

**2473304 ONTARIO INC.**

**FOURTH REPORT OF RICHTER ADVISORY GROUP INC.,  
IN ITS CAPACITY AS MONITOR OF  
2473304 ONTARIO INC.**

**July 12, 2017**

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ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
2473304 ONTARIO INC.

FOURTH REPORT OF RICHTER ADVISORY GROUP INC.  
In its capacity as Monitor of the Applicant

July 12, 2017

**Introduction**

1. On June 7, 2016 (the "**Filing Date**"), the Ontario Superior Court of Justice (Commercial List) (the "**Court**") issued an order (the "**Initial Order**") granting 2473304 Ontario Inc. ("**247**") which carried on business under the licensed trade name "Jones New York" in Canada, protection pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"). Richter Advisory Group Inc. ("**Richter**") was appointed as monitor (the "**Monitor**"). The proceedings commenced by 247 under the CCAA are herein referred to as the "**247 CCAA Proceedings**". A copy of the Initial Order is attached hereto as **Appendix "A"**.
2. 247 is a wholly owned subsidiary of 1735825 Ontario Inc. (formerly known as Grafton- Fraser Inc.) ("**GFI**"). On January 25, 2017, GFI filed for protection under the CCAA (the "**GFI CCAA Proceedings**") and Richter was appointed as monitor of GFI (the "**GFI Monitor**").
3. The Initial Order provided 247 with, *inter alia*, a stay of proceedings until July 7, 2016 (the "**Stay Period**"). The Initial Order also granted 247 the authority to enter into forbearance agreements (the "**Forbearance Agreements**") with GFI as co-obligor, and their two primary secured creditors, being Canadian Imperial Bank of Commerce ("**CIBC**" or the "**ABL Lender**") and GSO Capital Partners, LP ("**GSO**"). Under the terms of the forbearance agreement with CIBC, as amended (the "**ABL Forbearance Agreement**") amendments were made to the existing operating facility (the "**ABL**

**Facility**) to provide 247 with interim financing on a priority basis as secured by the ABL DIP Lender's Charge (as defined in Initial Order).

4. The principal purpose of the 247 CCAA Proceedings was to create a stabilized environment to enable 247 to implement the transaction resulting from the SISP, being an orderly liquidation of 247's merchandise and furniture, fixtures and equipment (the furniture, fixtures and equipment collectively referred to as the "**FF&E**").
5. On June 13, 2016, the Court issued an order (the "**June 13 Order**") which, among other things, authorized 247 to enter into an agency agreement (the "**Agency Agreement**") with GA Retail Canada, ULC (the "**Agent**") under which the Agent undertook, on behalf of 247, a liquidation of the merchandise and FF&E at the 37 Jones New York stores and the distribution centre ("**DC**") operated by 247. A copy of the June 13 Order is attached hereto as **Appendix "B"**.
6. On June 23, 2016, the Court issued an order (the "**June 23 Order**") which, among other things:
  - (i) authorized the Monitor to distribute the amount of \$7,486,600 to CIBC (representing a portion of the Initial Guaranty Payment under the Agency Agreement); and
  - (ii) extended the Stay Period to and including September 30, 2016.A copy of the June 23 Order is attached hereto as **Appendix "C"**.
7. On September 27, 2016, the Court issued an order (the "**September 27 Order**") which:
  - (i) approved certain fees and disbursements of the Monitor and its counsel, Cassels Brock and Blackwell LLP ("**Cassels**"); and
  - (ii) extended the Stay Period to and including November 30, 2016.A copy of the September 27 Order is attached hereto as **Appendix "D"**.
8. On November 28, 2016, the Court issued an order (the "**November 28 Order**") which:
  - (i) authorized and directed 247 to remit certain funds to GSO and to remit other funds which it may have available (including funds held in trust by the Monitor) to CIBC;
  - (ii) approved certain fees and disbursements of the Monitor and Cassels including anticipated further fees and disbursements of the Monitor and Cassels to complete their remaining duties and administration of these 247 CCAA proceedings; and

- (iii) provided that upon the filing of the Monitor's Discharge Certificate (as defined in the November 28 Order), the 247 CCAA Proceedings, the Administration Charge, and the Agent's Charge and Security Interest would be terminated and the Monitor would be discharged; and
- (iv) authorized but did not obligate 247 to file an assignment in bankruptcy (the "**Proposed Bankruptcy**").

A copy of the November 28 Order is attached hereto as **Appendix "E"**.

### **The GFI CCAA Proceedings and its Impact on 247**

9. As noted above, 247 is a wholly owned subsidiary of GFI. GFI and 247 were co-obligors under the ABL Facility. 247 had also guaranteed GFI's obligations to GSO (the "**GSO Guarantee**") and granted security to GSO in respect of such obligations (the "**GSO Security**").
10. Pursuant to orders of the Court dated May 2, 2017 and June 6, 2017 in the GFI CCAA Proceeding the Court approved an agreement between 1104307 B.C. Ltd, (now GSO GF Acquisition B.C. Ltd.) as purchaser (the "**Purchaser**") and GFI as seller dated January 24, 2017 as amended (the "**GFI Purchase Agreement**").
11. According to the GFI Purchase Agreement upon closing of the transaction set out therein, which occurred on June 28, 2017, the Purchaser a party related to GSO, acquired all of GFI's rights, title and interest in and to certain purchased assets, (as set out and described in the GFI Purchase Agreement) necessary to operate the business of GFI.
12. The consideration for the purchased assets included (i) the release of certain amounts owed by GFI and 247 to GSO other than any amount paid to 247 by any governmental authority on account of any tax refund (the "**Guarantor Tax Refund Amount**"), (ii) the assumption by the Purchaser of certain amounts owed by GFI to GSO, (iii) the assumption by the Purchaser of all amounts owed by GFI to CIBC and a corresponding release of all obligations by CIBC as against GFI and 247, and (iv) the assumption of certain other liabilities of GFI.
13. In connection with the GFI Purchase Agreement, GSO assigned to the Purchaser amounts owing by 247 and GFI under the GSO Guarantee (the "**Assigned Debt**") together with the GSO Security (the "**Assigned Security**").

14. As a result, on the closing of the sale transaction on June 28, 2017 the amount owing by 247 to CIBC was released. The Purchaser released 247 from all of its obligations pursuant to the Assigned Debt other than for the Guarantor Tax Refund Amount. Accordingly, 247 remains liable to the Purchaser in the amount of the Guarantor Tax Refund Amount and such amount remains secured by the Assigned Security.
15. As well all employees of GFI remaining as employees at the closing of the sale transaction were offered employment by the Purchaser and those who did not accept employment with the Purchaser were terminated effective as of the closing date and therefore there are no remaining officers or employees of GFI or 247.
16. The Monitor also has been advised that the directors of GFI and 247 are considering resigning as directors but have agreed to remain directors until the hearing of the motion to expand the Monitor's powers scheduled for July 18, 2017.
17. Further information and materials related to the GFI CCAA Proceeding may be obtained from Richter's website at [www.richter.ca/folder/insolvency-cases/g/grafon-fraser-inc](http://www.richter.ca/folder/insolvency-cases/g/grafon-fraser-inc).

### **Purpose of this Report**

18. The purpose of this report, the Monitor's fourth report (the "**Fourth Report**") is to provide information to the Court in respect of the following:
  - (i) The termination of the 247 CCAA proceedings;
  - (ii) the receipt of and treatment of various tax assessments by CRA subsequent to the November 28 Order;
  - (iii) the activities of 247 and the Monitor since November 23, 2016 (the date of the third report of the Monitor (the "**Third Report**")) to the date of this Fourth Report;
  - (iv) the motion by the Purchaser seeking an order, among other things:
    - a) extending the powers of the Monitor to complete the 247 CCAA Proceedings including but not limited to the power to operate 247's existing bank accounts and to execute any documents in connection with the Proposed Bankruptcy in accordance with the November 28 Order;
    - b) authorizing and directing the Monitor to distribute to the Purchaser any amounts from time to time that 247 may have available for distribution;

- c) approving the fees and disbursements of the Monitor for the period November 14, 2016 to June 30, 2017 plus an amount of up to \$25,000 plus taxes for the Monitor to complete the 247 CCAA Proceedings; and
- d) approving this Fourth Report (and the activities, actions, and conduct of the Monitor).

### **Terms of Reference**

19. In preparing this Fourth Report, the Monitor has relied on unaudited financial information prepared by the representatives of 247, discussions with 247's management and discussions with 247's advisors. The Monitor has not conducted an audit or other verification of such information.
20. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

### **247's Activities**

21. The activities of 247 since the commencement of the 247 CCAA Proceedings to November 23, 2016 are detailed in the previous reports of the Monitor filed and affidavits sworn in the 247 CCAA Proceeding. Subsequent to the filing of the Third Report, 247's activities have included:
- (i) dealing with various tax matters and assessments as discussed below;
  - (ii) negotiating and communicating with both CIBC and GSO regarding various matters including amendments to the Forbearance Agreements;
  - (iii) responding to calls and enquiries from creditors and other stakeholders regarding the 247 CCAA Proceedings;
  - (iv) making payments to suppliers for goods and services received following the issuance of the Initial Order;
  - (v) making the payments in accordance with the November 28 Order;
  - (vi) the execution by 247 of an acknowledgment of release and discharge in favour of CIBC in connection with the closing of the GFI Purchase Agreement;
  - (vii) reporting receipts and disbursements; and
  - (viii) consulting with the Monitor and its counsel on various matters in connection with the 247 CCAA Proceedings.

## **The Monitor's Activities**

22. The activities of the Monitor since the commencement of the 247 CCAA Proceedings to November 23, 2016 are detailed in the previous reports of the Monitor filed in the 247 CCAA Proceeding. Subsequent to the filing of the Third Report, the Monitor's activities have included:

- (i) assisting 247 and its professionals to review and respond to certain tax matters as discussed below;
- (ii) attending at Court with respect to the November 28 Order;
- (iii) making the payments in accordance with the November 28 Order;
- (iv) corresponding and communicating with 247 and its legal counsel;
- (v) corresponding and communicating with CIBC, GSO and their advisors;
- (vi) responding to calls and enquiries from creditors and other stakeholders regarding the 247 CCAA Proceedings; and
- (vii) preparing this Fourth Report.

## **Tax Assessments**

23. In December 2016, the Monitor was notified by 247 that 247 had received a notice of assessment (the "**Pre-Filing Assessment**") from the Canada Revenue Agency ("**CRA**") claiming approximately \$265,000 in respect of GST/HST owing for periods pre-filing. 247 filed a formal objection to this notice of assessment ("**Pre-filing Objection**").

24. In addition, on March 20, 2017, CRA notified 247 that following an audit of post-filing returns, it would be disallowing various input tax credits in respect of CCAA related professional fees and proceeded to issue a notice of assessment for approximately \$119,000 (the "**Post-Filing Assessment**"). 247 also filed a formal objection to this notice of assessment ("**Post-filing Objection**").

25. On or about May 30, 2017, following months of review involving the assistance of 247's auditors, legal counsel, the Monitor and its legal counsel, CRA notified 247 that it was allowing the Pre-filing Objection and cancelling the Pre-Filing Assessment. 247 expects to receive a refund of approximately \$160,000.

26. As of the date of this report, CRA has not yet responded to the Post-filing Objection.

27. It is anticipated that 247 will receive tax refunds from CRA in connection with these tax assessments and other tax reconciliations or set-offs.

#### **Distribution to the Purchaser**

25. As noted above and discussed in detailed in the Third Report, 247 was liable to GSO pursuant to the GSO Guarantee and the GSO Security.

26. As discussed in the Third Report, Richter as Monitor, has received an opinion from its independent legal counsel, Cassels, dated November 10, 2016 that, subject to the typical qualifications and assumptions, the GSO Security (including a general security agreement) with respect to 247 is valid and enforceable in Ontario, British Columbia, Manitoba, Alberta and Nova Scotia. Richter, as Monitor, also received an opinion from LaPointe Rosenstein Marchand Melancon, LLP dated November 10, 2016, that, subject to typical qualifications and assumptions, the GSO security with respect to 247 is valid and enforceable in Quebec.

27. Pursuant to the November 28 Order, 247 was directed to distribute to CIBC all such amounts as 247, may have available for distribution from time to time. However, pursuant to the GFI Purchase Agreement, 247 and GFI have been released from any and all obligations under the ABL Facility. Therefore, the Monitor's view is that the relief contained in the November 28 Order in respect of any future distributions to CIBC is no longer appropriate.

28. Although the GFI Purchase Agreement provided for an irrevocable discharge and release in favour of GFI and 247 of any and all obligations under the GSO Guarantee and the GSO Security, this release specifically carved out the Guarantor Tax Refund Amount. The Purchaser released 247 from all of its obligations pursuant to the Assigned Debt other than for the Guarantor Tax Refund Amount and 247 remains liable to the Purchaser in the amount of the Guarantor Tax Refund Amount and such amount remains secured by the Assigned Security.

28. Accordingly, the Purchaser has brought a motion seeking, among other things, authorization for the Monitor to distribute to the Purchaser any amounts from time to time that 247 may have available for distribution in repayment of amounts owing under the Assigned Debt and the Assigned Security.

29. Given the limited cash on hand and the requirement to pay the fees and expenses of the Proposed Bankruptcy, as approved by the November 28 Order, it is not expected that any distributions to the Purchaser will exceed the Guarantor Tax Refund Amount.

### **Expansion of the Monitor's Powers**

30. As discussed above, all of the officers and employees of GFI and 247 have resigned and the directors of GFI and 247 are in the process of considering resigning as directors but have agreed to remain directors until the hearing of the motion to expand the Monitor's powers scheduled for July 18, 2017.
31. Currently there are no officers to sign on behalf of 247 and if and when the directors of 247 resign there will be no personnel at 247 who will be able to direct and authorize the wind-down of the 247 CCAA proceedings or initiate the Proposed Bankruptcy.
32. Accordingly, the Purchaser has brought a motion seeking to expand the powers of the Monitor.
33. The expansion of the Monitor's powers will permit the Monitor to among other things:
  - (i) perform such duties as are necessary to complete the wind-down of 247;
  - (ii) execute any documents in connection with the Proposed Bankruptcy in accordance with the November 28 Order;
  - (iii) operate any of 247's existing accounts at any financial institution;
  - (iv) cause 247 to take such actions as is necessary or desirable for the purposes of completing the 247 CCAA Proceedings including the finalization of the Guarantor Tax Refund Amount; and
  - (v) distribute to the Purchaser any amounts from time to time that 247 may have available for distribution.
34. In light of the circumstances, the Monitor consents to this proposed expansion of its powers in the 247 CCAA Proceedings as the Monitor is of the view that such relief is the most efficient and cost effective way to complete the administration of 247. In the Monitor's experience, a bankruptcy at this point in time could adversely impact the expediency of receiving any of the outstanding tax refunds and resolving the Post-filing Objection as a bankruptcy could have the effect of transferring adjudication of 247's tax matters to a different team within the CRA without any history of this matter.
35. The Monitor understands that similar relief is being sought in the GFI CCAA Proceedings in order to expand the powers of the GFI Monitor in order to wind-up GFI and complete the GFI CCAA Proceedings.

