

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

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
R.S.O. 1990, c. B-16, s. 182 AS AMENDED**

- and -

**IN THE MATTER OF AN APPLICATION BY THE T. EATON COMPANY
LIMITED RELATING TO A PROPOSED ARRANGEMENT INVOLVING THE
T. EATON COMPANY LIMITED AND ITS SECURITYHOLDERS AND 1381052
ONTARIO INC.**

Applicant

**MOTION RECORD OF RSM RICHTER INC.
in its capacity as Liquidator of Distributionco Inc.
(VOLUME I OF II)**

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**ONTARIO
SUPERIOR COURT OF JUSTICE
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MOTION RECORD

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

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NOTICE OF MOTION

RSM RICHTER INC. (formerly Richter & Partners Inc.) (“Richter”), in its capacity as liquidator (the “Liquidator”) of Distributionco Inc. (formerly 1381052 Ontario Inc.) (“Distributionco”), will make a motion to The Honourable Mr. Justice Morawetz on Thursday, July 17, 2008 at 10:00 a.m. or as soon after that time as the motion can be heard at the Courthouse, 330 University Avenue, Toronto, Ontario.

THE PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. An Order, if necessary, abridging the time for service and filing of the Notice of Motion and the Motion Record herein, validating the service of such motion

material and dispensing with service of such motion material on interested parties not served;

2. An Order amending the Order of this Honourable Court dated May 15, 2002 to delete paragraphs 6 and 7 thereof;

3. A Declaration that the Class I Creditors whose first uncashed distribution cheque was in respect of the Liquidator's eighth interim distribution shall be deemed to have forfeited their rights to the eighth interim distribution and the within final distribution and the amounts which would have been payable to such missing Class I Creditors in respect of the eighth interim distribution shall form part of the pool of funds to be distributed in the final distribution to the remaining Class I Creditors;

4. An Order authorizing the Liquidator to effect a ninth and final distribution of approximately 1.6 cents on the dollar to the Class I Creditors on account of their Class I Distribution Claims (the "Final Distribution");

5. An Order that any funds in the Liquidator's account in respect of stale dated uncashed dividend cheques from the Final Distribution shall be paid by the Liquidator to the Public Trustee in accordance with section 234(1) of the *Business Corporations Act* (Ontario) (the "OBCA");

6. An Order authorizing the Liquidator to destroy the books and records of Eaton's and Distributionco in the Liquidator's possession on July 17, 2009 or such other date or dates as may be agreed to between the Liquidator and the Canada Revenue Agency or any other relevant taxing authority;

7. An Order approving the activities of the Liquidator as set out in the Liquidator's Report dated July 2, 2008 (the "Liquidator's Report");

8. An Order discharging the Liquidator effective on the date on which the Liquidator files a certificate with this Honourable Court confirming that the Liquidator has completed the administration of the wind-up of Distributionco (the "Discharge Date");

9. An Order approving the fees and disbursements of the Liquidator and the fees and disbursements of the Liquidator's legal counsel, Fasken Martineau DuMoulin LLP (formerly Fasken Campbell Godfrey) ("Fasken") and McMillan LLP (formerly Mendelsohn Rosentzveig Shacter, Mendelsohn and McMillan Binch Mendelsohn LLP) ("McMillan") from August 20, 1999 to May 31, 2008 in the amounts set out in the Report;

10. An Order approving the fees and disbursements of Koskie Minsky LLP ("KM"), in its capacity as representative counsel for the former employees and retirees of Eaton's from August 27, 1999 to May 31, 2008 in the amounts set out in the Report;

11. An Order authorizing the Liquidator to establish a reserve in the amount of \$900,000 to pay the fees, disbursements and applicable taxes incurred by the Liquidator, Fasken, McMillan and KM until the Discharge Date (the "Reserve") and that any funds remaining in the Reserve following the Discharge Date shall be transferred to Richter as a bonus; and

12. Such further and other directions or relief as the Court may determine is appropriate.

THE GROUNDS FOR THE MOTION ARE:

1. On December 31, 1999, the transactions contemplated by the Eaton's CCAA Plan closed (the "Plan Implementation Date"). On the Plan Implementation Date, Richter was appointed as Liquidator of Distributionco pursuant to the Orders of Honourable Court dated November 23, 1999 sanctioning the Plan pursuant to the provisions of the *Companies' Creditors Arrangement Act* and the Arrangement pursuant to the provisions of the OBCA (the "Sanction Orders").

2. The Liquidator has completed its realization of the remaining assets of Distributionco and has sufficient funds on hand to pay a ninth and final distribution of approximately 1.6 cents on the dollar to the remaining Class I Creditors on account of their Class I Distribution Claims. As a result, the total recovery for these Class I Creditors will be approximately 54 cents on the dollar.

3. To complete the administration and winding-up of Distributionco, the Liquidator and Fasken will need to, among other things, (i) complete the Final Distribution; (ii) file a final tax return for the year ended December 31, 2008; (iii) file articles of dissolution in respect of the former inactive subsidiaries of Eaton's which were transferred to Distributionco on the Plan Implementation Date; and (iv) file articles of dissolution in respect of Distributionco. KM will be responsible for dealing with the inquiries from the thousands of former Eaton's employees which will inevitably arise as a result of the payment of the Final Distribution and the pending discharges of the

Liquidator and of KM as employee representative counsel. The Liquidator anticipates that it will take approximately eight months to complete the administration of the wind-up of Distributionco.

4. The Sanction Orders.
5. The Eaton's CCAA Plan.
6. Such further and other grounds as counsel may advise.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

1. The Liquidator's Report;
2. The Affidavit of Gus Tertigas sworn July 2, 2008;
3. The Affidavit of Eric Rodier sworn July 2, 2008;
4. The Affidavit of Edmond Lamek sworn June 27, 2008;
5. The Affidavit of Alfred Esterbauer sworn July 2, 2008; and

6. Such further and other materials as counsel may advise and this Honourable Court may permit.

July 3, 2008

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Solicitors to RSM Richter Inc., in its capacity
as Liquidator of Distributionco Inc.

**TO THOSE PARTIES ON THE SERVICE
LIST WHO HAVE REQUESTED A COPY**

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, R.S.O. 1990, c. B-16, s. 182, AS AMENDED

AND IN THE MATTER OF AN APPLICATION BY THE T. EATON COMPANY LIMITED RELATING TO A PROPOSED ARRANGEMENT INVOLVING THE T. EATON COMPANY LIMITED AND ITS SECURITYHOLDERS AND 1381052 ONTARIO INC.

Applicants

Court File No. 99-CL-3514

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

Proceeding commenced at TORONTO

**NOTICE OF MOTION
(Returnable July 17, 2008)**

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**FINAL REPORT OF RSM RICHTER INC.,
IN ITS CAPACITY AS LIQUIDATOR OF DISTRIBUTIONCO INC.**

July 2, 2008

1. In connection with the restructuring of The T. Eaton Company Limited ("Eaton's") and the acquisition of Eaton's by Sears Canada Inc. ("Sears"), Distributionco Inc. (formerly 1381052 Ontario Inc.) ("Distributionco") was incorporated to implement certain transactions involved in the restructuring and sale, and RSM Richter Inc. (formerly Richter & Partners Inc.) ("Richter") was appointed as liquidator (the "Liquidator").

2. The Liquidator's administration of the liquidation of Distributionco is almost complete. The Liquidator now seeks, among other things, an Order:

- (a) Authorizing the Liquidator to effect a ninth and final distribution, of approximately 1.6 cents on the dollar, to the Class I Creditors on account of their Class I Distribution Claims;
- (b) Authorizing and directing the Liquidator to remit any unclaimed dividends from the final distribution to the Public Trustee;
- (c) Authorizing the Liquidator to destroy the books and records of Distributionco in accordance with the schedule contemplated herein;
- (d) Approving the activities of the Liquidator as set out herein;
- (e) Discharging the Liquidator effective on the date on which the Liquidator files a certificate with this Honourable Court confirming that the Liquidator has completed the administration of the liquidation of Distributionco (the "Discharge Date");
- (f) Approving the fees and disbursements of Richter and the fees and disbursements of the Richter's legal counsel, Fasken Martineau DuMoulin LLP (formerly Fasken Campbell Godfrey) ("Fasken") and McMillan LLP (formerly Mendelsohn Rosentzweig Shacter, Mendelsohn and McMillan Binch Mendelsohn LLP) ("McMillan"), from August 20, 1999 to the Discharge Date; and
- (g) Approving the fees and disbursements of Koskie Minsky LLP ("KM"), in its capacity as representative counsel for the former employees and retirees of Eaton's, from August 27, 1999 to the date of KM's discharge as representative counsel.

3. Unless otherwise defined herein, capitalized terms in this Report have the meanings ascribed to them in the Final Plan (as defined herein). A copy of the Final Plan is attached hereto as Appendix "A".

A. HISTORY OF THE PROCEEDINGS

I. August 1999 to December 31, 1999

(a) Eaton's Notice of Intention and the Agency Agreement

4. Richter first met with representatives from Eaton's and Eaton's solicitors, Osler Hoskin & Harcourt ("Oslers"), during the week of August 16, 1999 to discuss Eaton's financial circumstances and to review an agency agreement dated July 29, 1999 (the "Agency Agreement") wherein Eaton's appointed Gordon Brothers Retail Partners LLC, Schottenstein/Bernstein Capital Group, LLC, Hilco Trading Co., Inc. and Garcel Inc. (collectively the "Agent") as Eaton's exclusive agent for the liquidation of Eaton's inventory. The Agency Agreement had been entered into by Eaton's in anticipation of a transaction involving the sale of a number of Eaton's stores to a prospective purchaser. When that transaction did not materialize, given Eaton's dire financial situation, it became evident that a formal restructuring would be required. As such, substantial amendments were made to the Agency Agreement by an amending agreement dated as of August 20, 1999 (the "Amending Agreement"). The Amending Agreement included the following:

- (a) It identified Richter as the proposed Interim Receiver of Eaton's as a party, subject to court approval;

- (b) It accelerated the timing for the commencement of the liquidation from November 1999 to August 1999; and
- (c) It reduced the Agent's share of the liquidation proceeds by approximately \$10 million.

5. As a result of pre-judgment enforcement steps taken by certain creditors of Eaton's in the Province of Quebec, on August 20, 1999 Eaton's filed a Notice of Intention to Make a Proposal (the "NOI") under the *Bankruptcy and Insolvency Act* (the "BIA") naming Richter as proposal trustee (the "Proposal Trustee"). In its capacity as Proposal Trustee, Richter was responsible for compiling the creditor lists and preparing the statutory BIA mailings. In addition, the Proposal Trustee reviewed and commented on Eaton's pro-forma cash flow for the ninety-day period commencing August 20, 1999 and ending November 20, 1999.

6. At the time of Richter's appointment as Proposal Trustee, Eaton's operated 64 retail stores across Canada. Eaton's had 4,000 full-time employees and 9,500 part-time employees and maintained a warehouse/distribution centre as well as a corporate head office in Toronto, Ontario.

(b) *Appointment as Interim Receiver and Responsibilities*

7. On August 23, 1999, on Eaton's application, Richter was appointed as interim receiver (the "Interim Receiver") of certain property of Eaton's by Order of this Honourable Court (the "Appointment Order"). The Appointment Order provided, *inter alia*, that the Interim Receiver was to control Eaton's receipts and disbursements but was not to otherwise interfere with the business of Eaton's except to the extent required for

the Interim Receiver to perform its duties under the Appointment Order and the Agency Agreement.

8. As Interim Receiver, Richter's primary focus was on familiarizing itself with Eaton's retail operations in the context of the Agency Agreement and establishing procedures relating to the bank accounts, including monitoring and reconciling the cash receipts from each of the 64 stores on a daily basis and controlling Eaton's disbursements. In particular, the Interim Receiver:

- (a) established procedures to reconcile Eaton's cash receipts on a daily basis;
- (b) directed Eaton's to close its non-essential bank accounts;
- (c) added itself as a signatory on the disbursement accounts that Eaton's continued to use;
- (d) controlled Eaton's receipts and disbursements and established the necessary banking procedures to comply with the Agency Agreement and the Appointment Order;
- (e) implemented procedures for reconciling and monitoring the proceeds generated from the sale of the inventory by the Agent, which amounted to approximately \$500 million, as well as related expenses of approximately \$195 million;
- (f) monitored and worked with the Agent in conducting a chain-wide inventory count process, including the valuation and reconciliation of the post-August 23, 1999 sales, as contemplated by the Agency Agreement;

- (g) together with representatives of Eaton's, worked out the complex profit-sharing arrangements under the Agency Agreement;
- (h) implemented procedures for monitoring the acquisition of augmentation merchandise in the approximate amount of \$27 million by Eaton's in accordance with an Order of the Honourable Mr. Justice Farley dated August 29, 1999;
- (i) worked with Eaton's to renew certain insurance policies that were to expire on August 31, 1999 and had the Interim Receiver added as an additional insured on Eaton's insurance policies;
- (j) dealt with inquiries from Eaton's concessionaires, licensees and consignors as to their status and protections in the proceedings;
- (k) negotiated, together with Fasken, agreements for the continuation of essential services and utilities, including hydro, natural gas, security, telephone, cleaning, credit card and payroll processing services, to Eaton's stores and head office following the filing of the NOI, including issuing guarantees to secure the supply of goods and services;
- (l) negotiated an agreement with IBM Canada Limited ("IBM") with respect to payments for information technology services rendered following the filing of the NOI and preserving the ability of IBM to terminate its existing agreements with Eaton's;
- (m) together with Fasken, negotiated arrangements with Norwest Financial Capital Canada, Inc. ("Norwest") and National Retail Credit Services

Company (“NRCS”) for the continued use of the Eaton’s credit card and the settling of accounts generated thereby; and

- (n) dealt with requests from approximately 40 suppliers who had entered into arrangements to provide Eaton’s with display shelving and related display items and wanted such items returned on the basis that they were the property of the suppliers, not Eaton’s, and resolved disputes between such suppliers and the Agent.

9. In accordance with the directions of this Honourable Court, the Interim Receiver reviewed and analyzed 67 Demands for Repossession of Goods made by suppliers pursuant to section 81.1 of the BIA, totalling \$13.5 million. In addition, a further 28 Demands for Repossession of Goods were made, totalling \$2.9 million, which had major technical deficiencies. Due to the complexity involved in identifying what thirty-day goods remained in the stores on a given day, the Interim Receiver developed the following procedures: (i) inventory had to be classified in various categories in accordance with the Agency Agreement and a new category was established for potential thirty-day goods; (ii) a comprehensive list of the unpaid invoices from the current accounts payable listing and information provided by Eaton’s relating to the receipt of goods immediately preceding the date of the NOI was created; and (iii) the inventory identified in the unpaid inventory was reconciled with the quantities determined by the physical inventory count.

10. On September 19, 1999, Eaton’s and Sears entered into an agreement (the “Sears Agreement”) for the purchase of the Eaton’s shares by Sears for up to \$60 million

to be allocated to the creditors (\$40 million) and the shareholders (up to \$20 million) plus an additional \$10 million in inventory purchases and miscellaneous adjustments. It was a condition of the Sears Agreement that Eaton's restructure its operations under the CCAA and the *Business Corporations Act* (Ontario) (the "OBCA"). The Sears Agreement contemplated that Eaton's would transfer all assets and liabilities (as compromised under the CCAA) which Sears did not wish to remain in Eaton's to a newly incorporated company that would be wound up and dissolved in accordance with the OBCA. Eaton's under Sears' ownership was to retain between 8 and 13 of the Eaton's stores, including the furniture, fixtures and equipment at those stores, certain intellectual property and the tax losses associated with Eaton's operations. As such, the Sears Agreement required the shut down of more than 50 Eaton's stores across Canada.

11. The Sears Agreement also contemplated that Sears would facilitate the continuance of the operations of certain Eaton's stores (the "Continuing Stores") commencing October 3, 1999 until the closing of the sale on December 31, 1999. An operating agreement (the "Operating Agreement") setting out the terms under which these operations would continue was negotiated between Sears and the Interim Receiver, with the assistance of Fasken.

12. Under the Operating Agreement, Sears provided financial assistance to Eaton's to enable Eaton's to pay the operating expenses incurred in respect of the Continuing Stores. Sears advanced funds to cover the cost of merchandise already on order and further orders which were required to augment the inventory in the Continuing Stores. The Agent was required to cease sales of merchandise situated in the Continuing

Stores as of the close of business on October 3, 1999. This resulted in Eaton's, Sears, the Interim Receiver and the Agent entering into a transition agreement that provided for payment to the Agent of the agreed upon value of the merchandise at the Continuing Stores as of the transition date.

(c) *Appointment as Monitor and Responsibilities*

13. By Order of this Honourable Court dated September 28, 1999 (the "Initial Order"), Eaton's was authorized to submit a plan of compromise and arrangement (the "Plan") to its creditors pursuant to the CCAA and Richter was appointed as monitor of Eaton's (the "Monitor"). At this time, Richter's appointment as Proposal Trustee was terminated. Eaton's also commenced concurrent proceedings under section 182 of the OBCA (the "Arrangement") to restructure the rights of its shareholders. The Plan and the Arrangement are referred to collectively as the "Plan".

14. In its role as Monitor, Richter took certain actions in accordance with the provisions of the CCAA and the Initial Order, including the following:

- (a) it determined the most appropriate manner in which to provide information to the approximately 5,000 creditors about the business affairs and activities of Eaton's and about the Plan;
- (b) it formed an advisory creditors' committee, solicited and received the views of creditors and, for that purpose, the Monitor, in co-operation with Eaton's, convened information meetings of all creditors in Toronto and Montreal;

- (c) together with Fasken and Oslers, it assisted Eaton's with the formulation of the Plan and claims procedure process, the disposition of its assets not being acquired by Sears, the settlement of creditor claim amounts and the preparation and submission of the Plan;
- (d) it analysed and examined Eaton's property, books, records, electronic data and other financial documents to the extent necessary to adequately assess and comment on Eaton's financial affairs; and
- (e) it reported to the court and to creditors on the state of Eaton's business and financial affairs and on matters relating to the Plan, including the proposed Sears transaction.

15. As Monitor, Richter assisted Eaton's in carrying out the Claims Procedure for voting and distribution purposes. The Monitor also compiled and updated the lists of the creditors and their claims, prepared a brief report to the creditors, printed the initial mailing, had McMillan translate all of the Claims Procedure documents into French and assisted Eaton's with the establishment of the quantum of numerous creditors' voting claims.

16. On October 8, 1999, Eaton's filed the Plan. In accordance with the Monitor's duties under the Initial Order, the Order of this Honourable Court dated October 4, 1999 and the Claims Procedure, the Monitor effected the mailing of (i) Notices of Voting Claim to approximately 2,000 Known Creditors with claims in excess of \$500; (ii) a simplified package of materials to all trade creditors (approximately 540) and consumer creditors (approximately 2,800) with claims of less than \$500; and (iii) the

Information Circular (including the Monitor's Distribution Analysis) to approximately 2,200 Creditors with claims in excess of \$500. The Monitor mailed, on a continuing basis, these packages to persons who contacted the Monitor and whose claims were not identified in Eaton's books and records.

17. The Monitor's Distribution Analysis included in the Plan can be summarized as follows:

	<u>Anticipated Plan Outcome</u>	<u>Bankruptcy</u>
Estimated Asset Recoveries	\$151,400,000	\$111,400,000
Less Secured Claims	\$20,900,000	\$19,900,000
Available for Unsecured Creditors	\$130,500,000	\$91,500,000
<u>Projected Allocation</u>		
Class I Creditors	\$98,500,000	\$87,400,000
	50.3%	43.8%
Class II Creditors	\$12,000,000	\$4,100,000
Shareholders	\$20,000,000	\$0

18. Richter in its capacity as Claims Administrator (and earlier in its capacity as Interim Receiver) maintained a dedicated telephone inquiry line in respect of the Eaton's insolvency proceedings. Between August 23 and October 25, 1999, Richter received and responded to approximately 10,000 consumer inquiries, 2,000 trade creditor inquiries and 3,000 employee and retiree inquiries.

19. In advance of the November 19, 1999 creditors' meetings, the Monitor worked with representatives of Eaton's in reviewing the Proofs of Claim, simplified Proofs of Claim and Notices of Dispute for Valuation for Voting Purposes submitted to

the Monitor in its capacity as Claims Administrator. The Monitor delivered approximately 300 Notices of Revision or Disallowance of Claim for Voting Purposes to creditors who submitted the above-noted documentation.

20. On October 27, 1999, the Monitor met with several of Eaton's major creditors and other groups of creditors to solicit the creditors' views about the Plan and to address any concerns that they may have with a view to achieving consensus regarding the Plan in advance of the Meetings of Creditors and Shareholders on November 19, 1999.

21. On November 5, 1999, Eaton's filed an amended and restated Plan (the "Amended Plan") with the Court. The Amended Plan was mailed to creditors and shareholders on November 9, 1999. On November 19, 1999, Eaton's filed a further amended plan (the "Further Amended Plan") with the Court. The Further Amended Plan was distributed to creditors and shareholders attending the Meetings of Creditors and Shareholders on November 19, 1999. Immediately prior to the meetings, Eaton's amended the Further Amended Plan (the "Final Plan").

22. On November 19, 1999, the Monitor chaired meetings for the Class I Creditors (unsecured creditors), the Class II Creditors (landlords) and Eaton's shareholders. These meetings included a presentation of the critical events that had occurred leading up to and since the filing of the NOI on August 20, 1999 up to and including the presentation of the Final Plan to the Creditors on November 19, 1999. A question and answer period then took place, followed by a vote to determine whether the Final Plan would be approved. In all cases, the Final Plan was approved by a majority in

number and two-thirds in value of the Creditors and by the requisite majority of the shareholders voting in person or by proxy at the meeting of shareholders constituted under the OBCA.

23. On November 23, 1999, pursuant to the provisions of the CCAA and the OBCA, the Final Plan was sanctioned by this Honourable Court (the “Sanction Orders”). The Sanction Orders provided that upon the plan implementation date, Richter would be discharged as the Monitor and Interim Receiver and appointed as the Liquidator of Distributionco and the Claims Administrator under the Final Plan. The transactions contemplated by the Final Plan closed on December 31, 1999 (the “Plan Implementation Date”).

II. January 1, 2000 to December 31, 2006

(a) Post-Closing Plan Implementation Date Activities & Disputes

24. Immediately following the Plan Implementation Date, there were a large number of post-closing transitional steps that had to be taken regarding the assets of Eaton’s that were transferred to Distributionco. Distributionco also received Eaton’s interest in a number of tax appeals under dispute, many of which involved Cadillac Fairview Corporation Limited (“Cadillac Fairview”) as Eaton’s former co-venturer in certain real estate ventures. Distributionco also took over Eaton’s shareholdings in a number of subsidiary corporations in various degrees of operation.

25. Because Eaton’s had been operating in five retail locations pursuant to the Operating Agreement until December 31, 1999, there were a large number of operational transitional issues that had to be dealt with between Sears and Distributionco over the

months following the Plan Implementation Date such as reconciling the operating expenses incurred in respect of the Continuing Stores, reconciling funds advanced by Sears to acquire merchandise for the Continuing Stores and assisting in the valuation and payment for the merchandise which remained in the Continuing Stores when Sears took over the Continuing Stores from the Agent.

(b) Claims Administration – Generally

26. As Claims Administrator under the Final Plan, Richter dealt with numerous creditor inquiries leading up to the Claims Bar Date of February 15, 2000 and administered the Claims Procedure with the assistance of certain former Eaton's employees retained on contract by Distributionco.

27. As of February 15, 2000, approximately 2,864 Class I Claims had been filed with the Liquidator, including the Employee Omnibus Claim filed on behalf of approximately 30,000 former employees and retirees. The Class I Claims were in the aggregate amount of approximately \$393 million. Included in the claims filed with the Liquidator were approximately 832 claimants that filed either Proofs of Claim or Dispute Notices with the Liquidator, advancing Claim amounts in excess of the liabilities reflected in Eaton's books and records. The aggregate difference between the amounts claimed and the amounts shown on Eaton's books was \$254 million.

28. In accordance with the Claims Procedure between February 15 and 29, the Liquidator and Fasken attempted to resolve as many claims as possible. However, claims that were not resolved by February 29, 2000 were referred to one of several claims officers for determination. Due to the large number of Claims that were disputed, the

Liquidator was required to bring two motions to amend the Claims Procedure. By Order made February 24, 2000, the date by which the Liquidator was required to accept or dispute claims and to refer unresolved claims to claims officers was extended from February 29, 2000 to March 31, 2000. In that same order, the date by which claims officers were required to determine disputed or unresolved claims was extended from March 31, 2000 to May 31, 2000. This latter deadline was further extended to July 14, 2000 by court order made June 1, 2000.

29. In total, 2,280 claims were either undisputed or resolved by the Liquidator without resort to claims officers. Approximately 30 claims were referred to claims officers for resolution and approximately 580 claims were withdrawn by the claimants. The aggregate amount claimed by the Class I Creditors was \$393 million. The aggregate amount of the claims ultimately allowed by the Liquidator was \$228 million.

(c) Resolution of Disputed Claims

30. The following is a brief summary of the resolutions reached by the Claims Administrator, with the assistance of Faskens, in respect of certain larger disputed claims that were filed by Class I Creditors.

31. 174616 Canada Inc., c.o.b. as "Furs by Vincenzo" ("Furs") - Furs was Eaton's licensee for selling fur coats from boutiques in certain Eaton's locations. Furs submitted a Proof of Claim in the amount of \$2,449,392 in respect of the termination of a licence agreement by Eaton's. The claim related to the interpretation of the termination clause in the licence agreement and, in particular, whether it allowed Eaton's to cancel the licence on 180 days' notice. On August 21, 2000, the claims officer ruled in favour

of the Liquidator's interpretation of the termination clause and limited Furs' damages claim to a 180-day period. On August 25, 2000, Furs appealed the claims officer's ruling. The appeal was dismissed on September 19, 2000. The Liquidator ultimately admitted a claim by Furs in the amount of \$300,000.

32. *A F Carpet Service* ("*AF Carpet*") - AF Carpet was Eaton's subcontractor that provided carpet cleaning services to Eaton's charge card customer base. AF Carpet's role was not continued with Sears, which had its own in-house carpet cleaning service. AF Carpet filed a Dispute Notice for \$4,124,000 in respect of the alleged repudiation of the agreement between Eaton's and AF Carpet. The claim was comprised of approximately \$2.6 million (revised to \$2.2 million) for damages over the 26-month period remaining in the initial term of the agreement and approximately \$1.4 million for damages for the renewal period of 18 months. On July 5, 2000, the claims officer found that AF Carpet was entitled to damages for the 26 months remaining under the agreement but was not entitled to damages for the renewal period. The claims officer directed that damages should be calculated based on AF Carpet's historic profits. The Liquidator appealed the claims officer's decision on the issue of the methodology for calculating damages. Before the appeal was heard, the Liquidator and AF reached a settlement whereby the Liquidator admitted the claim by AF for \$1.5 million.

33. *E.A. Salons Inc.* ("*EA Salons*") - EA Salons operated beauty salons as a licensee of Eaton's from boutiques located in certain Eaton's stores. This arrangement was not continued with Sears. EA Salons advanced a claim in the amount of \$6,835,395 in respect of Eaton's breach of the licence agreement entered into with EA Salons. The

Liquidator and EA Salons both engaged independent valuers and ultimately agreed that the claim would be admitted in the amount of \$3,500,000. This was approved on July 13, 2000 at a hearing before a claims officer.

34. Directors' Claim - The directors' claim was submitted on behalf of 15 directors. There were two aspects to the directors' claim, including: (i) an indemnity claim for \$12,350,451 with respect to a 1997 action commenced by Iberville Developments Limited ("Iberville"); and (ii) pension and health care claims for \$7 million which were grossed up to \$14 million to account for the negative tax implications of paying the dividend in a lump sum as opposed to over time. The indemnity claim was withdrawn as it was released as part of Plan Implementation. The pension portion of the claim was admitted for 75% of the amount claimed by each individual director, resulting in a total claim of \$9.9 million.

35. IBM Canada Ltd. - IBM provided technology outsourcing and support for Eaton's. The arrangement was not continued with Sears. The Liquidator sent IBM a Notice of Distribution Claim in the amount of \$2,351,545. IBM submitted a Dispute Notice for \$8,563,117 for damages for breach of contract. The Liquidator admitted the claim in the approximate amount of \$7.5 million. The Liquidator was also involved in negotiations with IBM for approximately three months to finalize the terms under which IBM would continue to provide technology services while the claim was being reviewed.

36. Viking Rideau Corporation ("VR") – VR filed a claim with the Liquidator for \$20,604,820 relating to a negotiated settlement with Sears in respect of a rent reduction and tenant's inducements that took effect after the Plan Implementation Date.

VR was not owed anything at the time of Eaton's filing. The claims officer ruled against VR's claim. VR appealed the Claims Officer's decision and the appeal by VR was dismissed.

37. Other Landlord Class I Claims – There were a number of claims advanced by landlords, including the landlords of West Edmonton Mall, Bower Place, Genra Londonderry and Atlantic Shopping Centres, in the approximate amount of \$15 million for damages arising out of the repudiation of Eaton's leases. Following negotiations with these parties, the Liquidator ultimately admitted all of these landlord claims for approximately \$3.0 million in aggregate.

38. National Retail Credit Services - NRCS asserted three claims under the Claims Procedure, including (a) an unsecured claim for damages in the amount of \$35.8 million for the repudiation by Eaton's of a card license and services agreement; (b) an unsecured deficiency claim in the maximum amount of \$10 million in the event of a deficiency in the secured portion of the Warranty Claim (as defined below); and (c) a secured claim in the amount of \$41.5 million together with interest thereon pursuant to a purchase agreement between Eaton's and Norwest (the "Warranty Claim"). On May 20, 2000, the Liquidator and NRCS entered into a settlement agreement with respect to the claims asserted by NRCS. In accordance with the terms of the settlement agreement, the Liquidator agreed to pay NRCS the sum of \$7,125,000 in full satisfaction of the unsecured claims by NRCS. This amount was in addition to the payment of \$21.25 million that the Liquidator made in respect of the undisputed portion of NRCS's secured

Warranty Claim. On July 27, 2000, the settlement between the Liquidator and NRCS was approved by this Honourable Court.

39. Omnibus Employee Claim - The Omnibus Employee Claim contained 20 components and totalled \$162,282,103. It was filed on behalf of approximately 30,000 former employees and retirees. The Omnibus Employee Claim raised a number of novel issues, the most notable of which were: (i) the retiree discount claim; (ii) the tax gross-up claim and (iii) the entitlement to health benefits, career counselling, long term disability and unfunded pension benefits. Following extensive negotiations over more than two years between the Liquidator, Fasken and KM, as representative counsel to the parties to the Omnibus Employee Claim and appearances before the claims officer and this Honourable Court, the claim was admitted by the Liquidator in the approximate amount of \$120,000,000. Since 2000, the Liquidator has received tens of thousands of inquiries per year from former employees and retirees in respect of the Employee Omnibus Claim. In addition, the Liquidator has had to deal with the transfer of claims to estates of deceased former employees, respond to inquiries regarding the tax consequences of the dividends and provide information to former employees and various government agencies, including HRDC, regarding the status of claims and future realizations.

