwith and shall revert to Licensors;

(b) all royalties on sales as well as accrued royalties to the date of termination shall become immediately due and payable to Licensors;

(c) Licensee shall immediately cease to use, directly or indirectly, in advertising or in any other matter whatsoever, the Licensed Assets, and discontinue using for any purposes, any and all signs, advertising materials, sign faces, forms, invoices, or other products or materials which display the Licensed Assets or any distinctive feature or device associated therewith;

(d) discontinue use of the Licensed Assets, or any imitation thereof, in any manner or for any purpose, and discontinue utilizing for any purpose any Licensed Assets or other marks that suggest or indicate a current or prior connection or association with Licensors or its affiliates;

(e) promptly take such action as may be required to cancel all fictitious or assumed name or equivalent registrations relating to Licensee's use of any Licensed Assets; and

(f) furnish to Licensors within thirty (30) days after the effective date of termination, evidence satisfactory to Licensors of Licensee's reasonable compliance with the

foregoing obligations.

7.5 Termination of this Agreement, for any reason, shall not terminate the rights and obligations of the parties arising from or in connection with events occurring prior to the termination date, with respect to this Agreement.

ARTICLE VIII

Miscellaneous

8.1 All notices, consents and approvals required or permitted to be given hereunder shall be in writing and (a) delivered personally; (b) sent by overnight courier or (c) sent by email transmission to the following addresses:

Nygård Inc.
332 East Rosecrans Avenue
Gardena, California
90246 U.S.A.
Attention: President
Email:

Nygård International Partnership
1771 Inkster Boulevard
Winnipeg, Manitoba
R2X 1R3
Canada
Attention: President
Email:

or to such other address as parties may hereafter substitute by notice given in the manner prescribed in this section. Such notice shall be deemed given on the day actually received, providing such day is a business day in the jurisdiction of receipt. If the actual day of receipt is not a business day in the jurisdiction of receipt, delivery shall be deemed to take place on the next business day in the jurisdiction of receipt.

8.2 The division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the interpretation of this Agreement.

8.3 This Agreement, together with any schedules or addenda attached hereto, constitutes the entire agreement between the parties concerning the subject matter hereof, and supersedes all prior, oral or written, representations, communications, understandings, covenants and agreements. This Agreement may not be modified, or amended except by the express written consent of the parties hereto. This Agreement shall be binding upon the parties and shall enure to the benefit of their respective successors and permitted assigns.

8.4 Any failure by any party to exercise its rights or remedies hereunder or any delay by such party in the exercise of any of its rights and remedies hereunder shall not, to the extent permitted by law, operate as a waiver or variation of such or any other right or remedy hereunder.

8.5 This Agreement shall be governed by and construed in accordance with the laws of the State of California and the laws of the United States applicable therein. If Licensee incurs legal expenses to collect any sum due hereunder or to enforce any provision hereof, Licensee shall reimburse Licensors for such reasonable expenses including, without limitation, fees and disbursements. Licensee shall be responsible for all costs, expenses, collection agency fees, legal fees and disbursement incurred by Licensors to recuperate any sums owing by Licensee hereunder, including fees on an attorney/client basis in connection with any legal or other proceedings where judgment against Licensee is awarded in favour of Licensors.

8.6 This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be deemed an original, and all of which shall constitute one and the same Agreement.

8.7 All overdue monies due under this Agreement shall bear interest rate at the rate set from time to time by the Federal Open Market Committee of the Federal Reserve Bank, as set from time to time with respect to unsecured overnight inter-bank loans, plus four percent (4%).

8.8 All references to monetary amounts and the payment thereof shall be in United States Dollars.

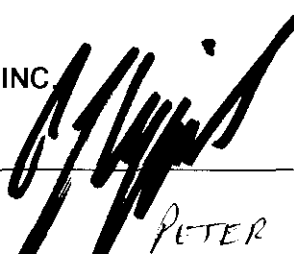
IN WITNESS WHEREOF the parties have executed this Agreement.

NYGÅRD INC.

By: _____

Name:

Title:


PETER NYGÅRD
CHAIRMAN

NYGÅRD INTERNATIONAL PARTNERSHIP

By: _____

Name:

Title:

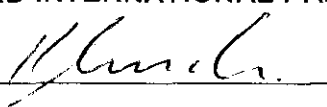

KEN GIRARDIN
CFO

Exhibit “A”

Licensed Assets

Allison Daley	Registration No. 1,523,606
Comfort Fit	Registration No. 1,772,455
EHL (Design)	Registration No. 1,648,551

D-Service Agreement Between NIP and NI

SERVICES AGREEMENT

THIS AGREEMENT is made effective as of the 1st day of February, 2014, by and between Nygård International Partnership, a partnership constituted under the laws of the Province of Manitoba, Canada and having its registered office at 1771 Inkster Blvd, Winnipeg, Manitoba R2X 1R3, and Nygård Inc., a corporation incorporated in and under the laws of Delaware and having an office at 1435 Broadway, New York, New York 10018-1909.

WHEREAS, Nygård Inc. has engaged Nygård International Partnership to provide certain design services described herein;

NOW THEREFORE in consideration of the mutual covenants and conditions contained herein the parties agree as follows:

1

Term

The term of this Agreement commenced as of February 1st, 2014 and shall terminate on January 31, 2019. Either party may serve notice with or without cause on the other in writing, terminating this Agreement on 60 days written notice.

2

Services; Cost

2.1

The design services provided by Nygård Inc. ("Inc.") to Nygård International Partnership ("NIP") shall include but are not limited to the following (collectively, the "Services"):

.1

analysis of current and prior seasons' retail performance by style and color for each NIP brand to incorporate into design development for forward seasons;

.2

development of seasonal colours and palettes by quarter and month with input from Fashion Services Department, to provide colour and trend direction for forward seasons;

.3

establishing trend of print, theme by month and product group based on review of European and US prints and original artwork companies;

.4

interpreting and designating design into fabric and yarn using CAD and merchandising all components (reference samples, CAD, print & fabric reference headers) into product groups; and

.5

competitive shopping of selected brands in key New York City stores.

2.2

All direct and indirect Services shall be provided at cost plus a margin of 5%.

3

Currency

All references herein to monetary amounts refer to United States Dollars.

4

Payment Terms

4.1

Inc. shall provide an invoice to NIP within 5 days of signing of this Agreement, for all services rendered up until the date of signing of this Agreement. NIP shall pay these charges within 10 days of receipt of the invoice.

4.2

Subsequent invoices shall be provided monthly and are subject to NIP's standard purchase order terms and conditions, which are incorporated herein by reference. Invoices must be accompanied by appropriate documentation. Invoices received by the 25th of the month will be paid by the 10th of the following month.

5

Indemnification

5.1

Each party shall indemnify the other and their respective officers, directors and employees against all liabilities, claims, suits, actions, fines, damages, losses, costs and expenses (including reasonable attorneys' fees) arising out of injury to or death of any person or damage to or loss or destruction of any property caused, directly or indirectly, by a party, its affiliates, agents, service providers, and their respective officers, directors and employees. This indemnification shall not apply to the extent the party incurring the loss or damage is responsible or otherwise liable for the claim, suit, action, fine, damage, loss, costs or expense at issue.

5.2

NIP shall indemnify Inc. against all liabilities, claims, suits, actions, fines, damages, losses, costs and expenses (including reasonable attorneys' fees) arising out of any claim asserted by a third party against NIP's goods.

5.3

The obligations in this Section 5 shall survive the expiration or termination of this Agreement.

6

Force Majeure

Neither party shall be liable to the other for failure to perform its obligations under this Agreement if prevented from doing so because of an act of God, strikes, fire, flood, war, civil disturbance, and interference by civil or military authority or other causes beyond the reasonable control of a party. Upon the occurrence of such an event the party seeking to rely on this provision shall promptly give written notice to the other party of the nature and consequences of the cause.

7

Assignment

Neither party shall assign or transfer this Agreement or any of its rights or obligations hereunder without the prior written consent of the other party. Inc. shall have the right without the consent of NIP to assign all or part of this Agreement to any of its affiliates.

8

Notices

Any notice to either party to this Agreement by the other shall be deemed to have been properly given if mailed to said party by certified mail return receipt requested to such other address or person as either party may designate by notice to the other party hereunder. The deemed date of receipt of any notice is the actual date of receipt.

To NIP:

1771 Inkster Blvd
Winnipeg, Manitoba
R2X 1R3

Attention: Ahileas Tsekouras
Chief Financial Officer – Nygård Company
Email: Ahileas.Tsekouras@Nygard.com

With copy to legal department
Email: LegalDept@Nygard.com

To Inc.:

Nygård Inc.
1771 Inkster Blvd
Winnipeg, Manitoba
R2X 1R3

Attention: James R. Bennett
Email: Jim.Bennett@Nygard.com

9

Bankruptcy

This Agreement shall terminate on two business days' notice, at the option of either party, if the other party:

- .1
Admits in writing that it is unable to pay its debts as they become due;
- .2
Applies for or agrees to the appointment of a receiver or trustee in liquidation of such party or any of its properties;
- .3
Makes a general assignment for the benefit of creditors;
- .4
Files a voluntary petition in bankruptcy or a petition seeking reorganization or an arrangement with creditors under any bankruptcy law;
- .5
Is a party against whom a petition under any bankruptcy law is filed and such party admits the material allegations in such petition filed against it; or
- .6
Is adjudicated a bankrupt under any bankruptcy law.

10

Governing Law

This Agreement is interpreted and subject to the laws of the Province of Manitoba and the parties agree that in the event of a dispute the parties shall attorn to the courts of the Province of Manitoba.

11

Entire Agreement

This Agreement states and constitutes the entire agreement between the parties and supersedes all prior agreements, representations or understandings between the parties, whether written or oral, relating to the subject matter hereof.

12

Execution

This Agreement may be executed by electronic signature and/or in counterparts each of which when executed and delivered is an original, but all of which taken together constitute one and the same instrument. A party's transmission by facsimile or other electronic means of a copy of this Agreement duly executed by that party shall constitute effective delivery by that party of an executed copy of this Agreement to the party receiving the transmission.

13

Severability

If any provision of this agreement or part thereof (including its Schedule "A") is held to be invalid, illegal or unenforceable by a court of competent jurisdiction, the validity, legality and enforceability of the remaining provisions or parts thereof shall continue in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their authorized representatives as of the day and year first above written.

Nygård Inc.

By: 

Name: James R. Bennett
Title: Director

By: 

Name: Tina Tulikorpi
Title: Director

I/we have authority to bind the Corporation

Nygård International Partnership

By: 

Name: Denis LaPointe
Title: President NYGÅRD Company

By: 

Name: Ahileas Tsekouras
Title: CFO - Nygård Company

I/we have authority to bind the Partnership

E- Contribution Agreements

CONTRIBUTION AGREEMENT

This Contribution Agreement ("**Agreement**"), dated as of January 1, 2012 (the "**Effective Date**") is by and among Nygård International Partnership, an entity formed under the laws of Manitoba ("**NIP**"), Nygård Holdings (USA) Limited, a Delaware corporation ("**Holdings**") and Duke Investments (Bahamas) Ltd., a Bahamian corporation ("**Duke**"). Each of NIP, Holdings and Duke are referred to herein as a "**Party**" and collectively as the "**Parties**".

WHEREAS, Holdings was incorporated pursuant to the General Corporation Law of the State of Delaware on December 8, 2011 and is a wholly-owned subsidiary of Duke; and

WHEREAS, NIP owns the assets described on **Exhibit A** attached hereto (the "**NIP Contributed Assets**"); and

WHEREAS, Duke is the legal and beneficial holder of record of the shares of stock described on **Exhibit B** attached hereto (the "**Duke Contributed Shares**"); and

WHEREAS, NIP wishes to contribute the NIP Contributed Assets to Holdings in exchange for newly-issued shares of preferred stock of Holdings ("**Holdings Preferred Stock**") and Duke wishes to contribute the Duke Contributed Shares to Holdings in exchange for newly-issued shares of common stock of Holdings ("**Holdings Common Stock**"), all in accordance with the terms set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1 CONTRIBUTIONS AND ISSUANCE OF STOCK

1.1 **Contributions.** On the terms and subject to the conditions set forth in this Agreement:

(a) Effective as of 12:01 a.m. on the Effective Date, NIP shall contribute, sell, transfer, assign, convey and deliver to Holdings, and Holdings shall acquire and accept from NIP, all of its right, title and interest in and to the NIP Contributed Assets.

(b) Effective as of 12:01 a.m. on the Effective Date, Duke shall contribute, sell, transfer, assign, convey and deliver to Holdings, and Holdings shall acquire and accept from NIP, all of its right, title and interest in and to the Duke Contributed Shares.

1.2 **Assumed Liabilities.** Effective as of 12:01 a.m. on of the Effective Date, Holdings shall assume all liabilities and obligations of NIP to the extent resulting from, relating to or arising out of the NIP Contributed Assets on or after the Effective Date (the "**Assumed Liabilities**"). Nothing contained herein shall prevent Holdings or its affiliates from contesting in good faith any of the Assumed Liabilities with any third party obligee.

1.3 **Consideration; Issuance of Stock.**

(a) In consideration of the contribution of the NIP Contributed Assets and subject to the terms and conditions set forth herein, as soon as practicable following the Effective Date, Holdings shall issue and deliver to NIP a formal stock certificate representing 500 shares of Holdings Preferred Stock free and clear of all liens and encumbrances; provided, however, that the obligation of Holdings to issue the Holdings Preferred Stock to NIP is subject to the satisfaction of each of the following conditions: (i) Holdings shall have effectively filed an Amended and Restated Certificate of Incorporation (the "**Restated Certificate**") with the Secretary of State of the State of Delaware in substantially the form attached hereto as **Exhibit C**; (ii) the Board of Directors and sole stockholder of Holdings shall have approved the filing of the Restated Certificate, and any other matters required by applicable law in relation to such stock issuance; and (iii) NIP shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement.

(b) In consideration of the contribution of the Duke Contributed Shares and subject to the terms and conditions set forth herein, as soon as practicable following the Effective Date, Holdings shall issue and deliver to Duke a formal stock certificate representing 100 shares of Holdings Common Stock free and clear of all liens and encumbrances; provided, however, that the obligation of Holdings to issue the Holdings Common Stock to Duke is subject to the satisfaction of each of the following conditions: (i) Holdings shall have effectively filed an Amended and Restated Certificate of Incorporation (the "**Restated Certificate**") with the Secretary of State of the State of Delaware in substantially the form attached hereto as **Exhibit C**; (ii) the Board of Directors and sole stockholder of Holdings shall have approved the filing of the Restated Certificate, and any other matters required by applicable law in relation to such stock issuance; and (iii) Duke shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement.

(c) Each stock certificate issued by Holdings in accordance with this Section 1.3 shall be endorsed with a legend in substantially the following form:

"THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL, IN A FORM REASONABLY ACCEPTABLE TO COMPANY, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT."

ARTICLE 2

REPRESENTATIONS AND WARRANTIES OF NIP AND DUKE

Each of NIP and Duke represents and warrants to Holdings as of the Effective Date as follows:

2.1 **Organization and Standing.** Each of NIP and Duke, as applicable, is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to own and operate its properties and assets.

2.2 **Power and Authorization.** Each of NIP and Duke, as applicable, has all requisite power to execute and deliver this Agreement and to carry out and perform its obligations under the terms of this Agreement. The execution, delivery, and performance of this Agreement by each Party has been duly authorized by all requisite action, and this Agreement constitutes the legal, valid, and binding obligation of such Party, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, or similar laws relating to or affecting the enforcement of creditors' rights.

2.3 **Consents and Approvals.** Neither of NIP or Duke, as applicable, are required to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order to consummate the transactions contemplated by this Agreement.

2.4 **Non-Contravention.** Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will violate in any material respect any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which NIP or Duke, as applicable, is subject. No approval, waiver, or consent by such Party under any instrument, contract, or agreement to which such Party or any of its affiliates is a party is necessary to consummate the transactions contemplated hereby.

2.5 **Ownership of Contributed Assets.** NIP has good, valid and marketable title to the NIP Contributed Assets, free and clear of any liens, pledges, encumbrances, security interests or other rights of other persons. Duke has good, valid and marketable title to the Duke Contributed Shares, free and clear of any liens, pledges, encumbrances, security interests or other rights of other persons. The Duke Contributed Shares are validly issued, fully paid and non-assessable.

2.6 **Purchase for Investment Only.** Each of NIP and Duke, as applicable, is purchasing the shares of stock provided for herein (the "**Shares**") for its own account for investment purposes only and not with a view to, or for resale in connection with, any "distribution" in violation of applicable laws, including without limitation the Securities Act. By executing this Agreement, each Party further represents that it does not have any contract, undertaking, agreement, or arrangement with any person or entity to sell, transfer, or grant participation to such person or entity or to any third person, with respect to any of the Shares. Each Party understands that the Shares have not been registered under the Securities Act or any

applicable state securities laws by reason of a specific exemption therefrom that depends upon, among other things, the bona fide nature of the investment intent as expressed herein.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF HOLDINGS

Holdings represents and warrants to each of NIP and Duke as of the Effective Date as follows:

3.1 **Organization and Standing**. Holdings is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to own and operate its properties and assets and to carry on its business as presently conducted and as proposed to be conducted.

3.2 **Power and Authorization**. Holdings has all requisite power to execute and deliver this Agreement and to carry out and perform its obligations under the terms of this Agreement. The execution, delivery, and performance of this Agreement by Holdings has been duly authorized by all requisite action, and this Agreement constitutes the legal, valid, and binding obligation of Holdings, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, or similar laws relating to or affecting the enforcement of creditors' rights.

3.3 **Consents and Approvals**. Other than the filing of the Restated Certificate with the Secretary of State of the State of Delaware, Holdings need not give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order to consummate the transactions contemplated by this Agreement.

ARTICLE 4 MISCELLANEOUS

4.1 **Indemnification**. Each Party (the "**Indemnifying Party**") shall indemnify and hold harmless the other Party or Parties from and against any damages, liabilities, costs and expenses (including reasonable attorneys' and professionals' fees and court costs) to the extent they arise out of any breach of this Agreement by the Indemnifying Party. All representations, warranties, covenants, and obligations in this Agreement shall survive this Agreement.

4.2 **Assignment; Successors and Assigns**. This Agreement may not be assigned by any Party hereto without the prior written consent of the other Parties, which shall not be unreasonably withheld. Subject to the foregoing, this Agreement and all provisions thereof shall be binding upon, inure to the benefit of, and are enforceable by the Parties hereto and their respective successors and permitted assigns.

4.3 **Notices**. All notices, requests, demands, and other communications required or permitted under this Agreement and any change in the address for notice under this Agreement shall be in writing and shall be deemed to have been duly given, delivered or received (i) when sent, if sent by facsimile (with immediate confirmation), (ii) on the same day, if sent by hand delivery, (iii) one business day after being sent, if sent by nationally recognized overnight

courier, or (iv) if sent by mail, then four business days after being sent by registered or certified mail. Unless otherwise directed by a Party in writing, notices shall be addressed as follows:

If to Holdings: Nygård Holdings (USA) Limited
1771 Inkster Blvd.
Winnipeg, Manitoba
R2X 1R3
Attention: Chief Financial Officer

If to NIP: Nygård International Partnership
1771 Inkster Blvd.
Winnipeg, Manitoba
R2X 1R3
Attention: Chief Financial Officer

If to Duke: Duke Investments (Bahamas) Ltd
1771 Inkster Blvd.
Winnipeg, Manitoba
R2X 1R3
Attention: Chief Financial Officer

4.4 **Governing Law.** This Agreement and the rights of the Parties shall be governed and construed in accordance with the laws of the State of Delaware without reference to conflict of law provisions or any other provisions which would result in the application of the laws of any jurisdiction other than the State of Delaware.

4.5 **Delays or Omissions.** No delay or omission to exercise any right, power or remedy accruing to any Party under this Agreement, upon any breach or default of any other Party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting Party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any Party of any breach or default under this Agreement, or any waiver on the part of any Party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any Party, shall be cumulative and not alternative.

4.6 **Headings.** The headings in this Agreement are for convenience of reference only and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction, or effect.

4.7 **Entire Agreement.** This Agreement embodies the entire understanding and agreement between the Parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings relating to the subject matter hereof.

4.8 **Expenses.** Each Party will bear its own costs and expenses in connection with this Agreement.

4.9 **Further Assurances.** The Parties agree to execute and deliver all such further documents, agreements and instruments and take such other and further action as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

4.10 **Counterparts.** This Agreement may be executed in counterparts, and by different Parties hereto on different counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Execution of a counterpart copy of a signature page to this Agreement by telecopy or electronic mail shall be effective as delivery of a manually executed counterpart of this Agreement.

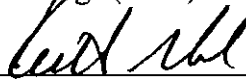
4.11 **Independent Nature of the Parties' Obligations and Rights.** Except as otherwise provided herein, the obligations of each Party under this Agreement are several and not joint with the obligations of any other Party hereto, and no Party shall be responsible in any way for the performance of the obligations of any other Party under this Agreement. Nothing contained in this Agreement and no action taken by any Party pursuant thereto, shall be deemed to constitute a Party and any other Party as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that a Party and any other Party are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by the Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have executed this Contribution Agreement effective as of the Effective Date.

HOLDINGS:

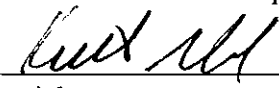
Nygård Holdings (USA) Limited

By: x 
Name: KEITH MENNER
Its: SECRETARY TREASURER

Date: April 11, 2012

NIP:

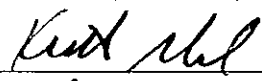
Nygård International Partnership

By: x 
Name: KEITH MENNER
Its: PRESIDENT, NYGARD SERVICES

Date: April 11, 2012

DUKE:

Duke Investments (Bahamas) Ltd.

By: x 
Name: KEITH MENNER
Its: CFO

Date: April 11, 2012

Exhibit A

NIP Contributed Assets

a. Fixed assets consisting of office furniture and fixtures located at:

1435 Broadway, New York, New York;

5409 Ocean Front Walk, Marina del Rey, California;

1 Yawl Street, Units A and B, Marina del Rey, California;

17 ½ Yawl Street, Marina del Rey, California; and

Marina del Rey Beach Lot, Marina del Rey, California.

b. Vehicles:

2002 Ferrari 360 Spider

Colour: Red

VIN Number: ZFFYT53A920130195

2006 Honda Ridgeline

Colour: Black

VIN Number: 2HJYK16506H524593

c. Goodwill of NIP

Exhibit B

Duke Contributed Shares

100% of the issued and outstanding shares of Nygård Inc.

Exhibit C

Restated Certificate

[to be attached]

CONTRIBUTION AGREEMENT

This Contribution Agreement ("**Agreement**"), dated as of January 1, 2012 (the "**Effective Date**") is by and among Nygård International Partnership, an entity formed under the laws of Manitoba ("**NIP**"), Nygård Properties (USA) Limited, a Delaware corporation ("**Properties**") and Bridgeport Ltd., a Bahamian entity ("**Bridgeport**"). Each of NIP, Properties and Bridgeport are referred to herein as a "**Party**" and collectively as the "**Parties**".

WHEREAS, Properties was incorporated pursuant to the General Corporation Law of the State of Delaware on December 8, 2011 and is a wholly-owned subsidiary of Bridgeport; and

WHEREAS, NIP owns the assets described on **Exhibit A** attached hereto (the "**NIP Contributed Assets**"); and

WHEREAS, Bridgeport is the legal and beneficial holder of record of the shares of stock described on **Exhibit B** attached hereto (the "**Bridgeport Contributed Shares**"); and

WHEREAS, NIP wishes to contribute the NIP Contributed Assets to Properties in exchange for newly-issued shares of preferred stock of Properties ("**Properties Preferred Stock**") and Bridgeport wishes to contribute the Bridgeport Contributed Shares to Properties in exchange for newly-issued shares of common stock of Properties ("**Properties Common Stock**"), all in accordance with the terms set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1 CONTRIBUTIONS AND ISSUANCE OF STOCK

1.1 **Contributions.** On the terms and subject to the conditions set forth in this Agreement:

(a) Effective as of 12:01 a.m. on the Effective Date, NIP shall contribute, sell, transfer, assign, convey and deliver to Properties, and Properties shall acquire and accept from NIP, all of its right, title and interest in and to the NIP Contributed Assets.

(b) Effective as of 12:01 a.m. on the Effective Date, Bridgeport shall contribute, sell, transfer, assign, convey and deliver to Properties, and Properties shall acquire and accept from NIP, all of its right, title and interest in and to the Bridgeport Contributed Shares.

1.2 **Assumed Liabilities.** Effective as of 12:01 a.m. on of the Effective Date, Properties shall assume all liabilities and obligations of NIP to the extent resulting from, relating to or arising out of the NIP Contributed Assets on or after the Effective Date (the "**Assumed Liabilities**"). Nothing contained herein shall prevent Properties or its affiliates from contesting in good faith any of the Assumed Liabilities with any third party obligee.

1.3 **Consideration; Issuance of Stock.**

(a) In consideration of the contribution of the NIP Contributed Assets and subject to the terms and conditions set forth herein, as soon as practicable following the Effective Date, Properties shall issue and deliver to NIP a formal stock certificate representing 500 shares of Properties Preferred Stock free and clear of all liens and encumbrances; provided, however, that the obligation of Properties to issue the Properties Preferred Stock to NIP is subject to the satisfaction of each of the following conditions: (i) Properties shall have effectively filed an Amended and Restated Certificate of Incorporation (the “**Restated Certificate**”) with the Secretary of State of the State of Delaware in substantially the form attached hereto as **Exhibit C**; (ii) the Board of Directors and sole stockholder of Properties shall have approved the filing of the Restated Certificate, and any other matters required by applicable law in relation to such stock issuance; and (iii) NIP shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement.

(b) In consideration of the contribution of the Bridgeport Contributed Shares and subject to the terms and conditions set forth herein, as soon as practicable following the Effective Date, Properties shall issue and deliver to Bridgeport a formal stock certificate representing 100 shares of Properties Common Stock free and clear of all liens and encumbrances; provided, however, that the obligation of Properties to issue the Properties Common Stock to Bridgeport is subject to the satisfaction of each of the following conditions: (i) Properties shall have effectively filed an Amended and Restated Certificate of Incorporation (the “**Restated Certificate**”) with the Secretary of State of the State of Delaware in substantially the form attached hereto as **Exhibit C**; (ii) the Board of Directors and sole stockholder of Properties shall have approved the filing of the Restated Certificate, and any other matters required by applicable law in relation to such stock issuance; and (iii) Bridgeport shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement.

(c) Each stock certificate issued by Properties in accordance with this Section 1.3 shall be endorsed with a legend in substantially the following form:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (“SECURITIES ACT”), OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL, IN A FORM REASONABLY ACCEPTABLE TO COMPANY, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT.”

ARTICLE 2

REPRESENTATIONS AND WARRANTIES OF NIP AND BRIDGEPORT

Each of NIP and Bridgeport represents and warrants to Properties as of the Effective Date as follows:

2.1 **Organization and Standing**. Each of NIP and Bridgeport, as applicable, is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to own and operate its properties and assets.

2.2 **Power and Authorization**. Each of NIP and Bridgeport, as applicable, has all requisite power to execute and deliver this Agreement and to carry out and perform its obligations under the terms of this Agreement. The execution, delivery, and performance of this Agreement by each Party has been duly authorized by all requisite action, and this Agreement constitutes the legal, valid, and binding obligation of such Party, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, or similar laws relating to or affecting the enforcement of creditors' rights.

2.3 **Consents and Approvals**. Neither of NIP or Bridgeport, as applicable, are required to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order to consummate the transactions contemplated by this Agreement.

2.4 **Non-Contravention**. Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will violate in any material respect any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which NIP or Bridgeport, as applicable, is subject. No approval, waiver, or consent by such Party under any instrument, contract, or agreement to which such Party or any of its affiliates is a party is necessary to consummate the transactions contemplated hereby.

2.5 **Ownership of Contributed Assets**. NIP has good, valid and marketable title to the NIP Contributed Assets, free and clear of any liens, pledges, encumbrances, security interests or other rights of other persons. Bridgeport has good, valid and marketable title to the Bridgeport Contributed Shares, free and clear of any liens, pledges, encumbrances, security interests or other rights of other persons. The Bridgeport Contributed Shares are validly issued, fully paid and non-assessable.

2.6 **Purchase for Investment Only**. Each of NIP and Bridgeport, as applicable, is purchasing the shares of stock provided for herein (the "**Shares**") for its own account for investment purposes only and not with a view to, or for resale in connection with, any "distribution" in violation of applicable laws, including without limitation the Securities Act. By executing this Agreement, each Party further represents that it does not have any contract, undertaking, agreement, or arrangement with any person or entity to sell, transfer, or grant participation to such person or entity or to any third person, with respect to any of the Shares. Each Party understands that the Shares have not been registered under the Securities Act or any

applicable state securities laws by reason of a specific exemption therefrom that depends upon, among other things, the bona fide nature of the investment intent as expressed herein.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES OF PROPERTIES

Properties represents and warrants to each of NIP and Bridgeport as of the Effective Date as follows:

3.1 **Organization and Standing**. Properties is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to own and operate its properties and assets and to carry on its business as presently conducted and as proposed to be conducted.

3.2 **Power and Authorization**. Properties has all requisite power to execute and deliver this Agreement and to carry out and perform its obligations under the terms of this Agreement. The execution, delivery, and performance of this Agreement by Properties has been duly authorized by all requisite action, and this Agreement constitutes the legal, valid, and binding obligation of Properties, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, or similar laws relating to or affecting the enforcement of creditors' rights.

3.3 **Consents and Approvals**. Other than the filing of the Restated Certificate with the Secretary of State of the State of Delaware, Properties need not give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order to consummate the transactions contemplated by this Agreement.

ARTICLE 4

MISCELLANEOUS

4.1 **Indemnification**. Each Party (the "**Indemnifying Party**") shall indemnify and hold harmless the other Party or Parties from and against any damages, liabilities, costs and expenses (including reasonable attorneys' and professionals' fees and court costs) to the extent they arise out of any breach of this Agreement by the Indemnifying Party. All representations, warranties, covenants, and obligations in this Agreement shall survive this Agreement.

4.2 **Assignment; Successors and Assigns**. This Agreement may not be assigned by any Party hereto without the prior written consent of the other Parties, which shall not be unreasonably withheld. Subject to the foregoing, this Agreement and all provisions thereof shall be binding upon, inure to the benefit of, and are enforceable by the Parties hereto and their respective successors and permitted assigns.

4.3 **Notices**. All notices, requests, demands, and other communications required or permitted under this Agreement and any change in the address for notice under this Agreement shall be in writing and shall be deemed to have been duly given, delivered or received (i) when sent, if sent by facsimile (with immediate confirmation), (ii) on the same day, if sent by hand delivery, (iii) one business day after being sent, if sent by nationally recognized overnight

courier, or (iv) if sent by mail, then four business days after being sent by registered or certified mail. Unless otherwise directed by a Party in writing, notices shall be addressed as follows:

If to Properties: Nygård Properties (USA) Limited
1771 Inkster Blvd.
Winnipeg, Manitoba
R2X 1R3
Attention: Chief Financial Officer

If to NIP: Nygård International Partnership
1771 Inkster Blvd.
Winnipeg, Manitoba
R2X 1R3
Attention: Chief Financial Officer

If to Bridgeport: Bridgeport Investments (Bahamas) Ltd
1771 Inkster Blvd.
Winnipeg, Manitoba
R2X 1R3
Attention: Chief Financial Officer

4.4 **Governing Law.** This Agreement and the rights of the Parties shall be governed and construed in accordance with the laws of the State of Delaware without reference to conflict of law provisions or any other provisions which would result in the application of the laws of any jurisdiction other than the State of Delaware.

4.5 **Delays or Omissions.** No delay or omission to exercise any right, power or remedy accruing to any Party under this Agreement, upon any breach or default of any other Party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting Party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any Party of any breach or default under this Agreement, or any waiver on the part of any Party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any Party, shall be cumulative and not alternative.

4.6 **Headings.** The headings in this Agreement are for convenience of reference only and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction, or effect.

4.7 **Entire Agreement.** This Agreement embodies the entire understanding and agreement between the Parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings relating to the subject matter hereof.

4.8 **Expenses.** Each Party will bear its own costs and expenses in connection with this Agreement.

4.9 **Further Assurances.** The Parties agree to execute and deliver all such further documents, agreements and instruments and take such other and further action as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

4.10 **Counterparts.** This Agreement may be executed in counterparts, and by different Parties hereto on different counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Execution of a counterpart copy of a signature page to this Agreement by telecopy or electronic mail shall be effective as delivery of a manually executed counterpart of this Agreement.


4.11 **Independent Nature of the Parties' Obligations and Rights.** Except as otherwise provided herein, the obligations of each Party under this Agreement are several and not joint with the obligations of any other Party hereto, and no Party shall be responsible in any way for the performance of the obligations of any other Party under this Agreement. Nothing contained in this Agreement and no action taken by any Party pursuant thereto, shall be deemed to constitute a Party and any other Party as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that a Party and any other Party are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by the Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have executed this Contribution Agreement effective as of the Effective Date.


PROPERTIES:

Nygård Properties (USA) Limited

By: 
Name: KEITH MENKA
Its: SECRETARY TREASURER
Date: April 11, 2012

NIP:

Nygård International Partnership

By: 
Name: KEITH MENKA
Its: PRESIDENT, NYGARD SERVICES
Date: April 11, 2012

BRIDGEPORT:

Bridgeport Ltd.


By: 
Name: KEITH MENKA
Its: CFO
Date: April 11, 2012

Exhibit A

NIP Contributed Assets

Leasehold interests and improvements in:

Lease between 1435 Broadway LLC c/o Sol Goldman Investments LLC ("1435 Broadway") and Nygård International Partnership ("NIP") dated October 15, 2005 and Lease Amendment and Modification Agreement between 1435 Broadway and NIP dated January 28, 2009 with respect to certain premises located at 1435 Broadway, New York, New York;

5409 Ocean Front Walk, Marina del Rey, California;

1 Yawl Street, Units A and B, Marina del Rey, California;

17 ½ Yawl Street, Marina del Rey, California; and

Marina del Rey Beach Lot, Marina del Rey, California.

Exhibit B

Bridgeport Contributed Shares

100% of the issued and outstanding shares of Edson's Investments Inc.

100% of the issued and outstanding shares of Brause Investments Inc.

F- Internal Tax Memo



Tax Department – Internal Memo

Date: February 26, 2009

To: Tax File

From: Doug Bale

Re: **Intercompany Loan Agreement(s) Base Currency**

1. While preparing the 2008 estimated tax return for NEL it was discovered that NIP does not denominate intercompany ("I/C") loans between Canadian affiliates in CAD as one would expect.
2. This led to an analysis that can be found in the supporting working papers related to the 2008 NEL tax return and a recommendation that the I/C loan be denominated in CAD rather than USD as is sometimes the case.
3. It was suggested that these I/C loans be supported by a legal agreement that reflects the nature of the I/C lending that takes place from time to time between affiliated Nygård companies.
4. Accordingly, the following language has been proposed for such an agreement:

Intercompany Loan Agreement

Whereas and from time to time Nygård International Partnership and its Affiliated Companies (including but not limited to Nygård Enterprises Ltd, 4093879 Canada Ltd, 4093887 Canada Ltd, Nygård Properties Ltd, Nygård Holdings Ltd, Nygård Inc, Brause Investments Inc and Edson's Investment Inc) are required to lend cash between such entities in order to facilitate the day-to-day business requirements of the particular entity;

And, whereas and from time to time such intercompany lending might arise in a currency other than Canadian dollars ("CAD");

The directors of these affiliated companies hereby acknowledge that any preceding general intercompany lending arrangement are hereby superceded by this Intercompany Loan Agreement and in consideration of good and valuable consideration the receipt of which is acknowledged, the resulting intercompany loan(s) shall be conducted and accounted for as follows:

1. Where the loan has been made between residents of the same country that loan shall be denominated in the currency of that country, unless the parties to that loan have a compelling business reason not to lend in the currency of that country in which case the loan shall be denominated in the agreed upon currency and a side agreement shall be duly executed and attached to this general agreement.
2. Cross-border lending shall be governed by the following agreement:

- i. Where the intercompany loan is between a Canadian company and a company that is not a resident of the United States of America the currency in which the intercompany lending is to be denominated in shall be in CAD. As a consequence of this arrangement it is acknowledged that any foreign currency fluctuation between the CAD and that other non-U.S. currency shall be borne by the non-Canadian entity.
- ii. Where the intercompany loan is between Nygård International Partnership and Nygård Inc the loan shall be denominated in the currency in which the transaction originates in unless the parties have agreed to some other arrangement and documented that arrangement in a side agreement duly executed and attached to this general agreement.

Dated this _____ day of _____ 2009.

Nygård International Partnership

Nygård Enterprises Ltd

Nygård Properties Ltd

4093879 Canada Ltd

4093887 Canada Ltd

Nygård Inc

Brause Investments Inc

Edson's Investment Inc

Nygård Holdings Ltd

APPENDIX M



THOMPSON
DORFMAN
SWEATMAN

MEMO TO: RICHTER ADVISORY GROUP INC. - ADAM
SHERMAN & ERIC FINLEY

FROM: MEL M. LABOSSIERE

RE: RICHTER ADVISORY GROUP INC. - NYGARD
RECEIVERSHIP – EVIDENCE OF THE
NYGARD GROUP RELATING TO ELEMENTS
OF CONSOLIDATION

DATE: JUNE 3, 2021

I have reviewed the evidence put before the Court by and on behalf of Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc., Nygard NY Retail, LLC (collectively, the “**US Debtors**”), Nygard Enterprise Limited (“**NEL**”), Nygard International Partnership (“**NIP**”), Nygard Properties Ltd. (“**NPL**”), 4093879 Canada Ltd., and 4093887 Canada Ltd. (collectively, the “**Canadian Debtors**” and together with the US Debtors, the “**Nygard Group**”) in connection with the Receivership Proceedings having Court of Queen’s Bench File No. CI 20-01-26627 to identify and extract evidence given by and on behalf of the Nygard Group, which may be considered in a determination as to whether the Nygard Group estates should proceed on a consolidated basis.

The purpose of this memorandum is to highlight the manner in which the Nygard Group represented and referred to itself, and each entity comprising the Nygard Group, and its business operations in the Receivership Proceedings. This memorandum does not purport to confirm or deny the truth of the statements made in the evidence given by the Nygard Group.

The following is:

1. a summary of the evidence which highlights certain themes present throughout the materials; and
2. a reference table which details the evidence given by the Nygard Group that may be considered as supporting consolidation and identifying the elements of consolidation that may be relevant in respect of the evidence; and
3. a reference table which details evidence contained in the two reports of A. Farber & Partners Inc. (the “**Proposal Trustee**”).

I. Summary

The Nygard Group has filed 21 affidavits (exclusive of affidavits of service and one confidential affidavit):

1. Thirteen of the affidavits are affirmed by Greg Fenske, who is described as “the Director of Systems for the Nygard Group of Companies”;
2. Three of the affidavits are affirmed (or sworn) by Peter Nygard, who is described as “the consultant for the Nygard Group of Companies”;

3. One affidavit is affirmed by Steve Mager, who is described as “a former employee of one or more of the Respondents”; and
4. Four of the affidavits are affirmed by third-parties.

Overall, 17 of the 21 affidavits are affirmed by persons described as having a role in the business operations of the “Nygard Group of Companies” or “one or more” members of the Nygard Group.

The evidence consistently refers to all entities collectively as, *inter alia*, “Nygard”, the “Nygard Group of Companies”, the “Debtors”, and the “Respondents”.

It is stated that “[t]he Nygard Group entities, either directly or through a series of holding companies, are 100% privately owned by Peter Nygard.”

The business operations of the Nygard Group are consistently described as one business enterprise related to the design, manufacture and supply of clothing. Additionally, it is stated that “it is accurate to describe Nygard as a North American company with a retail and wholesale business in Canada and a primarily wholesale business in the United States.”

The evidence consistently refers to assets without reference to ownership by a particular entity, but rather refers to assets as assets of the Nygard Group and “Nygard Group Resources”.

Similarly, the secured and unsecured creditors (e.g. “Respondents’ Landlords”), employees, and stakeholders are referred to as the secured and unsecured creditors, employees, and stakeholders of the Nygard Group, collectively.

Additionally, the evidence often focuses on the inability of the Nygard Group, or any one entity, to identify or know, with any certainty, where their books and records are located or “keywords” that could be used to locate documents on the “Nygard IT System”. This is only one example of the extent to which the Nygard Group comingled its business operations, books and records, and assets.