## Approval of the Monitor's Activities and Fee Approval Request

36. The Monitor has reported on the status of the 247 CCAA Proceedings and its actions and activities thereto, from time to time, in multiple Reports to this Court during the 247 CCAA Proceedings. Copies of the Reports are available on the Monitor's website at [www.richter.ca/en/folder/insolvency-cases/0-9/2473304-ontario-inc](http://www.richter.ca/en/folder/insolvency-cases/0-9/2473304-ontario-inc). As detailed in the Reports, to the best of the Monitor's knowledge, the Monitor has carried out its duties, as set out in the Initial Order and in subsequent Orders.
37. The Monitor and Cassels have maintained detailed records of their professional time and costs. Pursuant to the November 28 Order, the Monitor's fees and disbursements for the period ending November 13, 2016 and Cassels' fees and disbursements for the period ending November 15, 2016 were previously approved by the Court pursuant to the November 28 Order (see Appendix E).
38. The estimated fees and disbursements of the Monitor for the period from November 14, 2016 and Cassels for the period from November 16, 2016 to completion of the 247 CCAA Proceeding in the maximum amount of \$50,000 (excluding HST) for each of the Monitor and Cassels, were also approved by the Court pursuant to the November 28 Order.
39. Cassels' fees and disbursements since November 16, 2016 to complete the 247 CCAA Proceedings remains within the \$50,000 estimate and therefore no further approval is sought at this time.
40. Given the delay in completing the 247 CCAA Proceedings and the unanticipated administration required in respect of the tax matters, the Monitor expects to exceed the originally estimated maximum amount of \$50,000 to complete the 247 CCAA Proceeding.
41. As a result, the Monitor is now seeking approval of its fees and disbursements for the period from November 14, 2016 to June 30, 2017 (the "**Period**") as well as the estimated fees and disbursements to complete the administration of the CCAA Proceedings, in connection with the performance of the Monitor's duties.

42. The total fees of the Monitor during the Period amounts to \$47,106.75 together with expenses and disbursements in the amount of \$543.74 (excluding HST) (collectively, the "**Monitor's Fees and Disbursements**"). The time spent by the Monitor's personnel during the Period is more particularly described in the Affidavit of Andrew Adessky, sworn on July 7, 2017 in support hereof and attached as **Appendix "F"** to this report (the "**Adessky Affidavit**"). The Adessky Affidavit includes a summary of the personnel, hours, and hourly rates charged by the Monitor in respect of the within proceedings for the Period.
43. As at the date of this Fourth Report, the Monitor estimates that, barring unforeseen circumstances, the fees and disbursements of the Monitor for the period from July 1, 2017 up to and including the effective date of the Monitor's discharge will not exceed \$25,000 (excluding HST) for the Monitor (the "**Completion Fee Estimate**"). If the relief requested is granted, any monies remaining after payment of the fees and disbursements of the Monitor and its counsel will be transferred to the Purchaser.
44. The Monitor respectfully submits that the Monitor's Fees and Disbursements are reasonable in the circumstances and have been validly incurred in accordance with the provisions of the Initial Order. Accordingly, the Monitor now seeks the approval of the Monitor's Fees and Disbursements as well as the Completion Fee Estimate.

#### **Monitor's Recommendation**

45. Based on the foregoing, the Monitor respectfully recommends that this Court issue an order for the relief requested and as set out in paragraph 18(iv) above.

All of which is respectfully submitted this 12th day of July, 2017.

**Richter Advisory Group Inc.  
in its capacity as Monitor of  
2473304 Ontario Inc.**

Per:



Gilles Benchaya, CPA, CIRP



Andrew Adessky, CPA, MBA, CIRP

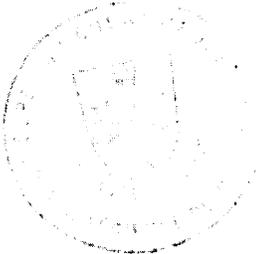
# APPENDIX A

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE MR.  
JUSTICE HAINEY

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TUESDAY, THE 7<sup>th</sup>  
DAY OF JUNE, 2016



IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
2473304 ONTARIO INC.

(the "Applicant")

INITIAL ORDER

THIS APPLICATION, made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Mark Sun sworn June 6, 2016 and the Exhibits thereto (the "Sun Affidavit"), the report of Richter Advisory Group Inc. ("Richter") as the proposed monitor dated June 6, 2016 (the "Pre-Filing Report"), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicant, counsel for Richter, in its capacity as the proposed monitor (the "Monitor") of the Applicant in these CCAA proceedings, ~~counsel for the directors of the Applicant,~~ counsel for Canadian Imperial Bank of Commerce ("CIBC"), counsel for GSO Capital Partners, LP ("GSO") and such other parties as were present, no one else appearing although duly served as appears from the affidavit of service of Dylan Chochla sworn June 6, 2016, filed, and on reading the consent of Richter to act as the Monitor

A handwritten signature in black ink, appearing to be "G.H.", located at the end of the text block.

## **SERVICE**

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.

## **APPLICATION**

2. THIS COURT ORDERS AND DECLARES that the Applicant is a company to which the CCAA applies.

## **PLAN OF ARRANGEMENT**

3. THIS COURT ORDERS that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

## **POSSESSION OF PROPERTY AND OPERATIONS**

4. THIS COURT ORDERS that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Applicant is authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. THIS COURT ORDERS that the Applicant shall be entitled to continue to utilize the central cash management system currently in place, in accordance with the ABL Forbearance Agreement (as hereinafter defined), as described in the Sun Affidavit or replace it with another substantially similar central cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment,

collection or other action taken under the Cash Management System, or as to the use or application by the Applicant of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicant, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. THIS COURT ORDERS that, subject to the terms of the Forbearance Agreements (as hereinafter defined), including the terms therein that refer to the Approved CCAA Cash Flow (as defined in the Forbearance Agreements) the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements including any and all cheques for such employee obligations which have been issued, but not cleared prior to the date of this Order; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

7. THIS COURT ORDERS that, except as otherwise provided to the contrary herein and subject to the terms of the Forbearance Agreements, including the terms therein that refer to the Approved CCAA Cash Flow, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include (subject to the provisions of the Forbearance Agreements), without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and

- (b) payment for goods or services actually supplied (including royalties under license agreements relating to the sale of branded inventory) to the Applicant following the date of this Order.

8. THIS COURT ORDERS that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

9. THIS COURT ORDERS that until a real property lease is disclaimed or resiliated in accordance with the CCAA, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicant and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On

the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

10. THIS COURT ORDERS that, except as specifically permitted herein or in the Forbearance Agreements, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

### **RESTRUCTURING**

11. THIS COURT ORDERS that the Applicant shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Forbearance Agreements, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations and to dispose of redundant or non-material assets not exceeding \$50,000 in any one transaction or \$100,000 in the aggregate; and
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate;

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "**Restructuring**").

12. THIS COURT ORDERS that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days' notice to such landlord and any such secured creditors. If the Applicant disclaims or resiliates the lease governing such leased

premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer or resiliation of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

13. THIS COURT ORDERS that if a notice of disclaimer or resiliation is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

#### **NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY**

14. THIS COURT ORDERS that, subject to paragraph 15(v) hereof, until and including July 7, 2016, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

15. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any

business which the Applicant is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, (iv) prevent the registration of a claim for lien, or (v) subject to paragraphs 38 and 39 hereof, prevent the Lenders (as hereinafter defined) from exercising any rights or remedies in accordance with their respective Forbearance Agreements.

#### **NO INTERFERENCE WITH RIGHTS**

16. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

#### **CONTINUATION OF SERVICES**

17. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, intellectual property licenses, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses, domain names, trademarks and trade names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

#### **NON-DEROGATION OF RIGHTS**

18. THIS COURT ORDERS that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor

shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

#### **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

19. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers of the Applicant for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

#### **DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

20. THIS COURT ORDERS that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

21. THIS COURT ORDERS that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$500,000, as security for the indemnity provided in paragraph 20 of this Order. The Directors' Charge shall have the priority set out in paragraphs 43 and 45 herein.

22. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 20 of this Order.

## APPOINTMENT OF MONITOR

23. THIS COURT ORDERS that Richter is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

24. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Applicant, to the extent required by the Applicant, in its dissemination to the Lenders and their respective counsel of financial and other information as agreed to between the Applicant and each Lender;
- (d) advise the Applicant in its preparation of the Applicant's cash flow statements and reporting required by the Lenders;
- (e) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (f) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant, to the extent that is necessary to adequately assess the Applicant's business and financial affairs or to perform its duties arising under this Order;

- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (i) perform such other duties as are required by this Order or by this Court from time to time.

25. THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

26. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and similar legislation in other provinces, and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

27. THIS COURT ORDERS that that the Monitor shall provide any creditor of the Applicant and the Lenders with information provided by the Applicant in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the

Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

28. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

29. THIS COURT ORDERS that the Monitor, counsel to the Monitor, counsel to the Applicant, and counsel to the directors of the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to or after the date of this Order, by the Applicant as part of the costs of these proceedings, subject to any assessment by the Court. The Applicant is hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor, counsel to the Applicant, and counsel to the directors of the Applicant on a weekly basis or on such other basis agreed by the Applicant and the applicable payee and, in addition, the Applicant is hereby authorized, *nunc pro tunc*, to pay to the Monitor, counsel to the Monitor, and counsel to the Applicant, and counsel to the directors of the Applicant retainers in the amounts of \$175,000, \$55,000, \$120,000 and \$10,000, respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

30. THIS COURT ORDERS that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

31. THIS COURT ORDERS that the Monitor, counsel to the Monitor, the Applicant's counsel, and counsel for the directors of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$500,000, as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 43 and 45 hereof.

## FORBEARANCE AGREEMENTS AND DIP FINANCING

32. THIS COURT ORDERS that the execution, delivery, entry into, compliance with, and performance by the Applicant of the following forbearance agreements (together, the “**Forbearance Agreements**”) is hereby ratified and approved:

- (a) the Forbearance Agreement dated as of June 6, 2016 (the “**ABL Forbearance Agreement**”) among the Applicant and Grafton-Fraser Inc., as borrowers, and CIBC, as lender and as agent (in that capacity, the “**ABL Lender**”); and
- (b) the Forbearance Agreement dated as of June 6, 2016 (the “**Term Forbearance Agreement**”) among Grafton-Fraser Inc., as borrower, the Applicant, as guarantor, the lenders that are parties to the Existing Credit Agreement (as defined in the Term Forbearance Agreement), as lenders (collectively, the “**GSO Lenders**”), and GSO, as administrative agent for itself and the GSO Lenders (the GSO Lenders and GSO being collectively referred to as the “**Term Lenders**”, and together with the ABL Lender, the “**Lenders**”);

and the Applicant is hereby directed to comply with and perform the provisions of (i) the ABL Forbearance Agreement and the credit agreement dated as of February 12, 2016 by and among Grafton-Fraser Inc. and the Applicant, as borrowers, and the ABL Lender, as amended by the ABL Forbearance Agreement (the “**ABL Credit Agreement**”), and (ii) the Term Forbearance Agreement and the guarantee agreement dated as of February 12, 2016 and entered into by the Applicant in favour of GSO as administrative agent for itself and the GSO Lenders and the Term Lenders (the “**Term Guarantee**”).

33. THIS COURT ORDERS that the Applicant’s compliance with and performance of the Blocked Account Agreements (as defined in the ABL Credit Agreement) from and after the date of this Initial Order, as required pursuant to Section 4.1.12 of the ABL Forbearance Agreement, is hereby authorized and approved and the Applicant is hereby directed to comply with the provisions of the Blocked Account Agreements in accordance with the terms of the ABL Forbearance Agreement.

34. THIS COURT ORDERS that the Applicant shall be entitled, subject to the terms of the ABL Credit Agreement and the ABL Forbearance Agreement, to continue to obtain and borrow,

repay and re-borrow additional monies under the credit facility (the “**ABL Facility**”) from the ABL Lender pursuant to the ABL Credit Agreement and the ABL Forbearance Agreement, in order to finance the Applicant’s working capital requirements, provided that borrowings by the Applicant under the ABL Facility shall not exceed the amounts contemplated in the ABL Forbearance Agreement. For greater certainty, the ABL Lender shall be entitled to apply receipts and deposits made to the Applicant’s bank accounts, whether directly or pursuant to the Blocked Account Agreements, against the indebtedness of the Applicant to the ABL Lender in accordance with the ABL Credit Agreement, the ABL Forbearance Agreement and the Blocked Account Agreements, whether such indebtedness arose before or after the date of this Initial Order.

35. THIS COURT ORDERS that subject to the provisions of the Forbearance Agreements, the Applicant is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the Lenders under and pursuant to the ABL Credit Agreement, the Term Guarantee and the Forbearance Agreements as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

36. THIS COURT ORDERS that in addition to the existing liens, charges, mortgages and encumbrances in favour of the ABL Lender, as security for all of the obligations of the Applicant to the ABL Lender relating to advances made to the Applicant under the ABL Facility from and after the date of this Initial Order, the ABL Lender shall be entitled to the benefit of and is hereby granted a charge (the “**ABL Lender’s DIP Charge**”) on the Property (excluding the Term Priority Collateral as defined in the Intercreditor Agreement (as hereinafter defined)). The ABL Lender’s DIP Charge shall have the priority set out in paragraphs 43 and 45 hereof.

37. THIS COURT ORDERS that, notwithstanding any other provision of this Order, the ABL Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the ABL Lender’s DIP Charge.

38. THIS COURT ORDERS that, upon the earlier of the occurrence of a Terminating Event or the Termination Date (in each case as defined in the ABL Forbearance Agreement), the ABL Lender may:

- (a) cease making advances to the Applicant, provided that the ABL Lender will continue to fund the payment by the Applicant of employee wages and Priority Payables (as defined in the ABL Forbearance Agreement) for a period of not less than five (5) business days following the last day of the Forbearance Period (as defined in the ABL Forbearance Agreement), and
- (b) (i) set off and/or consolidate any amounts owing by the ABL Lender to the Applicant against the obligations of the Applicant to the ABL Lender under the ABL Credit Agreement, the Blocked Account Agreements, the ABL Forbearance Agreement or any other Loan Document (as defined in the ABL Credit Agreement) and make demand, accelerate payment and give other notices, provided the ABL Lender shall not set off or consolidate against amounts held back from distribution to the ABL Lender in respect of the Administration Charge, and (ii) upon not less than five (5) business days' notice to the Applicant, the Monitor and the Term Lenders, exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the ABL Credit Agreement, the ABL Forbearance Agreement, the Blocked Account Agreements or the other Loan Documents, the ABL Lender's DIP Charge, or the *Personal Property Security Act* (Ontario) or similar legislation in any other applicable jurisdiction, including without limitation, to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant and the foregoing rights and remedies of the ABL Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

39. THIS COURT ORDERS that, upon the occurrence of a Terminating Event (as defined in the Term Forbearance Agreement), the Term Lenders may:

- (a) set off and/or consolidate any amounts owing by the Term Lenders to the Applicant against the obligations of the Applicant to the Term Lenders under the Term Guarantee, the Term Forbearance Agreement or any security agreements, mortgages, deeds of trust, hypothecs or other collateral documents executed and delivered by the

Applicant in favour of the Term Lender (the “**Term Security Documents**”), and make demand, accelerate payment and give other notices; and

- (b) upon not less than five (5) business days’ notice to the Applicant, the Monitor and the ABL Lender, exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the Term Forbearance Agreement, the Term Guarantee or the Term Security Documents, or the *Personal Property Security Act* (Ontario) or similar legislation of any other applicable jurisdiction, including without limitation, to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Applicant and the foregoing rights and remedies of the Term Lenders shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicant or the Property.

40. THIS COURT ORDERS that nothing in this Order shall amend, override or relieve the ABL Lender or the Term Lenders of any of the provisions of the intercreditor agreement among them dated as of February 12, 2016 (the “**Intercreditor Agreement**”).

41. THIS COURT ORDERS AND DECLARES that each of the ABL Lender and the Term Lenders shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicant under the CCAA, or any proposal filed by the Applicant under the *Bankruptcy and Insolvency Act* (Canada), with respect to (i) any obligations outstanding as of the date of this Order or arising hereafter under the ABL Credit Agreement or the ABL Forbearance Agreement, and (ii) any obligations outstanding as of the date of this Order or arising hereafter under the Term Guarantee or the Term Forbearance Agreement.

42. THIS COURT ORDERS AND DECLARES that the payments made by the Applicant pursuant to this Order, the ABL Credit Agreement, the ABL Forbearance Agreement, the Blocked Account Agreements or the Term Forbearance Agreement, and the granting of the ABL Lender’s DIP Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

**VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

43. THIS COURT ORDERS that the priorities of the Directors' Charge, the Administration Charge and the ABL Lender's DIP Charge over the Property so charged by them, as among them, shall be as follows:

First – Administration Charge;

Second – ABL Lender's DIP Charge; and

Third – Directors' Charge.