40. Supplier Damages Claims - Thirteen inventory suppliers submitted damages claims based on purchase orders and “worksheets” in an aggregate amount of approximately \$13,577,282.19 (this does not include the claims submitted by Modes Alto-Regal operating as Ralph Lauren/Polo (“Polo”) and Jones Apparel Group Canada Inc. (“Jones”) that are discussed in paragraph 45 below). The purchase order claims

related to damages allegedly suffered when Eaton's delivered a purchase order for the supply of merchandise but the goods were never shipped to Eaton's because of its insolvency. The worksheet claims related to goods that were manufactured pursuant to worksheets delivered to Eaton's but in respect of which Eaton's did not deliver a purchase order to the supplier. The Liquidator admitted a number of the claims based on purchase orders but on a discounted basis to reflect, *inter alia*, the obligation of the supplier to mitigate their damages and the uncertainty about the existence and terms of the alleged purchase order contract with Eaton's. The Liquidator disallowed all of the claims based on worksheets on the basis that there was no contract with Eaton's, there was ample time for the supplier to fully mitigate any losses and no damages were proven. In total, the Liquidator admitted the supplier damages claims in the amount of \$9,968,314.

41. Thomas Cook Group Canada Ltd. ("*Thomas Cook*") – Thomas Cook operated the Eaton's travel agency under a license agreement. The agreement was not continued with Sears. The claim by Thomas Cook was for \$6,880,567 in respect of damages for breach of contract. There were approximately 15 components to the claim. The main issue in the claim involved the interpretation of the definition of "closing costs" in certain contracts. Thomas Cook took the position that "closing costs" included all lost future profits. The Liquidator took the position that Thomas Cook's contract had expired (or was close to expiring) and it did not have entitlement to the amount claimed. On October 5, 2000, the parties appeared before a claims officer who determined that Thomas Cook was entitled to submit a claim and ordered the parties to negotiate a

settlement based on that entitlement. The Liquidator settled this matter, by admitting a claim in the amount of \$2,017,055.

42. Towers Perrin Inc. ("Towers Perrin") - Towers Perrin submitted a contingent unsecured claim in the amount of \$2.07 million based on a potential shortfall in the Eaton's pension plan. As of December 2001, it became clear that the likelihood of any claim being advanced against Towers Perrin in respect of a shortfall in the Eaton's pension plan was negligible. Despite this, Towers Perrin would not withdraw its claim against Eaton's. On February 14, 2003, the Liquidator sought and obtained approval from this Honourable Court to have the Towers Perrin claim valued at \$0.

43. Treasurer of Ontario - The Liquidator issued a Notice of Distribution Claim to the Treasurer of Ontario in the amount of \$3,539,326 in respect of unpaid provincial sales tax. The Treasurer of Ontario filed a Dispute Notice for \$7,251,377. The Liquidator admitted the claim in the amount of \$5,736,301.

(d) Motions to Lift the Claims Bar Date

44. The Liquidator dealt with motions by Comdisco Canada Ltd., CTV Television Inc., GE Capital Canada Leasing Services Inc., Polo and Jones to lift the Claims Bar Date. As a result of these motions, the Liquidator admitted additional claims in the approximate amount of \$1.3 million (not including the claims by Polo and Jones).

45. In May of 2000, both Polo and Jones filed motions to lift the Claims Bar Date to allow them to assert additional claims for (i) "business losses" for purchase order claims in the amount of \$1,310,069 and \$3,086,401, respectively, and (ii) worksheet

claims in the amount of \$1,442,226 and \$4,226,677, respectively. Polo and Jones did not include these claims in their Dispute Notices because Polo alleged that they had been advised that the Claims Administrator was not accepting claims for “business losses.” On July 4, 2002, the Polo motion was heard and Polo was given time to file a Further and Amended Dispute Notice. The Liquidator admitted Polo’s additional claim for \$2,000,000. On March 16, 2004, the Jones motion was heard and Jones was given time to file a Further and Amended Dispute Notice. The Liquidator admitted Jones’ additional claim for \$1,900,000.

(e) *Real Property Realizations*

Hamilton Eaton Centre

46. Eaton’s owned the Hamilton Eaton Centre (“HEC”), which it leased to a wholly-owned subsidiary, HEC Leaseholds Limited (“Leaseholds”). On the Plan Implementation Date, Eaton’s interest in HEC and Leaseholds was acquired by Distributionco. On February 17, 2000, the Liquidator entered into an agreement of purchase and sale with Rosten Investments Ltd. (“Rosten”) for HEC and Distributionco’s shares of Leaseholds for \$3,500,000. The Liquidator also agreed to the sale of certain fixtures and related equipment to Rosten for \$100,000.

47. On May 4, 2000, the Liquidator brought a motion and obtained approval of the sale of HEC and Distributionco’s shares of Leaseholds to Rosten. The sale closed in escrow on June 7, 2000 with the conveyance registered on June 8, 2000. The total sale proceeds after adjustments were approximately \$3.2 million.

48. In April 2001, the Liquidator commenced an appeal of the realty tax assessments in respect of HEC for the 1998 to 2000 tax years. The appeal was based on the actual market price of the HEC property, as established by the sale in 2000, versus the market price assigned to the property by the Ontario Property Assessment Corporation. The expected recoveries ranged from \$400,000 to \$700,000. The Liquidator settled the appeal for approximately \$1.0 million.

Cornwall Centre Shopping Mall and Cornwall Centre Limited

49. Distributionco had a 50% undivided interest in the Cornwall Centre Shopping Mall (the "Mall") and a 50% shareholding in Cornwall Centre Limited (the "Shareholdings"). Cadillac Fairview held the other 50% interest in the Mall and the Shareholdings and had a right of first refusal with respect to any proposed sales thereof.

50. The Liquidator had originally been close to entering into an agreement of purchase and sale with ENA Realty Group Limited for a purchase price of \$23.5 million, however, a significantly better offer of \$26 million was received from RioCan Real Acquisitions Inc., as agent for RioCan Real Estate Investment Trust ("RioCan"). On September 22, 2000, the Liquidator and RioCan entered into an agreement of purchase and sale that remained conditional for a 60-day period.

51. On October 31, 2000, the Liquidator brought a motion and obtained approval for the sale to RioCan or to Cadillac Fairview, in the event that Cadillac Fairview exercised its right of first refusal on the purchase of the 50% interest in the Mall and the Shareholdings. The motion was opposed by Cadillac Fairview on the basis that the court ought not to approve the agreement with RioCan until its various conditions had

been waived. On November 17, 2000, Cadillac Fairview exercised its right of first refusal and, as a result, the Liquidator had to pay a \$250,000 break fee to RioCan.

52. Prior to the closing of the transaction, the Liquidator prepared a motion for advice and direction with respect to the appropriateness of a proposed capital expenditure that Cadillac Fairview included on the statement of adjustments for possible future equipment to be installed in the mall parking lot. This issue was settled without the necessity of proceeding with the motion. As a result, the sale closed on February 22, 2001 and generated gross proceeds of approximately \$27 million. After the payment of inducements and the repayment of the amounts owing under the first and second mortgage, the sale produced net realizations of approximately \$6.0 million to Distributionco.

Guildford Shopping Centre Lands

53. Distributionco had a fee simple interest in the former Eaton's department store and related vacant land that formed part of the Guildford Shopping Centre in Surrey, British Columbia (the "Guildford Lands"). Eaton's had subleased a portion of the vacant land to Chevron Canada Limited under a sub-sublease made at the time that Eaton's held a sublease of the Guildford Lands. The sublease was repudiated on the Plan Implementation Date. On August 18, 2000, the Liquidator entered into an agreement of purchase and sale for the Guildford Lands with Cambridge Shopping Centre Limited ("Cambridge") for a purchase price of \$750,000. The sale closed on September 22, 2000 and generated net proceeds of approximately \$710,000.

Lachenaie, Quebec

54. Distributionco had an undivided 1/3 fee simple interest in 107 acres of vacant land located in Lachenaie, Quebec (the "Lachenaie Lands"). On October 10, 2000, the Liquidator entered into an agreement of purchase and sale with 168814 Canada Inc., a subsidiary of Westcliff, for a purchase price of \$465,930 (based on a price of 30¢ per square foot). The sale closed on November 8, 2000 and produced net proceeds of approximately \$420,000. On closing, the co-owner of the Lachenaie Lands delivered a release to Distributionco in respect of its obligations under the co-ownership agreement that Eaton's had entered into in November 1992.

Toronto Warehouse Lands

55. Eaton's owned two industrial buildings comprising 1,200,000 square feet on approximately 82 acres of land located at 2233 Sheppard Avenue West, Toronto (the "Toronto Warehouse Lands"). A portion of the Toronto Warehouse Lands was leased to Sears by Distributionco on January 13, 2000 (the "Sears Lease"). NRCS had a first mortgage on the Toronto Warehouse Lands in the approximate principal amount of \$18 million.

56. On August 31, 1999, Eaton's entered into an agreement of purchase and sale with 1368622 Ontario Inc. (now Talisker (Sheppard & 400) GP Inc.) ("Talisker") for a purchase price of \$19,750,000. On December 9, 1999, Eaton's applied for and obtained court approval for the sale of the Toronto Warehouse Lands to Talisker. On December 30, 1999, Eaton's assigned its interest in the Toronto Warehouse Lands and in the agreement of purchase and sale to Distributionco. On March 31, 2000, the sale of the

Toronto Warehouse Lands to Talisker was completed. The Sears Lease was assumed by Talisker on closing. The sale resulted in net proceeds of \$18,729,993. Of these funds, \$18,084,681 was paid to NRCS in respect of its first mortgage and the settlement referred to in paragraph 38 above.

Winnipeg Warehouse – Mortgage Receivable

57. On October 13, 2000, a refinancing of a vendor take back mortgage from the sale of Eaton’s Winnipeg warehouse was completed. As a result, the Liquidator received \$9,979,357, which represented the full principal and interest owing as of the closing date.

Scarborough Mortgage Receivable

58. On September 5, 2000, a refinancing of a vendor take back mortgage from the sale of vacant land in Scarborough was completed. As a result, the Liquidator received \$755,187, which represented the full principal and interest owing as of the closing date.

Edmonton Warehouse Lease

59. Eaton’s had a leasehold interest in the property located at 13410 St. Albert Trail, Edmonton, Alberta (the “Edmonton Warehouse Lease”). As part of the restructuring, Eaton’s assigned the Edmonton Warehouse Lease to a wholly-owned subsidiary of Eaton’s, 1368058 Ontario Inc. (“Ontario”). On the Plan Implementation Date, the sole share of Ontario was transferred to Distributionco.

60. The Liquidator determined that the best course of action to realize on the Edmonton Warehouse Lease would be to proceed to market the share of Ontario and/or the Edmonton Warehouse Lease on the basis that the Liquidator would obtain the consent of the landlord to the assignment or sale. Following initial discussions with the Liquidator, the landlord alleged that the assignment to Distributionco was without its consent and in violation of the terms of the lease. Thereafter, discussions commenced with the landlord regarding its purchase of the Edmonton Warehouse Lease. The initial offers received from the landlord were significantly lower than market value and, as a result, the Liquidator commenced negotiations with another prospective purchaser. On January 30, 2001, the Liquidator entered into an agreement of purchase and sale with Western Spirit Investments Ltd. ("Western Spirit").

61. On January 10, 2001, the landlord brought an application in Alberta for a declaration that the lease was forfeited when Eaton's violated the terms of the lease and made the assignment to Distributionco. On the same date, the Liquidator brought a motion in Ontario for a declaration that Ontario was the proper forum for determining all issues relating to the implementation of the Final Plan and staying the application brought by the landlord in Alberta. Both the application and the motion were adjourned *sine die*.

62. Following lengthy negotiations with the landlord, on October 31, 2001, the Liquidator, Ontario and Western Spirit entered into a settlement agreement and the Liquidator paid Western Spirit a break fee. Thereafter, on January 30, 2002, the Liquidator, Ontario and the landlord entered into a settlement agreement and the landlord paid the Liquidator \$827,549 for the purchase of the Edmonton Warehouse Lease. As

part of the settlement, the landlord's application was discontinued and the Liquidator's application was abandoned on consent.

Pacific Centre and 250 Yonge Street

63. On December 17, 1999, pursuant to an Order of this Honourable Court, Eaton's paid Cadillac Fairview \$4,034,389, on a without prejudice basis, in respect of disputed property taxes and other taxes claimed by Cadillac Fairview on the Pacific Centre Shopping Centre in Vancouver. The Liquidator settled the dispute with Cadillac Fairview in 2001 and Cadillac Fairview paid the Liquidator the amount of \$2,450,000.

64. Distributionco and the Liquidator asserted claims against Cadillac Fairview for (i) claims to realty tax rebates for the years 1991 to 1997 in respect of 250 Yonge Street and (ii) claims to escrow funds held by Cadillac Fairview in respect of the premises formerly leased by Eaton's at the Pacific Centre Shopping Centre, 250 Yonge Street and the Eaton Centre. In respect of these claims, the Liquidator collected approximately \$850,000 from Cadillac Fairview.

St. Vital Shopping Centre

65. Eaton's interest in the St. Vital Shopping Centre in Winnipeg was sold to Cambridge in 1985. On November 14, 2002, the Liquidator received a final adjustment from that sale in the amount of \$85,003 from Cambridge.

Les Developments Iberville

66. Distributionco had certain unregistered co-ownership rights in parcels of vacant land located in the Province of Quebec. The rights were sold to Iberville, the co-

owner, for \$402,000 on September 30, 2003 pursuant to an agreement of purchase and sale. The agreement provided that if the vacant land was resold within two years, Iberville would pay Distributionco 50% of the amount by which the sale price exceeded a specified threshold. The Liquidator became aware that the vacant land to which the additional price provisions related was subject to successive sale transactions at different prices which triggered the additional price provisions of the September 30, 2003 agreement.

67. The Liquidator took the position that the last sale transaction in the successive transactions was the appropriate benchmark for calculating the increased price component of the agreement. After extensive discussions the Liquidator and Iberville agreed to settle the dispute for a payment of approximately \$1.7 million by Iberville to Distributionco.

(f) Miscellaneous Asset Realizations

68. *The Wind-up of Crestmore Limited ("Crestmore")* - Crestmore was an insurance company in Bermuda that was a wholly-owned subsidiary of Eaton's. Initially, the Liquidator was advised by the contracted managers of Crestmore that the company would be of limited value on a wind-up or sale, due to the terms of its agreement with Eaton's, under which Crestmore provided optional insurance to holders of Eaton's credit cards (e.g., insurance that would pay any card balance outstanding on a cardholder's death), as well as various reinsurance contracts. Fasken disagreed with the managers' interpretation of the agreement. As a result, Bermuda counsel were consulted and they agreed with Fasken. After extensive negotiations with various insurance companies to

settle Crestmore's outstanding reinsurance policy liabilities, the surplus flowing back to Distributionco on the wind-up of Crestmore was approximately \$1.7 million.

69. *Sale of The T. Eaton Drug Company Limited ("Eaton Drug")* – Eaton Drug was a former pharmacy entity incorporated in the 1950's. Eaton Drug was an inactive subsidiary when its shares were transferred to Distributionco on the Plan Implementation Date. Eaton Drug had been "grandfathered" under certain legislative changes that now provide that a corporation cannot own or operate a pharmacy unless a majority of each class of shares of the pharmacy are owned by and registered in the name of pharmacists. The Liquidator sold the shares of Eaton Drug to Shoppers Drug Mart Limited.

70. *Eaton Superannuation Plan for Designated Employees ("ESP")* - Distributionco entered into a surplus sharing agreement (the "SSA") with the member representatives and members' counsel which outlined the manner in which the surplus assets of the ESP would be distributed. The SSA provided that the surplus would be withdrawn and shared between Eaton's, Distributionco and the ESP members. The assets of the ESP were held under a trust arrangement (the "ESP Trust") which needed to be varied to permit the distribution to Eaton's Distributionco and the ESP members. On April 22, 2002, the Liquidator brought a motion for approval of the SSA and brought an application under the *Variation of Trusts Act* (Ontario) to vary the ESP and the ESP Trust in order to implement the SSA. The relief sought by the Liquidator was granted and thereafter, Distributionco received approximately \$354,700, representing its share of the surplus of the ESP.

(g) *Tax Issues*

GST/HST on Landlord Creditor Distributions

71. On July 26, 2004, the Liquidator brought a motion relating to the distribution of \$771,485.00 on account of GST/HST to the landlord creditors (i.e. the Class II Creditors). The Canada Revenue Agency (“CRA”) denied Distributionco’s claim to recover this amount as input tax credits on the basis that section 182(1) of the *Excise Tax Act* (the “ETA”) deemed the money to be paid by Eaton’s not Distributionco and, as such, Distributionco was not entitled to the GST/HST refund. Distributionco took the position that even if section 182(1) of the ETA applied, the right to the input tax credits had been transferred to and had vested in Distributionco pursuant to the terms of the CCAA Order and the Transfer Agreement. The Liquidator and the CRA settled the matter by having the CRA unilaterally reassess Sears (as the successor to Eaton’s) to provide the \$771,485.00 in input tax credits to Sears, and on August 9, 2004, Distributionco received from Sears a cheque in the amount of \$771,485.00.

Challenge to Ability to Claim Input Tax Credits

72. The CRA also challenged Distributionco’s right to claim input tax credits generally in respect of the GST/HST payable by Distributionco on the expenses it incurred, and in particular the GST/HST on the professional fees incurred.

73. The CRA took the position that, despite the fact that Distributionco had acquired the bulk of the assets and the compromised liabilities of Eaton’s pursuant to the CCAA Order, Distributionco’s activity of liquidating the assets and distributing the

proceeds to the creditors constituted, in part, the provision of a financial service for GST/HST purposes.

74. Distributionco was of the view that it was not engaged in providing any financial services but was liquidating the former assets of Eaton's that had been transferred to it and was paying the corresponding liabilities that had been assumed by it pursuant to the CCAA order, and therefore was entitled to recover as input tax credits 100% of all GST/HST that was payable by it on the expenses it incurred.

75. The CRA reassessed Distributionco's GST returns and denied 52% of the total GST/HST that Distributionco had claimed as input tax credits on the basis that 52% of the expenses it incurred related to the provision of financial services.

76. Distributionco objected to and subsequently appealed the CRA's reassessments to the Tax Court of Canada. Following completion of examinations for discovery, this issue was settled on the basis that Distributionco was entitled to recover 75% of the GST/HST that was payable by it. The CRA's initial position was that it was only entitled to 48%; Distributionco's position was that it was entitled to 100%.

77. For the period November 1999 to September 2005, Distributionco had claimed \$1,842,050 as input tax credits in respect of GST/HST payable by it during the same period. The CRA had initially denied 52% of that amount, allowing Distributionco to recover only 48% of that amount or \$884,186. As a consequence of the settlement with the CRA to allow 75% of the GST/HST payable as ITCs, the CRA increased the GST/HST recoverable by Distributionco for this period by an additional \$497,352.

Accordingly, of the \$1,842,050 in GST/HST payable by Distributionco during this period, Distributionco recovered \$1,381,538 of that amount as input tax credits.

III. ACTIVITIES OF THE LIQUIDATOR SINCE DECEMBER 2006

(a) Eighth Interim Distribution

78. Up to December 22, 2006, the Liquidator had obtained approval from this Honourable Court to make eight interim distributions to Class I Creditors, totalling in aggregate 52 cents on the dollar of their Class I Distribution Claims, inclusive of the eighth distribution. A summary of the first eight interim distributions is as follows:

<u>Date of Distribution Order</u>	<u>Amount</u>	<u>Approximate Aggregate Dollar Amount</u>
May 25, 2000	20 cents on the dollar	\$45,701,852
December 1, 2000	11 cents on the dollar	\$25,136,018
June 6, 2001	5 cents on the dollar	\$11,425,463
December 4, 2001	4 cents on the dollar	\$9,140,370
May 15, 2002	6 cents on the dollar	\$13,692,555
December 16, 2003	2 cents on the dollar	\$4,564,185
December 10, 2004	2 cents on the dollar	\$4,564,185
December 22, 2006	2 cents on the dollar	<u>\$4,564,185</u>
TOTAL		\$118,788,813

(b) Treatment of Creditors with Unclaimed Dividend Cheques

December 22, 2006 – Eighth Interim Distribution Order

79. A copy of the Order of this Honourable Court dated December 22, 2006 (the “Eighth Interim Distribution Order”) is attached hereto as Appendix “B”. As of December 15, 2006, there were approximately \$2.3 million in uncashed dividends to

Class I Creditors, representing 14,600 cheques issued to approximately 7,300 creditors (the “Unresponsive Class I Creditors”) from the first through seventh interim distributions. The majority of the cheques had been returned to the Liquidator by Canada Post; others were never cashed within six months of their issuance.

80. The Eighth Interim Distribution Order set out a protocol for the Liquidator to follow in an attempt to locate the Unresponsive Class I Creditors. On January 19, 2007 and February 19, 2007, the Liquidator placed advertisements in *The Globe and Mail* (National Edition) and *La Presse* newspapers directing the Unresponsive Class I Creditors to provide the Liquidator with a current mailing address on or before July 13, 2007. The Unresponsive Class I Creditors who failed to provide their addresses by the deadline forfeited their rights to receive the eighth distribution and any amount held by the Liquidator in respect of previous distributions. All amounts so forfeited were to be returned to the Class I Creditor pool to be shared *pro rata* among the other Class I Creditors by subsequent distribution.

81. Approximately 5,880 Unresponsive Class I Creditors were located and an aggregate amount of approximately \$800,000 was distributed to them in respect of the eighth and previous distributions. The Liquidator also reviewed its records to determine whether there were Unresponsive Class I Creditors who had cashed their cheques in respect of the eighth interim distribution but had uncashed cheques from previous distributions. As a result of this review, the Liquidator re-issued 169 cheques in the aggregate amount of \$311,000 (which is included in the \$800,000 referred to in paragraph 81 above).

82. In accordance with the Eighth Interim Distribution Order, the Liquidator has maintained its website and telephone hotline which was set up for the Unresponsive Class I Creditors. Since July 13, 2007, 440 of the Unresponsive Class I Creditors have provided updated information to the Liquidator. As set out in the Eighth Interim Distribution Order, these creditors would be entitled to their *pro rata* share of only the final distribution.

83. In an attempt to distribute the maximum amount to the creditors, the Liquidator has completed a final review of the creditors with unclaimed dividend cheques from the first through eighth distributions and in the event that the cheques were in the amount of \$5,000 or more and were payable to a known creditor, the Liquidator located that creditor, if possible, and re-issued the cheque. The Liquidator was able to locate 15 creditors representing approximately \$158,000.

84. As a result of the above-noted review of unclaimed dividends, the Liquidator is aware of 739 Class I Creditors whose first uncashed dividend cheque was the cheque sent out for the eighth interim distribution. This amounts to \$147,000. The Liquidator recommends that those creditors' rights to the eighth and final distributions be forfeited. The Liquidator has taken this position for the following reasons:

- (a) The Liquidator, as required by the Eighth Interim Distribution Order, placed advertisements in *The Globe and Mail* (National Edition) and *La Presse* requesting that creditors provide updated addresses to the Liquidator;

- (b) The most likely reason for a cheque not being cashed by a creditor is that the creditor has moved and has not provided the Liquidator with an updated address;
- (c) The Liquidator, as set out by the Eighth Interim Distribution Order, is not required to take any further steps to locate the missing Class I Creditors; and
- (d) The costs incurred by the Liquidator in attempting to locate new addresses for the eighth interim distribution were estimated to exceed \$300,000 and resulted in the distribution being completed over a 12 month period.

85. The aggregate amount of unclaimed distributions which now forms part of the proposed final distribution is approximately \$1,454,500.

May 15, 2002 – Fifth Interim Distribution Order

86. On May 15, 2002, the Liquidator sought and obtained an order in respect of the fifth interim distribution (the “Fifth Interim Distribution Order”). At the same time, the Liquidator sought an order in respect of the 1,552 Class I Creditors who had not cashed their distribution cheques for the first through fourth distributions. The majority of the Class I Creditors whose cheques were returned to the Liquidator were former employees (the “Missing Claimants”). The Liquidator was authorized to retain KM, as representative counsel to the former employees to attempt to locate the Missing Claimants. KM was authorized to expend \$50 plus applicable taxes (the “Approved Expense Amount”) per Missing Claimant and this expended amount would be deducted from the dividend amount (the “Net Dividend Amount”) if the Missing Claimant was

ultimately found and a dividend paid. A copy of the Fifth Interim Distribution Order is attached hereto as Appendix "C".

87. The Fifth Interim Distribution Order also provided as follows:

- (a) Where a Missing Claimant cannot be located after the depletion of the Approved Expense Amount, the Net Dividend Amount shall be paid by the Liquidator to the Public Trustee in accordance with section 234(1) of the OBCA prior to the discharge of the Liquidator; and
- (b) Where a Missing Claimant's aggregate unpaid dividends total less than \$150, such dividends shall be paid by the Liquidator to the Public Trustee in accordance with section 234(1) of the OBCA prior to the discharge of the Liquidator.

88. KM located 178 of the Missing Claimants but was unable to locate the remainder of the Missing Claimants. The Liquidator re-issued the cheques to the Missing Claimants that KM had located, however, the majority were returned to the Liquidator or were not cashed. As a result, the amount of unclaimed cheques for the first through fourth distributions for the former employees is approximately \$299,800 and for trade creditors is approximately \$204,000.

89. It was the Liquidator's intention in the Eight Interim Distribution Order that any Class I Creditor that did not provide updated contact information to the Liquidator by the July 13, 2007 deadline would forfeit their rights to the first through eighth distributions. To the extent that the Missing Claimants did not provide updated contact information by July 13, 2007, the Eighth Interim Distribution Order extinguished

the rights of the Missing Claimants to the funds for the first through fourth distributions. The Liquidator seeks to amend the Fifth Interim Distribution Order to delete the provisions summarized in paragraph 87 above. As a result, with the permission of this Honourable Court, the Liquidator will include the amount of approximately \$503,800 in the pool of Class I Creditors funds for the final distribution.

(c) Sears Variable Note and Participation Unit Holders

90. On May 15, 2008, the Liquidator sought and obtained approval from this Honourable Court to transfer the residual amount of approximately \$165,000 from the bank account established by the Liquidator for the benefit of the former shareholders of Eaton's to the estate bank account established by the Liquidator for the benefit of the Class I Creditors. The amount transferred to the estate account for the benefit of the Class I Creditors consisted of approximately \$65,000 of unclaimed shareholder distributions, approximately \$70,000 in interest earned and approximately \$33,000 of unused funds from a previously authorized reserve for fees.

(d) Realizations on Remaining Assets

91. At the commencement of the winding-up, the Liquidator obtained additional liability insurance coverage which exceeded the coverage limits previously held by Eaton's. The policy required that the Liquidator deposit with the insurer \$1.5 million in order to cover the Liquidator's deductible from any insurance claim. On or about January 15, 2008, the Liquidator was able to recover \$1.2 million from the insurer, which is now available for distribution to the Class I Creditors.

92. Since the commencement of the winding-up, the Liquidator has been in possession of certain corporate memorabilia of Eaton's and its related corporations, including incorporating documents, corporate books and records and corporate seals. The Liquidator sought information on the value of this memorabilia from Dirk Heinze of Auction House Heinze & Co., who specializes in this type of historical documentation. Mr. Heinze advised that although the corporate memorabilia has some historical significance, its commercial value is negligible. As a result, the Liquidator will not be taking any further steps to realize on the corporate memorabilia. The Liquidator intends to offer all of the corporate memorabilia to the Public Archives of Ontario, the Public Archives of Toronto and the Royal Ontario Museum (in that order).

(e) Outstanding Interest Payable & Input Tax Credits by CRA on GST Settlement

93. While the GST matter described in paragraphs 72 to 77 was resolved by way of settlement between the CRA and Distributionco, the Liquidator is still waiting on the CRA to (a) correctly determine the amount of interest payable under the ETA to Distributionco in respect of the GST refund payable to Distributionco as a result of the settlement (the Liquidator had determined that the amount of interest initially calculated by the CRA was in error and that approximately \$50,000 in additional interest was payable by the CRA to Distributionco); (b) to reassess Distributionco's GST reporting periods ending after September 2005 to implement the settlement in respect of those periods, and (c) to pay the net balance to Distributionco. The Liquidator has been in contact with the CRA and the Department of Justice to encourage them to complete these calculations and resulting payment forthwith. It is anticipated that the net balance payable by the CRA to Distributionco will be less than \$125,000.

(f) Revisions to Employee Omnibus Claim

94. The Employee Omnibus Claim included a “placeholder” claim of approximately \$1.00, that was inserted to deal with revisions to former employees’ and retirees’ claims based on their claims to entitlement to certain benefits which were discovered after the Claims Bar Date. KM has advised the Liquidator that there are 17 former employees who it has discovered have claims in respect of the certain portions of the Employee Omnibus Claim which amount, in the aggregate to approximately \$225,000 in claims. Despite its best efforts, KM is unable to determine why the existence of these claims has not come to light until now.

95. The Liquidator has confirmed that these employees were included in the Class I Creditors to whom the Liquidator has sent distribution cheques in the past and that they have not been paid in the respect of the claims of which KM has now advised that they have an entitlement to. The Liquidator recommends that these former employees should receive the first through eighth distributions and the final distribution in respect of the revised claims.

IV. APPROVAL OF A NINTH AND FINAL DISTRIBUTION

96. As a result of the Liquidator’s realization efforts and its resolution of the Class I Claims filed, the Liquidator is in a position to make a ninth and final distribution of approximately 1.7 cents on the dollar to the Class I Creditors. A list of the admitted claims is contained in the Claims Summary attached hereto as Appendix “D”. In coming to its conclusion about the amount available for distribution to Class I Creditors, the

Liquidator took into account the ongoing and expected expenses relating to the completion of administration of the liquidation of Distributionco.

97. The total dividend payable to Class I Creditors will be approximately 54 cents on the dollar, which amounts to approximately \$122 million. In the Monitor's Distribution Analysis distributed to creditors at the time that the Final Plan was voted upon, it was estimated that the total distribution to Class I Creditors would be approximately \$98.5 million, which was estimated to be a total dividend of approximately 50.3 cents on the dollar.

98. The Liquidator has submitted the necessary documentation to the CRA to obtain final clearance certificates under the *Income Tax Act* (Canada), the ETA, the *Corporations Tax Act* (Ontario), *An Act respecting the Quebec Sales Tax* and the *Taxation Act* (Quebec) for Distributionco in respect of all periods up to and including the date of the final distribution. The Liquidator expects that the final clearance certificates will be issued in the near future. The Liquidator will commence the ninth and final distribution to the Class I Creditors as soon as it is in receipt of the final clearance certificates.

V. UNCLAIMED DISTRIBUTIONS

99. As a result of the Liquidator's efforts to locate missing creditors described above, the Liquidator anticipates that it has current mailing addresses for the vast majority of the Class I Creditors who will be receiving the final distribution. To the extent that the cheques are returned to the Liquidator or not cashed within six months from the date of the final distribution, the Liquidator will determine whether the creditors

can be reasonably located and re-issue such cheques to those creditors. If the creditors cannot be reasonably located, the Liquidator will remit the unclaimed distributions to the Public Trustee in accordance with section 234(1) of the OBCA.

VI. DESTRUCTION OF BOOKS AND RECORDS

100. The Liquidator has in its possession approximately 2,300 boxes of Eaton's books and records (the "Eaton's Books and Records") not acquired or required by Sears. The Liquidator has no interest in the Eaton's Books and Records and does not require the information contained therein.

101. The Liquidator also has in its possession approximately 700 boxes documents in respect of its administration of the estate of Eaton's while Richter was acting in its capacity as Proposal Trustee, Interim Receiver and Monitor, the administration of the claims procedure while Richter was acting in its capacity as Claims Administrator and the liquidation of Distributionco (the "Estate Books and Records").