II. Evidence of the Nygard Group

I have reviewed the following Affidavits filed by and on behalf of the Nygard Group in this matter:

- | | |
|---|-----------------|
| 1. Affidavit of Greg Fenske affirmed March 11, 2020 | Document No. 13 |
| 2. Affidavit of Greg Fenske affirmed March 12, 2020 | Document No. 16 |
| 3. Affidavit of Greg Fenske affirmed March 18, 2020 | Document No. 24 |
| 4. Affidavit of Greg Fenske affirmed April 8, 2020 | Document No. 36 |

5.	Affidavit of Greg Fenske affirmed April 24, 2020	Document No. 43
6.	Affidavit of Greg Fenske affirmed May 14, 2020	Document No. 54
7.	Affidavit of Greg Fenske affirmed June 25, 2020	Document No. 87
8.	Affidavit of Peter Nygard sworn June 25, 2020	Document No. 88
9.	Affidavit of Greg Fenske sworn September 15, 2020	Document No. 122
10.	Affidavit of Greg Fenske affirmed September 29, 2020	Document No. 134
11.	Affidavit of Greg Fenske affirmed October 6, 2020	Document No. 137
12.	Affidavit of Greg Fenske affirmed October 20, 2020	Document No. 143
13.	Affidavit of Greg Fenske affirmed November 5, 2020	Document No. 150
14.	Affidavit of Peter Nygard affirmed November 12, 2020	Document No. 158
15.	Affidavit of Greg Fenske affirmed April 28, 2021	Document No. 198
16.	Affidavit of Robert Martell affirmed April 28, 2021	Document No. 199
17.	Affidavit of Myron Dyck affirmed April 28, 2021	Document No. 200
18.	Affidavit of Steve Mager affirmed April 29, 2021	Document No. 201
19.	Affidavit of Derrick Sigmar affirmed April 29, 2021	Document No. 202
20.	Affidavit of Aaron Wojnowski affirmed April 29, 2021	Document No. 203
21.	Affidavit of Peter Nygard affirmed May 3, 2021	Document No. 204

AFFIDAVIT OF GREG FENSKE AFFIRMED MARCH 11, 2020 Document No. 13		
PARA	STATEMENT	ELEMENTS OF CONSOLIDATION
1	I am the Director of Systems for the Nygard Group of Companies (hereinafter "Nygard") ...	Comingling of assets and business functions Operation as one business enterprise

2	Nygard is a clothing designer, manufacturer, supplier and retailer with its head office located in Winnipeg, Manitoba. It has multiple product lines and fashion brands, including Peter Nygard Collections, Bianca Nygard, Nygard SLIMS, ALIA, ADX and TanJay. It employs approximately 1,450 people worldwide, operates 169 retail stores in North America and supplies other retailers such as Dillard's Inc., Costco Wholesale Canada Ltd. and Walmart Canada.	Comingling of assets and business functions Operation as one business enterprise Profitability of consolidation at a single location
2	The Nygard Group entities, either directly or through a series of holding companies, are 100% privately owned by Peter Nygard.	Unity of interests in ownership
5	The Farber Group has filed a Notice of Intention to file a proposal on Nygard's behalf.	Operation as one business enterprise Comingling of assets and business functions Difficulty segregating assets
6	Nygard did not give Richter the requested contact list of its associates but did provide them with the payroll listing. Nygard did not provide Richter with the listing of the individual executives' salaries but did provide them with an aggregate total of the salaries. Nygard did advise Richter and White Oak that Peter Nygard does not draw a salary from Nygard.	Comingling of assets and business functions Operation as one business enterprise
8	Peter Nygard has announced his resignation as Director and Officer from Nygard.	Unity of interests in ownership
9	The Notre Dame Property is considered to be one property. Nygard owns 702 Broadway, for which it does not have an appraisal. However, its assessed value with the City of Winnipeg is \$1,800,000.00. The total of the 2018 mortgage appraised value / assessed value of the buildings secured to White Oak is \$27,535,000.00.	Comingling of assets and business functions

Exhibit "A"	The Appraisal of Real Property of 1 Niagara Street, Toronto Ontario dated May 15, 2018 is prepared for "Nygard International"	Comingling of assets and business functions Operation as one business enterprise
10	On March 11, 2020, Nygard received an offer to purchase 1 Niagara Street for \$24,000,000.00 from New York Brand Studio Inc. in trust; pursuant to the Credit Agreement, Nygard requires White Oak's approval to accept said offer.	Comingling of assets and business functions Operation as one business enterprise
11	Nygard has a significant amount of inventory.	Comingling of assets and business functions
11(a)	The first document is a Tiger report that was most recently done in November 2019; this report speaks to the quality of the reporting of Nygard's inventory. By way of example, a company can inflate the true value of its inventory by leaving old inventory and calling it good inventory. This report suggests that Nygard's calculation of its inventory value is accurate.	Comingling of assets and business functions Operation as one business enterprise
11(b)	Nygard has been providing weekly reports to White Oak on its current inventory and they have been accepting these reports. The most recent report, of which White Oak has a copy, shows Nygard's current inventory at \$67,000,000.00 at cost.	Comingling of assets and business functions Operation as one business enterprise
12	Approximately \$47,000,000.00 of Nygard's inventory is in warehouses operated by Nygard and \$20,000,000.00 of that inventory is in retail stores.	Comingling of assets and business functions Operation as one business enterprise
13	It is the position of Nygard, based on advice that it has received from its financial advisors, that a receiver would be value destructive to these assets as they would be sold in the ordinary course of a receiver as opposed to an orderly sale by Nygard who understands the business and the most logical purchasers	Comingling of assets and business functions Operation as one business enterprise



15	Nygard is currently in negotiations with Great American Capital, an alternative finance company and it is Nygard and Great American Capital's plan to complete financing by Friday March 20 to pay the loan owing to White Oak. Great American Capital has made an initial request of Nygard and Nygard is preparing the requested documents for Great American Capital's review.	Intercompany loan guarantees
16	The financing from Great American Capital would both buy out White Oak and provide financing to run the company through a controlled liquidation of selected assets and a restructuring of the business under new ownership.	Comingling of assets and business functions Operation as one business enterprise Unity of interests in ownership
17	The cash which is currently being swept by White Oak must be made available to Nygard to be able to be used to run the business.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets
18	In response to paragraphs 22 and 23, Richter was restricted access for two days because Nygard was filing a Notice of Intention	Comingling of assets and business functions Operation as one business enterprise
19	Dillard's had not initiated any significant reductions in the retail selling price of the Nygard inventory.	Comingling of assets Operation as one business enterprise
20	it is accurate to describe Nygard as a North American company with a retail and wholesale business in Canada and a primarily wholesale business in the United States. As referred to previously, Nygard best knows its own business and to whom to sell its product and how to restructure its business	Comingling of assets and business functions Operation as one business enterprise



		Profitability of consolidation at a single location
21	Farber has filed a Notice of Intention pursuant to <i>The Bankruptcy and Insolvency Act</i> and will monitor the process to ensure the best value is obtained for both the primary creditor, the trade debtors, the employees and the ownership.	<p>Unity of interests in ownership</p> <p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
22	Nygaard acknowledges that White Oak and partners are the first ranking security lender with respect to the listed collateral. Nygaard has been operating to date on this basis.	<p>Comingling of assets</p> <p>Intercompany loan guarantees</p>
23	Nygaard acknowledges that White Oak sweeps the accounts to centralize the money deposited to Nygaard. It is Nygarde's [sic] position that the filing of the NOI should return access to Nygaard of the proceeds of its wholesale and retail sales.	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Shared use of bank accounts</p> <p>Difficulty segregating assets</p> <p>Transfer of assets without observance of corporate formalities</p>
24	<p>Nygaard acknowledges that it has been given notice of default but it does not acknowledge that the default is of such a significant nature to trigger the ability for the creditor to make a demand for payment in full.</p> <p>It is Nygaard's position that it has operated the business in concurrence with the terms of the White Oak agreement but</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>

	that White Oaks willful refusal to extend required funding since January 3rd has resulted in wholesale inventory receipts being unpaid and customer's and its own retail stores have suffered lost sales as a result of it.	Intercompany guarantees
27	Nygard acknowledges the interruption of the Dillards relationship as a result of the negative press. Nygard is currently in active negotiations with Perry Ellis in a sale of inventory and services that would insure Dillards can continue to serve its existing Nygard customers through a new product label. This process is encouraged by Dillards as an effective solution for both them and Nygard International	Comingling of assets and business functions Operation as one business enterprise
28	Nygard asserts that there was never an intention to take any action that was outside of the Credit Agreement. Nygard's expectation was that it would work in conjunction with White Oak to minimize the disruption of business and the financial losses resulting from the interruption of the Dillard's supply.	Comingling of assets and business functions Operation as one business enterprise Intercompany loan guarantees
29	Nygard strongly denies that White Oaks collateral is impaired.	Comingling of assets and business functions Operation as one business enterprise Intercompany loan guarantees
30	Pursuant to Court order, Nygard forwarded to counsel for White Oak confirmation of funds available to meet payroll via a cash injection	Comingling of assets and business functions Operation as one business enterprise
31	Richter was permitted to enter the offices of Nygard on March 11, 2020	Comingling of assets and business functions



		Operation as one business enterprise
32	Attached hereto and marked as Exhibit "I" to this my Affidavit is a true copy of an email from Abe Rubinfeld, general counsel for Nygard	Comingling of business functions Operation as one business enterprise
Exhibit I	E-mail address is "@nygard.com" (not a specific entity). Abe Rubinfeld's signature is: <u>Abe.Rubinfeld@Nygard.com</u> <i>VP General Counsel</i> Toronto 416 598 6955 Visit: www.Nygard.com	Comingling of business functions Operation as one business enterprise
AFFIDAVIT OF GREG FENSKE AFFIRMED MARCH 12, 2020 Document No. 16		
1	I am the Director of Systems for the Nygard Group of Companies (hereinafter "Nygard")	Comingling of assets and business functions Operation as one business enterprise
2	Please find attached the Borrowing Base Certificate (hereinafter "BBC") which was forwarded to Farber	Operation as one business enterprise Intercompany loan guarantees
AFFIDAVIT OF GREG FENSKE AFFIRMED MARCH 18, 2020 Document No. 24		
1	I am the Director of Systems for the Nygard Group of Companies (hereinafter "Nygard")	Comingling of business functions Operation as one business enterprise
3	The Nygard Group of Companies hold funds in an account at Stifel and requisitioned \$1 Million dollars US from this	Comingling of assets and business functions



	<p>account to pay the payroll. These monies never made it into Nygard's Canadian bank accounts.</p> <p>These monies still have not made it into Nygard's Canadian bank account notwithstanding the efforts of the Nygard Management Group.</p> <p>Attempts are still being made to get the money into Nygard's Canadian bank accounts.</p>	<p>Operation as one business enterprise</p> <p>Shared bank accounts</p> <p>Difficulty segregating assets</p>
4	<p>When it appeared on Thursday of last week that these monies may not be deposited into the Nygard Canadian bank account in time to fund the payroll, the Nygard Management Group obtained a loan from Edson's Investments in the amount of \$500,000.00 US to fund payroll. When Richter provided the funds for payroll this loan was paid back to Edson and it was expected the monies from Stifel would be deposited into Nygard's Canadian bank account shortly. Once this money is paid into Nygard's Canadian bank account it will be paid to White Oak.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Shared bank accounts</p> <p>Difficulty segregating assets</p> <p>Intercompany guarantees</p>
5	<p>The money from Stifel did not come into the Nygard Canadian bank account and was not transferred to Edson.</p> <p>Find attached and marked as Exhibit "A" to this my Affidavit the following:</p> <p>(a) Nygard Enterprises Bank Account;</p> <p>(b) Bank of Montreal Wire Activity Report;</p> <p>(c) Bank of Montreal Detailed Report by Processing Date.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Shared bank accounts</p> <p>Difficulty segregating assets</p>
Exhibit "A"	<p>The first printout shows an NEL bank account.</p> <p>The second print out is a Wire Activity Report with the "Ordering Customer Name" of NIP for \$500,000.00</p> <p>The third printout is a Detail Report of Nygard Disbursement USD account showing an incoming wire of \$499,965.00 to Nygard, Inc.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>

		<p>Shared bank accounts</p> <p>Difficulty segregating assets</p> <p>Transfer of assets without observance of corporate formalities</p>
6	In response to paragraphs 13 to 19, the Nygard Group of Companies were writing to White Oak disclosing the monies needed for the following week to pay bills and how this amount was within the range contemplated by the original agreement.	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
7	In response to paragraphs 20 to 25, the estimated payroll for this week will be \$ 900,000 CAN and that will be funded by the Nygard Group Resources.	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Shared bank accounts</p> <p>Transfer of assets without observance of corporate formalities</p>
10	In response to paragraph 26 (c), there is an Offer to Purchase dated March 16th, 2020 between Nygard Properties Limited (the Vendor) and New York Brand Studio Inc. in trust (the Purchaser) which said Agreement is set out in writing	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
13	In response to paragraph 26 (f), the cash will be coming in from the sale of the assets until the stores are re-opened.	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>



		Transfer of assets without observance of corporate formalities
Exhibit "B"	<p>Offer to Purchase refers to contact for Vendor – NPL – as Abe.Rubinfeld@nygard.com</p> <p>The same email address was used by Abe Rubinfeld in relation to affairs of other Nygard Group companies.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
Exhibit "C"	<p>E-mail address is "@nygard.com" (not a specific entity).</p> <p>David Paton's signature is:</p> <p><u>David.Paton@Nygard.com</u> EXEC VP – GM Toronto 416 598 6955 Visit: www.Nygard.com</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
15	<p>In response to paragraph 27, the sale of the assets would allow bills be [sic] paid and this inventory would be released.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Shared bank accounts</p> <p>Transfer of assets without observance of corporate formalities</p> <p>Difficulty segregating assets</p>
16(a)-(d)	<p>The reasons for closing of the offices and store were:</p> <p>(a) For the safety of the associates and customers;</p> <p>(b) The reason for closing the offices and stores is for the safety of associates and customers. Our announcements in closing the main part (85%) of our business (the design offices and service center)</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>



	<p>were sent on Thursday 12, 2020 for closing the following day. See attached original email resulting in the closing of the non-retail portion of the business and proper preparation for the retail store closures marked as Exhibit "D". We were not in the position to give partial and perhaps misleading information earlier;</p> <p>(b) [sic] There was an incident in the Philipino community in Winnipeg with respect to an individual who had returned from the Philippines and potentially had contracted a Covid-19 virus. A significant portion of our work force comes from this community. We decided to close our Winnipeg offices as a safety precaution.</p> <p>(c) The reduced traffic in the retail stores, closing of malls, and the general economic circumstances.</p> <p>(d) White Oak and Farbers were not consulted prior to making these decisions as they were made quickly. It was the intention of the Nygard Group of Companies to explain this decision making process to White Oak and Farbers on March 17th.</p>	
Exhibit "D"	<p>The e-mail from David.Paton@Nygard.com regarding the closure of "the non-retail portion of the business" went to:</p> <p>Nygard_Winnipeg_ALL@Nygard.com, Toronto_Office@Nygard.com and TSC4_MGR@Nygard.com</p> <p>The e-mail states:</p> <p>"2 Effective FRI13 Nygard offices will be closed (w/the exception of Essential services) untill [sic] further notice.</p> <p>3 We will attempt to have as many ASSOC as possible work FRM home – we are reviewing this and will ADV</p> <p>- To be clear Nygard offices are closed EFF FRI12 in response to this unprecedented pandemic – "</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>



18	Sales of the Toronto buildings at 1 Niagara, the Inkster buildings, the Notre Dame building, and the Broadway building will generate \$25.4 million net dollars. See confidential Affidavit of Greg Fenske for the breakdown on the offers on the buildings and the inventory offer. The general plan is to use the monies from the sale of the buildings to pay \$20 million dollars to White Oak pursuant to their security and to allow the purchasers of the buildings in Manitoba to continue using the buildings in the fashion industry and to potentially retain the employees. Peter Nygard will no longer have any ownership interest in the buildings or the business.	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Transfer of assets without observance of corporate formalities</p> <p>Difficulty segregating assets</p> <p>Unity of interests in ownership</p>
21	The completion of these transactions would represent the culmination of the objectives of the Nygard Group of Companies which would be to pay off the indebtedness to the employees, suppliers and other stakeholders including White Oak Capital and allow these fashion jobs to be retained in Winnipeg.	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p> <p>Unity of interests in ownership</p>
22	This would also divest to the ownership of Peter Nygard and all of the Nygard Group of Companies under different ownership and would allow the different Purchasers the ability to move forward with the current employees of Nygard International.	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Unity of interests in ownership</p>
Exhibit "E"	The e-mail exchange includes the following participants: Abraham.Rubinfeld@Nygard.com, Greg.Fenske@Nygard.com, Peter.Nygard@Nygard.com	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>



	<p>The e-mail relates to the “steps taken to market the buildings” (para 23 of Affidavit).</p> <p>The participants included in the marketing of “the buildings” used the same e-mail addresses in relation to “Nygard International” matters.</p>	
26(d)	<p>The Transaction contemplated by this Agreement contains the following terms and conditions:</p> <p>(d) The Purchaser has conducted such inspections of the condition of the buildings and has satisfied itself with regard to these matters. No representation, warranty, or condition is expressed or can be implied as to (1) representation or warranty is made with respect to the accuracy of completeness of any information provided by the Proposal Trustee, Nygard, and their respective officers, directors, employees, and agents, to the Purchaser in connection with this Transaction. No representation, warranty, or condition has or will be given by the Proposal Trustee or Nygard concerning completeness or the accuracy of such descriptions.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
29	<p>It is my view that the consideration be paid under the Building Sale Agreement is reasonable and fair and is substantially higher than a liquidation value of the Nygard Group of Companies assets in a Bankruptcy or Receivership.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
30	<p>There are very substantial benefits to creditors, employees, suppliers, customers and other stakeholders arising from the completion of the transaction that could not be achieved without selling these assets.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
31-34	<p>31. The proceeds from the sale of the building at 1 Niagara will go to White Oak.</p>	<p>Comingling of assets and business functions</p>



	<p>32. The proceeds from the sale of the Manitoba properties when added to the monies received from the sale of 1 Niagara will go to White Oak up to a maximum of \$20,000,000.00.</p> <p>33. The proceeds from the sale of the Inventory assets will go to White Oak up to the maximum of the amount owing in excess of \$20,000,000.</p> <p>34. The remainder of the monies will go to the Proposal Trustee to make a proposal to pay the remaining creditors.</p> <p>NOTE: there is <u>no</u> specific reference to NPL or NIP and the proposed payment of proceeds is to have the remaining proceeds from the sale of the “Manitoba Properties” and “the Inventory assets” given the Proposal Trustee to pay remaining creditors.</p>	<p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
35	<p>The proposal provides for the payment of the Proposal Trustee and counsel for the Proposal Trustee who will be assisting with the transaction and the proposal proceedings, including the making of a proposal to the remaining creditors, if possible, and administration charge to secure payment to a limited amount. There are presently professional fees and disbursements outstanding to these professionals for services provided in relation thereto and further work in process has accumulated.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
37	<p>Following the closing of the transaction, the Nygard Group of Companies will no longer be carrying on an active business. The extension of time for the Proposal Trustee to make a proposal is required to enable to Nygard Group of Companies and the Proposal Trustee to conclude the transaction, including any post-closing obligations and to determine whether a revival proposal to the remaining creditors can be made</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
38	<p>I believe that the Nygard Group of Companies has acted, and is acting, in good faith and with due diligence in the proposal proceedings to date.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>



39	The Nygard Group of Companies has requested this Honorable Court grant an extension for the period of 30 days, on the premises that White Oak will be paid and will therefore not have an interest in the proposal proceedings going forward. If that is not the case, then the Nygard Group of Companies request that the stay be granted to March 30th, 2020.	Comingling of assets and business functions Operation as one business enterprise
41(a)-(c)	<p>Nygard Group of Companies requires the relief sought hereto to enable:</p> <p>(a) The closing of the transaction to the very substantial benefit of the creditors and other stakeholders;</p> <p>(b) The prompt repayment of secured lender who are entitled to payment from the proceeds of the transaction; and,</p> <p>(c) A determination to be made as to whether a viable proposal can be made to the remaining creditors. It is presently my expectation that subject to the adjustments to be made in the closing of the transaction, that there will be sufficient proceeds remaining after the payments contemplated to make such a proposal.</p>	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets
AFFIDAVIT OF GREG FENSKE AFFIRMED APRIL 8, 2020 Document No. 36		
1	I previously held the position of Director of Systems for the Nygard Group of Companies (hereinafter "Nygard")	Comingling of assets and business functions Operation as one business enterprise
2(b)	<p>I swear this affidavit in support of the following Orders:</p> <p>b. an Order (the "Amending Order") amending the Appointment Order (as hereinafter defined) to clarify the limited scope of the Receiver's appointment as it pertains to Nygard Enterprises Limited ("NEL") and Nygard Properties Limited ("NPL"); and</p>	Comingling of assets and business functions Operation as one business enterprise Intercompany loan guarantees



3	While this affidavit will address each of the Proposed Orders individually, the cumulative intent of the Proposed Orders is to clarify the Receiver's role as it pertains to both the Debtors and third parties, irrespective of whether the third parties are related to the Debtors.	Comingling of assets and business functions Operation as one business enterprise
4	Any terms not otherwise defined in this affidavit shall have the meaning ascribed to them in the Appointment Order. NOTE: "Debtors" is defined in the Appointment Order as follows: Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc., Nygard NY Retail, LLC, Nygard Enterprise Limited, Nygard International Partnership, Nygard Properties Ltd., 4093879 Canada Ltd., and 4093887 Canada Ltd. (collectively and any of them, the "Debtors")	Comingling of assets and business functions Operation as one business enterprise Intercorporate loan guarantees
5	The Debtors were engaged in the designing, manufacturing, supplying and selling of clothing and apparel. Prior to the Appointment Order the Debtors were a significant employer in both Canada and the United States.	Comingling of assets and business functions Operation as one business enterprise
6	The Debtors' corporate offices were situated in the same space as certain non-debtor operations located in both Winnipeg, Manitoba and Toronto, Ontario (the " Office Premises "). The Debtors also maintained storage, distribution and other operations from other non-debtor premises, including premises owned by (and leased to one, or more, of the Debtors) Edsons and/or Brause.	Comingling of assets and business functions Operation as one business enterprise Profitability of consolidation at a single location
7	The Debtors had a previous banking relationship with Bank of Montreal (" BMO ") which included a \$35 million revolving credit facility (the " BMO Facility ")	Comingling of assets and business functions Operation as one business enterprise Intercorporate loan guarantees



9	<p>The allegations against Peter, however unfounded, had a significant adverse effect on the Debtor's operations. Among the adverse effects was BMO demanding upon the BMO Facility, forcing the Debtors to seek alternative financing in a relatively short time-frame</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Intercompany loan guarantees</p> <p>Unity of interests in ownership</p>
10	<p>White Oak Commercial Finance, LLC ("White Oak") and Second Avenue Capital Partners ("Second Avenue" and together with White Oak are the "Lenders") provided financing that was used to retire the BMO Facility and provide additional working capital (the "White Oak Facility"). The White Oak Facility was produced at Exhibit "D" of the affidavit of Robert L. Dean affirmed in support of the Appointment Order and dated March 9, 2020 (the "Dean Affidavit").</p>	<p>Unity of interests in ownership</p> <p>Operation as one business enterprise</p>
11	<p>Paragraph 32 of the Dean Affidavit lists the various Debtors and whether they are borrowers or guarantors under the White Oak Facility. Unfortunately, paragraph 32 of the Dean Affidavit does not distinguish between guarantors and limited recourse guarantors. In fact it appears that the only reference to the Debtors that are only limited recourse guarantors is in a footnote at paragraph 49 of the Dean Affidavit.</p> <p>NOTE: this is the first time the Debtors have mentioned that Debtors (without mentioning which Debtors) are borrowers, guarantors and limited recourse guarantors</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Intercompany loan guarantees</p>
12	<p>While the Debtors disagree with the Dean Affidavit as to whether the Debtors "committed various events of default under the [White Oak Facility], White Oak was clearly not interested in continuing to work with Nygard immediately upon completing the transaction.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>



13	After several weeks of unsuccessful negotiations with White Oak, NEL, NPL, Nygard International Partnership, 4093879 Canada Ltd., and 4093887 Canada Ltd. (collectively, the " Canadian Entities ") sought creditor protection pursuant to the Bankruptcy and Insolvency Act (the " NOI Proceeding ")	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p> <p>Intercorporate loan guarantees</p>
15	At the Time of the Appointment Order, the Debtors operated from a number of facilities located in Canada and United States (the " Debtor Facilities ").	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
16	Some of the Debtor Facilities are shared with certain parties who are not Debtors (the " Non-Debtors ") including Edsons Investments Inc. (" Edsons ") and Brause Investments Inc. (" Brause "). Once appointed the Receiver took possession of the Debtor Facilities and excluded the Non-Debtors from accessing their assets, property and undertaking, including various corporate records.	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
19	Finally, there are certain records of the Debtor that are required by Directors of those entities so that they may review in the event that the NOI Proceeding can be recommenced.	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p> <p>Unity of interest in ownership</p>



22	<p>The proposed Document Disclosure Order attached at Exhibit "B" strikes a balance between the Receiver's need to maintain control of the Debtor documents, while acknowledging the Non-Debtors' property, assets and undertaking fall outside the scope of the Receiver's appointment.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p> <p>Profitability of consolidation at a single location</p>
23	<p>I am advised by Abe Rubinfeld, who previously held the position of general counsel to the Nygard Group of Companies, and I do verily believe that over the course of the weeks following granting of the Appointment Order, he had occasion to review the Dean Affidavit and compare its contents with the White Oak Facility and documents that are ancillary to the White Oak Facility. Specifically (and as eluded to in paragraph 11 above), he has had cause to consider paragraph 32 of the Dean Affidavit and how it addresses NEL and NPL's guarantee obligations under the White Oak Facility.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Intercompany loan guarantees</p>
24	<p>The White Oak Facility defines Limited Recourse Guarantor as being NEL and NPL. Article 11.09 of the White Oak Facility states that:</p> <p>Notwithstanding anything to the contrary contained in this Article X1, Agent's recourse with respect to the Limited Recourse Guarantors shall be limited to the assets encumbered by the Mortgages and assets pledged by each Limited Recourse Guarantor pursuant to the Securities Pledge, and neither Agent nor Lenders shall enforce such liability against any other asset or property of the Limited Recourse Guarantor</p> <p>[original emphasis]</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Intercompany loan guarantees</p>
25	<p>The relevant Securities Pledge and Mortgages can be found at Exhibit "F", Exhibit "H" and Exhibit "I" of the Dean Affidavit. For ease of reference, I can advise that the Mortgages refers to mortgages granted by NPL to the Lenders on the Office Premises and that the Securities Pledge relates to shares owned by NEL in 4093879 Canada</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>



	<p>Ltd. (one of the Debtors) and shares owned by both NPL in 4093887 Canada Ltd. (another of the Debtors).</p> <p>NOTE: "Office Premises" is defined as "The Debtors' corporate offices were situated in the same space as certain non-debtor operations located in both Winnipeg, Manitoba and Toronto, Ontario (the "Office Premises")"</p>	<p>Intercompany loan guarantees</p> <p>Unity of interests in ownership</p> <p>Profitability of consolidation at a single location</p>
26	<p>Counsel to NEL and NPL wrote to Receiver's counsel and raised the issue of the Receiver's mandate as it pertains to both NEL and NPL. A copy of the letter from NEL and NPL's counsel to Receiver's counsel dated April 5, 2020 (the "April 5 Letter") is attached hereto as Exhibit "C"</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Intercompany loan guarantees</p>
27	<p>On April 6, 2020 Receiver's counsel responded to the April 5 Letter by stating that it was White Oaks' understanding that the real property subject to the Mortgages and the shares subject to the Securities Pledge encapsulated all of NEL and NPL's property, assets and undertaking and thus the Appointment Order, as issued, is appropriate. A copy of the e-mail from Receiver's counsel dated April 6, 2020 (the "April 6 E-Mail") is attached hereto as Exhibit "D".</p>	<p>Intercompany loan guarantees</p>
<p>AFFIDAVIT OF GREG FENSKE AFFIRMED APRIL 20, 2020 Document No. 43</p>		
1	<p>previously held the position of Director of Systems for the Nygard Group of Companies (hereinafter "Nygard")</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
2(b) and (c)	<p>This is a supplemental affidavit to the affidavit that I affirmed on April 8, 2020 and is in support of the Respondents' two Notices of Motion before the Court on April 29, 2020. This affidavit addresses recent developments in the Respondents' and Non-Debtors' interactions with the Receiver. Specifically, this affidavit addresses:</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>



	<p>b. attempts to address "tailing coverage" matters relating to an insurance policy provided by AIG Insurance Company of Canada and procured by Nygard Enterprises Ltd. (the "Insurance Policy"). A copy of the portion of the Insurance Policy in my possession is attached hereto and marked as Exhibit "O"; and</p> <p>c. the Receiver's request for a Key Employee Retention Plan ("KERP"), particularly as it may pertain to the Debtors' Chief Executive Officer (Sajjad Hudda) and Chief Financial Officer (Kevin Carkner).</p>	
12	<p>On April 18, 2020, counsel for the Respondents wrote to counsel for the Receiver to advise that the Directors and Officers of the companies in receivership (the "Debtor Companies") were inquiring about the status of the Directors and Officers insurance policies purchased by some, or all, of the Debtor Companies. He advised that their understanding is that it is a "claims made" policy that expires in June or July of this year and that the Directors and Officers understand that there is an ability to purchase tailing coverage of either three years or six years. Counsel advised that the Directors and Officers would like the Receiver to purchase the tailing coverage option for them, or, failing that, instruct the Debtor Companies' insurance broker (who is believed to be HUB Insurance) to purchase the tailing coverage providing that the Directors and Officers personally pay for said coverage.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
14	<p>On April 20, 2020, counsel for the Respondents wrote to counsel for the Receiver that the Directors advise that this matter is of urgency the Directors.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
15	<p>On April 22, 2020, counsel for the Respondents wrote to counsel for the Receiver as follows: "To provide context on the urgency of this request, the applicable policy expires on June 1, 2020 and the purchase of tailing coverage must be both declared and paid for no later than 30 days before the policy expires (i.e. May 1, 2020). To that end, can you please confirm that the Receiver will assist the Directors and Officers in procuring the tailing coverage ASAP so that it can arrange funding for that policy.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>



16	<p>On April 22, 2020, counsel for the Receiver responded to counsel for the Respondents to advise that it did not yet have instructions regarding this issue and further stated as follows: "My understanding is that D&O coverage is part of a "global" policy including different types of coverages that extend to the "debtor" entities, and also "nondebtor" entities. To the extent that the Receiver accommodates your client's request and assists in arranging the D&O tail (at your clients' cost), it would only be able to do so in respect of the coverage that relates to the "debtor" entities. Non-debtors will have to place their own coverage, separately. Is that also your understanding of what is being requested? I assume that it is the D&O tail in respect of the debtor entities that is of particular interest to your clients.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
17	<p>On April 23, 2020, counsel for the Respondents responded to counsel for the Receiver and advised as follows:</p> <p>"I am afraid your e-mail underscores the fundamental document and knowledge imbalance occasioned by the Receiver being in possession of most, if not all, of the Debtor and Non-Debtor books and records with the Debtors and Non-Debtors not being granted access to any of those documents.</p> <p>My clients have been provided with an insurance policy (or at least a portion of an insurance policy) issued by AIG (and procured by HUB as broker) that appears to have been purchased by Nygard Enterprises Ltd. The policy appears to provide Directors & Officers insurance through to June 1, 2020. The policy also appears to allow for the purchase of tailing coverage providing that the right to purchase tailing coverage is exercised at any time up to 30 days before expiry of the policy. Based on the definitions of Subsidiary contained in the policy, it is possible that the policy extends to both Debtor and Non-Debtor entities. We attach the AIG policy (or portion thereof) that we have been provided with.</p> <p>I note that this insurance policy is caught by the existing Appointment Order. This is but one example of an asset that should not be under the Receivers control, but would not have been known to the debtors if it had not been provided to the Debtors through other means. If the Appointment Order was more targeted in terms of the Nygard Enterprises assets subject to the Appointment Order, the company and its Directors could have dealt with this matter on their own.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise Difficulty segregating assets</p> <p>Profitability of consolidation at a single location</p>



	<p>Your e-mail suggests there may be other insurance policies that speak to D&O coverages and we understand that this may in fact be the case. Unfortunately (and as mentioned above), my clients have no way of confirming that given the receivers restraint on access to books and records. We would be obliged if the Receiver provided us with copies of all insurance policies that they are aware of.</p> <p>Finally, and based solely on the policy attached, it appears that your distinction between "debtors" and "non-debtors" is a distinction without a difference. The policy was issued to Nygard Enterprises Ltd. (which, at this point, is a debtor) and the policy requires the Named Entity (defined in the policy as Nygard Enterprises Ltd.) to acquire the tailing coverage. As such, the Receiver would have to provide instructions to both HUB and AIG on behalf of Nygard Enterprises Ltd., irrespective of whether the coverage includes "debtor" and "non-debtor" entities."</p>	
Exhibit "O"	See quote above.	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
18	<p>On April 24, 2020, counsel for the Receiver wrote to counsels for the Respondents to advise as follows: the Receiver is aware of the attached supplemental D&O policy. If there are other D&O policies (than the AIG policy you circulated yesterday and the attached Trisura policy), the Receiver not aware of them. Please confirm in detail what it is that your clients are requesting the Receiver to do, how your clients will fund premium amounts, and when you consider that it is required to be done by.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
19	<p>On April 24, 2020, counsel for the Respondents wrote to counsel for the Receiver and advised that the ideal option would be for the Receiver to provide written confirmation to HUB and AIG that they can take instructions directly from certain Directors/Officers regarding acquiring the tailing coverage in the AIG (and perhaps the Trisura) policy.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>



		Difficulty segregating assets
21	On April 8, 2020, counsel for the Respondents wrote to counsel for the Receiver to advise of its concerns regarding Mr. Hudda and Mr. Carkner; he advised that there is a concern that are in the midst of assembling a buyer group to purchase some, or all, of the assets of the receivership companies and are using their engagement with the receiver to obtain an advantage in any sales process. Counsel for the Respondents further advised that there is a concern that non-debtor information could be disseminated to third parties without authorization.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets
22	On April 21, 2020, counsel for the Receiver wrote to counsel for the Respondents and advised that both Mr. Hudda and Mr. Carkner currently have the same access to information in the Nygard Group's electronic system that they had prior to the receivership.	Comingling of assets and business functions Operation as one business enterprise
23	In response to paragraph 87 - 88 of the Receiver's First Report, I am advised by Angela Dyborn, an officer of Edsons, and do verily believe, that she directed Edsons to forward loan money to cover the payroll on March 12, 2020.	Comingling of assets and business functions Operation as one business enterprise
24	Edsons did not make a loan to NEL.	Transfer of assets without observance of corporate formalities
28	It continues to be the position of the Nygard Group of Companies that White Oak was in breach of its agreement when it refused to provide further funding pursuant to its credit facility. The Nygard Group of Companies disputed White Oak's formula calculation. The Nygard Group of Companies' position was that there was still room on the credit facility to meet the payroll on March 12, 2020 and that White Oak had an obligation to fund NIP in that regard. NOTE: this is the first time NIP is specifically referred to in relation to payroll in the evidence filed by the Nygard Group	Comingling of assets and business functions Operation as one business enterprise Intercompany loan guarantees



AFFIDAVIT OF GREG FENSKE AFFIRMED MAY 13, 2020		
Document No. 54		
1	I previously held the position of Director of Systems for the Nygard Group of Companies (hereinafter " Nygard ")	Comingling of assets and business functions Operation as one business enterprise
2	<p>This affidavit is affirmed in support of a motion by Edson's Investments Inc. ("Edson's") and Brause Investments Inc. ("Brause" and together with Edson's are the "Landlords") for, amongst other things, an Order compelling the Receiver to pay occupation rent for the California Premises (as hereinafter defined) from March 18, 2020 (the "Appointment Date") until the date upon which the Receiver ceases to occupy the Premises and to define the Receiver's obligations as a tenant of the California Premises.</p> <p>NOTE: although Greg Fenske previously held the position of Director of Systems for the "Nygard Group of Companies", he proceeds to give evidence on behalf of Edson's and Brause.</p> <p>The affidavit deals with the Gardena Properties.</p>	
AFFIDAVIT OF GREG FENSKE AFFIRMED JUNE 24, 2020		
Document No. 87		
1	I was the Director of Systems for the Nygard Group of Companies (hereinafter "Nygard")	Comingling of assets and business functions Operation as one business enterprise
4	I am advised by Peter Nygard, and do verily believe, that Peter Nygard put in an offer to rent and/or buy the 2 separate buildings (that make up his residence and offices) that are attached to the 1340 warehouse. These offers remain outstanding.	Comingling of assets and business functions
5	I have personally seen Peter Nygard in this residence on numerous occasions over the course of the past year as I have frequently worked out of this location in my capacity as an employee of the Nygard Group of Companies.	Comingling of assets and business functions



		Operation as one business enterprise Profitability of consolidation at a single location
7	<p>I am advised by Peter Nygard, and do verily believe, while he was out of his residence, at his summer lake residence, the Receiver changed the locks at 1340 Notre Dame Avenue and Peter Nygard could not gain re-entry.</p> <p>NOTE: the “summer lake residence” is a property owned by NPL. This is not mentioned in the Affidavit.</p>	Comingling of assets and business functions Treatment of assets without observance of corporate formalities
8	<p>I am advised by Peter Nygard, and do verily believe, it was always his intention to continue his residence at 1340 Notre Dame during the summer while he spent most of his time at his summer lake residence.</p> <p>NOTE: again, “his summer lake residence” is owned by NPL. This is not mentioned.</p>	Comingling of assets and business functions Treatment of assets without observance of corporate formalities
12	<p>I am advised by Peter Nygard, and do verily believe, Peter Nygard agreed to have someone attend on his behalf to pick up some of his belongings. It is Peter Nygard's position some of his belongings are still at 1340 Notre Dame.</p>	Comingling of assets and business functions Difficulty segregating assets
13	<p>I am advised by Peter Nygard, and do verily believe, that he is the rightful owner of his personal training equipment contained in his personal office areas and the Excalibur and the Hummer that were provided for his personal use as part of his remuneration package.</p> <p>NOTE: there is no reference to which corporation provided the alleged “remuneration package”.</p>	Comingling of assets and business functions Difficulty segregating assets Purported transfer of assets without observance of corporate formalities
AFFIDAVIT OF PETER NYGARD AFFIRMED JUNE 25, 2020 Document No. 88		



1	I was the consultant for the Nygard Group of Companies (hereinafter "Nygard")	Comingling of assets and business functions Operation as one business enterprise
4	I submitted an offer March 27th to rent and/or buy the 2 separate buildings (that make up my residence and offices) that are attached to the 1340 warehouse. These offers remain outstanding.	Comingling of assets and business functions
7	My offer becomes even more practical since there does not appear to be any firm Possession Date especially since the building is full of inventory and building materials that will take a considerable amount of time to sell especially at the pace that they are now going. After 3 months; the Receiver has recently just started to liquidate the 1340 Notre Dame and warehouse building material inventory, even though the construction industry has remained very active and in full employment during the COVID-19 Pandemic.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets Profitability of consolidation at a single location
11	It was always my intention to continue my residency at 1340 Notre Dame during the summer, even though I spent most of my time at my summer lake residence. NOTE: "my summer lake residence" is property owned by NPL. This is not mentioned in the Affidavit.	Comingling of assets and business functions Treatment of assets without observance of corporate formalities
13	I instructed two of my associates to pick up some of my belongings from the premises. However, they were prevented by the Receiver from taking many of my personal items which still remain at 1340 Notre Dame.	Comingling of assets and business functions Difficulty segregating assets
14	I am the rightful owner of personal training equipment contained in my personal office areas, the [1977] Excalibur and the [2005] Hummer that were provided for my personal use as part of my remuneration package.	Comingling of assets and business functions



	NOTE: there is no reference to which corporation provided the alleged “remuneration package”.	Purported transfer of assets without observance of corporate formalities Difficulty segregating assets
15	Many of the associates who had been working at 1340 Notre Dame have still not been allowed to pick up their personal items. The property of the estate of my sister Liisa Nichol Johnson is being withheld by the Receiver.	Comingling of assets and business functions Treatment of assets without observance of corporate formalities Difficulty segregating assets
AFFIDAVIT OF GREG FENSKE SWORN SEPTEMBER 13, 2020 Document No. 122		
1	I am a Director of certain of the Respondents	Comingling of assets and business functions Operation as one business enterprise
2	On March 9, 2020 Nygard Enterprises Ltd. (" NEL "), Nygard Properties Ltd. (" NPL "), 4093879 Canada Ltd. (" 3879 "), 4093887 Canada Ltd. (" 3887 "), and Nygard International Partnership (" NIP ", and together with NEL, NPL, 2879, 3887 are the " Canadian Borrowers ") filed a notice of intention to file a proposal (the " NOI ") pursuant to the <i>Bankruptcy and Insolvency Act</i> (the " BIA "). NOTE: NEL and NPL are now referred to as the “Canadian Borrowers”	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets Intercompany loan guarantees
6	By Order dated June 2, 2020, the Court granted an Order providing, amongst other things, a priority charge for rent payments owing to certain of the Respondents' landlords (the " Landlord Charge Order ").	Comingling of assets and business functions

		Operation as one business enterprise
7	<p>Nygard Inc. was the tenant of certain warehouse premises located in Gardena, California (the "California Properties"). The California Properties are owned by Edson's Investments Inc. ("Edson's") and Brause Investments Inc. ("Brause" and together with Edson's are "E/B") and were used by the Respondents as its distribution centre in the United States.</p> <p>NOTE: Nygard Inc. was the tenant but the properties were "used by the Respondents"</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
12(e)	<p>On September 8, 2020, the parties concluded their negotiations by entering into a settlement agreement (the "Settlement Agreement"). A redacted version of the Settlement Agreement can be found at Appendix "A" to the Receiver's seventh report dated September 10, 2020, but the Settlement Agreement includes:</p> <p>(e) the Canadian Borrowers' obtaining an Order withdrawing the NOI proceedings without prejudice to the Canadian Borrowers (together with some, or all, of the remaining Respondents) filing a new NOI at a later date.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
13	<p>The balance of this affidavit will focus on Canadian Borrowers' withdrawal of the NOI.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
14	<p>Prior to filing the NOI, the Canadian Borrowers consulted with A. Farber & Partners Inc. ("Farber") about acting as the Trustee under the NOI (the "Proposal Trustee").</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
15	<p>As the Canadian Borrowers do not have access to their books and records, they cannot find a signed copy of its engagement letter, however, a redacted, partially signed copy the letter agreement between Farber and the Canadian Borrowers dated March 8, 2020 (the "Retainer Agreement") is attached as Exhibit "G".</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>

Exhibit "G"	<p>The Farber retainer letter is addressed to all of the Canadian Debtors at the same address 1 Niagara Street.</p> <p>Attention: Mr. Peter Nygard</p> <p>In the letter the Canadian Debtors are collectively referred to as "Nygard"</p> <p>Abe Rubinfeld signed for each of the Canadian Debtors as VP and General Counsel.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Unity of interests in ownership</p>
17	<p>However, the Canadian Borrowers are aware of the Receiver's reports advising that it will likely be in a position to repay the Lenders in full, including any borrowings made pursuant to the Appointment Order. In that regard, it is possible that some, or all, of the Canadian Borrowers may wish to file an NOI in the future.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
21	<p>Further, pursuant to the terms of the Settlement Agreement, Edson's has agreed to advance, by way of loan to the Debtors, certain outstanding payments owed by the Debtors to the Receiver and resolved pursuant to the terms of the Settlement Agreement. As security for the loan from Edson's, NPL has agreed to grant Edson's a collateral mortgage over the Non-Receivership Property (the "Collateral Mortgages").</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Intercompany loan guarantees</p>
22	<p>At various points after the Appointment Order was made, the Directors of the Canadian Borrowers (including NPL) have resigned their positions. By shareholders meetings held on September 11, 2020, I was appointed as Director of the Canadian Borrowers (the "Shareholder Meetings"). I, as Director of NPL, have executed the Settlement Agreement and have agreed to grant the Collateral Mortgages to Edson's and understand the Receiver is aware of this arrangement.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Intercompany loan guarantees</p>
23(a)	<p>Accordingly, the Canadian Borrowers respectfully request an Order containing, amongst other things:</p> <p>(a) withdrawing the NOI without prejudice to the Canadian Borrowers (or any of them) resubmitting an NOI in the future;</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>