44. THIS COURT ORDERS that the filing, registration or perfection of the Directors' Charge, the Administration Charge or the ABL Lender's DIP Charge (collectively, the "Charges") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

45. THIS COURT ORDERS that each of the Charges (all as constituted and defined herein) shall constitute a charge on the Property so charged by them and, subject to the provisions of the Intercreditor Agreement, such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person, other than (subject to further Order of the Court) validly perfected and enforceable security interests, if any, in favour of Xerox Canada Ltd. (File No. 710539839 under the *Personal Property Security Registry* (Ontario)).

46. THIS COURT ORDERS that except as otherwise expressly provided for herein or in the Intercreditor Agreement, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Applicant also obtains the prior written consent of the Monitor, the ABL Lender, the Term Lenders and the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.

47. THIS COURT ORDERS that the Charges and the Forbearance Agreements shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the ABL Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Forbearance Agreements shall create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party; and
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the Forbearance Agreements or the creation of the Charges.

48. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicant's interest in such real property leases.

#### **SEALING ORDER**

49. THIS COURT ORDERS that Exhibit "N" to the Sun Affidavit and Confidential Appendix "A" of the Pre-Filing Report, filed separately with the Court, shall be sealed in the Court File pending further Order of the Court.

#### **SERVICE AND NOTICE**

50. THIS COURT ORDERS that the Monitor shall (i) without delay, publish in *The Globe and Mail* (National Edition; English) a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available

in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

51. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the “Protocol”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <http://www.richter.ca/en/folder/insolvency-cases/0-9/2473304-ontario-inc>

52. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicant and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicant, the Monitor, the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

#### **GENERAL**

53. THIS COURT ORDERS that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

54. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

55. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

56. THIS COURT ORDERS that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

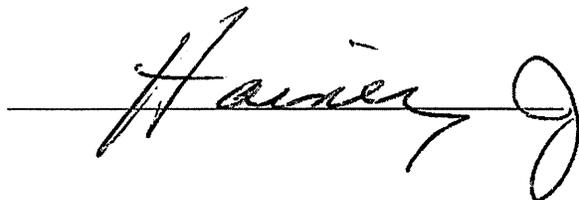
57. THIS COURT ORDERS that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order; provided, however, that the ABL Lender shall be entitled to rely on this Order as issued for all advances made and payments received under the ABL Credit Agreement or the ABL Forbearance Agreement up to and including the date this order may be varied or amended.

58. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

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ON / BOOK NO:  
LE / DANS LE REGISTRE NO:

JUN 07 2016

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Court File No.: CV-16-11419-00CL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 2473304 ONTARIO INC.

(the "Applicant")

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
[COMMERCIAL LIST]**

**Proceedings commenced in Toronto**

**ORDER  
(INITIAL CCAA APPLICATION)  
(Returnable June 7, 2016)**

**FASKEN MARTINEAU DuMOULIN LLP**  
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Lawyers for the Applicant, 2473304 Ontario Inc.

# APPENDIX B

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE )  
 )  
MR. JUSTICE HAINEY )  
 )  
 )  
 )  
 )  
 )

MONDAY, THE 13TH  
DAY OF JUNE, 2016

**IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF 2473304 ONTARIO INC. (the "Applicant")**

**APPROVAL ORDER – AGENCY AGREEMENT**

**THIS MOTION** made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the "**CCAA**") for an order, *inter alia*, approving: (i) the transactions contemplated under the Agency Agreement entered into between the Applicant and GA Retail Canada, ULC (the "**Agent**") on June 6, 2016 (the "**Agency Agreement**") and certain related relief; and (ii) the granting of the Agent's Charge and Security Interest (as defined below), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Notice of Motion of the Applicant, the Affidavit of Mark Sun sworn on June 6, 2016 including the exhibits thereto (the "**Sun Affidavit**"), and the Pre-Filing Report (the "**Monitor's Pre-Filing Report**") of Richter Advisory Group Inc., in its capacity as Monitor (the "**Monitor**"), filed, and on hearing the submissions of respective counsel for the Applicant, the Monitor, the Agent, and



CIBC, GSO, Mosquard Investments Ltd.,  
Smart Reit,

such other counsel as were present, no one else appearing although duly served as appears from the Affidavits of Service, filed:

### **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Initial Order and the Agency Agreement, as applicable.

### **APPROVAL OF THE AGENCY AGREEMENT**

3. **THIS COURT ORDERS** that the Agency Agreement, including the Sales Guidelines attached hereto as Schedule "A" (the "**Sales Guidelines**"), and the transactions contemplated thereunder are hereby approved, authorized and ratified and that the execution of the Agency Agreement by Applicant is hereby approved, authorized, and ratified with such minor amendments as Applicant (with the consent of the Monitor) and the Agent may agree to in writing. Subject to the provisions of this Order and the Initial Order, Applicant is hereby authorized and directed to take any and all actions, including, without limitation, execute and deliver such additional documents, as may be necessary or desirable to implement the Agency Agreement and each of the transactions contemplated therein.

### **THE SALE**

4. **THIS COURT ORDERS** that subject to receipt of the Initial Guaranty Payment by the Applicant in accordance with the Agency Agreement, the Agent is authorized to conduct the Sale in accordance with this Order, the Agency Agreement and the Sales Guidelines and to advertise and promote the Sale within the Closing Stores in accordance with the Sales Guidelines. If there is a conflict between this Order, the Agency Agreement and the Sales Guidelines, the order of priority of documents to

resolve such conflicts is as follows: (1) the Order; (2) the Sales Guidelines; and (3) the Agency Agreement.

5. **THIS COURT ORDERS** that subject to paragraph 12 of the Initial Order, the Agent, in its capacity as agent of Applicant, is authorized to market and sell the Merchandise, the Additional Merchandise, the Merchant Consignment Goods and the Owned FF&E, free and clear of all liens, claims, encumbrances, security interests, mortgages, charges, trusts, deemed trusts, executions, levies, financial, monetary or other claims, whether or not such claims have attached or been perfected, registered or filed and whether secured, unsecured, quantified or unquantified, contingent or otherwise, whensoever and howsoever arising, and whether such claims arose or came into existence prior to the date of this Order or came into existence following the date of this Order, (in each case, whether contractual, statutory, arising by operation of law, in equity or otherwise) (all of the foregoing, collectively "**Claims**"), including, without limitation the Administration Charge, the Directors' Charge, and the ABL Lender's DIP Charge, and any other charges hereafter granted by this Court in these proceedings (collectively, the "**CCAA Charges**"), and all Claims, charges, security interests or liens evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal or movable property registration system (all of such Claims, charges (including the CCAA Charges), security interests and liens collectively referred to herein as "**Encumbrances**"), which Encumbrances will attach instead to the Guaranteed Amount and any other amounts due and payable by the Agent to the Applicant under the Agency Agreement, in the same order and priority as they existed on the Sale Commencement Date.

6. **THIS COURT ORDERS** that subject to the terms of this Order, the Initial Order, the Sales Guidelines and the Agency Agreement, the Agent shall have the right to enter and use the Closing Stores and all related store services and all facilities and all furniture, trade fixtures and equipment, including the FF&E, located at the Closing Stores, and other assets of Applicant as designated under the Agency Agreement, for the purpose of conducting the Sale and for such purposes, the Agent shall be entitled to

the benefit of the Applicant's stay of proceedings provided under the Initial Order, as such stay of proceedings may be extended by further Order of the Court.

7. **THIS COURT ORDERS** that until the applicable Vacate Date for each Closing Store (which shall in no event be later than September 22, 2016), the Agent shall have access to the Closing Stores in accordance with the applicable leases and the Sales Guidelines on the basis that the Agent is an agent of Applicant and Applicant has granted the right of access to the applicable Closing Store to the Agent. To the extent that the terms of the applicable leases are in conflict with any term of this Order or the Sales Guidelines, the terms of this Order and the Sales Guidelines shall govern.

8. **THIS COURT ORDERS** that nothing in this Order shall amend or vary, or be deemed to amend or vary the terms of the leases for Applicant's leased Closing Stores. Nothing contained in this Order or the Sales Guidelines shall be construed to create or impose upon Applicant or the Agent any additional restrictions not contained in the applicable lease or other occupancy agreement.

9. **THIS COURT ORDERS** that except as provided for in Section 4 hereof in respect of the advertising and promotion of the Sale within the Closing Stores, subject to, and in accordance with this Order, the Agency Agreement and the Sales Guidelines, the Agent, as agent for Applicant, is authorized to advertise and promote the Sale, without further consent of any Person other than Applicant and the Monitor as provided under the Agency Agreement or a Landlord as provided under the Sales Guidelines.

10. **THIS COURT ORDERS** that the Agent shall have the right to use, without interference by any intellectual property licensor, the Applicant's trademarks and logos, as well as all licenses and rights granted to the Applicant to use the trade names, trademarks, and logos of third parties, relating to and used in connection with the operation of the Closing Stores solely for the purpose of advertising and conducting the Sale of the Merchandise and the Remaining Merchandise in accordance with the terms of the Agency Agreement, the Sales Guidelines, and this Order, provided that

the Agent provides the Applicant with a copy of any advertising prior to its use in the Sale.

11. **THIS COURT ORDERS** that upon delivery of a Monitor's certificate to the Agent substantially in the form attached as Schedule "B" hereto, (the "**Monitor's Certificate**") and subject to payment in full by the Agent to Applicant of the Guaranteed Amount, the Expenses, Merchant's First Portion of Sharing Recovery Amount, any Merchant's Sharing Recovery Amount, and all other amounts payable to Applicant under the Agency Agreement, all of Applicant's right, title and interest in and to any Remaining Merchandise, shall vest absolutely in the Agent, free and clear of and from any and all Claims, including without limiting the generality of the foregoing, the Encumbrances, and such Encumbrances will attach instead to the Guaranteed Amount, and all other amounts due and payable to the Applicant under the Agency Agreement, in the same order and priority as they existed on the Sale Commencement Date. Nothing in this paragraph 11 shall discharge the obligations of the Agent pursuant to the Agency Agreement, or the rights or claims of Applicant in respect thereof including, without limitation, the obligations of the Agent to account for and remit the proceeds of sale of the Remaining Merchandise to the Designated Merchant Accounts.

12. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

#### **AGENT LIABILITY**

13. **THIS COURT ORDERS** that the Agent shall act solely as an agent to Applicant and that it shall not be liable for any claims against Applicant other than as expressly provided in the Agency Agreement (including the Agent's indemnity obligations thereunder) or the Sales Guidelines. More specifically:

- (a) the Agent shall not be deemed to be an owner or in possession, care, control or management of the Closing Stores, of the assets located therein or associated therewith or of Applicant's employees (including the

Retained Employees) located at the Closing Stores or any other property of Applicant;

- (b) the Agent shall not be deemed to be an employer, or a joint or successor employer or a related or common employer or payor within the meaning of any legislation governing employment or labour standards or pension benefits or health and safety or other statute, regulation or rule of law or equity for any purpose whatsoever, and shall not incur any successorship liabilities whatsoever; and
- (c) Applicant shall bear all responsibility for any liability whatsoever (including without limitation losses, costs, damages, fines or awards) relating to claims of customers, employees and any other persons arising from events occurring at the Closing Stores and at the Distribution Centre during and after the Sale Term in connection with the Sale, except in accordance with the Agency Agreement.

14. **THIS COURT ORDERS** to the extent the Landlords (or any of them) may have a claim against Applicant arising solely out of the conduct of the Agent in conducting the Sale for which Applicant has claims against the Agent under the Agency Agreement, Applicant shall be deemed to have assigned free and clear such claims to the applicable Landlord (the “**Assigned Landlord Rights**”).

#### **AGENT AN UNAFFECTED CREDITOR**

15. **THIS COURT ORDERS** that the Agency Agreement shall not be repudiated, resiliated or disclaimed by Applicant nor shall the claims of the Agent pursuant to the Agency Agreement and under the Agent's Charge and Security Interest (as defined in this Order) be compromised or arranged pursuant to any plan of arrangement or compromise among Applicant and its creditors (a “**Plan**”). The Agent shall be treated as an unaffected creditor in these proceedings and under any Plan.

16. **THIS COURT ORDERS** that Applicant is hereby authorized and directed to remit, in accordance with the Agency Agreement, all amounts that become due to the Agent thereunder.

17. **THIS COURT ORDERS** that, except for Encumbrances on the Subordinated Amount as set for in paragraph 20, no Encumbrances shall attach to any amounts payable or to be credited or reimbursed to, or retained by, the Agent pursuant to the Agency Agreement, including, without limitation, any amounts to be reimbursed by Applicant to the Agent pursuant to the Agency Agreement, and Applicant will pay such amounts to the Agent in accordance with the Agency Agreement, and, except for Encumbrances on the Subordinated Amount as set for in paragraph 20, at all times the Agent will retain such amounts, free and clear of all Encumbrances, notwithstanding any enforcement or other process or Claims, all in accordance with the Agency Agreement.

#### **DESIGNATED MERCHANT ACCOUNTS**

18. **THIS COURT ORDERS** that no Person shall take any action, including any collection or enforcement steps, with respect to Gross Sale Proceeds and the Gross FF&E Proceeds deposited into the Designated Merchant Accounts pursuant to the Agency Agreement.

19. **THIS COURT ORDERS** that Gross Sale Proceeds and the Gross FF&E Proceeds deposited in the Designated Merchant Accounts by or on behalf of the Agent or Applicant pursuant to the Agency Agreement shall be and be deemed to be held in trust for Applicant and the Agent, as the case may be, and, for clarity, no Person shall have any claim, ownership interest or other entitlement in or against such Gross Sale Proceeds and Gross FF&E Proceeds , including, without limitation, by reason of any claims, disputes, rights of offset, set-off, or claims for contribution or indemnity that it may have against or relating to Applicant.

## **AGENT'S CHARGE AND SECURITY INTEREST**

20. **THIS COURT ORDERS** that subject to the receipt by Applicant of the Initial Guaranty Payment, the Agent be and is hereby granted a charge (the "**Agent's Charge and Security Interest**") on all of the Merchandise, the Additional Merchandise, the Proceeds, the Gross FF&E Proceeds (to the extent of the FF&E Commission and the Applicant's out-of-pocket expenses related to the disposition of the Owned FF&E as set out in the Agency Agreement) and, if any, the proceeds of the Merchant Consignment Goods (to the extent of the commission payable to Agent with respect thereto) as security for all of the obligations of Applicant to the Agent under the Agency Agreement, including, without limitation, all amounts owing or payable to the Agent from time to time under or in connection with the Agency Agreement, which charge shall rank in priority to all Encumbrances; provided, however, that the Agent's Charge and Security Interest shall be junior and subordinate to all Encumbrances, but solely to the extent of any unpaid portion of the Unpaid Merchant's Entitlements due to Applicant under the Agency Agreement (the "**Subordinated Amount**").

## **PRIORITY OF CHARGES**

21. **THIS COURT ORDERS** that the priorities of the Agent's Charge and Security Interest, the Administration Charge, the Directors' Charge, and the ABL Lender's DIP Charge, over the property so charged by them, as among them, shall be as follows:

First - The Agent's Charge and Security Interest (but only in respect of the Merchandise, the Additional Merchandise, the Proceeds, the Gross FF&E Proceeds (to the extent of the FF&E Commission and the Applicant's out-of-pocket expenses related to the disposition of the Owned FF&E as set out in the Agency Agreement) and, if any, the proceeds of the Merchant Consignment Goods (to the extent of the commission payable to the Agent with respect thereto)); provided, however, that the Subordinated Amount, shall be subordinated in accordance with paragraph 20;

Second – The Administration Charge;

Third - ABL Lender's DIP Charge; and

Fourth - Directors' Charge.