102. The cost incurred by the Liquidator in continuing to store the Estate Books and Records is approximately \$2,500 per month and the cost of retrieving and destroying the Eaton's Books and Records and the Estate Books and Record will be approximately \$30,000. In light of the costs, the Liquidator recommends that the Estate Books and Records be destroyed one year following the granting of the relief sought on the Liquidator's motion, or such other date as may be agreed to between the Liquidator and the CRA or any other relevant taxing authority.

VII. DISCHARGE OF THE LIQUIDATOR

103. The Liquidator's duties and obligations in respect of Distributionco are almost complete. In order to complete the administration, the Liquidator will take the following steps:

- (a) File articles of dissolution of the inactive subsidiaries of Distributionco, namely, The Eaton Travel Company Limited, Eaton's Food Services Limited, Eaton Travel Limited, 1368058 Ontario Inc., International Realty Inc. and 682995 Ontario Limited;
- (b) Complete the final distribution to the Class I Creditors;
- (c) Remit any unclaimed dividends from the final distribution to the Public Trustee;
- (d) Offer all of the corporate memorabilia to the Public Archives of Ontario, the Public Archives of Toronto and the Royal Ontario Museum (in that order);
- (e) File final federal and provincial income tax returns for Distributionco for the period from January 1, 2008 to December 31, 2008 and, if necessary, any further tax returns;
- (f) Receive the final net balance owing to Distributionco by the CRA in respect of Distributionco's GST account and verify the accuracy of the CRA's interest and net GST calculations; and
- (g) Files articles of dissolution in respect of Distributionco.

104. The Liquidator anticipates that it will take approximately eight months before the Liquidator will be in a position to file a discharge certificate with this Honourable Court.

VIII. APPROVAL OF FEES AND DISBURSEMENTS

(a) Fees of RSM Richter Inc.

105. From August 20, 1999 to May 31, 2008, the total fees billed by Richter were \$18,162,742.20, plus disbursements in the amount of \$1,116,007.83, plus applicable goods and services tax in the amount of \$892,473.50. The total number of hours billed was 76,940.83, resulting in an average hourly rate of \$236.06. Summaries of the invoices rendered by the Proposal Trustee, the Interim Receiver, the Monitor and the Liquidator between August 20, 1999 and May 31, 2008, together with copies of the invoices are attached hereto as Appendix "E".

106. The rates charged throughout the proceedings are comparable to the rates charged by other large accounting firms in the Toronto and Montreal market for the provision of similar services during the relevant time periods. Attached hereto as Appendix "F" is the Affidavit of Gus Tertigas sworn July 2, 2008 which sets out the average hourly rates charged by personnel in Richter's office in Toronto. Attached hereto as Appendix "G" is the Affidavit of Eric Rodier sworn July 2, 2008 which sets out the average hourly rates charged by personnel in Richter's office in Montreal.

(b) Fees of Fasken Martineau DuMoulin LLP

107. From August 20, 1999 to May 31, 2008, the total fees billed by Fasken were \$4,935,639.00, plus disbursements in the amount of \$142,915.49, plus applicable goods and services tax in the amount of \$352,830.91. The total number of hours billed was 13,751.60, resulting in an average hourly rate of \$358.91. Summaries of the invoices rendered by Fasken, in its capacity as counsel to the Proposal Trustee, the Interim Receiver, the Monitor and the Liquidator between August 20, 1999 and May 31, 2008, together with copies of the invoices are included in the Affidavit of Edmond F. B. Lamek sworn June 27, 2008 and attached hereto as Appendix "H".

108. It is the Liquidator's view that the fees and disbursements of Fasken are fair and reasonable and accurately reflect the services provided by Fasken during the course of these proceedings.

(c) Fees of McMillan LLP

109. From August 20, 1999 to May 31, 2008, the total fees billed by McMillan were \$1,086,722.75 (including a bonus of \$50,000 in respect of the settlement achieved in the Iberville matter which is discussed above), plus disbursements in the amount of \$60,069.60, plus applicable goods and services tax and provincial sales tax in the amount of \$170,392.14. Summaries of the invoices rendered by McMillan, in its capacity as counsel to the Proposal Trustee, the Interim Receiver, the Monitor and the Liquidator between August 20, 1999 and May 31, 2008, together with copies of such invoices are included in the Affidavit of Max Mendelsohn sworn June 27, 2008 and attached hereto as Appendix "I".

110. It is the Liquidator's view that the fees and disbursements of McMillan are fair and reasonable and accurately reflect the services provided by McMillan during the course of the proceedings.

(c) Fees of Koskie Minsky LLP

111. KM was appointed as representative counsel for the former employees and retirees of Eaton's pursuant to an Order of this Honourable Court dated August 27, 1999. The August 27, 1999 Order provides that KM's fees and disbursements are to be paid by and treated as though they had been incurred by the Interim Receiver (now Liquidator), subject to court approval. From August 27, 1999 to May 31, 2008, the total fees billed by KM were \$3,712,486.90, plus disbursements in the amount of \$684,623.96, plus applicable goods and services tax and provincial sales tax in the amount of \$299,172.17. The total number of hours billed was 23,588.20, resulting in an average hourly rate of \$157.39. Summaries of the invoices rendered by KM, in its capacity as representative counsel between August 27, 1999 and May 31, 2008, together with copies of such invoices are included in the Affidavit of Alfred Esterbauer sworn July 2, 2008 and attached hereto as Appendix "J".

112. It is the Liquidator's view that the fees and disbursements of KM are fair and reasonable and accurately reflect the services provided by KM during the course of the proceedings.

(f) Fee Reserve

113. The Liquidator has established a reserve in the amount of \$900,000, representing \$800,000 for professional fees to be incurred by the Liquidator, Fasken,

McMillan and KM from June 1, 2008 to the date of the Liquidator's discharge plus \$100,000 for miscellaneous expenses including the storage, destruction and miscellaneous costs relating to the Eaton's Books and Record and Estate Books and Records. To the extent that the funds in the reserve have not been exhausted as of the date that the Liquidator files its Discharge Certificate with this Honourable Court, the Liquidator seeks approval from this Honourable Court to transfer the funds to Richter as a "bonus" in recognition of the results achieved by Richter, in its capacity as Liquidator on the liquidation of Distributionco, which have resulted in materially greater distributions than anticipated for the Class I Creditors.

RECOMMENDATION

114. The Liquidator respectfully recommends that this Honourable Court grant the relief sought in paragraph 2 above.

All of which is respectfully submitted this 2nd day of July, 2008.

RSM RICHTER INC.
in its capacity as Liquidator of Distributionco Inc.



EXHIBIT A
THE PLAN

PLAN OF COMPROMISE AND ARRANGEMENT

Pursuant to the
Companies' Creditors Arrangement Act (Canada)
and the *Business Corporations Act (Ontario)*
concerning, affecting and involving

THE T. EATON COMPANY LIMITED

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THE T. EATON COMPANY LIMITED
PLAN OF COMPROMISE AND ARRANGEMENT

ARTICLE I
INTERPRETATION

1.1 Definitions

In this Plan, unless otherwise stated or unless the subject matter or context otherwise requires:

"Abandoned Premises" means any premises under a Lease in whole or in part with Eaton's, abandoned by Eaton's, or for which Eaton's has delivered or delivers an abandonment notice or a repudiation notice after the Valuation Date.

"Affiliate" means affiliate as defined in the OBCA.

"Agency Agreement" means the agreement among the Agent, Eaton's and the Interim Receiver dated as of July 29, 1999, as amended from time to time.

"Agent" means, collectively, Gordon Brothers Retail Partners, LLC, Schottenstein/Bernstein Capital Group, LLC, Hilco Trading Co., Inc. and Garcel, Inc. and their successors and permitted assigns.

"Articles of Arrangement" means the Articles of Arrangement for each of Distributionco and Eaton's contemplated by the Plan.

"BIA" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.

"BIA Orders" means those Orders made in the BIA Proceedings on August 23, 27, 29 and September 2 and 20, 1999, and **"BIA Order"** means any one of them.

"BIA Proceedings" means the proceedings commenced under Part III of the BIA by Eaton's by the filing of a notice of intention to make a proposal on August 20, 1999.

"Business Day" means a day, other than Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario.

"Calendar Day" means a day, including Saturday, Sunday and any statutory holiday.

"Canadian Dollars" or **"\$"** means dollars denominated in lawful currency of Canada.

"CCAA" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36.

"CCAA Proceedings" means the proceedings in respect of Eaton's under the CCAA commenced pursuant to the Initial CCAA Order.

"CCAA Sanction Order" means the Order to be made in the CCAA Proceedings to sanction this Plan, as such Order may be amended, varied or modified by the Court from time to time.

"Chair" means Mr. John Swidler, F.C.A., President of the Monitor, or another official of the Monitor designated by the Monitor, appointed to preside as the chair of the Meetings.

"Charge" means a valid mortgage, charge, pledge, assignment by way of security, lien, privilege, hypothec or security interest.

"Claim" means any right of any Person against Eaton's in connection with any indebtedness, liability or obligation of any kind of Eaton's, whether in contract, tort, or otherwise, which indebtedness, liability or obligation is in existence prior to the Valuation Date and any interest that may accrue thereon, whether liquidated, reduced to judgment, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, statutory, penal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including without limitation, any claim relating to the administration or winding up of the Pension Plans or the administration, distribution or investment of the funds relating to the Pension Plans or any employee benefit plans and any claim made or asserted against Eaton's through any affiliate, associate or related person (as such terms are defined in the OBCA), or any right or ability of any Person to advance a claim for subrogation, contribution or indemnity or otherwise with respect to any matter, action, cause or chose in

action, whether existing at present or commenced in the future with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future (including, without limitation, any claims which may exist or arise against Eaton's as assignor of any contract, right, licence or property) based in whole or in part on facts, contracts or arrangements which exist prior to the Valuation Date, together with any other claims that would have been claims provable in bankruptcy had Eaton's become bankrupt on the Valuation Date.

"Claims Administrator" means the Person identified in the schedules to the Claims Procedure for purposes of receiving the notices described in those schedules.

"Claims Officer" means each of The Honourable W. David Griffiths, Q.C., The Honourable Robert F. Reid, Q.C., The Honourable Robert S. Montgomery, Q.C., The Honourable Joseph W. O'Brien, Q.C., The Honourable John B. Webber, Q.C., The Honourable Hilda M. McKinlay and The Honourable Alvin B. Rosenberg, Q.C. or such other Person or Persons as may be appointed by the Court for the purposes of determining a Claim or an Interim Period Claim for voting and distribution purposes.

"Claims Procedure" means the claims procedure and the schedules thereto, attached to this Plan as Schedule "A", for determining Claims and Interim Period Claims for voting and distribution purposes approved in the Initial CCAA Order, as may be amended from time to time.

"Classes" means the two classes of Creditors grouped in accordance with their Claims and Interim Period Claims for the purposes of considering and voting upon this Plan in accordance with the provisions of this Plan, and receiving distributions hereunder, such classes being comprised of Unsecured Creditors and Landlord Creditors, and the single class of Shareholders, respectively, and **"Class"** means any one of such classes.

"Common Shares" means the authorized, issued and outstanding common shares of Eaton's.

"Court" means the Superior Court of Justice for the Province of Ontario, Canada.

"Creditor" means any Person having a Claim or an Interim Period Claim and may, where the context requires, include the assignee of a Claim or an Interim Period Claim, or a trustee, liquidator, interim receiver, receiver, receiver and manager or other Person acting on behalf of such Person.

"Creditor Approval" means the approval of this Plan by all of the Classes of Creditors voting on this Plan under the CCAA.

"Distribution Claim" of a Creditor means the compromised amount of the Claim or Interim Period Claim of such Creditor as finally determined for distribution purposes, in accordance with the provisions of the Claims Procedure, the Plan, the Initial CCAA Order and the CCAA.

"Distributionco" means a business corporation incorporated under the OBCA that will assume the Distributionco Assumed Liabilities and the Unsatisfied Unaffected Liabilities in exchange for the Distributionco Transferred Assets and the Eaton's Note (which will be satisfied by Eaton's upon the receipt of the Sears Equity Contribution), that will distribute the net cash proceeds from the Distributionco Transferred Assets and the satisfaction of the Eaton's Note to Creditors pursuant to this Plan and the OBCA Sanction Order, that will receive the Sears Variable Note for distribution to Shareholders pursuant to this Plan and the OBCA Sanction Order and that will act as agent and nominee for the holders of the Participation Units to hold the Sears Variable Note for their benefit.

"Distributionco Assumed Liabilities" means all of the obligations, indebtedness and liabilities of Eaton's which are compromised on the Plan Implementation Date.

"Distributionco Common Share" means the single common share of Distributionco issued to Eaton's for the subscription price of \$1 (which common share is only entitled to receive \$1 on dissolution of Distributionco), and which common share will be transferred to the Liquidator on the Plan Implementation Date for \$1.

"Distributionco Transferred Assets" means all of the assets of Eaton's on the Plan Implementation Date (including the benefit of all insurance policies of Eaton's in effect as of the Plan Implementation Date) other than the Eaton's Remaining Assets, excluding the Sears Equity Contribution.

"Eaton's" means The T. Eaton Company Limited and, from and after the Plan Implementation Date, any successor thereof.

"Eaton's Elected Stores" means Eaton's leasehold interests in such of the stores listed on schedule B to the Sears Agreement as Sears elects should be retained by Eaton's under the Sears Agreement.

"Eaton's Note" means the promissory note in the principal amount of \$60 million (subject to any adjustment of the Sears Equity Contribution which may be required on closing of the Sears Transaction pursuant to the Sears Agreement) to be issued by Eaton's to Distributionco on the Plan Implementation Date in part consideration for the assumption by Distributionco of the Distributionco Assumed Liabilities and the Unsatisfied Unaffected Liabilities.

"Eaton's Operating Stores" means those stores under the Sears Agreement which Eaton's will continue to operate under the Sears Operating Agreement.

"Eaton's Remaining Assets" means those assets of Eaton's which under the Sears Agreement will remain with Eaton's from and after the Plan Implementation Date, and includes:

- (i) Eaton's leasehold interests in the Eaton's Remaining Stores and the Eaton's Elected Stores;
- (ii) Eaton's freehold and leasehold interests in and pertaining to its Calgary Eaton Centre downtown store location;
- (iii) any inventory of saleable merchandise owned by Eaton's and located at the Eaton's Operating Stores;
- (iv) subject to any valid Charge or other ownership rights of third parties, the furniture, fixtures and equipment in the Eaton's Remaining Stores and the Eaton's Elected Stores, other than those specifically excluded under the Sears Agreement;
- (v) the goodwill, names (including private label brand names), trade-marks, trade names, copyrights, other intellectual property, contractual rights and accrued benefits relating to the assets described above (including the benefit of prepaid expenses) and licenses, sub-leases and contracts relating to the assets described above (except for those which Sears elects not be retained by Eaton's) owned or used by Eaton's, books and records owned or used by Eaton's in connection with Eaton's business, the assets of Eaton's used in connection with the credit card operations owned and operated by NRCS, software and websites, rights to the licensed departments, concession arrangements or subleases designated by Sears in the Eaton's Remaining Stores and the Eaton's Elected Stores and any contracts retained by Eaton's upon election by Sears, customer lists, exclusive rights and all assets of Eaton's relating to the carrying on of Eaton's credit card operations or any other credit services for or in respect of Eaton's (including cardholders' lists, account property, the right to use and operate the Eaton's credit card operations and the right to use Eaton's intellectual property in connection with credit services);
- (vi) the Eaton's Tax Losses; and
- (vii) the interests of any subsidiaries or affiliates of Eaton's in any of the assets described above.

"Eaton's Remaining Liabilities" means:

- (i) those liabilities (except in respect of Pension Plans) to those employees of Eaton's selected by Sears currently working at the Eaton's Operating Stores (as indicated in a written notice to be provided by Sears to Eaton's in accordance with the Sears Agreement) and other current employees of Eaton's selected by Sears (as indicated in a written notice to be provided by Sears to Eaton's in accordance with the Sears Agreement) who agree to continue to work for Eaton's upon the completion of the Sears Transaction on terms which are substantially comparable to the terms of employment of employees of Sears in comparable positions and (except in respect of Pension Plans) comparable seniority;
- (ii) after the Plan Implementation Date, Lease liabilities to Landlords in respect of stores included in the Eaton's Remaining Assets; and
- (iii) Eaton's obligations to Sears pursuant to the Sears Agreement, the Sears Operating Agreement and any other agreements entered into by Eaton's and Sears pursuant thereto.

"Eaton's Remaining Stores" means the stores listed in Schedule "A" to the Sears Agreement, being (i) Brentwood Mall, Burnaby; (ii) St. Vitale Centre, Winnipeg; (iii) Les Galleries de la Capitale, Quebec; (iv) Westmount Shopping Centre, London; (v) Sherway Gardens, Etobicoke; (vi) Yorkdale Shopping Centre, North York; (vii) Halifax Shopping Centre, Halifax; (viii) Scarborough Town Centre, Scarborough; (ix) Eaton Centre, Victoria; (x) Pacific Centre, Vancouver; (xi) Polo Park, Winnipeg; (xii) Eaton Centre, Toronto; and (xiii) such other stores as may be added to Schedule "A" from time to time under the Sears Agreement.

"Eaton's Tax Losses" means all the non-capital loss carryforwards of Eaton's for income tax purposes, including such tax losses of Eaton's amounting to approximately \$294.3 million as of January 30, 1999, additional non-capital loss carryforwards generated since January 30, 1999 estimated at \$100 million, subject to the increase or decrease in such tax losses which may be created by the Sears Transaction, including the Plan, and the transfer of the Distributionco Transferred Assets to Distributionco at fair market value.

"Eaton's Tax Savings" means an amount equal to 45% of the Eaton's Tax Losses utilized by Sears from time to time, provided that aggregate Eaton's Tax Savings shall not exceed \$20 million.

"Employee Representative" means Carmen Siciliano, as appointed by the BIA Order made August 27, 1999 as such BIA Order was continued by the Initial CCAA Order, or such other Person as the Court may appoint to represent former and present employees of Eaton's or a group or class of them.

"Initial CCAA Order" means the Order made in respect of Eaton's on September 28, 1999 under the CCAA, as such Order may be amended or varied from time to time.

"Initial Director" means the first director of Distributionco under Subsection 119(1) of the OBCA.

"Initial OBCA Order" means the Order made in respect of Eaton's on September 28, 1999 under the OBCA, as such Order may be amended or varied from time to time.

"Interim Period Claim" means any right of any Person against Eaton's in connection with any indebtedness, liability or obligation of any kind of Eaton's, whether in contract, tort or otherwise, and any interest that may accrue thereon, whether liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, statutory, penal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, arising from and after the Valuation Date up to and including the Plan Implementation Date, including any claim made or asserted against Eaton's through any affiliate, associate or related person (as such terms are defined in the OBCA), or any right or ability of any Person to advance a claim for subrogation, contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, whether or not arising from or caused by, directly or indirectly, the implementation of, or any action taken pursuant to, the Plan, including claims arising from the abandonment of any premises or the repudiation or variation of any Lease, lease, licence, or contract, agreement or arrangement, the assignment of any contract, Lease or lease of personal, real, moveable or immoveable property (including any future liability as assignor thereof) or the repudiation or variation of any Lease, lease, licence, contract, agreement or arrangement to take effect up to and including the Plan Implementation Date (including any anticipatory breach thereof), by express notice or by virtue of this Plan, the repudiation or variation of any contract of employment, the termination, administration, distribution or winding up of any of the Pension Plans or the administration or investment of the funds relating to the Pension Plans or employee benefit plans, and any other claim whatsoever arising at law or equity against Eaton's.

"Interim Period Suppliers" means those Persons who supply goods and services in the ordinary course of business to Eaton's from and after the Valuation Date up to the Plan Implementation Date including concessionaires and suppliers under consignment arrangements.

"Interim Receiver" means Richter & Partners Inc., in its capacity as interim receiver as defined in the BIA Order made on August 23, 1999 and continued under the Initial CCAA Order, and any successor thereof.

"Known Creditors" means those Creditors whose Claims are identified in Eaton's books and records, and **"Known Creditor"** means any one of them.

"Known Interim Period Creditors" means those Persons Eaton's believes may have Interim Period Claims, and **"Known Interim Period Creditor"** means any one of them.

"Landlord Creditor" means:

- (i) a landlord, head landlord or owner of real property, whether or not in direct privity with Eaton's, who has a Claim or Interim Period Claim in respect of any premises leased by Eaton's pursuant to a Lease to which such landlord, head landlord or owner is a party or by which such landlord, head landlord or owner is bound, and includes (i) any mortgagee of such premises who has taken possession of such premises or is collecting rent in respect of such premises; (ii) any Person who has taken an assignment of rents or assignment of Lease in respect of such premises, whether as security or otherwise; and (iii) any Person whose Claim or Interim Period Claim would be duplicative of or derivative from the Claim or Interim Period of Claim of such landlord, head landlord or owner; and
- (ii) any Person who has a Claim or Interim Period Claim in such Person's capacity as a co-owner, partner, shareholder or trust beneficiary of a Person which is the landlord, head landlord or owner of any premises leased by Eaton's and includes (i) any holder of a Charge against such ownership, partnership, shareholder or beneficial interest who is entitled to receive any dividends or distributions thereon; (ii) any Person who has taken an assignment of such ownership, partnership, shareholder or beneficial interest; and (iii) any Person whose Claim or Interim Period Claim would be duplicative of or derivative from the Claim or Interim Period Claim of such first mentioned Person,

and **"Landlord Creditors"** means all of them.

"Landlord Interim Period Claim" means an Interim Period Claim of a Landlord Creditor under Class 2 in connection with Abandoned Premises, which shall be determined for voting and distribution purposes as the amount equal to the lesser of:

- (i) the aggregate of
 - (A) the rent provided for in the Lease in respect of the Abandoned Premises for the first year of such Lease following the date on which the repudiation and/or abandonment becomes effective; and
 - (B) fifteen percent of the rent for the remainder of the Term of such Lease after that year; and
- (ii) three years' rent.

"Landlord Pool" means an amount of \$12 million held by the Liquidator on behalf of Distributionco on and after the Plan Implementation Date, representing a portion of the net cash proceeds from the realization of the Distributionco Transferred Assets and the Sears Equity Contribution.

"Lease" means any lease, sublease, licence, sublicense, agreement to lease, offer to lease, or similar agreement, whether written or oral, pursuant to which Eaton's has or had the right to occupy premises and includes all amendments and supplements thereto and all documents ancillary thereto.

"Liquidator" means Richter & Partners Inc. in its capacity as the liquidator of Distributionco, to be appointed by the Court under the OBCA Sanction Order, or any successor thereof.

"Meetings" means the special meetings of the Creditors and Shareholders called for the purpose of considering and voting in respect of this Plan pursuant to the CCAA and the OBCA, and **"Meeting"** means any one of them.

"Merchandising Funds and Discounts" means merchandise funds including but not limited to volume rebates, co-op advertising, marketing allowances, fixturing allowances, research and development expenses, demonstrator wages and commissions pursuant to agreements with Eaton's entered into on, prior to or following the Valuation Date and any discounts taken with respect to payments on account of supplier invoices in accordance with Eaton's standard business practices.

“**Monitor**” means Richter & Partners Inc., in its capacity as the monitor appointed pursuant to the Initial CCAA Order, and any successor thereof.

“**NRCS**” means National Retail Credit Services Company.

“**OBCA**” means the *Business Corporations Act*, R.S.O. 1990, c. B.16.

“**OBCA Proceedings**” means the proceedings instituted by Eaton’s under Section 182 of the OBCA on September 24, 1999.

“**OBCA Sanction Order**” means the Order to be made in the OBCA Proceedings to approve the Plan, as such Order may be amended, varied or modified by the Court from time to time.

“**Omnibus Proof of Claim (Employees)**” means the Proof of Claim to be sent by the Employee Representative to Eaton’s as described in paragraph 6 of the Claims Procedure.

“**Optionholders**” means holders of Options.

“**Options**” means the options issued by Eaton’s for the issue of common shares of Eaton’s and all agreements relating thereto.

“**Order**” means any order of the Court in the CCAA Proceedings, the OBCA Proceedings, or the BIA Proceedings.

“**Participation Unit**” means a unit of participation allocated to a Shareholder on the basis of one unit per each Common Share held by such Shareholder and representing a *pari passu* beneficial ownership interest in the proceeds of the Sears Variable Note and any payment thereof after deducting the costs and expenses of Distributionco as agent and nominee for the holders of Participation Units and the costs, expenses and fees of the Liquidator incurred in administering the Sears Variable Note, including the costs of enforcing the Sears Variable Note.

“**Pension Plans**” means:

- (i) Eaton Retirement Annuity Plan — Registration No. 337238;
- (ii) Eaton Retirement Annuity Plan II — Registration No. 1036102;
- (iii) Eaton Retirement Annuity Plan III — Registration No. 1037035;
- (iv) Eaton Superannuation Plan for Designated Employees — Registration No. 593673;
- (v) Pension Plan of The T. Eaton Company Limited for C. Reginald Hunter — Registration No. 1031780;
- (vi) Pension Plan of The T. Eaton Company Limited for R. A. Hubert — Registration No. 1029321;
- (vii) Pension Plan of The T. Eaton Company Limited for Roy Evans — Registration No. 1031798; and
- (viii) Pension Plan of The T. Eaton Company Limited for Rex P. Prangley — Registration No. 1031806.

“**Person**” means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government or any agency or instrumentality thereof, or any other juridical entity howsoever designated or constituted.

“**Plan**” means this plan of compromise and arrangement filed by Eaton’s pursuant to the Initial CCAA Order, as such Plan may be amended, varied or supplemented by Eaton’s from time to time in accordance with Article 9 hereof.

“**Plan Filing Date**” means October 8, 1999, being the date upon which this Plan is to be filed with the Court in the CCAA Proceedings, or such later date as the Court may set for the filing of the Plan.

“**Plan Implementation Date**” means a Business Day selected by Eaton’s which is on or before December 31, 1999.

“**Proof of Claim**” means a proof of claim referred to in paragraphs 4 and 16 of the Claims Procedure.

“**RFP**” means Retail Funding, Inc.

"Sears" means Sears Canada Inc., and on or following the Plan Implementation Date, any corporation formed by the amalgamation of Sears and Eaton's as restructured under the Plan, and any successor of either of them.

"Sears Agreement" means the agreement between Sears and Eaton's dated September 19, 1999, as amended by Addendum No. 1 dated as of September 29, 1999 and Addendum No. 2 dated October 3, 1999, as further amended or supplemented from time to time, pursuant to which Sears will acquire all the issued and outstanding shares of Eaton's.

"Sears Equity Contribution" means the sum of \$60 million (subject to any adjustment which may be required on closing of the Sears Transaction pursuant to the Sears Agreement) paid to Eaton's on the Plan Implementation Date pursuant to the Sears Agreement for the issue to Sears of common shares of Eaton's, which amount is to be transferred to Distributionco in satisfaction of the Eaton's Note.

"Sears Operating Agreement" means the agreement dated as of October 1, 1999 among Sears, Eaton's and the Interim Receiver for the continued operation of the Eaton's Operating Stores, as may be amended or supplemented from time to time.

"Sears Transaction" means the transaction or transactions which are required to be completed pursuant to the Sears Agreement.

"Sears Variable Note" means the promissory note made payable to Distributionco to be issued by Sears on the Plan Implementation Date in the principal amount of up to \$20 million to be paid by Sears only from the use of the Eaton's Tax Losses in accordance with the Sears Agreement, and which will bear interest at the same rate of interest as earned by the Liquidator on the funds received by Distributionco from Sears under the terms of the Sears Variable Note.

"Secured Creditors" means Persons with Claims or Interim Period Claims secured by a Charge against the property, assets or undertaking of Eaton's.

"Shareholder Approval" means the approval of this Plan by the Shareholders voting on this Plan under the OBCA.

"Shareholders" means all of the holders of Common Shares, and **"Shareholder"** means any one of them.

"Stay Period" means the period from and after the Valuation Date up to and including the Stay Termination Date.

"Stay Termination Date" means October 28, 1999, or such later date as may be ordered by the Court.

"Term" means the balance of the then existing term of a Lease assuming that renewal rights are not exercised, and any right of early termination is exercised.

"Trustee" means Richter & Partners Inc., in its capacity as trustee in the BIA Proceedings.

"Unaffected Creditors" means Persons having Claims or Interim Period Claims which are described in Section 3.2 hereof, and **"Unaffected Creditor"** means any one of such Creditors.

"Unsatisfied Unaffected Liabilities" means all of the Claims and Interim Period Claims of the Unaffected Creditors which are not satisfied by Eaton's on or before the Plan Implementation Date.

"Unsecured Creditors" means all Persons with Claims and/or Interim Period Claims, other than Landlord Interim Period Claims and Unaffected Creditors (other than as provided in Section 3.3 hereof) and

"Unsecured Creditor" means any one of such Creditors.

"Unsecured Creditors Pool" means all amounts held by the Liquidator on and after the Plan Implementation Date representing proceeds from the realization of the Distributionco Transferred Assets and the satisfaction of the Eaton's Note with the Sears Equity Contribution, less amounts paid by Distributionco in payment of Unsatisfied Unaffected Liabilities, the Landlord Pool, the costs and expenses of Distributionco (except those in connection with the Sears Variable Note) including any taxes payable by Distributionco and the costs, expenses and remuneration of the Liquidator (except those in connection with the Sears Variable Note).

"Valuation Date" means August 20, 1999.

"Voting Claim" of a Creditor means the amount of the Claim and/or Interim Period Claim of such Creditor determined for voting purposes in accordance with the provisions of the Claims Procedure, the Plan, the Initial CCAA Order and the CCAA.

1.2 Certain Rules of Interpretation

In this Plan and any Schedules hereto:

- (a) all accounting terms not otherwise defined herein shall have the meanings ascribed to them, from time to time, in accordance with Canadian generally accepted accounting principles, including those prescribed by the Canadian Institute of Chartered Accountants;
- (b) all references to currency are to Canadian Dollars;
- (c) if, for the purposes of voting or distribution, an amount denominated in a currency other than Canadian Dollars must be converted to Canadian Dollars, such amount shall be regarded as having been converted at the noon spot rate of exchange quoted by the Bank of Canada for exchanging such currency to Canadian Dollars as at the Valuation Date;
- (d) the division of this Plan into Articles and Sections and the insertion of a table of contents are for convenience of reference only and do not affect the construction or interpretation of this Plan, nor are the descriptive headings of Articles and Sections intended as complete or accurate descriptions of the content thereof;
- (e) the use of words in the singular or plural, or with a particular gender, shall not limit the scope or exclude the application of any provision of this Plan or a Schedule hereto to such Person (or Persons) or circumstances as the context otherwise permits;
- (f) the words "includes" and "including" and similar terms of inclusion shall not, unless expressly modified by the words "only" or "solely", be construed as terms of limitation, but rather shall mean "includes but is not limited to" and "including but not limited to", so that references to included matters shall be regarded as illustrative without being either characterizing or exhaustive;
- (g) unless otherwise specified, all references to time herein and in any document issued pursuant hereto mean local time in Toronto, Ontario and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day;
- (h) unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next succeeding Business Day if the last day of the period is not a Business Day;
- (i) whenever any payment to be made or action to be taken under this Plan is required to be made or to be taken on a day other than a Business Day, such payment shall be made or action taken on the next succeeding Business Day;
- (j) unless otherwise provided, any reference to a statute or other enactment of parliament or a legislature includes all regulations made thereunder, all amendments to or re-enactments of such statute or regulations in force from time to time, and, if applicable, any statute or regulation that supplements or supersedes such statute or regulation; and
- (k) references to a specified Article, Section or Schedule shall, unless something in the subject matter or context is inconsistent therewith, be construed as references to that specified Article or Section of, or Schedule to, this Plan, whereas the terms "this Plan", "hereof", "herein", "hereto", "hereunder" and similar expressions shall be deemed to refer generally to this Plan and not to any particular Article, Section, Schedule or other portion of this Plan and include any documents supplemental hereto.