AFFIDAVIT OF GREG FENSKE AFFIRMED SEPTEMBER 29, 2020		
Document No. 134		
1	I was the Director of Systems for the Nygard Group of Companies (and I am now a director of the Debtors)	Comingling of assets and business functions Operation as one business enterprise
2	The Debtor and Non-Debtor companies require current financial records for all companies in order to assess their financial situation and make decisions.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets Profitability of consolidation at a single location
3	The Debtors have engaged Albert Gelman Inc. ("AGI"), a Licensed Insolvency Trustee, as it's consultant to, amongst other things, conduct an assessment of the Debtor's options and recommend a strategy for next steps, in accordance with the Bankruptcy and Insolvency Act and the Superintendent of Bankruptcy's Directives.	Comingling of assets and business functions Operation as one business enterprise
4	AGI's role will, in part, be to assess the viability of a proposal to the Debtor's unsecured creditors so that the Unsecured Creditors can decide if a formal Proposal is satisfactory for them or if they prefer that the Debtor's assets be realized through a bankruptcy process.	Comingling of assets and business functions Operation as one business enterprise
5	In this regard, AGI has advised that it requires the following information to conduct its review, pursuant to the BIA. a. Current chart of accounts; b. Current detailed trial balance; c. Detailed trial balance reports as at year end for each of the previous five fiscal years; d. Detailed GL report showing all posted transactions for each of the previous five fiscal years; e. Corporate tax returns for each of the previous five years;	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets



	<p>f. For any/all intercompany accounts, detailed GL reports showing all transactions for the previous five years;</p> <p>g. Where there were transactions with related entities outside of the Corporate Group, detailed GL reports from those entities showing all transactions between each of them and the entities comprising the Corporate Group;</p> <p>h. Externally produced financial statements for the previous five years;</p> <p>i. Current aged accounts payable listing;</p> <p>j. Current aged accounts receivable listing;</p> <p>k. Three most recently prepared bank reconciliations;</p> <p>l. Most recent notice of (re)assessment from the CRA with respect to both HST and corporate income taxes;</p>	Profitability of consolidation at a single location
6	<p>Some of the required items will need to be produced from Microsoft Dynamics AX (hereinafter "the AX System") financial system that is currently operating on the Inkster servers. The Receiver has previously advised that it has used and continues to use the Ax System to record all accounting transactions in the ordinary course.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p> <p>Profitability of consolidation at a single location</p>
7	<p>The DEFA process which has been in use for the past six months is dependent on keyword and other search criteria that are then applied to reports and records which have already been saved to the server. We have not been able to obtain the information that we require as we don't know the names or naming conventions of the documents saved to the servers so the keyword searches have not worked.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
10	<p>The Receiver has advised that the Inkster building has been conditionally sold and they intend on either returning the servers to the Debtors or abandoning/destroying the servers housed there, which includes the critical data housed within the servers. The Receiver's draft Court Order proposes that the servers be turned-over to the Nygard Group of Companies to be relocated and set up elsewhere.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>



		Profitability of consolidation at a single location
13	In an effort to find a solution that would allow the Debtors to obtain the data that they require, on Monday, September 28, 2020, I spoke with Garret Soloway, former IT Technical Systems Manager for the Nygard Group of Companies, to discuss the physical condition of the Inkster servers and the likelihood of being able to relocate them to a new location and have them function in order to extra the data.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets Profitability of consolidation at a single location
16	Due to the risks and expenses in attempting to relocate the servers, as set out above, it is not a viable option or means for the Debtor and Non-Debtor companies to regain access to files and records to which they are entitled.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets Profitability of consolidation at a single location
18	The Receiver's offer to turn over servers that the Receiver does not require is also not satisfactory as there is no guarantee that the servers will work offsite and, since servers communicate with each other, providing some servers may make the entire server system nonfunctional. Furthermore, given that we don't have access to the servers we don't know what server contains the information that we need.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets Profitability of consolidation at a single location



20	As part of my former responsibilities for the Nygard Companies, I created a process that allowed our external and government auditors to access all of the financial systems in a "read only" mode that allowed access to all summary and detailed reporting data.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets
21	Our concern is if we do not get this information immediately, that it will be forever lost to us. This information is not only critical for AGI's review but also may be needed to verify claims of unsecured creditors.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets
23	David Brough, formerly the Nygard Software System Architect, who is still employed 'on call' by the Receiver, is a secure 3rd party. He has the technical and software experience to run the required reporting and extracts based on the requests and needs of the Debtor and Non- Debtor companies.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets Profitability of consolidation at a single location
24	I have been advised by American counsel for Peter Nygard, Robert Radick, and do verily believe, that Plaintiffs counsel for the class action lawsuit in the state of New York contacted him asking for assurances no documents are to be destroyed, failing such assurances, that Plaintiff's counsel would be seeking an order the documents not be destroyed.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets



Document No. 137		
1	was the Director of Systems for the Nygard Group of Companies (and I am now a director of the Debtors)	Comingling of assets and business functions Operation as one business enterprise
2	In my role as the Director of Systems I was responsible for the integration of the IT with the Finance systems which puts me in an expert position to comment on the statements and proposals presented by the Receiver.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets Profitability of consolidation at a single location
3	The current Nygard systems reflect their origin in the 80's as world class IT systems: as best of breed Nygard IT became the standard of the industry worldwide. I was responsible for designing and implementing the migration to new leading-edge Microsoft AX cloud based Azure solution.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets Profitability of consolidation at a single location
4(a)-(d)	I am writing this Affidavit in support of the Respondents' efforts to: a. obtain the financial information they require to allow Albert Gelman Inc. to assess the financial status of the three debtors and two limited guarantee companies; b. to secure the documents required to be preserved by Peter Nygard and the Debtor companies as	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets



	<p>outlined in subpoenas from the US attorneys and the American civil litigation;</p> <p>c. To amend the Documents and Electronic Files Access Order (DEFA); and</p> <p>d. To stop the sale of the Inkster building.</p>	
5	<p>In order to assess the global financial status, and in particular, the intercompany debt of the companies, the Respondents must have access to the financial records of the non-debtor companies as well as the all of the other companies of the Nygard Group that are not covered by the Receivership.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p> <p>Transfer of assets without observance of corporate formalities</p> <p>Profitability of consolidation at a single location</p>
7	<p>The Receiver has insisted that the Respondents must complete a Documents and Electronic Files Access Order (DEFA) request before it will begin the work to provide the critical financial reports. It is the Respondents' position that the Receiver could have and should have started this work, and begun to provide the information requested from the AX system, on a daily basis as early as Friday, October 2, 2020.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
9	<p>The Respondents took from this acknowledgement that the Receiver would immediately direct the Nygard Financial staff working with Richter in the Inkster building to begin producing the 8 reports they did have clear direction on.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>



13	Due to the Receiver's request for clarification of only 4 of 12 requests for financial data from the AX financial system, the Respondents' requests for basic financial reports has been delayed by at least five days.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets
14	These delays have prevented Albert Gelman Inc. from being able to start their assessment of this matter and the development of an NOI proposal.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets
15(a)-(d)	<p>The requirement for a DEFA request is inappropriate in these circumstances because:</p> <ul style="list-style-type: none">a. the DEFA order does not apply to the Debtors.b. The Respondents are not requesting existing files or records be searched. The Respondents are requesting the production of new financial reports from the AX accounting software. The Receiver has acknowledged the experienced Nygard Financial Team are familiar with these reports.c. The document delivery time of 15 days (as set out in the DEFA order plus a further potential 5-10 days to develop a protocol) is not appropriate, and will result in a prejudice to the Respondents.d. The requirement for the Respondents to use the DEFA process for a purpose it was not designed for will result in an increase in legal and other resource costs as well as needlessly add days to the response times.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets Profitability of consolidation at a single location
16	In order to adhere to the requirements of the subpoenas, the Respondents must be provided with supervised access to review all documents/emails on the file server. Only with	Comingling of assets and business functions



	<p>this access can they be assured that they have adhered to their obligations to the courts. The Respondents cannot rely on a 3rd party to ensure their compliance.</p> <p>NOTE: the Grand Jury Subpoena was issued only to Nygard, Inc.</p>	<p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
20	<p>On September the 29, 2020 the receiver offered to sell the Inkster building to the Respondents without any conditions other than price.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Treatment of assets without observance of corporate formalities</p>
21	<p>Since the hearing date of September 30, 2020, the Respondents have attempted to work with the Receiver to negotiate a solution to the requirement for financial reporting and the request for records.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
22	<p>Given the relief that the Receiver is requesting in its Notice of Motion, the DEFA order (and the timelines set out therein) are not appropriate. The Respondents require immediate access to the financial data as set out in the Respondents' Notice of Motion.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
23	<p>On Sunday October 4 The Receiver has advised that it was investigating a different solution to the document preservation order. They were now proposing to create full mirror images of the servers for their requirements and make an identical copy for the Respondents at an estimated cost to the Respondents of USD\$50-70,000.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>



		Difficulty segregating assets
24	It is the position of the Respondent that the proposal of the Receiver made Sunday October 4 would result in the Respondents having to pay to receive an estimated double the amount of data it actually requires (such as 100+ Terra bytes of fashion images). The use of physical server-based storage instead of the more flexible, efficient and dependable cloud based technology is a more costly proposal.	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p> <p>Profitability of consolidation at a single location</p>
25	The Respondents are seeking access to the entirety of the records to be able to review and ensure that all necessary documents have been copied for compliance with the Data Preservation requests.	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
27(a)-(g)	<p>It is the Respondents' position that a DEFA request is not appropriate for several reasons:</p> <ul style="list-style-type: none"> a. The original subpoena pertained to any and all emails pertaining to Peter Nygard. The second subpoena required emails pertaining to Tiina Tullikorpi, Greg Fenske, Angela Dyborn, Marten Dyborn and Lili Micic. The Respondents seek to preserve the documents of all former board members, executive and senior managers; as well as any associates providing direct services to this list. It would be impossible to select individual documents using a key word search. Rather, their entire email records and individual file folders must be kept. b. A copy of the database for the Nygard Travel system must also be retained in order to address issues of dates and locations for individuals required in defense of existing and future litigation. 	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p> <p>Intercompany loan guarantees</p>



	<ul style="list-style-type: none">c. The nature of the task as outlined above cannot be conducted based on "Key Words". The Key Word search requires 100% accuracy on the listed subjects, content or names. The results of Edsons' efforts to use the DEFA process has resulted in the delivery of documents that were not required, and there were many gaps in the records that were required as a key word was missed or misspelled (or, the individual who created the file misspelled when naming the file).d. The Respondents have been denied access to their data for over 6 months and as time passes, it is more difficult to recall the Key Words necessary to complete the request. Instead, a supervised review of the files must take place to ensure that no files are missed or overlooked.e. In addition to the time required to assemble the lists required for a DEFA Request the document delivery time of 15 (plus a possible 5-10 more days to develop a protocol) days provided by the DEFA order is unacceptable in these circumstances. These documents must be assembled immediately given the Court and the Receivers time frames and the ongoing risk of equipment failure.f. It is the Respondents' position that the DEFA was created at the beginning of the Receivership at a time when there were many unknowns and concerns on behalf of the Secured Creditor to be repaid in full. The Secured and Preferred creditors have now been satisfied and the focus of the Receivership has changed.g. Having to add additional key words for a new search will create another delay of 15 days each time a request is made.	
28	<p>As described above the DEFA Order does not work well with the changed circumstances. It was ordered at a time when the NOI was stayed and it did not look as if the secured creditors would be paid. The circumstances now are the secured creditors will be paid and how will the other assets be dealt with to pay the unsecured creditors.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>




		Difficulty segregating assets
29	The Respondents recommend a process where the debtors have an opportunity to review the material in a supervised and secure manner and request copies of the material, they require for the purposes of potentially moving forward with the proposal and for the purposes of preservation of documentation.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets
30	The Receiver has offered the Respondents the opportunity to remove and reinstall the existing servers (containing all the data) at another location and thereby have full access and control of their data. They acknowledge in their email of Sunday October 4 that moving the servers is unlikely to be successful	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets
32	With every passing day, the Receiver's costs are eroding potential equity for unsecured creditors. The sooner the Respondents are in possession of the financial information, the sooner Mr. Gelman and his company can conduct a proper assessment of the financial affairs of each of the debtor companies and assess the viability of an NOI filing.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets
36	This sale was completed while there was a motion before the Court requesting that the Inkster building sale not be completed until such time as it could be determined if there were sufficient assets to pay off the secured creditors so that the unsecured creditors could participate, by way of a vote, in determining if they wanted the Inkster building sold or if perhaps it could be used to generate income to pay the unsecured creditors in a more fulsome way	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets Treatment of assets without observance of corporate formalities



37	If the Inkster building is sold the unsecured creditors will not be able to participate in the decision of how they want to be paid. The decision is not just about protecting the assets but is now making a decision for the unsecured creditors. It is more reasonable to let the unsecured creditors make this decision for themselves. I support the process as set out in the Amended Notice of Motion.	Comingling of assets and business functions Operation as one business enterprise Difficulty segregating assets Treatment of assets without observance of corporate formalities
AFFIDAVIT OF GREG FENSKE AFFIRMED OCTOBER 20, 2020 Document No. 143		
1	I was the Director of Systems for the Nygard Group of Companies (and I am now a director of the Debtors)	Comingling of assets and business functions Operation as one business enterprise
AFFIDAVIT OF GREG FENSKE AFFIRMED NOVEMBER 5, 2020 Document No. 150		
1	I was the Director of Systems for the Nygard Group of Companies (and I am now a director of the Debtors)...	Comingling of assets and business functions Operation as one business enterprise
2	The Respondents retained Albert Gelman Inc. to perform consulting services for the Canadian debtors on September 25, 2020 with the primary purpose being assessing their current financial situation and to advise the Respondent of the options available to each of the Canadian debtors pursuant to <i>The Bankruptcy and Insolvency Act of Canada</i> .	Comingling of assets and business functions Operation as one business enterprise
4	My understanding of the AQC-Revenue Reserve is that it is a very old company practice (30 plus years old) and relates to assessing penalties due back from vendors to reduce the Accounts Payable balance, however many vendors contest that it is not actually enforceable.	Comingling of assets and business functions Operation as one business enterprise



20	Further, retaining Inkster will enable NPL to re-let and finance Inkster, some of the proceeds of which will be used to enhance the proposal to be made to creditors by NIP and its partners. A sale of Inkster, rather than a retention, will also generate a significant tax liability.	Comingling of assets and business functions Operation as one business enterprise Treatment of assets without observance of corporate formalities
AFFIDAVIT OF PETER NYGARD AFFIRMED NOVEMBER 12, 2020 Document No. 158		
PARA	STATEMENT	ELEMENTS OF CONSOLIDATION
1	I am a consultant for the Nygard Group of Companies (hereinafter "Nygard") and the sole shareholder of Nygard Enterprise Ltd. ("NEL") ...	Unity of interests in ownership Comingling of assets and business functions Operation as one business enterprise
7	The corporate structure of the Canadian Respondents, as set out in the First Pre-Filing Report of Albert Gelman Inc. is currently as follows (incorporation information added): 	Unity of interests in ownership Operation as one business enterprise
AFFIDAVIT OF GREG FENSKE AFFIRMED APRIL 28, 2021 Document No. 198		
7	NPL has an irrevocable direction to pay \$336,000.00 to legal professionals on behalf of Peter Nygard, which amount	Treatment of assets without observance



	has not been paid out because the Receiver will not agree to these monies being paid out.	of corporate formalities
28	I estimate I worked on the Respondents' matters, including NPL's, on average approximately 35-40 hours per week.	Comingling of assets and business functions Operation as one business enterprise
30	Prior to the receivership, I earned a base salary of \$135,000.00 with 3 weeks' holiday (2% per week or \$8,100.00), health benefits (12.5% or \$16,875.00) and a potential annual bonus of \$80,000.00. Therefore, my total potential pay package prior to the receivership proceedings was approximately \$239,975.00.	Comingling of assets and business functions Operation as one business enterprise
AFFIDAVIT OF ROBERT MARTELL AFFIRMED APRIL 28, 2021 Document No. 199		
	None	
AFFIDAVIT OF MYRON DYCK AFFIRMED APRIL 28, 2021 Document No. 200		
	None	
AFFIDAVIT OF STEVE MAGER AFFIRMED APRIL 29, 2021 Document No. 201		
1	I am a former employee of one or more of the Respondents.	Comingling of assets and business functions Operation as one business enterprise
2	I worked for one or more of the Respondents for approximately 1-2 years prior to the receivership proceedings. I was the director of constructions. I was paid \$105,000.00 per annum, plus 2 weeks' holidays, benefits and up to \$30,000.00 in bonuses.	Comingling of assets and business functions Operation as one business enterprise Profitability of consolidation at a single location
AFFIDAVIT OF DERRICK SIGMAR AFFIRMED APRIL 29, 2021		



Document No. 202		
	None	
AFFIDAVIT OF AARON WOJNOWSKI AFFIRMED APRIL 29, 2021 Document No. 203		
	None	
AFFIDAVIT OF PETER NYGARD AFFIRMED MAY 3, 2021 Document No. 204		
	None	

III. Evidence of the Proposal Trustee

I have reviewed the following Affidavits attaching the Reports of the Proposal Trustee:

1. First Report Of The Proposal Trustee Dated March 11, Document No. 15
2020 (Exhibit "A" To The Affidavit Of Jami Jacyk
Affirmed March 12, 2020)
2. Second Report Of The Proposal Trustee Dated March Document No. 22
17, 2020 (Exhibit "A" To The Affidavit Of Laura Leigh
Buley Sworn March 18, 2020)

FIRST REPORT OF THE PROPOSAL TRUSTEE DATED MARCH 11, 2020 (EXHIBIT "A" TO THE AFFIDAVIT OF JAMI JACYK AFFIRMED MARCH 12, 2020) Document No. 15		
PARA	STATEMENT	ELEMENTS OF CONSOLIDATION
2	The Nygard Group collectively operates as a clothing designer, manufacturer, supplier and retailer with approximately 1,450 employees working from offices in Winnipeg and Toronto and approximately 169 retail outlets of which 167 are located in Canada. Its product lines and fashion brands include Peter Nygard Collections, Bianca Nygard, Nygard SLIMS, ALIA, ADX and TanJay. The Nygard Group also historically has supplied other retailers such as Dillard's Inc. ("Dillard's"), Costco Wholesale Canada Ltd. and Walmart Canada.	Comingling of assets and business functions Operation as one business enterprise



3	<p>The Nygard Group's primary secured creditors are White Oak Commercial Finance, LLC ("White Oak") and Second Avenue Capital Partners, LLC (collectively, the "Lenders") pursuant to a credit agreement entered into in early January 2020. The relationship amongst the Lenders and the Nygard Group has deteriorated.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Intercompany loan guarantees</p>
9(a)-(e)	<p>The Proposal Trustee notes that the NOI's were filed late in the day on Monday, March 9, 2020; accordingly, Tuesday March 10, 2020 was the first complete day that the Proposal Trustee was appointed. On March 10, 2020:</p> <ul style="list-style-type: none">a. the Proposal Trustee had a number of discussions with management of the Nygard Group including Abe Rubinfeld (General Counsel), Greg Fenske (Director of Systems and Scheduling), Kevin Carkner (Director of Finance) and Projjwal Pramanik (Director Financial Corporate Services) as well as the principal shareholder, Mr. Peter Nygard, regarding the status of the business and urgent funding requirements;b. the Proposal Trustee retained counsel who had discussions with the Nygard Group's counsel and White Oak's counsel regarding the status of the proceedings before the Winnipeg Court;c. the Proposal Trustee was advised that cash deposits from the stores were 'swept' by the Lenders and therefore the Nygard Group did not have access to operating cash. The Nygard Group advises that approximately \$240,000 and \$228,000 was swept in the mornings of March 10 and March 11, respectively;d. the Proposal Trustee received assurances from the Nygard Group that monies would be made available by way of capital infusion on March 11, 2020 to satisfy the payroll funding required by March 12, 2020. On March 11, 2020, management provided an email from Stifel	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Shared bank accounts</p> <p>Unity of interests in ownership</p> <p>Intercompany loan guarantees</p> <p>Difficulty segregating assets</p>



	<p>Investments confirming that \$1,000,000 was available to be transferred to Nygard Group from an outside source. Management advised that this was to be used for payroll. Levene Tadman also advised that this email was sent to the Applicant's Manitoba agent, Pitblado LLP.; and</p> <p>e. the Proposal Trustee submitted to the Nygard Group standard information requests to enable the Proposal Trustee to fulfil its statutory mandate under the BIA during the NOI proceedings.</p>	
10(a)-(d)	<p>10. As well, on March 11, 2020:</p> <p>a. the Proposal Trustee attended on a call with representatives of the Nygard Group where the Proposal Trustee was advised that (i) funds sufficient to satisfy the payroll obligation had been deposited with the Nygard Group and evidence of such funding had been provided to Osler as required by the Winnipeg Court; (ii) the short term primary focus of the Nygard Group was to obtain funds to repay the Lenders in full so as to permit the Nygard Group to focus on a restructuring and rationalization of its business.</p> <p>b. with respect to the Nygard Group's focus on repayment of the Lenders in full, the Proposal Trustee attended on a conference call with representatives of the Nygard Group and Great American Capital ("GA Capital"). From those discussions, the Nygard Group is seeking funding to repay the Lenders in full as well as sufficient working capital to allow a controlled marketing and sale of the different business segments for the benefit of all stakeholders. The Nygard Group further advised GA Capital that there have been ongoing sale discussions with a number of parties and the Nygard Group were concerned that a distressed sale by a receiver would result in a deterioration of the recoveries for the stakeholders. The Proposal Trustee understands that information has been exchanged between the Nygard Group and GA Capital and the parties are working towards a refinancing as quickly as possible</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Shared bank accounts</p> <p>Unity of interests in ownership</p> <p>Intercompany loan guarantees</p> <p>Difficulty segregating assets</p>



	<p>c. the Proposal Trustee retained local Manitoba Counsel to attend on March 12, 2020 at the Winnipeg Court in respect of the pending motions by White Oak;</p> <p>d. the Proposal Trustee has continued to work with representatives of the Nygard Group to obtain information, however, given the ongoing proceedings in the Winnipeg Court and limited time available since the Proposal Trustee was appointed, progress on these information requests is still premature. Notwithstanding the limited time, the Nygard Group has prepared its 13-week cash-flow which it delivered to the Proposal Trustee at the end of the day on March 11, 2020. The Proposal Trustee is starting its review of the 13-week cash-flow;</p>	
11	Over the last two days, it is the Proposal Trustee's view that the Nygard Group has been trying to respond to the Proposal Trustee's information requests as well as operating the business and seeking financing for immediate needs such as payroll.	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Shared bank accounts</p>
12	The Proposal Trustee notes that as the BIA requires that the Nygard Group is required to prepare and file a cash flow statement within 10 days of the NOI filing date. The Proposal Trustee has advised the Nygard Group representatives of this requirement.	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
<p align="center">SECOND REPORT OF THE PROPOSAL TRUSTEE DATED MARCH 17, 2020 (EXHIBIT "A" TO THE AFFIDAVIT OF LAURA LEIGH BULEY SWORN MARCH 18, 2020) Document No. 22</p>		
2	Nygard Group's primary secured creditors are, White Oak Commercial Finance, LLC (" White Oak ") and Second Avenue Capital Partners, LLC (collectively, the "Lenders") The Lenders demanded repayment and delivered a Notice of Intent to Enforce Security on February 26, 2020. White Oak's counsel, Osier, Hoskin & Harcourt LLP (" Osiers ") filed an application to seek a Court-appointed receiver over the assets of the Nygard	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>

	Group and certain of its US subsidiaries to be heard returnable March 10, 2020.	Intercompany loan guarantees
6	A hearing was held on March 12, 2020 and The Honourable Mr. Justice Edmond issued his order dated March 12, 2020 (the "March 12, 2020 Order") ordering, amongst other matters, that the Nygard Group was to continue to fully comply with the Credit Agreement dated December 30, 2019 (the "Credit Agreement") and that no collateral would be disposed of outside the ordinary course of business without the prior written consent of White Oak and the Proposal Trustee	Comingling of assets and business functions Operation as one business enterprise Intercompany loan guarantees
7	During the course of the hearing on March 12, 2020, the Court was advised that the Lenders advanced funds to the Nygard Group to fund payroll (the " Payroll Funding "). The Payroll Funding was advanced by the Lenders on March 12, 2020, because (i) although parties related to the Nygard Group (the " Related Parties ") had advised the Proposal Trustee and the Court that such funds were provided by way of cash injection into the Nygard Group, the funds had not yet been deposited into the appropriate account; and (ii) the funds were required immediately so that employee payroll was not interrupted. During the hearing on March 12, 2020, counsel to the Nygard Group advised that the Payroll Funding amount would be reimbursed by the Related Parties to the Lenders.	Comingling of assets and business functions Operation as one business enterprise Shared bank accounts Transfer of assets without observance of corporate formalities
8(b) and (c)	On March 13, 2020, The Honourable Mr. Justice Edmond orally provided his decision regarding the hearing on March 12, 2020, The Proposal Trustee understands that, among other things, the Court ordered: b. that Related Parties were to reimburse the Lenders for the Payroll Funding as previously undertaken c. the draft cash flows provided by the Nygard Group to the Proposal Trustee (but not yet reviewed by the Proposal Trustee) were to be provided to Osiers;	Comingling of assets and business functions Operation as one business enterprise Shared bank accounts Transfer of assets without observance of corporate formalities
12	Since the delivery of the First Report, the Proposal Trustee has requested that the Nygard Group and	Comingling of assets and business functions

	<p>Management provide the Proposal Trustee with information relating to the following:</p> <ul style="list-style-type: none"> a. the status of the reimbursement of the Payroll Funding; b. the status of funding for ongoing operations during for the week ending March 20, 2020; c. the cash flows and the underlying assumptions, drafts of which were prepared by each of the members of the Nygard Group and provided to the Proposal Trustee on the evening of Wednesday, March 11, 2020 and the four wall forecasts provided on Sunday March 16, 2020; d. the status of operations of the Nygard Group, including measures being taken in response to the Covid-19 crisis (i.e. whether or not the stores and / or distribution centres are to remain open); e. financial information relating to the Nygard Group's operations; f. electronic contact information for all employees of the Nygard Group (or access to internal email system) to provide the statutory required notices of the NOI proceedings; and g. the status of refinancing efforts of the Nygard Group 	<p>Operation as one business enterprise</p> <p>Shared bank accounts</p> <p>Transfer of assets without observance of corporate formalities</p> <p>Intercompany loan guarantees</p>
13	<p>Despite repeated requests for information related to the above by the Proposal Trustee to Management, and by the Proposal Trustee's counsel to the Nygard Group's counsel, limited information has been provided to the Proposal Trustee. These requests for information followed, as noted in the First Report, the original requests for information from the Proposal Trustee during the week of March 9, 2020.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
14	<p>The only substantive information that has been received by the Proposal Trustee from the Nygard Group relates to the Nygard's Group's efforts to sell the real property located at 1 Niagara Street in Toronto, Ontario. Although a copy of an offer to purchase that property was provided to the Proposal Trustee on the</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>

	<p>morning of March 17, 2020, the potential purchaser has indicated that the offer is confidential at this time. The Proposal Trustee has advised the Nygard Group that based on available information, the Proposal Trustee is not in a position to advise the Court or stakeholders that the offer is fair or reasonable.</p>	
16	<p>This morning, Oslers provided counsel for the Proposal Trustee with a copy of a notice indicating Nygard stores were closing.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p>
18	<p>The Proposal Trustee has distributed notices of the NOI filings as required under the BIA to everyone other than employees. As noted above, for efficiency and cost saving reasons, the Proposal Trustee requested access to the Nygard Group's electronic system to send the notices to the employees, but has not received a response to such requests. As a result the Proposal Trustee is in the process of mailing hard copies of the NOI package to all employees. A copy of the NOI package, which includes a list of creditors as provided by the Nygard Group, is attached as Exhibit "F" hereto.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>
Exhibit "F"	<p>The NOI package was sent as one package "TO THE CREDITORS OF NYGARD PROPERTIES LTD., NYGARD ENTERPRISE LTD., NYGARD INTERNATIONAL PARTNERSHIP, 4093879 CANADA LTD. and 4093887 CANADA LTD."</p> <p>Attached to the NOI package includes a consolidated "LIST OF CREDITORS IN THE NOI PROCEEDINGS OF NYGARD PROPERTIES LTD., NYGARD ENTERPRISE LTD., NYGARD INTERNATIONAL PARTNERSHIP, 2093879 CANADA LTD. and 4093887 CANADA LTD."</p> <p>The list of creditors does not assign creditors to any one entity, but rather lists all suppliers and trades (including apparel and textile companies, shippers, banks etc.) as creditors of the Nygard Group, collectively.</p> <p>There is a supplemental list of creditors indicating additional creditors of NIP.</p>	<p>Comingling of assets and business functions</p> <p>Operation as one business enterprise</p> <p>Difficulty segregating assets</p>



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	There is also a supplemental lists of creditors of 4093887 Canada Ltd. and 4093879 Canada Ltd. which indicates that NIP and NEL are creditors of 4093879 Canada Ltd.	
20	Based on the foregoing, the Proposal Trustee is not in a position to advise that the Nygard Group is acting with good faith or due diligence at this time.	Operation as one business enterprise

APPENDIX N

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

NYGARD HOLDINGS (USA) LIMITED, et al.,¹

Debtors in a Foreign Proceeding.

Chapter 15

Case No. 20-10828 (SMB)

Jointly Administered

**ORDER RECOGNIZING FOREIGN MAIN PROCEEDING
AND RELATED RELIEF**

Upon the *Verified Petition Under Chapter 15 for Recognition of a Foreign Main Proceeding and Related Relief* [Dkt 2] (together with the Forms of Voluntary Petition [Dkt 1], collectively, the “Petition”)² of Richter Advisory Group Inc. (“Richter”), solely in its capacity as court-appointed receiver (and not in its personal or corporate capacity) (the “Receiver”) and authorized foreign representative (the “Foreign Representative”) of:

(a) Nygard Holdings (USA) Limited (“Holdings”); Nygard Inc. (“Inc.”); Nygard NY Retail, LLC (“NY Retail”); and Fashion Ventures, Inc. (“Fashion”), and

(b) Nygard International Partnership (“International”); Nygard Properties Ltd. (“Properties”); Nygard Enterprises Ltd. (“Enterprises”); 4093887 Canada Ltd. (“4093887”); and 4093879 Canada Ltd. (“4093879”) (collectively, the “Debtors”), each of which was placed in a receivership on March 18, 2020 by order (the “Receivership Order”) of the Court of Queen’s Bench Manitoba (the “Canadian Court”), Court File No. CI 20-01-26627 (the “Canadian

¹ The Debtors in these Chapter 15 cases, along with the last four digits of each Debtor’s U.S. Federal Employer Identification Number (“FEIN”) or Canada Revenue Agency Business Registration Number (“CRA”), are: Nygard Holdings (USA) Limited (FEIN 3048), Nygard Inc. (FEIN 0509), Nygard NY Retail, LLC (FEIN 1672), Fashion Ventures, Inc. (FEIN 0956), Nygard International Partnership (FEIN 1535), Nygard Properties Ltd. (CRA 0003), Nygard Enterprises Ltd. (FEIN 7127), 4093887 Canada Ltd. (FEIN 1534), 4093879 Canada Ltd. (FEIN 1533).

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Petition. References to sections and chapters are references to sections and chapters of the Bankruptcy Code unless otherwise stated.

Proceeding”), seeking entry of an order pursuant to sections 105(a), 1504, 1507, 1509, 1515, 1517, 1520, and 1521 of Title 11 of the United States Code (the “Bankruptcy Code”), granting recognition of the Foreign Proceeding as a foreign main proceeding, and granting related relief;³ and

Upon the record of this case and the hearing held on April 14, 2020 (the “Hearing”) to consider (i) the Petition and (ii) the relief requested in the *Motion of the Receiver as Authorized Foreign Representative for Entry of an Order Granting Provisional Relief Pursuant to Sections 105(a) and 1519 of the Bankruptcy Code* [Dkt 3]; and

Upon the Court’s review and consideration of the Petition and the Benchaya Declaration, any objections and responses thereto, and the Court having found and determined that the relief sought in the Petition is consistent with the purposes of Chapter 15 and is in the best interests of the Debtors and their creditors; and after due deliberation and sufficient cause appearing therefor; and for the reasons stated on the record at the Hearing:

IT IS HEREBY FOUND AND DETERMINED:⁴

A. This Court has jurisdiction to consider the Petition and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the Amended Standing Order of Reference from the United States District Court for the Southern District of New York dated as of January 31, 2012, Reference M-431, *In re Standing Order of Reference Re: Title 11*, 12 Misc. 00032 (S.D.N.Y. Feb. 1, 2012) (Preska, C.J.).

³ References to sections and chapter are references to sections and chapters of the Bankruptcy Code unless otherwise stated.

⁴ The findings and conclusions set forth herein and on the record of the Hearing constitute this Court’s findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Rules 7052 and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). To the extent any of the findings of fact herein constitute conclusions of law, they are adopted as such. To the extent any of the conclusions of law herein constitute findings of fact, they are adopted as such.

B. The Petition and the relief requested therein is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P), and this Court may enter a final order consistent with Article III of the United States Constitution.

C. Venue is proper before this Court pursuant to 28 U.S.C. § 1410(1) and (3).

D. Good, sufficient, appropriate, and timely notice of the filing of the Petition and the Hearing has been given by the Foreign Representative, pursuant to Bankruptcy Rules 1011(b) and 2002(q) and the *Order Scheduling Hearing on Chapter 15 Petition and Related Relief and Specifying Form and Manner of Service of Notice* [Dkt 12] to: (i) the United States Trustee for the Southern District of New York (Attn: Paul K. Schwartzberg, Esq.); (ii) the Debtors; (iii) Peter J. Nygard; (iv) all persons or bodies authorized to administer foreign proceedings of the Debtors, including the Canadian Proceeding; (v) all entities against whom provisional relief was sought under section 1519 of the Bankruptcy Code; (vi) all known parties to litigation pending in the United States to which any of the Debtors is a party at the time of the filing of the Petition; and (vii) all parties that have filed a notice of appearance in these chapter 15 cases. In light of the nature of the relief requested and prior orders of this Court, no other or further notice is required.

E. No objections or responses were filed that have not been overruled, withdrawn, or otherwise resolved.

F. Each of the Debtors has property located in this District, and therefore, each of the Debtors is “eligible” to be a debtor in these chapter 15 cases pursuant to sections 109 and 1501.

G. The Canadian Proceeding is a “foreign proceeding” as such term is defined in section 101(23).

H. The Canadian Proceeding is pending in Canada, which is where the Debtors have their “center of main interests” as referred to in section 1517(b)(1). As such, the Canadian

Proceeding is a “foreign main proceeding” pursuant to section 1502(4), is entitled to recognition as a foreign main proceeding pursuant to section 1517(b)(1) and is entitled to all relief afforded to foreign main proceedings under section 1520. The Foreign Representative is a “person” as such term is defined in section 101(41) and has been duly appointed and designated as the “foreign representative” of the Debtors as such term is defined in section 101(24).

I. These chapter 15 cases were properly commenced pursuant to sections 1504 and 1509, and the Petition satisfies the requirements of section 1515.

J. The Foreign Representative and each of the Debtors, as applicable, is entitled to the additional assistance and discretionary relief under sections 1507 and 1521 (including application of section 365) requested in the Petition.

K. The Foreign Representative has demonstrated that application of section 365, as made applicable by sections 105(a), 1507 and 1521(a)(7), is necessary to enable the Foreign Representative or any of the Debtors to assume or reject a contract or compel a contract counterparty to perform under a contract. Absent application of section 365, there is a material risk that one or more of the Debtors’ contract counterparties may terminate agreements or discontinue performance, which could impose severe economic consequences on the Debtors’ estates and interfere with liquidation efforts.

L. The relief granted herein is necessary and appropriate, in the interests of the public and of international comity, not inconsistent with the public policy of the United States, warranted pursuant to sections 105(a), 1504, 1507, 1509, 1515, 1517, 1520 and 1521 and will not cause hardship to any party in interest. To the extent that any hardship or inconvenience may result to such parties, it is outweighed by the benefits of the requested relief to the Foreign Representative, the Debtors, their creditors and other parties in interest.

M. In accordance with section 1507(b), the relief granted will reasonably assure: (i) the just treatment of all holders of claims against or interests in the Debtors' property; (ii) the protection of claim holders in the United States against prejudice and inconvenience in the processing of claims in the Canadian Proceeding; (iii) the prevention of preferential or fraudulent dispositions of property of the Debtors; and (iv) the distribution of proceeds of the Debtors' property substantially in accordance with the order prescribed in the Bankruptcy Code.

**BASED ON THE FOREGOING FINDINGS OF FACT AND AFTER DUE
DELIBERATION AND SUFFICIENT CAUSE APPEARING THEREFOR, IT IS HEREBY
ORDERED:**

1. The Petition and the relief requested are granted, and any objections or responses thereto that have not been withdrawn or resolved are overruled.

2. The Canadian Proceeding is recognized as a "foreign main proceeding" under sections 1517(a) and 1517(b)(1).

3. The Receivership Order, including any extensions or amendments thereto authorized by the Canadian Court **as of the date of this order**, is hereby enforced on a final basis and given full force and effect in the United States (except as otherwise expressly provided herein).

[SMB: 4/23/20]

4. The Foreign Representative is recognized as the "foreign representative" as defined in section 101(24).

5. All relief and protection afforded to a foreign main proceeding under section 1520 is hereby granted to the Canadian Proceeding, the Foreign Representative, the Debtors, and their assets located in the United States.

6. Sections 362 and 365 shall hereby apply with respect to the Debtors and the property of the Debtors that is located within the territorial jurisdiction of the United States. All entities (as defined in section 101(15)) other than the Foreign Representative and its authorized representatives and agents are hereby permanently enjoined with respect to each of the Debtors and the property of each of the Debtors from:

- (a) executing against any asset of any of the Debtors;
- (b) commencing or continuing, including issuing or employing process, of a judicial, quasi-judicial, administrative, regulatory, arbitral, or other action or proceeding **that could have been commenced before the commencement of these Chapter 15 cases**, or to recover a claim, **against the Debtors that arose before the commencement of these Chapter 15 cases** ~~including, without limitation, any and all unpaid judgments, settlements or otherwise against any of the Debtors, its property, or any direct or indirect transferee of or successor to any property of any Debtor, or any property of such transferee or successor, or the seeking of any discovery related to any of the foregoing, which in each case is in any way inconsistent with, relates to, or would interfere with, the administration of the Debtors' estates in the Canadian Proceeding or Canadian law~~ (except that, the plaintiffs in the Class Action Lawsuit, as defined in the Verified Petition, may file and serve an amended complaint, though the Class Action Lawsuit otherwise shall be stayed as to the Debtors and the Foreign Representative shall have no obligation to respond to any amended complaint while the stay is pending, which stay may be modified by further order of the Court); **[SMB: 4/23/20]**

- (c) taking or continuing any act to create, perfect or enforce a lien or other security interest, setoff or other claim against any of the Debtors or any of its property or proceeds thereof, ~~which in each case is in any way inconsistent with, relates to, or would interfere with, the administration of the Debtors' estates in the Canadian Proceeding or Canadian law;~~ [SMB: 4/23/20]
- (d) transferring, relinquishing or disposing of any property of any of the Debtors to any entity other than the Foreign Representative and its authorized representatives and agents or taking or continuing any act to obtain possession of, commingle, or exercise control over, such property, ~~which in each case is in any way inconsistent with, relates to, or would interfere with, the administration of the Debtors' estates in the Canadian Proceeding or Canadian law;~~ [SMB: 4/23/20]
- (e) ~~commencing or continuing in any manner, directly or indirectly, an individual action or proceeding as it relates to any of the Debtors' assets, rights, obligations or liabilities, or to resolve any dispute arising out of or relating to the Canadian Proceeding or Canadian law;~~ [SMB: 4/23/20]
- (f) ~~declaring or considering the filing of the Canadian Proceeding, the Receivership Order or any of these chapter 15 cases a default or event of default under any agreement, contract or arrangement; and~~ [SMB: 4/23/20]
- (g) terminating, modifying, refusing to perform, **declaring a default** or otherwise accelerating obligations or exercising remedies under any contract with any of the Debtors on the basis of (i) the insolvency or financial condition of the Debtors at any time before the closing of these cases; (ii) the commencement of the Canadian Proceeding, the entry of the Receivership Order or the commencement of these

chapter 15 cases; or (iii) the appointment of, and taking possession by, the Foreign Representative of any asset or contract of any of the Debtors. **[SMB: 4/23/20]**

provided, in each case, that such injunctions shall be effective solely within the territorial jurisdiction of the United States.

7. Sections 1521(a)(1)-(3) and (5)-~~(7)~~ shall apply with respect to the Debtors and the property of the Debtors that is located within the territorial jurisdiction of the United States. **[SMB: 4/23/20]**

8. Pursuant to section 1520(a)(3), the Foreign Representative is entitled to operate the Debtors' businesses and administer their assets, including without limitation, all bank accounts and accounts receivable including, specifically and without limitation, that certain account ending in 4993 maintained by Bank of America, N.A. ("BANA") in the name of Nygard International Partnership (the "BANA Account") in which White Oak Commercial Finance, LLC ("White Oak") claimed an interest superior to that of such Debtor pursuant to a Deposit and Control Agreement entered into prior to commencement of this matter. All banks and financial institutions at which the Debtors maintain such bank accounts or other accounts are authorized and directed to: (i) honor the Foreign Representative's instructions with respect to accessing any such accounts including, specifically and without limitation, the BANA Account; and (ii) accept, hold, or permit withdrawal, transfer, or other disposition of funds in accordance with the Foreign Representative's instructions, all without liability to White Oak for taking such direction from the Foreign Representative rather than from the Debtors, but otherwise without prejudice to the terms of any prepetition agreements between or among the Debtors, White Oak, and such banks and financial institutions.