22. **THIS COURT ORDERS** that the filing, registration, recording or perfection of the Agent' s Charge and Security Interest shall not be required; and upon receipt of the Initial Guaranty Payment, the Agent' s Charge and Security Interest shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered or perfected prior or subsequent to the Agent' s Charge and Security Interest coming into existence, notwithstanding any failure to file, register or perfect any such Agent' s Charge and Security Interest. Absent the Agent's written consent or further Order of this Court (on notice to the Agent), Applicant shall not grant or suffer to exist any Encumbrances over any Merchandise, Additional Merchandise, Proceeds, Gross FF&E Proceeds (to the extent of the FF&E Commission and the Applicant's out-of-pocket expenses related to the disposition of the Owned FF&E as set out in the Agency Agreement) and, if any, the proceeds of the Merchant Consignment Goods (to the extent of the commission payable to the Agent with respect thereto) that rank in priority to, or *pari passu* with the Agent's Charge and Security Interest.

23. **THIS COURT ORDERS** that the Agent's Charge and Security Interest shall constitute a mortgage, hypothec, security interest, assignment by way of security and charge over the Merchandise, the Additional Merchandise, the Proceeds, the Gross FF&E Proceeds (to the extent of the FF&E Commission and the Applicant's out-of-pocket expenses related to the disposition of the Owned FF&E as set out in the Agency Agreement) and the proceeds of the Merchant Consignment Goods (to the extent of the commission payable to the Agent with respect thereto) and, other than in relation to the Subordinated Amount, shall rank in priority to all other Encumbrances of or in favour of any Person.

24. **THIS COURT ORDERS** that notwithstanding (a) the pendency of these proceedings; (b) any application for a bankruptcy order now or hereafter issued

pursuant to the *Bankruptcy and Insolvency Act* ("**BIA**") in respect of Applicant or any bankruptcy order made pursuant to any such applications; (c) any assignment in bankruptcy made in respect of Applicant; (d) the provisions of any federal or provincial statute; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other document or agreement (collectively "**Agreement**") which binds Applicant:

- (i) the Agency Agreement and the transactions and actions provided for and contemplated therein, including without limitation, the payment of amounts due to the Agent thereunder and any transfer of Remaining Merchandise,
- (ii) the Agent's Charge and Security Interest, and
- (iii) Assigned Landlord Rights,

shall be binding on any trustee in bankruptcy that may be appointed in respect to Applicant and shall not be void or voidable by any Person, including any creditor of Applicant, nor shall they, or any of them, constitute or be deemed to be a preference, fraudulent conveyance, transfer at undervalue or other challengeable reviewable transaction, under the BIA or any applicable law, nor shall they constitute oppressive or unfairly prejudicial conduct under any applicable law.

## **BULK SALES ACT AND OTHER LEGISLATION**

25. **THIS COURT ORDERS AND DECLARES** that the transactions contemplated under the Agency Agreement and the transfer of any Remaining Merchandise shall be exempt from the application of the *Bulk Sales Act* (Ontario) and any other equivalent federal or provincial legislation.

## GENERAL

26. **THIS COURT ORDERS** that upon receipt of the Initial Guaranty Payment, the Applicant shall transfer the Initial Guaranty Payment to the Monitor and the Monitor shall hold the Initial Guaranty Payment in trust for the Applicant in an account opened at a Canadian chartered bank for this purpose, subject to further Order of the Court authorizing and directing the distribution of the Initial Guaranty Payment.

27. **THIS COURT ORDERS** that the Applicant is hereby authorized to transfer on a regular basis, as determined is appropriate in consultation with the Monitor, to an account of the Monitor a portion of the proceeds from the Sale to which the Applicant is entitled under the Agency Agreement in an amount required to pay sales taxes owing by the Applicant that are applicable to such proceeds of the Sale (the "**Sales Taxes**") and the Monitor is hereby authorized to hold such funds and transfer such funds to the Applicant for payment by the Applicant of such Sales Taxes as required pursuant to applicable law.

28. **THIS COURT ORDERS** that the Applicant is hereby authorized to transfer on a regular basis, as determined is appropriate in consultation with the Monitor, to an account of the Monitor the Net FF&E Proceeds from the disposition of the Owned FF&E and the Monitor is hereby authorized to hold such funds in trust for the Applicant in an account opened at a Canadian chartered bank for this purpose, subject to further Order of the Court authorizing and directing the distribution of such Net FF&E Proceeds. Any distribution of Net FF&E Proceeds shall be net of the out of pocket expenses related to the disposition of such Owned FF&E reimbursed by the Applicant in accordance with the Agency Agreement and approved by the Monitor.

29. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

30. **THIS COURT HEREBY REQUESTS** the aid and recognition of any Court, tribunal, regulatory or administrative bodies, having jurisdiction in Canada or in the United States of America, to give effects to this Order and to assist Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All

courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

A handwritten signature in black ink, appearing to read "Harris J.", with a horizontal line extending to the left of the first letter.

ENTERED AT / INSCRIT À TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO:

JUN 13 2016

PER / PAR 

## SCHEDULE A

### SALES GUIDELINES

The following procedures shall apply to the Sale to be conducted at the Closing Stores of 2473304 Ontario Inc. (the "Merchant"). All terms not herein defined shall have the meaning set forth in the Agency Agreement by and between GA Retail Canada, ULC (the "Agent") and the Merchant dated as of June 6, 2016 (the "Agency Agreement").

1. Except as otherwise expressly set out herein, and subject to: (i) the Approval Order or any further Order of the Court; or (ii) any subsequent written agreement between the Merchant and the applicable landlord(s) (individually, a "Landlord" and, collectively, the "Landlords") and approved by Agent, or (iii) as otherwise set forth herein, the Sale shall be conducted in accordance with the terms of the applicable leases/or other occupancy agreements to which the affected landlords are privy for each of the affected Closing Stores (individually, a "Lease" and, collectively, the "Leases"). However, nothing contained herein shall be construed to create or impose upon the Merchant or the Agent any additional restrictions not contained in the applicable Lease or other occupancy agreement.
2. The Sale shall be conducted so that each of the Closing Stores remain open during their normal hours of operation provided for in the respective Leases for the Closing Stores until the respective Vacate Date of each Store. The Sale at the Closing Stores shall end by no later than September 22, 2016. Rent payable under the respective Leases shall be paid as provided in the Initial Order.
3. The Sale shall be conducted in accordance with applicable federal, provincial and municipal laws and regulations, unless otherwise ordered by the Court.
4. All display and hanging signs used by the Agent in connection with the Sale shall be professionally produced and all hanging signs shall be hung in a professional manner. Notwithstanding anything to the contrary contained in the Leases, the Agent may advertise the Sale at the Closing Stores as a "everything on sale", "everything must go", "store closing" or similar theme sale at the Closing Stores (provided however that no signs shall advertise the Sale as a "bankruptcy", a "going out of business" or a "liquidation" sale it being understood that the French equivalent of "clearance" is "liquidation" and is permitted to be used). Forthwith upon request from a Landlord, the Landlord's counsel, the Merchant or the Monitor, the Agent shall provide the proposed signage packages along with the proposed dimensions and number of signs (as approved by the Merchant pursuant to the Agency Agreement) by e-mail or facsimile to the applicable Landlords or to their counsel of record. Where the provisions of the Lease conflict with these Sales Guidelines, these Sales Guidelines shall govern. The Agent shall not use neon or day-glow or handwritten signage (unless otherwise contained in the sign package, including "you pay" or "topper" signs). In addition, the Agent shall be permitted to utilize exterior banners/signs at stand alone or strip mall Closing Stores or enclosed mall Closing Stores with a separate

entrance from the exterior of the enclosed mall, provided, however, that where such banners are not permitted by the applicable Lease and the Landlord requests in writing that the banners are not to be used, no banners shall be used absent further Order of the Court, which may be sought on an expedited basis on notice to the Service List. Any banners used shall be located or hung so as to make clear that the Sale is being conducted only at the affected Closing Store and shall not be wider than the premises occupied by the affected Closing Store. All exterior banners shall be professionally hung and to the extent that there is any damage to the façade of the premises of a Closing Store as a result of the hanging or removal of the exterior banner, such damage shall be professionally repaired at the expense of the Agent. If a Landlord is concerned with "store closing" signs being placed in the front window of a Closing Store or with the number or size of the signs in the front window, the Agent and the Landlord will discuss the Landlord's concerns and work to resolve the dispute.

5. The Agent shall be permitted to utilize sign walkers and street signage; provided, however, such sign walkers and street signage shall not be located on the shopping centre or mall premises.
6. Conspicuous signs shall be posted in the cash register areas of each Closing Store to the effect that all sales are "final".
7. The Agent shall not distribute handbills, leaflets or other written materials to customers outside of any of the Closing Stores on any Landlord's property, unless permitted by the applicable Lease or, if distribution is customary in the shopping centre in which the Closing Store is located. Otherwise, the Agent may solicit customers in the Closing Stores themselves. The Agent shall not use any giant balloons, flashing lights or amplified sound to advertise the Sale or solicit customers, except as permitted under the applicable Lease, or agreed to by the Landlord.
8. At the conclusion of the Sale in each Closing Store, the Agent shall arrange that the premises for each Closing Store are in "broom-swept" and clean condition, and shall arrange that the Closing Stores are in the same condition as on the commencement of the Sale, ordinary wear and tear excepted. No property of any Landlord of a Closing Store shall be removed or sold during the Sale. No permanent fixtures (other than Owned FF&E for clarity) may be removed without the Landlord's written consent unless otherwise provided by the applicable Lease. Subject to the foregoing, the Agent shall vacate the Closing Stores in accordance with the terms and conditions of the Agency Agreement. Any fixtures or personal property left in a Closed Store after it has been vacated by the Agent or in respect of which the applicable Lease has been disclaimed by the Merchant shall be deemed abandoned, with the applicable Landlord having the right to dispose of the same as the Landlord chooses, without any liability whatsoever on the part of the Landlord.

9. Subject to the terms of paragraph 8 above, the Agent may sell Owned FF&E which is located in the Closing Stores and the Distribution Centre during the Sale. The Merchant and the Agent may advertise the sale of Owned FF&E consistent with these guidelines on the understanding that any Landlord may require that such signs be placed in discreet locations within the Closing Stores acceptable to the Landlord, acting reasonably. Additionally, the purchasers of any Owned FF&E sold during the Sale shall only be permitted to remove the Owned FF&E either through the back shipping areas designated by the Landlord, or through other areas after regular store business hours, or through the front door of the Store during Store business hours if the Owned FF&E can fit in a shopping bag, with Landlord's supervision as required by the Landlord. The Agent shall repair any damage to the Closing Stores resulting from the removal of any FF&E by Agent or by third party purchasers of Owned FF&E from Agent.
10. The Agent shall not make any alterations to interior or exterior Closing Store lighting, except as authorized pursuant to the applicable Lease. The hanging of exterior banners or other signage, where permitted in accordance with the terms of these guidelines, shall not constitute an alteration to a Closing Store.
11. The Agent hereby provides notice to the Landlords of the Agent's intention to sell and remove FF&E from the Closing Stores and the Distribution Centre. The Agent will arrange with each Landlord represented by counsel on the service list and with any other Landlord that so requests, a walk through with the Agent to identify the FF&E subject to the sale. The relevant Landlord shall be entitled to have a representative present in the Closing Store to observe such removal. If the Landlord disputes the Agent's entitlement to sell or remove any FF&E under the provisions of the Lease, such FF&E shall remain on the premises and shall be dealt with as agreed between the Merchant, the Agent and such Landlord, or by further Order of the Court upon application by the Merchant on at least two (2) days' notice to such Landlord. If the Merchant has disclaimed or resiliated the Lease governing such Closing Store in accordance with the CCAA and the Initial Order, it shall not be required to pay rent under such Lease pending resolution of any such dispute (other than rent payable for the notice period provided for in the CCAA and the Initial Order), and the disclaimer or resiliation of the Lease shall be without prejudice to the Merchant's or Agent's claim to the FF&E in dispute.
12. If a notice of disclaimer or resiliation is delivered pursuant to the CCAA and the Initial Order to a Landlord while the Sale is ongoing and the Closing Store in question has not yet been vacated, then: (a) during the notice period prior to the effective time of the disclaimer or resiliation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Merchant and the Agent 24 hours' prior written notice; and (b) at the effective time of the disclaimer or resiliation, the relevant Landlord shall be entitled to take possession of any such Closing Store without waiver of or prejudice to any claims or rights such landlord may have against the Merchant in respect of such Lease or Closing Store, provided that nothing herein shall relieve such Landlord of its obligation to mitigate any damages claimed in connection therewith.

Absent Agent's consent, Merchant shall not seek to disclaim or resiliate any Lease of a Closing Store prior to the earlier of (i) the applicable Vacate Date for such Closing Store and (ii) September 22, 2016.

13. The Agent and its agents and representatives shall have the same access rights to the Closing Stores as the Merchant under the terms of the applicable Lease, and the Landlords shall have the rights of access to the Closing Stores during the Sale provided for in the applicable Lease (subject, for greater certainty, to any applicable stay of proceedings).
14. The Merchant and the Agent shall not conduct any auctions of Merchandise or Owned FF&E at any of the Closing Stores.
15. The Agent shall be entitled to include in the Sale the Additional Merchandise, to the extent permitted under the Agency Agreement; provided that: (i) the Additional Merchandise will not exceed \$1.5 million at cost in the aggregate; (ii) the Additional Merchandise will be distributed among the Closing Stores such that no Closing Store will receive more than 15% of the Additional Merchandise; and (iii) the Additional Merchandise is of like kind and category and no lesser quality to the Merchandise, and consistent with any restriction on usage of the Closing Stores set out in the applicable Leases.
16. The Agent shall designate a party to be contacted by the Landlords should a dispute arise concerning the conduct of the Sale. The initial contact person for Agent shall be Steven Smith, SVP of Financial Operations who may be reached by phone at (818) 264-5446 or email at [ssmith@greatamerican.com](mailto:ssmith@greatamerican.com). If the parties are unable to resolve the dispute between themselves, the Landlord or Merchant shall have the right to schedule a "status hearing" before the Court on no less than two (2) days written notice to the other party or parties, during which time the Agent shall cease all activity in dispute other than activity expressly permitted herein, pending the determination of the matter by the Court; provided, however, subject to para. 4 of these Sales Guidelines, that if a banner has been hung in accordance with these Sale Guidelines and is thereafter the subject of a dispute, the Agent shall not be required to take any such banner down pending determination of the dispute.
17. Nothing herein is, or shall be deemed to be a consent by any Landlord to the sale, assignment or transfer of any Lease, or to grant to the Landlord any greater rights than already exist under the terms of any applicable Lease.
18. These Sale Guidelines may be amended by written agreement between the Merchant, the Agent and any applicable Landlord (provided that such amended Sale Guidelines shall not affect or bind any other Landlord not privy thereto without further Order of the Court approving the amended Sales Guidelines).

**SCHEDULE B**

Court File No. \_\_\_\_\_

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS  
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS  
AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE  
OR ARRANGEMENT OF 2473304 ONTARIO INC. (the  
"Applicant")**

**MONITOR'S CERTIFICATE**

**RECITALS**

Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Agency Agreement entered into between 2473304 ONTARIO INC. (the "**Applicant**") and GA Retail Canada, ULC (the "**Agent**") on \_\_\_\_\_, a copy of which is attached as Exhibit \_\_\_ to the Affidavit of \_\_\_ dated \_\_\_\_.

Pursuant to an Order of the Court dated \_\_\_\_, the Court ordered that all of the Remaining Merchandise shall vest absolutely in the Agent, free and clear of and from any and all claims and encumbrances, upon the delivery by the Monitor to the Agent of a certificate certifying that (i) the Sale has ended, and (ii) the Guaranteed Amount, the Expenses, any Merchant's Sharing Recovery Amount, and all other amounts due and payable to Applicant under the Agency Agreement have been paid in full to the Applicant.

**RICHTER ADVISORY GROUP INC.**, in its capacity as Court-appointed Monitor in the *Companies' Creditors Arrangement Act* proceedings of the Applicant certifies that it has been informed by the Agent and Applicant that:

The Sale has ended.