1.3 Schedules

The following Schedules annexed hereto are an integral part of this Plan:

Schedule "A" — Claims Procedure for Voting and Distribution Purposes

Schedule "B" — Entities Eligible for Investments by Liquidator

To the extent that any definition in Schedule "A" differs from a definition in the Plan, the Plan definition governs for the purposes of the Plan.

1.4 Successors and Assigns

This Plan shall be binding upon and shall enure to the benefit of the heirs, administrators, executors, legal personal representatives, successors and assigns of any Person named or referred to in, or subject to, this Plan.

1.5 Governing Law

This Plan shall be governed by and construed in accordance with the laws of Ontario and the federal laws of Canada applicable therein. All questions as to the interpretation of or application of this Plan and all proceedings taken in connection with this Plan and its provisions shall be subject to the exclusive jurisdiction of the Court.

ARTICLE 2

PURPOSE AND EFFECT OF THE PLAN

2.1 Purpose

The purpose of this Plan is to effect a reorganization of the Common Shares and certain of the assets of Eaton's and a compromise of Eaton's liabilities to permit the disposition of Eaton's as a going concern to Sears and the orderly disposition of certain of the assets of Eaton's for the benefit of Creditors. The Plan is an intrinsic part of the Sears Transaction pursuant to which Sears has agreed to acquire Eaton's on a going concern basis. Pursuant to the Plan, the Distributionco Transferred Assets will be transferred from Eaton's to Distributionco, Distributionco will assume the Distributionco Assumed Liabilities and the Unsatisfied Unaffected Liabilities, Sears will acquire the Common Shares and make the Sears Equity Contribution and Distributionco will ultimately receive the benefit of the Sears Equity Contribution as a repayment of the Eaton's Note. The Sears Equity Contribution will then be distributed to Creditors and as soon as practicable in the circumstances the Distributionco Transferred Assets will be realized and the net cash proceeds thereof will be distributed to Creditors. Sears will acquire the Common Shares from Distributionco after Distributionco acquires the Common Shares from the Shareholders in consideration for the issuance to the Shareholders of rights to receive undivided interests in the Sears Variable Note. Eaton's believes that Creditors will derive greater benefit from the continued operation of Eaton's and the orderly disposition of the Distributionco Transferred Assets than they would recover in a bankruptcy. In addition, this Plan provides for a recovery for Shareholders that would not otherwise be available. Accordingly, this Plan is designed to provide a fair recovery to all Creditors and Shareholders and to provide Eaton's with the financial stability necessary to implement a disposition plan for the benefit of all Creditors and to continue its business operations from and after the Plan Implementation Date.

2.2 Overview of Plan

The restructuring contemplated by this Plan is to be implemented under the CCAA and OBCA. This Plan involves the following essential elements:

- (a) the compromise of the Claims and Interim Period Claims of the Unsecured Creditors and Landlord Creditors;
- (b) the transfer of the Distributionco Transferred Assets to Distributionco for the orderly disposition of the Distributionco Transferred Assets, and the delivery by Eaton's of the Sears Equity Contribution to Distributionco by means of the repayment of the Eaton's Note by Eaton's to Distributionco;
- (c) the assumption by Distributionco of the Distributionco Assumed Liabilities as compromised under this Plan and of the Unsatisfied Unaffected Liabilities and the release of Eaton's from any liability for or arising from the Distributionco Assumed Liabilities and the Unsatisfied Unaffected Liabilities;
- (d) the winding up of Distributionco for the purposes of the distribution of proceeds from the realization of the Distributionco Transferred Assets, and the Sears Equity Contribution, to the Creditors;

- (e) the exchange of all of the Common Shares for the Participation Units;
- (f) the cancellation of the Options; and
- (g) the acquisition by Sears of the Common Shares.

ARTICLE 3

CREDITORS AND SHAREHOLDERS

3.1 Classification of Creditors

The classification of Creditors for the purposes of considering and voting on this Plan and receiving distributions hereunder is based upon the commonality of interest of such Creditors, such that Creditors with essentially similar rights against Eaton's and which Creditors are to receive essentially similar treatment have been grouped together in the following Classes for voting and distribution purposes:

(a) *Class 1*

Claims and Interim Period Claims of the Unsecured Creditors shall be designated as Class 1, and shall include the Claims relating to the notes in the aggregate principal amount of \$5 million issued by Eaton's pursuant to the amended and restated plan of compromise or arrangement sanctioned by the Court on September 12, 1997, and all amounts pertaining to arrears of rent or other amounts payable as rent under the Leases, or Claims in respect of tenant inducements, but shall exclude Landlord Interim Period Claims, which amounts shall be included in Class 2.

(b) *Class 2*

Interim Period Claims of the Landlord Creditors, only with respect to or relating to the Leases, shall be designated as Class 2.

3.2 Unaffected Creditors

This Plan does not affect or compromise the Claims or Interim Period Claims of the following Creditors and others, except to the extent provided for in Section 3.3 hereof:

- (a) RFI, which shall be paid by Eaton's on or before the Plan Implementation Date in accordance with Eaton's credit facility arrangements with RFI;
- (b) the Agent, which shall be paid by Eaton's in accordance with the Agency Agreement on or before the Plan Implementation Date;
- (c) the Trustee, the Monitor and the Interim Receiver, including legal and other advisors retained by any of them in accordance with the BIA Orders and the Initial CCAA Order, which shall be paid by Eaton's on or before the Plan Implementation Date;
- (d) Sears;
- (e) those Creditors having Claims or Interim Period Claims which constitute Eaton's Remaining Liabilities, which Claims or Interim Period Claims shall be satisfied by Eaton's in the ordinary course of business prior to, on or after the Plan Implementation Date;
- (f) those Landlord Creditors having Claims in respect of Leases, where such Leases are assigned by Eaton's on or prior to the Plan Implementation Date to Persons other than Distributionco, to the extent such Landlord Creditors deliver a full release to Eaton's;
- (g) Interim Period Suppliers, which shall be paid by Eaton's in the ordinary course prior to, on or after the Plan Implementation Date;
- (h) the legal, accounting and financial advisors and sales agents engaged by Eaton's for the purposes of assisting Eaton's in reorganizing its assets, debt and equity pursuant to this Plan, which shall be paid by Eaton's on or before the Plan Implementation Date;

- (i) Secured Creditors, unless the Claims or Interim Period Claims of such Secured Creditors are otherwise provided for in this Plan, or their Claims or Interim Period Claims are settled by agreement with Eaton's;
- (j) Creditors having claims arising in the ordinary course of business against Eaton's to the extent that such claims are covered by Eaton's insurance policies or are required by law or otherwise to be paid by Eaton's insurers;
- (k) Her Majesty in right of Canada or any province, in respect of any environmental matters, but only to the extent of the Charge granted under Subsection 11.8(8) of the CCAA and, in respect of other matters, only to the extent that such matters or obligations (i) give rise to deemed trusts which are not paid pursuant to Subsection 18.2(1) of the CCAA or are the subject of other deemed trusts protected by Subsection 18.3(2) of the CCAA; or (ii) are secured by a Charge which complies with Subsection 18.5(1) of the CCAA; and
- (l) the members of the Board of Directors of Eaton's in respect of their fees and disbursements up to and including the Plan Implementation Date.

3.3 Affected Claims of Unaffected Creditors

(a) *Secured Creditors*

Secured Creditors shall have no Voting Claim or Distribution Claim, except to the extent of any deficiency Claim or deficiency Interim Period Claim to which they may be entitled in respect of the Charge held by them. The Claims and Interim Period Claims of the Secured Creditors (other than the Monitor and Interim Receiver in respect of the Charge granted to them in the BIA Order made on August 23, 1999 and continued under the Initial CCAA Order, Sears, RFI, and the Agent) to the extent compromised by this Plan, and the Unsatisfied Unassumed Liabilities shall be assumed by Distributionco and thereupon all of the obligations of Eaton's to such Secured Creditors, including obligations arising under guarantees, sureties, indemnities and similar covenants and all Charges in favour of the Secured Creditors against the Eaton's Remaining Assets, shall be and shall be deemed to be released and discharged. Distributionco shall satisfy its obligations to the Secured Creditors from the realization of the Distributionco Transferred Assets to the extent of any Charges attaching to any of the Distributionco Transferred Assets, and any deficiency Claims to the extent such Secured Creditors may be entitled thereto from such realization shall constitute such Secured Creditors' Claims or Interim Period Claims to be compromised as Distribution Claims.

(b) *Insurance Claims*

To the extent that any Claim or Interim Period Claim of a Creditor is not fully insured under Eaton's insurance policies or at law, the Creditor will be entitled to pursue a Claim or Interim Period Claim in respect of such uninsured portion, in accordance with this Plan and the Claims Procedure.

(c) *Claims Against Distributionco*

The Unaffected Creditors shall have no Claims or Interim Period Claims against Distributionco except to the extent of the Unsatisfied Unaffected Liabilities, which shall be assumed and satisfied by Distributionco.

3.4 Classification of Shareholders

The Shareholders shall constitute a single class which shall be designated as Class 3. The Optionholders shall not have the right to vote or receive any distributions under the Plan.

ARTICLE 4

TREATMENT OF CREDITORS AND SHAREHOLDERS

For purposes of this Plan, the Creditors shall receive the treatment provided in this Article 4 on account of their Claims and Interim Period Claims and on the Plan Implementation Date, the Claims and Interim Period Claims affected by this Plan will be compromised in accordance with the terms of this Plan.

4.1 Unsecured Creditors

(a) *Voting Claims*

(i) Voting Claims of Greater than \$500

Subject to Subsection 4.1(a)(ii) hereof, each Unsecured Creditor having a Voting Claim as an Unsecured Creditor shall be entitled to vote in Class 1 to the extent of the amount which is equal to its Voting Claim as an Unsecured Creditor.

(ii) Voting Claims of \$500 or Less

An Unsecured Creditor with a Voting Claim as an Unsecured Creditor of \$500 or less, or an Unsecured Creditor with a Voting Claim greater than \$500 which elects to value its Voting Claim at \$500 in accordance with the procedure set out below, shall not be entitled to vote at the Meeting of Creditors for the Class of Unsecured Creditors.

(b) *Distribution Claims*

(i) Unsecured Creditors Pool

The distribution to the Unsecured Creditors shall not exceed in the aggregate the Unsecured Creditors Pool. For purposes of distribution of the Unsecured Creditors Pool, the Distribution Claims of the Unsecured Creditors shall rank *pari passu*, except to the extent that they receive payments of \$500 or less in full satisfaction of their Distribution Claims.

(ii) Distribution Claims of Greater than \$500

After the Plan Implementation Date, each Unsecured Creditor with a Distribution Claim as an Unsecured Creditor which is greater than \$500 and who did not elect to value such Distribution Claim at \$500 shall receive from the Liquidator from time to time, in full satisfaction of such Distribution Claim as an Unsecured Creditor, a *pari passu* cash distribution from the Unsecured Creditors Pool.

(iii) Distribution Claims of \$500 or Less

As soon as practicable after the Plan Implementation Date, each Unsecured Creditor with a Distribution Claim as an Unsecured Creditor not exceeding in the aggregate \$500, and each Unsecured Creditor with a Distribution Claim as an Unsecured Creditor which is greater than \$500 which elects to value such Distribution Claim at \$500 shall receive, from the Liquidator in priority to any distributions under Section 4(b)(ii) hereof, in full satisfaction of such Distribution Claim as an Unsecured Creditor, cash in an amount equal to the lesser of \$500 and the amount of such Distribution Claim. Such election must be made in writing and delivered to Eaton's prior to December 1, 1999. For greater certainty, such election must be made in respect of the whole amount of such Distribution Claim.

4.2 Landlord Creditors

(a) *Voting Claims*

Each Landlord Creditor shall be entitled to vote in Class 2 to the extent of the amount which is equal to its Voting Claim in respect only of its Landlord Interim Period Claim.

(b) *Distribution Claims*

(i) Landlord Pool

The distributions to the Landlord Creditors of their Distribution Claims in respect of or relating to their Landlord Interim Period Claims shall not exceed in the aggregate the Landlord Pool. For purposes of distribution of the Landlord Pool, the Distribution Claims of the Landlord Creditors in respect of or relating to their Landlord Interim Period Claims shall rank *pari passu*.

(ii) Distribution to Landlord Creditors

After the Plan Implementation Date, each Landlord Creditor with a Distribution Claim in respect of or relating to its Landlord Interim Period Claim shall receive from the Liquidator from time to time, in full satisfaction of such Distribution Claim, a *pari passu* cash distribution from the Landlord Pool.

(c) *Abandonment or Repudiation*

If Eaton's has delivered an abandonment notice or a repudiation notice with respect to Abandoned Premises, the relevant Lease pursuant to which Eaton's occupied or was obligated to occupy such Abandoned Premises and any obligation of Eaton's thereunder shall terminate in accordance with the Initial CCAA Order and the Plan without affecting the relevant Landlord's Distribution Claim.

4.3 Unaffected Creditors

For greater certainty, each Unaffected Creditor shall not be entitled to vote or to receive any distributions under this Plan.

4.4 Guarantees and Similar Covenants

No Person who has a Claim or Interim Period Claim under any guarantee, surety, indemnity or similar covenant (other than the holder of a guarantee, surety, indemnity or similar covenant from Eaton's) in respect of any Claim or Interim Period Claim which is compromised under this Plan or who has any right to claim over in respect of or to be subrogated to the rights of any Person in respect of a Claim or Interim Period Claim which is compromised under this Plan shall be entitled to any greater rights than the Creditor whose Claim or Interim Period Claim was compromised under this Plan.

4.5 Claims Generally

(a) *Assignment of Claims and Interim Period Claims*

If a Creditor who has a Voting Claim transferred or transfers all or part of its Voting Claim and the transferee delivers evidence of its ownership of all or part of such Voting Claim and a written request to Eaton's, no later than five (5) Calendar Days prior to the date of the Meeting of the Creditors of the Class to which such Voting Claim is subject, that such transferee's name be included on the list of Creditors entitled to vote at such Meeting, such transferee shall be entitled to attend and vote the transferred portion of such Voting Claim at such Meeting if and to the extent such Voting Claim may otherwise be voted at such Meeting; provided, however, that for the purposes of determining whether this Plan has been approved by a majority in number of the Creditors of such Class, only the vote of the transferor or the transferee, whichever holds the highest dollar value of such Voting Claim, will be counted, and, if such value shall be equal, only the vote of the transferee will be counted. If a Voting Claim has been transferred to more than one transferee, for purposes of determining whether this Plan has been approved by a majority in number of the Creditors of the Class, to which such Voting Claim is subject, only the vote of the transferee with the highest value of such Voting Claim will be counted unless all of the transferees of such Voting Claim deliver a notice to Eaton's at least five (5) Calendar Days prior to the date of the Meeting of the Creditors of the Class to which such Voting Claim is subject and designate therein the name of the transferee whose vote is to be counted, in which case the vote of such designated transferee will be counted.

(b) *Voting by Landlord Creditors*

For the purpose of determining whether this Plan has been approved by a majority in number of the Landlord Creditors, the vote of the Person which is the landlord of premises leased to Eaton's together with any vote of an Affiliate of such Person which is also a landlord of another leased premises of Eaton's shall be counted only as one vote. Each co-ownership, joint venture or partnership in respect only of a particular leased premises shall be regarded as a separate Person and counted as one vote. For greater certainty, if the same Person is a Landlord Creditor voting under this Plan in respect of more than one leased premises, the vote of such Person shall be counted as only one vote.

(c) *Merchandising Funds and Discounting*

A Distribution Claim of a Creditor shall be net of any amount owing by the Creditor to Eaton's prior to the Valuation Date. For greater certainty, Eaton's shall be entitled to exercise rights of set-off prior to the Valuation Date in respect of Merchandising Funds and Discounts relating to purchases and transactions occurring prior to the Valuation Date on a per diem basis notwithstanding that the relevant contract, agreement or arrangement relating to such Merchandising Funds and Discounts may provide for a calculation of or entitlement to Merchandising Funds and Discounts on a different basis. No amount shall be provable as a Claim by a Creditor in respect of Merchandising Funds and Discounts which have been taken or claimed by Eaton's prior to the Valuation Date.

(d) *Allocation of Distributions*

All distributions made by the Liquidator to Creditors pursuant to this Plan and the OBCA Sanction Order shall be applied first in payment of accrued and unpaid interest, if any, which form part of the Claim or Interim Period Claim, and the balance shall then be applied in payment of the outstanding principal amount of such Claim or Interim Period Claim. Each Creditor shall be responsible for providing for any non-resident withholding tax imposed under Part XIII of the *Income Tax Act* (Canada) as a condition of receiving any amounts under this Plan.

(e) *Interest*

No interest shall accrue from and after the Valuation Date for the purpose of valuing Voting Claims and Distribution Claims.

4.6 Shareholders

(a) *Exchange of Common Shares*

On the Plan Implementation Date, the Shareholders shall exchange and shall be deemed to have exchanged the Common Shares for the right of each of them to receive Participation Units. Each Shareholder shall have the right to receive a Participation Unit on the basis of one Participation Unit for each Common Share held.

(b) *Exercise of Right to Receive Participation Units*

On the Plan Implementation Date, on the receipt by Distributionco of the Sears Variable Note, the Shareholders shall exercise and shall be deemed to have exercised their right to receive Participation Units, and Distributionco, through the Liquidator, shall issue Participation Units to each Shareholder in accordance with its entitlement, on the basis of one Participation Unit for each Common Share.

(c) *Participation Units*

The Liquidator will hold the Sears Variable Note on behalf of Distributionco. The Liquidator will hold the proceeds received on the repayment or maturity of the Sears Variable Note and income earned thereon on behalf of Distributionco, and Distributionco will hold such proceeds and income for the benefit of Persons holding from time to time Participation Units in accordance with their respective entitlements. The Sears Variable Note shall be paid by Sears only from the use of the Eaton's Tax

Losses. There shall be no other recourse against Sears or Eaton's in respect of the Sears Variable Note. Upon the filing of a tax return by Sears in which any of the Eaton's Tax Losses are utilized, a payment will be made by Sears to the Liquidator equal to the Eaton's Tax Savings with the aggregate of all the Eaton's Tax Savings being a maximum of \$20 million. The Liquidator shall invest such funds, plus any interest thereon earned by the Liquidator, until the later of (i) the expiry of the relevant assessment period, and (ii) the resolution of any appeal from an assessment in respect of the use by Sears of such Eaton's Tax Losses. Thereupon, the Eaton's Tax Savings, plus interest earned thereon by the Liquidator, shall reduce the amount payable under the Sears Variable Note and the Liquidator shall distribute such amounts to the holders of Participation Units. To the extent that Sears is not ultimately able to utilize the Eaton's Tax Losses to a maximum amount of \$44.44 million, the difference between the Eaton's Tax Savings paid to the Liquidator and 45% of the Eaton's Tax Losses actually utilized, plus any interest earned thereon, shall be repaid by the Liquidator to Sears upon the expiry of all appeal rights of Sears in respect of any disallowance of such Eaton's Tax Losses and, in that event, Sears shall have no obligation to pay such amounts under the Sears Variable Note. Sears shall claim sufficient of the Eaton's Tax Losses to generate no less than \$20 million in Eaton's Tax Savings prior to claiming any tax losses of Sears.

(d) *No Dissent Rights*

The Shareholders shall not have any rights of dissent under Section 185 of the OBCA in respect of this Plan.

4.7 Optionholders

On the Plan Implementation Date, the Options shall be cancelled and shall be deemed to be cancelled, and the Optionholders shall have no further rights against Eaton's, Distributionco or the Liquidator nor shall they be entitled to receive any Participation Units.

4.8 Effect of Plan Generally

On the Plan Implementation Date, the treatment of Claims and Interim Period Claims under this Plan shall be final and binding on Eaton's and all Creditors affected thereby (and their respective heirs, executors, administrators, legal personal representatives, successors and assigns) and this Plan shall constitute (i) a full, final and absolute settlement of all rights of the holders of all Claims and Interim Period Claims affected hereby; (ii) an absolute release and discharge of all indebtedness, liabilities and obligations of Eaton's of or in respect of the Claims and Interim Period Claims, including, without limitation, the Unsatisfied Unaffected Liabilities, and any Charges against the Eaton's Remaining Assets in respect thereof (whether created by contract, statute or otherwise); and (iii) a termination of all Leases pertaining to Abandoned Premises and all contracts, rights and licenses granted by Eaton's not constituting Eaton's Remaining Assets, Distributionco Transferred Assets or Eaton's existing insurance policies of any kind whatsoever in accordance with the terms and conditions of this Plan.

4.9 Waiver of Defaults

From and after the Plan Implementation Date, all Persons shall be deemed to have waived any and all defaults of Eaton's then existing or previously committed by Eaton's or caused by Eaton's, or non-compliance with any covenant, warranty, representation, term, provision, condition or obligation, express or implied, in any contract, credit document, agreement for sale, Lease, lease or other agreement, written or oral, and any and all amendments or supplements thereto, existing between such Person and Eaton's, and any and all notices of default and demands for payment under any instrument, including any guarantee, shall be deemed to have been rescinded and Distributionco and the Liquidator shall be entitled to the benefit of such waiver.

ARTICLE 5

STEPS OF THE PLAN AND CLOSING PROCEDURES

5.1 Implementation of Plan

Prior to the Plan Implementation Date, Eaton's shall incorporate Distributionco as a wholly owned subsidiary, Eaton's shall hold the Distributionco Common Share and shall cause Distributionco to become subject to the OBCA Proceedings. Subject to the satisfaction or waiver (in accordance with Section 9:1 hereof), of the conditions set forth in Article 6 hereof, the following shall occur, and be deemed to occur, sequentially in the following order on the Plan Implementation Date:

- (a) all of the subsidiaries of Eaton's shall release and be deemed to have released Eaton's from all obligations, indebtedness and liabilities, including, without limitation, all Unsatisfied Unaffected Liabilities, and all Claims and Interim Period Claims which they may have against Eaton's;
- (b) the Initial Director shall resign and be deemed to have resigned without any ongoing liability as a director of Distributionco;
- (c) the appointment of the Liquidator will take effect in accordance with the provisions of the OBCA Sanction Order;
- (d) the compromise of the Claims and Interim Period Claims between the Creditors and Eaton's shall be effected and be deemed to be effected at the amounts which the Creditors are to be entitled to receive from Distributionco;
- (e) Eaton's shall transfer and be deemed to have transferred to Distributionco the Distributionco Transferred Assets and issued the Eaton's Note to Distributionco in exchange for which Distributionco shall assume and be deemed to have assumed the Distributionco Assumed Liabilities, as compromised under paragraph (d) hereof and, the Unsatisfied Unaffected Liabilities;
- (f) Eaton's shall be released and be deemed to be released by all Creditors from all Claims and Interim Period Claims including, without limitation, from the Unsatisfied Unaffected Liabilities, excluding Eaton's Remaining Liabilities;
- (g) the Shareholders shall exchange and be deemed to exchange their Common Shares for the right to receive Participation Units;
- (h) the Options shall be cancelled and shall be deemed to be cancelled and Eaton's shall be released and be deemed to be released from all obligations and liabilities to the Optionholders;
- (i) the Articles of Arrangement shall be filed;
- (j) Sears will acquire the Common Shares held by Distributionco in exchange for the Sears Variable Note to be issued to Distributionco;
- (k) the Liquidator shall hold the Sears Variable Note on behalf of Distributionco, and Distributionco shall in turn hold the Sears Variable Note for the benefit of the holders of Participation Units from time to time in accordance with their respective interests;
- (l) Distributionco shall deliver and be deemed to have delivered Participation Units to the Shareholders in full satisfaction of the Shareholders' right to receive such Participation Units;
- (m) Sears will subscribe for new common shares of Eaton's and will pay to Eaton's the Sears Equity Contribution;
- (n) the Sears Equity Contribution shall be paid by Eaton's to Distributionco in full satisfaction of the Eaton's Note; and
- (o) Eaton's shall transfer the Distributionco Common Share to the Liquidator.

5.2 Effect of CCAA Sanction Order

In addition to sanctioning this Plan, the CCAA Sanction Order shall, among other things:

- (a) declare that the compromises effected hereby are approved, binding and effective as herein set out upon all Creditors affected by this Plan;
- (b) declare that agreements (including without limitation, Leases) to which Eaton's is a party and which are not repudiated or not deemed to be repudiated by Eaton's shall be and shall remain in full force and effect, unamended, as at the Plan Implementation Date and no Person party to any such agreements shall, following the Plan Implementation Date, accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including any right of set-off, dilution, buy-out, divestiture, forced sale, option or other remedy) or make any demand under or in respect of any such obligations or agreements, by reason:
 - (i) of any event(s) which occurred on or prior to the Valuation Date which would have entitled any other Person party thereto to enforce those rights or remedies (including defaults or events of default arising as a result of the financial condition or insolvency of Eaton's);
 - (ii) of the fact that Eaton's has sought or obtained relief under the CCAA Proceedings, BIA Proceedings or the OBCA Proceedings or that the Plan has been implemented;
 - (iii) of the effect on Eaton's of the completion of any of the transactions contemplated by this Plan; or
 - (iv) of any compromises or arrangements effected pursuant to this Plan;
- (c) with respect to those Leases, leases, contracts, licences, agreements or arrangements, or other rights, which do not constitute Eaton's Remaining Assets or Eaton's insurance policies (of any kind whatsoever), all such Leases, leases, contracts, licences, agreements or arrangements, or other rights, shall be deemed to be repudiated and abandoned, as applicable, as of the Plan Implementation Date and the other Persons who are party thereto shall be deemed to be Creditors having Interim Period Claims unless Distributionco expressly agrees to assume any such lease (other than a Lease), contract, licence, agreement, or arrangements, or other rights, by written notice within ten (10) Calendar Days after the Plan Implementation Date;
- (d) declare that a temporary cessation of all or part of store operations at The Eaton Centre (Victoria), Pacific Centre (Vancouver), Polo Park (Winnipeg), The Eaton Centre (Toronto), and the Calgary Eaton Centre, and, if elected by Sears, the additional store added to Schedule "B" in Addendum No. 2 to the Sears Agreement, for the period ending no later than 6 months after the Plan Implementation Date for the purposes of renovating and retrofitting such store locations shall not and shall not be deemed to constitute an event of default under the Leases and operating agreements relating to such stores or under any agreements between other Persons and the owners, operators, managers or landlords of the shopping centres in which such stores are located or of other commercial properties located adjacent to such stores, provided that during such period all amounts constituting rent under the Leases and all amounts payable under the operating agreements for such stores shall be payable in accordance with the provisions of such Leases and operating agreements;
- (e) discharge the Monitor and the Interim Receiver;
- (f) stay any and all steps or proceedings, including, without limitation, administrative orders, declarations or assessments, commenced, taken or proceeded with or that may be commenced, taken or proceeded with against any or all past, present and future directors and officers of Eaton's and the Initial Director in respect of any Claim or Interim Period Claim;
- (g) discharge all past, present and future directors and officers of Eaton's and the Initial Director from any liability with respect to all Claims and Interim Period Claims;
- (h) release and discharge Eaton's from any and all indebtedness, obligations and liabilities (other than in respect of Eaton's Remaining Liabilities) including without limitation, any liability with respect to Claims or Interim Period Claims, including, without limitation, the Unsatisfied Unaffected Liabilities,

or any liability as an assignor of any rights, or as employer under, or administrator of, the Pension Plans;

- (i) to make provision for the creation of adequate reserves to be held by Distributionco, or the Liquidator appointed under the OBCA Sanction Order, to pay Unsatisfied Unaffected Liabilities; and
- (j) provide that the Distributionco Transferred Assets, wherever situate, shall vest in Distributionco free and clear of all Charges, estate, right, title, or interest except as otherwise provided under this Plan.

5.3 Effect of OBCA Sanction Order

In addition to sanctioning this Plan, the OBCA Sanction Order shall provide, among other things, that:

- (a) Distributionco shall be wound up commencing on the Plan Implementation Date;
- (b) the Liquidator shall be appointed effective on the Plan Implementation Date to receive and liquidate all of the Distributionco Transferred Assets and the Sears Equity Contribution for distribution to the Creditors in accordance with the Plan and the Claims Procedure;
- (c) the Liquidator shall have all necessary powers to carry out its duties and obligations as described in this Plan and the OBCA Sanction Order, including the authority to pay any taxes exigible as a result of the transfer of the Distributionco Transferred Assets to Distributionco, and all of the rights, powers, duties and obligations of a court-appointed liquidator under Part XVI of the OBCA, except as may be varied by the OBCA Sanction Order, and Distributionco and the Liquidator shall have all of the rights, privileges, protections and immunities typically afforded to an indenture trustee in connection with the enforcement and administration of the Sears Variable Note;
- (d) from and after the Plan Implementation Date, the Liquidator shall assume the functions of Eaton's (as defined in the Claims Procedure) under the Claims Procedure for the determination of Distribution Claims and shall distribute (including on an interim basis) to the Creditors amounts realized from the Distributionco Transferred Assets and the Sears Equity Contribution, in accordance with the Plan, including the Claims Procedure;
- (e) the Liquidator shall hold the Sears Variable Note and the proceeds thereof received on the maturity of the Sears Variable Note on behalf of Distributionco and distribute on behalf of Distributionco such proceeds and all interest thereon in accordance with the provisions of this Plan and the Sears Variable Note to the holders of Participation Units;
- (f) the Liquidator shall keep any funds received under the Sears Variable Note prior to any repayment thereunder or the maturity thereof segregated from any other funds held by the Liquidator, and shall return such funds (and any interest thereon) to Sears to the extent provided in the Sears Variable Note, and upon such return of funds to Sears, no Person shall have any claim including, without limitation, the holders of Participation Units or Distributionco, in respect of such funds;
- (g) the Liquidator shall invest all funds held or received by Distributionco under the Sears Variable Note, pending distribution as contemplated under the Sears Variable Note, in deposits, bankers acceptances and Treasury Bills with or of the financial institutions and the Canadian or provincial governments and their respective agencies or agents listed or referred to in Schedule "B" attached to this Plan;
- (h) the Liquidator shall keep and maintain a register of holders of Participation Units and of transfers thereof;
- (i) neither Distributionco nor the Liquidator shall have any obligation to take any proceedings or any other steps to enforce the Sears Variable Note or the rights of the Participation Unit holders to receive monies thereunder, unless the Liquidator is provided with funds and the appropriate indemnities from Participation Unit holders;
- (j) the form and terms of the Sears Variable Note shall be approved;

- (k) a committee of Creditors of up to 5 members may be appointed by the Liquidator to assist the Liquidator in reviewing and settling Distribution Claims and establishing reserves to allow the Liquidator to make interim distributions to the Creditors;
- (l) the Initial Director shall be discharged from any liability with respect to the Claims and Interim Period Claims effective on the Plan Implementation Date;
- (m) no further directors shall be appointed for Distributionco;
- (n) no action or other proceeding shall be proceeded with or commenced against Distributionco or the Liquidator and no attachment, sequestration, distress or execution shall be put in force against the estate or effects of Distributionco except by leave of the Court;
- (o) Distributionco shall not assume any liability in respect of any Claims or Interim Period Claims, except those liabilities compromised under this Plan and the Unsatisfied Unaffected Liabilities;
- (p) no Person who is a party to any agreement assigned to Distributionco as part of the Distributionco Transferred Assets shall, from and after the Plan Implementation Date, have any right to accelerate, terminate, rescind, refuse to perform or otherwise repudiate its obligations thereunder, or enforce or exercise any right (including without limitation any charge, right of set-off, dilution, buy-out, reconveyance, divestiture, forced sale, option or other remedy) or make any demand under or in respect of such agreement by reasons of:
 - (i) the fact that Distributionco is the transferee of the Distributionco Transferred Assets;
 - (ii) the fact that Distributionco has sought or obtained relief under the OBCA Proceedings;
 - (iii) the fact that the Plan has been implemented; or
 - (iv) the fact that Distributionco is being wound up and the Liquidator has been appointed; and
- (q) the Liquidator shall only apply for an Order dissolving Distributionco when all funds received under the Sears Variable Note and any income earned thereon have been fully distributed to the holders of the Participation Units and when all proceeds of realization from the Distributionco Transferred Assets have been distributed to the Creditors, in each case in accordance with this Plan and the OBCA Sanction Order.