9. ~~Subject to sections 1520 and 1521, the Canadian Proceeding and the Receivership Order, and the transactions consummated or to be consummated thereunder, shall be granted comity and given full force and effect in the United States to the same extent that they are given effect in Canada, and each is binding on all creditors of the Debtors and their successors and assigns.~~ **[SMB: 4/23/20]**

10. Under section 1521(a)(6), all prior relief granted to the Debtors or the Foreign Representative by this Court under section 1519(a) shall be extended and the *Order Granting Motion of the Foreign Representative for Provisional Relief Pursuant to Sections 105(a) and 1519* [Dkt 21] shall remain in full force and effect, ~~notwithstanding anything to the contrary contained therein.~~ **except to the extent inconsistent with this order. [SMB: 4/23/20]**

11. The banks and financial institutions with which the Debtors maintain bank accounts or on which checks are drawn or electronic payment requests made in payment of prepetition or postpetition obligations are authorized and directed to continue to service and administer the Debtors' bank accounts without interruption and in the ordinary course and to receive, process, honor and pay any and all such checks, drafts, wires and automatic clearing house transfers issued, whether before or after the petition date and drawn on the Debtors' bank accounts by respective holders and makers thereof, solely at the direction of the Foreign Representative. To the extent of any inconsistency between this Order and any deposit account control (or related) agreement by which White Oak may claim an interest in the BANA account, this Order shall control.

12. ~~No action taken by the Foreign Representative, any of the Debtors or their respective agents, representatives, advisors, or counsel, in preparing, disseminating, applying for, implementing or otherwise acting in furtherance of the Canadian Proceeding, the documents contemplated thereunder, this Order, the chapter 15 cases, any further order for additional relief in~~

~~the chapter 15 cases, or any adversary proceedings in connection therewith, will be deemed to constitute a waiver of the limit on jurisdiction afforded such persons under sections 306 or~~ **The Foreign Representative shall be entitled to the protection afforded by Bankruptcy Code section 1510. [SMB: 4/23/20]**

~~13. No party shall incur any liability for following, in good faith, the terms of this Order (whether by acting or refraining from acting).~~ **[SMB: 4/23/20]**

14. In the case of *Blueprint Clothing Corporation (“Blueprint”) v. Nygard International Partnership, et. al.*, Case No. 18-9687, pending in the United States District Court for the Central District of California (“Blueprint Action”), Blueprint shall not seek to modify or terminate the automatic stay, or seek judgment, against any of the Debtors so long as the captioned Chapter 15 cases remain open. Blueprint shall not seek to enforce against the Debtors any judgment Blueprint may obtain in the Blueprint Action against co-defendant Dillard’s Inc. (“Dillard’s”). The Foreign Representative will not seek to extend, or support the extension of, the automatic stay to Dillard’s so long the captioned Chapter 15 cases remain open. If Blueprint obtains a judgment against Dillard’s in the Blueprint Action, Blueprint ~~shall be permitted to~~ **may** submit claims in the Canadian Proceeding against each Debtor defendant in the amount of such judgment, **and the Foreign Representative shall not object to the claims being** ~~which claims shall be deemed~~ allowed in the Canadian Proceeding as general unsecured claims. Nothing herein shall stay or otherwise enjoin Blueprint’s continued prosecution of the Blueprint Action against Dillard’s. **[SMB: 4/23/20]**

15. Notwithstanding anything to the contrary contained herein, this Order shall not, and shall not be construed as: (i) enjoining the police or regulatory act of a governmental unit, including a criminal action or proceeding, to the extent not stayed under section 362; (ii) staying the exercise of any rights that section 362(o) does not allow to be stayed; or (iii) extending to, protecting or

granting rights or remedies to non-Debtor Peter J. Nygard personally, or staying as against him personally the commencement or continuation of any action or proceeding notwithstanding that such action or proceeding is stayed as to each of the Debtors pursuant to Paragraph 6 of this Order.

16. The Foreign Representative, the Debtors, and their respective agents are authorized to serve or provide any notices required under the Bankruptcy Rules or local rules of this Court.

17. ~~Notwithstanding any provision in the Bankruptcy Code or the Bankruptcy Rules to the contrary, (i)~~ This Order shall be effective and enforceable immediately upon its entry, ~~(ii)~~ the Foreign Representative is not subject to any stay in the implementation, enforcement, or realization of the relief granted in this Order and ~~(iii)~~ this Order shall constitute a final order within the meaning of 28 U.S.C. § 158(a). **[SMB: 4/23/20]**

18. The Foreign Representative and its agents are authorized and empowered to take all actions necessary to effectuate the relief granted under this Order.

19. This Court shall retain jurisdiction with respect to the implementation, enforcement, amendment or modification of this Order.

Dated: April 23, 2020
New York, New York

/s/ *Stuart M. Bernstein*
STUART M. BERNSTEIN
United States Bankruptcy Judge

Issued at 3:52 p.m.

APPENDIX O

Richter Advisory Group Inc.

in its capacity as Receiver of

Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc. Nygard NY Retail, LLC, Nygard Enterprises Ltd., Nygard Properties Ltd. 4093879 Canada Ltd., 4093887**Statement of accounts**

Invoice #	Period		Fees		Disbursements ⁽¹⁾		Sub total		HST		Total
20406093	February 8, 2021 to February 21, 2021	\$	40,220.50	\$	2,011.03	\$	42,231.53	\$	5,490.10	\$	47,721.63
20406122	February 22, 2021 to February 28, 2021		21,035.25		1,051.76		22,087.01		2,871.31		24,958.32
20406151	March 1, 2021 to March 7, 2021		19,162.00		958.10		20,120.10		2,615.61		22,735.71
20406168	March 8, 2021 to March 14, 2021		15,873.00		793.65		16,666.65		2,166.66		18,833.31
20406181	March 15, 2021 to March 21, 2021		11,325.25		566.26		11,891.51		1,545.89		13,437.40
20406222	March 22, 2021 to April 4, 2021		24,243.50		1,328.52		25,572.02		3,324.36		28,896.38
20406268	April 5, 2021 to April 11, 2021		13,227.25		661.36		13,888.61		1,805.52		15,694.13
20406290	April 12, 2021 to April 25, 2021		63,540.50		3,177.03		66,717.53		8,673.28		75,390.81
20406372	April 26, 2021 to May 9, 2021		80,180.75		4,316.34		84,497.09		10,984.62		95,481.71
20406383	May 10, 2021 to May 16, 2021		30,186.00		1,509.30		31,695.30		4,120.39		35,815.69
20406402	May 17, 2021 to May 30, 2021		47,054.25		3,235.13		50,289.38		6,537.61		56,826.99
Total		\$	366,048.25	\$	19,608.48	\$	385,656.73	\$	50,135.35	\$	435,792.08

Summary by Staff Member

Staff member	Number of hours		Hourly rate		Amount
Senior Vice President					
A.Sherman	214.00	\$	895.00	\$	191,530.00
G. Benchaya	1.00	\$	895.00	\$	895.00
K. Kimel ⁽²⁾	1.50	\$	705.00	\$	1,057.50
Associate					
M. Oulimar	1.00	\$	510.00	\$	510.00
E. Finley	184.50	\$	475.00	\$	87,637.50
M. Dube	1.00	\$	400.00	\$	400.00
Analyst					
J. Caylor	227.00	\$	225.00	\$	51,075.00
A. Kovacs- Espley	5.50	\$	215.00	\$	1,182.50
Administration					
C.O'Donnell	75.30	\$	250.00	\$	18,825.00
Pascale Lareau	34.60	\$	190.00	\$	6,574.00
K. Le	24.80	\$	185.00	\$	4,588.00
A. Serovetnyk	4.50	\$	115.00	\$	517.50
V. Coupal	11.75	\$	105.00	\$	1,233.75
N. Maharaj	0.30	\$	75.00	\$	22.50
Total	786.75			\$	366,048.25

Blended average \$**465.27**

Notes:

(1) Includes Administrative and Technology Fees.

(2) Blended hourly rate used as K. Kimel's rate increased from \$660/hr to \$795/hr

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Thompson Dorfman Sweatman LLP ("TDS")**as counsel for Richter Advisory Group Inc., in its capacity as Receiver of****Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc. Nygard NY Retail, LLC, Nygard Enterprises Ltd., Nygard Properties Ltd. 4093879 Canada Ltd., 4093887 Canada Ltd., and Nygard International Partnership****Statement of Accounts - Summary of Invoices**

Invoice #	Period	Fees	Disbursements	Sub total	GST / RST	Total
632161	February 15, 2021 to February 21, 2021	\$ 21,683.00	\$ 16.00	\$ 21,699.00	\$ 2,602.76	\$ 24,301.76
633264	February 22, 2021 to February 28, 2021	25,740.00	485.69	26,225.69	3,108.07	29,333.76
633602	March 1, 2021 to March 7, 2021	20,946.00	148.10	21,094.10	2,515.93	23,610.03
634005	March 8, 2021 to March 14, 2021	8,929.00	289.77	9,218.77	1,077.97	10,296.74
634372	March 15, 2021 to March 21, 2021	16,939.50	522.43	17,461.93	2,058.87	19,520.80
634934	March 22, 2021 to March 28, 2021	16,167.50	370.20	16,537.70	1,958.59	18,496.29
635931	March 29, 2021 to April 4, 2021	13,759.00	57.14	13,816.14	1,653.94	15,470.08
636443	April 6, 2021 to April 11, 2021	23,836.50	84.00	23,920.50	2,863.09	26,783.59
636834	April 12, 2021 to April 18, 2021	15,960.00	129.53	16,089.53	1,921.68	18,011.21
637304	April 19, 2021 to April 25, 2021	9,135.50	125.68	9,261.18	1,097.55	10,358.73
638069	April 26, 2021 to May 2, 2021	21,073.00	11.00	21,084.00	2,529.31	23,613.31
638572	May 3, 2021 to May 9, 2021	13,756.50	355.20	14,111.70	1,668.51	15,780.21
638821	May 10, 2021 to May 16, 2021	29,557.50	105.86	29,663.36	3,552.21	33,215.57
639238	May 17, 2021 to May 23, 2021	31,230.50	25.88	31,256.38	3,748.97	35,005.35
Total		\$ 268,713.50	\$ 2,726.48	\$ 271,439.98	\$ 32,357.45	\$ 303,797.43

Summary by Staff Member

Staff member	Number of hours	Hourly rate	Amount
G. Bruce Taylor, partner	245.2	\$ 710.00	\$ 174,092.00
Drew M. Mitchell, partner	39.5	525.00	20,737.50
Ross A. McFadyen, partner	65.8	475.00	31,255.00
Kevin B. Bruce	3.5	180.00	630.00
Melanie LaBossiere, associate	262.4	160.00	41,984.00
Arlene Phillips, paralegal	0.1	150.00	15.00
Bryan A. Tait (articling student) ⁽¹⁾	4.2	125.00	-
Deborah A. Yeboah (articling student) ⁽¹⁾	1.0	125.00	-
Eli E. Milner (articling student) ⁽¹⁾	1.3	125.00	-
Chimwemwe A. Undi (articling student) ⁽¹⁾	8.3	125.00	-
Natalie A.M. Copps (articling student) ⁽¹⁾	2.4	125.00	-
Total	620.70	\$	\$ 268,713.50

Blended average hourly rate: \$ 432.92

1) Articling student time recorded, but not charged to Receiver.

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Katten Muchin Rosenman LLP as counsel for Richter Advisory Group Inc.,
in its capacity as Receiver of

Nygard Holdings (USA) Limited, Nygard Inc., Fashion Ventures, Inc. Nygard NY Retail, LLC, Nygard Enterprises Ltd., Nygard Properties Ltd. 4093879 Canada Ltd., 4093887 Canada Ltd., and Nygard International Partnership

Statement of accounts (in USD)

Invoice #	Period		Fees	Disbursements		Total
1301688527	February 1, 2021 to February 28, 2021	\$	33,244.00		\$	33,244.00
1301688529	March 1, 2021 to March 31, 2021		5,403.00	10,482.00	\$	15,885.00
		Total	\$ 38,647.00	\$ 10,482.00	\$	49,129.00

Attorney or Assistant	Title	Number of hours	Hourly rate (USD)	Amount (USD)
J. Hall	Partner	5.20	\$ 1,225.00	6,370.00
M. Rosensaft	Partner	21.60	1,045.00	22,572.00
J. Nussbaum	Associate	7.80	695.00	5,421.00
R. Brady	Litigation Support Specialist	13.60	315.00	4,284.00
Total		34.60	\$	38,647.00

Blended average hourly rate: USD \$ 1,116.97

APPENDIX P

RICHTER

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Date: 2/25/2021
Invoice No.: 20406093
Engagement No.: 2021900
Payment Terms: Due on Receipt

Professional services rendered to February 21, 2021 \$ 40,220.50

Sub-Total		40,220.50
Technology and Administrative Fees		2,011.03
GST/HST #885435842 RT0001		5,490.10
Total Due	CAD	\$ 47,721.63

TORONTO

Richter Advisory Group Inc.
181 Bay St., #3510
Bay Wellington Tower
Toronto ON M5J 2T3
416.488.2345

MONTRÉAL

1981 McGill College
Montréal QC H3A 0G6
514.934.3400

CHICAGO

200 South Wacker, #3100
Chicago IL 60606
312.828.0800

RICHTER.CA

Invoice No.: 20406093
Date: 2/25/2021

Fees

Name	Hours	Rate	Amount
Adam Sherman	26.30	\$ 895.00	\$ 23,538.50
Carol O'Donnell	2.40	250.00	600.00
Eric Finley	20.00	475.00	9,500.00
Jack Caylor	29.00	225.00	6,525.00
Pascale Lareau	0.30	190.00	57.00
	78.00		\$ 40,220.50

Invoice No.: 20406093
Date: 2/25/2021

Fee and Disbursement Details

Date	Name and Description	Hours	Rate	Amount
2/8/2021	Carol O'Donnell Update wire transfers.	0.40	\$ 250.00	\$ 100.00
2/8/2021	Adam Sherman Emails with TDS re cottage/RV, Inkster closing, E. Chaves release (Excalibur), emails with Nygard counsel. Emails with Katten. Emails/discussions with Richter team.	1.00	895.00	895.00
2/8/2021	Adam Sherman Emails with TDS re Auld Phillips settlement. cottage, employee matters. Emails/discussions with Richter team. Approve wires.	0.20	895.00	179.00
2/8/2021	Eric Finley Draft contractor letters, review payroll hours, cottage removal, Broadway issues, CRA audit.	1.50	475.00	712.50
2/8/2021	Jack Caylor Multiple emails and calls responding to Richter hotline re creditor inquiries, tax form requests.	1.75	225.00	393.75
2/9/2021	Pascale Lareau Preparation of HST declaration for January 2021.	0.30	190.00	57.00
2/9/2021	Adam Sherman Emails with TDS re employee matters. Email from Katten re draft Declaration for records delivered per subpoena. Emails/discussions with Richter team.	1.00	895.00	895.00
2/9/2021	Eric Finley Attend case management conference re employee claim and prepare for same, Calls with Company and analysis re WEPP and vacation pay, creditor inquiries, Broadway closing, refunds received.	2.50	475.00	1,187.50
2/9/2021	Jack Caylor Begin updating R&D for w/e February 6. Call with E. Finley and Nygard team re salary working paper questions. Draft MTS email for service cancelation. Begin updating WEPP schedule to incorporate new law changes. Call with E. Finley re same.	4.50	225.00	1,012.50
2/10/2021	Carol O'Donnell Update deposit and other banking matters.	0.20	250.00	50.00
2/10/2021	Adam Sherman Emails with TDS re employee matters, cottage. Call with TDS re employee matters. Email from TDS re draft contractor agreement. Emails/discussions with Richter team.	1.30	895.00	1,163.50

Invoice No.: 20406093
Date: 2/25/2021

Date	Name and Description	Hours	Rate	Amount
2/10/2021	Eric Finley Calls with former employees re WEPP. Conference calls with Nygard IT team re IT migration and document preservation. Calls with TDS re contractor letter, review and draft same.	3.00	475.00	1,425.00
2/10/2021	Jack Caylor Finalize R&D for w/e February 6. Draft Canada Post letter re mail direction and account info update. Continue to work on WEPP amendments. Multiple emails and calls re Richter hotline inquiries.	3.75	225.00	843.75
2/11/2021	Carol O'Donnell Prepare wire transfer, update.	0.30	250.00	75.00
2/11/2021	Adam Sherman Emails with TDS re Auld Phillips, invoice for period ending 2/10/2021, Inkster closing. Review draft AP release and Inkster closing docs. Email from Katten. Review/provide comments on contractor letter. Emails/discussions with Richter team. Approve wires.	3.00	895.00	2,685.00
2/11/2021	Eric Finley Continue drafting and review of contractor letters. Various emails re Auld Phillips settlement, Broadway/Inkster sales and calls with Nygard employees re same. Review CRA claim. Employee/creditor inquiries.	3.00	475.00	1,425.00
2/11/2021	Jack Caylor Finalize updated WEPP working paper re changes to WEPP law over the Receivership period. Call with E. Finley re same. Review BMO Harris account transactions prior to closing account. Multiple calls and emails responding to hotline inquiries.	4.25	225.00	956.25
2/12/2021	Carol O'Donnell Prepare wire transfers, update.	0.50	250.00	125.00
2/12/2021	Adam Sherman Emails with TDS re Inkster/Broadway closing docs, Auld Phillips, employee matters, March 3 hearing, RV. Call with TDS. Sign Inkster/Broadway closing docs to be held in trust by TDS. Review/approve bank recs (\$CAN/\$US) for January 2021. Approve wires.	3.50	895.00	3,132.50
2/12/2021	Eric Finley Review outstanding tax obligation re Inkster closing. Call with counsel re Landlords motion and report in connection with same. Calls/emails re vacation pay and employee plans. Calls with employees re T4 issuance.	2.00	475.00	950.00

Invoice No.: 20406093
Date: 2/25/2021

Date	Name and Description	Hours	Rate	Amount
2/12/2021	Jack Caylor Gather information for BDO acting as Receiver for Downtown Chatham Centre re Nygard leases. Correspondence with E. Finley re same. Multiple emails responding to Richter hotline inquiries.	1.50	225.00	337.50
2/14/2021	Adam Sherman Draft Eleventh Receiver's Report. Emails with Richter team.	2.50	895.00	2,237.50
2/15/2021	Carol O'Donnell Update wires, communication with former employees regarding WEPP.	0.60	250.00	150.00
2/16/2021	Adam Sherman Call with TDS/Katten re Declaration for US Attorney's Office. Review/provide comments on Declaration. Review/provide comments on contractor letter. Emails with TDS re Auld Phillips, Declaration, Broadway transaction. Emails/discussions with Richter team.	2.50	895.00	2,237.50
2/16/2021	Eric Finley Review/update contractor letters. Emails with Katten re subpoena responses. Review payroll details. Call with Company re Inkster and Broadway closing.	1.50	475.00	712.50
2/16/2021	Jack Caylor Update and review R&D for w/e February 13. Review/update contractor letters. Multiple emails and calls responding to Richter hotline inquiries.	4.25	225.00	956.25
2/17/2021	Adam Sherman Review/revise/provide comments on draft Eleventh Receiver's Report, landlord claims process, contractor letters. Emails/discussions with Richter team.	3.50	895.00	3,132.50
2/17/2021	Eric Finley Draft/update Eleventh Report of the Receiver and review landlord claims process for Eleventh Report. Various discussions with Richter team. Calls with Company re Inkster closing.	4.50	475.00	2,137.50
2/17/2021	Jack Caylor Finalize contractor letters. Respond to multiple Richter hotline inquiries re tax forms, unsecured amounts, etc.	2.25	225.00	506.25
2/18/2021	Carol O'Donnell Prepare wire transfer, update.	0.40	250.00	100.00
2/18/2021	Adam Sherman	3.80	895.00	3,401.00

Invoice No.: 20406093
Date: 2/25/2021

Date	Name and Description	Hours	Rate	Amount
	Emails with TDS re Inkster closing, landlord claims order, Auld Phillips. Call with D. Sigmar re Falcon Lake, follow up with TDS. Emails with Katten. Emails with V. Di Lorio. Sign contractor letters. Emails/discussions with Richter team. Approve wires.			
2/18/2021	Eric Finley Draft/update Eleventh Report. Several calls with Richter team and Company re Inkster closing, contractor arrangement and landlord claims.	2.00	475.00	950.00
2/18/2021	Jack Caylor Communications with contractors re retention matters. Email to TDS re Broadway property repairs. Emails with Nygard team re unpaid BC hydro bills. Calls and emails responding to Richter hotline inquiries.	3.50	225.00	787.50
2/19/2021	Adam Sherman Emails with TDS re Inkster closing, Falcon Lake, creditor communications. Revise/sign contractor (T. Dennis) letter. Review/revise/update draft Eleventh Receiver's Report. Emails/discussions with Richter team.	3.50	895.00	3,132.50
2/19/2021	Jack Caylor Multiple calls and emails with Nygard and Richter team re contractor matters. Call with former employee re T4 questions. Follow-up with payroll team re same.	3.25	225.00	731.25
2/21/2021	Adam Sherman Emails with TDS re updated landlord claims order. Emails with Richter team.	0.50	895.00	447.50
Fees Total		78.00		\$ 40,220.50

Invoice No.: 20406093
Date: 2/25/2021

Remittance Form

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Invoice Summary

Sub-Total		\$ 40,220.50
Technology and Administrative Fees		2,011.03
GST/HST #885435842 RT0001		5,490.10
Total Due	CAD	\$ 47,721.63

Payment Options

**At this time, we ask that payment not be made by cheque.
Please use one of the payment options below. We appreciate your collaboration.**

Wire Transfer Toronto Dominion Bank
Commercial Banking Center
525 Av. Viger Ouest, Montréal (Qc) H2Z 0B2
Bank Institute No.: 004
CAD Account no.: 5300836 Transit no.: 41601 Swift code: TDOMCATTTOR
USD Account no.: 7332090 Transit no.: 41601 Swift code: TDOMCATTTOR

Email payment details, including invoice number and amount paid to:
ClientService@richter.ca

Credit Card payments can be made by contacting us as indicated below.

Inquiries: please call our general line 416.488.2345 or e-mail ClientService@richter.ca

TORONTO

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Chicago IL 60606
312.828.0800

RICHTER.CA

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Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Date: 3/4/2021
Invoice No.: 20406122
Engagement No.: 2021900
Payment Terms: Due on Receipt

Professional services rendered to February 28, 2021 \$ 21,035.25

Sub-Total	21,035.25
Technology and Administrative Fees	1,051.76
GST/HST #885435842 RT0001	2,871.31
Total Due	CAD \$ 24,958.32

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Chicago IL 60606
312.828.0800

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Invoice No.: 20406122
Date: 3/4/2021

Fees			
Name	Hours	Rate	Amount
Adam Sherman	12.70	\$ 895.00	\$ 11,366.50
Carol O'Donnell	1.80	250.00	450.00
Eric Finley	11.00	475.00	5,225.00
Jack Caylor	17.75	225.00	3,993.75
	43.25		\$ 21,035.25

Invoice No.: 20406122
Date: 3/4/2021

Fee and Disbursement Details

Date	Name and Description	Hours	Rate	Amount
2/22/2021	Carol O'Donnell Update deposit and HST.	0.20	\$ 250.00	\$ 50.00
2/22/2021	Adam Sherman Emails with TDS re landlord Claims Order, Receiver's Eleventh Report, communications with landlords, emails with Osler, Broadway sale. Call with TDS. Review/update Receiver's Eleventh Report. Emails/discussions with Richter team.	2.50	895.00	2,237.50
2/22/2021	Eric Finley Call with counsel re Eleventh Report and service of same. Continue drafting Eleventh Report. Review payroll, funding request, CRA claim. Various calls re independent contractors.	2.50	475.00	1,187.50
2/22/2021	Jack Caylor Respond to multiple Richter hotline inquiries re tax forms, unsecured creditor updates, etc. Update and review R&D in preparation for Eleventh Report. Begin drafting fee summaries and compiling appendix documents.	4.25	225.00	956.25
2/23/2021	Adam Sherman Emails with TDS re Broadway sale, former employee matters, RV, Receiver's Eleventh Report, emails with landlords, emails with Osler, Falcon Lake. Sign Broadway closing docs and send to TDS. Sign contractor letter. Emails/discussions with Richter team.	2.50	895.00	2,237.50
2/23/2021	Eric Finley Update call with IT team on migration support and workstreams. Emails with TDS re labour claims, Falcon Lake property, Eleventh Report. Continue drafting Eleventh Report.	2.00	475.00	950.00
2/23/2021	Jack Caylor Review Receiver's Eleventh Report and continue to draft and compile appendix documents. Multiple emails with TDS, Katten and Richter re same.	2.75	225.00	618.75
2/23/2021	Jack Caylor Multiple calls with Nygard employees re independent contract questions. Call with former employee re confirmation of T4 amount and follow-up with payroll team.	2.75	225.00	618.75
2/24/2021	Carol O'Donnell Post documents to website, communications with former employees.	0.50	250.00	125.00
2/24/2021	Adam Sherman	4.00	895.00	3,580.00

Invoice No.: 20406122
Date: 3/4/2021

Date	Name and Description	Hours	Rate	Amount
	Emails with TDS re Auld Phillips, Receiver's Eleventh report, Falcon Lake, emails with Osler, Nygard properties, Broadway sale, T5s, call with Nygard counsel. Update/finalize/sign Receiver's Eleventh Report. Emails/discussions with Richter team.			
2/24/2021	Eric Finley Finalize Eleventh Report of the Receiver, including all appendices/charts and review figures prior to service.	5.50	475.00	2,612.50
2/24/2021	Jack Caylor Review and comment on Receiver's draft Eleventh Report. Update fee and appendix section re same. Review, compile and finalize appendix documents. Multiple emails with related parties re same.	4.50	225.00	1,012.50
2/25/2021	Carol O'Donnell Prepare wire transfer, update.	0.30	250.00	75.00
2/25/2021	Adam Sherman Emails with TDS re Falcon Lake, emails with Nygard counsel, invoice for period ending 2/21/2021, emails with E. Ransom. Call with TDS. Emails/discussions with Richter team. Approve wires.	2.20	895.00	1,969.00
2/25/2021	Eric Finley Emails and phone calls in connection with Broadway sale and sale of remaining assets. Discuss same with contractors and counsel.	0.75	475.00	356.25
2/25/2021	Jack Caylor Reconcile Katten professional fees and update R&D by entity. Continue to have discussions with employees re independent contractor questions.	2.50	225.00	562.50
2/26/2021	Carol O'Donnell Update deposit. Update HST reconciliation. Manage emails and communications with former employees.	0.80	250.00	200.00
2/26/2021	Adam Sherman Sign Auld Phillips Settlement. Emails with TDS re Auld Phillips, Falcon Lake, Broadway sale, motion brief, discussions with Nygard counsel, RV. Emails/discussions with Richter team.	1.50	895.00	1,342.50
2/26/2021	Eric Finley Emails with TDS re Falcon Lake. Discuss closing of Broadway.	0.25	475.00	118.75
2/26/2021	Jack Caylor	1.00	225.00	225.00

Invoice No.: 20406122
Date: 3/4/2021

Date	Name and Description	Hours	Rate	Amount
	Follow-up with payroll team re former employee T4 reconciliation. Draft and review weekly Receiver cheque reconciliation re Receiver payments.			
Fees Total		43.25		\$ 21,035.25

Invoice No.: 20406122
Date: 3/4/2021

Remittance Form

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Invoice Summary

Sub-Total		\$ 21,035.25
Technology and Administrative Fees		1,051.76
GST/HST #885435842 RT0001		2,871.31
Total Due	CAD	\$ 24,958.32

Payment Options

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Wire Transfer Toronto Dominion Bank
Commercial Banking Center
525 Av. Viger Ouest, Montréal (Qc) H2Z 0B2
Bank Institute No.: 004
CAD Account no.: 5300836 Transit no.: 41601 Swift code: TDOMCATTTOR
USD Account no.: 7332090 Transit no.: 41601 Swift code: TDOMCATTTOR

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Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Date: 3/11/2021
Invoice No.: 20406151
Engagement No.: 2021900
Payment Terms: Due on Receipt

Professional services rendered to March 7, 2021 \$ 19,162.00

Sub-Total	19,162.00
Technology and Administrative Fees	958.10
GST/HST #885435842 RT0001	2,615.61
Total Due	CAD \$ 22,735.71

TORONTO

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312.828.0800

RICHTER.CA

Invoice No.: 20406151
Date: 3/11/2021

Fees

Name	Hours	Rate	Amount
Adam Sherman	8.60	\$ 895.00	\$ 7,697.00
Carol O'Donnell	5.00	250.00	1,250.00
Eric Finley	12.00	475.00	5,700.00
Jack Caylor	17.50	225.00	3,937.50
Ken Le	0.70	185.00	129.50
Pascale Lareau	0.70	190.00	133.00
Vicky Coupal	3.00	105.00	315.00
	47.50		\$ 19,162.00

Invoice No.: 20406151
Date: 3/11/2021

Fee and Disbursement Details

Date	Name and Description	Hours	Rate	Amount
3/1/2021	Carol O'Donnell Prepare wire transfer, update. Communications with Service Canada re WEPP.	0.70	\$ 250.00	\$ 175.00
3/1/2021	Adam Sherman Emails with TDS re Falcon Lake/Fieldstone proceeds, RV, Landlord Claims Order. Email from V. Di Lorio. Emails/discussions with Richter team. Approve wires.	1.50	895.00	1,342.50
3/1/2021	Eric Finley Calls and emails re release of invoices, Falcon Lake property matters, RV sale, IT preservation efforts, WEPP submissions, Insurance renewals, Landlord Claims procedures.	1.75	475.00	831.25
3/1/2021	Jack Caylor Review and track remaining employee's time sheets. Update and review R&D for w/e February 27. Multiple calls and emails responding to Richter hotline inquiries.	3.25	225.00	731.25
3/2/2021	Carol O'Donnell Communications with Amanda at Service Canada regarding Kevin Carkner. File WEPP online with Service Canada.	1.20	250.00	300.00
3/2/2021	Adam Sherman Emails with TDS re Auld Phillips settlement, Landlord Claims Order, emails with Nygard counsel, Falcon Lake/Fieldstone proceeds, DEFA request. Emails/discussions with Richter team.	1.30	895.00	1,163.50
3/2/2021	Eric Finley Preparations for Court attendance. Respond to creditor inquiries. Calls with contractors re various matters.	1.00	475.00	475.00
3/2/2021	Jack Caylor Calls with former employees re WEPP timeline, unsecured amounts, WEPP general questions. Discussions with Nygard team re possible unpaid Winnipeg business taxes and drafting of response to G. Firth at Commercial Credit Adjusters Ltd.	1.75	225.00	393.75
3/3/2021	Carol O'Donnell Enter WEPP claims with Service Canada. Prepare notices. Preparation for Landlord claims process.	1.20	250.00	300.00
3/3/2021	Vicky Coupal Meeting with C.O'Donnell and J. Caylor re review and test mail merge information for Notice to Landlords and follow-up with team.	1.50	105.00	157.50
3/3/2021	Adam Sherman	2.50	895.00	2,237.50

Invoice No.: 20406151
Date: 3/11/2021

Date	Name and Description	Hours	Rate	Amount
	Attendance in Court re Landlord Claims Order. Emails with TDS re Auld Phillips settlement, Falcon Lake/Fieldstone proceeds, emails with Nygard counsel, emails with Landlord counsel, Broadway sale. Call with TDS. Emails/discussions with Richter team.			
3/3/2021	Eric Finley Attend Court re Landlord Claims and distribution, several calls subsequent to attendance in preparation for claims process. Calls with Counsel and Richter re Falcon Lake property. Creditor inquiries.	2.75	475.00	1,306.25
3/3/2021	Jack Caylor Calls/emails responding to Richter hotline inquiries re T4 status, claims status and update, etc. Update and review landlord claims working papers in preparation to mail out claims packages. Multiple calls with E. Finley re same.	3.50	225.00	787.50
3/4/2021	Carol O'Donnell Complete WEPP applications online.	0.50	250.00	125.00
3/4/2021	Ken Le Review Richter hotline messages and calls with creditors. Preparation re landlords claims process.	0.45	185.00	83.25
3/4/2021	Adam Sherman Emails with TDS re Falcon Lake/Fieldstone proceeds, communications with Nygard counsel, Broadway sale, NPL matters, Landlord Claims Order. Call with TDS. Creditor emails. Emails/discussions with Richter team.	1.80	895.00	1,611.00
3/4/2021	Eric Finley Attend Manitoba Labour Board hearing re employee wage claim. Calls with Richter team re KLD and data preservation. Call with TDS and comments on emails re Falcon Lake. Calls with contractors re IT preservation.	3.00	475.00	1,425.00
3/4/2021	Jack Caylor Attend Manitoba Labor board hearing. Continue to review/update Landlord claims working papers, including discussions with E. Finley.	4.50	225.00	1,012.50
3/5/2021	Pascale Lareau WEPP mailing.	0.70	190.00	133.00
3/5/2021	Carol O'Donnell Prepare wire transfers, update. Post documents to website and file with OSB.	1.40	250.00	350.00
3/5/2021	Ken Le	0.25	185.00	46.25

Invoice No.: 20406151
Date: 3/11/2021

Date	Name and Description	Hours	Rate	Amount
	Telephone call with former employee re WEPP.			
3/5/2021	Vicky Coupal Email exchanges with C. O'Donnell and J. Caylor re additional review and preparation for landlord claims process.	1.50	105.00	157.50
3/5/2021	Adam Sherman Emails with TDS re Falcon Lake/Fieldstone proceeds, emails with Nygard counsel, invoice for period ending 2/28/2021, Bill of Sale for RV, Broadway sale. Review draft Landlord Claims Notice. Emails/discussions with Richter team. Approve wires.	1.50	895.00	1,342.50
3/5/2021	Eric Finley Attend to delivery of the Fawcett Documents. Call with CRA re audit. Several phone calls and emails re RV sale and Falcon Lake Property Sale. Emails and review of Landlord claims notices.	3.50	475.00	1,662.50
3/5/2021	Jack Caylor Analysis re Landlord COVID rent claim amounts. Calls with Richter team and preparation for Landlord claims process.	2.75	225.00	618.75
3/5/2021	Jack Caylor Follow-up with contract workers re banking information, WEPP calculations and other questions. Compile and draft hours summary in preparation for first contract workers pay run. Draft cheque reconciliation for Receiver's payments.	1.75	225.00	393.75
Fees Total		47.50		\$ 19,162.00

Invoice No.: 20406151
Date: 3/11/2021

Remittance Form

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Invoice Summary

Sub-Total		\$ 19,162.00
Technology and Administrative Fees		958.10
GST/HST #885435842 RT0001		2,615.61
Total Due	CAD	\$ 22,735.71

Payment Options

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Commercial Banking Center
525 Av. Viger Ouest, Montréal (Qc) H2Z 0B2
Bank Institute No.: 004
CAD Account no.: 5300836 Transit no.: 41601 Swift code: TDOMCATTTOR
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RICHTER

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Date: 3/19/2021
Invoice No.: 20406168
Engagement No.: 2021900
Payment Terms: Due on Receipt

Professional services rendered to March 14, 2021 \$ 15,873.00

Sub-Total		<hr/> 15,873.00
Technology and Administrative Fees		793.65
GST/HST #885435842 RT0001		2,166.66
Total Due	CAD	<hr/> \$ 18,833.31

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RICHTER.CA

Invoice No.: 20406168
Date: 3/19/2021

Fees

Name	Hours	Rate	Amount
Adam Sherman	7.10	\$ 895.00	\$ 6,354.50
Carol O'Donnell	11.20	250.00	2,800.00
Eric Finley	3.75	475.00	1,781.25
Gilles Benchaya	1.00	895.00	895.00
Jack Caylor	13.00	225.00	2,925.00
Ken Le	2.35	185.00	434.75
Vicky Coupal	6.50	105.00	682.50
	44.90		\$ 15,873.00

Invoice No.: 20406168
Date: 3/19/2021

Fee and Disbursement Details

Date	Name and Description	Hours	Rate	Amount
3/8/2021	Carol O'Donnell Verify contractor banking information. Communications with Service Canada.	0.50	\$ 250.00	\$ 125.00
3/8/2021	Vicky Coupal Emails with C. O'Donnell and J. Caylor re updated mail merge information for Notice to Landlords and follow-up with team.	2.00	105.00	210.00
3/8/2021	Adam Sherman Emails with TDS re Falcon Lake sale, Auld Phillips. Review/provide comments on updated Landlord claims notice. Emails/discussions with Richter team.	1.20	895.00	1,074.00
3/8/2021	Eric Finley Discussions with CRA re audit outcome. Review audit report prior to call.	0.50	475.00	237.50
3/8/2021	Jack Caylor Update R&D for w/e March 6. Organize, review and track individual contractor hours and finalize banking info in preparation for first pay run. Review Richter comments on landlord claims letter and make corresponding changes.	3.75	225.00	843.75
3/9/2021	Carol O'Donnell Post documents to website, file with OSB. Prepare list of emails. Prepare documents for emails to Landlords, email to Landlords.	5.40	250.00	1,350.00
3/9/2021	Ken Le Review and combine emails by store number for the Landlords, discussion with C. O'Donnell.	1.70	185.00	314.50
3/9/2021	Vicky Coupal Prepare and finalize mail merge for mailing of Notices to Landlord, rename all PDFs for individual emails and follow-up discussions with team.	4.50	105.00	472.50
3/9/2021	Adam Sherman Emails with TDS re Falcon Lake, communications with Nygard counsel. Call with TDS re Falcon Lake. Review Falcon Lake appraisals. Review/approve final Landlord Claims notice. Emails/discussions with Richter team.	2.20	895.00	1,969.00
3/9/2021	Eric Finley Review of several files and emails re Falcon Lake sale and call with TDS re same. Various calls in connection with KLD forensic copy preservation.	2.25	475.00	1,068.75
3/9/2021	Jack Caylor	1.25	225.00	281.25

Invoice No.: 20406168
Date: 3/19/2021

Date	Name and Description	Hours	Rate	Amount
	Call with Richter team re Landlord Claim emails. Review final draft and discuss with Richter team.			
3/10/2021	Carol O'Donnell Number and transfer Landlord emails to network. Respond to emails. Create BMO templates for contract workers. Follow-up with E. Finley regarding WEPP.	1.50	250.00	375.00
3/10/2021	Ken Le Review emails from general inbox and forward copy to J. Caylor.	0.25	185.00	46.25
3/10/2021	Ken Le Verify BMO templates for contract employees.	0.40	185.00	74.00
3/10/2021	Gilles Benchaya KLD call and review of KLD estimate.	1.00	895.00	895.00
3/10/2021	Adam Sherman Emails with TDS re Falcon Lake, communications with Nygard counsel, Landlord Claims process, Inkster sale. Emails/discussions with Richter team.	1.20	895.00	1,074.00
3/10/2021	Eric Finley Call with KLD re forensic copy preservation and preparation for same.	0.75	475.00	356.25
3/10/2021	Jack Caylor Follow-up with Landlord counsels re confirming Landlord Claims notice receipt. Correspondence with independent contractors re finalizing information for payment. Draft cheque rec re first independent contractor pay run.	2.50	225.00	562.50
3/10/2021	Jack Caylor Multiple calls, emails and following up re canceling business licenses, confirming outstanding PST with corresponding provincial bodies, responding to Richter hotline inquiries.	2.00	225.00	450.00
3/11/2021	Carol O'Donnell Prepare wire transfers for contractor payments and wires. Miscellaneous banking administration.	2.40	250.00	600.00
3/11/2021	Adam Sherman Emails with TDS re invoice for period ending 3/7/2021, Broadway sale, timing for Receiver motion. Review/approve wire templates re contractor payments. Emails/discussions with Richter team. Approve wires.	1.50	895.00	1,342.50
3/11/2021	Eric Finley Review emails re Falcon Lake sale. Review of R&D.	0.25	475.00	118.75

Invoice No.: 20406168
Date: 3/19/2021

Date	Name and Description	Hours	Rate	Amount
3/11/2021	Jack Caylor Multiple calls with Richter team re independent contractor wire payments, employee documentation follow-up questions. Analysis and emails re BC unpaid Employee Health Tax.	1.25	225.00	281.25
3/12/2021	Carol O'Donnell Updates wire transfers. Verify bank for wire transfers, update deposits for sale of building.	1.40	250.00	350.00
3/12/2021	Adam Sherman Emails with TDS re Falcon Lake, communications with Nygard counsel. Emails/discussions with Richter team. Approve wires.	1.00	895.00	895.00
3/12/2021	Jack Caylor Correspondence with independent contractors and former employees re tax forms, payment confirmations, WEPP submission questions. Draft cheque rec for March 12 Receiver payments. Emails and analysis re Landlord Claim process follow-up.	2.25	225.00	506.25
Fees Total		44.90		\$ 15,873.00

Invoice No.: 20406168
Date: 3/19/2021

Remittance Form

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Invoice Summary

Sub-Total		\$ 15,873.00
Technology and Administrative Fees		793.65
GST/HST #885435842 RT0001		2,166.66
Total Due	CAD	\$ 18,833.31

Payment Options

**At this time, we ask that payment not be made by cheque.
Please use one of the payment options below. We appreciate your collaboration.**

Wire Transfer Toronto Dominion Bank
Commercial Banking Center
525 Av. Viger Ouest, Montréal (Qc) H2Z 0B2
Bank Institute No.: 004
CAD Account no.: 5300836 Transit no.: 41601 Swift code: TDOMCATTTOR
USD Account no.: 7332090 Transit no.: 41601 Swift code: TDOMCATTTOR

Email payment details, including invoice number and amount paid to:
ClientService@richter.ca

Credit Card payments can be made by contacting us as indicated below.