The Guaranteed Amount, the Expenses, any Merchant's Sharing Recovery Amount, and all other amounts due and payable to Applicant under the Agency Agreement have been paid in full to the Applicant.

DATED as of this ● day of ●, 2016.

**RICHTER ADVISORY GROUP INC.,**  
**solely** in its capacity as Court-  
appointed Monitor of 2473304  
ONTARIO INC.. and not in its personal  
capacity

By: \_\_\_\_\_

Name:

Title:

Court File No.: CV-16-11419-00CL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 2473304 ONTARIO INC.

(the "Applicant")

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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
[COMMERCIAL LIST]**

**Proceedings commenced in Toronto**

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**ORDER  
(APPROVAL OF AGENCY AGREEMENT)  
(Returnable June 13, 2016)**

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Lawyers for the Applicant, 2473304 Ontario Inc.

# APPENDIX C

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE MR. )  
JUSTICE PENNY )

THURSDAY, THE 23<sup>rd</sup>  
DAY OF JUNE, 2016

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IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
2473304 ONTARIO INC.

(the "Applicant")

ORDER

(DISTRIBUTION TO CIBC AND STAY EXTENSION)

**THIS MOTION** made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") for an Order, *inter alia*, authorizing and directing Richter Advisory Group Inc. ("**Richter**"), in its capacity as Court-appointed monitor of the Applicant (the "**Monitor**"), to distribute CDN \$7,486,600 to Canadian Imperial Bank of Commerce ("**CIBC**"), representing the Initial Guaranty Payment under the Agency Agreement entered into between the Applicant and GA Retail Canada, ULC (the "**Agent**") on June 6, 2016 (the "**Agency Agreement**") and approved by order of the Honourable Justice Hainey dated June 13, 2016 (the "**Agency Agreement Approval Order**"), less the Administration Holdback (as defined below), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Notice of Motion of the Applicant, the Affidavit of Mark Sun sworn June 17, 2016, and the exhibits thereto, the pre-filing report of Richter, in its capacity as the proposed monitor of the Applicant (the "**Proposed Monitor**") dated June 6, 2016, and the

appendices thereto (the “**Pre-Filing Report**”), the first report of the Monitor dated June 17, 2016, and the appendices thereto (the “**First Report**”), and on hearing the submissions of counsel for the Applicant, counsel for the Monitor, counsel for CIBC, and such other parties as were present, no one else appearing although duly served as appears from the affidavit of service of Dylan Chochla sworn June 17, 2016, filed;

### **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein be and is hereby abridged and validated so that the Motion is properly returnable today.

2. **THIS COURT ORDERS** that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Initial Order or the Agency Agreement, as applicable.

### **ADMINISTRATION HOLDBACK & DISTRIBUTION TO CIBC**

3. **THIS COURT ORDERS** that the Monitor be and is hereby authorized to hold CDN \$500,000 from the Initial Guaranty Payment, in trust, to be applied on account of the professional fees that are the subject of the Administration Charge, if necessary (the “**Administration Holdback**”), subject to further order of the Court.

4. **THIS COURT ORDERS** that the Monitor be and is hereby authorized and directed to distribute the amount of CDN \$7,486,600 to CIBC, representing the Initial Guaranty Payment under the Agency Agreement (less the Administration Holdback), in partial repayment of amounts owing by the Applicant to CIBC relating to advances made under the ABL Facility prior to the date of the Initial Order (the “**CIBC Distribution**”).

5. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicant and any bankruptcy order issued pursuant to any such applications; and

- (c) any assignment in bankruptcy made in respect of the Applicant;

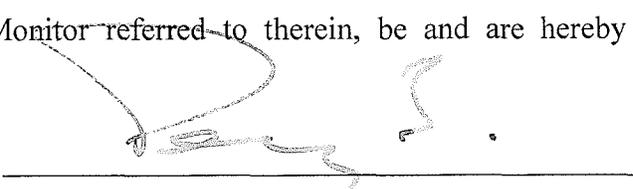
the CIBC Distribution shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation and shall, upon the receipt thereof by CIBC, be free of all claims, liens, security interests, charges or encumbrances granted by or relating to the Applicant.

#### **STAY EXTENSION**

6. **THIS COURT ORDERS** that the Stay Period (as defined in paragraph 14 of the Initial Order) be and is hereby extended until and including September 30, 2016.

#### **APPROVAL OF MONITOR REPORTS**

7. **THIS COURT ORDERS** that the Pre-Filing Report and the First Report, and the activities of the Proposed Monitor and the Monitor referred to therein, be and are hereby approved.



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ENTERED AT / INSCRIT A TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO:

JUN 23 2016

PER / PAR: 

Court File No.: CV-16-11419-00CL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN  
THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 2473304 ONTARIO INC.

(the "Applicant")

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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
[COMMERCIAL LIST]**

**Proceedings commenced in Toronto**

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**ORDER  
(DISTRIBUTION TO CIBC AND STAY EXTENSION)  
(Returnable June 23, 2016)**

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**FASKEN MARTINEAU DuMOULIN LLP**

333 Bay Street – Suite 2400  
Bay Adelaide Centre, Box 20  
Toronto, ON M5H 2T6

**Stuart Brotman (LSUC#43430D)**

Tel: 416 865 5419

Fax: 416 364 7813

sbrotman@fasken.com

**Dylan Chochla (LSUC#62137I)**

Tel: 416 868 3425

Fax: 416 364 7813

dchochla@fasken.com

Lawyers for the Applicant, 2473304 Ontario Inc.

# APPENDIX D

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE )  
JUSTICE *NEUBOLD* )

TUESDAY, THE 27<sup>th</sup>  
DAY OF SEPTEMBER, 2016



IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
2473304 ONTARIO INC.

(the "Applicant")

ORDER  
(STAY EXTENSION)

**THIS MOTION** made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") for an Order, *inter alia*, extending the Stay Period (as defined in paragraph 14 of the Initial Order) until and including November 30, 2016, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Notice of Motion of the Applicant, the Affidavit of Mark Sun sworn September 20, 2016, and the exhibits thereto, the second report of Richter Advisory Group Inc., in its capacity as the monitor of the Applicant (the "**Monitor**"), and the appendices thereto (the "**Second Report**"), and on hearing the submissions of counsel for the Applicant, counsel for the Monitor, counsel for CIBC, and such other parties as were present, no one else appearing although duly served as appears from the affidavit of service of Irene Artuso sworn September 20, 2016, filed;

**SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein be and is hereby abridged and validated so that the Motion is properly returnable today.
2. **THIS COURT ORDERS** that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Initial Order.

**STAY EXTENSION**

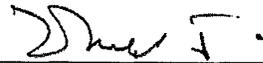
3. **THIS COURT ORDERS** that the Stay Period be and is hereby extended until and including November 30, 2016.

**APPROVAL OF MONITOR'S SECOND REPORT**

4. **THIS COURT ORDERS** that the Second Report, and the activities of the Monitor referred to therein, be and are hereby approved.

**APPROVAL OF FEES AND DISBURSEMENTS**

5. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and of its counsel, Cassels Brock and Blackwell LLP, as set out in the Second Report and in the Appendices thereto, be and are hereby approved.



ENTERED AT / INSCRIT À TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO:

SEP 27 2016

PER / PAR: 

Court File No.: CV-16-11419-00CL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN  
THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 2473304 ONTARIO INC.

(the "Applicant")

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
[COMMERCIAL LIST]**

**Proceedings commenced in Toronto**

**ORDER  
(STAY EXTENSION)  
(Returnable September 27, 2016)**

**FASKEN MARTINEAU DuMOULIN LLP**  
333 Bay Street – Suite 2400  
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**Stuart Brotman (LSUC#43430D)**  
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Lawyers for the Applicant, 2473304 Ontario Inc.

# APPENDIX E

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE )  
JUSTICE *HAINES* )

MONDAY, THE 28<sup>th</sup>  
DAY OF NOVEMBER, 2016



IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
2473304 ONTARIO INC.

(the "Applicant")

ORDER

(DISTRIBUTION, STAY EXTENSION, DISCHARGE & TERMINATION OF CCAA)

THIS MOTION made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicant, the Affidavit of Mark Sun sworn November 22, 2016, and the exhibits thereto, the third report of Richter Advisory Group Inc., in its capacity as the monitor of the Applicant (the "Monitor"), and the appendices thereto (the "Third Report"), and on hearing the submissions of counsel for the Applicant, counsel for the Monitor, counsel for Canadian Imperial Bank of Commerce ("CIBC") and counsel for GSO Capital Partners, LP ("GSO"), no one else appearing although duly served as appears from the affidavit of service of Mai-Ling Patel sworn November 22, 2016, filed;

## SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein be and is hereby abridged and validated so that the Motion is properly returnable today.
2. **THIS COURT ORDERS** that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Initial Order.

## DISTRIBUTIONS

3. **THIS COURT ORDERS** that the Applicant or the Monitor, as the case may be, be and are hereby authorized and directed to distribute \$125,590.91 to GSO, in partial repayment of amounts owing by the Applicant to GSO under the Term Guarantee and the Term Security Documents (the “**GSO Distribution**”).
4. **THIS COURT ORDERS** that, following the making of the GSO Distribution, the Applicant be and is hereby authorized and directed to distribute to CIBC, without further Order of the Court, all such amounts as the Applicant may have available for distribution (including amounts held in trust by the Monitor for the Applicant) as the Monitor may approve from time to time until the CCAA Termination Time (as defined below), provided such distributions are allocated:
  - (a) first in payment of advances made to the Applicant under the ABL Facility from and after the date of the Initial Order and outstanding at the time of such distribution; and
  - (b) second in payment of advances made to the Applicant under the ABL Facility prior to the date of the Initial Order and outstanding at the time of such distribution (the “**CIBC Distribution**” and together with the GSO Distribution, the “**Distributions**”).
5. **THIS COURT ORDERS** that, notwithstanding:
  - (a) the pendency of these proceedings;

- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicant and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Applicant;

the Distributions shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of the Applicant, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation and shall, upon the receipt thereof by GSO or CIBC, as applicable, be free of all claims, liens, security interests, charges or encumbrances granted by or relating to the Applicant.

#### **APPROVAL OF MONITOR'S THIRD REPORT**

6. **THIS COURT ORDERS** that the Third Report, and the activities of the Monitor referred to therein, be and are hereby approved.

#### **APPROVAL OF FEES AND DISBURSEMENTS**

7. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and of its counsel, Cassels Brock and Blackwell LLP ("**Cassels**"), as set out in the Third Report and in the Appendices thereto, be and are hereby approved.

8. **THIS COURT ORDERS** that the anticipated further fees and disbursements of the Monitor and of Cassels, each estimated not to exceed \$50,000 (plus H.S.T.), to complete their remaining duties and the administration of these CCAA proceedings, all as set out in the Third Report and in the Appendices thereto, be and are hereby approved, and that the Monitor and Cassels shall not be required to pass their accounts in respect of any further activities in connection with the administration of these CCAA proceedings provided the fees and disbursements of the Monitor and Cassels do not exceed the amount of \$50,000 (plus H.S.T.) each.

#### **RELEASE OF FUNDS TO THE APPLICANT**

9. **THIS COURT ORDERS** that the Monitor, Cassels and the Applicant's counsel, Fasken Martineau DuMoulin LLP, be and are hereby authorized and directed to apply any funds held by them as professional fee retainers, including, without limitation, any funds held under the Administration Holdback (as defined in the Order of the Court dated June 23, 2016), on account of their respective outstanding fees and disbursements, provided, however, that any unused balance of the professional fee retainers and the Administration Holdback shall be transferred to the Applicant to be distributed in accordance with this Order.

10. **THIS COURT ORDERS** that the Monitor be and is hereby authorized and directed to release to the Applicant all amounts held by the Monitor in an account as authorized by the Order of the Court dated June 13, 2016 (the "**June 13 Order**") on account of Sales Taxes (as defined in the June 13 Order) to be distributed in accordance with this Order.

#### **TERMINATION OF CCAA PROCEEDINGS**

11. **THIS COURT ORDERS** that upon the filing of a certificate of the Monitor substantially in the form attached hereto as Schedule "A" (the "**Monitor's Discharge Certificate**") certifying that the Distributions have been made pursuant to the terms of this Order and that the Applicant has confirmed to the Monitor that all matters to be attended to in connection with these CCAA proceedings have been completed, the CCAA proceedings shall be terminated effective as of the date and time set out in the Monitor's Discharge Certificate without any further act or formality (the "**CCAA Termination Time**").

12. **THIS COURT ORDERS** that the Administration Charge and the Agent's Charge and Security Interest shall be and are hereby terminated, released and discharged at the CCAA Termination Time.

#### **DISCHARGE OF THE MONITOR**

13. **THIS COURT ORDERS AND DECLARES** that effective at the CCAA Termination Time, the Monitor shall be and is hereby discharged as Monitor and shall have no further duties, obligations or responsibilities as Monitor from and after the CCAA Termination Time.

14. **THIS COURT ORDERS AND DECLARES** that, in addition to the protections in favour of the Monitor as set out in the CCAA, the Initial Order, any other Order of this Court in the CCAA proceedings or otherwise, all of which are expressly continued and confirmed, the Monitor shall not be liable for any act or omission on the part of the Monitor, including with respect to any reliance thereof, including without limitation, with respect to any information disclosed, any act or omission pertaining to the discharge of the Monitor's duties in the CCAA proceedings or with respect to any other duties or obligations of the Monitor under the CCAA or otherwise, save and except for any claim or liability arising out of any gross negligence or wilful misconduct on the part of the Monitor. Subject to the foregoing, and in addition to the protections in favour of the Monitor as set out in the CCAA, the Initial Order, any other Order of this Court in the CCAA proceedings or otherwise, any claims against the Monitor in connection with the performance of its duties as Monitor be and are hereby released, stayed, extinguished and forever barred and the Monitor shall have no liability in respect thereof.

15. **THIS COURT ORDERS** that, notwithstanding any provision of this Order, the termination of the CCAA proceedings, and the discharge of the Monitor, nothing herein shall affect, vary, derogate from, limit or amend, and the Monitor shall continue to have the benefit of, any of the rights, approvals and protections in favour of the Monitor at law or pursuant to the CCAA, the Initial Order, any other Order of this Court in the CCAA proceedings or otherwise, all of which are expressly continued and confirmed.

16. **THIS COURT ORDERS** that no action or other proceeding may be commenced against the Monitor in any way arising from or related to its capacity or conduct as Monitor in these CCAA proceedings except with prior leave of this Court and on prior written notice to the Monitor.

#### **STAY EXTENSION**

17. **THIS COURT ORDERS** that the Stay Period (as defined in paragraph 14 of the Initial Order) be and is hereby extended until and including the CCAA Termination Time.

## **ASSIGNMENT IN BANKRUPTCY**

18. **THIS COURT ORDERS** that the Applicant is hereby empowered and authorized, but not obligated, to file an assignment in bankruptcy and to take any steps reasonably incidental thereto, and immediately prior to the appointment of the trustee in bankruptcy (the “Trustee”), the Applicant be and is hereby authorized and directed to pay to the Trustee to be named in the assignment in bankruptcy a retainer in the amount of \$30,000 (plus H.S.T.) in respect of the anticipated fees and disbursements of the Trustee and its counsel in connection with the administration of the Applicant’s bankruptcy proceedings.

## **GENERAL**

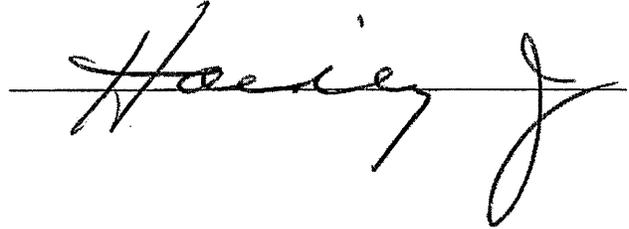
19. **THIS COURT ORDERS** that the Applicant or the Monitor may from time to time apply to this Court for advice and directions to give effect to the Distributions and other matters proposed herein.

20. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

21. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or the United States, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

22. **THIS COURT ORDERS** that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative

in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

A handwritten signature in black ink, appearing to read "Harris J", written over a horizontal line.