ARTICLE 6

CONDITIONS PRECEDENT

6.1 Application for Sanction Orders

If the Creditor Approval and Shareholder Approval are obtained, Eaton's shall apply for the CCAA Sanction Order and the OBCA Sanction Order on November 23, 1999. The CCAA Sanction Order and the OBCA Sanction Order shall not become effective until the Plan Implementation Date. On the Plan Implementation Date, subject to the satisfaction or waiver of the conditions contained in Section 6.2, the Plan will be implemented by Eaton's, Distributionco and the Liquidator and shall be binding upon all Persons having Claims, Interim Period Claims, and Unsatisfied Unaffected Liabilities against Eaton's or Distributionco or the Liquidator to the extent of their Claims, Interim Period Claims or Unsatisfied Unaffected Liabilities. If the conditions contained in Section 6.2 are not satisfied or waived on or before the Plan Implementation Date, this Plan, the CCAA Sanction Order and the OBCA Sanction Order shall cease to have any further force or effect (other than the provisions therein protecting the Interim Receiver, the Monitor and the Liquidator, including with respect to their fees and disbursements).

Eaton's may apply for an Order extending the Stay Period so that the application for the CCAA Sanction Order may be made before the Stay Period expires and the Stay Period shall not expire until the Plan Implementation Date.

6.2 Conditions Precedent to Implementation of Plan

The implementation of this Plan shall be conditional upon the fulfilment or waiver (in accordance with Section 9.1) of the following conditions:

(a) *Expiry of Appeal Period*

The appeal period with respect to the CCAA Sanction Order and OBCA Sanction Order shall have expired without an appeal of such Orders having been commenced or, in the event of an appeal or application for leave to appeal, a final determination shall have been made by the applicable appellate tribunal.

(b) *Sears Agreement*

The satisfaction of all conditions in the Sears Agreement unless waived by Sears.

(c) *Deliveries of Documents*

All relevant Persons shall have executed, delivered and filed all documentation which in the opinion of Eaton's, acting reasonably, are necessary to give effect to all material terms and provisions of this Plan including, without limitation, the Articles of Arrangement.

(d) *Governmental Approvals*

All applicable governmental, regulatory and judicial consents, orders and similar consents and approvals and all filings with all governmental authorities, securities commissions, stock exchanges and other regulatory authorities having jurisdiction, in each case to the extent deemed necessary or desirable by counsel to Eaton's and in form and substance satisfactory to Eaton's for the completion of the transactions contemplated by this Plan or any aspect hereof, shall have been obtained or received.

ARTICLE 7

MEETINGS AND PROCEDURAL MATTERS

7.1 Meetings of Creditors

- (a) Meetings of Creditors shall be held in accordance with this Plan, the Initial CCAA Order and any further Order.
- (b) Subject to the Initial CCAA Order, the Chair shall decide all matters relating to the conduct of each Meeting of Creditors and the validity of proxies and the voting of Voting Claims.
- (c) The quorum required at each Meeting of Creditors shall be the lesser of two or the number of Creditors in the Class of Creditors present in person or by proxy.
- (d) The Monitor shall appoint scrutineers for the supervision and tabulation of the attendance at, quorum at and votes cast at each Meeting of Creditors. A Person designated by the Monitor shall act as secretary at the Meeting of Creditors.
- (e) The only Persons entitled to notice of or to attend, speak and vote at each Meeting of Creditors are the Creditors of the Class of Creditors to which the Meeting relates (including, for purposes of attendance and speaking, their proxy holders), representatives of Eaton's, the Monitor, the Employee Representative, and their respective legal and financial advisors. Any other Person may be admitted to a Meeting of Creditors on the invitation of Eaton's representatives or the Chair.
- (f) If the requisite quorum is not present at a Meeting of Creditors, or if a Meeting of Creditors is postponed by the vote of the majority in number of the Creditors present in person or by proxy, then the Meeting of Creditors shall be adjourned by the Chair to a date thereafter and to such time and place as may be appointed by the Chair.

- (g) Any proxy which any Creditor wishes to submit in respect of a Meeting of Creditors (or any adjournment thereof) must be received by Eaton's one Business Day prior to the day on which the Meeting of Creditors (or any adjournment thereof) is to be held, provided that proxies may also be deposited with the Chair at the Meeting of Creditors (or any adjournment thereof) prior to the commencement of such Meeting.
- (h) The Employee Representative shall file an Omnibus Proof of Claim (Employees) (as defined in the Claims Procedure) on behalf of all former and present employees of Eaton's and shall be deemed to hold an omnibus proxy for voting purposes for all former and present employees of Eaton's. The omnibus proxy for voting purposes shall be without prejudice to the ability of any former or present employee to file his or her own Proof of Claim and to appear in person or by proxy held by a Person other than the Employee Representative. In the event that the employee files his or her own Proof of Claim, the Omnibus Proof of Claim (Employees) and omnibus proxy for voting purposes shall be reduced or revised accordingly. The omnibus proxy shall be counted for the total number of individual employees voting and the total value of their Claims and Interim Period Claims.
- (i) In respect of any Meeting of Creditors, the Chair shall direct a vote, by written ballot, with respect to a resolution to approve this Plan and any amendments thereto as Eaton's may consider appropriate.
- (j) For voting purposes, Eaton's shall keep a separate record and tabulation of any votes cast in respect of Claims and Interim Period Claims which have not been allowed in whole or in part by Eaton's by the time of the Meeting.

7.2 Creditor Approval

In order that this Plan be binding on the Creditors in accordance with the CCAA, it must first be accepted by each Class of Creditors as prescribed by this Plan by a majority in number of the Creditors in such Class who actually vote on this Plan (in person or by proxy) at the relevant Meeting, representing two-thirds (66⅔%) in value of the Voting Claims of the Creditors in such Class who actually vote on this Plan (whether in person or by proxy) at the relevant Meeting.

7.3 Meeting of Shareholders

- (a) The Meeting of Shareholders shall be called, held and conducted in accordance with the OBCA, other applicable laws and the articles and by-laws of Eaton's, subject to the terms of the Initial OBCA Order and subject to any further Order.
- (b) Subject to the Initial OBCA Order, the Chair shall decide all matters relating to the conduct of the Meeting of Shareholders and the annual meeting of Shareholders postponed to November 19, 1999 by Order made September 24, 1999 and the validity of proxies and the voting of Common Shares relating to each.
- (c) The only Persons entitled to notice of or to attend the Meeting of Shareholders shall be the Shareholders as at the record date for the Meeting of Shareholders, holders of valid proxies from Shareholders, Eaton's representatives, Eaton's directors, Eaton's auditors, and the Monitor. The only Persons entitled to be represented and to vote at the Meeting of Shareholders shall be the Shareholders as at the record date for the Meeting of Shareholders, subject to the provisions of the OBCA with respect to Persons who become registered Shareholders after that date. Other Persons may attend at the Meeting of Shareholders only on the invitation of Eaton's representatives or the Chair.
- (d) Eaton's, if it deems it advisable, is specifically authorized to adjourn or postpone the Meeting of Shareholders on one or more occasions, without the necessity of first convening the Meeting of Shareholders or first obtaining any vote of any Shareholders respecting the adjournment or postponement.
- (e) The accidental omission to give notice of the Meeting of Shareholders, or the non-receipt of such notice, shall not invalidate any resolution passed or proceedings taken at the Meeting of Shareholders.

- (f) Eaton's is authorized, at its expense, to solicit proxies, directly and through its officers, directors and employees, and through such agents or representatives as it may retain for the purpose, and by mail or such other forms of personal or electronic communication as it may determine.
- (g) Votes shall be taken at the Meeting of Shareholders on the basis of one (1) vote per Common Share.
- (h) Optionholders shall not be entitled to vote at the Meeting of Shareholders.

7.4 Shareholder Approval

In order that this Plan be binding on the Shareholders in accordance with the OBCA, it must first be accepted by an affirmative vote by not less than two-thirds (66⅔%) of the votes cast (for this purpose any spoiled votes, illegible votes, defective votes and abstentions shall be deemed not to be votes cast) by the Shareholders present in person or represented by proxy at the Meeting of Shareholders.

ARTICLE 8 CLAIMS PROCEDURE

8.1 Claims Procedure

- (a) The Claims and Interim Period Claims for voting and distribution purposes are to be determined in accordance with the Claims Procedure.
- (b) All steps to be taken by Eaton's under the Claims Procedure from and after the Plan Implementation Date shall be performed by the Liquidator.

ARTICLE 9 AMENDMENT OF PLAN

9.1 Plan Amendment

- (a) Subject to the provisions of the Sears Agreement, Eaton's reserves the right, at any time and from time to time, to amend, modify and/or supplement this Plan, or to waive in whole or in part any condition from time to time set forth in Article 6, provided that any such amendment, modification, supplement or waiver must be contained in a written document which is filed with the Court and (i) if made prior to the Meetings, communicated to the Creditors and/or Shareholders in the manner required by the Court (if so required); and (ii) if made following the Meetings, approved by the Court following notice to the Creditors and/or Shareholders affected thereby.
- (b) Subject to the provisions of the Sears Agreement, any amendment, modification, supplement or waiver may be made unilaterally by the Liquidator following the OBCA Sanction Order and CCAA Sanction Order, provided that it concerns a matter which, in the opinion of the Liquidator, acting reasonably, is of an administrative nature required to better give effect to the implementation of this Plan and to the OBCA Sanction Order and/or CCAA Sanction Order and is not adverse to the financial or economic interests of any Class of Creditors or Shareholders.
- (c) Any supplementary plan or plans of compromise or arrangement filed with the Court and, if required by this Section, approved by the Court, shall, for all purposes, be and be deemed to be a part of and incorporated in this Plan.

ARTICLE 10 GENERAL PROVISIONS

10.1 Termination

Subject to the provisions of the Sears Agreement, at any time prior to the Plan Implementation Date, Eaton's may determine not to proceed with this Plan, notwithstanding any prior approvals given at any of the Meetings.

10.2 Paramountcy

From and after the Plan Implementation Date, any conflict between this Plan and the covenants, warranties, representations, terms, conditions, provisions or obligations, express or implied, of any contract, credit document, agreement for sale, by-laws of Eaton's, lease or other agreement, written or oral and any and all amendments or supplements thereto existing between one or more of the Creditors and Eaton's as at the Plan Implementation Date will be deemed to be governed by the terms, conditions and provisions of this Plan and the OBCA Sanction Order and CCAA Sanction Order, which shall take precedence and priority.

10.3 Compromise Effective For All Purposes

The compromise or other satisfaction of any Claim or Interim Period Claim under this Plan, if sanctioned and approved by the Court under the CCAA Sanction Order shall, in the case of any Creditor whose Claim or Interim Period Claim is in a Class voting in favour of this Plan, be binding on the Plan Implementation Date on such Creditor and such Creditor's heirs, executors, administrators, legal personal representatives, successors and assigns, for all purposes.

10.4 Consents, Waivers And Agreements

On the Plan Implementation Date, each Creditor and Shareholder shall be deemed to have consented and agreed to all of the provisions of this Plan in their entirety. In particular, each Creditor and Shareholder shall be deemed:

- (a) to have executed and delivered to Eaton's all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out this Plan in its entirety;
- (b) to have waived any non-compliance by Eaton's with any provision, express or implied, in any agreement or other arrangement, written or oral, existing between such Creditor and Eaton's that has occurred on or prior to the Plan Implementation Date and, where provided for in the CCAA Sanction Order, after the Plan Implementation Date; and
- (c) to have agreed that, if there is any conflict between the provisions, express or implied, of any agreement or other arrangement, written or oral, existing between such Creditor and Eaton's at the Plan Implementation Date (other than those entered into by Eaton's on, or with effect from, the Plan Implementation Date) and the provisions of this Plan, the provisions of this Plan take precedence and priority and the provisions of such agreement or other arrangement shall be deemed to be amended accordingly.

10.5 Releases

On the Plan Implementation Date, Eaton's and each and every present and former Shareholder, officer, director, employee, auditor, financial advisor, legal counsel and agent of Eaton's, the Initial Director, the Interim Receiver and the Monitor (individually, a "Released Party") shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Person may be entitled to assert, including, without limitation, any and all claims in respect of potential statutory liabilities of the former, present and future directors and officers of Eaton's and the Initial Director, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place on or prior to the Plan Implementation Date relating to, arising out of or in connection with Claims or Interim Period Claims, the business and affairs of Eaton's, the administration and winding up of the Pension Plans and the administration, distribution, and investment of the funds relating to the Pension Plans, this Plan, the BIA Proceedings, the CCAA Proceedings and the OBCA Proceedings, provided that nothing herein shall release or discharge a Released Party (other than Eaton's) if the Released Party (other than Eaton's) is adjudged by the express terms of a judgment rendered on a final determination on the merits to have committed fraud or wilful misconduct.

10.6 Deeming Provisions

In this Plan, the deeming provisions are not rebuttable and are conclusive and irrevocable.

10.7 Information Circular

Copies of this Plan will be included with an information circular mailed to Shareholders, Optionholders, Known Creditors, Known Interim Period Creditors, and Creditors who submit Proofs of Claim.

10.8 Notices

Any notice or communication to be delivered hereunder shall be in writing and shall reference this Plan and may, subject as hereinafter provided, be made or given by personal delivery or by telecopier addressed to the respective parties as follows:

(a) if to Eaton's:

The T. Eaton Company Limited
c/o Richter & Partners Inc.
Court-Appointed Monitor of Eaton's
90 Eglinton Avenue East, Suite 700
Toronto, Ontario M4P 2Y3

Attention: Messrs. John J. Swidler, F.C.A. and Robert Harlang, C.A.

Telephone: (416) 932-6261

Telecopier: (416) 932-6262

(b) if to a Creditor:

to the known address (including telecopier number) for such Creditor or the address for such Creditor specified in the Proofs of Claim filed by such Creditor in the CCAA Proceedings;

(c) if to the Monitor:

Richter & Partners Inc.
Court-Appointed Monitor of Eaton's
90 Eglinton Avenue East, Suite 700
Toronto, ON M4P 2Y3

Attention: Messrs. John J. Swidler, F.C.A. and Robert Harlang, C.A.

Telecopier: (416) 932-6200

Telephone: (416) 932-8000

or to such other address as any party may from time to time notify the others in accordance with this Section. All such notices and communications which are delivered shall be deemed to have been received on the date of delivery. All such notices and communications which are telecopied shall be deemed to be received on the date telecopied if sent before 5:00 p.m. on a Business Day and otherwise shall be deemed to be received on the Business Day next following the day upon which such telecopy was sent. Any notice or other communication sent by mail shall be deemed to have been received on the fifth Business Day after the date of mailing. The unintentional failure by Eaton's to give a notice contemplated hereunder shall not invalidate any action taken by any Person pursuant to this Plan.

10.9 Different Capacities

Creditors whose Claims and Interim Period Claims are affected by this Plan may be affected in more than one capacity. Unless expressly provided herein to the contrary, each such Creditor shall be entitled to participate hereunder in each such capacity. Any action taken by a Creditor in any one capacity shall not affect the Creditor in any other capacity, unless expressly agreed by the Creditor in writing or unless the Claims or Interim Period Claims overlap or are otherwise duplicative.

10.10 Further Assurances

Notwithstanding that the transactions and events set out in this Plan shall be deemed to occur without any additional act or formality other than as set out herein, each of the Persons affected hereby shall make, do and execute or cause to be made, done or executed all such further acts, deeds, agreements, transfers, assurances, instruments, documents or discharges as may be reasonably required by Eaton's (and after the Plan Implementation Date, by Distributionco or the Liquidator) in order to better implement this Plan.

Dated at Toronto, Ontario this 8th day of October, 1999.

SCHEDULE "A"

CLAIMS PROCEDURE FOR VOTING AND DISTRIBUTION PURPOSES

CLAIMS PROCEDURE FOR VOTING PURPOSES

DEFINITIONS

1. The following terms shall have the following meanings ascribed thereto:
 - (a) "Eaton's" means The T. Eaton Company Limited and after the Plan Implementation Date, the Person under the Plan which will be making the distribution under the Plan;
 - (b) "Business Day" means a day, other than Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;
 - (c) "Calendar Day" means a day, including, Saturday, Sunday and any statutory holidays;
 - (d) "CCAA" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36;
 - (e) "Claim" means any right of any Person against Eaton's in connection with any indebtedness, liability or obligation of any kind of Eaton's, which indebtedness, liability or obligation is in existence prior to the Valuation Date, and any interest that may accrue thereon, whether liquidated, reduced to judgment, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including without limitation, any claim made or asserted against Eaton's through any affiliate, associate or related Person as such terms are defined in the Ontario *Business Corporations Act*, or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future based in whole or in part on facts which exist prior to the Valuation Date, together with any other claims that would have been claims provable in bankruptcy had Eaton's become bankrupt on the Valuation Date;
 - (f) "Claims Administrator" means the person identified in the Schedules for purposes of receiving the notices described in those Schedules;
 - (g) "Claims Officer" means the Person or Persons to be designated by this Court;
 - (h) "Claims Procedure" means the claims procedure and schedules set out herein and as approved in the Initial Order, as may be amended from time to time;
 - (i) "Court" means the Superior Court of Justice (Commercial List) in the Province of Ontario;
 - (j) "Creditor" means any Person having a Claim or an Interim Period Claim and may, where the context requires, include the assignee of a Claim or Interim Period Claim or a trustee, interim receiver, receiver, receiver and manager, or other Person acting on behalf of such Person;
 - (k) "Dispute Notice" means the notices referred to in paragraphs 9 and 17 hereof, being Schedule "7" hereto;
 - (l) "Distribution Claim" of a Creditor means the compromised amount of the Claim of such Creditor as finally determined for distribution purposes, in accordance with the provisions of the Claims Procedure described herein, in the Plan and in the CCAA;
 - (m) "Distribution Claims Bar Date" means 11:59 p.m. (Toronto time) on January 25, 2000 or such later date as may be ordered by the Court;
 - (n) "Employee Representative" means Carmen Siciliano, as appointed by the Order of the Court made August 27th, 1999 as continued in the Initial Order, or such other Person as the Court may appoint to represent former and present employees of Eaton's or a group or class of them;
 - (o) "Initial Order" means the Order of this Court made in respect of Eaton's on September 28, 1999 under the CCAA, as amended from time to time;

- (p) "Instruction Letter for Distribution Purposes" means the instruction letter to Creditors regarding completion by Creditors of the Dispute Notice described in paragraph 17 hereof;
- (q) "Instruction Letter for Voting Purposes" means the instruction letter to Creditors regarding completion by Creditors of the Proof of Claim and Dispute Notice described in paragraphs 4 and 9 hereof;
- (r) "Interim Period" means the period from and after the Valuation Date to and including the Plan Implementation Date;
- (s) "Interim Period Claim" means any right of any Person against Eaton's in connection with any indebtedness, liability or obligation of any kind of Eaton's, and any interest that may accrue thereon, whether liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including without limitation, any claim made or asserted against Eaton's through any affiliate, associate or related Person as such terms are defined in the Ontario *Business Corporations Act*, or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, arising from or caused by, directly or indirectly, the implementation of, or any action taken pursuant to, the Plan, including claims arising from the abandonment of any premises or the repudiation or variation of any lease, the assignment of any contract or lease of personal, real, moveable or immovable property (including any future liability as assignor thereof) or the repudiation or variation of any contract to take effect up to and including Plan Implementation Date (including any anticipatory breach thereof), repudiation or variation of any contract of employment, the termination or winding up of any pension or employee benefit plans and any other claim arising at law or equity;
- (t) "Interim Period Creditors" means those Creditors having an Interim Period Claim;
- (u) "Known Creditors" means those Creditors whose Claims are identified in Eaton's books and records;
- (v) "Known Interim Period Creditors" means those Persons Eaton's believes may have Interim Period Claims;
- (w) "Monitor" means the monitor appointed under the Initial Order;
- (x) "Notice to Creditors" means the notice for publication as described in paragraph 4 hereof;
- (y) "Notice of Dispute of Valuation for Voting Purposes" means the Notice of Dispute of Valuation for Voting Purposes referred to in paragraph 3 hereof, delivered by a Known Creditor disputing a Notice of Voting Claim with reasons for its dispute;
- (z) "Notice of Distribution Claim" means the notice referred to in paragraph 16 hereof, advising a Creditor of the value ascribed by Eaton's for such Creditor's Distribution Claim;
- (aa) "Notice of Revision or Disallowance for Voting Purposes" means the notice referred to in paragraph 8 hereof, advising a Creditor that Eaton's has revised or rejected all or part of such Creditor's Claim or Interim Period Claim set out in its Proof of Claim or advising a Known Creditor that Eaton's has revised or rejected all or part of such Creditor's Claim or Interim Period Claim as set out in the Notice of Dispute of Valuation for Voting Purposes;
- (bb) "Notice of Voting Claim" means the notice referred to in paragraph 3 hereof, advising a Creditor of the value ascribed by Eaton's for such Creditor's Voting Claim;
- (cc) "Omnibus Proof of Claim (Employees)" means the Proof of Claim to be sent by the Employee Representative to Eaton's as described in paragraph 6 hereof;
- (dd) "Person" means any and all of Eaton's shareholders and former shareholders, creditors, customers, employees, retirees, pension plans, clients, suppliers, contractors, lenders, factors, customs brokers, purchasing agents, landlords (including, without limitation, equipment lessors and lessors of real property and immovables), sub-landlords, tenants, sub-tenants, licensors, licensees, concessionaires, co-owners, co-tenants, joint venture partners, co-venturers, partners, the Crown (except as provided

under subsections 114(2) and (3) of the CCAA), municipalities or any other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government in Canada or elsewhere and any corporation or other entity owned or controlled by or which is the agent of any of the foregoing, and any other person, firm, corporation or entity wherever situate or domiciled (collectively, "Persons" and, individually, "Person");

- (ee) "Plan" means the plan of compromise or arrangement to be filed by Eaton's pursuant to the Initial Order, which Plan may be amended or supplemented from time to time;
- (ff) "Plan Implementation Date" means the date on which the Plan is to be effective, as provided for in the Plan;
- (gg) "Proof of Claim" means the form of Proof of Claim referred to in paragraph 4 hereof;
- (hh) "Unknown Creditor" means a Creditor whose claim is not recorded or shown in Eaton's books and records;
- (ii) "Unknown Interim Period Creditors" means those Interim Period Creditors of which Eaton's has no knowledge;
- (jj) "Valuation Date" means August 20, 1999;
- (kk) "Voting Claim" of a Creditor means the amount of the Claim and/or Interim Period Claim of such Creditor determined for voting purposes in accordance with the provisions of the Claims Procedure described herein and the CCAA; and
- (ll) "Voting Claims Bar Date" means 11:59 p.m. (Toronto time) on October 25, 1999.

SCHEDULES

2. The following Schedules form part of this Claims Procedure:
 - (a) Schedule "1" — Notice of Voting Claim
 - (b) Schedule "2" — Notice of Dispute of Valuation for Voting Purposes
 - (c) Schedule "3" — Notice To Creditors
 - (d) Schedule "4" — Proof of Claim
 - (e) Schedule "5" — Instruction Letter for Voting Purposes
 - (f) Schedule "6" — Notice of Revision or Disallowance for Voting Purposes
 - (g) Schedule "7" — Dispute Notice
 - (h) Schedule "8" — Notice of Distribution Claim
 - (i) Schedule "9" — Instruction Letter for Distribution Purposes
3. Eaton's shall send, on or before 11:59 p.m. (Toronto time) on October 4, 1999, by ordinary mail, courier or telecopier to each of the Known Creditors (other than employees represented by the Employee Representative), to each of the Known Interim Period Creditors (other than employees represented by the Employee Representative) and by facsimile transmission to each Person on the service list in Eaton's CCAA proceeding a Notice of Voting Claim substantially in the form attached as Schedule "1". In so doing, Eaton's is not admitting liability to such Persons. The Notice of Voting Claim shall set out, to the extent possible, Eaton's best estimate of the Creditor's Voting Claim, as may be shown in Eaton's books and records. Where not practicable to estimate the Creditor's Interim Period Claim, Eaton's intends to ascribe a value of \$1 to such Creditor's Interim Period Claim. With respect to the Notice of Voting Claim for the landlords of Eaton's, Eaton's shall value each landlord's Interim Period Claim in accordance with the formula set out in subsection 65.2(4) of the *Bankruptcy and Insolvency Act*, irrespective of actual damages suffered, if any. A Creditor shall be deemed to have received the Notice of Voting Claim three Calendar Days after the mailing of the Notice of Voting Claim. If the Creditor disputes the amount of the Voting Claim set out therein, the Creditor shall deliver to Eaton's Claims Administrator a Notice of Dispute of Valuation for Voting Purposes in the form attached as Schedule "2" no later than the Voting Claims Bar

Date. Where the Creditor does not deliver to Eaton's by such date a completed Notice of Dispute of Valuation for Voting Purposes, then the Creditor shall be deemed to have accepted the Creditor's Claim or Interim Period Claim as set out in the Notice of Voting Claim, which Creditor's Claim or Interim Period Claim shall be treated as a Voting Claim for voting purposes under the Plan.

4. Commencing on October 7, 1999, Eaton's shall publish the Notice to Creditors substantially in the form attached as Schedule "3" hereto, for a period of two consecutive Business Days in the Globe & Mail (National Edition), National Post, La Presse, and the Wall Street Journal (National Edition). The Notice to Creditors shall provide that any Creditor of Eaton's who has not received a Notice of Voting Claim, must provide notice of that Creditor's Claim or Interim Period Claim to Eaton's by no later than 11:59 p.m. (Toronto time) on October 13, 1999 which notice shall include particulars as to the Creditor's name, address and facsimile number, in order to be able to vote on the Plan. Eaton's shall send by facsimile or courier to each such Creditor, a Proof of Claim in substantially the form attached as Schedule "4" and the Instruction Letter for Voting Purposes in substantially the form attached as Schedule "5" as soon as practicable. Such Creditor's Proof of Claim must be returned to Eaton's by no later than the Voting Claims Bar Date unless Eaton's otherwise agrees or this Court otherwise orders.
5. A Creditor that does not receive a Notice of Voting Claim and that does not file a Proof of Claim by the Voting Claims Bar Date shall not be entitled to vote at any Creditors' meeting in respect of the Plan unless Eaton's otherwise agrees or this Court otherwise orders.
6. Notwithstanding any other provision in this Claims Procedure, Koskie Minsky as Court-appointed counsel to the Employee Representative, shall, on behalf of the Employee Representative, deliver to Eaton's by the Voting Claims Bar Date an Omnibus Proof of Claim (Employees) for all present and former employees of Eaton's. In addition, the Employee Representative shall be given an omnibus proxy for voting purposes for all former and present employees of Eaton's. The Omnibus Proof of Claim (Employees) and the omnibus proxy for voting purposes shall be without prejudice to the ability of any former or present employee to file his or her own Proof of Claim by the Voting Claims Bar Date and to appear in person or by proxy at a Creditors' meeting to approve the Plan. In the event that an employee files his or her own Proof of Claim, the Omnibus Proof of Claim (Employees) and the omnibus proxy for voting purposes shall be reduced or revised accordingly. The omnibus proxy for voting purposes shall be counted for the total number of individual employees voting and the total value of their Claims and Interim Period Claims.
7. On or about October 12, 1999, Eaton's shall mail its Management Information Circular, in connection with the Plan, to Known Creditors and to Known Interim Period Creditors. Eaton's shall also provide a copy of the Management Information Circular (once mailing of same has commenced) to those Creditors to whom Eaton's provides a Proof of Claim in accordance with paragraph 4 hereof.
8. Eaton's, with the assistance of the Monitor, shall review all Notices of Dispute of Valuation for Voting Purposes and all Proofs of Claim, including the Omnibus Proof of Claim (Employees), received by the Voting Claims Bar Date and shall accept, revise or reject the amount of each Claim and Interim Period Claim set out therein for voting purposes under the Plan. Eaton's shall by no later than 11:59 p.m. (Toronto time) on October 29, 1999, notify each Creditor who has filed a Notice of Dispute of Valuation for Voting Purposes or a Proof of Claim if such Creditor's Claim or Interim Period Claim as set out therein has been revised or rejected, and the reasons therefor, by sending on or before October 29, 1999 by facsimile or courier a Notice of Revision or Disallowance for Voting Purposes substantially in the form attached as Schedule "6" hereto. Where Eaton's does not send by such date a Notice of Revision or Disallowance for Voting Purposes to a Creditor who has submitted a Notice of Dispute of Valuation for Voting Purposes or a Proof of Claim, Eaton's shall be deemed to have accepted such Creditor's Claim or Interim Period Claim for voting purposes only, which shall be deemed to be that Creditor's Voting Claim.
9. Any Creditor who intends to dispute a Notice of Revision or Disallowance for Voting Purposes shall by no later than 11:59 p.m. (Toronto time) on November 5, 1999, deliver by facsimile or courier to the Claims Administrator, a Dispute Notice substantially in the form attached as Schedule "7" hereto in order to have the value of such Creditor's Voting Claim determined by the Claims Officer. Eaton's, with the assistance of the Monitor, shall attempt to resolve any dispute as to the value of the Creditor's Voting Claim as set out in the Dispute Notice by no later than November 9, 1999. In the event that Eaton's is unable to resolve the

dispute with the Creditor by November 9, 1999, Eaton's shall so notify the Claims Officer, the Monitor and the Creditor.

10. Where a Creditor that receives a Notice of Revision or Disallowance for Voting Purposes does not file a Dispute Notice, the value of such Creditor's Voting Claim under the Plan shall be deemed for voting purposes to be as set out in the Notice of Revision or Disallowance for Voting Purposes.
11. Upon receiving notice that Eaton's is unable to resolve a dispute with a Creditor in respect of a Voting Claim, the Claims Officer shall resolve the dispute between Eaton's and such Creditor, and the Claims Officer shall, by no later than 11:59 p.m. (Toronto time) on November 17, 1999, notify Eaton's, such Creditor and the Monitor of the Claims Officer's determination of the value of the Creditor's Voting Claim for voting purposes under the Plan. Such determination of the value of the Voting Claim by the Claims Officer shall be deemed to be the Creditor's Voting Claim for voting purposes under the Plan.
12. Subject to the direction of the Court, the Claims Officer shall determine the manner, if any, in which evidence may be brought before him or her by the parties as well as any other procedural matters which may arise in respect of his or her determination of a Creditor's Voting Claim. The resolution shall be on an expedited basis and the determination of the value by the Claims Officer for voting purposes shall not prohibit a Creditor from a further hearing under paragraph 17 hereof with respect to the value of such Creditor's Distribution Claim.
13. The decision of the Claims Officer in determining the value of the Creditor's Voting Claim shall be final and binding on the Creditor and Eaton's for voting purposes only and not for distribution purposes under the Plan and there shall be no rights of appeal or recourse to the Court from the Claims Officer's final determination for voting purposes only and not for distribution purposes.
14. Where any Creditor applies to have the value of its Voting Claim determined by the Claims Officer, but the Voting Claim has not been finally determined by the Claims Officer prior to the date of the meeting at which the Creditor is to vote, as provided in the Initial Order, Eaton's shall either:
 - (a) accept the Creditor's determination and the value of the Claim only for the purposes of voting on the Plan, and conduct the vote of the particular class(es) of creditors into which such Creditor falls, subject to a final determination of its Distribution Claim;
 - (b) delay the vote of the class(es) into which that Creditor falls until a final determination of the Claim is made; or
 - (c) deal with the matter as the Court may otherwise direct.