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CHICAGO

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Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Date: 3/24/2021
Invoice No.: 20406181
Engagement No.: 2021900
Payment Terms: Due on Receipt

Professional services rendered to March 21, 2021 \$ 11,325.25

Sub-Total	11,325.25
Technology and Administrative Fees	566.26
GST/HST #885435842 RT0001	1,545.89
Total Due	CAD \$ 13,437.40

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Invoice No.: 20406181
Date: 3/24/2021

Fees

Name	Hours	Rate	Amount
Adam Sherman	7.00	\$ 895.00	\$ 6,265.00
Carol O'Donnell	3.50	250.00	875.00
Eric Finley	3.50	475.00	1,662.50
Jack Caylor	10.00	225.00	2,250.00
Ken Le	0.10	185.00	18.50
Pascale Lareau	1.20	190.00	228.00
Vicky Coupal	0.25	105.00	26.25
	25.55		\$ 11,325.25

Invoice No.: 20406181
Date: 3/24/2021

Fee and Disbursement Details

Date	Name and Description	Hours	Rate	Amount
3/15/2021	Carol O'Donnell Prepare mail affidavit for Landlord claim notice and file with OSB. Communications with former employees regarding WEPP. Respond by email.	1.30	\$ 250.00	\$ 325.00
3/15/2021	Vicky Coupal Mail affidavit.	0.25	105.00	26.25
3/15/2021	Adam Sherman Emails with TDS re motion date, Falcon Lake property appraisals, emails with Nygard counsel. Creditor enquiries. Emails/discussions with Richter team.	1.50	895.00	1,342.50
3/15/2021	Eric Finley Review of materials re intercompany accounts, summarize issues and discuss same with Richter team.	2.25	475.00	1,068.75
3/15/2021	Jack Caylor Update R&D for w/e March 13. Update R&D by entity and reconcile cash to updated consolidated R&D. Review independent contractor hours. Follow-up with payroll team re former employee tax matters.	4.00	225.00	900.00
3/16/2021	Pascale Lareau Reconciliation GST / HST for February 2021.	0.40	190.00	76.00
3/16/2021	Carol O'Donnell Enter TIF for WEPP and update notice.	0.20	250.00	50.00
3/16/2021	Ken Le Telephone call with creditor.	0.10	185.00	18.50
3/16/2021	Adam Sherman Emails with TDS re Falcon Lake, emails with Nygard counsel, motion date. Review Falcon Lake property info. Emails with Richter team.	1.00	895.00	895.00
3/16/2021	Jack Caylor Multiple calls, analysis, and review of final WEPP submissions and former employee WEPP issues. Multiple emails responding to Richter hotline re unsecured creditor inquiries.	1.25	225.00	281.25
3/17/2021	Carol O'Donnell Communications with Service Canada regarding WEPP for Cheryl Hodgetts. Update TIF's. Communications with former employee. File new TIF.	1.20	250.00	300.00
3/17/2021	Adam Sherman	1.50	895.00	1,342.50

Invoice No.: 20406181
Date: 3/24/2021

Date	Name and Description	Hours	Rate	Amount
	Emails with TDS re Falcon Lake properties/proceeds, emails with Nygard counsel, E/B mortgage, motion dates. Review Falcon Lake commitment letter re property deficiencies. Review CRA letter GST/HST audit. Emails/discussions with Richter team.			
3/17/2021	Jack Caylor Emails with former employee re WEPP calculation, payment timeframe and next steps. Follow-up with Richter team re WEPP amendment.	0.75	225.00	168.75
3/18/2021	Pascale Lareau Prepare bank reconciliations, pdf, update bank reconciliation file (2 bank accounts).	0.80	190.00	152.00
3/18/2021	Adam Sherman Emails with TDS re Falcon Lake payout statement, invoice for period ending 3/14/2021, emails with Nygard counsel. Emails with Katten re productions. Emails/discussions with Richter team.	1.50	895.00	1,342.50
3/18/2021	Eric Finley Review interim R&D to assess intercompany balances.	0.75	475.00	356.25
3/18/2021	Jack Caylor Analysis, calls and emails responding to Richter hotline inquiries re T4 and W2 documents, paystub requests, Landlord inquiries re claim notice inquiries.	1.50	225.00	337.50
3/19/2021	Carol O'Donnell Prepare wire transfers, update. Communications with creditors.	0.80	250.00	200.00
3/19/2021	Adam Sherman Emails with TDS re Falcon Lake closing, emails with Nygard counsel, Receiver motion. Approve wires. Emails/discussions with Richter team.	1.50	895.00	1,342.50
3/19/2021	Eric Finley Call with counsel re IP sales. Emails with counsel re Receiver motion and Falcon Lake. Review invoices for payment.	0.50	475.00	237.50
3/19/2021	Jack Caylor Correspondence with Katten re document sharing. Follow-up with Richter IT re issues with same. Review Receiver payments and draft cheque rec. Review and organize Nygard mail re PST amounts, return to sender T4's, creditor letters.	2.50	225.00	562.50
Fees Total		25.55		\$ 11,325.25

Invoice No.: 20406181
Date: 3/24/2021

Remittance Form

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Invoice Summary

Sub-Total		\$ 11,325.25
Technology and Administrative Fees		566.26
GST/HST #885435842 RT0001		1,545.89
Total Due	CAD	\$ 13,437.40

Payment Options

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525 Av. Viger Ouest, Montréal (Qc) H2Z 0B2
Bank Institute No.: 004
CAD Account no.: 5300836 Transit no.: 41601 Swift code: TDOMCATTOR
USD Account no.: 7332090 Transit no.: 41601 Swift code: TDOMCATTOR

Email payment details, including invoice number and amount paid to:
ClientService@richter.ca

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Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Date: 4/7/2021
Invoice No.: 20406222
Engagement No.: 2021900
Payment Terms: Due on Receipt

Professional services rendered to April 4, 2021 \$ 24,243.50

Disbursements 110.80

Sub-Total 24,354.30

Technology and Administrative Fees 1,217.72

GST/HST #885435842 RT0001 3,324.36

Total Due CAD **\$ 28,896.38**

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RICHTER.CA

Invoice No.: 20406222
Date: 4/7/2021

Fees

Name	Hours	Rate	Amount
Adam Sherman	18.80	\$ 895.00	\$ 16,826.00
Carol O'Donnell	3.80	250.00	950.00
Eric Finley	5.25	475.00	2,493.75
Jack Caylor	17.25	225.00	3,881.25
Ken Le	0.50	185.00	92.50
	45.60		\$ 24,243.50

Disbursements

Courier	\$ 76.24
Postage	34.56
	\$ 110.80

Invoice No.: 20406222
Date: 4/7/2021

Fee and Disbursement Details

Date	Name and Description	Hours	Rate	Amount
3/22/2021	Adam Sherman Emails with TDS re Receiver's motion, emails with Nygard counsel.	0.50	\$ 895.00	\$ 447.50
3/22/2021	Jack Caylor Update R&D for w/e March 20, reconcile cash on hand, correspondence with Nygard team re specific payment info. Review independent contractor hours and follow-up with certain contractors.	3.50	225.00	787.50
3/23/2021	Adam Sherman Emails with TDS re Falcon Lake, emails with Nygard counsel, Landlord Notices of Dispute, WO ledger debt. Emails with D. Sigmar, realtor for the FL properties. Emails/discussions with Richter team.	1.00	895.00	895.00
3/23/2021	Jack Caylor Follow-up with Nygard independent contractors re submitting hours and invoices.	0.75	225.00	168.75
3/24/2021	Carol O'Donnell Communications with Service Canada regarding WEPP deadline and reminder letters to former employees. Prepare wire transfers. Discussions with J. Caylor.	2.30	250.00	575.00
3/24/2021	Adam Sherman Emails with TDS re Falcon Lake proceeds. Emails with D. Sigmar re FL properties. Emails/discussions with Richter team.	0.80	895.00	716.00
3/24/2021	Jack Caylor Prepare cheque rec re Receiver payments, including independent contractors, operating expenses and fees. Correspondence with Richter team. Correspondence with BC Ministry of Finance re pre and post filing PST.	1.75	225.00	393.75
3/25/2021	Carol O'Donnell Communications with Service Canada regarding WEPP.	0.30	250.00	75.00
3/25/2021	Adam Sherman Emails/call with D. Sigmar/R. Martell re FL appraisals/sale. Emails with TDS re FL, call with D. Sigmar/R. Martell, invoice for period ending 3/21/2021, Receiver motion, emails with Nygard counsel. Approve wires. Emails/discussions with Richter team.	2.50	895.00	2,237.50
3/25/2021	Eric Finley Call with TDS re Falcon Lake. Review various emails and consider issues in connection with same.	1.25	475.00	593.75
3/25/2021	Jack Caylor	3.50	225.00	787.50

Invoice No.: 20406222
Date: 4/7/2021

Date	Name and Description	Hours	Rate	Amount
	Analysis and correspondence with E. Finley re reconciliation of White Oak ledger to R&D payments. Follow-up with Landlord counsel re claims process.			
3/26/2021	Carol O'Donnell Prepare and update wire transfers for contractor payments and miscellaneous wires.	1.20	250.00	300.00
3/26/2021	Adam Sherman Emails/call with TDS re FL proceeds. Emails with TDS re FL, emails with Nygard counsel. Email to D. Sigmar re FL sale, Receiver motion. Review/approve bank recs for February 2021 (\$US/\$CAN). Approve wires. Emails/discussions with Richter team.	2.50	895.00	2,237.50
3/26/2021	Eric Finley Emails re White Oak debt. Discussions re Falcon Lake.	0.75	475.00	356.25
3/26/2021	Jack Caylor Call with E. Finley re reviewing White Oak ledger reconciliation. Continue to finalize reconciliation re E. Finley comments. Emails and calls with independent contractors re utility accounts, expense reimbursement/ summaries.	3.00	225.00	675.00
3/29/2021	Adam Sherman Emails with TDS re Falcon Lake proceeds, emails with Landlord counsel re Notices of Dispute/other, emails with Nygard counsel. Emails with Richter team.	1.00	895.00	895.00
3/29/2021	Eric Finley Emails with TDS and consultant re Landlord rent and correspondence re 239 Chrislea.	0.75	475.00	356.25
3/29/2021	Jack Caylor Update R&D for w/e March 26. Update R&D by entity and reconcile cash to updated consolidated R&D. Review independent contractor hours. Calls and emails re responding to Richter hotline enquiries re tax forms and unsecured creditor updates.	3.25	225.00	731.25
3/30/2021	Adam Sherman Emails with TDS re Falcon Lake proceeds, proposed Edson's payments, emails with Nygard counsel, emails with Landlord counsel re Notices of Dispute/other. Call with TDS. Emails/discussions with Richter team.	1.50	895.00	1,342.50
3/30/2021	Eric Finley Creditor inquiries re outstanding balances and TDS re Landlord claims/charge. Call with TDS re Falcon Lake.	1.50	475.00	712.50
3/30/2021	Jack Caylor	0.75	225.00	168.75

Invoice No.: 20406222
Date: 4/7/2021

Date	Name and Description	Hours	Rate	Amount
	Correspondence with Nygard payroll team and former employee re employee tax documents. Follow-up with unsecured creditor re claims process.			
3/31/2021	Ken Le Emails with J. Caylor, including confirmation of certain creditor matters.	0.10	185.00	18.50
3/31/2021	Adam Sherman Emails with TDS re Falcon Lake proceeds, emails with Nygard counsel, proposed Edson's payments, emails with Landlord counsel re Notices of Dispute. Emails/discussions with Richter team.	1.00	895.00	895.00
3/31/2021	Eric Finley Update call with KLD re IT matters.. Respond to creditor inquiries.	0.50	475.00	237.50
4/1/2021	Ken Le Prepare wire payments.	0.40	185.00	74.00
4/1/2021	Adam Sherman Emails with TDS re Falcon Lake/Fieldstone proceeds, emails with Nygard counsel, Receiver motion, NPL matters, invoice for period ending 3/28/2021. Call with B. Taylor. Emails/discussions with Richter team. Approve wires. Draft Receiver's Report.	5.50	895.00	4,922.50
4/1/2021	Eric Finley Emails with TDS re Falcon Lake. Discuss file issues with A. Sherman and review Landlord Notice of dispute.	0.50	475.00	237.50
4/1/2021	Jack Caylor Review invoices and draft cheque rec for Receiver payments.	0.75	225.00	168.75
4/2/2021	Adam Sherman Emails with TDS re emails with Landlord counsel re Notices of Dispute, emails with Nygard counsel. Draft Receiver's Report.	2.50	895.00	2,237.50
Fees Total		45.60		\$ 24,243.50
Date	Name and Description	Hours	Rate	Amount
	Postage			\$ 34.56
	Courier			76.24
Disbursements Total				\$ 110.80

Invoice No.: 20406222
Date: 4/7/2021

Remittance Form

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Invoice Summary

Sub-Total		\$ 24,354.30
Technology and Administrative Fees		1,217.72
GST/HST #885435842 RT0001		3,324.36
Total Due	CAD	\$ 28,896.38

Payment Options

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Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Date: 4/15/2021
Invoice No.: 20406268
Engagement No.: 2021900
Payment Terms: Due on Receipt

Professional services rendered to April 11, 2021 \$ 13,227.25

Sub-Total	13,227.25
Technology and Administrative Fees	661.36
GST/HST #885435842 RT0001	1,805.52
Total Due	CAD \$ 15,694.13

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Invoice No.: 20406268
Date: 4/15/2021

Fees			
Name	Hours	Rate	Amount
Adam Sherman	9.80	\$ 895.00	\$ 8,771.00
Carol O'Donnell	3.00	250.00	750.00
Eric Finley	2.00	475.00	950.00
Jack Caylor	12.25	225.00	2,756.25
	27.05		\$ 13,227.25

Invoice No.: 20406268
Date: 4/15/2021

Fee and Disbursement Details

Date	Name and Description	Hours	Rate	Amount
4/5/2021	Carol O'Donnell Update/finalize wire transfers, update in Ascend. Review of emails and forward to J. Caylor.	0.70	\$ 250.00	\$ 175.00
4/5/2021	Adam Sherman Emails with TDS re Falcon Lake proceeds, emails/call with Nygard counsel. Call with TDS re various matters. Emails with D. Sigmar. Emails/discussions with Richter team. Approve wires.	2.00	895.00	1,790.00
4/5/2021	Eric Finley Call with TDS re Falcon Lake property. Emails re same.	0.50	475.00	237.50
4/5/2021	Jack Caylor Review weekly invoices from contractors. Track and review COVID landlord claim disputes. Emails responding to Receiver hotline inquiries.	1.25	225.00	281.25
4/6/2021	Adam Sherman Emails with TDS re Falcon Lake proceeds, emails/call with Nygard counsel, Receiver motion, Edson's, 11997645 Canada Inc., Fieldstone mtg. Emails/discussions with Richter team.	1.50	895.00	1,342.50
4/6/2021	Jack Caylor Follow-up with contractors re banking fee support, other matters. Respond to unsecured creditor inquiries.	0.75	225.00	168.75
4/7/2021	Adam Sherman Emails with TDS re invoice for period ending 4/4/2021, Edson's, call with D. Magisano, Falcon Lake allocation/proceeds, Receiver motion/consolidation considerations. Call with TDS re various matters. Emails/discussions with Richter team.	2.00	895.00	1,790.00
4/7/2021	Eric Finley Call with TDS re Falcon Lake property. Review interim R&D and discuss upcoming motion with Richter team.	0.50	475.00	237.50
4/7/2021	Jack Caylor Correspondence with vendor re updating contact information. Review Receiver payments and draft cheque rec for Receiver payments re contract employees, IT admin invoices, other. Begin updating WEPP working paper for new timeframe.	4.00	225.00	900.00
4/8/2021	Carol O'Donnell	2.30	250.00	575.00

Invoice No.: 20406268
Date: 4/15/2021

Date	Name and Description	Hours	Rate	Amount
	Finalize contractor invoices in PDF, prepare contractor wires and other wires, update. Update deposit. Communication with Toronto team regarding amending WEPP. Discussion with Service Canada.			
4/8/2021	Adam Sherman Emails with TDS re Falcon Lake, Edson's. Emails/discussions with Richter team. Approve wires.	1.00	895.00	895.00
4/8/2021	Jack Caylor Continue to update WEPP listing to include the updated time frame required by service Canada. Organize and review landlord claim disputes against lease info and Nygard data.	3.50	225.00	787.50
4/9/2021	Adam Sherman Emails/call with D. Sigmar. Emails with TDS re Falcon Lake, Edson's, emails/call with D. Sigmar, emails with Nygard counsel, Receiver motion. Call with B. Taylor. Emails/discussions with Richter team.	2.30	895.00	2,058.50
4/9/2021	Jack Caylor Finalize and review WEPP working papers to include updated timeframe. Correspondence with contractors regarding payment discrepancy and bank fees. Confirm creditor is added to the creditor listing with K. Le.	2.75	225.00	618.75
4/11/2021	Adam Sherman Emails with TDS re Falcon Lake sale/proceeds, emails/call with Nygard counsel. Call with TDS re various matters.	1.00	895.00	895.00
4/11/2021	Eric Finley Call with TDS re Falcon Lake property. Emails re same.	1.00	475.00	475.00
Fees Total		27.05		\$ 13,227.25

Invoice No.: 20406268
Date: 4/15/2021

Remittance Form

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Invoice Summary

Sub-Total		\$ 13,227.25
Technology and Administrative Fees		661.36
GST/HST #885435842 RT0001		1,805.52
Total Due	CAD	\$ 15,694.13

Payment Options

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Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Date: 4/27/2021
Invoice No.: 20406290
Engagement No.: 2021900
Payment Terms: Due on Receipt

Professional services rendered to April 25, 2021 \$ 63,540.50

Sub-Total		63,540.50
Technology and Administrative Fees		3,177.03
GST/HST #885435842 RT0001		8,673.28
Total Due	CAD	\$ 75,390.81

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Invoice No.: 20406290
Date: 4/27/2021

Fees

Name	Hours	Rate	Amount
Adam Sherman	35.50	\$ 895.00	\$ 31,772.50
Alexandra Kovacs-Espley	3.25	215.00	698.75
Carol O'Donnell	14.30	250.00	3,575.00
Eric Finley	33.75	475.00	16,031.25
Jack Caylor	47.00	225.00	10,575.00
Karen Kimel	1.00	660.00	660.00
Pascale Lareau	1.20	190.00	228.00
	136.00		\$ 63,540.50

Invoice No.: 20406290
Date: 4/27/2021

Fee and Disbursement Details

Date	Name and Description	Hours	Rate	Amount
4/12/2021	Pascale Lareau Prepare GST/HST reconciliation for March 2021.	0.40	\$ 190.00	\$ 76.00
4/12/2021	Carol O'Donnell Communications with former employee re WEPP.	0.10	250.00	25.00
4/12/2021	Adam Sherman Emails with TDS re preservation of NPL proceeds, emails with Nygard counsel, insurance. Emails/discussions with Richter team.	1.00	895.00	895.00
4/12/2021	Jack Caylor Update R&D for week ending April 9. Reconcile R&D to cash and tie out professional fees. Multiple emails responding to Receiver hotline inquiries.	3.25	225.00	731.25
4/13/2021	Carol O'Donnell Verify GST/HST return and update reconciliation.	0.40	250.00	100.00
4/13/2021	Adam Sherman Emails with TDS re preservation of NPL proceeds, discussions with Nygard counsel. Call with TDS re various matters. Emails/discussions with Richter team.	1.50	895.00	1,342.50
4/13/2021	Eric Finley Call with TDS re Falcon Lake matters, insurance. Review consolidation matters and intercompany balances.	1.25	475.00	593.75
4/13/2021	Jack Caylor Draft Receivership entities BS analysis re consolidating and analyzing 2019 and 2020 balance sheet information. Correspondence with Richter team re same. Continue to update and finalize landlord COVID claim disputes tracker.	4.50	225.00	1,012.50
4/14/2021	Carol O'Donnell Communications with Government of Manitoba. Review and amend reconciliation of GST/HST.	0.50	250.00	125.00
4/14/2021	Adam Sherman Emails with TDS re emails with Nygard counsel, proposed NPL payments to S. Mager/E. Fenske, 236/Edson's. Emails/discussions with Richter team. Review files/emails re prep for Twelfth Receiver's Report.	3.50	895.00	3,132.50
4/14/2021	Eric Finley	3.25	475.00	1,543.75

Invoice No.: 20406290
Date: 4/27/2021

Date	Name and Description	Hours	Rate	Amount
	Review of landlord claims, Falcon Lake mortgage and emails in connection with same. Draft intercompany analysis and review/edit unconsolidated R&D in connection with upcoming Report.			
4/14/2021	Jack Caylor Review landlord claims with E. Finley. Update claims summary with E. Finley comments. Confirm with TDS all landlord disputes are accounted for.	2.50	225.00	562.50
4/15/2021	Carol O'Donnell Verify bank for wire transfer, update deposits.	0.30	250.00	75.00
4/15/2021	Adam Sherman Emails with TDS re preservation of NPL proceeds, draft email to Edson's counsel, cosurety repayment analysis. Call with TDS re various matters. Review landlord claims schedule. Review intercompany claims analysis. Emails/discussions with Richter team.	4.00	895.00	3,580.00
4/15/2021	Eric Finley Review landlord claims and discuss same with Richter team. Calls with TDS re Falcon Lake. Email re debt repayment. Review of intercompany accounts and discuss same with Richter team and TDS.	2.00	475.00	950.00
4/15/2021	Jack Caylor Review Nygard landlord claim disputes and review against leases, including calls with E. Finley re same. Correspondence with Richter team re finalizing and commenting on the BS analysis.	4.50	225.00	1,012.50
4/16/2021	Pascale Lareau Prepare bank reconciliation, pdf, update bank reconciliation file (2 bank accounts).	0.80	190.00	152.00
4/16/2021	Carol O'Donnell Prepare wires, update. Preparation and send emails to landlords. Filing of emails. Review of returned emails, discussion with J. Caylor.	2.30	250.00	575.00
4/16/2021	Karen Kimel Call with A. Sherman and E. Finley re distribution and discharge of debts flowchart.	0.50	660.00	330.00
4/16/2021	Adam Sherman Emails with TDS re preservation of NPL proceeds. Call with TDS re various matters. Update landlord letter re payment of accepted claims. Review/approve wires. Emails/discussions with Richter team. Review files/emails and draft Twelfth Report.	4.50	895.00	4,027.50
4/16/2021	Eric Finley	1.75	475.00	831.25

Invoice No.: 20406290
Date: 4/27/2021

Date	Name and Description	Hours	Rate	Amount
	Several meetings and discussions with Richter team and TDS re intercompany accounts, Receiver's report and consolidation matters.			
4/16/2021	Jack Caylor Review Receiver payments and draft cheque rec. Correspondence with Richter team re landlord banking info. Draft and review email listing for specific landlords and review email bounce issues.	2.75	225.00	618.75
4/16/2021	Jack Caylor Correspondence with Nygard team re HR info for former employee, analyzing and commenting on AP data and other Receiver hotline inquiries.	1.25	225.00	281.25
4/19/2021	Carol O'Donnell Verify landlord emails re claims process, including communications with Toronto team. Discussions with J. Caylor regarding procedure for wire transfers for accepted landlord claims.	1.50	250.00	375.00
4/19/2021	Karen Kimel Call with E. Finley re flow of funds.	0.50	660.00	330.00
4/19/2021	Adam Sherman Emails with TDS re insurance. Review updated cosurety payment analysis. Emails/discussions with Richter team. Review files/emails and draft Twelfth Report.	3.50	895.00	3,132.50
4/19/2021	Eric Finley Several emails and discussions with Richter team in connection with Receiver's report (consolidation, intercompany balances, obligations as guarantor, preferred claims, CRA claims, landlord claims).	4.50	475.00	2,137.50
4/19/2021	Alexandra Kovacs-Espley Preparing T4A slips.	2.50	215.00	537.50
4/19/2021	Jack Caylor Update R&D for week ending April 12. Reconcile R&D to cash and tie out professional fees. Follow up with Nygard team re unpaid utility invoices. Review invoices received from Nygard independent contractors.	3.75	225.00	843.75
4/20/2021	Carol O'Donnell Communications with Toronto team re landlord claims process/payment of accepted claims.	0.90	250.00	225.00
4/20/2021	Adam Sherman Emails/discussions with Richter team. Review files/emails, including drafting of Twelfth Report.	3.00	895.00	2,685.00

Invoice No.: 20406290
Date: 4/27/2021

Date	Name and Description	Hours	Rate	Amount
4/20/2021	Eric Finley Calls with Richter team re Receiver's report. Calls and emails in connection with insurance renewals.	1.75	475.00	831.25
4/20/2021	Jack Caylor Follow-up with independent contractors re hour summaries and questions. Draft cheque rec and compile relevant information.	1.75	225.00	393.75
4/20/2021	Jack Caylor Track, organize and review multiple landlords' banking information. Draft cheque rec in preparation for wires to be sent to various landlords. Follow-up with team re information needed for wires/approved landlord claims.	5.75	225.00	1,293.75
4/21/2021	Carol O'Donnell Prepare wire transfers for the contract staff.	1.10	250.00	275.00
4/21/2021	Adam Sherman Emails with TDS re preservation of NPL proceeds, emails with Nygard counsel. Review files/emails, including drafting of Twelfth Report. Review/approve wires. Emails/discussions with Richter team.	3.50	895.00	3,132.50
4/21/2021	Eric Finley Drafting of Report, including review of intercompany debts, payment waterfall, subrogation matters, Falcon Lake matters, consolidation.	4.25	475.00	2,018.75
4/21/2021	Jack Caylor Continue to track and organize banking info received by various landlords. Draft cheque rec for approved landlord claims, including correspondence with Richter team re same.	4.75	225.00	1,068.75
4/22/2021	Carol O'Donnell Update wires for contractors. Verify landlord wire information.	0.90	250.00	225.00
4/22/2021	Adam Sherman Emails with TDS re preservation of NPL proceeds, emails with Nygard counsel, cosurety payment analysis. Call with TDS re various matters. Emails/discussions with Richter team. Review files/emails, and drafting of Twelfth Report. Review/approve wires.	4.50	895.00	4,027.50
4/22/2021	Eric Finley Continue drafting of Report including review Falcon Lake / NPL matters, intercompany arrangements, subrogation and contribution of guarantors, consolidation.	4.00	475.00	1,900.00
4/22/2021	Alexandra Kovacs-Espley	0.75	215.00	161.25

Invoice No.: 20406290
Date: 4/27/2021

Date	Name and Description	Hours	Rate	Amount
	T4A review reconciliation.			
4/22/2021	Jack Caylor Continue to organize and track landlord banking information. Follow-up with landlords re outstanding banking information. Various matters re payment of approved landlord claims.	4.25	225.00	956.25
4/22/2021	Jack Caylor Correspondence with L. Micic re AP amounts at March 18, 2020 and break down of AP by entity. Emails responding to Richter hotline inquiries.	1.50	225.00	337.50
4/23/2021	Carol O'Donnell Prepare wire transfers for landlords re accepted claims.	6.30	250.00	1,575.00
4/23/2021	Adam Sherman Emails with TDS re preservation of NPL proceeds, emails with Nygard counsel, Receiver's Report. Emails/discussions with Richter team. Review files/emails, including drafting of Twelfth Report.	3.00	895.00	2,685.00
4/23/2021	Eric Finley Continue drafting of Report including review Falcon Lake / NPL matters, intercompany arrangements, subrogation and contribution of guarantors, consolidation.	2.50	475.00	1,187.50
4/23/2021	Jack Caylor Follow-up emails and calls with landlords re outstanding banking information. Track and organize banking information received throughout day and various matters re payment of approved landlord claims.	4.25	225.00	956.25
4/24/2021	Adam Sherman Emails/discussions with Richter team re Twelfth Report. Review/update Twelfth Report.	1.50	895.00	1,342.50
4/24/2021	Eric Finley Drafting of Report including treatment of accounting entries and summary tables of same. Review of NPL matters, intercompany arrangements, contribution of guarantors and consolidation.	4.00	475.00	1,900.00
4/24/2021	Jack Caylor Call with E. Finley re updating balance sheet analysis to breakout intercompany loans.	1.25	225.00	281.25
4/25/2021	Adam Sherman Emails/discussions with Richter team re Twelfth Report. Review files/emails, including updates to Twelfth Report. Emails with TDS.	2.00	895.00	1,790.00
4/25/2021	Eric Finley	4.50	475.00	2,137.50

Invoice No.: 20406290
Date: 4/27/2021

Date	Name and Description	Hours	Rate	Amount
	Drafting of Report including treatment of accounting entries and summary tables of same. Review of NPL matters, intercompany arrangements, contribution of guarantors and consolidation.			
4/25/2021	Jack Caylor Review NIP/Inc. intercompany balances. Correspondence with E. Finley and L. Micic re same.	1.00	225.00	225.00
Fees Total		136.00		\$ 63,540.50

Invoice No.: 20406290
Date: 4/27/2021

Remittance Form

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Invoice Summary

Sub-Total		\$ 63,540.50
Technology and Administrative Fees		3,177.03
GST/HST #885435842 RT0001		8,673.28
Total Due	CAD	\$ 75,390.81

Payment Options

**At this time, we ask that payment not be made by cheque.
Please use one of the payment options below. We appreciate your collaboration.**

Wire Transfer Toronto Dominion Bank
Commercial Banking Center
525 Av. Viger Ouest, Montréal (Qc) H2Z 0B2
Bank Institute No.: 004
CAD Account no.: 5300836 Transit no.: 41601 Swift code: TDOMCATTTOR
USD Account no.: 7332090 Transit no.: 41601 Swift code: TDOMCATTTOR

Email payment details, including invoice number and amount paid to:
ClientService@richter.ca

Credit Card payments can be made by contacting us as indicated below.

Inquiries: please call our general line 416.488.2345 or e-mail ClientService@richter.ca

TORONTO

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MONTRÉAL

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514.934.3400

CHICAGO

200 South Wacker, #3100
Chicago IL 60606
312.828.0800

RICHTER.CA

RICHTER

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Date: 5/14/2021
Invoice No.: 20406372
Engagement No.: 2021900
Payment Terms: Due on Receipt

Professional services rendered to May 9, 2021 \$ 80,180.75

Disbursements 292.67

Sub-Total 80,473.42

Technology and Administrative Fees 4,023.67

GST/HST #885435842 RT0001 10,984.62

Total Due CAD **\$ 95,481.71**

TORONTO

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514.934.3400

CHICAGO

200 South Wacker, #3100
Chicago IL 60606
312.828.0800

RICHTER.CA

Invoice No.: 20406372
Date: 5/14/2021

Fees

Name	Hours	Rate	Amount
Adam Sherman	43.00	\$ 895.00	\$ 38,485.00
Alexandra Kovacs-Espley	2.00	215.00	430.00
Anastasiia Serovetnyk	4.50	115.00	517.50
Carol O'Donnell	18.10	250.00	4,525.00
Eric Finley	49.75	475.00	23,631.25
Jack Caylor	46.00	225.00	10,350.00
Karen Kimel	0.50	795.00	397.50
Ken Le	3.70	185.00	684.50
Michael Dubé	1.00	400.00	400.00
Pascale Lareau	4.00	190.00	760.00
	172.55		\$ 80,180.75

Disbursements

Courier	\$ 292.67
	\$ 292.67

Invoice No.: 20406372
Date: 5/14/2021

Fee and Disbursement Details

Date	Name and Description	Hours	Rate	Amount
4/26/2021	Pascale Lareau Various matters re payment of accepted landlord claims.	1.20	\$ 190.00	\$ 228.00
4/26/2021	Carol O'Donnell Prepare landlord wire transfers re accepted landlord claims and other matter re same.	7.20	250.00	1,800.00
4/26/2021	Karen Kimel Review schedule/waterfall analysis, including discussion with from E. Finley re same.	0.50	795.00	397.50
4/26/2021	Michael Dubé Communications with E. Finley re review tax on sale of properties and T4A review.	1.00	400.00	400.00
4/26/2021	Adam Sherman Emails with TDS re NPL proceeds, 236, emails with Nygard/Edson's counsel. Call with TDS. Review/provide comments on waterfall analysis. Emails/discussions with Richter team.	3.00	895.00	2,685.00
4/26/2021	Eric Finley Continue drafting of Receiver's Report including review of intercompany arrangements and the accounting and legal treatment of same. Several discussions with TDS on matters relating to the Receiver's Report.	7.00	475.00	3,325.00
4/26/2021	Alexandra Kovacs-Espley Preparing T4A slips.	2.00	215.00	430.00
4/26/2021	Jack Caylor Update and compile documents for Receiver's Twelfth Report re fees, invoices etc. Follow-up with TDS and Katten re same. Continue work on balance sheet analysis with E. Finley. Review landlord wires re accepted landlord claims.	4.00	225.00	900.00
4/26/2021	Jack Caylor Update interim R&D (including by entity), tie R&Ds back to cash on hand. Update NPL tax liability working paper to include Inkster and Broadway sales. Review with E. Finley and M. Dube.	4.00	225.00	900.00
4/27/2021	Pascale Lareau Various matters re payment of accepted landlord claims.	1.70	190.00	323.00
4/27/2021	Carol O'Donnell Prepare wire transfers and other banking matters re payment of accepted landlord claims, including discussions with J. Caylor.	8.20	250.00	2,050.00
4/27/2021	Ken Le	0.30	185.00	55.50

Invoice No.: 20406372
Date: 5/14/2021

Date	Name and Description	Hours	Rate	Amount
	Various matters re payment of accepted landlord claims, including discussion with C. O'Donnell.			
4/27/2021	Adam Sherman Emails with TDS re preservation of NPL proceeds, communications with Nygard/Edson's counsel. Review/update Receiver's Report, Emails/discussions with Richter team.	3.00	895.00	2,685.00
4/27/2021	Eric Finley Continue drafting of Receiver's Report including review of intercompany arrangements and the accounting and legal treatment of same. Review of liabilities, summarize same. Review and update R&D by entity.	6.50	475.00	3,087.50
4/27/2021	Jack Caylor Call with E. Finley re updates to balance sheet analysis and break out intercompany amounts. Update analysis re E. Finley comments. Follow-up with Manitoba Hydro re outstanding bills and security deposit. Discussions with Nygard team.	3.25	225.00	731.25
4/27/2021	Jack Caylor Call with L. Micic re balance sheet analysis. Update and draft landlord section, fee section and R&D section for Receiver's Twelfth Report. Multiple calls with C. O'Donnell re finalizing landlord wires. Follow- up with specific landlords.	3.00	225.00	675.00
4/27/2021	Anastasiia Serovetnyk Review of T4A slips.	4.50	115.00	517.50
4/28/2021	Pascale Lareau Prepare GST/HST declaration for February 2021.	0.30	190.00	57.00
4/28/2021	Ken Le Various banking and other matters re wire payments, including communications with J. Caylor.	0.70	185.00	129.50
4/28/2021	Adam Sherman Emails with TDS re preservation of NPL proceeds, 236/Edson's, Receiver's Report, emails with Nygard counsel. Review accepted landlord claims/wires. Emails/discussions with Richter team.	5.50	895.00	4,922.50
4/28/2021	Eric Finley Drafting of Receiver's Report, including section on consolidation, NPL expenses, employee review, intercompany arrangements. Review of liabilities, summarize same, review and update R&D by entity.	6.50	475.00	3,087.50

Invoice No.: 20406372
Date: 5/14/2021

Date	Name and Description	Hours	Rate	Amount
4/28/2021	Jack Caylor Calls with Richter team accepted landlord claims payments. Call with Manitoba Hydro re outstanding amounts, security deposit and wire details. Update security deposit info/amounts.	2.25	225.00	506.25
4/28/2021	Jack Caylor Review balance sheet analysis updated by Nygard team. Review/update landlord info re payment of accepted landlord claims. Draft letter for landlords receiving claim payment by cheque.	3.00	225.00	675.00
4/29/2021	Ken Le Various matters re payment of accepted landlord claims.	2.00	185.00	370.00
4/29/2021	Adam Sherman Emails with TDS re emails with Edson's counsel. Review affidavits filed by debtors. Call with TDS. Emails/discussions with Richter team. Review/approve accepted landlord claims/wires. Review/update Receiver's Report.	5.50	895.00	4,922.50
4/29/2021	Eric Finley Drafting of Receiver's Report, including consolidation, intercompany accounting, review previous AGI materials and court decision, review NPL expenses, NIP employees, intercompany arrangements. Respondent affidavits. Calls with TDS.	7.25	475.00	3,443.75
4/29/2021	Jack Caylor Follow-up with Katten re outstanding amounts. Emails with A. Sherman re payment of accepted landlord claims. Correspondence with E. Finley re updating landlord section of Receiver's Twelfth Report.	2.75	225.00	618.75
4/29/2021	Jack Caylor Update landlord section of Receiver's Report and draft landlord claim summary. Work with team to finalize landlord payments. Finalize mailing package for landlord payments by cheque. Review TDS summary for Report.	3.25	225.00	731.25
4/30/2021	Ken Le Various banking and administrative matters, including communications with J. Caylor.	0.70	185.00	129.50
4/30/2021	Adam Sherman Emails with TDS re communications with Nygard/Edson's counsel. Call with TDS. Review affidavits filed by debtors. Review FL listing agreement. Emails/discussions with Richter team. Review/approve wires. Review/revise Receiver's Report.	4.50	895.00	4,027.50

Invoice No.: 20406372
Date: 5/14/2021

Date	Name and Description	Hours	Rate	Amount
4/30/2021	Eric Finley Drafting of Receiver's Report, review previous AGI materials and court decision, review Respondent affidavits and call with TDS on same.	3.25	475.00	1,543.75
4/30/2021	Jack Caylor Review E. Finley reclassification of certain R&D by entity amounts and make corresponding updates to master R&D. Tie documents back to cash on hand in trust accounts re same. Draft cheque rec for Receiver payments.	4.25	225.00	956.25
5/3/2021	Adam Sherman Emails with TDS re NPL proceeds preservation matters, Edson's/236, emails with Nygard counsel, emails with Edson's counsel, consolidation motion. Call with TDS. Review contribution memo. Emails/discussions with Richter team. Review/update Twelfth Report.	4.00	895.00	3,580.00
5/3/2021	Eric Finley Calls with TDS and Richter team re upcoming motions, Receiver's Reports, status of consolidation materials and also Falcon Lake materials. Continue drafting Receiver's Report and reviewing / updating tables / charts in connection with same.	2.25	475.00	1,068.75
5/3/2021	Jack Caylor Respond to landlord inquiry re landlord claim payment. Follow-up with Richter team re same. Follow-up with J. Wuthmann (landlord counsel) re wire confirmation and next steps.	1.50	225.00	337.50
5/3/2021	Jack Caylor Update R&D (including R&D by entity). Tie out R&D amounts to cash on hand. Correspondence with unsecured creditor and former employee re claims.	3.50	225.00	787.50
5/4/2021	Adam Sherman Emails/call with TDS re NPL proceeds preservation matter. Emails/discussions with Richter team. Review files and update Twelfth Report.	3.50	895.00	3,132.50
5/4/2021	Eric Finley Update call with KLD re NAS project, several discussions with TDS / Richter re May 12 motion / Falcon Lake. Continue drafting Receiver's Report and discuss same with Richter team (consolidation points).	2.50	475.00	1,187.50
5/4/2021	Jack Caylor	3.25	225.00	731.25

Invoice No.: 20406372
Date: 5/14/2021

Date	Name and Description	Hours	Rate	Amount
	Review Nygard contract worker's invoices and draft cheque rec for payment. Follow-up with contract workers re invoices. Correspondence with E. Finley re updates to landlord claim summary, including revisions to same.			
5/5/2021	Carol O'Donnell Communications with Service Canada and Toronto team regarding amended TIF's.	0.20	250.00	50.00
5/5/2021	Adam Sherman Email from TDS re invoice for period ending May 2, 2021. Emails/discussions with Richter team. Review files and update Twelfth Report.	4.00	895.00	3,580.00
5/5/2021	Eric Finley Review of intercompany entries, discussions with former finance team, review of intercompany agreements, review of consolidation memo and continue drafting Receiver's Report. Creditor calls.	4.00	475.00	1,900.00
5/5/2021	Jack Caylor Multiple emails with MB Hydro re payment of overdue accounts and deposit for new account. Review invoices and discuss deposit letter with E. Finley re same.	1.50	225.00	337.50
5/6/2021	Carol O'Donnell Prepare wire transfers for contract staff and others. Miscellaneous administration. Update deposit.	2.50	250.00	625.00
5/6/2021	Adam Sherman Emails/call with TDS re Respondent motion docs/affidavits for NPL proceeds preservation matter, emails/calls with Nygard counsel. Draft report re NPL proceeds preservation matter. Review/approve wires. Emails/discussions with Richter team.	6.00	895.00	5,370.00
5/6/2021	Eric Finley Several calls and emails with Richter team / TDS in connection with preservation matters and report on same. Continue drafting Receiver's Report re consolidation / intercompany claims / fees / R&D.	7.50	475.00	3,562.50
5/6/2021	Jack Caylor Review invoices and draft cheque rec for Receiver's payments re independent contractors, MB hydro amounts, general technology amounts. Multiple emails with MB Hydro re invoices and setting up new account. Follow-up with landlord re wire payment.	3.50	225.00	787.50
5/7/2021	Pascale Lareau	0.80	190.00	152.00

Invoice No.: 20406372
Date: 5/14/2021

Date	Name and Description	Hours	Rate	Amount
5/7/2021	Prepare bank reconciliation, pdf, update bank reconciliation file (2 bank accounts). Adam Sherman	4.00	895.00	3,580.00
5/7/2021	Emails from Nygard counsel re NPL proceeds motion. Emails/call with TDS re NPL proceeds motion, including emails/calls with Nygard counsel on agreement reached. Emails/discussions with Richter team. Updates to Twelfth Report.	3.00	475.00	1,425.00
5/7/2021	Eric Finley Several calls and emails with Richter team / TDS in connection with preservation matters and Report on same. Continue drafting Receiver's Report re consolidation / intercompany claims / fees / R&D.	3.00	225.00	675.00
Fees Total		172.55		\$ 80,180.75
Date	Name and Description	Hours	Rate	Amount
4/1/2021	Courier			\$ 292.67
Disbursements Total				\$ 292.67

Invoice No.: 20406372
Date: 5/14/2021

Remittance Form

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Invoice Summary

Sub-Total		\$ 80,473.42
Technology and Administrative Fees		4,023.67
GST/HST #885435842 RT0001		10,984.62
Total Due	CAD	\$ 95,481.71

Payment Options

**At this time, we ask that payment not be made by cheque.
Please use one of the payment options below. We appreciate your collaboration.**

Wire Transfer Toronto Dominion Bank
Commercial Banking Center
525 Av. Viger Ouest, Montréal (Qc) H2Z 0B2
Bank Institute No.: 004
CAD Account no.: 5300836 Transit no.: 41601 Swift code: TDOMCATTTOR
USD Account no.: 7332090 Transit no.: 41601 Swift code: TDOMCATTTOR

Email payment details, including invoice number and amount paid to:
ClientService@richter.ca

Credit Card payments can be made by contacting us as indicated below.