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ON / BOOK NO:  
LE / DANS LE REGISTRE NO:  
NOV 28 2016

PER / PAR: 

**SCHEDULE "A"**

Court File No. CV-16-11419-00CL

**ONTARIO**

**SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
2473304 ONTARIO INC.**

**(the "Applicant")**

**MONITOR'S DISCHARGE CERTIFICATE**

**RECITALS**

- A. Richter Advisory Group Inc. was appointed as the monitor (the "**Monitor**") of the Applicant in the within CCAA proceedings pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 6, 2016 (the "**Initial Order**");
- B. Pursuant to an Order of the Court dated November 28, 2016 (the "**CCAA Termination Order**"), the Monitor shall be discharged and the CCAA proceedings shall be terminated upon the filing of this Monitor's Discharge Certificate with the Court;
- C. Unless otherwise indicated herein, capitalized terms used in this Monitor's Discharge Certificate shall have the meanings ascribed thereto in the CCAA Termination Order.

THE MONITOR CERTIFIES the following:

1. The Distributions have been made pursuant to the terms of the CCAA Termination Order; and
2. The Applicant confirmed to the Monitor that all matters to be attended to in connection with the CCAA proceedings have been completed.

ACCORDINGLY, the CCAA Termination Time as defined in the CCAA Termination Order has occurred.

DATED at Toronto, Ontario at \_\_\_\_\_[TIME] on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**RICHTER ADVISORY GROUP INC.,**  
solely in its capacity as Court-appointed  
Monitor of 2473304 ONTARIO INC. and  
not in its personal capacity

By: \_\_\_\_\_

Name:

Title:

Court File No.: CV-16-11419-00CL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN  
THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 2473304 ONTARIO INC.

(the "Applicant")

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
[COMMERCIAL LIST]**

**Proceedings commenced in Toronto**

**ORDER  
(DISTRIBUTIONS & TERMINATION OF CCAA)**

**FASKEN MARTINEAU DuMOULIN LLP**

333 Bay Street – Suite 2400  
Bay Adelaide Centre, Box 20  
Toronto, ON M5H 2T6

**Stuart Brotman (LSUC#43430D)**

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**Dylan Chochla (LSUC#62137I)**

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dchochla@fasken.com

Lawyers for the Applicant, 2473304 Ontario Inc.

# APPENDIX F

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT  
ACT  
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
2473304 Ontario Inc.**

**AFFIDAVIT OF ANDREW ADESSKY**

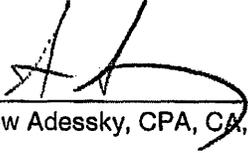
I, Andrew Adessky, of the City of Montreal, in the Province of Quebec, **MAKE OATH AND SAY** that:

1. I am a Partner of Richter Advisory Group Inc. ("**Richter**") and, as such, I have knowledge of the matters hereinafter deposed to except where stated to be on information and belief, and where so stated, I verily believe it to be true.
2. On June 7, 2016, the Ontario Superior Court of Justice (Commercial List) issued an order (the "**initial Order**") granting 2473304 Ontario Inc. ("**247**") which carries on business under the licensed trade name of "Jones New York" in Canada, protection pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c C-36, as amended. Pursuant to the Initial Order, Richter was appointed as Monitor of 247 (the "**Monitor**").
3. During the period from November 14, 2016 to June 30, 2017 (the "**Period**"), the Monitor has provided services and incurred disbursements, in the amounts of \$47,106.75 and \$543.74 respectively (excluding HST), with respect to services provided to 247. Attached hereto and marked as **Exhibit "A"** to my Affidavit is a summary of all invoices rendered by the Monitor on a periodic basis during the Period (the "**Accounts**").
4. True copies of the Accounts, which include a fair and accurate description of the services provided along with the hours and applicable rates claimed by the Monitor, are attached as **Exhibit "B"** to my Affidavit.

5. The Monitor has previously filed three reports with the Court with respect to its conduct and the CCAA proceedings dated June 17, 2016, September 21, 2016 and November 23, 2016 (the "**Reports**") in addition to a pre-petition report which was filed by Richter in its capacity as Proposed Monitor. Contemporaneous with the filing of this Affidavit, the Monitor is filing its fourth report to the Court with respect to the CCAA proceedings (the "**Fourth Report**"). Details of the activities undertaken and services provided by the Monitor in connection with the administration of the CCAA proceedings are described in the Reports and the Fourth Report.
6. In the course of performing its duties pursuant to the provisions of the Initial Order, the Monitor's staff has expended a total of 96.55 hours during the Period. Attached as **Exhibit "C"** to my Affidavit is a schedule setting out a summary of the individual staff involved in the administration of the CCAA proceedings and the hours and applicable rates claimed by the Monitor for the Period. The average hourly rate billed by the Monitor during the Period is \$487.90
7. The total amount of disbursements being claimed for work performed by the Monitor during the Period is \$543.74 (excluding HST). Attached as **Exhibit "D"** to my Affidavit is a schedule setting out a summary of disbursements.
8. The Monitor requests that this Honourable Court approve its Accounts for the Period, in the total amount of \$47,650.49 (excluding HST) for services rendered and recorded during the Period.
9. To the best of my knowledge, the rates charged by the Monitor are comparable to the rates charged for the provision of similar services by other large accounting firms in the Toronto market.
10. I verily believe that the fees and disbursements incurred by the Monitor are fair and reasonable in the circumstances.
11. I estimate that in order to complete the file, that it will cost no more than \$25,000.00 plus HST.
12. This Affidavit is sworn in connection with a motion for an Order of this Honourable Court to, among other things, approve the fees and disbursements of the Monitor and for no improper purpose.

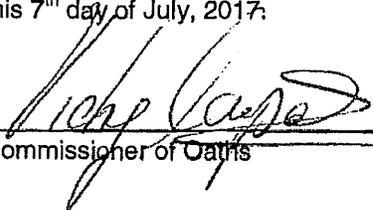
Dated at Montreal, Province of Quebec, this 7<sup>th</sup> day of July, 2017.

**Richter Advisory Group Inc.**  
**In its capacity as Monitor of**  
**2473304 Ontario Inc.**



Andrew Adessky, CPA, CA, CIRP, LIT

SWORN BEFORE ME at the City of  
Montreal, in the Province of Quebec  
this 7<sup>th</sup> day of July, 2017:



Commissioner of Oaths



**Exhibit "A"**

**Court File No.: CV-16-11419-00CL**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
2473304 CANADA INC.**

**Statement of Fees Summary**

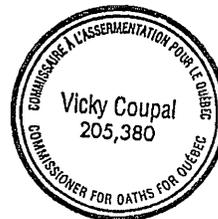
Exhibit "A"

**Richter Advisory Group Inc.**  
**IN THE MATTER OF THE COMPANIES CREDITORS ARRANGEMENT ACT ("CCAA")**

**Re: 2473304 Ontario Inc.**  
**Statement of Fees Summary**  
**For the Period from November 14, 2016 to June 30, 2017**

| Invoice No.      | Inv. Date | Time                | HST                | Invoice Total       | Expenses         |
|------------------|-----------|---------------------|--------------------|---------------------|------------------|
| 20460522         | 30/11/16  | \$ 19,764.00        | \$ 2,569.32        | \$ 22,333.32        |                  |
| 20460541         | 14/12/16  | 2,009.50            | 261.24             | 2,270.74            |                  |
| 20460575         | 12/01/17  | 2,789.25            | 362.60             | 3,151.85            |                  |
| 20460587         | 24/01/17  | 6,074.75            | 789.72             | 6,864.47            |                  |
| 20460597         | 31/01/17  | 655.50              | 154.76             | 1,345.20            | 534.94           |
| 20402071         | 07/07/17  | 15,813.75           | 2,056.93           | 17,879.48           | 8.80             |
| <b>CAD Total</b> |           | <b>\$ 47,106.75</b> | <b>\$ 6,194.57</b> | <b>\$ 53,845.06</b> | <b>\$ 543.74</b> |

This is Exhibit "A" referred to in the Affidavit of Andrew Adessky sworn before me this 7<sup>th</sup> day of July 2017



  
\_\_\_\_\_  
Commissioner of Oaths

**Exhibit "B"**

**Court File No.: CV-16-11419-00CL**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
2473304 CANADA INC.**

**Copies of Invoices of the Monitor**



2473304 Ontario Inc.  
44 Apex Rd  
North York, ON M6A 2V2

Attention: Mr. Mark Sun

---

Re: 2473304 Ontario Inc. (together with its affiliates, the "Company")  
Invoice #20460522

To: Our professional services rendered as Monitor in the CCAA Proceedings for the  
period November 14 to November 27, 2016

|                                     |                       |
|-------------------------------------|-----------------------|
| Time Charges (per attached summary) | <u>\$19,764.00</u>    |
| <b>Total (before HST)</b>           | 19,764.00             |
| HST #8885435842 RT0001              | 2,569.32              |
| Applied against retainer            | (19,764.00)           |
| HST #8885435842 RT0001              | <u>(2,569.32)</u>     |
| <b>Total</b>                        | <u><b>\$ 0.00</b></u> |



**RICHTER ADVISORY GROUP INC.**  
**Re: 2473304 Ontario Inc. (together with its affiliates, the "Company")**

**Summary of Time Charges**

|                                      | <u>Hours</u> | <u>Rate</u> | <u>Amount</u>       |
|--------------------------------------|--------------|-------------|---------------------|
| <b>Gilles Benchaya, Partner</b>      | 10.00        | \$ 625.00   | \$ 6,250.00         |
| <b>Andrew Adessky, Partner</b>       | 18.00        | 595.00      | 10,710.00           |
| <b>Corey Pedneault, Associate</b>    | 4.20         | 375.00      | 1,575.00            |
| <b>Accounting and Administration</b> | 9.50         |             | 1,229.00            |
|                                      | <u>41.70</u> |             | <u>\$ 19,764.00</u> |

**RICHTER ADVISORY GROUP INC.**  
**Re: 2473304 Ontario Inc.**

**Details of Time Charges**  
**November 14, 2016 to November 27, 2016**

| <b>Date</b> | <b>Name</b>     | <b>Description</b>   | <b>Hours</b> | <b>Rate</b> | <b>Total</b> |
|-------------|-----------------|--|--------------|-------------|--------------|
| 14/11/16    | Ann Stremski    | Communication with C. Pedneault;   | 0.30         | 185.00      | \$ 55.50     |
| 14/11/16    | Corey Pedneault | Preparation of monitoring (receipts and disbursements) and 6 supporting schedules  | 1.00         | 375.00      | 375.00       |
| 14/11/16    | Gilles Benchaya | Work on FA report re extension   | 1.00         | 625.00      | 625.00       |
| 15/11/16    | Pascale Lareau  | Bank reconciliation (2 bank accounts)  | 0.40         | 185.00      | 74.00        |
| 15/11/16    | Vicky Coupal    | Prepare 2nd fee affidavit schedules  | 1.50         | 105.00      | 157.50       |
| 15/11/16    | Corey Pedneault | Finalization of monitoring (receipts and disbursements) and 6 supporting schedules   | 0.50         | 375.00      | 187.50       |
| 15/11/16    | Andrew Adessky  | email from G Benchaya re ABG payment;  | 0.10         | 595.00      | 59.50        |
| 15/11/16    | Gilles Benchaya | Update with Mark Sun re ABG  | 0.50         | 625.00      | 312.50       |
| 16/11/16    | Vicky Coupal    | Ongoing revisions 2nd fee affidavit schedules  | 3.50         | 105.00      | 367.50       |
| 16/11/16    | Corey Pedneault | Preparation of NDAs for GA, Hilco, G Benchaya and Oberfeld - billing, discussions with G Benchaya and AS   | 1.00         | 375.00      | 375.00       |
| 16/11/16    | Andrew Adessky  | Report to court including communications with J Dietrich, CP; email from N De Cicco re lender position   | 2.60         | 595.00      | 1,547.00     |
| 16/11/16    | Andrew Adessky  | Telephone conversation with G Benchaya re upcoming hearing, next steps; emails with J Dietrich re call; Telephone conversation with J Dietrich and AS re next steps and telephone conversation with AS, J Dietrich and S Brotman re possible extension, report, etc. | 1.10         | 595.00      | 654.50       |
| 17/11/16    | Ann Stremski    | Communication with creditors   | 0.20         | 185.00      | 37.00        |
| 17/11/16    | Andrew Adessky  | emails from J Dietrich and N De Cicco re extension hearing; telephone conversation with J Dietrich re 3rd report; revisions to 3rd report  | 2.70         | 595.00      | 1,606.50     |
| 18/11/16    | Corey Pedneault | Allocation of cost GSO/CIBC for fixed assets / prepare cash flow for GB analysis (what payments would be covered by DIP)   | 1.00         | 375.00      | 375.00       |
| 18/11/16    | Andrew Adessky  | Call to J Dietrich; consideration of costs allocation; revisions to report; Telephone conversation with J Dietrich to make further revisions to report; discussion with G Benchaya and C Pedneault re cost allocation  | 3.20         | 595.00      | 1,904.00     |
| 20/11/16    | Gilles Benchaya | Administration, report, cost allocation.   | 1.00         | 625.00      | 625.00       |
| 21/11/16    | Vicky Coupal    | Update 2nd Fee Affidavits Exhibits   | 1.00         | 105.00      | 105.00       |
| 21/11/16    | Andrew Adessky  | Further comments on affidavit; Telephone conversation with creditor and follow up with M Sun and R Ghosh; follow up re report; work with G Benchaya re costs allocation  | 1.60         | 595.00      | 952.00       |
| 21/11/16    | Andrew Adessky  | Review draft motion and affidavit from D Chochla; review J Dietrich comments; email to D Chochla; call to J Dietrich   | 1.70         | 595.00      | 1,011.50     |
| 21/11/16    | Gilles Benchaya | Work on updated report and review of updated court materials   | 2.00         | 625.00      | 1,250.00     |
| 22/11/16    | Carol O'Donnell | Read and post motion to website. Email to CCAA.  | 0.70         | 250.00      | 175.00       |
| 22/11/16    | Vicky Coupal    | Finalize 2nd Fee affidavit and Exhibits  | 1.50         | 105.00      | 157.50       |
| 22/11/16    | Corey Pedneault | Preparation of monitoring file (6 schedules, re: receipts / disbursements)   | 0.50         | 375.00      | 187.50       |
| 22/11/16    | Andrew Adessky  | Finalize fee affidavit; telephone conversation with J Dietrich re changes to report; email to AS re hearing; review and finalize report  | 3.20         | 595.00      | 1,904.00     |
| 22/11/16    | Gilles Benchaya | Work on FF&E allocation, including discussion of methodology with A Adessky and JD. Review third report update. Call with counsel and Company counsel re monitors report and status  | 2.50         | 625.00      | 1,562.50     |
| 23/11/16    | Carol O'Donnell | Post Monitor's report on the website, email to CCAA.   | 0.40         | 250.00      | 100.00       |
| 23/11/16    | Corey Pedneault | Finalization of weekly monitoring as required under forbearance  | 0.20         | 375.00      | 75.00        |

RICHTER ADVISORY GROUP INC.

Re: 2473304 Ontario Inc.