CLAIMS PROCEDURE FOR DISTRIBUTION PURPOSES

15. Eaton's shall publish commencing on January 4, 2000 a notice of the Distribution Claims Bar Date for a period of two consecutive Business Days in The Globe and Mail (National Edition), National Post, La Presse, and The Wall Street Journal (National Edition). This notice shall advise Creditors of the Distribution Claims Bar Date.
16. Eaton's shall review and consider all Voting Claims (including the Voting Claim of the Employee Representative) for the purpose of valuing such Voting Claims to determine Distribution Claims. Eaton's shall accept, revise or reject the amount of all Voting Claims for distribution purposes under the Plan. Eaton's shall by no later than the Distribution Claims Bar Date, notify each Creditor as to whether such Creditor's Voting Claim as set out therein has been confirmed, revised or rejected for distribution purposes and the reasons therefor by delivery of a Notice of Distribution Claim together with an Instruction Letter for Distribution Purposes by facsimile or courier in the forms attached as Schedules "8" and "9" respectively. Creditors who did not receive a Notice of Voting Claim and who were not part of the voting process must file a Proof of Claim with the Claims Administrator, which Proof of Claim shall set out such Creditor's Claim and Interim Period Claim, by the Distribution Claims Bar Date. Any such Creditor who fails to file a Proof of Claim by the Distribution Claims Bar Date shall be forever barred from advancing any Claims or Interim Period Claims against Eaton's or from receiving a distribution under the Plan and such Creditor's Claims and Interim Period Claims shall be forever extinguished and barred. Eaton's shall review and consider all Proofs of Claim which it receives in respect of Distribution Claims for distribution purposes

under the Plan to determine if it accepts, revises or rejects the amount set out therein. If Eaton's does not contact a Creditor who has filed a Proof of Claim to advise that it disputes the amount set out in such Creditor's Proof of Claim by February 29, 2000, Eaton's shall be deemed to have accepted the amount set out in such Creditor's Proof of Claim as such Creditor's Distribution Claim for distribution purposes under the Plan. If Eaton's disputes the amount of a Claim or Interim Period Claim set out in a Proof of Claim filed in accordance with this paragraph it shall with the assistance of the Monitor attempt to resolve the dispute with the Creditor by February 29, 2000. In the event that Eaton's is unable to resolve the dispute by such date, it shall so notify the Claims Officer, the Monitor and the Creditor.

17. A Creditor who intends to dispute a Notice of Distribution Claim shall by 11:59 p.m. (Toronto time), on February 15, 2000, notify the Claims Administrator in writing of such intent, by delivery of a Dispute Notice in the form attached as Schedule "7" hereto by facsimile or courier. Eaton's, with the assistance of the Monitor, shall attempt to resolve the dispute with the Creditor by February 29, 2000. In the event that Eaton's is unable to resolve the dispute with the Creditor by February 29, 2000, Eaton's shall so notify the Claims Officer, the Monitor and the Creditor. If a Creditor does not deliver a Dispute Notice by 11:59 p.m. (Toronto time) on February 15, 2000, such Creditor will be deemed to have accepted the value of its Distribution Claim as set out in the Notice of Distribution Claim and will be thereafter barred from otherwise disputing or appealing same.
18. Upon receiving notice that Eaton's is unable to resolve a dispute with a Creditor regarding any Distribution Claim, the Claims Officer shall resolve the dispute between Eaton's and such Creditor, and shall, by no later than 11:59 p.m. (Toronto time) on March 31, 2000, notify Eaton's, such Creditor and the Monitor of the Claims Officer's determination of the value of the Creditor's Distribution Claim.
19. Subject to the direction of the Court, the Claims Officer shall determine the manner, if any, in which evidence may be brought before him or her by the parties, as well as any other procedural matters which may arise in respect of his or her determination of a Creditor's Distribution Claim.
20. If neither party appeals the determination of value of Distribution Claim by the Claims Officer in accordance with paragraph 21 below, the decision of the Claims Officer in determining the value of the Creditor's Distribution Claim shall be final and binding upon Eaton's and the Creditor for distribution purposes under the Plan and there shall be no further right of appeal, review or recourse to the Court from the Claims Officer's final determination.
21. Either a Creditor or Eaton's may, within five (5) Calendar Days of notification of the Claims Officer's determination of the value of a Creditor's Distribution Claim, appeal such determination to the Court, which appeal shall be made returnable within five (5) Calendar Days of the filing of the notice of appeal. The determination of such appeal shall be final and binding upon Eaton's and the Creditor for all purposes under the Plan. There shall be no further rights of appeal, review or recourse to the courts.

GENERAL PROVISIONS

22. In the event that Eaton's makes interim distribution payments under the Plan, to the extent that it is thereafter determined that the Creditor's Distribution Claim is greater than that for which Eaton's made interim payments, then Eaton's shall forthwith make such further payments contemplated by the Plan to such Creditor so that such Creditor shall receive the aggregate amount of payments which such Creditor would have received if its Distribution Claim had been finally determined prior to the interim distribution under the Plan.
23. In the event that no Plan is approved by the Court, the Voting Claims Bar Date shall be of no effect with respect to any and all claims made by Creditors in any subsequent proceeding or distribution.

SCHEDULE "1"

Court File No. 99-CL-3516

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 THE T. EATON COMPANY LIMITED

Applicant

NOTICE OF VOTING CLAIM

Please read carefully the Instruction Letter for Voting Purposes accompanying this Notice.

The T. Eaton Company Limited ("Eaton's") proposes to present a plan of arrangement to its Creditors (the "Plan") under the Companies' Creditors Arrangement Act (the "CCAA"). The Order of Mr. Justice Farley made September 28, 1999 in the CCAA proceedings provides for a Claims Procedure for Creditors for voting and distribution under the Plan.

TAKE NOTICE that Eaton's has valued your Voting Claim (comprised of your Claim and Interim Period Claim) against Eaton's for voting purposes (and NOT for distribution purposes) as set out in the attached Schedule. Claims in a foreign currency were converted to Canadian Dollars at the Bank of Canada noon spot rate as at August 20, 1999. U.S. exchange rate conversion on such date was \$1.4941.

If you DISAGREE with the value of your VOTING CLAIM as set out in the Schedule attached to this Notice, please be advised of the following:

1. If you intend to dispute this Notice of Voting Claim, you must, by no later than 11:59 p.m. (Toronto time) on **October 25, 1999**, deliver to Eaton's (to the attention of the Claims Administrator) a Notice of Dispute of Valuation for Voting Purposes by facsimile, courier or registered mail to the address/fax number indicated thereon. The form of Notice of Dispute of Valuation for Voting Purposes is enclosed.
2. If you do not deliver a Notice of Dispute of Valuation for Voting Purposes to Eaton's (to the attention of the Claims Administrator), the value of your Voting Claim for voting purposes under the Plan shall be deemed to be as set out in this Notice of Voting Claim.

IF YOU FAIL TO TAKE ACTION WITHIN THE PRESCRIBED TIME PERIOD, THE AMOUNT SET OUT IN THIS NOTICE SHALL BE DEEMED TO BE YOUR VOTING CLAIM FOR VOTING PURPOSES UNDER THE PLAN.

DATED at Toronto, the day of 1999.

THE T. EATON COMPANY LIMITED

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 THE T. EATON COMPANY LIMITED

Applicant

NOTICE OF DISPUTE OF VALUATION FOR VOTING PURPOSES

Please read carefully the Instruction Letter for Voting Purposes accompanying this Notice.

A. PARTICULARS OF CREDITOR:

- (1) Full Legal Name of Creditor: _____
(Full legal name should be the name of the original Creditor of Eaton's, notwithstanding whether an assignment of a claim, or a portion thereof, has occurred. Do not file separate Notices of Dispute of Valuation For Voting Purposes by division or Dun and Bradstreet Number.)
- (2) Full Mailing Address of Creditor (not the Assignee): _____
- (3) Telephone Number of Creditor: _____
- (4) Facsimile Number of Creditor: _____
- (5) Attention (Contact Person): _____
- (6) Has the Claim been sold or assigned by Creditor to another party? Yes No

B. PARTICULARS OF ASSIGNEE(S) (IF ANY):

- (1) Full Legal Name of Assignee(s): _____
(If Claim has been assigned, insert full legal name of assignee(s) of Claim (if all or a portion of the Claim has been sold). If there is more than one assignee, please attach separate sheet with the required information).
- (2) Full Mailing Address of Assignee(s): _____
- (3) Telephone Number of Assignee(s): _____
- (4) Facsimile Number of Assignee(s): _____
- (5) Attention (Contact Person): _____

SCHEDULE "3"

NOTICE TO CREDITORS OF THE T. EATON COMPANY LIMITED

**RE: NOTICE OF VOTING CLAIMS BAR DATE IN COMPANIES' CREDITORS ARRANGEMENT ACT
("CCAA") PROCEEDINGS**

PLEASE TAKE NOTICE that pursuant to an Order of the Superior Court of Justice made September 28, 1999 (the "Order"), any person with any claim whatsoever against The T. Eaton Company Limited ("Eaton's") prior to August 20, 1999, contingent or otherwise, including without limitation any claim made against Eaton's through any affiliate or associate of Eaton's, who has not received a Notice of Voting Claim from Eaton's, must contact Eaton's with notice of its claim by no later than 11:59 p.m. (Toronto time) on **October 13, 1999** in order to obtain a Proof of Claim from Eaton's. Proofs of Claim must be filed with Eaton's **on or before 11:59 p.m. (Toronto time) on October 25, 1999 (the "Voting Claims Bar Date")** for the purpose of voting on the Plan of Arrangement under the CCAA to be presented by Eaton's to its Creditors (the "Plan").

PLEASE TAKE NOTICE THAT the Claims Procedure approved by the Order also addresses all Creditor claims which have arisen or may arise from and after August 20, 1999 as a result of the implementation of the Plan. Such claims may include losses arising from the repudiation or variation of any lease and the abandonment of premises and any contingent liability of Eaton's as assignor, or the repudiation or variation of any contract or agreement with Eaton's, including any contingent liability of Eaton's as assignor, and, further, including any employment contracts and any contracts in relation to Eaton's pension plans. If you have a contract with Eaton's, and have not been advised that Eaton's or any Purchaser wishes to continue that contract, you should treat the contract as terminated for the purpose of determining your claims against Eaton's.

HOLDERS OF CLAIMS WHICH ARE NOT FILED BY THE VOTING CLAIMS BAR DATE WILL BE BARRED FROM VOTING ON THE PLAN.

PLEASE TAKE NOTICE that any former or present employees with claims against Eaton's should contact Carmen Siciliano, Employee Representative, c/o Susan Rowland, Koskie Minsky, Box 52, 900-20 Queen Street West, Toronto, Ontario, M5H 3R3, (Telephone: (416) 977-8353; fax (416) 977-3316).

Creditors who have not received a Notice of Voting Claim should contact the Eaton's Claims Administrator, c/o Richter & Partners Inc., Court-Appointed Monitor of Eaton's (Telephone 416-932-6261 and fax 416-932-6262) by no later than 11:59 p.m. (Toronto time) on October 13, 1999 to obtain a Proof of Claim package.

DATED this 7th day of October, 1999 at Toronto, Canada.

RICHTER & PARTNERS INC.
in its capacity as Court-appointed Monitor of Eaton's

SCHEDULE "4"

Court File No. 99-CL-3516

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 THE T. EATON COMPANY LIMITED

Applicant

PROOF OF CLAIM

Please read carefully the enclosed Instruction Letter for completing this Proof of Claim.

A. PARTICULARS OF CREDITOR:

- (1) Full Legal Name of Creditor: _____
(Full legal name should be the name of the original Creditor of Eaton's, notwithstanding whether an assignment of a claim, or a portion thereof, has occurred).
- (2) Full Mailing Address of Creditor (original Creditor not the Assignee): _____
- (3) Telephone Number: _____
- (4) Facsimile Number: _____
- (5) Attention (Contact Person): _____
- (6) Has the Claim been sold or assigned by Creditor to another party? Yes No

B. PARTICULARS OF ASSIGNEE(S) (IF ANY):

- (1) Full Legal Name of Assignee(s): _____
(If Claim has been assigned, insert full legal name of assignee(s) of Claim (if all or a portion of the claim has been sold). If there is more than one assignee, please attach separate sheet with the required information.)
- (2) Full Mailing Address of Assignee(s): _____
- (3) Telephone Number of Assignee(s): _____
- (4) Facsimile Number of Assignee(s): _____
- (5) Attention (Contact Person): _____

C. PROOF OF CLAIM:

I, _____ [name of Creditor or Representative of the Creditor], do hereby certify:

- (a) that I am a [Creditor of Eaton's or hold the position of _____ of the Creditor of Eaton's], and have knowledge of all the circumstances connected with the Claim described herein; and
- (b) Eaton's is indebted to [Creditor] as follows:
- (i) CLAIM PRIOR TO AUGUST 20, 1999: _____ \$[insert \$ value of claim] CAD

(Claims in a foreign currency are to be converted to Canadian Dollars at the Bank of Canada noon spot rate as at August 20, 1999. U.S. exchange rate conversion on such date was 1.4941.)

(ii) INTERIM PERIOD CLAIM:

\$(insert \$ value of claim) CAD

(Interim Period Claim against Eaton's which has or may have arisen during the period from and after August 20, 1999 to the Plan Implementation Date as a result of the proposed implementation of the Plan. Include loss from the repudiation or variation of any lease and the abandonment of premises and any contingent liability of Eaton's as assignor, or the repudiation or variation of any contract, including any contingent liability of Eaton's as assignor. If Eaton's has not notified you that it wishes to continue your contract, then you should treat the contract as if it has been terminated for the purposes of calculating your Proof of Claim.)

(iii) TOTAL VOTING CLAIM:

\$(total (i) plus (ii)) CAD

D. PARTICULARS OF VOTING CLAIM:

The Particulars of the undersigned's total Voting Claim are attached.

(Provide full particulars of the Voting Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Voting Claim, name of any guarantor which has guaranteed the Voting Claim, any relevant Dun and Bradstreet Numbers and amount of Voting Claim allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed, description of the security, if any, granted by Eaton's to Creditor and estimated value of such security, particulars of loss attributable to implementation of Plan including loss from the repudiation or variation of any lease and the abandonment of premises and any contingent liability of Eaton's as assignor or repudiation or variation of any contract, including any contingent liability of Eaton's as assignor.)

This Proof of Claim must be returned to Eaton's at the following address or facsimile:

Mailing Address

Claims Administrator
The T. Eaton Company Limited
c/o Richters & Partners Inc.
Court-appointed Monitor of Eaton's
90 Eglinton Avenue East
Toronto, ON M4P 2Y3

Telephone: (416) 932-6261

Fax: (416) 932-6262

Dated at _____ this _____ day of _____, 1999.

• , Creditor

Per: _____

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 THE T. EATON COMPANY LIMITED

Applicant

INSTRUCTION LETTER
CLAIMS PROCEDURE FOR VOTING PURPOSES

A. CLAIMS PROCEDURE

The T. Eaton Company Limited ("Eaton's") proposes to present a Plan of Arrangement to its creditors (the "Plan") under the Companies' Creditors Arrangement Act (the "CCAA"). The Order of Mr. Justice Farley made September 28, 1999 in Eaton's CCAA proceedings provides for a Claims Procedure with respect to voting and distribution under the Plan.

This letter provides instructions for responding to or completing the following forms:

- Notice of Voting Claim
- Proof of Claim
- Notice of Dispute of Valuation for Voting Purposes
- Notice of Revision or Disallowance for Voting Purposes
- Dispute Notice

The Claims Procedure is intended for any Person with any claims whatsoever against Eaton's prior to August 20, 1999 contingent or otherwise, including without limitation any claims made against Eaton's through any affiliate or associate of Eaton's ("Claims").

The Claims Procedure also addresses all claims which have arisen or may arise from and after August 20, 1999, up to and including the Plan Implementation Date as a result of the implementation of the Plan ("Interim Period Claims"). Such Interim Period Claims may include losses arising from the repudiation or variation of any lease or the abandonment of any premises and any contingent liability of Eaton's as assignor, the repudiation or variation of any contract or agreement with Eaton's, including any contingent liability of Eaton's as assignor, and further, including employment contracts and any contracts in relation to Eaton's pension plans.

The value of your claims against Eaton's for the purposes of voting at a meeting of Creditors to approve the Plan is the total of your Claim and Interim Period Claim which is described as your Voting Claim.

If you have a contract with Eaton's and have not been advised that Eaton's or any purchaser wishes to continue your contract, you should treat your contract as terminated for the purposes of assessing your Interim Period Claim under the Claims Procedure.

If you have any questions regarding the Claims Procedure for ensuring that your claim is valued and that you are entitled to vote on the Plan, please contact the Eaton's Claims Administrator at the address provided below.

All notices and enquiries with respect to Eaton's Claims Procedure should be addressed to:

Claims Administrator
The T. Eaton Company Limited

c/o Richter & Partners Inc.
Court-appointed Monitor of Eaton's
90 Eglinton Avenue East, Suite 700
Toronto, ON M4P 2Y3

Telephone: (416) 932-6261
Fax: (416) 932-6262

B. FOR CREDITORS RECEIVING NOTICE OF VOTING CLAIM

Eaton's has already mailed to all Known Creditors (apart from former and present employees of Eaton's) a Notice of Voting Claim.

Any former or present employees with claims against Eaton's should contact Carmen Siciliano, Employee Representative, c/o. Susan Rowland, Koskie Minsky, Box 52, 900 - 20 Queen Street West, Toronto, Ontario, M5H 3R3 Telephone: (416) 977-8353; fax: (416) 977-3316. The Claims Procedure provides that the Employee Representative shall file an Omnibus Proof of Claim (Employees) by the Voting Claims Bar Date (**October 25, 1999**) on behalf of all former and present employees of Eaton's and has been given an omnibus proxy for voting purposes for all such former and present employees of Eaton's. Employees retain their right to file their own Proofs of Claim by the Voting Claims Bar Date (**October 25, 1999**) and to appear at the meeting of creditors to consider the Plan in person or by proxy. If you are a former or present employee and wish to file your own Proof of Claim, you must follow the procedure set out in this letter (see section C below for instructions on filing a Proof of Claim).

If you are a Landlord, your Interim Period Claim has been valued according to the formula set out in subsection 65.2(4) of the *Bankruptcy and Insolvency Act*, irrespective of any actual damages you may have suffered.

If you have received a Notice of Voting Claim there is no need to submit a Proof of Claim in order to be entitled to vote on the Plan. Please note, however, that Eaton's does not admit liability to any Creditor by sending a Notice of Voting Claim to such Creditor.

If you have received a Notice of Voting Claim and you wish to dispute the value of your Claim or Interim Period Claim as set out in the Notice of Voting Claim, you should fill out a Notice of Dispute of Valuation for Voting Purposes (enclosed with your Notice of Voting Claim) (see Section D below for instructions).

C. FOR CREDITORS SUBMITTING A PROOF OF CLAIM

If you have not received a Notice of Voting Claim from Eaton's and do not have any claims against Eaton's, there is no need to file a Proof of Claim with the Eaton's Claims Administrator.

If you have not received a Notice of Voting Claim from Eaton's and believe that you have a claim against Eaton's, you should file a Proof of Claim with the Eaton's Claims Administrator. **The Proof of Claim must be filed by OCTOBER 25, 1999, the Voting Claims Bar Date, if you intend to vote in respect of the Plan.** Failure to send the Proof of Claim by this date will disentitle you from voting on the Plan, unless Eaton's agrees or the Court orders that the Proof of Claim be accepted after that date.

Proof of Claim forms can be obtained by contacting the Eaton's Claims Administrator at the phone and fax numbers indicated above by **no later than October 13, 1999** and providing particulars as to your name, address and facsimile number. Once Eaton's has this information, you will receive, as soon as practicable, a Proof of Claim form.

If Eaton's disagrees with the value that you have ascribed to your Claim or Interim Period Claim as set out in your Proof of Claim, you will receive from Eaton's a Notice of Revision or Disallowance for Voting Purposes (see section E below for details).

D. FOR CREDITORS SUBMITTING NOTICE OF DISPUTE OF VALUATION FOR VOTING PURPOSES

If you have received a Notice of Voting Claim, you are entitled to dispute the value of your Claim or Interim Period Claim as set out in such notice by sending a Notice of Dispute of Valuation for Voting Purposes to the

Eaton's Claims Administrator at the address and fax number indicated above (the form for this Notice is enclosed with your Notice of Voting Claim). The Notice of Dispute of Valuation for Voting Purposes must be delivered to Eaton's no later than the Voting Claims Bar Date, 11:59 p.m. on October 25, 1999. Failure to deliver a Notice of Dispute of Valuation for Voting Purposes to Eaton's by this date will mean that the value of your Claim or Interim Period Claim for the purposes of voting on the Plan will be as set out in the Notice of Voting Claim and you will have no further right to dispute the value of your Voting Claim for the purposes of voting on the Plan.

If you have sent a Notice of Dispute of Valuation for Voting Purposes to the Eaton's Claims Administrator and Eaton's has rejected or revised your Claim or Interim Period Claim, Eaton's will notify you of such rejection or disallowance by sending to you a Notice of Revision or Disallowance for Voting Purposes (see section E below for details). The last day for Eaton's to have sent out this notice is **no later than 11:59 p.m. on October 29, 1999.**

If you do NOT receive a Notice of Revision or Disallowance for Voting Purposes, the value of your Claim or Interim Period Claim has been accepted by Eaton's for voting purposes as set out in your Notice of Dispute of Valuation for Voting Purposes.

E. FOR CREDITORS RECEIVING NOTICE OF REVISION OR DISALLOWANCE FOR VOTING PURPOSES

If you have sent a Proof of Claim or a Notice of Dispute of Valuation for Voting Purposes to Eaton's, Eaton's is entitled to challenge the valuation of your claim by sending to you a Notice of Revision or Disallowance for Voting Purposes no later than **11:59 p.m. on October 29, 1999.** If you do not receive such a Notice, Eaton's has accepted the value of your Claim or Interim Period Claim for voting purposes as set out in your Proof of Claim or Notice of Dispute of Valuation for Voting Purposes.

If you have received a Notice of Revision or Disallowance for Voting Purposes, you are entitled to dispute the revision or disallowance of your Claim as set out in the Notice of Revision or Disallowance for Voting Purposes by sending a Dispute Notice to Eaton's (see Section F below for instructions).

F. FOR CREDITORS SUBMITTING DISPUTE NOTICE

If you have received a Notice of Revision or Disallowance for Voting Purposes, you are entitled to dispute the revision or disallowance of your Claim or Interim Period Claim by delivering by facsimile or courier a Dispute Notice (enclosed with your Notice of Revision or Disallowance for Voting Purposes) to the Eaton's Claims Administrator **no later than 11:59 p.m. on November 5, 1999.** If you do not deliver a Dispute Notice to Eaton's by November 5, 1999, the value of your Claim or Interim Period Claim for the purposes of voting on the Plan will be as set out in your Notice of Revision or Disallowance for Voting Purposes.

Once Eaton's has received your Dispute Notice, you will be contacted by Eaton's, and/or by Richter & Partners Inc., the Monitor assisting Eaton's with its Plan, to see if the dispute can be resolved.

If the dispute has not been resolved by November 9, 1999, you will be notified that your Claim will be determined by the Claims Officer. You may be required to attend a hearing and to present evidence documenting your Claim or Interim Period Claim and its value. The Claims Officer must resolve the dispute by November 17, 1999. You will be notified by that date of the Claims Officer's determination of the value of your Voting Claim. The decision of the Claims Officer will be final and binding on you and Eaton's for the purposes of voting on the Plan at a meeting of Creditors. You will have no right to appeal.

In the event that the Claims Officer cannot resolve the dispute regarding the value of your Voting Claim by November 17, 1999, there are three alternatives:

- you may be permitted to vote on the Plan and the dispute regarding your Voting Claim will be resolved later for the purposes of any distribution under the Plan;
- Eaton's may determine that it is necessary to delay the vote of the class of Creditors to which you belong until your Voting Claim has been finally determined; or
- Eaton's may request that the Court determine how your Voting Claim will be addressed for voting purposes.

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 THE T. EATON COMPANY LIMITED

Applicant

NOTICE OF REVISION OR DISALLOWANCE FOR VOTING PURPOSES

Please read carefully the Instruction Letter for Voting Purposes accompanying this Notice.

TO: [insert name of creditor]

The T. Eaton Company Limited ("Eaton's") hereby gives you notice that it has reviewed your Voting Claim and has revised or rejected your Voting Claim for voting purposes only (and NOT for distribution purposes) as follows:

- A. CLAIM PRIOR TO AUGUST 20, 1999: \$[insert \$value of claim] CAD
- B. INTERIM PERIOD CLAIM FROM AND \$[insert \$value of claim] CAD
AFTER AUGUST 20, 1999:
- C. TOTAL VOTING CLAIM: \$[total A plus B] CAD
- D. REASONS FOR DISALLOWANCE OR
REVISION:

[insert explanation]

If you do not agree with this Notice of Revision or Disallowance for Voting Purposes, please take notice of the following:

1. If you intend to dispute this Notice of Revision or Disallowance for Voting Purposes, you must, no later than 11:59 p.m. (Toronto time) on November 5, 1999, notify Eaton's, the Monitor and the Claims Officer of such intent by delivery of a Dispute Notice in accordance with the accompanying Instruction Letter for Voting Purposes. The form of Dispute Notice is enclosed.
2. If you do not deliver a Dispute Notice, the value of your Claim for voting purposes under the Plan shall be deemed to be as set out in this Notice of Revision or Disallowance for Voting Purposes.

IF YOU FAIL TO TAKE ACTION WITHIN THE PRESCRIBED TIME PERIOD, THIS NOTICE OF REVISION OR DISALLOWANCE FOR VOTING PURPOSES WILL BE BINDING UPON YOU FOR VOTING PURPOSES UNDER THE PLAN.

DATED at Toronto, this day of, 1999.

THE T. EATON COMPANY LIMITED

SCHEDULE "7"

Court File No. 99-CL-3516

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 THE T. EATON COMPANY LIMITED

Applicant

DISPUTE NOTICE

TO: The T. Eaton Company Limited ("Eaton's")

We hereby give you notice of our intention to dispute the (Check one):

- Notice of Revision or Disallowance for Voting Purposes dated _____.
- Notice of Distribution Claim dated _____.

issued by Eaton's in respect of our claim as detailed below.

A. Name of Creditor: _____

(For completion of claim amounts in sections B, C, or D, claims in foreign currency are to be converted to Canadian dollars at the Bank of Canada noon spot rate as at August 20, 1999. U.S. exchange rate conversion on such date was \$1.4941.)

B. If a Secured Creditor:

Description of Security held: _____ Claim Amount \$ _____ CAD

C. If an Unsecured Creditor:

Dun and Bradstreet Number: _____ Claim Amount \$ _____ CAD
(If more than one Dun and Bradstreet Number, attach schedule showing numbers and corresponding claims.)

D. If a Landlord:

Location of Premises: _____ Claim Amount \$ _____ CAD
(If more than one location, attach schedule.)

E. Reasons for Dispute (*attach additional sheet and copies of all supporting documentation if necessary*):

(Signature of Individual completing this Dispute)

Date

(Please print name)

Telephone Number: () _____

Facsimile Number: () _____

Full Mailing Address:

THIS FORM IS TO BE RETURNED BY COURIER OR FACSIMILE TO ALL OF THE FOLLOWING:

CLAIMS ADMINISTRATOR
The T. Eaton Company Limited
c/o Richter & Partners Inc.
Court-appointed Monitor of Eaton's
90 Eglinton Avenue East, Suite 700
Toronto, ON M4P 2Y3

Telephone: (416) 932-6261
Fax: (416) 932-6262

- AND -

Mr. Robert Harlang
RICHTER & PARTNERS INC.
in its capacity as Monitor of
The T. Eaton Company Limited
90 Eglinton Avenue East, Suite 700
Toronto, ON M4P 2Y3

Telephone: (416) 932-8000
Fax: (416) 932-6200

- AND -

CLAIMS OFFICER FOR
THE T. EATON COMPANY LIMITED
ADR CHAMBERS
48 Yonge Street, Suite 1100
Toronto, ON M5W 1G6

Telephone: (416) 362-8555/1-800-856-5154
Fax: (416) 362-8825

SCHEDULE "8"

Court File No. 99-CL-3516

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 THE T. EATON COMPANY LIMITED

Applicant

NOTICE OF DISTRIBUTION CLAIM

Please read carefully the Instruction Letter for Distribution Purposes accompanying this Notice.

The T. Eaton Company Limited ("Eaton's") proposes to present a plan of arrangement to its Creditors (the "Plan") under the Companies' Creditors Arrangement Act (the "CCAA"). The Order of Mr. Justice Farley made September 28, 1999 in the CCAA proceedings provides for a Claims Procedure for Creditors for voting and distribution under the Plan.

TAKE NOTICE that Eaton's has valued your Distribution Claim (comprised of your Claim and Interim Period Claim) against Eaton's for distribution purposes as set out in the attached Schedule. Claims in a foreign currency were converted to Canadian Dollars at the Bank of Canada noon spot rate as at August 20, 1999. U.S. exchange rate conversion on such date was \$1.4941.

If you DISAGREE with the value of your DISTRIBUTION CLAIM as set out in the Schedule attached to this Notice, please be advised of the following:

1. If you intend to dispute this Notice of Distribution Claim, you must, by no later than 11:59 p.m. (Toronto time) on **February 15, 2000**, deliver to Eaton's (to the attention of the Claims Administrator) a Dispute Notice by facsimile, courier or registered mail to the address/fax number indicated thereon. The form of Dispute Notice is enclosed.
2. If you do not deliver a Dispute Notice to Eaton's (to the attention of the Claims Administrator), the value of your claim for distribution purposes under the Plan shall be deemed to be as set out in this Notice of Distribution Claim.

IF YOU FAIL TO TAKE ACTION WITHIN THE PRESCRIBED TIME PERIOD, THE AMOUNT SET OUT IN THIS NOTICE SHALL BE DEEMED TO BE YOUR DISTRIBUTION CLAIM FOR DISTRIBUTION PURPOSES UNDER THE PLAN.

DATED at Toronto, the day of , 1999.

THE T. EATON COMPANY LIMITED

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 THE T. EATON COMPANY LIMITED

Applicant

INSTRUCTION LETTER
CLAIMS PROCEDURE FOR DISTRIBUTION PURPOSES

A. CLAIMS PROCEDURE

The T. Eaton Company Limited ("Eaton's") has presented a Plan of Arrangement to its creditors (the "Plan") under the Companies' Creditors Arrangement Act (the "CCAA") which Plan has been approved by Eaton's creditors and by Order of Mr. Justice Farley made [insert date] in Eaton's CCAA proceedings.