Inquiries: please call our general line 416.488.2345 or e-mail ClientService@richter.ca

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312.828.0800

RICHTER.CA

RICHTER

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Date: 5/20/2021
Invoice No.: 20406383
Engagement No.: 2021900
Payment Terms: Due on Receipt

Professional rendered services to May 16, 2021 \$ 30,186.00

Sub-Total	30,186.00
Technology and Administrative Fees	1,509.30
GST/HST #885435842 RT0001	4,120.39
Total Due	CAD \$ 35,815.69

TORONTO

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MONTRÉAL

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514.934.3400

CHICAGO

200 South Wacker, #3100
Chicago IL 60606
312.828.0800

RICHTER.CA

Invoice No.: 20406383
Date: 5/20/2021

Fees

Name	Hours	Rate	Amount
Adam Sherman	16.20	\$ 895.00	\$ 14,499.00
Alexandra Kovacs-Espley	0.25	215.00	53.75
Carol O'Donnell	7.30	250.00	1,825.00
Eric Finley	12.00	475.00	5,700.00
Jack Caylor	12.50	225.00	2,812.50
Ken Le	13.75	185.00	2,543.75
Michel Oulimar	1.00	510.00	510.00
Pascale Lareau	11.80	190.00	2,242.00
	74.80		\$ 30,186.00

Invoice No.: 20406383
Date: 5/20/2021

Fee and Disbursement Details

Date	Name and Description	Hours	Rate	Amount
5/10/2021	Pascale Lareau Prepare HST reconciliation for April 2021.	0.30	\$ 190.00	\$ 57.00
5/10/2021	Carol O'Donnell Update wires, prepare GL's.	0.50	250.00	125.00
5/10/2021	Adam Sherman Emails with TDS re adjournment of May 12 motion. Review files and review/update Receiver's Report. Emails/discussions with Richter team.	4.00	895.00	3,580.00
5/10/2021	Eric Finley Call with A. Sherman to discuss Report. Review of Report and provide comments on same. Redraft consolidation section and review of flow of funds to be included in Report. Update R&D.	2.00	475.00	950.00
5/10/2021	Jack Caylor Review and organize invoices received from independent contractors. Emails responding to hotline inquiries re unsecured claims, filing a proof of claim etc.	1.25	225.00	281.25
5/11/2021	Carol O'Donnell Review new WEPP submission for adjusted vacation pay entitlements.	0.50	250.00	125.00
5/11/2021	Adam Sherman Review files, including review/update of Receiver's Report. Emails/discussions with Richter team.	4.00	895.00	3,580.00
5/11/2021	Eric Finley Emails in connection with T4As. Several discussions with Richter team and review / comment on Report prior to sharing with TDS. Update impact on consolidation and update on impact to NPL. Calls re insurance.	3.50	475.00	1,662.50
5/11/2021	Jack Caylor Update R&D by entity and master R&D. Tie out to cash in Receiver's accounts and correspondence with Richter team re updating GL. Review Nygard mail received and emails responding to hotline inquiries.	3.75	225.00	843.75
5/12/2021	Carol O'Donnell Verify new WEPP schedule.	0.50	250.00	125.00
5/12/2021	Adam Sherman Emails/call with TDS re Receiver's Report/emails with Nygard counsel re June 17 motion. Call with C. Singer/M. Oulimar re tax returns. Finalize draft Receiver's Report/email to TDS. Emails/discussions with Richter team.	5.00	895.00	4,475.00
5/12/2021	Eric Finley	1.75	475.00	831.25

Invoice No.: 20406383
Date: 5/20/2021

Date	Name and Description	Hours	Rate	Amount
	Call with tax team to discuss outstanding tax returns. Call with TDS to discuss Report. Provide comments on Report prior to sharing draft with TDS.			
5/12/2021	Alexandra Kovacs-Espley Updating T4A slips.	0.25	215.00	53.75
5/12/2021	Jack Caylor Review Receiver's Twelfth Report and comments on same. Comment on and discuss intercompany amounts, landlord claim section, accounting treatment and flow of certain sections with E. Finley.	5.25	225.00	1,181.25
5/13/2021	Pascale Lareau Posted certain former employee info on Service Canada website re updated WEPP.	3.00	190.00	570.00
5/13/2021	Carol O'Donnell Update deposit info. Prepare schedule for inputting of updated TIF's. Filing of new TIF's with Service Canada.	2.10	250.00	525.00
5/13/2021	Ken Le Amend former employee claims re updated WEPP.	6.25	185.00	1,156.25
5/13/2021	Adam Sherman Emails with TDS re Receiver's Report, invoice for period ending May 9 2021. Review/approve bank recs for March/April 2021 (\$CAN/\$US).	1.00	895.00	895.00
5/13/2021	Eric Finley Email with IT re backups, creditor emails, emails and discussions with insurance brokers. Continue review of R&D and Twelfth Report and comment on same.	3.00	475.00	1,425.00
5/13/2021	Jack Caylor Correspondence with Nygard team and MB Hydro re updating MB Hydro accounts. Emails responding to Richter hotline inquiries re creditor questions.	1.25	225.00	281.25
5/14/2021	Pascale Lareau Posted certain former employee info on Service Canada website re updated WEPP.	8.50	190.00	1,615.00
5/14/2021	Carol O'Donnell Prepare wire transfers, update. Communications with Service Canada, update Receiver information to include NOI date. Enter new TIF's for WEPP.	3.70	250.00	925.00
5/14/2021	Ken Le Amend former employee claims re updated WEPP.	7.50	185.00	1,387.50
5/14/2021	Adam Sherman	2.20	895.00	1,969.00

Invoice No.: 20406383
Date: 5/20/2021

Date	Name and Description	Hours	Rate	Amount
5/14/2021	Call with TDS re Receiver's Report. Review/approve wires. Email from TDS re preliminary comments on Report. Emails/discussions with Richter team. Eric Finley	1.75	475.00	831.25
5/14/2021	Call with TDS to discuss updated Report. Calls with insurance brokers re coverage, review of AWS invoices and discuss same with J. Caylor.	1.00	510.00	510.00
5/14/2021	Michel Oulimar US tax return preparation - review prior year's returns and scoping work required.	1.00	225.00	225.00
5/14/2021	Jack Caylor Review invoices and Receiver payments for w/e May 14. Draft cheque rec re same.	1.00	225.00	225.00
Fees Total		74.80		\$ 30,186.00

Invoice No.: 20406383
Date: 5/20/2021

Remittance Form

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Invoice Summary

Sub-Total		\$ 30,186.00
Technology and Administrative Fees		1,509.30
GST/HST #885435842 RT0001		4,120.39
Total Due	CAD	\$ 35,815.69

Payment Options

**At this time, we ask that payment not be made by cheque.
Please use one of the payment options below. We appreciate your collaboration.**

Wire Transfer Toronto Dominion Bank
Commercial Banking Center
525 Av. Viger Ouest, Montréal (Qc) H2Z 0B2
Bank Institute No.: 004
CAD Account no.: 5300836 Transit no.: 41601 Swift code: TDOMCATTTOR
USD Account no.: 7332090 Transit no.: 41601 Swift code: TDOMCATTTOR

Email payment details, including invoice number and amount paid to:
ClientService@richter.ca

Credit Card payments can be made by contacting us as indicated below.

Inquiries: please call our general line 416.488.2345 or e-mail ClientService@richter.ca

TORONTO

Richter Advisory Group Inc.
181 Bay St., #3510
Bay Wellington Tower
Toronto ON M5J 2T3
416.488.2345

MONTRÉAL

1981 McGill College
Montréal QC H3A 0G6
514.934.3400

CHICAGO

200 South Wacker, #3100
Chicago IL 60606
312.828.0800

RICHTER.CA

RICHTER

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Date: 6/2/2021
Invoice No.: 20406402
Engagement No.: 2021900
Payment Terms: Due on Receipt

Professional services rendered to May 30, 2021 \$ 47,054.25

Disbursements 840.40

Sub-Total 47,894.65

Technology and Administrative Fees 2,394.73

GST/HST #885435842 RT0001 6,537.61

Total Due CAD **\$ 56,826.99**

TORONTO

Richter Advisory Group Inc.
181 Bay St., #3510
Bay Wellington Tower
Toronto ON M5J 2T3
416.488.2345

MONTRÉAL

1981 McGill College
Montréal QC H3A 0G6
514.934.3400

CHICAGO

200 South Wacker, #3100
Chicago IL 60606
312.828.0800

RICHTER.CA

Invoice No.: 20406402
Date: 6/2/2021

Fees

Name	Hours	Rate	Amount
Adam Sherman	29.00	\$ 895.00	\$ 25,955.00
Carol O'Donnell	4.90	250.00	1,225.00
Eric Finley	31.50	475.00	14,962.50
Jack Caylor	4.75	225.00	1,068.75
Ken Le	3.70	185.00	684.50
Nirvani Maharaj	0.30	75.00	22.50
Pascale Lareau	15.40	190.00	2,926.00
Vicky Coupal	2.00	105.00	210.00
	91.55		\$ 47,054.25

Disbursements

Postage	\$ 635.40
Printing/Photocopying	205.00
	\$ 840.40

Invoice No.: 20406402
Date: 6/2/2021

Fee and Disbursement Details

Date	Name and Description	Hours	Rate	Amount
5/17/2021	Pascale Lareau Amend former employee info in Service Canada website re WEPP and preparation for mailing re same.	6.40	\$ 190.00	\$ 1,216.00
5/17/2021	Carol O'Donnell Update GST / HST reconciliation. Update wires, prepare GL's. Verify wire transfer for AWS, email proof of wire.	0.80	250.00	200.00
5/17/2021	Ken Le Amend former employee claim info re WEPP, preparation for mailing re same.	1.20	185.00	222.00
5/17/2021	Adam Sherman Emails from TDS re comments on Receiver's Report, including preliminary review of same. Review/revise amended WEPP notice. Emails/discussions with Richter team.	4.00	895.00	3,580.00
5/17/2021	Eric Finley Emails re T4a submissions. Emails re insurance renewals / coverage. Review of Draft Report and intercompany balances. Draft WEPP letter and update WEPP working papers. Emails re IT support.	2.75	475.00	1,306.25
5/17/2021	Jack Caylor Correspondence with landlord re unsecured creditor claims. Begin updating master R&D.	1.25	225.00	281.25
5/18/2021	Pascale Lareau Prepare HST QST declaration for March and April 2021.	0.40	190.00	76.00
5/18/2021	Pascale Lareau Preparation for mailing to former employees re WEPP.	2.20	190.00	418.00
5/18/2021	Ken Le Call with Service Canada and resubmit TIF's for numerous former employees.	0.50	185.00	92.50
5/18/2021	Adam Sherman Emails with TDS re Receiver's Report. Call with B. Taylor. Discussions with Richter team.	1.00	895.00	895.00
5/18/2021	Eric Finley Update call with KLD re NAS project. Emails and discussions re T4as. Review and update Receiver's Report re consolidation section and consider additional contracts to include in same.	1.75	475.00	831.25
5/19/2021	Pascale Lareau Preparation re amended WEPP mailing to former employees.	6.40	190.00	1,216.00
5/19/2021	Carol O'Donnell	1.20	250.00	300.00

Invoice No.: 20406402
Date: 6/2/2021

Date	Name and Description	Hours	Rate	Amount
	Prepare french version re amended WEPP notice. Preparation for mailing.			
5/19/2021	Vicky Coupal Review and update amended WEPP notices (English/French).	2.00	105.00	210.00
5/19/2021	Adam Sherman Email from TDS re invoice for period ending May 16, 2021. Emails/discussions with Richter team.	0.50	895.00	447.50
5/19/2021	Eric Finley Emails re insurance renewals, AWS invoices, ongoing IT maintenance. Discussions with Richter team re Report timing and finalization. Review and comment landlord claims re Report.	1.25	475.00	593.75
5/19/2021	Jack Caylor Finalize weekly R&D and update R&D by entity. Multiple emails responding to unsecured creditors and Shaw Business Services.	1.75	225.00	393.75
5/19/2021	Nirvani Maharaj E-filing 114 T4a submissions as per E. Finley.	0.30	75.00	22.50
5/20/2021	Carol O'Donnell Prepare wire transfers for employees and TDS. Various banking and other matters.	1.80	250.00	450.00
5/20/2021	Adam Sherman Email from Worksafe BC. Email from TDS re Draft Report. Review/approve wires. Emails/discussions with Richter team.	1.00	895.00	895.00
5/20/2021	Eric Finley Call with KLD re intercompany agreements. Review of external drive for intercompany agreements. Review of historical financials / working papers for leases, NPL assets and NPL accounts, insurance renewals.	3.50	475.00	1,662.50
5/20/2021	Jack Caylor Review AWS invoices and follow-up with Company re invoice and FX questions. Review Receiver payments and draft cheque rec.	1.75	225.00	393.75
5/21/2021	Adam Sherman Emails from FCA re insurance. Email from TDS re further comments on Receiver's Report, including preliminary review of same. Emails/discussions with Richter team.	3.50	895.00	3,132.50
5/21/2021	Eric Finley	3.50	475.00	1,662.50

Invoice No.: 20406402
Date: 6/2/2021

Date	Name and Description	Hours	Rate	Amount
	Review of external hard drive for intercompany agreements for Receiver's Report (leases, cost sharing, audit papers, licensing etc.). Various discussions with Richter team and TDS in connection with Report. Review of insurance policies for renewal.			
5/23/2021	Eric Finley Review of Draft Report and comment on same. Begin marking up latest version and share with Richter team.	2.00	475.00	950.00
5/24/2021	Adam Sherman Emails with TDS re emails with Nygard counsel re additional retainer funds, Receiver Report, other. Review/revise/update Receiver's Twelfth Report. Emails/discussions with Richter team.	4.00	895.00	3,580.00
5/24/2021	Eric Finley Review and edit the Receiver's Twelfth Report. Provide comments and discuss same with the Richter team.	2.00	475.00	950.00
5/25/2021	Ken Le Review emails from claims general, returned telephone messages to former employees, email communication.	0.50	185.00	92.50
5/25/2021	Adam Sherman Call with TDS re Receiver's Twelfth Report, other matters. Review, revise, update Receiver's Twelfth Report. Emails/discussions with Richter team.	3.00	895.00	2,685.00
5/25/2021	Eric Finley Emails re NPL invoices. Emails and discussions re insurance renewal. Review and edit the Receiver's Twelfth Report. Provide comments and discuss same with the Richter team.	4.75	475.00	2,256.25
5/26/2021	Ken Le Review emails from claims general, returned telephone messages to former employees, email communication.	0.65	185.00	120.25
5/26/2021	Adam Sherman Emails with TDS re invoice for period ending May 23, 2021, emails with Nygard counsel, other matters. Emails with TDS/Katten re Receiver motion/draft report. FCA email re insurance. Review, update Receiver's Report. Emails/discussions with Richter team.	3.50	895.00	3,132.50
5/26/2021	Eric Finley	4.75	475.00	2,256.25

Invoice No.: 20406402
Date: 6/2/2021

Date	Name and Description	Hours	Rate	Amount
	Insurance renewal, Fenkse payroll documents, cheque recs. Review and edit the Receiver's Twelfth Report. Provide comments and discuss same with the Richter team.			
5/27/2021	Ken Le Email communication and telephone calls with former employees re WEPP.	0.30	185.00	55.50
5/27/2021	Adam Sherman Emails with TDS re draft notice of motion. Review, revise, update Receiver's Twelfth Report. Emails/discussions with Richter team.	3.50	895.00	3,132.50
5/27/2021	Eric Finley Drafting and editing of Receiver's Twelfth Report prior to circulation to TDS. Various calls and emails in connection with same.	2.25	475.00	1,068.75
5/28/2021	Carol O'Donnell Communication with Service Canada, re amended WEPP claims. Prepare wire transfers, update banking info.	1.10	250.00	275.00
5/28/2021	Ken Le Various banking matters.	0.15	185.00	27.75
5/28/2021	Ken Le Email communication and telephone calls with former employees re WEPP.	0.40	185.00	74.00
5/28/2021	Adam Sherman Call with TDS/Katten re Receiver's motion, draft report, other matters. Call with B. Taylor. Email with TDS re AGI requests, emails with Nygard counsel. Review/approve wires. Review, update Receiver's Twelfth Report. Emails/discussions with Richter team.	5.00	895.00	4,475.00
5/28/2021	Eric Finley Drafting and editing of Receiver's Twelfth Report prior to circulation to TDS. Various calls and emails in connection with same.	3.00	475.00	1,425.00
Fees Total		91.55		\$ 47,054.25
Date	Name and Description	Hours	Rate	Amount
5/18/2021	Postage			\$ 635.40
5/19/2021	Printing/Photocopying			205.00
Disbursements Total				\$ 840.40

Invoice No.: 20406402
Date: 6/2/2021

Remittance Form

Richter Advisory Group Inc., Receiver re: Nygard International Partnership et al
181 Bay Street, Suite 3510
Toronto, ON M5J 2T3

Invoice Summary

Sub-Total		\$ 47,894.65
Technology and Administrative Fees		2,394.73
GST/HST #885435842 RT0001		6,537.61
Total Due	CAD	\$ 56,826.99

Payment Options

**At this time, we ask that payment not be made by cheque.
Please use one of the payment options below. We appreciate your collaboration.**

Wire Transfer Toronto Dominion Bank
Commercial Banking Center
525 Av. Viger Ouest, Montréal (Qc) H2Z 0B2
Bank Institute No.: 004
CAD Account no.: 5300836 Transit no.: 41601 Swift code: TDOMCATTTOR
USD Account no.: 7332090 Transit no.: 41601 Swift code: TDOMCATTTOR

Email payment details, including invoice number and amount paid to:
ClientService@richter.ca

Credit Card payments can be made by contacting us as indicated below.

Inquiries: please call our general line 416.488.2345 or e-mail ClientService@richter.ca

TORONTO

Richter Advisory Group Inc.
181 Bay St., #3510
Bay Wellington Tower
Toronto ON M5J 2T3
416.488.2345

MONTRÉAL

1981 McGill College
Montréal QC H3A 0G6
514.934.3400

CHICAGO

200 South Wacker, #3100
Chicago IL 60606
312.828.0800

RICHTER.CA

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**THOMPSON
DORFMAN
SWEATMAN**

242 Hargrave Street, Suite 1700
Winnipeg MB R3C 0V1
Canada
Tel (204) 957-1930
Fax (204) 934-0570
www.tdslaw.com
general email: info@tdslaw.com

February 24, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 632161 – Ending February 21, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

REMITTANCE COPY

Total Fees	\$	21,683.00
Total Disbursements	\$	16.00
Total GST/HST	\$	1,084.95
Total RST	\$	1,517.81
 Total Due This Invoice	 \$	 24,301.76

Please return this page with your payment payable to Thompson Dorfman Sweatman LLP.

For your convenience, TDS now has a Pay Online feature available at **tdslaw.com**.

GST Registration No. 121757413

Interest will be charged at the rate of 7% per annum on unpaid invoices calculated from a date that is one month after the date of this invoice.



**THOMPSON
DORFMAN
SWEATMAN**

242 Hargrave Street, Suite 1700
Winnipeg MB R3C 0V1
Canada
Tel (204) 957-1930
Fax (204) 934-0570
www.tdslaw.com
general email: info@tdslaw.com

February 24, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 632161 – Ending February 21, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

Disbursements:

Paid to	Imaging	\$	16.00	*
Total Disbursements		\$	16.00	
*GST/HST on Taxable Disbursements		\$	0.80	

Our fees for all professional services:

<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
February 15, 2021	KBB	Revising trust letter	0.20
February 16, 2021	RAM	E-mail from and e-mail to E. Finley, M. Rosenshaft and J. Hall regarding records in response to subpoena; e-mail from and e-mail to M. LaBossiere and B. Taylor regarding form of Auld Phillips release; e-mail from D. Mitchell and M. LaBossiere regarding documents for closing of Inkster and Broadway;	0.30
February 16, 2021	DMM	Revising trust letter; Preparing for closing; E-mail exchange with	1.40



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		counsel; E-mail to counsel; Emails from counsel; E-mail exchange with Taylor McCaffrey; E-mail to client; Revising Broadway closing agenda;	
February 16, 2021	GBT	email correspondence; Auld release matters; review and revise draft Declaration of Custodian of Records, and circulate; conference call A. Sherman, E. Finley, J. Hall, M. Rosensaft, M. LaBossiere re declaration; Inkster sale matters;	1.40
February 16, 2021	KBB	Preparing closing documents; E-mail exchange with counsel regarding Broadway undertaking;	0.20
February 16, 2021	MML	E-mail exchange with B. Taylor, R. McFadyen, R. Rosensaft, J. Hall, E. Finley and A. Sherman regarding call; e-mail exchange with D. Mitchell regarding certified copy of Inkster AVO; voice mail to C. Laniuk regarding certified copy of Order; e-mail from A. Bull regarding Release; reviewing Release; e-mail exchange with B. Taylor and R. McFadyen regarding Release; e-mail to E. Finley and A. Sherman regarding release; conference call with M. Rosensaft, E. Finley, A. Sherman and B. Taylor regarding New York Attorney; e-mail exchange with B. Taylor, R. McFadyen and D. Mitchell regarding certified copy of Inkster Order;	1.20
February 17, 2021	RAM	E-mail from E. Finley regarding response to subpoena; e-mail from E. Finley regarding closing of Broadway sale; e-mail from E. Finley, B. Taylor and M. LaBossiere regarding precedent negative claim process; e-mail from D. Mitchell and M. LaBossiere regarding closing of	0.40



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		Inkster sale;	
February 17, 2021	DMM	E-mail from client; E-mail exchange with counsel; Preparing for closing; Reviewing trust letter; Reviewing AVO; E-mail exchange with Taylor McCaffrey; Attending at closing matters; E-mail to Colliers; E-mail exchange with MLTA; E-mail from Colliers; Preparing form of undertaking; ET Colliers and counsel; email from MLTA; Reviewing trust letter; Reviewing closing agenda; E-mail exchange with Colliers; E-mail to MLTA; E-mail exchange with MLTA; E-mail to counsel; Telephone call to counsel regarding closing of Inkster sale; E-mail exchange with MLTA; E-mail exchange with counsel; Emails from counsel; Reviewing file regarding opinion on ledger debt; E-mail to counsel;	3.90
February 17, 2021	GBT	email correspondence; Inkster sale matters; landlord charge claims process motion considerations; review forms of claims process order, package; follow up re preparation of documents; follow up re ledger debt information;	2.20
February 17, 2021	KBB	Reviewing and Revising closing documents; E-mail exchange with counsel regarding trust conditions and closing matters;	0.90
February 17, 2021	BAT	E-mail exchange with counsel regarding trust letter and accompanying documents; e-mail from counsel regarding search for name of property appraiser; conference with counsel to sign trust letter; e-mail exchange with G. Musso regarding couriering out documents; reviewing	2.60



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		file regarding property appraiser; telephone call from counsel regarding expected letter and cheque from MLTA tomorrow;	
February 17, 2021	DAY	Attending at the Court of Queen's Bench to obtain a certified copy of the Inkster Approval and Vesting Order;	1.00
February 18, 2021	RAM	E-mail from M. LaBossiere and B. Taylor regarding draft Landlord Claims Procedure Order; e-mail from D. Mitchell and M. LaBossiere regarding closing of Inkster transaction and Receiver's certificate; e-mail from B. Taylor and M. LaBossiere regarding Falcon Lake cottage issue; e-mail from A. Sherman regarding subpoena response; e-mail from A. Sherman and M. LaBossiere regarding Auld Phillips settlement;	0.60
February 18, 2021	DMM	E-mail exchange with purchaser's counsel; Reviewing closing documents; Reviewing GST search; Emails to counsel; Attending at closing; E-mail to Colliers; E-mail exchange with Colliers; Reviewing meter readings; Revising closing agenda; E-mail from client regarding repairs to Broadway property; Reviewing invoices and quotes; E- mail exchange with MLTA; E-mail exchange with counsel; E-mail exchange with client regarding closing; E-mail exchange with MLTA;	2.20
February 18, 2021	GBT	email correspondence; landlord charge claims process matters, telephone discussion with A. Sherman and follow up re prospective cottage proceeds; prepare and circulate draft Landlords' Charge Claims Procedure Order, Instruction Letter; telephone	6.20



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		discussions with M. LaBossiere; Inkster sale matters;	
February 18, 2021	KBB	Attending to closing matters;	0.80
February 18, 2021	MML	Preparing Claims Procedure Order; preparing Notices; e-mail exchange with B. Taylor and R. McFadyen regarding Falcon Lake; e-mail to K. St. Goddard regarding Falcon Lake; e- mail exchange with D. Mitchell, B. Taylor and R. McFadyen regarding certified copy of Receiver's Certificate; telephone call to S. Laniuk regarding receiver's certificate; e-mail to C. Laniuk regarding receiver's certificate; research concerning intercompany debt; e-mail exchange with D. Mitchell regarding Receiver's Certificate; voice mail to C. Laniuk; telephone call from B. Taylor regarding Order; reviewing Order; preparing Notices; e-mail exchange with B. Taylor and R. McFadyen regarding notices;	8.90
February 18, 2021	BAT	Coordinating with mailroom regarding expected documents and cheque from MLTA; e-mail to counsel regarding discussion with mailroom and next steps; telephone call from mailroom regarding receipt of package; telephone call from counsel regarding document scan; e-mail to counsel regarding scan; e-mail to counsel regarding additional letter and cheque; coordinating with mailroom regarding receipt; coordinate with A. Kauk regarding scanning received documents and cheque; e-mail exchange with counsel regarding cheque;	0.90
February 19, 2021	RAM	Reviewing and considering draft form	2.50



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		of Order regarding Landlord Claim process; e-mail to B. Taylor and M. LaBossiere regarding draft Landlords' Charge Claims Procedure Order; e-mail from Registrar regarding Receiver's Certificate; e-mail from and e-mail to Registrar, M. LaBossiere and D. Mitchell regarding Broadway Approval and Vesting Order; e-mail from A. Bull and M. LaBossiere regarding Auld Phillips and settlement; e-mail from A. Sherman, B. Taylor and M. LaBossiere regarding Falcon Lake property; conference call with B. Taylor and M. LaBossiere regarding Falcon Lake property; e-mail from D. Douglas and B. Taylor regarding unsecured creditors;	
February 19, 2021	DMM	E-mail to client regarding report on closing; E-mail exchange with counsel; E-mail from court; Reviewing Receiver's certificate; E-mail exchange with counsel; E-mail exchange with MLTA; E-mail to client; E-mail exchange with counsel; Preparing form of undertaking; Reviewing quotes; E-mail to Taylor McCaffrey; E-mail exchange with counsel; E-mail exchange with counsel; Reviewing court order; E-mail exchange with counsel;	2.30
February 19, 2021	GBT	email correspondence; review Landlords' Charge Claims Procedure Order schedules, hearing matters; reviewing matters; Falcon Cottage matters; conference call R. McFadyen, M. LaBossiere re claims/remedies against Nygard Properties Ltd.; follow up with D. Douglas regarding unsecured creditor matters;	2.70



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
February 19, 2021	KBB	Attending to closing matters;	0.10
February 19, 2021	MML	Telephone call to C. Laniuk regarding Receiver's Certificate; e-mail exchange with D. Mitchell regarding receiver's Certificate; e-mail exchange with C. Laniuk regarding receiver's Certificate; travel to and from law courts regarding Receiver's Certificate; e-mail exchange with B. Taylor and R. McFadyen regarding revised Order; reviewing revised Order; e-mail exchange with C. Laniuk regarding Broadway Order; e-mail exchange with D. Mitchell, B. Taylor and R. McFadyen regarding Order; e-mail from A. Sherman regarding Falcon Lake property; e-mail exchange with W. Onchulenko and B. Taylor regarding review; telephone call from Watkins regarding keys;	2.00
February 21, 2021	RAM	E-mail from M. LaBossiere regarding pre-judgment remedies; e-mail from B. Taylor and M. LaBossiere regarding draft Landlords' Charge Claims Procedure Order;	0.50
February 21, 2021	DMM	Emails from counsel; E-mail exchange with counsel; Reviewing outstanding matters for Broadway sale; E-mail to Taylor McCaffrey;	0.70
February 21, 2021	GBT	email correspondence; further revisions to draft Landlords' Charge Claims Procedure Order, schedules, and circulate; consider issues re preservation of cottage proceeds; telephone discussion with M. LaBossiere; follow up re attachment, claim considerations;	3.10
February 21, 2021	MML	E-mail exchange with B. Taylor and R. McFadyen regarding pre-judgment	4.50



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		remedies; e-mail exchange with B. Taylor and R. McFadyen regarding order; preparing order; telephone call from E. Finley regarding order; preparing memo regarding bad faith; telephone call to B. Taylor regarding telephone call from E. Finley; e-mail from A. Sherman;	
Total Fees			\$ 21,683.00
GST/HST on Fees			\$ 1,084.15
RST on Fees			\$ 1,517.81
Total Fees, Disbursements and Taxes			\$ 24,301.76

GST Registration No. 121757413

Interest will be charged at the rate of 7% per annum on unpaid invoices calculated from a date that is one month after the date of this invoice.



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general email: info@tdslaw.com

March 4, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 633264 – Ending February 28, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

REMITTANCE COPY

Total Fees	\$	25,740.00
Total Disbursements	\$	485.69
Total GST/HST	\$	1,306.27
Total RST	\$	1,801.80
 Total Due This Invoice	 \$	 29,333.76

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GST Registration No. 121757413

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general email: info@tdslaw.com

March 4, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 633264 – Ending February 28, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

Disbursements:

Paid to	Court Fees PAYEE: Minister of Finance (Manitoba); REQUEST#: 314722; DATE: 2/26/2021. - Notice of Motion Filing Fee	\$	100.00	
Paid to	Photocopy Costs - Direct	\$	20.00	*
Paid to	Indirect Provincial Sales Tax	\$	0.37	
Paid to	Long Distance	\$	0.42	*
Paid to	Minute Books, Stationery	\$	5.40	*
Paid to	WLTO Search	\$	52.00	*
Paid to	Imaging	\$	307.50	*
Total Disbursements			\$	485.69
*GST/HST on Taxable Disbursements			\$	19.27

Our fees for all professional services:

<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
February 22, 2021	RAM	E-mail from A. Sherman, B. Taylor and M. LaBossiere regarding draft Landlord's Charge Claims Procedure Order; preparing update regarding accounts summary; e-mail from and e-mail to E. Finley, B. Taylor, M.	2.20



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		LaBossiere and D. Mitchell regarding draft Eleventh Report; reviewing and revising draft Eleventh Report and draft Notice of Motion for regarding Landlords' Charge Claims Procedure Order; e-mail from B. Taylor regarding communication with Landlords; e-mail from and e-mail to accounting regarding Auld Phillips settlement; conference call with E. Finley, A. Sherman, B. Taylor, D. Mitchell and M. LaBossiere regarding draft Eleventh Report; e-mail from and e-mail to E. Finley, B. Taylor and M. LaBossiere regarding Manitoba Labour Board proceeding;	
February 22, 2021	DMM	E-mail from client; Emails from counsel; Reviewing landlord order; Revising Nomination agreement; E-mail to client; E-mail from client; Emails from counsel; Reviewing receiver's report regarding factoring; Reviewing Credit Agreement; Conference call with client and counsel; Conference call with counsel; Revising receiver's report; E-mail to client;	2.40
February 22, 2021	GBT	email correspondence; revise draft Landlords' Charge Claims Procedure Order and circulate to landlord counsel, lender counsel, client; consider motion issues; telephone discussion with M. LaBossiere; revise draft Eleventh Report and circulate; conference call A. Sherman, E. Finley, R. McFadyen, D. Mitchell, M. LaBossiere re Eleventh Report; consider revisions; telephone discussion with D. Mitchell; MB Labour Board hearing notice;	5.30
February 22, 2021	KBB	Preparing closing documents;	0.20



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
February 22, 2021	MML	E-mail exchange with B. Taylor regarding order; e-mail exchange with A. Sherman regarding order; preparing Notice of Motion; telephone call to B. Taylor regarding Notice of Motion; e-mail exchange with B. Taylor and R. McFadyen regarding Notice of Motion; e-mail exchange with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding Eleventh Report; conference call with B. Taylor, R. McFadyen, D. Mitchell, E. Finley and A. Sherman regarding Eleventh Report; E-mail exchange with E. Finley, B. Taylor and R. McFadyen regarding Labour Board Hearing;	5.00
February 22, 2021	EEM	Telephone call from and email from M. LaBossiere;	0.10
February 23, 2021	RAM	E-mail from E. Finley, B. Taylor and M. LaBossiere regarding Labour Board proceeding; e-mail from and conference with M. LaBossiere regarding sale of trailer; e-mail from B. Taylor and M. LaBossiere regarding draft Notice of Motion for Landlords' Charge Claims Procedure; e-mail to J. Caylor and E. Finley regarding fee update; e-mail from D. Mitchell and M. LaBossiere regarding Broadway AVO; e-mail from D. Rosenblat and B. Taylor regarding lender payment; conference with, e-mail from M. LaBossiere regarding Falcon Lake cottage;	0.80
February 23, 2021	DMM	Revising closing agendas; emails from counsel; Preparing Trust letter; Reviewing Companies Office search; E-mail from client; E-mail to counsel; Revising Eleventh report; Emails from counsel; E-mail from client; E-mail	1.90



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		from client; Reviewing tax documents; E-mail to client; E-mail exchange with client regarding adjustments and related matters on the Inkster sale; E-mail exchange with client;	
February 23, 2021	GBT	email correspondence; Labour Board matters; telephone discussions with M. LaBossiere; revise draft Notice of Motion and circulate; Eleventh Report matters; factoring claim matters; telephone discussion with D. Mitchell; Landlords' Charge Claims Procedure Order matters; Inkster, Broadway sale matters; NPL matters; Falcon Lake cottage matters;	2.30
February 23, 2021	KBB	Preparing closing documents and trust letter;	0.60
February 23, 2021	MML	E-mail exchange with B. Taylor and R. McFadyen regarding Manitoba Labour Board; e-mail to E. Finley regarding Manitoba Labour Board; telephone call from T. Watkins regarding review; e-mail to E. Finley and A. Sherman regarding review; e-mail exchange with B. Taylor and R. McFadyen regarding Notice of Motion; preparing Notice of Motion; attending meeting with R. McFadyen regarding Falcon Lake property; telephone call from B. Taylor regarding Falcon Lake Property; e-mail to E. Finley, A. Sherman and J. Caylor regarding Falcon Lake Property; e-mail exchange with B. Taylor and R. McFadyen regarding Falcon Lake Property; memo to file regarding bad faith conduct;	2.20
February 23, 2021	EEM	Attending at Court to obtain certified copy of the Order;	1.00



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
February 24, 2021	RAM	E-mail from M. LaBossiere and A. Sherman regarding Auld Phillips settlement; e-mail from and e-mail to B. Taylor and M. LaBossiere regarding Falcon Lake cottage proceeds and draft message to W. Onchulenko; e-mail from an e-mail to E. Finley, A. Sherman, B. Taylor and M. LaBossiere regarding draft 11th Report; reviewing and considering draft 11th Report; e-mail from D. Mitchell regarding Broadway closing;	1.60
February 24, 2021	DMM	E-mail exchange with counsel; E-mail to Chaitons; Emails from Colliers; Emails from client; E-mail from Chaitons; Reviewing Title search; E-mail from counsel; Reviewing eleventh report of the receiver; Emails from counsel; Voice mail from Taylor McCaffrey; Telephone call to Taylor McCaffrey; E-mail to Taylor McCaffrey; Revising trust letter; Attending at matters for Broadway closing; Voice mail from Taylor McCaffrey; Telephone call to Taylor McCaffrey; Telephone call to client; Telephone call to Taylor McCaffrey; Reviewing trust letter; E-mail exchange with Taylor McCaffrey;	2.70
February 24, 2021	GBT	email correspondence; consider steps to preserve NPL proceeds; review Perfection Certificate and E/B Settlement Agreement, and prepare and circulate draft message to NPL counsel; Eleventh Report matters; Fieldstone search; prepare and circulate message re preservation of sale proceeds; telephone discussion with W. Onchulenko, follow up with client; telephone discussion with D. Rosenblat; telephone discussion with M. LaBossiere re proposed Order,	3.40



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		revisions; Report matters; filing, service matters;	
February 24, 2021	KBB	Reviewing closing documents and trust letter;	0.40
February 24, 2021	MML	E-mail to E. Finley and A. Sherman regarding release; e-mail to A. Bull regarding release;	0.20
February 24, 2021	MML	E-mail exchange with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding Eleventh Report; e-mail exchange with B. Taylor and R. McFadyen regarding Falcon Lake; e-mail exchange with B. Taylor and R. McFadyen regarding Fieldstone Property; research concerning attaching Order; preparing Notice of Motion; preparing Order; e-mail exchange with B. Taylor regarding Order; voice mail to E. Finley regarding contact info; preparing Brief;	6.20
February 24, 2021	BAT	E-mail exchange with counsel regarding preparing package of documents; conference with counsel regarding documents and vesting order; coordinating with A. Kauk regarding sending out documents;	0.70
February 25, 2021	RAM	E-mail from M. LaBossiere regarding landlord inquiry and service on landlords; e-mail from B. Taylor, D. Mitchell and M. LaBossiere regarding Broadway sale; reviewing and considering draft Brief regarding claims procedure; e-mail from and e-mail to B. Taylor and M. LaBossiere regarding draft Brief regarding Claims procedure; e-mail from B. Taylor, A. Sherman and M. LaBossiere regarding Falcon Lake cottage; conference call	1.00



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		with A. Sherman, E. Finley, B. Taylor and M. LaBossiere regarding Falcon Lake cottage; e-mail from B. Taylor and W. Onchulenکو regarding Falcon Lake cottage;	
February 25, 2021	DMM	E-mail exchange with purchaser's counsel; Reviewing searches; E-mail exchange with Colliers; E-mail to purchaser's counsel; E-mail exchange with counsel; Emails from counsel;	0.80
February 25, 2021	GBT	email correspondence; motion brief matters; service matters; Landlords' Charge Claims Procedure motion preparation; follow up re Inkster "cottage"; telephone discussion with M. LaBossiere re claims procedure; review BIA re proof of claim process; brief review of draft Motion Brief, and follow up; Falcon Lake Cottage matters; conference call A. Sherman, E. Finley, R. McFadyen, M. LaBossiere; response to S. Ransom; follow up with W. Onchulenکو re Falcon Lake/Fieldstone matters;	3.30
February 25, 2021	MML	Preparing motion brief; e-mail exchange with B. Taylor and R. McFadyen regarding service; letter to landlords regarding materials; conference call with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding cottage; e-mail exchange with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding voice mail from S. Ransom;	7.90
February 26, 2021	RAM	E-mail from M. LaBossiere and B. Taylor regarding finalizing and serving Motion Brief; e-mail from and e-mail to B. Taylor and M. LaBossiere regarding motion regarding Landlords' Charge Claims Procedure; e-mail from	0.50



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		A. Sherman, A. Bull and M. LaBossiere regarding Auld Phillips settlement; e-mail from B. Taylor and E. Finley regarding Falcon Lake cottage proceeds;	
February 26, 2021	DMM	E-mail exchange with Colliers; E-mail to purchaser's counsel; E-mail to client; Attending at closing matters; Reviewing searches; E-mail exchange with purchaser's counsel; Revising closing agendas; Reviewing GST search;	1.20
February 26, 2021	GBT	email correspondence; follow up re Motion Brief; hearing preparation; telephone discussion with W. Onchulenko, and follow up; review Eleventh Report; Falcon Lake cottage/Fieldstone property matters;	2.40
February 26, 2021	KBB	Attending to closing matters;	0.10
February 26, 2021	MML	Preparing Motion Brief; e-mail exchange with B. Taylor regarding binding; e-mail exchange with B. Taylor and R. McFadyen regarding service list; letter to landlords; preparing Affidavit of Service;	5.10
February 27, 2021	RAM	E-mail from and e-mail to B. Taylor and M. LaBossiere regarding Preparing for hearing of motion regarding Landlords' Charge Claims Procedure Order;	0.40
February 27, 2021	GBT	email correspondence; hearing matters; consider issues re Falcon Lake cottage sale/proceeds;	0.40
February 27, 2021	MML	Preparing motion brief;	0.30
February 28, 2021	RAM	E-mail from B. Taylor regarding submission on Landlords' Charge	0.10



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		Claims Procedure;	
February 28, 2021	DMM	Reviewing trust letter from purchaser's counsel; Reviewing statement of adjustments; Reviewing Second Amending Agreement; E-mail to purchaser's counsel; Revising closing agenda;	0.80
February 28, 2021	GBT	email correspondence; follow up re preservation of Falcon Lake cottage/Fieldstone property proceeds; hearing preparation;	1.10
Total Fees			\$ 25,740.00
GST/HST on Fees			\$ 1,287.00
RST on Fees			\$ 1,801.80
Total Fees, Disbursements and Taxes			\$ 29,333.76

GST Registration No. 121757413

Interest will be charged at the rate of 7% per annum on unpaid invoices calculated from a date that is one month after the date of this invoice.