Details of Time Charges

November 14, 2016 to November 27, 2016

| <b>Date</b> | <b>Name</b>     | <b>Description</b>  | <b>Hours</b> | <b>Rate</b> | <b>Total</b>       |
|-------------|-----------------|---|--------------|-------------|--------------------|
| 23/11/16    | Andrew Adessky  | Finalize and issue report including communications with J Dietrich, G Benchaya  | 1.80         | 595.00      | 1,071.00           |
| 23/11/16    | Gilles Benchaya | Review updates to monitors report and updaed cashflow. Review of further updates to report. Discussion with Eileen re leasing proposal and review of terms and subsequent call with M Sun to review leasing proposal and changes required to terms. | 2.00         | 625.00      | 1,250.00           |
| 24/11/16    | Gilles Benchaya | Updated Cashflow and covenant schedule  | 1.00         | 625.00      | 625.00             |
|             |                 |   | <u>41.70</u> |             | <u>\$19,764.00</u> |



2473304 Ontario Inc.  
44 Apex Rd  
North York, ON M6A 2V2

Attention: Mr. Mark Sun

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Re: 2473304 Ontario Inc. (together with its affiliates, the "Company")  
Invoice #20460541

To: Our professional services rendered as Monitor in the CCAA Proceedings for the  
period November 28 to December 11, 2016.

|                                     |                       |
|-------------------------------------|-----------------------|
| Time Charges (per attached summary) | <u>\$2,009.50</u>     |
| <b>Total (before HST)</b>           | 261.24                |
| HST #8885435842 RT0001              | 2,270.74              |
| Applied against retainer            | (2,009.50)            |
| HST #8885435842 RT0001              | <u>(261.24)</u>       |
| <b>Total</b>                        | <b><u>\$ 0.00</u></b> |



**RICHTER ADVISORY GROUP INC.**  
**Re: 2473304 Ontario Inc. (together with its affiliates, the "Company")**

**Summary of Time Charges**

|                                      | <u>Hours</u> | <u>Rate</u> |    | <u>Amount</u>   |
|--------------------------------------|--------------|-------------|----|-----------------|
| <b>Gilles Benchaya</b> , Partner     | 0.50         | \$ 625.00   | \$ | 312.50          |
| <b>Andrew Adessky</b> , Partner      | 0.40         | 595.00      |    | 238.00          |
| <b>Adam Sherman</b> , Partner        | 1.50         | 525.00      |    | 787.50          |
| <b>Corey Pedneault</b> , Associate   | 1.10         | 375.00      |    | 412.50          |
| <b>Accounting and Administration</b> | 1.40         |             |    | 259.00          |
|                                      | <u>4.90</u>  |             | \$ | <u>2,009.50</u> |

**RICHTER ADVISORY GROUP INC.**  
**Re: 2473304 Ontario Inc.**

**Details of Time Charges**  
**November 28, 2016 to December 11, 2016**

| <b>Date</b> | <b>Name</b>     | <b>Description</b>   | <b>Hours</b>       | <b>Rate</b> | <b>Total</b>             |
|-------------|-----------------|--|--------------------|-------------|--------------------------|
| 28/11/16    | Soazig Bourgine | Service List & E-Service List emailed to CCAA and posted on website  | 0.30               | 185.00      | \$ 55.50                 |
| 28/11/16    | Andrew Adessky  | email from J Dietrich re extension   | 0.10               | 595.00      | 59.50                    |
| 28/11/16    | Gilles Benchaya | Update on termination of stay  | 0.50               | 625.00      | 312.50                   |
| 28/11/16    | Adam Sherman    | Preparation for and attendance in Court re distribution/discharge motion, including discussions with various counsel in attendance. Emails from Cassels, Fasken, Norton Rose re forbearance. | 1.50               | 525.00      | 787.50                   |
| 30/11/16    | Ann Stremski    | Return call to Bell Canada; review Order   | 0.40               | 185.00      | 74.00                    |
| 30/11/16    | Soazig Bourgine | Website posting and emailing to CCAA Order & Endorsement Distribution & Termination of CCAA  | 0.30               | 185.00      | 55.50                    |
| 04/12/16    | Corey Pedneault | Rollforward of weekly monitoring schedule to analyze receipts / disbursements  | 0.50               | 375.00      | 187.50                   |
| 05/12/16    | Andrew Adessky  | Discussion re company request  | 0.20               | 595.00      | 119.00                   |
| 06/12/16    | Corey Pedneault | Finalization of weekly monitoring report (review receipt and disbursements and preparing 6 accompanying schedules)   | 0.50               | 375.00      | 187.50                   |
| 07/12/16    | Ann Stremski    | Communicate with A. Adessky; review Motion and Report; communication with creditor   | 0.40               | 185.00      | 74.00                    |
| 07/12/16    | Corey Pedneault | Finalization and issuance of weekly monitoring report  | 0.10               | 375.00      | 37.50                    |
| 07/12/16    | Andrew Adessky  | Discussion with A. Stremski re how to respond to creditor inquiries re 247 status.   | 0.10               | 595.00      | 59.50                    |
|             |                 |  | <b><u>4.90</u></b> |             | <b><u>\$2,009.50</u></b> |



2473304 Ontario Inc.  
44 Apex Rd  
North York, ON M6A 2V2

Attention: Mr. Mark Sun

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Re: 2473304 Ontario Inc. (together with its affiliates, the "Company")  
Invoice #20460575

To: Our professional services rendered as Monitor in the CCAA Proceedings for the  
period December 12, 2016 to January 8, 2017.

|                                     |                       |
|-------------------------------------|-----------------------|
| Time Charges (per attached summary) | <u>\$2,789.25</u>     |
| <b>Total (before HST)</b>           | 362.60                |
| HST #8885435842 RT0001              | 3,151.85              |
| Applied against retainer            | (2,789.25)            |
| HST #8885435842 RT0001              | <u>(362.60)</u>       |
| <b>Total</b>                        | <u><b>\$ 0.00</b></u> |

**RICHTER ADVISORY GROUP INC.**  
**Re: 2473304 Ontario Inc. (together with its affiliates, the "Company")**

**Summary of Time Charges**

|                                      | <u>Hours</u> | <u>Rate</u> | <u>Amount</u>      |
|--------------------------------------|--------------|-------------|--------------------|
| <b>Andrew Adessky, Partner</b>       | 2.20         | 595.00      | 1,309.00           |
| <b>Corey Pedneault, Associate</b>    | 2.45         | 375.00      | 918.75             |
| <b>Accounting and Administration</b> | 3.00         |             | 561.50             |
|                                      | <u>7.65</u>  |             | <u>\$ 2,789.25</u> |

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RICHTER ADVISORY GROUP INC.

Re: 2473304 Ontario Inc.

Details of Time Charges  
December 12, 2016 to January 8, 2017

| Date     | Name            | Description   | Hours       | Rate   | Total              |
|----------|-----------------|---|-------------|--------|--------------------|
| 12/12/16 | Pascale Lareau  | Bank reconciliation (2 bank accounts)   | 0.40        | 185.00 | \$ 74.00           |
| 12/12/16 | Ann Stremski    | Communication with creditors  | 0.30        | 185.00 | 55.50              |
| 12/12/16 | Corey Pedneault | Rollforward of weekly monitoring schedule as required under FA (review receipts and disbursements in detail)  | 0.50        | 375.00 | 187.50             |
| 12/12/16 | Andrew Adessky  | email from former employee and response   | 0.20        | 595.00 | 119.00             |
| 14/12/16 | Ann Stremski    | Communications with creditors   | 0.30        | 185.00 | 55.50              |
| 14/12/16 | Corey Pedneault | Final review and distribution of weekly monitoring report   | 0.20        | 375.00 | 75.00              |
| 15/12/16 | Carol O'Donnell | Verify bank reconciliations for November 30,2016.   | 0.10        | 250.00 | 25.00              |
| 19/12/16 | Corey Pedneault | rollforward and preparation of weekly monitoring schedule as required under forbearance agreement (detailed review of receipts and disbursements)   | 0.50        | 375.00 | 187.50             |
| 21/12/16 | Ann Stremski    | Communication with C. Pedneault; verify online banking; communication with CIBC; prepare wires; prepare closing entries   | 1.50        | 185.00 | 277.50             |
| 21/12/16 | Corey Pedneault | finalization of weekly monitoring schedules   | 0.50        | 375.00 | 187.50             |
| 21/12/16 | Andrew Adessky  | Telephone conversation with Gaz Met re deposit return; discussion with CP re funds to wire to 247; discussions with CP re notice of assessment and implications; Telephone conversation with J Dietrich; email to Fasken re GST | 1.40        | 595.00 | 833.00             |
| 23/12/16 | Andrew Adessky  | email from creditor and respond;emails with CP re assessment  | 0.30        | 595.00 | 178.50             |
| 02/01/17 | Ann Stremski    | Communication with employee regarding her ROE   | 0.20        | 185.00 | 37.00              |
| 03/01/17 | Corey Pedneault | Update of weekly receipts and disbursement monitoring package, including 6 supporting schedules.  | 0.75        | 375.00 | 281.25             |
| 05/01/17 | Ann Stremski    | Take message, research and communicate with C. Pedneault  | 0.20        | 185.00 | 37.00              |
| 06/01/17 | Andrew Adessky  | email from J Dietrich re assessment and response; discussion with CP re Iron Mountain and assessment  | 0.30        | 595.00 | 178.50             |
|          |                 |   | <u>7.65</u> |        | <u>\$ 2,789.25</u> |



2473304 Ontario Inc.  
44 Apex Rd  
North York, ON M6A 2V2

Attention: Mr. Mark Sun

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Re: 2473304 Ontario Inc. (together with its affiliates, the "Company")  
Invoice #20460587

To: Our professional services rendered as Monitor in the CCAA Proceedings for the  
period January 9 to January 22, 2017.

|                                     |                       |
|-------------------------------------|-----------------------|
| Time Charges (per attached summary) | <u>\$6,074.75</u>     |
| <b>Total (before HST)</b>           | 6,074.75              |
| HST #8885435842 RT0001              | 789.72                |
| Applied against retainer            | (6,074.75)            |
| HST #8885435842 RT0001              | <u>(789.72)</u>       |
| <b>Total</b>                        | <b><u>\$ 0.00</u></b> |



**RICHTER ADVISORY GROUP INC.**  
**Re: 2473304 Ontario Inc. (together with its affiliates, the "Company")**

**Summary of Time Charges**

|                               | <u>Hours</u> | <u>Rate</u> | <u>Amount</u>      |
|-------------------------------|--------------|-------------|--------------------|
| Andrew Adessky, Partner       | 8.50         | 595.00      | 5,057.50           |
| Corey Pedneault, Associate    | 2.35         | 375.00      | 881.25             |
| Accounting and Administration | 0.70         |             | 136.00             |
|                               | <u>11.55</u> |             | <u>\$ 6,074.75</u> |

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**RICHTER ADVISORY GROUP INC.**  
**Re: 2473304 Ontario Inc.**

**Details of Time Charges**  
**January 9, 2017 to January 22, 2017**

| <b>Date</b> | <b>Name</b>     | <b>Description</b>  | <b>Hours</b>        | <b>Rate</b>               | <b>Total</b> |
|-------------|-----------------|---|---------------------|---------------------------|--------------|
| 09/01/17    | Corey Pedneault | Rollforward of weekly monitoring schedules as required under forbearance agreement  | 0.25                | 375.00 \$                 | 93.75        |
| 10/01/17    | Ann Stremski    | Communication with creditor   | 0.20                | 185.00                    | 37.00        |
| 10/01/17    | Corey Pedneault | Finalization of monitoring schedule (detailed examination of receipts and disbursements) - discussion with R. Ghosh, A. Adessky and J. Dietrich re: 247 sales tax assessment + next steps.  | 1.60                | 375.00                    | 600.00       |
| 10/01/17    | Andrew Adessky  | Discussion with C. Pedneault re assessment; review of analysis prepared by company, telephone conversation with C. Pedneault and J Dietrich; email to S. Brotman re same; set up call; telephone conversation with J. Dietrich and A. Bayus re Kitco decision | 2.70                | 595.00                    | 1,606.50     |
| 11/01/17    | Andrew Adessky  | Review of information re assessment   | 1.00                | 595.00                    | 595.00       |
| 12/01/17    | Carol O'Donnell | Verify 2 bank reconciliations for December 31, 2016.  | 0.10                | 250.00                    | 25.00        |
| 12/01/17    | Andrew Adessky  | Call with CP, R. Ghosh, J. Dietrich and S. Brotman re notice of assessment; follow up call with R. Ghosh; follow up emails and calls with J. Dietrich, S. Brotman; follow up calls with R. Ghosh and CP re assessments, next steps, directors; update to PwC  | 2.70                | 595.00                    | 1,606.50     |
| 13/01/17    | Ann Stremski    | Verify online banking; prepare letter of direction to close bank accounts for Sales Tax and FF&E; prepare email to CIBC; administration of files  | 0.40                | 185.00                    | 74.00        |
| 13/01/17    | Andrew Adessky  | email from R. Ghosh and forward to J. Dietrich and S. Brotman   | 0.10                | 595.00                    | 59.50        |
| 16/01/17    | Corey Pedneault | Rollforward of weekly monitoring schedule as required under forbearance and discussion with MTS Winnipeg (Savanah) re: status of CCAA for 2473304 Ontario Inc.  | 0.50                | 375.00                    | 187.50       |
| 16/01/17    | Andrew Adessky  | Telephone conversation with R. Ghosh and KPMG re assessment and information needed; email update to S. Brotman  | 0.30                | 595.00                    | 178.50       |
| 17/01/17    | Andrew Adessky  | email to R. Ghosh re KPMG report, response and circulate  | 0.20                | 595.00                    | 119.00       |
| 18/01/17    | Andrew Adessky  | Review KPMG letter; email to S. Brotman re assessment; telephone conversation with R. Ghosh re letter, next steps   | 1.10                | 595.00                    | 654.50       |
| 19/01/17    | Andrew Adessky  | email to S. Brotman and reply re GST; telephone conversation with R. Ghosh re instructions from counsel   | 0.40                | 595.00                    | 238.00       |
|             |                 |   | <b><u>11.55</u></b> | <b><u>\$ 6,074.75</u></b> |              |



2473304 Ontario Inc.  
44 Apex Rd  
North York, ON M6A 2V2

Attention: Mr. Mark Sun

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Re: 2473304 Ontario Inc. (together with its affiliates, the "Company")  
Invoice #20460597

To: Our professional services rendered as Monitor in the CCAA Proceedings for the  
period January 23<sup>rd</sup> to January 29, 2017.

|                                     |                       |
|-------------------------------------|-----------------------|
| Time Charges (per attached summary) | \$655.50              |
| Disbursement                        | <u>534.94</u>         |
| <b>Total (before HST)</b>           | 1,190.44              |
| HST #8885435842 RT0001              | 154.76                |
| Applied against retainer            | (1,190.44)            |
| HST #8885435842 RT0001              | <u>(154.76)</u>       |
| <b>Total</b>                        | <b><u>\$ 0.00</u></b> |



**RICHTER ADVISORY GROUP INC.**  
**Re: 2473304 Ontario Inc. (together with its affiliates, the "Company")**

**Summary of Time Charges**

|                                      | <u>Hours</u> | <u>Rate</u> | <u>Amount</u>    |
|--------------------------------------|--------------|-------------|------------------|
| <b>Andrew Adessky, Partner</b>       | 0.60         | 595.00      | 357.00           |
| <b>Corey Pedneault, Associate</b>    | 0.50         | 375.00      | 187.50           |
| <b>Accounting and Administration</b> | <u>0.60</u>  |             | <u>111.00</u>    |
|                                      | <u>1.70</u>  |             | <u>\$ 655.50</u> |
| <hr/>                                |              |             |                  |
| <b>Total</b>                         |              |             | <u>\$ 655.50</u> |

**RICHTER ADVISORY GROUP INC.**  
**Re: 2473304 Ontario Inc.**

**Details of Time Charges**  
**January 23, 2017 to January 29, 2017**

| Entry Date | Employee Name   | Entry Description  | Open Qty    | Unit Price | Total            |
|------------|-----------------|--|-------------|------------|------------------|
| 23/01/17   | Ann Stremski    | Prepare entries for interest, closing entries and deposit to trust; administration of file   | 0.60        | 185.00     | \$ 111.00        |
| 23/01/17   | Andrew Adessky  | email from R. Ghosh and forward to .S Brotman; discussion with G. Benchaya re filing   | 0.30        | 595.00     | 178.50           |
| 25/01/17   | Corey Pedneault | Preparation of cash flow monitoring schedules as required under forbearance agreement (detailed examination of receipts and disbursements) | 0.50        | 375.00     | 187.50           |
| 25/01/17   | Andrew Adessky  | Return call to Ministry of Labor   | 0.10        | 595.00     | 59.50            |
| 26/01/17   | Andrew Adessky  | Telephone conversation with J. Dietrich re filing; email to Fasken re assessment   | 0.20        | 595.00     | 119.00           |
|            |                 |  | <u>1.70</u> |            | <u>\$ 655.50</u> |