The Order of Mr. Justice Farley made September 28, 1999 in Eaton's CCAA proceedings provided for a Claims Procedure dealing in part with distribution under the Plan.

This letter provides instructions for responding to or completing the following forms:

- Notice of Distribution Claim
- Proof of Claim
- Dispute Notice

The Claims Procedure is intended for any Person with any claims whatsoever against Eaton's prior to August 20, 1999, contingent or otherwise, including without limitation any claims made against Eaton's through any affiliate or associate of Eaton's ("Claims").

The Claims Procedure also addresses all claims which have arisen or may arise from and after August 20, 1999, up to and including the Plan Implementation Date of [insert date] as a result of the implementation of the Plan ("Interim Period Claims"). Such Interim Period Claims may include losses arising from the repudiation or variation of any lease, and the abandonment of premises and any contingent liability of Eaton's as assignor, or the repudiation or variation of any contract or agreement with Eaton's including any contingent liability of Eaton's as assignor, and further, including employment contracts and any contracts in relation to Eaton's pension plans.

The value of your claims against Eaton's for the purposes of receiving a distribution under the Plan is the total of your Claim and Interim Period Claim, which amount is described as your Distribution Claim.

If you have any questions regarding the Claims Procedure for ensuring that your claim is valued and that you are entitled to receive a distribution under the Plan, please contact the Eaton's Claims Administrator at the address provided below.

All notices and enquiries with respect to Eaton's Claims Procedure should be addressed to:

Claims Administrator
The T. Eaton Company Limited
c/o Richter & Partners Inc.
Court-appointed Monitor of Eaton's
90 Eglinton Avenue East, Suite 700
Toronto, ON M4P 2Y3

Telephone: (416) 932-6261
Fax: (416) 932-6262

B. FOR CREDITORS RECEIVING NOTICE OF DISTRIBUTION CLAIM

Eaton's has already mailed to all Known Creditors (apart from former and present employees of Eaton's) a Notice of Voting Claim for the purposes of facilitating the voting on the Plan. Pursuant to the Claims Procedure, Eaton's has reviewed all Voting Claims for the purposes of valuing Distribution Claims of its Creditors, to enable a distribution under the Plan. Accordingly, all Creditors whose Voting Claims were determined for voting purposes have received a Notice of Distribution Claim from Eaton's wherein Eaton's has accepted, revised or rejected such Creditors' Voting Claims for distribution purposes and setting out the reasons therefor.

Any former or present employees with claims against Eaton's should contact Carmen Siciliano, Employee Representative, c/o. Susan Rowland, Koskie Minsky, Box 52, 900 - 20 Queen Street West, Toronto, Ontario, M5H 3R3 phone: (416) 977-8353; fax: (416) 977-3316. The Claims Procedure provides that the Employee Representative was to file an Omnibus Proof of Claim (Employees) by the Voting Claims Bar Date (October 25, 1999) on behalf of all former and present employees of Eaton's and was given an omnibus proxy for voting purposes for all such former and present employees of Eaton's. Employees retained their right to file their own Proofs of Claim by the Voting Claims Bar Date (October 25, 1999) and to appear at the meeting of creditors to consider the Plan in person or by proxy. If you are a former or present employee for the purposes of receiving a distribution under the Plan, there is no need to file a Proof of Claim if your claim is included in the Omnibus Proof of Claim (Employees) filed by the Employee Representative in this regard. In the alternative, if you wish to file your own Proof of Claim, you must follow the procedure set out in this letter (see section D below for instructions on filing a Proof of Claim).

C. FOR CREDITORS RECEIVING NOTICE OF DISTRIBUTION CLAIM

If you have received a Notice of Distribution Claim and do not agree with the value ascribed by Eaton's to your Distribution Claim, you are entitled to dispute same. To do so, you must deliver a Dispute Notice in the form enclosed by facsimile or courier to the Eaton's Claims Administrator by no later than 11:59 p.m. (Toronto time) on February 15, 2000. If you fail to deliver a Dispute Notice by such date, you will be deemed to have accepted the value of your Distribution Claim as set out in the Notice of Distribution Claim and will be thereafter barred from otherwise disputing or appealing same.

Once Eaton's has received your Dispute Notice, you will be contacted by Eaton's and/or by Richter & Partners Inc., the Monitor assisting Eaton's with its Plan, to see if the dispute can be resolved. A resolution must be achieved on or before February 29, 2000. If the dispute is not resolved by such date, Eaton's shall refer the dispute to the Claims Officer (see Section E for instructions in this regard).

D. FOR CREDITORS SUBMITTING A PROOF OF CLAIM

If you did not receive a Notice of Voting Claim or Notice of Distribution Claim from Eaton's and were not part of the Voting Process and do not have any claims against Eaton's, there is no need to file a Proof of Claim with the Eaton's Claims Administrator.

If you did not receive a Notice of Voting Claim from Eaton's and were not part of the voting process and believe that you have a claim against Eaton's, you should file a Proof of Claim with the Eaton's Claims Administrator.

The Proof of Claim must be filed by January 25, 2000, the Distribution Claims Bar Date. Failure to file the Proof of Claim by the Distribution Claims Bar Date will disentitle you from receiving a distribution under the Plan.

Proof of Claim forms can be obtained by contacting the Eaton's Claims Administrator at the phone and fax numbers indicated above and providing particulars as to your name, address and facsimile number. Once Eaton's has this information, you will receive, as soon as practicable, a Proof of Claim form **which must be filed with Eaton's by no later than January 25, 2000, the Distribution Claims Bar Date.**

If Eaton's disagrees with the value that you have ascribed to your Distribution Claim as set out in your Proof of Claim, you will be contacted by Eaton's and/or by Richter & Partners Inc., the Monitor assisting Eaton's with its Plan, to see if the dispute can be resolved. A resolution must be achieved on or before February 29, 2000. If the dispute is not resolved by such date, Eaton's will refer the dispute to the Claims Officer (see Section E below for instructions on resolution of disputes by Claims Officers).

E. RESOLUTION OF DISPUTES BY CLAIMS OFFICERS

If the dispute has not been resolved by February 29, 2000, Eaton's will notify you on or before such date that the value of your Distribution Claim will be determined by the Claims Officer appointed by the Court. The Claims Officer must resolve the dispute by March 31, 2000. You will be notified by that date of the Claims Officer's determination of the value of your Distribution Claim.

Either party will have the right to appeal the Claims Officer's determination of value of the Distribution Claim to the Court, within five (5) Calendar Days of notification by Claims Officer's determination of value. The appeal must be made returnable within five (5) Calendar Days of filing the notice of appeal. The determination of such appeal shall be final and binding on Eaton's and the Creditor for all purposes under the Plan. There shall be no further rights of appeal, review or recourse to the Court.

SCHEDULE "B"
ENTITIES ELIGIBLE FOR INVESTMENTS
BY LIQUIDATOR

<u>ENTITIES</u>	<u>STANDARD & POOR'S "ISSUER CREDIT RATING"</u>
<u>Financial Institutions</u>	
<u>SCHEDULE I BANKS</u>	
Bank of Montreal	AA-
The Bank of Nova Scotia	A+
Royal Bank of Canada	AA-
Canadian Imperial Bank of Commerce	AA-
The Toronto-Dominion Bank	AA-
National Bank Canada	A

DOMINION BOND RATING SERVICES
RATING — Short Term Debt

<u>SCHEDULE II BANKS</u>	
ABN AMRO Bank Canada	R1H
Banque Nationale de Paris (Canada)	R1M
Credit Suisse First Boston (Canada)	R1M
Deutsche Bank Canada	R1M
Dresdner Bank of Canada	R1M
HSBC Bank Canada	R1M
Société Générale (Canada)	R1M

No authorized investment with a Schedule II Bank shall exceed at any time \$5,000,000 in the aggregate.

<u>Public Sector</u>	<u>STANDARD & POOR'S "ISSUER CREDIT RATING"</u>
Government of Canada	AAA
Province of Alberta	AA+
Province of British Columbia	AA-
Province of New Brunswick	AA-
Province of Ontario	AA-

Any agency or agent of the Government of Canada or the Provinces of Alberta, British Columbia, New Brunswick or Ontario having a credit rating similar to those specifically noted above.

Other Entities

All other investments in other entities must be fully guaranteed by one of the public sector entities, agencies or agents described above.

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

THE HONOURABLE

)

FRIDAY THE 22ND DAY

JUSTICE LEDERMAN

)

OF DECEMBER, 2006



**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
R.S.O. 1990, C. B-16, S. 182 AS AMENDED**

- and -

**IN THE MATTER OF AN APPLICATION BY THE T. EATON COMPANY
LIMITED RELATING TO A PROPOSED ARRANGEMENT INVOLVING THE
T. EATON COMPANY LIMITED AND ITS SECURITY HOLDERS AND
1381052 ONTARIO INC.**

Applicant

ORDER

**(APPROVAL OF THE EIGHTH INTERIM DIVIDEND AND DISTRIBUTION OF
BALANCE OF FUNDS OWING TO PARTICIPATION UNIT HOLDERS)**

THIS MOTION by RSM Richter Inc. in its capacity as liquidator (the "Liquidator") of the estate and effects of Distributionco Inc. (formerly 1381052 Ontario Inc.) ("Distributionco") for an Order, *inter alia*, approving a final distribution to holders of Participation Units and an eighth interim distribution to creditors of Distributionco ("Class 1 Creditors") and ancillary relief including the establishment of a process for obtaining Social Insurance Numbers ("SIN") and Business Tax Numbers ("BTN") from Canadian Participation Unit holders and a process for obtaining current mailing addresses

from Class I Creditors who have failed to cash one or more previous distribution cheques ("Unresponsive Class I Creditors"), was heard this day at the Courthouse, 330 University Avenue, Toronto, Ontario.

ON READING the Eighth Report to Court of RSM Richter Inc. in its capacity as liquidator of Distributionco dated December 18, 2006 (the "Eighth Report") and on hearing the submissions of counsel for the Liquidator and counsel for the employee representative of The T. Eaton Company Limited, no one else appearing although duly served as appears from the Affidavit of Service of Kimberly Sellers sworn December 20, 2006, filed,

1. THIS COURT ORDERS that the time for service of the Notice of Motion and Motion Record herein be and is hereby abridged such that the motion is properly returnable today and hereby dispenses with service of the aforesaid materials on interested parties not served.
2. THIS COURT ORDERS that any capitalized term used but not defined in this Order shall have the meaning ascribed to it in the Eighth Report.
3. THIS COURT ORDERS that, subject to the provisions of Paragraph 4 of this Order, the Liquidator be and is hereby authorized and directed to issue an eighth interim distribution to the Class I Creditors in the amount of two cents on the dollar on account of their Class I Distribution Claims (the "Eighth Distribution").

4. THIS COURT ORDERS that the Liquidator be and is hereby authorized and directed to implement the following process in respect of Unresponsive Class I Creditors:

- (a) the Liquidator shall place an advertisement in *The Globe and Mail* (National Edition) and *La Presse* newspapers, substantially in the form attached hereto as Exhibit "A" (the "Notice") on two occasions, the first on or before January 22, 2007 and the second during the month of February, 2007 directing all Unresponsive Class I Creditors to provide a current mailing address to the Liquidator in writing or by either (A) inputting such information into a web page established for that purpose on the Liquidator's website (the "Web Page"), or (B) providing such information to an attendant answering a dedicated telephone hotline established for that purpose by the Liquidator (the "Hotline");
- (b) all Unresponsive Class I Creditors who do not provide the Liquidator with a current mailing address in the manner set out in the Notice on or before 5:00 p.m. (Toronto time) on July 13, 2007 (the "Mailing Address Deadline") shall forfeit and are hereby deemed to have forfeited their right to receive:
 - (i) their share of the Eighth Distribution; and
 - (ii) any amount being held by the Liquidator in respect of previous distributions to those Unresponsive Class I Creditors,

and all amounts so forfeited shall be shared among the Responsive Class I Creditors and the Unresponsive Class I Creditors who provide a current mailing address on or before the Mailing Address Deadline in accordance with the Notice, *pro rata*. In calculating the *pro rata* share of each Responsive Class I Creditor and Unresponsive Class I Creditor who provides a current mailing address on or before the Mailing Address Deadline for the purpose of this subparagraph, the numerator shall be the amount of each such Class I Creditor's claim and the denominator shall be the total claims of all Responsive Class I Creditors and Unresponsive Class I Creditors who provide a current mailing address on or before the Mailing Address Deadline in accordance with the Notice;

- (c) the Liquidator shall maintain the Web Page and Hotline until such time as a final distribution is made to Class I Creditors so that Class I Creditors may provide the Liquidator with updated mailing addresses from time to time; provided, however that the Liquidator shall not be required to issue any further Notice or advertisement to solicit current mailing addresses from Class I Creditors; and
- (d) any Unresponsive Class I Creditor who fails to provide a current mailing address on or before the Mailing Address Deadline in accordance with the Notice but who subsequently provides a current mailing address to the Liquidator shall be entitled to its *pro rata* share of any distributions that take place after such information is received by the Liquidator.

5. THIS COURT ORDERS THAT the Liquidator be and is hereby authorized and directed to issue a final distribution to holders of Participation Units (the "PUH Final Distribution") distributing the balance remaining in the Certificate Payment Account in accordance with the Order of the Honourable Justice Mesbur dated June 6, 2006, subject to the following:

- (a) the Liquidator shall hold back \$100,000 (the "PUH Holdback") from the PUH Final Distribution to fund its fees and disbursements and the fees and disbursements of its legal counsel, and other costs associated with the PUH Final Distribution;
- (b) the Liquidator shall send a communication to all holders entitled to participate in the PUH Final Distribution with Canadian addresses, as reflected in the books and records of the Liquidator (the "Canadian Holders") (not including Canadian Holders who would receive \$50 or less from the PUH Final Distribution but for this Order) requesting that the Canadian Holders provide to the Liquidator, in writing, their SINS, in the case of individuals, or their BTNs, in the case of corporations, by no later than 5:00 pm (Toronto time) on March 31, 2007 (the "SIN/BTN Deadline");
- (c) Canadian Holders that do not provide a SIN or BTN to the Liquidator on or before the SIN/BTN Deadline shall forfeit and are hereby deemed to have forfeited their entitlement to participate in the PUH Final Distribution;

- (d) prior to making a PUH Final Distribution to a Participation Unit holder the Liquidator shall provide the Canada Revenue Agency ("CRA") with the name and address of the Participation Unit holder to whom a distribution is proposed to be made, and the amount to be received by such Participation Unit holder from the PUH Final Distribution;
- (e) the Liquidator shall not make a PUH Final Distribution to Participation Unit holders who would receive \$50 or less from the PUH Final Distribution and all such Participation Unit holders shall forfeit and are hereby deemed to have forfeited their right to receive a share of the PUH Final Distribution;
- (f) as soon as reasonably possible following receipt of a SIN or BTN from a Canadian Holder, the Liquidator shall distribute the Participation Unit holder's *pro rata* share of the PUH Final Distribution to the Canadian Holder, along with a T5 tax slip indicating the amount paid. In calculating the *pro rata* share of a Canadian Holder under this subparagraph (f), the numerator shall be the number of Participation Units held by the Canadian Holder and the denominator shall be the total number of Participation Units outstanding;
- (g) in the case of Participation Unit holders without Canadian addresses, as soon as reasonably possible following the issuance and entry of this Order, the Liquidator shall distribute the Participation Unit holder's *pro rata* share of the PUH Final Distribution to the Participation Unit holder along

with an NR4 tax slip indicating the amount paid and the tax withheld therefrom. In calculating the *pro rata* share of a Participation Unit holder without a Canadian address under this paragraph (g), the numerator shall be the number of Participation Units held by the Participation Unit holder and the denominator shall be the total number of Participation Units outstanding;

- (h) the Liquidator shall complete the PUH Final Distribution on or before May 1, 2007 or such later date as the Court may order;

6. THIS COURT ORDERS that pursuant to section 7 of the *Personal Information Protection and Electronic Documents Act* (Canada) and notwithstanding the provisions of any similar provincial legislation or provincial or federal legislation dealing with the protection of personal information, the Liquidator be and is hereby authorized and directed to collect, use and disclose personal information of Participation Unit holders and Class I Creditors including, without limitation, addresses, SINS and BTNs and such personal information as the Liquidator might reasonably require in its sole discretion to verify information provided to the Liquidator pursuant to this Order, to the extent necessary or desirable to comply with the provisions of this Order and the Liquidator shall bear no liability for doing so under any such legislation.

7. THIS COURT ORDERS that the activities of the Liquidator to date, as set out in the Eighth Report be and are hereby approved.

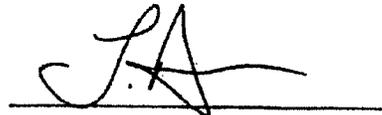
8. THIS COURT ORDERS that any information required to be provided to the Liquidator pursuant to this Order shall be provided via the Web Page or the Hotline

(in the case only of current mailing addresses of Unresponsive Class I creditors) or in writing by courier, personal delivery or facsimile transmission addressed to:

The Liquidator
c/o RSM Richter Inc., Liquidator of Distributionco Inc.
200 King Street West
Suite 1100, P.O. Box 48
Toronto, Ontario M5H 3T4

Attention: Gus Tertigas
Email: gtertigas@rsmrichter.com
Fax: 416.932.6200

Any information so provided shall be deemed received only upon actual receipt thereof during normal business hours on any day on which banks are generally open for business in Toronto, Ontario other than a Saturday or a Sunday (a "Business Day") and information received after normal business hours on any day shall be deemed received on the next Business Day.



Joseph Doria
Registrar, Superior Court of Justice

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

DEC 22 2006

PER/PAR: 

Exhibit "A"

THE T. EATON COMPANY LIMITED ("EATON")

TO ALL FORMER EMPLOYEES AND CREDITORS OF EATON
("Class 1 Creditors")

To date, RSM Richter Inc. in its capacity as Liquidator of certain assets of Eaton's (the "Liquidator"), has issued seven dividends (the "Previous Dividends") totaling approximately \$115 million and representing 50% of Class 1 Creditor claims. By Order of the Ontario Superior Court of Justice dated December 22, 2006 (the "Order"), the Liquidator has been authorized to issue an eighth dividend (the "Eighth Dividend") to Class 1 Creditors in the amount of two cents on the dollar.

A number of uncashed dividend cheques have been returned to the Liquidator apparently because the Creditors have failed to provide their current mailing addresses. In order to deal with this situation, the Order provides that Class 1 Creditors who have not received one or more of the Previous Dividends who do not provide the Liquidator with a current mailing address on or before 5:00 p.m. (Toronto time) on July 13, 2007, will forfeit their rights to all Previous Dividends and to the Eighth Dividend.

Class 1 Creditors may provide their current mailing address to the Liquidator by:

- Website: [Insert URL];
- or
- Telephone hotline: (514) 934-8670 or 1-800-246-1125
- or
- Courier, personal delivery or facsimile addressed to:

The Liquidator
c/o RSM Richter Inc., Liquidator of Distributionco Inc.
200 King Street West
Suite 1100, P.O. Box 48
Toronto, Ontario M5H 3T4
Attention: Gus Tertigas
Fax: 416.932.6200

A copy of the Order may be viewed on the Liquidator's website at www.rsmrichter.com [Insert remainder of URL].

RSM RICHTER INC.

IN THE MATTER OF THE BUSINESS CORPORATIONS ACT, R.S.O. 1990, c. B-16, s. 182, AS AMENDED

AND IN THE MATTER OF AN APPLICATION BY THE T. EATON COMPANY LIMITED RELATING TO A PROPOSED ARRANGEMENT INVOLVING THE T. EATON COMPANY LIMITED AND ITS SECURITYHOLDERS AND 1381052 ONTARIO INC.

Applicant

Court File No. 99-CL-3514

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

Proceeding commenced at TORONTO

ORDER

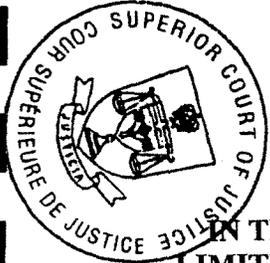
FASKEN MARTINEAU DuMOULIN LLP
Suite 4200, TD Bank Tower
Box 20, Toronto-Dominion Centre
Toronto, Ontario
M5K 1N6

Edmond F.B. Lamek [LSUC No. 33338U]
Stuart Brotman [LSUC No. 43430D]
Tel: (416) 366 8381
Fax: (416) 364 7813

Solicitors for RSM Richter Inc., in its capacity as
Liquidator of Distributionco Inc.

**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) WEDNESDAY, THE 15TH
)
MR. JUSTICE FARLEY) DAY OF MAY, 2002



**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
R.S.O. 1990, c. B-16, s. 182 AS AMENDED**

- and -

**IN THE MATTER OF AN APPLICATION BY THE T. EATON COMPANY
LIMITED RELATING TO A PROPOSED ARRANGEMENT INVOLVING THE
T. EATON COMPANY LIMITED AND ITS SECURITYHOLDERS AND 1381052
ONTARIO INC.**

ORDER

THIS MOTION made by Richter & Partners Inc. in its capacity as liquidator of the estate and effects of Distributionco Inc. (formerly known as 1381052 Ontario Inc.) (the "Liquidator") for:

- (a) an Order authorizing the Liquidator to effect an interim distribution between 4 and 6 cents on the dollar in respect of resolved Class I Distribution Claims and in respect of the undisputed portion (if any) of unresolved Class I Distribution Claims, and to establish an equivalent reserve in respect of the disputed portion of unresolved Class I Distribution Claims;

- (b) an Order authorizing the Liquidator to engage the services of Koskie Minsky for the purpose of attempting to locate the Class I Creditors whose dividends cheques have been returned to the Liquidator ("Missing Claimants") and which total in aggregate \$150 or more;
- (c) an Order authorizing Koskie Minsky to expend not more than \$50 plus applicable taxes (the "Approved Expense Amount") per each Missing Claimant in attempting to locate the Missing Claimants;
- (d) an Order authorizing the Liquidator to deduct the Approved Expense Amount from the dividend amount that would otherwise be distributed to the Missing Claimant (the "Net Dividend Amount");
- (e) an Order that, where the Missing Claimant cannot be located after depletion of the Approved Expense Amount, the Net Dividend Amount, or where the Missing Claimant's dividend is less than \$150, the dividend amount, be paid to the Public Trustee in accordance with section 234(1) of the *Ontario Business Corporations Act* prior to the Liquidator's discharge; and
- (f) such further relief as the Liquidator may request,

was heard this day at 393 University Avenue, Toronto, Ontario.

ON READING the Liquidator's Report to the Court dated May 10, 2002 and upon hearing the submissions of counsel for the Liquidator and other counsel present.

1. **THIS COURT ORDERS** that the capitalized terms in this Order shall have the same meaning ascribed in the Amended and Restated Plan of Compromise and

Arrangement of The T. Eaton Company Limited and the Claims Procedure for Distribution Purposes.

2. **THIS COURT ORDERS** that, on or after the latter of July 15, 2002 and the receipt of the clearance certificates which the Liquidator has applied for, the Liquidator is authorized and directed to:

- (a) pay a fifth interim distribution in the amount of between 4 and 6 cents on the dollar to Class I Creditors with admitted or resolved Class I Distribution Claims; and
- (b) make a 4 cent on the dollar reserve for Class I Creditors on account of unresolved Class I Distribution Claims.

3. **THIS COURT ORDERS** that the Liquidator is authorized and directed to engage the services of Koskie Minsky for the purpose of attempting to locate Missing Claimants whose unpaid dividends total in aggregate \$150 or more.

4. **THIS COURT ORDERS** that Koskie Minsky is authorized to expend the Approved Expense Amount per each Missing Claimant in attempting to locate each Missing Claimant;

5. **THIS COURT ORDERS** that the Approved Expense Amount shall be deducted by the Liquidator from the dividend amount that would otherwise be distributed to the Missing Claimant (the "Net Dividend Amount").

6. **THIS COURT ORDERS** that, where a Missing Claimant cannot be located after depletion of the Approved Expense Amount, the Net Dividend Amount shall be paid by

the Liquidator to the Public Trustee in accordance with section 234(1) of the *Ontario Business Corporations Act* prior to the discharge of the Liquidator.

7. **THIS COURT ORDERS** that where a Missing Claimant's aggregate unpaid dividends total less than \$150, the dividend amount shall be paid by the Liquidator to the Public Trustee in accordance with section 234(1) of the *Ontario Business Corporations Act* prior to the discharge of the Liquidator.



REGISTRAR

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

MAY 16 2002

PER/PAR: 

In the Matter of the Business Corporations Act,
R.S.O. 1990, c. B-16, s. 182, as amended

- and -

In the Matter of a Application By The T. Eaton Company
Limited Relating to a Proposed Arrangement
Applicant

Court File No: 99-CL-3514

SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

ORDER

FASKEN MARTINEAU DUMOULIN LLP
Barristers and Solicitors
Box 20, 40th Floor
Toronto-Dominion Centre
Toronto, Ontario
M5K 1N6

Michael J. MacNaughton
Edmond F.B. Lamek
(416) 366-8381

Solicitors to the Liquidator

The T. Eaton Company Limited
Summary of Class I Claims
As at June 30, 2008

Schedule D

	Amount
Employee Omnibus Claim (as per schedule attached D-1)	112,246,548.28
Landlord Class 1 (as per schedule attached D-2)	15,374,815.21
Trade Creditors Class 1 (as per schedule attached D-3)	<u>86,880,605.43</u>
Total resolved and accepted claims	<u><u>214,501,968.92</u></u>

	Termination	Severance	Vacation Pay	DRA/ERA/Health	FBO	LTD	Benefits	Other	Total Claim
	Claim	Dividend ¹	Claim	Claim	Claim	Claim	Claim	Claim	
Executive s		0.00	0.00	6,522,758.00	0.00	0.00	2,029,554.07	1,933,377.36	10,485,689.43
Foreign Buying Office	0.00	0.00	0.00	0.00	1,216,225.00	0.00	0.00	0.00	1,216,225.00
Notice	30,288,963.86	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30,288,963.86
Severance		54,190,500.74	0.00	0.00	0.00	0.00	0.00	0.00	54,190,500.74
Ontario Human Rights	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,000.00	5,000.00
Post-proceedings Vacation Pay	0.00	0.00	549,973.04	0.00	0.00	0.00	0.00	0.00	549,973.04
LTD Income Benefits	0.00	0.00	0.00	0.00	0.00	7,305,945.06	0.00	0.00	7,305,945.06
Pre-filing Health Benefits	0.00	0.00	0.00	0.00	0.00	0.00	482,414.98	0.00	482,414.98
Retirees - Health Benefits	0.00	0.00	0.00	0.00	0.00	0.00	714,085.43	0.00	714,085.43
Retirees - Life Benefits	0.00	0.00	0.00	0.00	0.00	0.00	94,099.71	0.00	94,099.71
Retiree - Discount Cards	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ERAP partial windup claims	0.00	0.00	0.00	0.00	0.00	0.00	3,795,000.00	0.00	3,795,000.00
Management Career Counseling	0.00	0.00	0.00	0.00	0.00	0.00	1,894,946.40	0.00	1,894,946.40
Short term disability	7,411.75	0.00	0.00	0.00	0.00	0.00	461,796.99	0.00	461,796.99
Life Insurance Conversion Claims	0.00	0.00	0.00	0.00	0.00	0.00	50,120.50	0.00	50,120.50
Miscellaneous	0.00	0.00	0.00	0.00	0.00	0.00	704,375.39	0.00	704,375.39
TOTALS	30,296,375.61	54,190,500.74	549,973.04	6,522,758.00	1,216,225.00	7,305,945.06	3,370,274.69	8,794,496.14	112,246,548.28

The T. Eaton Company Limited
 CCAA Distribution Claim List
 Schedule of Landlord Class 1

Schedule D-2

<u>EEN</u>	<u>Creditor</u>	<u>Claim</u>
920022	CENTRE COMMERCIAL CAVENDISH CIE LTEE	232,372.66
920046	LES GALERIES D'ANJOU LEASEHOLDS INC	9,570.12
920030	EDMONTON EATON CENTRE	67,841.00
920029	DAVID J AZRIELI	242,582.81
920038	GENTRA WESTERN RETAIL INVESTMENTS INC. RE: LONDONDERRY	691,492.80
920033	ERIN MILLS TOWN CENTRE CORPORATION	366,213.09
920039	GEORGIAN LEASEHOLDS INC	41,233.27
920016	CAMBRIDGE SHOPPING CENTRES LIMITED RE: WOODGROVE	49,092.88
920009	BAYSHORE LEASEHOLDS LIMITED	559,625.63
920002	250 LEASEHOLDS LIMITED (NOTES)	961,370.00
920045	LE CARREFOUR LAVAL LEASEHOLDS INC.	691.89
920068	OSHAWA CENTRE HOLDINGS INC.	98,340.49
920048	LES PROMENADES ST BRUNO LEASEHOLDS INC.	4,517.26
920017	CAMBRIDGE SHOPPING CENTRES LIMITED RE: BURNABY METROTOWN	23,740.01
920003	250 LEASEHOLDS LIMITED (YONGE)	9,821.19
920098	250 LEASEHOLDS LIMITED TD REALTY NOTE	160,228.15
920053	MRC PROPERTIES INC. RE: PLACE D'ORLEANS	249,908.66
920058	O.P.B REALTY (PEN CENTRE) INC.	570,509.37
920059	O.P.B REALTY (PICKERING CENTRE) INC.	42,758.14
920042	IVANHOE INC. RE: STE FOY	3,174.97
920044	LAING PROPERTY CORPORATION RE: BRANTFORD SHOPPING CENTRE	152,902.30
920066	ONTREA INC RE: MARKVILLE	132,684.28
920090	VANPROP INVESTMENTS LTD. RE: LANSDOWNE	31,167.82
920069	OXFORD PROPERTIES GROUP INC. RE: PARK PLACE	133,460.49
920071	PARK ROYAL SHOPPING CENTRE LIMITED	13,786.95
920051	MONTREAL EATON CENTRE LEASEHOLDS INC.	13,796.94
920052	MRC PROPERTIES INC. RE: CALGARY NORTHLAND	36,533.00
920041	IMPERIAL OIL	177,527.45
920018	CAMBRIDGE SHOPPING CENTRES LTD RE: MILL WOODS CENTRE & MIC MAC MALL	619,813.04
920021	CARREFOUR RICHELIEU REALTIES LTD.	282,069.98
920063	ONTARIO EMPLOYEES RETIREMENT SYSTEM	196,357.33
920064	ONTARIO MUNICIPAL EMPLOYEES RETIREMENT BOARD	2,372,196.91
920088	TILICUM MALL LEASEHOLDS INC.	238,630.00
920010	VISTA SUDBURY HOTEL INC., C/O VISTA HOSPITALITY CANADA COMPANY	143,882.37
920011	BOWER PLACE (RED DEER) LIMITED	1,817,949.84
920094	WEST EDMONTON MALL PROPERTY INC.	2,636,481.16
920072	PENSIONFUND REALTY LIMITED RE: COQUITLAM	25,866.83
920073	PENSIONFUND REALTY LIMITED RE: NOTES	74,547.09
920074	PETERBOROUGH SQUARE LIMITED	214,626.92
920091	VAUGHAN PROMENADE SHOPPING CENTRE INC.	132,163.38
920096	YONGE EGLINTON CENTRE	55,354.90
920084	SUNRIDGE MALL (CALGARY) LIMITED	665,453.09
920012	CADILLAC FAIRVIEW CORP LTD	141,459.00
920014	CAMBRIDGE SHOPPING CENTRES LIMITED RE: BURLINGTON	135,254.00
920001	1077941ONTARIO LIMITED C/O THE CORA GROUP	165,381.80
920049	M&S PROPERTIES LIMITED C/O NAVONA INVESTORS SERVICES LIMITED	32,793.73
920034	EXCHANGE TOWER LIMITED RE: BRAMALEA	340,000.00