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March 10, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 633602 – Ending March 7, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

REMITTANCE COPY

Total Fees	\$	20,946.00
Total Disbursements	\$	148.10
Total GST/HST	\$	1,049.71
Total RST	\$	1,466.22
 Total Due This Invoice	 \$	 23,610.03

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GST Registration No. 121757413

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March 10, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 633602 – Ending March 7, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

Disbursements:

Paid to	Court Fees PAYEE: Copps, Natalie; REQUEST#: 314961; DATE: 3/3/2021. - Reimbursement to Certified Copy of Document at Queen Bench	\$	20.00	
Paid to	Miscellaneous (Non-Taxable) PAYEE: TD Canada Trust (Debit Memo: Wire Service Charge); REQUEST#: 315236; DATE: 3/8/2021. - Wire Fee from Mar 5/21	\$	80.00	
Paid to	Air Express	\$	24.99	*
Paid to	Companies Office Online	\$	10.00	*
Paid to	Long Distance	\$	0.11	*
Paid to	Imaging	\$	13.00	*
Total Disbursements		\$	148.10	
*GST/HST on Taxable Disbursements		\$	2.41	

Our fees for all professional services:

<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
March 1, 2021	RAM	E-mail from landlords regarding motion; reviewing Eleventh Report; preparing submission regarding Landlords' Charge Claims Procedure	2.90



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		Order; e-mail from E. Finley and M. LaBossiere regarding vehicle; e-mail to and e-mail from E. Finley and A. Sherman regarding Claims Bar Date; e-mail from and conference with M. LaBossiere regarding unsealing of documents; e-mail from B. Taylor and M. LaBossiere regarding unsealing of documents;	
March 1, 2021	DMM	E-mail from purchaser's counsel; E-mail exchange with Colliers; E-mail to counsel; Preparing reports to client; Reviewing closing agendas; E-mail from counsel; Reviewing Receiver's certificate; E-mail exchange with MLTA; E-mail exchange with counsel regarding Receiver's Certificate;	2.40
March 1, 2021	GBT	email correspondence; hearing matters and preparation; follow up re preserving Falcon Lake/Fieldstone property proceeds;	1.80
March 1, 2021	MML	Telephone call from N. Guizani regarding landlord; e-mail exchange with D. Mitchell regarding Receiver's certificate; e-mail exchange with B. Taylor and R. McFadyen regarding claims bar date; preparing submissions regarding hearing; e-mail exchange with B. Taylor and R. McFadyen regarding confidential appendices; e-mail to Richter regarding unsealing;	4.10
March 2, 2021	RAM	E-mail to and conference with M. LaBossiere and B. Taylor regarding Auld Phillips settlement; reviewing Eleventh Report; preparing submission regarding Landlords' Charge Claims Procedure Order; e-mail from E. Finley regarding unsealing of documents; e-mail from and e-mail to M. LaBossiere, B. Taylor and D.	1.40



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		Magisano regarding unsealing of documents; e-mail from B. Taylor and M. LaBossiere regarding Falcon Lake cottage issues;	
March 2, 2021	DMM	Emails from counsel; Preparing Letter to MLTA returning funds; Reviewing receiver's certificate; E-mail to Taylor McCaffrey regarding Receiver's Certificate;	0.90
March 2, 2021	GBT	email correspondence; follow up with W. Onchulenko re hearing; telephone discussion with M. LaBossiere; hearing preparation; discussions with R. McFadyen, M. LaBossiere; Falcon Lake cottage/Fieldstone proceeds preservation matters; telephone discussion with W. Onchulenko; prepare and circulate draft reply message to W. Onchulenko; revise and further circulate draft message; records request matters;	2.90
March 2, 2021	MML	Preparing hearing submissions; e-mail exchange with R. McFadyen regarding settlement funds; e-mail exchange with E. Finley and A. Sherman regarding settlement funds; preparing Affidavit of Service; e-mail exchange with D. Magisano and W. Onchulenko regarding unsealing; memo to B. Taylor and R. McFadyen regarding bad faith;	5.50
March 2, 2021	NAMC	E-mail from M. LaBossiere; attending at Court for copy of document;	1.40
March 3, 2021	RAM	E-mail from D. Magisano and M. LaBossiere regarding unsealing of documents; e-mail from A. Sherman and M. LaBossiere regarding Auld Phillips settlement; e-mail from and e-mail to B. Taylor and M. LaBossiere	3.00



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		regarding Falcon Lake cottage; e-mail from and e-mail to B. Taylor regarding draft Claims Procedure Order; attending at hearing of motion regarding Landlords' Charge Claims Procedure Order; conference call with B. Taylor and M. LaBossiere regarding further issues regarding Falcon Lake cottage and NPL; conference call with A. Sherman, E. Finley, B. Taylor and M. LaBossiere regarding NPL issues; e-mail from and e-mail to E. Finley regarding notice to Landlords; reviewing and revising draft Landlords' Charge Claims Procedure Order;	
March 3, 2021	DMM	Attending at matters for redemption of funds; Preparing Letter to MLTA; E-mail exchange with Colliers; E-mail to client;	0.50
March 3, 2021	GBT	email correspondence; follow up re Falcon Lake/Fieldstone matters; prepare hearing; attend at Manitoba Court of Queen's Bench (virtual) hearing; with R. McFadyen, M. LaBossiere re order, proceeds preservation matters; conference call A. Sherman, E. Finley, R. McFadyen, M. LaBossiere; consider revisions to Order and follow up; Broadway closing update;	4.70
March 3, 2021	MML	Attending at Hearing; e-mail exchange with B. Taylor and R. McFadyen regarding hearing matters; conference call with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding hearing; e-mail exchange with E. Finley regarding landlord documents; preparing Order;	5.60
March 4, 2021	RAM	E-mail from A. Sherman regarding	0.50



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		NPL property; e-mail from D. Mitchell regarding sale of Broadway property; e-mail from M. LaBossiere and B. Taylor regarding transcripts from hearings; e-mail from and e-mail to B. Taylor, M. LaBossiere, A. Sherman and E. Finley regarding Falcon Lake cottage; e-mail from B. Taylor and M. LaBossiere regarding NPL Companies Office information; e-mail from Registrar regarding Landlords' Charge Claims Procedure Order;	
March 4, 2021	DMM	E-mail from MLTA; E-mail exchange with Taylor McCaffrey; E-mail to client; E-mail to counsel; Revising closing agenda; Preparing Letter to Taylor McCaffrey; Reviewing matters in connection with Broadway closing; E-mail to Colliers; E-mail exchange with MLTA; Revising closing agenda; E-mail to client; Reviewing title search; Reviewing matters in connection with Inkster sale;	1.50
March 4, 2021	GBT	email correspondence; consider issues re preservation of NPL proceeds, related issues; review Mercantile Law Amendment Act; telephone discussion with W. Onchulenko; consider follow up message from W. Onchulenko, and circulate; conference call arrangements; conference call A. Sherman, E. Finley, M. LaBossiere; NPL matters;	2.20
March 4, 2021	MML	E-mail exchange with B. Taylor and R. McFadyen regarding Transcript; e-mail to A. Sherman and E. Finley regarding transcripts; reviewing transcripts; conference call with B. Taylor, R. McFadyen, E. Finley and A. Sherman;	1.90



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
March 5, 2021	RAM	E-mail from and e-mail to B. Taylor and M. LaBossiere regarding information on NPL property and position of Receiver; e-mail from E. Finley regarding Auld Phillips settlement; e-mail from E. Finley, D. Mitchell and M. LaBossiere regarding sale of vehicle; e-mail from E. Finley and B. Taylor regarding DEFA request;	0.50
March 5, 2021	DMM	E-mail exchange with client; Preparing Bill of Sale; Preparing Letters paying amounts on Inkster; E-mail to MLTA; E-mail to client; Preparing Letter to Taylor McCaffrey;	1.30
March 5, 2021	GBT	email correspondence; prepare and circulate update to Receiver re proceeds preservation, prepare and circulate draft message to W. Onchulenko; follow up re records request, RV; respond to comments re proceeds preservation message; finalize and send proceeds preservation message to W. Onchulenko;	3.10
March 5, 2021	MML	Telephone call from E. Finley regarding reviewing settlement; e-mail exchange with E. Finley regarding reviewing settlement;	0.20
March 7, 2021	DMM	Attending at post closing matters;	0.50
March 7, 2021	GBT	email correspondence;	0.10



Total Fees	\$ 20,946.00
GST/HST on Fees	\$ 1,047.30
RST on Fees	\$ 1,466.22
Total Fees, Disbursements and Taxes	\$ 23,610.03

GST Registration No. 121757413

Interest will be charged at the rate of 7% per annum on unpaid invoices calculated from a date that is one month after the date of this invoice.



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general email: info@tdslaw.com

March 17, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 634005 – Ending March 14, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

REMITTANCE COPY

Total Fees	\$	8,929.00
Total Disbursements	\$	289.77
Total GST/HST	\$	452.94
Total RST	\$	625.03
 Total Due This Invoice	 \$	 10,296.74

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GST Registration No. 121757413

Interest will be charged at the rate of 7% per annum on unpaid invoices calculated from a date that is one month after the date of this invoice.



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March 17, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 634005 – Ending March 14, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

Disbursements:

Paid to	Miscellaneous (Non-Taxable) PAYEE: TD Canada	\$	80.00	
	Trust (Debit Memo: Wire Service Charge);			
	REQUEST#: 315436; DATE: 3/11/2021. - Wire Fee			
	from Mar 10/21			
Paid to	Miscellaneous (Non-Taxable) PAYEE: TD Canada	\$	80.00	
	Trust (Debit Memo: Wire Service Charge);			
	REQUEST#: 315580; DATE: 3/15/2021. - wire fee			
Paid to	Companies Office Online	\$	5.00	*
Paid to	Long Distance	\$	0.11	*
Paid to	Legal Data Resources Corp.	\$	115.00	*
Paid to	Deliveries	\$	9.16	*
Paid to	Imaging	\$	0.50	*
Total Disbursements		\$	289.77	
*GST/HST on Taxable Disbursements		\$	6.49	

Our fees for all professional services:

<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
March 8, 2021	RAM	E-mail from W. Onchulenko and B. Taylor regarding proceeds of NPL sales;	0.10



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
March 8, 2021	DMM	Attending at post closing matters; Reviewing letters paying closing amounts; Revising closing agenda; E-mail to purchaser's counsel;	1.00
March 8, 2021	GBT	email correspondence; NPL proceeds preservation matters; consider issues re "consolidation, intercompany debt hearing";	1.20
March 8, 2021	MML	Conference call with B. Taylor, R. McFadyen, A. Sherman and E. Finley regarding Falcon Lake;	0.50
March 9, 2021	RAM	Conference call with A. Sherman, E. Finley, B. Taylor and M. LaBossiere regarding Falcon Lake sale, NPL properties, potential bankruptcy issues, consolidation and subrogation and issues with KLD; e-mail from B. Taylor regarding response on Falcon Lake cottage issues; e-mail from and e-mail to B. Taylor and M. LaBossiere regarding subrogation and intercompany debt issues;	0.60
March 9, 2021	GBT	email correspondence; conference call A. Sherman, E. Finley, R. McFadyen, M. LaBossiere; follow up with W. Onchulenko re NPL proceeds preservation matters, consider issues; voice message to W. Onchulenko; consolidation motion matters;	1.90
March 9, 2021	MML	E-mail exchange with B. Taylor and R. McFadyen regarding review of materials;	0.10
March 10, 2021	RAM	E-mail from M. LaBossiere regarding landlord claim notices; e-mail from and conference with B. Taylor and A. Sherman regarding appraisals for Falcon Lake;	0.20
March 10, 2021	DMM	Telephone call to client; Preparing	1.20



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		statement of receipts and disbursements; Reviewing closing agenda; Reviewing trust letter; Reviewing statement of adjustments; E-mail to counsel and client;	
March 10, 2021	GBT	email correspondence; review Falcon Lake appraisal reports and follow up; Landlord Notice matters; follow up with W. Onchulenko re Falcon Lake appraisals;	1.70
March 11, 2021	RAM	E-mail from V. DaRe and M. LaBossiere regarding landlord claims; e-mail from and e-mail to B. Taylor, M. LaBossiere and A. Sherman regarding motion to deal with intercompany debt and others;	0.20
March 11, 2021	DMM	Reviewing wire confirmation; E-mail to client; Reviewing closing matters on Broadway; Preparing statement of receipts and disbursements; Reviewing closing agenda; Telephone call to client; E-mail to client;	1.20
March 11, 2021	GBT	email correspondence; hearing matters re consolidation/intercompany debt/subrogation/bankruptcy authorization motion, and follow up; Falcon Lake/Fieldstone proceeds preservation matters; consider Report content;	1.50
March 11, 2021	MML	E-mail exchange with V. DaRe regarding landlord charge claims package;	0.20
March 12, 2021	RAM	E-mail from and e-mail to B. Taylor and M. LaBossiere regarding intercompany debt and consolidation issues; e-mail from B. Taylor and M. LaBossiere regarding Falcon Lake cottage issues and NPL expenses;	0.30
March 12, 2021	GBT	email correspondence; consolidation	2.60



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		hearing matters; review appraisals, NPL payments and follow up re net proceeds preservation; review court materials re consolidation/subrogation/intercompany accounts issues; telephone discussion with W. Onchulenko, and follow up with client;	
March 12, 2021	MML	E-mail exchange with B. Taylor and R. McFadyen regarding motion dates; e-mail to C. Laniuk regarding motion dates;	0.20
Total Fees			\$ 8,929.00
GST/HST on Fees			\$ 446.45
RST on Fees			\$ 625.03
Total Fees, Disbursements and Taxes			\$ 10,296.74

GST Registration No. 121757413

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March 24, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 634374 – Ending March 21, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

REMITTANCE COPY

Total Fees	\$	16,939.50
Total Disbursements	\$	522.43
Total GST/HST	\$	873.10
Total RST	\$	1,185.77
 Total Due This Invoice	 \$	 19,520.80

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GST Registration No. 121757413

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March 24, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 634374 – Ending March 21, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

Disbursements:

Paid to	Court Reporters - Trial Transcripts PAYEE: Veritext Litigation Solutions Canada, Inc.; REQUEST#: 315926; DATE: 3/22/2021. - Transcription Services Invoice no. 30611	\$	229.35	*
Paid to	Air Express	\$	274.13	*
Paid to	Deliveries	\$	13.95	*
Paid to	Imaging	\$	5.00	*
Total Disbursements			\$	522.43
*GST/HST on Taxable Disbursements			\$	26.12

Our fees for all professional services:

<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
March 9, 2021	MML	Conference call with B. Taylor, R. McFadyen, A. Sherman and E. Finley regarding Falcon Lake;	0.50
March 15, 2021	RAM	E-mail from B. Taylor regarding Jane Doe plaintiffs position; e-mail from B. Taylor regarding appraisals for Falcon Lake; e-mail from B. Taylor and M.	0.40



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		LaBossiere regarding intercompany debt, consolidation, allocation issues and hearing date;	
March 15, 2021	GBT	email correspondence; review Red River appraisals; hearing matters; telephone discussion with D. Mann; review court materials, consider issues regarding subrogation, expense allocations, consolidation, intercompany accounts; Falcon Lake proceeds preservation matters; follow up with W. Onchulenko;	4.70
March 16, 2021	RAM	E-mail from B. Taylor regarding Falcon Lake appraisals; e-mail from M. LaBossiere regarding hearing date regarding consolidation and intercompany debt issues;	0.20
March 16, 2021	GBT	email correspondence; follow up re Falcon Lake appraisals; hearing matters; telephone discussion with M. LaBossiere re "consolidation motion" issues, preparation; review court materials re "consolidation motion" issues;	3.10
March 16, 2021	MML	Research concerning allocation; telephone call from B. Taylor regarding allocation issues; reviewing filed materials; e-mail exchange with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding Falcon Lake;	2.40
March 17, 2021	RAM	E-mail from B. Taylor regarding Falcon Lake appraisals, conditions and Edson's claims; e-mail from M. LaBossiere and B. Taylor Motions Coordinator regarding hearing date and issues for next Report;	0.20
March 17, 2021	GBT	email correspondence; telephone discussion with W. Onchulenko;	1.60



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		telephone discussion with A. Sherman; follow up re consolidation hearing matters, bankruptcy issues;	
March 17, 2021	MML	E-mail exchange with W. Onchulenko, R. McFadyen and B. Taylor regarding hearing dates; companies office searches; research concerning jurisdictional issues; reviewing materials; research concerning consolidation; preparing memo to B. Taylor and R. McFadyen regarding consolidation; preparing memo to B. Taylor and R. McFadyen regarding jurisdictional issues;	5.80
March 18, 2021	RAM	E-mail from B. Taylor regarding Falcon Lake mortgage payout information; e-mail from M. LaBossiere and B. Taylor regarding landlord claim; e-mail from M. Rosenshaft and E. Finley regarding Netwalker ransomware; e-mail from M. LaBossiere and B. Taylor regarding bail hearing status;	0.30
March 18, 2021	DMM	E-mail exchange with Colliers; Reviewing file;	0.30
March 18, 2021	GBT	email correspondence; telephone discussion with M. LaBossiere; review court materials re consolidation motion; consider issues; NPL proceeds preservation matters;	2.70
March 18, 2021	MML	Telephone call to B. Taylor regarding consolidation; research concerning consolidation; research concerning bankruptcy of corporate group; research concerning allocation; reviewing court materials regarding allocation and intercompany debt; e- mail exchange with S. Skorbinski regarding landlord claim package; e-	8.90



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		mail exchange with A. Sherman and E. Finley regarding landlord claims package;	
March 19, 2021	RAM	E-mail from B. Taylor and A. Sherman regarding Falcon Lake proceeds, consolidation and bankruptcy issues;	0.20
March 19, 2021	DMM	E-mail exchange with client; Reviewing file; E-mail to M. Ramzy; Telephone call to Sheppard Mullin; Telephone call to client; Emails to client;	0.60
March 19, 2021	GBT	email correspondence; review court materials, consider consolidation motion issues, follow up;	3.30
March 19, 2021	MML	Research concerning consolidation; research concerning jurisdictional issues; e-mail exchange with B. Taylor and R. McFadyen regarding subrogation; reviewing filed materials; preparing list of questions for Richter; e-mail exchange with B. Taylor and R. McFadyen regarding Falcon Lake; e-mail from M. Rosensaft regarding productions; e-mail exchange with B. Taylor and R. McFadyen regarding consolidation;	7.10
March 21, 2021	RAM	Reviewing and considering issues regarding consolidation, intercompany accounts and bankruptcy; e-mail to B. Taylor and M. LaBossiere regarding intercompany account and subrogation issues;	0.30
March 21, 2021	GBT	email correspondence, consolidation matters;	0.30
March 21, 2021	MML	Reviewing filed materials; research concerning consolidation; preparing	3.80



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		memo to B. Taylor and R. McFadyen regarding consolidation;	
Total Fees			\$ 16,939.50
GST/HST on Fees			\$ 846.98
RST on Fees			\$ 1,185.77
Total Fees, Disbursements and Taxes			\$ 19,520.80

GST Registration No. 121757413

Interest will be charged at the rate of 7% per annum on unpaid invoices calculated from a date that is one month after the date of this invoice.



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March 30, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 634934 – Ending March 28, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

REMITTANCE COPY

Total Fees	\$	16,167.50
Total Disbursements	\$	370.20
Total GST/HST	\$	826.86
Total RST	\$	1,131.73
 Total Due This Invoice	 \$	 18,496.29

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March 30, 2021

Richter Advisory Group Inc.
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Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 634934 – Ending March 28, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

Disbursements:

Paid to	Court Reporters - Trial Transcripts PAYEE: Veritext Litigation Solutions Canada, Inc.; REQUEST#: 316155; DATE: 3/25/2021. - Payment of Invoice No. 26482	\$	61.50	*
Paid to	Indirect Provincial Sales Tax	\$	0.71	
Paid to	Minute Books, Stationery	\$	10.20	*
Paid to	Deliveries	\$	57.04	*
Paid to	Imaging	\$	240.75	*
Total Disbursements			\$	370.20
*GST/HST on Taxable Disbursements			\$	18.48

Our fees for all professional services:

<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
March 22, 2021	RAM	E-mail from, reviewing memo from and conference with M. LaBossiere regarding consolidation issues; e-mail from B. Taylor regarding Falcon Lake sale information;	0.30
March 22, 2021	GBT	email correspondence; telephone	2.80



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		discussion with M. LaBossiere re consolidation motion matters; review and consider consolidation memo, related M. LaBossiere emails, and follow up with client; consider motion issue; NPL proceeds preservation matters, follow up; telephone discussion with M. LaBossiere re Canadian Security Agreement;	
March 22, 2021	MML	E-mail exchange with B. Taylor and R. McFadyen regarding consolidation issues; preparing memo to B. Taylor and R. McFadyen regarding consolidation; reviewing materials regarding issues; telephone call to B. Taylor regarding indebtedness; e-mail exchange with B. Taylor and R. McFadyen regarding indebtedness; research concerning jurisdictional issues;	7.40
March 23, 2021	RAM	E-mail from M. LaBossiere, B. Taylor and A. Sherman regarding consolidation and intercompany account issues; e-mail from M. LaBossiere regarding Notice of Dispute; e-mail from B. Taylor and E. Finley regarding ledger debt payment; e-mail from B. Taylor regarding Falcon Lake appraisals;	0.40
March 23, 2021	GBT	email correspondence; WO payout matters, consider form of Receipt; consolidation motion matters and analysis; follow up re NPL proceeds preservation; telephone discussions with M. LaBossiere; review of court materials re consolidation motion and follow up;	3.20
March 23, 2021	MML	E-mail exchange with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding White Oak; e-mail to E.	7.20



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		Finley and A. Sherman regarding Notice of Dispute; e-mail exchange with B. Taylor regarding list;	
March 24, 2021	RAM	E-mail from B. Taylor and A. Sherman regarding Falcon Lake proceeds;	0.10
March 24, 2021	GBT	email correspondence; review NPL proceeds preservation emails, prepare and send summary to client; review court materials re consolidation motion, consider issues; telephone discussion with M. LaBossiere re intercompany account matters;	3.60
March 24, 2021	MML	Research concerning allocation; reviewing materials regarding allocation; telephone call to B. Taylor regarding allocation and ABL; preparing memo to B. Taylor and R. McFadyen regarding allocation;	3.10
March 25, 2021	RAM	E-mail from B. Taylor regarding intercompany debt and consolidation issues; e-mail from B. Taylor regarding Falcon Lake proceeds and invoices;	0.20
March 25, 2021	GBT	email correspondence; review court materials; consider intercompany analysis and follow up with client; NPL proceeds payout matters;	1.70
March 25, 2021	MML	Research concerning allocation;	4.40
March 26, 2021	RAM	E-mail from A. Sherman, B. Taylor and M. LaBossiere regarding Falcon Lake proceeds and invoices; conference call with A. Sherman, E. Finley, B. Taylor and M. LaBossiere regarding Falcon Lake and Fieldstone proceeds and invoices; e-mail from M. LaBossiere and Registrar regarding	1.30



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		hearing date; e-mail from B. Taylor regarding Falcon Lake proceeds; e-mail from and e-mail to M. LaBossiere regarding G. Fenske director role; e-mail from B. Taylor, M. LaBossiere and A. Sherman regarding draft response regarding Falcon Lake proceeds; e-mail from B. Taylor and W. Onchulenko regarding Falcon Lake proceeds; e-mail from M. LaBossiere regarding consolidation issues;	
March 26, 2021	GBT	email correspondence; review W. Onchulenko correspondence; prepare conference call; conference call with A. Sherman, E. Finley, R. McFadyen, M. LaBossiere; telephone discussion with W. Onchulenko; prepare and circulate draft message to W. Onchulenko; consolidation motion matters; finalize and send NPL payout message to W. Onchulenko; further follow up with W. Onchulenko;	3.60
March 26, 2021	MML	Conference call with B. Taylor, R. McFadyen, A. Sherman and E. Finley regarding Falcon Lake; e-mail exchange with B. Taylor and R. McFadyen regarding Falcon Lake; research concerning allocation; e-mail exchange with B. Taylor and R. McFadyen regarding consolidation;	6.00
Total Fees			\$ 16,167.50
GST/HST on Fees			\$ 808.38
RST on Fees			\$ 1,131.73
Total Fees, Disbursements and Taxes			\$ 18,496.29



GST Registration No. 121757413

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April 6, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 635931 – Ending April 4, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

REMITTANCE COPY

Total Fees	\$	13,759.00
Total Disbursements	\$	57.14
Total GST/HST	\$	690.81
Total RST	\$	963.13
 Total Due This Invoice	 \$	 15,470.08

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April 6, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 635931 – Ending April 4, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

Disbursements:

Paid to	Companies Office Online	\$	5.00	*
Paid to	Deliveries	\$	52.14	*
Total Disbursements			\$	57.14
*GST/HST on Taxable Disbursements			\$	2.86

Our fees for all professional services:

<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
March 29, 2021	RAM	E-mail from M. LaBossiere and E. Finley regarding landlord claim for 239 Chrislea Road; e-mail from B. Taylor and A. Sherman regarding Falcon Lake proceeds allocation;	0.20
March 29, 2021	GBT	email correspondence; NPL matters; consolidation motion matters;	1.20
March 29, 2021	MML	Research concerning allocation; preparing memo to B. Taylor and R. McFadyen regarding allocation; e-mail exchange with E. Finley and A.	4.10



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		Sherman regarding landlord claim; e-mail exchange with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding Falcon Lake properties;	
March 30, 2021	RAM	E-mail from E. Finley, B. Taylor and M. LaBossiere regarding landlord claim issues; e-mail from B. Taylor and A. Sherman regarding Falcon Lake proceeds issues; e-mail from B. Taylor and E. Finley regarding Edson's mortgage;	0.30
March 30, 2021	GBT	email correspondence; prepare conference call; conference call A. Sherman, E. Finley, M. LaBossiere; 239 Chrislea Road lease matters, consider and circulate revised response to E. Biscelgia; prepare and circulate draft message to W. Onchulenko; landlord claims matters; NPL proceeds preservation matters;	2.20
March 30, 2021	MML	Preparing memo to B. Taylor and R. McFadyen regarding allocation; conference call with B. Taylor, E. Finley and A. Sherman regarding Falcon Lake and dispute notice; e-mail exchange with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding dispute notice; e-mail exchange with B. Taylor regarding definitions under Order; e-mail exchange with B. Taylor, R. McFadyen, E. Finley, A. Sherman and J. Caylor regarding landlord dispute notice;	5.90
March 31, 2021	RAM	E-mail from A. Sherman and B. Taylor regarding Edson's mortgage payment;	0.20
March 31, 2021	GBT	email correspondence; prepare and circulate draft response to W.	3.70



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		Onchulenko; review court materials re consolidation motion, consider issues, intercompany debt, WO payment considerations; finalize and send response to W. Onchulenko re payment to Edson's; consider further matters re NPL proceeds;	
March 31, 2021	MML	E-mail from landlord; e-mail to E. Finley, A. Sherman and J. Caylor regarding Landlord dispute; preparing memo to R. McFadyen and B. Taylor regarding allocation;	2.50
April 1, 2021	RAM	E-mail from B. Taylor regarding Falcon Lake proceeds and Edson's mortgage; e-mail from and e-mail to B. Taylor and M. LaBossiere regarding consolidation; e-mail from B. Olivenstein regarding landlord inquiry; e-mail from B. Taylor regarding NPL payments; conference call with B. Taylor and M. LaBossiere regarding motion regarding consolidation and intercompany account issues;	0.80
April 1, 2021	GBT	email correspondence; consider consolidation motion matters; conference call with R. McFadyen, M. LaBossiere; telephone discussion with A. Sherman; NPL proceeds preservation matters; consider issues re NPL; follow up with counsel;	2.70
April 1, 2021	MML	Preparing memo to B. Taylor and R. McFadyen regarding allocation; e-mail exchange with E. Finley, A. Sherman and J. Caylor regarding Landlord Claims; conference call with B. Taylor and R. McFadyen regarding allocation and motion;	1.50
April 2, 2021	RAM	E-mail from M. LaBossiere and E.	0.30



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		Finley regarding landlord dispute notices; e-mail from B. Taylor regarding Edson's mortgage; e-mail from M. LaBossiere regarding consolidation issues;	
April 2, 2021	GBT	email correspondence; Chrislea Road lease matters, notice; various notices of dispute; NPL proceeds preservation matters; "consolidation" motion matters;	1.90
April 2, 2021	MML	Preparing consolidation checklist; preparing memo to B. Taylor and R. McFadyen regarding allocation; e-mail exchange with B. Taylor, R. McFadyen, J. Caylor, A. Sherman and E. Finley regarding landlord claim dispute noticed; e-mail exchange with B. Taylor and R. McFadyen regarding Chrislea Road lease claim;	7.60
April 3, 2021	GBT	email correspondence, consider NPL, consolidation motion issues;	0.30
April 4, 2021	RAM	E-mail from B. Taylor and M. LaBossiere regarding use of NPL proceeds; e-mail from and e-mail to B. Taylor and M. LaBossiere regarding consolidation issues;	0.20
April 4, 2021	GBT	email correspondence; consider NPL matters;	0.70
April 4, 2021	MML	Preparing memo to B. Taylor and R. McFadyen regarding allocation; reviewing materials regarding allocation;	2.10



Total Fees	\$ 13,759.00
GST/HST on Fees	\$ 687.95
RST on Fees	\$ 963.13
Total Fees, Disbursements and Taxes	\$ 15,470.08

GST Registration No. 121757413

Interest will be charged at the rate of 7% per annum on unpaid invoices calculated from a date that is one month after the date of this invoice.



**THOMPSON
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April 14, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 636443 – Ending April 11, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

REMITTANCE COPY

Total Fees	\$	23,836.50
Total Disbursements	\$	84.00
Total GST/HST	\$	1,194.53
Total RST	\$	1,668.56
 Total Due This Invoice	 \$	 26,783.59

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GST Registration No. 121757413

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Winnipeg MB R3C 0V1
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www.tdslaw.com
general email: info@tdslaw.com

April 14, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 636443 – Ending April 11, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

Disbursements:

Paid to	Miscellaneous (Non-Taxable) PAYEE: TD Canada Trust (Debit Memo: Wire Service Charge); REQUEST#: 317004; DATE: 4/12/2021. - wire fee from 4/9/2021	\$	30.00	
Paid to	Air Express	\$	25.68	*
Paid to	Companies Office Online	\$	15.00	*
Paid to	Long Distance	\$	0.32	*
Paid to	Imaging	\$	13.00	*
Total Disbursements			\$	84.00
*GST/HST on Taxable Disbursements			\$	2.70

Our fees for all professional services:

<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
April 5, 2021	RAM	Reviewing memo from M. LaBossiere regarding consolidation of estates in bankruptcy; e-mail to B. Taylor and M. LaBossiere regarding consolidation issues; e-mail from B. Taylor regarding issues regarding NPL proceeds; conference call with A.	1.10



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		Sherman, E. Finley, B. Taylor and M. LaBossiere regarding NPL proceeds, consolidation issues and landlord disputes;	
April 5, 2021	GBT	email correspondence; prepare call with W. Onchulenko; telephone discussion with W. Onchulenko, follow up report to client; consolidation/intercompany debt/subrogation matters; telephone call from W. Onchulenko; conference call A. Sherman, E. Finley, R. McFadyen, M. LaBossiere;	4.40
April 5, 2021	MML	Preparing memo to B. Taylor and R. McFadyen regarding allocation; conference call with B. Taylor, R. McFadyen and E. Finley and A. Sherman regarding Falcon Lake property and Landlords' Dispute Notices;	4.30
April 6, 2021	RAM	E-mail from B. Taylor, M. LaBossiere and A. Sherman regarding NPL proceeds and Edson's mortgage security; e-mail from B. Taylor and M. LaBossiere regarding consolidation motion timing; e-mail from D. Magisano regarding Edson's mortgage security; e-mail from M. LaBossiere regarding Credit Agreement terms;	0.60
April 6, 2021	GBT	email correspondence; consider issues re Edson's mortgage, NPL proceeds preservation; follow up with W. Onchulenko; review Falcon Lake security assignment registration documents, Fieldstone mortgage document, Promissory Note; review court materials, notes re consolidation/intercompany debt/subrogation;	3.70



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
April 6, 2021	AP	Email from B. Taylor; conduct corporate search of 11997645 Canada Inc.;	0.10
April 6, 2021	MML	E-mail exchange with B. Taylor and R. McFadyen regarding Edson's and Brause; e-mail exchange with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding Edson's and Brause; preparing memo to B. Taylor and R. McFadyen regarding allocation; reviewing materials regarding allocation;	6.80
April 7, 2021	RAM	E-mail from B. Taylor and M. LaBossiere regarding sale of Falcon Lake property; reviewing application materials regarding trust involving Falcon Lake property; e-mail from M. LaBossiere regarding Credit Agreement advances, treatment of borrowers and guarantors; e-mail from B. Taylor regarding discussion with D. Magisano regarding Edson's mortgage; e-mail from B. Taylor regarding NPL proceeds; e-mail from B. Taylor and M. LaBossiere regarding consolidation issues; conference call with A. Sherman, E. Finley, B. Taylor and M. LaBossiere regarding NPL proceeds and Edson's security;	1.20
April 7, 2021	GBT	email correspondence; NPL proceeds matters; voice message from J. Prober; telephone discussion with D. Magisano; follow up report to client; review and revise draft Consolidation Checklist; telephone discussion with M. LaBossiere; conference call A. Sherman, E. Finley, R. McFadyen, M. LaBossiere; consolidation hearing matters;	4.20
April 7, 2021	MML	E-mail exchange with B. Taylor and	10.60



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		R. McFadyen regarding court materials; travel to and from Law Courts regarding materials; preparing memo to B. Taylor and R. McFadyen regarding allocation; e-mail exchange with B. Taylor and R. McFadyen regarding allocation; conference call with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding Falcon Lake proceeds; e-mail exchange with B. Taylor and R. McFadyen regarding allocation; telephone call from B. Taylor regarding consolidation checklist; e-mail exchange with B. Taylor and R. McFadyen regarding consolidation checklist; e-mail to E. Finley and A. Sherman regarding consolidation checklist;	
April 8, 2021	RAM	E-mail from B. Taylor and E. Finley regarding NPL proceeds; e-mail from M. LaBossiere regarding guarantee, subrogation and consolidation issues;	0.20
April 8, 2021	DMM	Preparing final reports on sales of Inkster and Broadway; Reviewing files; Preparing letters to client; Telephone call to client;	1.70
April 8, 2021	GBT	email correspondence; review email correspondence, prepare and circulate response to W. Onchulenko re NPL proceeds preservation matters; consolidation motion matters; telephone discussion with J. Prober; consider W. Onchulenko message re payments to S. Mager, G. Fenske, Edson's;	2.30
April 8, 2021	MML	Preparing memo to B. Taylor and R. McFadyen regarding allocation; e-mail to B. Taylor and R. McFadyen regarding allocation;	3.40



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
April 9, 2021	RAM	E-mail from and e-mail to B. Taylor and M. LaBossiere regarding Falcon Lake cottage sale, NPL proceeds and court hearings; telephone call to real estate agent regarding market commission rates; e-mail from and e-mail to B. Taylor, M. LaBossiere and A. Sherman regarding hearing dates regarding consolidation motion; conference with M. LaBossiere regarding issues regarding consolidation and allocation;	1.00
April 9, 2021	GBT	email correspondence; review emails, prepare and circulate draft response to W. Onchulenko re NPL proceeds preservation matters; telephone discussion with A. Sherman; revise and circulate response to W. Onchulenko; telephone discussion with M. LaBossiere re allocation issues; consider and circulate W. Onchulenko response; consider hearing matters re preservation of NPL proceeds;	3.80
April 9, 2021	MML	E-mail exchange with B. Taylor and R. McFadyen regarding Falcon Lake; telephone call to B. Taylor regarding allocation issues; preparing memo to B. Taylor and R. McFadyen regarding allocation; reviewing materials regarding allocation and subrogation; e-mail exchange with C. Laniuk regarding Court dates; e-mail exchange with Richter regarding Court dates;	4.70
April 10, 2021	GBT	email correspondence; search matters re 2361342 Manitoba Ltd.; telephone discussion with W. Onchulenko; consider issues re NPL proceeds preservation; prepare and circulate	2.20



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		draft message to W. Onchulenko re preservation arrangements; finalize and send message to W. Onchulenko;	
April 11, 2021	RAM	E-mail from B. Taylor regarding NPL proceeds and Edson's mortgage; conference call with A. Sherman, E. Finley, B. Taylor and M. LaBossiere regarding NPL proceeds; e-mail from B. Taylor and A. Sherman regarding draft message to W. Onchulenko regarding NPL proceeds and Edson's mortgage;	1.10
April 11, 2021	GBT	email correspondence; follow up re call with W. Onchulenko; conference call A. Sherman, E. Finley, R. McFadyen, M. LaBossiere;	1.50
Total Fees			\$ 23,836.50
GST/HST on Fees			\$ 1,191.83
RST on Fees			\$ 1,668.56
Total Fees, Disbursements and Taxes			\$ 26,783.59

GST Registration No. 121757413

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general email: info@tdslaw.com

April 21, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 636834 – Ending April 18, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

REMITTANCE COPY

Total Fees	\$	15,960.00
Total Disbursements	\$	129.53
Total GST/HST	\$	804.48
Total RST	\$	1,117.20
 Total Due This Invoice	 \$	 18,011.21

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April 21, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 636834 – Ending April 18, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

Disbursements:

Paid to	Long Distance	\$	0.53	*
Paid to	Legal Data Resources Corp.	\$	92.00	*
Paid to	Imaging	\$	37.00	*
Total Disbursements			\$	129.53
*GST/HST on Taxable Disbursements			\$	6.48

Our fees for all professional services:

<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
April 12, 2021	RAM	E-mail from E. Finley regarding insurance coverage; conference call with W. Onchulenko, B. Taylor, M. LaBossiere regarding NPL proceeds, Edson's mortgage; e-mail from, e-mail to W. Onchulenko, B. Taylor regarding conference call;	0.30
April 12, 2021	DMM	Reviewing wire confirmation; E-mail exchange with MLTA regarding Inkster taxes;	0.30



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
April 12, 2021	GBT	email correspondence; NPL proceeds matters; "consolidation" motion matters;	1.80
April 12, 2021	MML	E-mail exchange with B. Taylor and R. McFadyen regarding conference call with W. Onchulenko;	0.20
April 13, 2021	RAM	E-mail from B. Taylor regarding position re: NPL proceeds, Edson's mortgage; reviewing and considering information regarding Edson's mortgage advances; conference call with W. Onchulenko, B. Taylor, M. LaBossiere regarding NPL proceeds, Edson's mortgage; e-mail from, e-mail to M. LaBossiere, B. Taylor regarding update to Receiver; e-mail from, e-mail to, conference call with E. Finley, A. Sherman, B. Taylor, M. LaBossiere regarding NPL proceeds, Edson's mortgage; e-mail from E. Finley regarding insurance coverage; e-mail from M. LaBossiere regarding insurance coverage;	2.20
April 13, 2021	GBT	email correspondence; NPL matters; prepare conference call; conference call W. Onchulenko, R. McFadyen, M. LaBossiere; conference call R. McFadyen, M. LaBossiere; follow up matters; conference call A. Sherman, E. Finley, R. McFadyen, M. LaBossiere;	2.60
April 13, 2021	MML	E-mail from B. Taylor regarding W. Onchulenko regarding proceeds; conference call with B. Taylor, R. McFadyen and W. Onchulenko regarding proceeds; conference call with B. Taylor and R. McFadyen regarding proceeds; e-mail to B. Taylor and R. McFadyen regarding summary of call; e-mail to Richter	3.10



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		regarding summary of call; conference call with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding call with W. Onchulenko; e-mail to W. Onchulenko regarding insurance coverage;	
April 14, 2021	RAM	E-mail from B. Taylor and W. Onchulenko regarding NPL proceeds and Edson's mortgage; conference with M. LaBossiere regarding motion to deal with preservation; e-mail from and e-mail to B. Taylor, M. LaBossiere, A. Sherman and E. Finley regarding Edson's mortgage details; e-mail from W. Onchulenko and M. LaBossiere regarding hearing dates regarding consolidation;	0.40
April 14, 2021	GBT	email correspondence; consolidation hearing matters; NPL matters; consider 236 "consideration" letter;	1.10
April 14, 2021	MML	E-mail exchange with J. Caylor and E. Finley regarding Landlord Dispute Notices; reviewing Landlord Dispute Notices;	0.50
April 15, 2021	RAM	Conference call with A. Sherman, E. Finley, B. Taylor and M. LaBossiere regarding NPL proceeds; e-mail from and e-mail to M. LaBossiere and B. Taylor regarding confirmation of hearing dates; e-mail from B. Taylor regarding draft e-mail to D. Magisano regarding Edson's mortgage, NPL proceeds and employment information; conference call with B. Taylor and M. LaBossiere regarding draft Notice of Motion for preservation of proceeds; e-mail from B. Taylor regarding e-mail to D. Magisano; e-mail from D. Magisano regarding Edson's mortgage; e-mail from and e-	2.60



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		mail to M. LaBossiere and B. Taylor regarding draft Notice of Motion for preservation of proceeds; reviewing and revising draft Notice of Motion for preservation of proceeds; e-mail from and e-mail to B. Taylor regarding conference call with D. Magisano regarding Edson's mortgage; e-mail from E. Finley, B. Taylor and M. LaBossiere regarding guarantee repayments, subrogation and allocation; e-mail from Justice Edmond regarding hearing dates; e-mail from M. LaBossiere regarding memo regarding allocation;	
April 15, 2021	GBT	email correspondence; review documents, mortgage consideration matters; prepare and circulate draft message to D. Magisano; conference call A. Sherman, E. Finley, R. McFadyen, M. LaBossiere; conference call R. McFadyen, M. LaBossiere re NPL proceeds preservation motion; finalize and send message to D. Magisano, and follow up; consider issues re allocation of receivership proceeds to debt repayment and follow up; conference call arrangements; NPL proceeds preservation hearing arrangements; consider motion requirements;	3.30
April 15, 2021	MML	E-mail exchange with W. Onchulenko regarding hearing date; letter to C. Laniuk regarding hearing date; e-mail to C. Laniuk, C. Hildebrand, W. Onchulenko, F. Tayar, C. Linthwaite, B. Taylor and R. McFadyen regarding hearing date; conference call with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding Falcon Lake proceeds; preparing Notice of Motion; research concerning allocation;	7.80



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		preparing memo to B. Taylor and R. McFadyen regarding allocation; e-mail to B. Taylor and R. McFadyen regarding allocation;	
April 16, 2021	RAM	Reviewing and revising draft Notice of Motion for preservation of proceeds; e-mail to and e-mail from B. Taylor and M. LaBossiere regarding draft Notice of Motion for preservation of proceeds; conference call with W. Onchulenko, D. Magisano, B. Taylor and M. LaBossiere regarding issues regarding preservation of NPL proceeds; conference call with E. Finley, A. Sherman, M. LaBossiere and B. Taylor regarding update on NPL proceeds and allocation issues; reviewing memo from M. LaBossiere regarding allocation issues; e-mail from Registrar, W. Onchulenko and B. Taylor regarding hearing dates; e-mail from M. LaBossiere regarding update and filing of Notice of Motion for preservation of NPL proceeds;	1.80
April 16, 2021	GBT	email correspondence; prepare conference call; conference call D. Magisano, W. Onchulenko, R. McFadyen, M. LaBossiere; review M. LaBossiere memo re allocation principles and comment; conference call A. Sherman, E. Finley, R. McFadyen, M. LaBossiere; review draft Proceeds Preservation Notice of Motion and comment; preservation motion matters; allocation motion matters; telephone discussion with M. LaBossiere;	4.00
April 16, 2021	MML	Conference call with B. Taylor, R. McFadyen, D. Magisano and W. Onchulenko regarding Falcon Lake proceeds; conference call with B.	3.60



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		Taylor, R. McFadyen, A. Sherman and E. Finley regarding allocation; preparing Notice of Motion regarding preservation of Sale Proceeds;	
April 17, 2021	RAM	E-mail from and e-mail to E. Kolers and M. LaBossiere regarding Service List;	0.10
April 18, 2021	RAM	Reviewing and considering memo from M. LaBossiere regarding allocation of receivership costs, proceeds and subrogation rights; e-mail to and e-mail from B. Taylor and M. LaBossiere regarding allocation of receivership costs and proceeds;	1.10
April 18, 2021	GBT	email correspondence; allocation considerations; consider memo;	0.30
April 18, 2021	MML	Update service list;	0.20
Total Fees			\$ 15,960.00
GST/HST on Fees			\$ 798.00
RST on Fees			\$ 1,117.20
Total Fees, Disbursements and Taxes			\$ 18,011.21

GST Registration No. 121757413

Interest will be charged at the rate of 7% per annum on unpaid invoices calculated from a date that is one month after the date of this invoice.