2473304 Ontario Inc.  
44 Apex Rd  
North York, ON M6A 2V2

Attention: Mr. Mark Sun

---

Re: 2473304 Ontario Inc. (together with its affiliates, the "Company")  
Invoice #20402071

To: Our professional services rendered as Monitor in the CCAA Proceedings for the  
period January 30<sup>th</sup> to June 30, 2017.

|                                     |                           |
|-------------------------------------|---------------------------|
| Time Charges (per attached summary) | \$15,813.75               |
| Disbursement                        | <u>8.80</u>               |
| <b>Total (before HST)</b>           | 15,822.55                 |
| HST #8885435842 RT0001              | 2,056.93                  |
| Applied against retainer            | (10,000.00)               |
| HST #8885435842 RT0001              | <u>(1,300.00)</u>         |
| <b>Total</b>                        | <b><u>\$ 6,579.48</u></b> |



**RICHTER ADVISORY GROUP INC.**  
**Re: 2473304 Ontario Inc. (together with its affiliates, the "Company")**

**Summary of Time Charges**

|                               | <u>Hours</u> | <u>Rate</u> | <u>Amount</u>             |
|-------------------------------|--------------|-------------|---------------------------|
| Gilles Benchaya, Partner      | 6.30         | 625.00      | 3,937.50                  |
| Andrew Adessky, Partner       | 15.10        | 595.00      | 8,984.50                  |
| Stéphane Marcassa, Partner    | 1.60         | 600.00      | 960.00                    |
| Waren Levine, Vice-president  | 1.50         | 550.00      | 825.00                    |
| Corey Pedneault, Associate    | 1.50         | 375.00      | 562.50                    |
| Accounting and Administration | 3.05         |             | 544.25                    |
|                               | <u>29.05</u> |             | <u>\$15,813.75</u>        |
| <hr/>                         |              |             |                           |
| <b>Total</b>                  |              |             | <u><b>\$15,813.75</b></u> |
| <b>Disbursements</b>          |              |             | <u><b>\$ 8.80</b></u>     |
| Total                         |              |             | 15,822.55                 |
| Taxes HST                     |              |             | 2,056.93                  |
|                               |              |             | <u><b>\$17,879.48</b></u> |

**RICHTER ADVISORY GROUP INC.**

Re: 2473304 Ontario Inc.

**Details of Time Charges  
January 30, 2017 to June 30, 2017**

| <b>Date</b> | <b>Name</b>       | <b>Description</b>   | <b>Hours</b> | <b>Rate</b> | <b>Total</b> |
|-------------|-------------------|--|--------------|-------------|--------------|
| 30/01/17    | Andrew Adessky    | Emails re retainer drawdown; call to J Dietrich re assessment  | 0.30         | 595.00 \$   | 178.50       |
| 31/01/17    | Corey Pedneault   | Clean up of retainers (discussion with S. Bourguine, J. Dietrich, R. Ghosh to settle outstanding issues) - production of monitoring report as required by forbearance agreement. | 1.50         | 375.00      | 562.50       |
| 31/01/17    | Andrew Adessky    | Call to J Dietrich; telephone conversation with J. Dietrich re completion of CCAA and tax assessment; telephone conversation with Ontario Ministry of Labor to provide update    | 0.40         | 595.00      | 238.00       |
| 08/02/17    | Andrew Adessky    | Telephone conversation with J. Dietrich re next steps; review email  | 0.30         | 595.00      | 178.50       |
| 10/02/17    | Ann Stremski      | Communication with C. Pedneault re email from creditor   | 0.10         | 185.00      | 18.50        |
| 10/02/17    | Andrew Adessky    | email from J. Dietrich   | 0.10         | 595.00      | 59.50        |
| 13/02/17    | Andrew Adessky    | email from R. Ghosh re sales tax assessments; email to S. Brotman re sales tax assessments   | 0.20         | 595.00      | 119.00       |
| 14/02/17    | Andrew Adessky    | email to R. Ghosh  | 0.10         | 595.00      | 59.50        |
| 22/02/17    | Pascale Lareau    | Bank reconciliation (2 banks accts)  | 0.40         | 185.00      | 74.00        |
| 24/02/17    | Ann Stremski      | Communications with creditors  | 0.30         | 185.00      | 55.50        |
| 01/03/17    | Ann Stremski      | Communication with employee and C. Pedneault   | 0.20         | 185.00      | 37.00        |
| 03/03/17    | Andrew Adessky    | email re call on Monday  | 0.10         | 595.00      | 59.50        |
| 06/03/17    | Andrew Adessky    | Call with J Dietrich, S Brotman and M Gottlieb re HST issue; call/email to R Ghosh to obtain update; telephone conversation with R Ghosh   | 1.00         | 595.00      | 595.00       |
| 07/03/17    | Andrew Adessky    | Call from former employee re T4 and follow up with CP; email to former employee and company  | 0.30         | 595.00      | 178.50       |
| 14/03/17    | Andrew Adessky    | Telephone conversations with R Ghosh re CRA audit; emails to J Dietrich, S Brotman; emails with G Benchaya   | 0.80         | 595.00      | 476.00       |
| 15/03/17    | Ann Stremski      | Communication with C. Pedneault; update creditor list  | 0.20         | 185.00      | 37.00        |
| 15/03/17    | Andrew Adessky    | Telephone conversations with and emails with R Ghosh re CRA audit; telephone conversations with J Dietrich, S Brotman re CRA audit, next steps                                   | 0.70         | 595.00      | 416.50       |
| 15/03/17    | Stephane Marcassa | Discussion with Gilles Benchaya, review of letter issued by KPMG on GST/HST statement of arrears, correspondence with Gilles Benchaya and Andrew Adessky on KPMG findings        | 0.80         | 600.00      | 480.00       |
| 16/03/17    | Ann Stremski      | Return call to creditor  | 0.10         | 185.00      | 18.50        |
| 16/03/17    | Soazig Bourguine  | email to OSB re. form 3  | 0.10         | 185.00      | 18.50        |
| 16/03/17    | Andrew Adessky    | Telephone conversation with R Ghosh re assessments; email to M Gottlieb with update; review latest assessment  | 0.80         | 595.00      | 476.00       |
| 20/03/17    | Gilles Benchaya   | Review CRA assessment and discussion with Stephane Marcassa  | 1.00         | 625.00      | 625.00       |
| 21/03/17    | Andrew Adessky    | Receipt of CRA letter re GST issues; research; discussion with SM; telephone conversation with R Ghosh; circulate letter to attorneys  | 1.10         | 595.00      | 654.50       |
| 21/03/17    | Stephane Marcassa | Review document submitted by Andrew Adessky and discussion with Andrew Adessky on draft GST assessment   | 0.80         | 600.00      | 480.00       |

**RICHTER ADVISORY GROUP INC.**  
**Re: 2473304 Ontario Inc.**

**Details of Time Charges**  
**January 30, 2017 to June 30, 2017**

| <b>Date</b> | <b>Name</b>     | <b>Description</b>  | <b>Hours</b> | <b>Rate</b> | <b>Total</b> |
|-------------|-----------------|---|--------------|-------------|--------------|
| 22/03/17    | Ann Stremski    | Communications with A. Adessky and research   | 0.20         | 185.00      | 37.00        |
| 22/03/17    | Andrew Adessky  | Discussion with G. Benchaya re sales tax issues; review cash on hand  | 0.40         | 595.00      | 238.00       |
| 23/03/17    | Andrew Adessky  | Discussion with J Dietrich re assessments; telephone conversation with R Ghosh re info needed; email from J Dietrich re call  | 0.60         | 595.00      | 357.00       |
| 24/03/17    | Andrew Adessky  | emails from J Dietrich, S Brotman; conference call with S Brotman, J Dietrich, M Gottlieb   | 0.90         | 595.00      | 535.50       |
| 27/03/17    | Andrew Adessky  | emails with S Brotman, R Ghosh; conference call with S Brotman, R Ghosh, KPMG re assessments  | 0.60         | 595.00      | 357.00       |
| 03/04/17    | Ann Stremski    | Verify creditor list and confirm with A. Adessky  | 0.10         | 185.00      | 18.50        |
| 03/04/17    | Andrew Adessky  | email with A Stremski re creditor   | 0.20         | 595.00      | 119.00       |
| 07/04/17    | Andrew Adessky  | Telephone conversation with J Dietrich re sales tax issue; email to S Brotman re sales tax issue  | 0.30         | 595.00      | 178.50       |
| 12/04/17    | Andrew Adessky  | email from G Benchaya; email from S Brotman   | 0.20         | 595.00      | 119.00       |
| 13/04/17    | Andrew Adessky  | Conference call with attorneys re next steps  | 0.20         | 595.00      | 119.00       |
| 17/04/17    | Andrew Adessky  | email from S Brotman and reply; telephone conversation with R Ghosh; emails with R Ghosh; email to J Dietrich   | 0.60         | 595.00      | 357.00       |
| 17/04/17    | Gilles Benchaya | Update from Mark on outstanding payments. Call with Rajib re status of its claim and loss carryback. Preparation of schedule of outstanding payments and distribution to counsel for comments.  | 1.20         | 625.00      | 750.00       |
| 18/04/17    | Andrew Adessky  | Various emails G Benchaya re proposed payments; telephone conversation and email with R Ghosh; calls J Dietrich   | 0.70         | 595.00      | 416.50       |
| 18/04/17    | Gilles Benchaya | Updated schedule of final payments. Discussion Andrew Adessky re final payments, status of GST audit etc.   | 0.50         | 625.00      | 312.50       |
| 19/04/17    | Andrew Adessky  | emails with R Ghosh re corporate income tax returns; review of emails between R Ghosh and Faskens; review draft letter from Fasken to CRA, discuss with J Dietrich, email to Faskens; telephone conversation with Fasken and J Dietrich | 1.30         | 595.00      | 773.50       |
| 19/04/17    | Gilles Benchaya | Update call with Rajib re filing of tax returns status and potential loss carryback implications.   | 0.80         | 625.00      | 500.00       |
| 27/04/17    | Warren Levine   | Circulate email with schedule of disbursements to R Ghosh. Coordinate with Fasken and Cassels re retainers to be paid.  | 1.00         | 550.00      | 550.00       |
| 27/04/17    | Andrew Adessky  | Discussion with G Benchaya re closing of file, next steps; call to J Dietrich; telephone conversation with R Ghosh; telephone conversation with J Dietrich  | 1.20         | 595.00      | 714.00       |
| 27/04/17    | Gilles Benchaya | Call with Rajib re: Final payments. Discussion with Jane re release of final payments. Call with Andrew Adessky re Trustee holdback and status of tax claims. Coordination of wires to release escrow funds.                            | 1.50         | 625.00      | 937.50       |
| 28/04/17    | Andrew Adessky  | email to R Ghosh  | 0.10         | 595.00      | 59.50        |
| 01/05/17    | Warren Levine   | Reconciliation of amounts owed. Coordinate payments and request info from counsel.  | 0.50         | 550.00      | 275.00       |
| 02/05/17    | Ann Stremski    | Prepare wire transfer; communications with Eric Barbieri  | 0.30         | 185.00      | 55.50        |
| 02/05/17    | Gilles Benchaya | Review GST refunds pre and post filing.   | 0.50         | 625.00      | 312.50       |

RICHTER ADVISORY GROUP INC.

Re: 2473304 Ontario Inc.

Details of Time Charges  
January 30, 2017 to June 30, 2017

| Date     | Name            | Description   | Hours        | Rate   | Total              |
|----------|-----------------|---|--------------|--------|--------------------|
| 04/05/17 | Ann Stremski    | Modify wire and send for approval; communication with Warren Levine               | 0.30         | 185.00 | 55.50              |
| 10/05/17 | Vicky Coupal    | Update schedules  | 0.25         | 105.00 | 26.25              |
| 11/05/17 | Ann Stremski    | Prepare cheques; administration of file   | 0.30         | 185.00 | 55.50              |
| 12/05/17 | Andrew Adessky  | Telephone conversation with J Dietrich; call to R Ghosh                           | 0.30         | 595.00 | 178.50             |
| 15/05/17 | Ann Stremski    | Verification of payments and communication with W. Levine                         | 0.10         | 185.00 | 18.50              |
| 24/05/17 | Ann Stremski    | Communication with creditor   | 0.10         | 185.00 | 18.50              |
| 02/06/17 | Gilles Benchaya | Update on Jones tax matters with Rajib and revised assessment.                    | 0.80         | 625.00 | 500.00             |
| 30/06/17 | Andrew Adessky  | email, telephone conversation with J Dietrich re next report; work on next report | 1.30         | 595.00 | 773.50             |
|          |                 |   | <u>29.05</u> |        | <u>\$15,813.75</u> |

**Exhibit "C"**

**Court File No.: CV-16-11419-00CL**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
2473304 CANADA INC.**

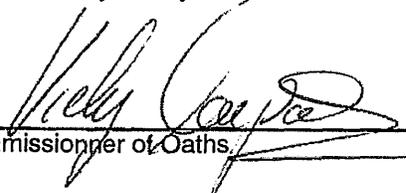
**Time Summary**

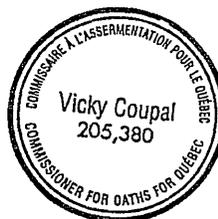
**RICHTER ADVISORY GROUP INC.**  
**Re: 2473304 Ontario Inc.**

**Time Summary**  
**November 14, 2016 to June 30, 2017**

|                                      | <u>Hours</u> | <u>Rate</u> | <u>Amount</u>       |
|--------------------------------------|--------------|-------------|---------------------|
| <b>Gilles Benchaya, Partner</b>      | 16.80        | \$ 625.00   | \$ 10,500.00        |
| <b>Andrew Adessky, Partner</b>       | 44.80        | 595.00      | \$ 26,656.00        |
| <b>Stephane Marcassa, Partner</b>    | 1.60         | 600.00      | \$ 960.00           |
| <b>Adam Sherman, Partner</b>         | 1.50         | 525.00      | \$ 825.00           |
| <b>Warren Levine, Vice-president</b> | 12.10        | 550.00      | \$ 4,537.50         |
| <b>Corey Pedneault, Associate</b>    | 1.50         | 375.00      | \$ 787.50           |
| <b>Accounting and Administration</b> | 18.25        |             | 2,840.75            |
|                                      | <u>96.55</u> |             | <u>\$ 47,106.75</u> |
| <b>Average Hourly Amount</b>         |              |             | <u>\$ 487.90</u>    |

This is Exhibit "C" referred to in the Affidavit of Andrew Adessky sworn before me this 7<sup>th</sup> day of July 2017.

  
 Commissioner of Oaths.



**Exhibit "D"**

**Court File No.: CV-16-11419-00CL**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
2473304 CANADA INC.**

**Disbursement Summary**

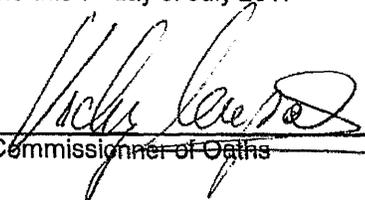
**RICHTER ADVISORY GROUP INC.**

**Re: 2473304 Ontario Inc.**

**Disbursements Summary  
November 14, 2016 to June 30, 2017**

|                       |           |               |
|-----------------------|-----------|---------------|
| Airfare               | \$        | 50.25         |
| Hotel accomodations   |           | 404.25        |
| Ground Transportation |           | 80.44         |
| Conference call       |           | 2.71          |
| Courier               |           | 6.09          |
|                       | <b>\$</b> | <b>543.74</b> |

This is Exhibit "D" referred to in the  
Affidavit of Andrew Adessky sworn before  
me this 7<sup>th</sup> day of July 2017

  
\_\_\_\_\_  
Commissioner of Oaths