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April 28, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 637304 – Ending April 25, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

REMITTANCE COPY

Total Fees	\$	9,135.50
Total Disbursements	\$	125.68
Total GST/HST	\$	458.06
Total RST	\$	639.49
 Total Due This Invoice	 \$	 10,358.73

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April 28, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 637304 – Ending April 25, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

Disbursements:

Paid to Court Fees PAYEE: Copps, Natalie A.M.; \$ 100.00
REQUEST#: 317602; DATE: 4/21/2021. -
Reimbursement for Filing Fee at Court of Queen's
Bench

Paid to Air Express \$ 25.68 *

Total Disbursements \$ 125.68

*GST/HST on Taxable Disbursements \$ 1.28

Our fees for all professional services:

<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
April 19, 2021	RAM	E-mail from and e-mail to E. Finley, B. Taylor and M. LaBossiere regarding insurance coverage matters; conference call with B. Taylor and M. LaBossiere regarding dispute regarding NPL proceeds, consolidation, subrogation and allocation;	0.40
April 19, 2021	DMM	E-mail from client; Reviewing file; E-	0.30



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		mail to client;	
April 19, 2021	GBT	email correspondence; preservation motion matters, consider report; follow up with W. Onchulenko; insurance considerations and follow up; telephone discussion with W. Onchulenko; telephone conference with R. McFadyen, M. LaBossiere; allocation, consolidation matters;	2.40
April 19, 2021	MML	Conference call with B. Taylor and R. McFadyen regarding Motion;	0.20
April 20, 2021	RAM	E-mail from M. LaBossiere and B. Taylor regarding allocation and guarantor issue; e-mail from M. LaBossiere and D. Douglas regarding creditor inquiry;	0.20
April 20, 2021	GBT	email correspondence; consider subrogation, allocation response; follow up re “just proportion” subrogation issue; hearing matters; review court materials;	1.40
April 20, 2021	MML	E-mail exchange with Queen's Bench Registry regarding filing; e-mail exchange with E. Finley regarding allocation; e-mail exchange with D. Douglas regarding motion; attending meeting with C. Undi regarding contribution issues;	0.40
April 20, 2021	NAMC	Attending Queen’s Bench Registry for filing and payment;	1.00
April 20, 2021	EEM	E-mail exchange with T. Feniuk and N. Copps regarding payment of filing fee;	0.20
April 20, 2021	CAU	E-mail exchange with B. Taylor regarding research assignment; attending meeting with M. LaBossiere	0.50



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		regarding research assignment;	
April 21, 2021	RAM	E-mail from B. Taylor and E. Finley regarding dealing with NPL proceeds;	0.20
April 21, 2021	GBT	preservation motion matters; consider W. Onchulenko message and follow up with client;	0.50
April 22, 2021	RAM	E-mail from and e-mail to B. Taylor, M. LaBossiere and E. Finley regarding draft e-mail to W. Onchulenko regarding NPL proceeds; e-mail from B. Taylor regarding aircraft insurance; conference call with E. Finley, A. Sherman, B. Taylor and M. LaBossiere regarding NPL proceeds, consolidation, subrogation and allocation issues;	1.30
April 22, 2021	GBT	email correspondence; consider and circulate draft reply to W. Onchulenko message; aircraft matters; consider preliminary subrogation analysis; conference call A. Sherman, E. Finley, R. McFadyen, M. LaBossiere; finalize and circulate reply to W. Onchulenko; consider issues re preservation motion, subrogation motion;	3.70
April 22, 2021	MML	E-mail exchange with Richter, B. Taylor and R. McFadyen regarding conference call; e-mail exchange with Richter, B. Taylor and R. McFadyen regarding allocation; conference call with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding allocation issues;	1.20
April 22, 2021	CAU	Research concerning definition of "just proportion" and general principles which govern the rights of contribution among co-sureties;	2.80



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
April 23, 2021	RAM	E-mail from and e-mail to B. Taylor, M. LaBossiere and A. Sherman regarding response from W. Onchulenko regarding NPL proceeds;	0.30
April 23, 2021	GBT	email correspondence; consider reply to W. Onchulenko message and follow up messages; proceeds preservation hearing matters;	0.80
April 24, 2021	RAM	E-mail from B. Taylor regarding NPL proceeds issues;	0.10
April 24, 2021	GBT	email correspondence; proceeds preservation matters;	0.20
April 25, 2021	RAM	E-mail from and e-mail to B. Taylor regarding update and NPL proceeds;	0.10
April 25, 2021	GBT	email correspondence; consider issues re preservation hearing, case conference; consolidation hearing matters, preparation; consider W. Onchulenko message and circulate;	1.50
Total Fees			\$ 9,135.50
GST/HST on Fees			\$ 456.78
RST on Fees			\$ 639.49
Total Fees, Disbursements and Taxes			\$ 10,358.73

GST Registration No. 121757413

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May 4, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 638069 – Ending May 2, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

REMITTANCE COPY

Total Fees	\$	21,073.00
Total Disbursements	\$	11.00
Total GST/HST	\$	1,054.20
Total RST	\$	1,475.11
 Total Due This Invoice	 \$	 23,613.31

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GST Registration No. 121757413

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May 4, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 638069 – Ending May 2, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

Disbursements:

Paid to	Imaging	\$	11.00	*
Total Disbursements		\$	11.00	
*GST/HST on Taxable Disbursements		\$	0.55	

Our fees for all professional services:

<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
April 26, 2021	RAM	E-mail from E. Finley regarding Nygard estate funds; e-mail from A. Sherman and E. Finley regarding NPL proceeds; e-mail from E. Finley, M. LaBossiere and B. Taylor regarding intercompany accounts; conference call with E. Finley, A. Sherman, B. Taylor and M. LaBossiere regarding intercompany accounts and NPL proceeds; conference call with B. Taylor, M. LaBossiere regarding NPL proceeds, allocation and subrogation issues; e-mail from E. Finley regarding intercompany agreement; e-mail from	2.90



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		and e-mail to J. Caylor regarding TDS account summaries for report; e-mail from E. Finley regarding lease claims; e-mail from D. Magisano regarding Edson's mortgage information; e-mail from B. Taylor and E. Sherman regarding Edson's information;	
April 26, 2021	GBT	email correspondence; prepare conference call; review draft anticipated net recovery analysis, consider issues; conference call A. Sherman, E. Finley, R. McFadyen, M. LaBossiere; follow up with W. Onchulenko; conference call R. McFadyen, M. LaBossiere; voice message to W. Onchulenko; telephone discussion with M. LaBossiere re subrogation issues; consider and circulate D. Magisano message re Edson's/236;	4.00
April 26, 2021	MML	Telephone call from B. Taylor regarding direction letter; conference call with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding intercompany waterfall chart and Falcon Lake sale; conference call with B. Taylor and R. McFadyen regarding motion; telephone call from E. Finley regarding contribution claims; telephone call to B. Taylor regarding telephone call from E. Finley; telephone call from E. Finley regarding allocation; research concerning landlord claims in bankruptcy;	5.20
April 26, 2021	CAU	Preparing memo to B. Taylor regarding interpretation of "just proportion" as between sureties;	1.40
April 27, 2021	RAM	Conference with M. LaBossiere regarding subrogation and contribution	1.50



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		issues; e-mail from and e-mail to B. Taylor and M. LaBossiere regarding NPL proceed and Edson's mortgage; e-mail from and e-mail to B. Taylor and D. Magisano regarding Edson's mortgage; e-mail from M. LaBossiere regarding Edson's / Brause corporate information; conference call with D. Magisano, W. Onchulenko, B. Taylor and M. LaBossiere regarding NPL proceeds; e-mail from E. Finley, A. Sherman, B. Taylor and M. LaBossiere regarding NPL proceeds and Edson's mortgage; e-mail from articling student and M. LaBossiere regarding contribution amongst guarantors;	
April 27, 2021	GBT	email correspondence; review Edson's USD237,500 mortgage claim; telephone discussion with M. LaBossiere; telephone discussion with W. Onchulenko; proceeds preservation motion matters; prepare conference call; conference call D. Magisano, R. McFadyen, M. LaBossiere (W. Onchulenko joining); follow up conference call with R. McFadyen, M. LaBossiere; review memo, consider issues re contribution; further telephone discussion with M. LaBossiere;	4.80
April 27, 2021	MML	Telephone call from B. Taylor regarding Edson's and Brause; research concerning Edson's and Brause; e-mail to B. Taylor and R. McFadyen regarding Edson's and Brause; reviewing memo from C. Undi regarding guarantors;	2.70
April 27, 2021	CAU	Preparing memo to B. Taylor regarding interpretation of "just proportion" as between sureties; e-mail	3.60



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		to B. Taylor, R. McFadyen and M. LaBossiere providing same;	
April 28, 2021	RAM	Conference with, E-mail exchange with M. LaBossiere and B. Taylor and articling student regarding contribution amongst guarantors; conference call with E. Finley, A. Sherman, B. Taylor and M. LaBossiere regarding NPL proceeds and Edson's Mortgage; e-mail from D. Magisano regarding Edson's funds; e-mail from B. Taylor regarding NPL proceeds; e-mail from and e-mail to M. LaBossiere and B. Taylor regarding Edson's banking information; reviewing and considering accounts for report; e-mail to J. Caylor, E. Finley, B. Taylor and M. LaBossiere regarding account summary for report;	3.00
April 28, 2021	GBT	email correspondence; follow up re subrogation analysis; prepare conference call; conference call A. Sherman, E. Finley, R. McFadyen, M. LaBossiere; follow up with W. Onchulenko; telephone discussion with E. Finley; telephone discussion with W. Onchulenko; report to client, follow up with D. Magisano; consider reports requirements, proceeds preservation matters; follow up from D. Magisano;	4.30
April 28, 2021	MML	Conference call with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding allocation; e-mail exchange with B. Taylor regarding research concerning landlords; research concerning landlord claims;	3.40
April 29, 2021	RAM	E-mail from J. Caylor regarding account summaries; e-mail from and e-mail to B. Taylor and M. LaBossiere	1.20



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		regarding information regarding advances from Edson's and NPL proceeds; e-mail from and e-mail to B. Taylor and M. LaBossiere regarding allocation of expenses; e-mail from B. Taylor, D. Magisano regarding Edson's information; e-mail from B. Taylor regarding Affidavits of S. Mager, G. Fenske, D. Sigmar and appraiser; reviewing and considering affidavits of Respondents; conference with B. Taylor and M. LaBossiere regarding Affidavits of Respondents;	
April 29, 2021	GBT	email correspondence; proceeds preservation matters; follow up with D. Magisano; telephone call from W. Onchulenko, and follow up; telephone discussion with E. Finley, consider issues re common liability, and follow up; preservation report matters; telephone discussion with A. Sherman; NPL affidavits and follow up; telephone discussions with M. LaBossiere, R. McFadyen;	2.40
April 29, 2021	MML	Telephone call to B. Taylor regarding Falcon Lake; e-mail exchange with B. Taylor and R. McFadyen regarding additional case law; e-mail exchange with B. Taylor and R. McFadyen regarding Edson's bank statement; e-mail exchange with B. Taylor regarding Affidavits; reviewing Affidavits of G. Fenske, S. Mager, D. Sigmar, R. Martell and M. Dyck; telephone call to B. Taylor regarding Affidavits;	2.60
April 30, 2021	RAM	E-mail from A. Sherman and E. Finley regarding new Affidavit evidence regarding NPL proceeds; e-mail from B. Taylor regarding Affidavit of A. Wojnowski; conference call with A.	0.90



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		Sherman, E. Finley, B. Taylor and M. LaBossiere regarding NPL proceeds; e-mail from B. Taylor regarding P. Nygard reporting; e-mail from and e-mail to B. Taylor and M. LaBossiere regarding listing agreement; e-mail from E. Finley and Drew Mitchell regarding IP label issue; e-mail from M. LaBossiere regarding work at Falcon Lake cottage; e-mail from B. Taylor regarding Receiver's materials for motions;	
April 30, 2021	DMM	E-mail from client; e-mail from counsel; e-mail to client;	0.30
April 30, 2021	GBT	email correspondence; review Mager Affidavit, Fenske Affidavit, Sigmar Affidavit, Martell Affidavit, Dyck Affidavit, W. Onchulenko correspondence, Falcon Lake Lots Receipts and Disbursements, Wojnowski affidavit; consider issues; preservation motion matters; conference call A. Sherman, E. Finley, R. McFadyen, M. LaBossiere; telephone discussion with W. Onchulenko; telephone discussion with D. Magisano; telephone discussion with M. LaBossiere; consolidation/intercompany debt/subrogation motion matters; IP matters;	3.20
April 30, 2021	MML	Conference call with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding Affidavits; reviewing Affidavits; telephone call to E. Finley regarding documents; e-mail to B. Taylor and R. McFadyen regarding NPL invoices;	1.20
May 2, 2021	GBT	consolidation hearing matters;	1.00



Total Fees	\$ 21,073.00
GST/HST on Fees	\$ 1,053.65
RST on Fees	\$ 1,475.11
Total Fees, Disbursements and Taxes	\$ 23,613.31

GST Registration No. 121757413

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May 12, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 638572 – Ending May 9, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

REMITTANCE COPY

Total Fees	\$	13,756.50
Total Disbursements	\$	355.20
Total GST/HST	\$	705.55
Total RST	\$	962.96
 Total Due This Invoice	 \$	 15,780.21

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May 12, 2021

Richter Advisory Group Inc.
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3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 638572 – Ending May 9, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

Disbursements:

Paid to	Indirect Provincial Sales Tax	\$	0.86	
Paid to	Long Distance	\$	3.00	*
Paid to	Minute Books, Stationery	\$	12.34	*
Paid to	Imaging	\$	339.00	*
Total Disbursements			\$	355.20
*GST/HST on Taxable Disbursements			\$	17.72

Our fees for all professional services:

<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
May 3, 2021	RAM	E-mail from and e-mail to A. Sherman, E. Finley, B. Taylor and M. LaBossiere regarding update regarding NPL proceeds, consolidation and subrogation motion; e-mail from B. Taylor regarding response to W. Onchulenko regarding timelines; e-mail from B. Taylor and M. LaBossiere regarding subrogation and contribution amongst guarantors; e-mail from W. Onchulenko regarding	0.50



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		NPL proceeds;	
May 3, 2021	GBT	email correspondence; conference call A. Sherman, E. Finley, M. LaBossiere; telephone discussion with M. LaBossiere; preservation hearing matters; voice message to D. Magisano; follow up with W. Onchulenko; telephone discussion with D. Magisano, follow up; Fieldstone mortgage matters; consider D. Magisano, S. Fawcett messages and follow up; prepare and circulate NPL proceeds preservation arrangements message to W. Onchulenko; consolidation motion matters, consider Notice of Motion, related issues;	3.90
May 3, 2021	MML	E-mail exchange with B. Taylor and R. McFadyen regarding Edson's advances; conference call with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding report and Falcon Lake issues; telephone call from B. Taylor regarding materials;	0.60
May 4, 2021	RAM	E-mail from B. Taylor and A. Sherman regarding NPL proceeds; conference call with A. Sherman, E. Finley, B. Taylor and M. LaBossiere regarding NPL proceeds issues and guarantor allocation; e-mail from E. Finley regarding guarantor allocation; conference call with B. Taylor and M. LaBossiere regarding dealing with NPL proceeds motion;	0.80
May 4, 2021	GBT	email correspondence; consider NPL revised proceeds proposal; review affidavits; conference call A. Sherman, E. Finley, R. McFadyen, M. LaBossiere; conference call R. McFadyen, M. LaBossiere; follow up with W. Onchulenko; consolidation	3.10



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		motion issues; review documents, prepare telephone discussion with W. Onchulenko re preservation matters; telephone discussion with W. Onchulenko; telephone call from W. Onchulenko; follow up with client;	
May 4, 2021	MML	Conference call with B. Taylor, R. McFadyen, A. Sherman and E. Finley regarding report; conference call with B. Taylor and R. McFadyen regarding report; e-mail exchange with B. Taylor and R. McFadyen regarding responses to W. Onchulenko;	0.60
May 5, 2021	RAM	E-mail from B. Taylor regarding NPL proceeds issues;	0.10
May 5, 2021	GBT	email correspondence; consolidation hearing matters, issues; NPL proceeds preservation motion matters; follow up with W. Onchulenko;	1.20
May 6, 2021	RAM	E-mail from B. Taylor regarding update on NPL proceeds issues; e-mail from B. Taylor regarding Motion Brief of NPL and Affidavit of P. Nygard; reviewing and considering Motion Brief of NPL and Affidavit of P. Nygard; telephone call from B. Taylor regarding NPL proceeds issues;	0.70
May 6, 2021	GBT	email correspondence; NPL proceeds settlement, hearing matters; consider NPL Brief, Nygard affidavit; various telephone discussions with M. LaBossiere re hearing matters; telephone discussion with W. Onchulenko; conference call A. Sherman, E. Finley, M. LaBossiere; consider consolidation motion issues;	4.00
May 6, 2021	MML	E-mail exchange with B. Taylor and R. McFadyen regarding Affidavit of	4.10



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		Peter Nygard and Brief; reviewing Affidavit of Peter Nygard; reviewing Motion Brief; conference call with B. Taylor, E. Finley and A. Sherman; e-mail exchange with B. Taylor and R. McFadyen;	
May 7, 2021	RAM	Conference with M. LaBossiere, B. Taylor regarding Brief on NPL proceeds issues; e-mail from W. Onchulenko regarding service of materials regarding NPL proceeds; e-mail from and e-mail to B. Taylor and M. LaBossiere regarding draft letter to J. Edmond regarding adjournment; e-mail from A. Sherman regarding draft Report regarding NPL proceeds; e-mail from B. Taylor and A. Sherman regarding settlement of issues regarding NPL proceeds;	0.80
May 7, 2021	GBT	email correspondence; telephone discussion with R. McFadyen; consider and revise draft message to Justice Edmond re May 12 adjournment; telephone discussions with M. LaBossiere; consider W. Onchulenko message re proceeds preservation matters and circulate; telephone discussions with M. LaBossiere, A. Sherman, and follow up with W. Onchulenko; NPL proceeds preservation hearing matters; consolidation matters;	2.80
May 7, 2021	MML	E-mail exchange with B. Taylor and R. McFadyen regarding materials; e-mail exchange with B. Taylor and R. McFadyen regarding letter to J. Edmond; preparing letter to J. Edmond;	0.80
May 8, 2021	RAM	E-mail from M. LaBossiere and B. Taylor regarding settlement of NPL	0.20



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		proceeds issue;	
May 8, 2021	GBT	email correspondence; proceeds preservation matters; adjournment considerations;	0.20
May 8, 2021	MML	Preparing letter to J. Edmond; e-mail exchange with B. Taylor and R. McFadyen regarding letter to J. Edmond; e-mail to J. Edmond regarding letter to J. Edmond; e-mail to Service List regarding letter to J. Edmond;	1.30
May 9, 2021	RAM	E-mail from M. LaBossiere and B. Taylor regarding settlement of NPL proceeds issue and letter to Court;	0.20
May 9, 2021	GBT	email correspondence; revise and circulate draft letter to Court; service matters;	0.30
Total Fees			\$ 13,756.50
GST/HST on Fees			\$ 687.83
RST on Fees			\$ 962.96
Total Fees, Disbursements and Taxes			\$ 15,780.21

GST Registration No. 121757413

Interest will be charged at the rate of 7% per annum on unpaid invoices calculated from a date that is one month after the date of this invoice.



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May 18, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 638821 – Ending May 16, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

REMITTANCE COPY

Total Fees	\$	29,557.50
Total Disbursements	\$	105.86
Total GST/HST	\$	1,483.18
Total RST	\$	2,069.03
 Total Due This Invoice	 \$	 33,215.57

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May 18, 2021

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Attention: Adam Sherman, Partner

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Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

Disbursements:

Paid to	Air Express	\$	25.91	*
Paid to	Legal Data Resources Corp.	\$	46.00	*
Paid to	Imaging	\$	33.95	*
Total Disbursements			\$	105.86
*GST/HST on Taxable Disbursements			\$	5.30

Our fees for all professional services:

<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
May 10, 2021	RAM	E-mail from Justice Edmond regarding hearing dates; conference with M. LaBossiere regarding adjournment and filing dates; e-mail to and e-mail from Justice Edmond regarding adjournment and filing dates; e-mail from M. LaBossiere regarding notice to Service List regarding adjournment;	0.30
May 10, 2021	DMM	E-mail from counsel; telephone call to counsel; reviewing credit agreement; reviewing Pledge Agreement; email to counsel;	1.70



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
May 10, 2021	GBT	email correspondence; bankruptcy considerations; review Credit Agreement, Canadian Pledge Agreement, Canadian Security Agreement, US Security and Pledge Agreement; Perfection Certificate; consider intercompany shareholdings, debt; telephone discussion with D. Mitchell; telephone discussion with M. LaBossiere; NPL proceeds preservation motion matters; telephone discussion with J. Hall; further telephone discussion with M. LaBossiere; Report matters; consider settlement matters re NPL, claims to receivership proceeds; telephone discussion with A. Sherman;	5.30
May 10, 2021	MML	E-mail from Justice Edmond regarding timelines; e-mail exchange with B. Taylor and R. McFadyen regarding response; telephone call to B. Taylor regarding response; e-mail exchange with E. Finley and A. Sherman regarding e-mail to Court; e-mail to Justice Edmond regarding adjournment; e-mail to Service List regarding adjournment;	0.80
May 11, 2021	GBT	email correspondence; consolidation motion matters, consider issues re intercompany debt, review documents;	1.10
May 12, 2021	RAM	E-mail from B. Taylor regarding timing for materials for consolidation, subrogation and allocation motion; e-mail from and e-mail to A. Sherman, E. Finley, B. Taylor and M. LaBossiere regarding materials for consolidation, subrogation, allocation motion; conference call with A. Sherman, E. Finley, B. Taylor and M. LaBossiere regarding finalizing report for consolidation motion; e-mail from	0.70



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		M. LaBossiere regarding consolidated proposal;	
May 12, 2021	GBT	email correspondence; Progressive Warrant matters; APA matters; conference call A. Sherman, E. Finley, R. McFadyen, M. LaBossiere; telephone call with M. LaBossiere; consolidation report, hearing matters;	2.40
May 12, 2021	MML	Conference call with B. Taylor, R. McFadyen, E. Finley and A. Sherman regarding Report; telephone call to B. Taylor regarding next steps; research concerning consolidation proposal; e-mail to B. Taylor and R. McFadyen regarding consolidated proposal;	4.50
May 13, 2021	RAM	E-mail from A. Sherman regarding draft report regarding consolidation, allocation and subrogation; e-mail exchange with B. Taylor and M. LaBossiere regarding draft 12th report;	0.20
May 13, 2021	GBT	email correspondence; review draft Twelfth Report, consider issues, revisions to structure of draft Report; telephone discussions with M. LaBossiere;	4.60
May 13, 2021	MML	Reviewing 12th Report; telephone call to B. Taylor regarding 12th Report; telephone call from B. Taylor regarding 12th Report; editing 12th Report;	4.20
May 14, 2021	RAM	E-mail from M. LaBossiere regarding court materials folder; e-mail from B. Taylor and M. LaBossiere draft 12th Report; reviewing and considering draft 12th Report;	0.50
May 14, 2021	GBT	email correspondence; conference call A. Sherman, E. Finley, M. LaBossiere;	6.90



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		review documents, email correspondence; review and revise draft Twelfth Report, circulate revisions; telephone discussion with M. LaBossiere;	
May 14, 2021	MML	Conference call with B. Taylor, E. Finley and A. Sherman regarding report; editing report regarding consolidation; e-mail exchange with B. Taylor and R. McFadyen regarding consolidation;	5.70
May 16, 2021	RAM	Reviewing and considering draft 12th Report; revising draft 12th Report; e-mail from B. Taylor regarding funds in trust; e-mail from and e-mail to M. LaBossiere and B. Taylor regarding draft 12th Report;	5.30
May 16, 2021	GBT	email correspondence; follow up with W. Onchulenko re trust funds; review and revise draft Twelfth Report; review related court materials; telephone discussion with M. LaBossiere;	10.50
May 16, 2021	MML	Reviewing and editing 12th Report of the Receiver regarding consolidation; telephone call to B. Taylor regarding references to reliability of books and records;	6.50
Total Fees			\$ 29,557.50
GST/HST on Fees			\$ 1,477.88
RST on Fees			\$ 2,069.03
Total Fees, Disbursements and Taxes			\$ 33,215.57



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general email: info@tdslaw.com

May 26, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 639238 – Ending May 23, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

REMITTANCE COPY

Total Fees	\$	31,230.50
Total Disbursements	\$	25.88
Total GST/HST	\$	1,562.83
Total RST	\$	2,186.14
 Total Due This Invoice	 \$	 35,005.35

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GST Registration No. 121757413

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May 26, 2021

Richter Advisory Group Inc.
Receiver Nygard International Partnership
Bay Wellington Tower
3510 - 181 Bay Street
Toronto ON M5J 2T3

Attention: Adam Sherman, Partner

Invoice No. 639238 – Ending May 23, 2021

Re: Claim against Nygard International Partnership Receivership
Our Matter No. 65803 0173004 GBT

Disbursements:

Paid to	Search PAYEE: Teranet Collateral Management Solutions Corporation; 2361342 Ontario Inc. - Corporate Search	\$	22.14	*
Paid to	Long Distance	\$	3.74	*
Total Disbursements			\$	25.88
*GST/HST on Taxable Disbursements			\$	1.30

Our fees for all professional services:

<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
May 17, 2021	RAM	Conference with B. Taylor regarding comments on draft 12th Report; e-mail from and e-mail to B. Taylor and M. LaBossiere regarding comments on draft 12th Report; review and considering revised draft 12th Report;	1.70
May 17, 2021	GBT	email correspondence; review and revise draft Twelfth Report; review related materials; circulate revisions; telephone discussions with M. LaBossiere, A. Sherman, R. McFadyen; motion matters;	4.40
May 17, 2021	MML	Reviewing R. McFadyen edits	3.50



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		regarding consolidation; consolidating revisions to 12th Report; e-mail exchange with B. Taylor and R. McFadyen regarding revisions; e-mail to A. Sherman and E. Finley regarding revisions; reviewing and editing 12th Report; e-mail exchange with B. Taylor and R. McFadyen regarding updated revisions;	
May 18, 2021	RAM	E-mail from M. LaBossiere regarding draft Notice of Motion consolidation of bankrupt estates; e-mail from B. Taylor and A. Sherman regarding update regarding draft 12th Report;	0.20
May 18, 2021	GBT	email correspondence; review and revise draft Twelfth Report; various telephone discussions with M. LaBossiere; telephone discussion with A. Sherman;	6.10
May 18, 2021	MML	Research concerning consolidation; telephone call from B. Taylor regarding Notice of Motion; research concerning jurisdiction;	3.90
May 19, 2021	RAM	Conference with M. LaBossiere regarding draft 12th Report; conference with B. Taylor regarding draft 12th Report;	0.20
May 19, 2021	GBT	email correspondence; review and revise draft Twelfth Report; review related court materials; consider issues re consolidation motion; various telephone discussions with M. LaBossiere;	6.70
May 19, 2021	MML	Research concerning US Debtors; e-mail exchange with B. Taylor regarding 12th Report; voice mail to B. Taylor; telephone call to B. Taylor regarding 12th Report and consolidation; preparing memo to Richter regarding affidavit evidence; e-mail to B. Taylor and R. McFadyen regarding research concerning assignment; telephone call from B.	7.30



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		Taylor regarding report, e-mail exchange with B. Taylor regarding leases; e-mail exchange with B. Taylor regarding consolidation; preparing memo to Richter regarding evidence; video conference with CCY regarding landlord claims;	
May 20, 2021	RAM	E-mail from and e-mail to M. LaBossiere and B. Taylor regarding consolidation evidence, position of Receiver, e-mail from Court regarding hearing date; e-mail from E. Finley, M. LaBossiere and B. Taylor regarding intercompany transactions; e-mail from M. LaBossiere regarding United States ownership structure; conference call with E. Finley, B. Taylor and M. LaBossiere regarding intercompany transaction;	0.80
May 20, 2021	DMM	E-mail from counsel; Reviewing file; E-mail to counsel;	0.90
May 20, 2021	GBT	email correspondence; review and revise draft Twelfth Report; review related court materials; consider issues; telephone discussions with M. LaBossiere; telephone conference with E. Finley, R. McFadyen, M. LaBossiere;	7.50
May 20, 2021	MML	E-mail exchange with B. Taylor and R. McFadyen regarding updated chart; preparing updated chart; e-mail exchange with B. Taylor and R. McFadyen regarding hearing; voice mail to W. Onchulenko regarding hearing; telephone call to C. Laniuk regarding hearing; e-mail exchange with B. Taylor and R. McFadyen regarding hearing; telephone call to E. Finley regarding documents; telephone call from E. Finley regarding documents; telephone call from E. Finley regarding documents; telephone call to E. Finley regarding leases; e-mail exchange with E. Finley regarding leases; e-mail to B. Taylor	7.20



<u>Date</u>	<u>Tkpr</u>	<u>Description</u>	<u>Hours</u>
		and R. McFadyen regarding leases and insurance; conference call with B. Taylor and R. McFadyen regarding intercompany agreements; e-mail exchange with E. Finley regarding intercompany agreements; e-mail exchange with E. Finley regarding closing documents; reviewing closing documents;	
May 21, 2021	RAM	E-mail from E. Finley regarding intercompany agreements; e-mail from M. LaBossiere regarding updated draft 12th Report;	0.20
May 21, 2021	DMM	Telephone call to counsel; E-mail from counsel;	0.20
May 21, 2021	GBT	email correspondence; review and revise draft Twelfth Report; review related court materials, memos; consider consolidation motion; various telephone discussions with M. LaBossiere;	8.00
May 21, 2021	MML	Telephone call from B. Taylor regarding twelfth report; telephone call to B. Taylor regarding twelfth report; research concerning US Debtors; reviewing Affidavits; preparing updated evidence chart;	4.10
May 22, 2021	RAM	E-mail from M. LaBossiere and E. Finley regarding NPL invoices for rent;	0.10
May 22, 2021	DMM	Reviewing twelfth report of the Receiver;	1.10
May 22, 2021	MML	Reviewing updated twelfth report of the Receiver; research concerning US debtors;	3.10
May 23, 2021	DMM	Reviewing twelfth report of the Receiver;	1.30



Total Fees	\$ 31,230.50
GST/HST on Fees	\$ 1,561.53
RST on Fees	\$ 2,186.14
Total Fees, Disbursements and Taxes	\$ 35,005.35

GST Registration No. 121757413

Interest will be charged at the rate of 7% per annum on unpaid invoices calculated from a date that is one month after the date of this invoice.

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Katten

Direct Billing Inquiries to:
Maria Williams
212-940-6407
maria.williams@katten.com

575 Madison Avenue
New York, NY 10022-2585

April 28, 2021

Richter Advisory Group Inc.
Attn: Gilles Benchaya
200 South Wacker Drive, Suite 3100
Chicago, IL 60606

Invoice No. 1301688527
Client No. 393878
Matter No. 00001

FEIN: 36-2796532

Re: Nygard Chapter 15 Proceeding (393878.00001)

For legal services rendered through February 28, 2021 \$33,244.00

CURRENT INVOICE TOTAL: \$33,244.00

Disbursements and other charges incurred which have not yet been posted as of the above date will be billed at a later date

Katten Muchin Rosenman LLP is an Illinois limited liability partnership including professional corporations that has elected
to be governed by the Illinois Uniform Partnership Act (1997)
Katten Muchin Rosenman UK LLP is a limited liability partnership of solicitors and Registered Foreign Lawyers registered in England and Wales

PROFESSIONAL SERVICES
Matter 00001: Nygard Chapter 15 Proceeding

Date	Attorney or Assistant	Description	Hours
01 Feb 21	Rosensaft, Michael M.	Communications regarding electronic material	0.50
02 Feb 21	Rosensaft, Michael M.	Communication with US Attorneys Office;	2.10
		communication with client; review productions	
02 Feb 21	Hall, Jerry L.	Call among M. Rosensaft, B. Taylor, E. Finely and others regarding [REDACTED]; review ninth and tenth supplementary reports (from M. LaBossiere)	1.90
03 Feb 21	Rosensaft, Michael M.	Communications regarding [REDACTED]	0.50
04 Feb 21	Rosensaft, Michael M.	Draft declaration; call regarding [REDACTED]; review report	3.50
04 Feb 21	Hall, Jerry L.	Email with M. Rosensaft regarding [REDACTED]	0.20
04 Feb 21	Nussbaum, Jake	Review prior productions; meet with M. Rosensaft regarding [REDACTED]	1.00
05 Feb 21	Rosensaft, Michael M.	[REDACTED]; draft declaration	1.00
08 Feb 21	Hall, Jerry L.	Email with B. Taylor regarding [REDACTED]; brief research regarding [REDACTED]; email from S. Schneier regarding order regarding withdrawal of counsel	1.10
09 Feb 21	Rosensaft, Michael M.	Draft records custodian affidavit; review productions and materials; communications regarding [REDACTED]	3.60
09 Feb 21	Hall, Jerry L.	Review draft declaration of records custodian	0.30
09 Feb 21	Nussbaum, Jake	Revise records custodian declaration for M. Rosensaft	0.50
12 Feb 21	Rosensaft, Michael M.	Call with US Attorney's Office; finalize affidavit; review productions; analyze issues for electronic devices	2.10
12 Feb 21	Hall, Jerry L.	Review landlord terms order	0.40
12 Feb 21	Nussbaum, Jake	Meet with M. Rosensaft regarding [REDACTED]	1.00
16 Feb 21	Rosensaft, Michael M.	Call with client; communication with US Attorney's Office; edit custodian records affidavit	2.00
17 Feb 21	Brady, Rick	Create production from Concordance database; endorse and export images and metadata; create load files; package production for delivery and create FTP site	6.80
17 Feb 21	Rosensaft, Michael M.	Communications with client; address issues with electronic productions	1.40
17 Feb 21	Nussbaum, Jake	Prepare production of personnel files for debtors and Morvillo; draft cover letters for same; meet with R. Brady regarding same	1.50
18 Feb 21	Brady, Rick	Create new FTP site.Zip; upload data to FTP site	2.40
18 Feb 21	Rosensaft, Michael M.	Address issues with respect to document productions; communications with US Attorney's Office	1.10
18 Feb 21	Nussbaum, Jake	Finalize productions to debtors and Nygard; prepare production of all previously bates stamped files for client; delivery final productions	2.00
19 Feb 21	Rosensaft, Michael M.	Communications regarding custodian affidavit	0.20
22 Feb 21	Brady, Rick	Assist in setting up FTP software for client	0.40
22 Feb 21	Nussbaum, Jake	Meet with R. Brady regarding debtor's counsel issues	0.50

PROFESSIONAL SERVICES
Matter 00001: Nygard Chapter 15 Proceeding

Date	Attorney or Assistant	Description	Hours
23 Feb 21	Rosensaft, Michael M.	accessing productions	
24 Feb 21	Hall, Jerry L.	Address issues with [REDACTED]	0.50
		Redact invoices; email with E. Finley regarding [REDACTED]; review eleventh report of receiver	1.30
TOTALS:			39.80

SUMMARY OF PROFESSIONAL SERVICES
Matter 00001: Nygard Chapter 15 Proceeding

	Attorney or Assistant	Hours	Rate	Amount
42817	Brady, Rick	9.60	315.00	\$3,024.00
44155	Hall, Jerry L.	5.20	1,225.00	\$6,370.00
44618	Nussbaum, Jake	6.50	695.00	\$4,517.50
43195	Rosensaft, Michael M.	18.50	1,045.00	\$19,332.50
TOTAL:		39.80		\$33,244.00

Katten

575 Madison Avenue
New York, NY 10022-2585

REMITTANCE

Please include this remittance advice with your payment to ensure proper account crediting

Attorney:	44842 - Steven Reisman	Invoice No.:	1301688527
Client:	393878 - Richter Advisory Group Inc.	Invoice Date:	28 Apr 21
Matter:	00001 - Nygard Chapter 15 Proceeding		

Current Invoice Charges: \$33,244.00

PREVIOUS BALANCE DUE:

Invoice Date	Invoice No.	Matter	Invoice Total	Current Balance
27 Oct 20	1301651651	00001	42,038.94	42,038.94
19 Nov 20	1301656496	00001	30,665.66	30,665.66
09 Dec 20	1301660540	00001	37,965.50	37,965.50
21 Jan 21	1301669568	00001	53,151.80	53,151.80
23 Feb 21	1301675773	00001	17,766.05	17,766.05
TOTAL OUTSTANDING BALANCE :				<u>\$181,587.95</u>

TOTAL BALANCE DUE: \$214,831.95

Wire Instructions:

Reference: 393878.00001

JP Morgan Chase Bank
1211 Avenue of the Americas, 39th Floor
New York, New York 10036
ABA #021000021
Swift Code: CHASUS33

For Credit To: Katten Muchin Rosenman LLP
Operating Account
Account #967343933

When wiring a payment please fax a copy of the Remittance to Jean Monteforte at 212-940-7175

Please direct any billing inquiries to Maria Williams at 212-940-6407 or e-mail maria.williams@katten.com

Katten

Direct Billing Inquiries to:
Maria Williams
212-940-6407
maria.williams@katten.com

575 Madison Avenue
New York, NY 10022-2585

April 28, 2021

Richter Advisory Group Inc.
Attn: Gilles Benchaya
200 South Wacker Drive, Suite 3100
Chicago, IL 60606

Invoice No. 1301688529
Client No. 393878
Matter No. 00001

FEIN: 36-2796532

Re: Nygard Chapter 15 Proceeding (393878.00001)

For legal services rendered through March 31, 2021	\$5,403.00
Disbursements and other charges.....	\$10,482.00

CURRENT INVOICE TOTAL: \$15,885.00

Disbursements and other charges incurred which have not yet been posted as of the above date will be billed at a later date

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Katten Muchin Rosenman UK LLP is a limited liability partnership of solicitors and Registered Foreign Lawyers registered in England and Wales

PROFESSIONAL SERVICES
Matter 00001: Nygard Chapter 15 Proceeding

Date	Attorney or Assistant	Description	Hours
02 Mar 21	Rosensaft, Michael M.	Communications regarding [REDACTED]	0.50
02 Mar 21	Nussbaum, Jake	Prepare cover letter and make production to DOJ of most recent documents produced to debtors and counsel to P. Nygard	0.50
08 Mar 21	Rosensaft, Michael M.	Communications with US Attorney's Office	0.20
08 Mar 21	Nussbaum, Jake	Correspond with AUSA's regarding most recent production	0.50
09 Mar 21	Brady, Rick	Zip data into smaller parcels; upload data to Katten File Transfer Utility for delivery to DOJ	3.60
09 Mar 21	Rosensaft, Michael M.	Communication with US Attorney's Office regarding subpoena	0.20
17 Mar 21	Brady, Rick	Upload data to FTP site for delivery of production data	0.40
17 Mar 21	Rosensaft, Michael M.	Communications with US Attorney's Office regarding production; review Receiver report	1.50
17 Mar 21	Nussbaum, Jake	Organize files for production to client	0.30
18 Mar 21	Rosensaft, Michael M.	Address issues with grand jury productions	0.70
TOTALS:			8.40

SUMMARY OF PROFESSIONAL SERVICES

Matter 00001: Nygard Chapter 15 Proceeding

	Attorney or Assistant	Hours	Rate	Amount
42817	Brady, Rick	4.00	315.00	\$1,260.00
44618	Nussbaum, Jake	1.30	695.00	\$903.50
43195	Rosensaft, Michael M.	3.10	1,045.00	\$3,239.50
TOTAL:		8.40		\$5,403.00

DISBURSEMENTS

Matter 00001: Nygard Chapter 15 Proceeding

Date	Description	Amount
03 Mar 21	VENDOR: CourtAlert.com, Inc.; INVOICE#: 199538-2102; DATE: 2/28/2021 - Case monitoring,Dockets, searches and litigation alerts	38.11
04 Mar 21	VENDOR: Complete Discovery Source, Inc.; INVOICE#: INV-CDS-09375; DATE: 11/30/2020 - Scanning, Imaging, Project Management, OCR	10,253.35
04 Mar 21	VENDOR: Complete Discovery Source, Inc.; INVOICE#: INV-CDS-10738; DATE: 1/31/2021 - Shipping - 19 Boxes Returned via Courier	190.54
	TOTAL:	\$10,482.00

SUMMARY OF DISBURSEMENTS

Matter 00001: Nygard Chapter 15 Proceeding

Description	Amount
Service Fees	10,482.00
TOTAL:	\$10,482.00

MATTER TOTAL: \$15,885.00

Katten

575 Madison Avenue
New York, NY 10022-2585

REMITTANCE

Please include this remittance advice with your payment to ensure proper account crediting

Attorney:	44842 - Steven Reisman	Invoice No.:	1301688529
Client:	393878 - Richter Advisory Group Inc.	Invoice Date:	28 Apr 21
Matter:	00001 - Nygard Chapter 15 Proceeding		

Current Invoice Charges: \$15,885.00

PREVIOUS BALANCE DUE:

Invoice Date	Invoice No.	Matter	Invoice Total	Current Balance
27 Oct 20	1301651651	00001	42,038.94	42,038.94
19 Nov 20	1301656496	00001	30,665.66	30,665.66
09 Dec 20	1301660540	00001	37,965.50	37,965.50
21 Jan 21	1301669568	00001	53,151.80	53,151.80
23 Feb 21	1301675773	00001	17,766.05	17,766.05
TOTAL OUTSTANDING BALANCE :				<u>\$181,587.95</u>

TOTAL BALANCE DUE: \$197,472.95

Wire Instructions:

Reference: 393878.00001

JP Morgan Chase Bank
1211 Avenue of the Americas, 39th Floor
New York, New York 10036
ABA #021000021
Swift Code: CHASUS33

For Credit To: Katten Muchin Rosenman LLP
Operating Account
Account #967343933

When wiring a payment please fax a copy of the Remittance to Jean Monteforte at 212-940-7175

Please direct any billing inquiries to Maria Williams at 212-940-6407 or e-mail maria.williams@katten.com