The T. Eaton Company Limited
CCAA Distribution Claim List
Schedule of Landlord Class 1

Schedule D-2

<u>EEN</u>	<u>Creditor</u>	<u>Claim</u>
	920035 FAIRVIEW POINTE CLAIRE LEASEHOLDS	7,590.22
Total		<u>15,374,815.21</u>

The T. Eaton Company Limited
 CCAA Distribution Claim List
 Schedule of Trade and Other Claimants With Claims over \$500 (Excluding Landlords)

Schedule D-3

EEN	Creditor	Claim
950001	140442 CANADA INC	10,727.30
950002	1928 HAIR JEWELRY	6,507.26
950003	1928 JEWELLERY LTD	1,804.20
950004	2 R SERVICES INC	2,610.80
950005	2950511 CANADA INC (SUNBELT MFG.)	14,790.07
950006	3191443 CANADA INC	28,276.39
950008	3497691 CANADA INC/IMPERIAL IN	7,215.79
950009	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (3515541 MANITOBA LTD)	1,766.57
950010	3M COMPANY CANADA LTD	4,340.75
950011	4 OFFICE AUTOMATION	444,146.73
950015	A & A CUSTOM WOODWORKING INC	2,316.55
950016	A F CARPET SERVICE(DELOITTE&TOUCHE)	1,500,000.00
950018	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (A PLUS INTERNATIONAL)	1,590.88
950021	ABBEY NECKWEAR LTD	38,434.11
950022	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ABE'S DOOR SERVICE LTD)	1,357.53
950024	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ABSOLUTE LOCATION SUPPORT SERV)	1,983.88
950026	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ACME CHEMICALS&TECHNOLOGIES LT)	1,308.24
950027	ACROSS JEANS SYSTEMS II INC	8,716.72
950028	ACS IRON & METAL	4,119.50
950029	ACTION INDUSTRIES INC	11,228.01
950030	AD EXPRESS CANADA INC	11,992.56
950031	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ADAMS ELEVATOR EQUIPMENT CO)	1,251.79
950032	ADIDAS (CANADA) LIMITED	449,171.37
950033	SOUTHAM LTD. (ADITUS DIVISION)	472,333.29
950034	ADORABLE KIDS INC	119,358.43
950035	ADORABLE LINGERIE INC	24,402.28
950036	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ADPEOPLE INC)	4,680.02
950039	ADT SECURITY SERVICES CANADA	113,649.40
950040	AERATED HOME FURNISHING LTD	9,655.71
950041	AERO LUGGAGE INC	36,782.41
950042	AFG GLASS CENTRE	5,819.92
950043	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (AGENCE DE SECURITE CANADA INC)	2,633.94
950044	AGGRESSIVE CABLE & COMM INC	1,624.54
950046	AINSWORTH INC & SIMPLEX SYSTEM	911.64
950048	ALANTRA IMPORTS	2,281.20
950049	ARGO PARTNERS INC. (ALBERT WHITE TECHNOLOGIES INC)	5,334.76
950050	ALBERTA ELEVATING DEVICES	1,449.25
950051	ALBION FISHERIES VICTORIA	689.75
950053	ALERT PRINTERS LTD	1,770.09
950054	ALEXANDER GOURMET IMPORTS LTD	909.64
950055	MACDONALD, DONALD P. (B&E)	306,424.25
950056	ALFRED CLOUTIER LTD	7,866.08
950057	ALGO	2,339.10
950058	ALKASO IMPORTS	6,633.90
950062	ALLIANCE ENVELOPE LIMITED	2,322.86
950064	ALLMAR DISTRIBUTORS LTD	2,551.96
950065	ALOREST MANAGEMENT INC	7,847.81
950066	ALPHA AUTO TRIM LTD	701.50

The T. Eaton Company Limited
 CCAA Distribution Claim List
 Schedule of Trade and Other Claimants With Claims over \$500 (Excluding Landlords)

Schedule D-3

EEN	Creditor	Claim
950067	ALPINE GROUP (THE)	529.65
950068	AL'S QUALITY EXPRESS	3,339.51
950072	AMBASSADOR UPHOLSTERY SPECIALI	2,348.65
950073	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (AMBLESIDE CONTRACT FURNISHING)	3,663.68
950074	AMERICAN DREW	1,997.61
950076	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (AMJ CAMPBELL VAN LINES)	5,539.06
950077	AMRAMS DISTRIBUTING LTD	68,754.41
950081	ARGO PARTNERS INC. (ANTHONY'S ART DESIGN LTD)	8,971.04
950083	APEX GRANITE 9 TILE INC	6,166.41
950084	APPLAUSE APPLAUSE	14,248.12
950085	ARGO PARTNERS INC, (AQUARIUS BATH FASHIONS)	14,627.97
950087	ARMCAN SALES LIMITED	8,988.62
950088	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ARMSTRONG MEN)	2,279.51
950093	ARTHUR, TERRY	5,841.80
950094	ARTIST GROUP (THE)	4,740.80
950095	ARTISTIC CREATIONS LTD	2,849.82
950096	ARTISTIC UPHOLSTERY	1,190.25
950097	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ASASS PC SUPPORT & NETWORKING)	1,852.71
950099	ASCOM-HASLER MAILING SYSTEMS	628.60
950100	ASHLEY-WILLARD, JANE	21,542.00
950103	ASSAD, CHRISTOPHER	540.00
950106	AT & T CANADA	3,039.15
950109	ATRIPCO DELIVERY SERVICE	3,813.60
950111	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (AUSTIN SCULPTURE)	669.64
950112	LONG ACRE CAPITAL PARTNERS (AUTHENTIC FITNESS CAN (SPEEDO))	21,486.43
950113	AUTOMATION ENG ASSOCIATES LTD	11,437.46
950114	AVERY DENNISON CANADA INC	11,731.82
950115	AXIDATA INC	651.59
950118	A-Z PRINTERS LTD	18,075.03
950120	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (B & M MANAGEMENT INC)	2,267.21
950121	B C AIR FILTER SALES & SERVICE	534.22
950123	B G E SERVICE & SUPPLY LTD	2,214.16
950124	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (B I T A DATA SPECIALISTS)	900.00
950125	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BABTECH INC)	3,228.60
950128	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BAHRY'S GLASS (1983) LTD)	2,170.06
950130	BALLIN MFG CO INC	15,859.77
950131	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BAR BEN HARDWARE)	598.28
950132	BARBARA FIELDS	9,681.77
950133	BARCALOUNGER	32,365.34
950134	BARMISH INC	107,058.47
950135	BARMISH INC (GUY LAROCHE)	15,290.90
950137	BODDEN, BECKY	999.00
950138	BASACCO, MADELINA	653.19
950139	BASIC CONCRETE CUTTING INC	2,490.96
950140	BASSETT FURNITURE INDUSTRIES	78,193.41
950142	BATCHELORS DATAMEDIA LTD	752.73
950143	BATH CREATIONS INC	3,250.07
950145	BAXTER DAIRIES LTD	1,188.95

The T. Eaton Company Limited
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EEN	Creditor	Claim
950146	BAYLIFF, PATRICK	7,500.00
950147	BC NEWSPAPER GROUP	32,147.19
950148	BCBG	4,681.31
950149	BCE EMERGIS INC	3,277.90
950151	BDR SERVICES LTD	5,327.39
950152	BEACON MANUF CO/DIV PILLOWTEX	1,797.10
950153	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BEATRICE FOODS INC)	1,188.95
950154	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BEATRICE FOODS INC)	2,053.40
950155	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BEATRICE FOODS INC)	6,521.58
950156	BEAULIEU OF CANADA	1,624.66
950157	BEAUTE DISTRIBUTION	5,092.78
950158	BEAUTE PRESTIGE INTL CAN	144,490.59
950159	BEAUTY INDUSTRIES	104,841.56
950160	BEDFORD FURNITURE INDUSTRIES	6,950.40
950161	BEE CLEAN CO OF BRANDON LTD	3,172.17
950162	BELAE BRANDS CANADA COMPANY	37,271.71
950163	BELAND, NICOLE ELAINE	2,471.40
950164	BELANGER, PASCAL	20,000.00
950165	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BELFOR & CO LTD)	31,134.63
950166	BELL CANADA	341,787.00
950167	BELL CANADA	6,229.24
950168	BELL CANADA	12,893.81
950169	BELL CANADA	343,469.07
950170	BELL CANADA (TOR)	2,031.00
950171	BELL MOBILITY PAGING	4,130.78
950173	BENCHMADE LEATHERWORKS	19,112.94
950175	BENTOLILA, DALILA	1,406.34
950178	BERT CLELAND CARPET INSTALL	10,132.56
950180	BESSIE'S DRESSMAKERS	604.90
950181	BEST DOOR COMPANY	9,714.25
950182	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BETZDEARBORN CANADA INC)	14,209.40
950184	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BISHOP IMPORTS INC)	18,709.40
950186	BLACK & MCDONALD LTD	1,165.60
950188	BLACKIES LINO TILE & CARPET	16,926.97
950189	BLUE FUEL CORPORATION	10,915.86
950190	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BLUE POWER CLOTHING INC)	21,032.00
950193	BOGAR-PATERSON	25,424.83
950195	BOLDWOOD CANADA INC	8,935.45
950197	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BONDED SERVICES INT LTD)	3,429.06
950198	BONTHOUX, MARIE	1,275.88
950200	BOS INC	187,285.27
950201	LONG ACRE CAPITAL PARTNERS (BOSTONIAN SHOE CO)	180,129.34
950202	BOTHWELL-ACCURATE CO LTD	3,587.71
950203	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BOUL GERBE D'OR PARISIENNE)	678.96
950204	BOUL WESTON QUEBEC INC	1,867.25
950205	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BOULANGERIE ETCETERA)	1,512.48
950206	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BOULEVARD OFFICE PRODUCTS LTD)	804.43
950207	BOWDEN'S PRESS CLIPPINGS LTD	3,348.87

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EEN	Creditor	Claim
950208	BOYLE PROMOTIONS	4,800.00
950210	BRAMBLES CANADA INC	8,087.15
950211	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BRAMPTON HYDRO)	22,752.25
950213	BRANDON ELEVATOR & ELECTRIC LT	828.19
950214	LONG ACRE CAPITAL PARTNERS (BRANDSELITE INTERNATIONAL CORP)	177,552.62
950218	BRENTWOOD CLASSICS	6,546.89
950219	BRIDGE BRAND FOOD SERVICE LTD	100,315.27
950220	BRIDGE ELECTRIC CORP	3,766.18
950221	BRINKS CANADA LTD	4,510.50
950222	BRITA	35,674.09
950223	BROOKFIELD MGMT SERV WEST L	25,646.42
950224	BROWN SHOE CO OF CANADA LTD	45,213.51
950227	BROWNING FERRIS INDUSTRIES LTD	5,206.14
950228	BROWNING-FERRIS INDUSTRIES	512.26
950229	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BROWNING-FERRIS INDUSTRIES)	624.06
950230	BROWNING-FERRIS INDUSTRIES	628.72
950231	BROYHILL FURNITURE	20,337.58
950232	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BRYANT TRAILER SERVICES INC)	12,138.42
950234	BUCK CONSULTANTS LIMITED	8,500.00
950235	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (BUCKLER TRANSPORT)	916.95
950236	BULL DOG DELIVERIES	3,804.87
950237	BUNS MASTER BAKERY	523.43
950241	BUTLER/WHYTE	2,689.55
950243	BYTOWN LUMBER	3,123.29
950244	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (C & E CANADA INC)	8,434.24
950245	C & G LINGERIE CO	341,755.56
950247	C TO C STORE FIXTURES INC	11,657.40
950249	CABRELLI INC	10,322.90
950250	CALEGO INTERNATIONAL INC	31,608.40
950253	CALVIN KLEIN (WOMEN'S APPAREL)	621.43
950254	CALVIN KLEIN COSMETICS(CANADA)	190,260.61
950255	CALVIN KLEIN UNDERWEAR/WARNACO	387,656.39
950256	CAMBRIDGE TOWEL CORP THE	10,188.91
950257	LONG ACRE CAPITAL PARTNERS (CAMCO INC)	593,041.54
950259	CAMERON ADVT'G DISPLAYS LTD	4,049.95
950262	CAMPIO FURNITURE LTD	11,396.60
950263	CAMPNEY & MURPHY	7,537.62
950264	CANADA BREAD WEST	1,995.79
950265	CANADA MOVING AND STORAGE	9,216.35
950266	CANADA NEWS WIRE LTD	1,775.21
950269	CANADEL FURNITURES INC	1,266.19
950270	CANADIAN GRAPHICS WEST INC	6,504.82
950271	CANADIAN LINEN SUPPLY CO LTD	1,413.42
950272	CANADIAN LINEN SUPPLY ONTARIO	1,219.60
950273	CANADIAN NATIONAL RAILWAY COMPANY	39,055.95
950275	CANADIAN THERMOS PRODUCTS INC	11,143.41
950276	CANADIAN WASTE SERVICES BAR	1,727.67
950279	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CAN-DO EQUIPMENT REPAIR)	1,389.72

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EEN	Creditor	Claim
950280	CANFLOYD LTD	670.53
950282	CANTEL PAGING	11,949.55
950283	CANTOL LTD	1,612.88
950284	CANWEST BEDDING LTD	12,960.32
950285	CARGO COSMETICS CORP	3,626.15
950287	CARLTON HOUSE FURNITURE	2,661.11
950288	CARNIVAL RUG LTD /TAPIS	44,561.27
950289	CARRIER CANADA LTD	22,887.30
950290	CARRUTHERS & WALLACE LTD	5,365.09
950291	ARGO PARTNERS INC. (CASIO CANADA LTD)	9,840.76
950292	CASTLE GLASS & MIRROR LTD	16,300.98
950293	CAULFEILD APPAREL GROUP LTD	670,331.25
950295	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CENTRA GAS BRITISH COLUMBIA)	1,370.00
950296	CENTRA GAS MANITOBA INC	14,952.20
950297	CENTRAL BAKERY	1,049.60
950300	CENTURY PAINT & WALLPAPER	603.20
950301	CENTURY PRODUCTS COMPANY	955.40
950302	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CETRACOM)	4,861.54
950303	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CFRV RADIO & TELEVISION)	1,669.01
950304	CHAIR-MAN MILLS LTD	2,737.00
950308	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CHANTAL COOKWARE CORP)	27,007.58
950309	CHAPAL, ZENRAY	4,942.72
950311	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CHARCUTERIE PARISIENNE INC)	519.26
950312	CHARLES BELANGER & FILS	3,853.34
950313	CHATEAU D'ARGENT	27,902.11
950315	ARGO PARTNERS INC. (CHEAP THRILL)	8,217.58
950316	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CHECKPOINT CANADA INC)	678.42
950317	CHEF REDI-MEATS	2,168.43
950319	CHICAGO SOFT	308.20
950322	CHRISTENSON, SHERI	1,929.70
950325	CHUBB SECURITY SYST-DIV-	1,929.95
950326	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CHUBB SECURITY SYSTEMS)	1,127.99
950327	CHUCK'S DISTRIBUTORS	1,112.15
950328	CFUN/CHQM	11,984.00
950329	CHUM SATELLITE BUSINESS MUSIC	3,614.99
950330	CHUM SATELLITE SERVICES	14,552.00
950331	CHUM SEEBURG (DIV. CHUM LTD.)	1,040.77
950332	CICCIARELLA, MICHAEL	2,000.00
950334	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CINTAS)	2,079.49
950335	CIRQUE DU SOLEIL INC	62,233.15
950338	CITIZEN DIV SOUTHAM NEWS (THE)	845.72
950339	CITIZEN WATCH CO OF CANADA LTD	1,814.53
950340	CITY BREAD CO LTD	6,129.49
950341	CITY OF CALGARY/UTILITIES	94,904.44
950343	CITY OF ETOBICOKE	2,278.00
950344	CITY OF LETHBRIDGE	2,045.55
950346	CITY OF SASKATOON TREAS/UTI	27,681.20
950347	CITY OF ST CATHERINES	1,362.82

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EEN	Creditor	Claim
950348	CITY OF TORONTO WATER & SEW	29,859.18
950350	CITY OF WINNIPEG-TREASURY	92,970.05
950353	CKIK FM	2,112.72
950355	CLARK, ALICIA	9,000.00
950357	CLASSIC CHEF CORP	2,744.55
950358	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CLASSIC COURIER SERVICES)	634.80
950361	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CLEARNET INC)	4,071.47
950363	CLIFFORD INTERIORS	13,568.67
950364	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CLIMATECH INC)	2,357.21
950365	CLOTHESLINE APPAREL	49,412.42
950366	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CLOVER GROUP)	15,210.28
950367	CLOVERDALE PAINT & CHEMICALS	1,369.75
950372	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (COHOS EVAMY PARTNERS THE)	4,328.07
950374	COLE-HAAN	41,788.51
950375	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (COLLINS FIRE PROTECTION CO LTD)	5,245.25
950377	COLORLINE DISPLAY & SCREENING	20,854.35
950378	COLOUR EXPLOSIONS	2,586.97
950380	COMDISCO CANADA LTD	906,723.89
950383	COMMCORP FINANCIAL SERVICES IN(CIT GROUP)	91,796.28
950384	COMMERCIAL KITCHEN SRV(MAN)	784.07
950385	COMMERCIAL LIGHTING PRODUCTS	8,049.48
950387	COMMONWEALTH CURTAIN CO	2,888.89
950388	COMMUNICATION VOIR INC.	2,530.56
950389	COM-PLEX SYSTEMS LTD	1,011.15
950390	COMPUSEARCH	10,272.00
950394	LONG ACRE CAPITAL PARTNERS (COMPUWARE CORPORATION)	395,615.38
950396	CONCORD CANDLE CORPORATION	14,898.60
950397	CONFECTIONATELY YOURS	1,479.79
950398	LONG ACRE CAPITAL PARTNERS (CONSENSO)	51,067.47
950400	CONSUMER ELECT & APPL SERVICES	1,013.02
950401	CONSUMERS GAS	2,736.17
950403	COOPER, WILLIAM	699.00
950405	COPPLEY NOYES & RANDALL LTD	7,188.30
950406	CORANCO CORP	28,359.14
950409	CORP OF TOWNSHP OF RICHMOND	2,317.72
950411	CORWICK MANUFACTURING	10,380.84
950413	COSMODA	18,975.79
950414	COTY CANADA INC/LANCASTER	38,894.21
950415	COUGAR SHOES CANADA	935.55
950416	COUNTRYSIDE FARM LTD	1,449.21
950418	COVER-ALL DIRECT RESPONSE SYS	19,283.00
950422	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CREATIVE CARPETS)	1,376.30
950425	CROSSLEY CARPET	127,855.99
950426	CRUNCH RECORDING GROUP INC	1,871.17
950427	CTV TELEVISION INC.	201,887.00
950428	CUMMINS BRITISH COLUMBIA	1,508.04
950429	CUSTOM LEATHER CANADA LTD	33,603.56
950430	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CUSTOM PAPER LTD)	543.20

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EEN	Creditor	Claim
950431	CYBERPLEX INTERACTIVE MEDIA	15,297.17
950432	D J WORKS INC	6,101.36
950433	D YOUNG DELIVERY LTD	5,116.74
950435	BREWSTER, DALE (B&E)	452,953.00
950436	DANAWARE	1,962.93
950437	DANESCO INCORPORATED	32,349.56
950439	DARLING CONSULTING	10,797.63
950442	DATAMARK SYSTEMS	39,591.33
950449	DE SILVA, REGINALD	899.99
950452	DEBCO BAG DISTRIBUTORS LTD	2,437.46
950454	DEL LABORATORIES (CANADA) INC	1,117.19
950457	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (DEL'S DISTRIBUTORS LTD)	818.57
950458	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (DEL'S SPECIALTY MEATS LTD)	608.38
950459	DELSEY PARIS LUGGAGE INC.	41,516.66
950461	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (DELUXE TAILORS & CLEANERS)	695.40
950463	DEMPSTER'S #T6249 (CANADA BREAD CO.LTD	2,972.62
950464	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (DENIS FOURNITURES DE BUREAU)	1,711.77
950467	DIAMOND TEA GOWN LTD	15,482.19
950468	ARGO PARTNERS INC. (DIANA DOLLS FASHIONS INC)	32,679.54
950469	DIANE VON FURSTENBERG	16,385.79
950470	DIVERSIFIED SOFTWARE SYSTEMS	6,741.00
950473	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (DIGITAL MUSIC EXPRESS)	5,920.79
950477	DISPLAY ARTS OF TORONTO	1,115.50
950478	DISPLAY DESIGN SYSTEMS LTD	950.16
950479	DISTINCTIVE DESIGNS FURNITURE	4,744.15
950480	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (DISTRIBUTION MARLEY)	747.03
950481	DISTRICT OF WEST VANCOUVER	642.00
950489	DKNY JEANS	351,710.35
950490	DMITRIEVA, MARINA	10,000.00
950493	DOLVIN MECHANICAL CONTRACTORS	34,393.65
950500	DONNA KARAN COMPANY	12,672.40
950501	DON'S BAKERY	1,501.59
950502	DONUT HOUSE	4,243.60
950505	D'ORAZIO, VINCE	2,591.41
950506	DOT & DASH SIGN & DESIGN INC	2,214.30
950507	ARGO PARTNERS INC. (DOUBLE J FASHION GRP/JESELLE)	108,274.39
950508	DOVE TALE COLLECTIONS	1,267.60
950510	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (DREW CHEMICAL LTD)	12,516.89
950511	DUIVENVOORDEN, YVONNE	7,710.42
950513	DUPREY, JOAN	968.44
950516	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (DUST FREE SERVICES LTD)	549.66
950517	DYNAMEX	1,152.93
950518	DYNAMEX EXPRESS	4,679.80
950522	E.A. SALONS INC. (C/O KAREN M. CRAMMM, MBA, CA-CIRP, CA-IFA)	3,500,000.00
950523	EAGLE RIDGE MECHANICAL CONT LT	17,276.22
950524	ARGO PARTNERS INC. (EARLY DEVELOPMENT CO LLC)	13,812.37
950527	EATEK SERVICES	3,751.89
950529	EBDINGHAUS, BRIAN	3,149.15

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EEN	Creditor	Claim
950530	ECUSSON CONNOR CREST	13,528.78
950532	EDDIES HANG-UP DISPLAY CO	931.02
950533	EDMONTON RADIO GROUP	3,062.34
950534	EDMONTON SUN	10,216.12
950537	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (EL RAN AMEUBLEMENT LTEE)	1,516.70
950539	ELECTRIC SHAVER CLINIC	7,448.28
950540	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ELECTRITEK P & C)	1,545.94
950542	LONG ACRE CAPITAL PARTNERS (ELITE BLOUSE & SHIRT LTD)	77,557.38
950543	ELITE MODEL MANAGEMENT INC	13,097.04
950544	ELLIOTT'S DESIGNS	3,111.46
950546	EMBIX WATCH IMPORTING CO	3,206.88
950547	EMPIRE CLOTHING MFG CO	168,624.75
950549	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (EN FRANCAIS INTERNATIONAL)	733.45
950550	ENERCON WATER TREATMENT	1,046.46
950552	ENERGY ADVANTAGE INC	12,841.00
950554	ENGELITE LIGHTING	14,586.14
950556	EN-PRO INTERNATIONAL INC	513.35
950557	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ENTERTAINMENT UNLIMITED)	749.00
950558	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ENVIR CLEAN LTD)	12,477.50
950559	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ERIC HARRY MUSIC LIMITED)	1,284.00
950560	ERROL'S APPLIANCE SALES	6,558.00
950561	ESCALATOR HANDRAIL CO INC	11,053.75
950566	EUROLITE	4,277.69
950567	EVENCHICK M LTD	35,689.52
950570	EXCLUSIVE PAINTS	2,722.50
950572	F & P BOIVIN INC	572.19
950573	LONG ACRE CAPITAL PARTNERS (FAMOUS NECKWEAR MFG INC)	97,655.38
950574	ARGO PARTNERS INC. (FANCY LINENS & DOMESTICS LTD)	14,374.38
950575	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (FARR COMPANY LTD)	1,138.38
950578	LONG ACRE CAPITAL PARTNERS (FASHION EXCLUSIVES USA)	85,175.89
950580	FASHION INDUSTRIES	12,263.50
950581	FATHER & SONS	5,509.07
950584	FEN-NELLI FASHIONS INC	39,729.00
950589	FIELD, GREGORY	7,000.00
950590	FIFTY ONE DESIGN	9,489.83
950591	FINNEGAN, DANIEL	662.35
950594	FIRST LADY COIFFURES LTD	84,352.00
950598	FLORIDUS LTD/DESIGN IMAGES	8,390.62
950603	FOODCO SALES	3,648.13
950607	FOREVER NEW	5,085.61
950609	FOREVER YOURS	561.75
950613	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (FORTUNE FOOTWEAR)	11,372.34
950614	FOX RUN CRAFTSMEN CANADA	16,040.93
950615	FOXRUN TRANSPORTATION LTD	2,805.54
950616	FRAAS V	33,185.12
950617	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (FRANCE DELICES)	3,359.31
950619	FRANK TRISI SALES LTD	1,368.02
950620	FRANKLIN EMPIRE INC	1,978.56

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EEN	Creditor	Claim
950622	FRATIA, ANNE	4,000.00
950623	LONG ACRE CAPITAL PARTNERS (FRED DAVID DIV COMO DIFFUSIONS)	297,732.68
950624	FRED GUY MOVING & STORAGE	7,003.72
950626	FRENCH MAID LINGERIE CO INC	64,158.14
950628	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (FRONTLINE CARRIER SYSTEMS IN)	886.11
950631	FURNITURE MEDIC	1,298.48
950632	FUTURE FORMS & GRAPHICS	3,098.19
950634	G & S WOODWORKING	23,518.60
950635	ARGO PARTNERS INC. (G F T MODE CANADA INC)	73,068.10
950636	G ROMANO INC	28,356.07
950640	GANDALF GRAPHICS LTD	11,590.78
950642	GARBO CREATIONS INC	1,025.80
950643	GARDEN GROVE DIST (1998) LTD	11,029.04
950645	GARY GURMUKH SALES LTD	2,603.51
950646	PIETERS, GARY	20,000.00
950647	GARZ CONTRACTING	3,731.62
950648	GASTECH HVAC SYSTEMS LTD	2,581.91
950649	GAY-TOWN SPORTSWEAR CO	40,087.55
950650	GAZ METROPOLITAIN #101	3,690.66
950651	GAZ METROPOLITAIN #102	608.88
950653	GE CAPITAL TECHNOLOGY SVCS INC	8,154.50
950654	GENERAL ELECTRIC CAPITAL CAN	214,089.14
950656	GENERAL SIGNAL (EDWARDS)	2,687.54
950657	GENIN TRUDEAU/HOME PRESENCE	8,021.44
950659	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (MAJOR AIR SYSTEMS LTD)	3,394.58
950661	GENTRY INC	13,445.62
950665	GESTION JEAN FRANCOIS LOISELLE	3,805.04
950667	GIAN ROCCO CREATION INC	3,787.07
950668	GIBBARD FURNITURE SHOPS LTD	80,965.73
950673	QUARRINGTON, GLENN (B&E)	83,470.75
950674	GLOBAL INFO SERVICES	28,517.64
950675	GUY LAROCHE (CHATEAU LINGERIE)	13,366.42
950676	GLOBE & MAIL LTD	137,288.54
950679	GODIVA CHOCOLATIER INC	18,903.32
950680	GORDON BATAH ENTERPRISES INC	13,010.29
950681	GORDON FOOD SERVICE	85,688.66
950686	GRACO CANADA	1,294.42
950690	GRAND & TOY LTD	25,528.90
950693	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (GRANDOE CORPORATION)	1,600.00
950694	GRANNY'S POULTRY CO-OP(MAN)LTD	2,989.77
950695	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (GRANT ELECTRIC OTTAWA)	966.58
950697	GREAT AMERICAN KNITTING MILLS	64,304.51
950698	GREAT PACIFIC LEASING	74,174.09
950699	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (GREB INTERNATIONAL SANTANA DIV)	1,294.42
950702	GREGORY K DIRADOUR AGENCIES CA	12,477.37
950703	C.J. GRENIER LTD	8,485.07
950706	ARGO PARTNERS INC. (GRINNELL FIRE PROTECTION/TYCO)	10,908.65
950707	GRIMM'S FINE FOODS LTD	3,706.41

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EEN	Creditor	Claim
950708	ARGO PARTNERS INC. (GRINNELL FIRE PROTECTION/TYCO)	1,127.31
950711	GUNN'S BAKERY	5,104.67
950714	GUZMAN, GLORIA	3,712.90
950715	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (GYPSY CO OP)	1,239.57
950716	H B HELLER INC	57,186.33
950718	H.D.BROWN ENTERPRISES LTD.	7,090.00
950719	HABIB, BIBI	1,542.85
950721	HAGERTY W J & SONS CANADA LTD	8,585.88
950723	HALIFAX HERRALD LTD (THE)	31,858.58
950724	HALIFAX TRANSFER INC	4,248.75
950726	HAMILTON HYDRO ELEC SYSTEM	80,812.07
950731	HANSEN ENTERPRISES LTD	741.75
950733	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (HARD-ARM TRANSPORT)	620.60
950736	HARRIS MOVERS/GRAVELLE HOLD	4,441.25
950738	HARVARD BROADCASTING	1,685.40
950739	HARVEY WOODS APPAREL/STANFIELD	4,869.93
950741	LONG ACRE CAPITAL PARTNERS (HATHAWAY)	125,433.65
950743	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (HEATH WATER HEATER RENTALS LTD)	1,356.00
950745	HECTOR LARIVEE INC	6,032.62
950746	HENDERSON R G & SON LTD	642.56
950747	HERITAGE LINENCRAFT INC	121,721.31
950749	HEXAVOGUE GROUP	16,461.69
950750	HICKS MORLEY HAMILTON ST STRIE	106,522.91
950752	HIGHLAND FEATHER INC	7,583.90
950753	HIGHLAND HOUSE	20,739.93
950755	HITACHI DATA SYSTEMS	12,075.00
950758	HOLLAND GLASS & CRYSTAL INC	9,284.41
950763	HONEYWELL LIMITED	2,359.68
950765	HORNE, AUDREY	1,786.41
950768	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (HOUSE OF BRUSSELS CHOCOLATES)	3,358.00
950771	HOWICK INC.	122,763.99
950773	HUDSON, KAREEN	900.00
950774	HUMBER TRAIL	529.76
950775	HUMMINGBIRD COMMUNICATIONS	1,002.57
950776	HUMPHREYS INC	100,105.91
950777	HUNTER LICENSED SPORTS LTD	2,745.93
950778	HYDRO QUEBEC	229,532.90
950779	HYDRO QUEBEC	11,248.67
950780	HYDRO QUEBEC	16,791.87
950781	HYDRO QUEBEC	16,850.45
950782	HYDRO QUEBEC	27,369.28
950783	IBM CANADA LTD	7,491,126.00
950787	IFT INTERNATIONAL	32,359.00
950788	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (IHW INC)	2,159.26
950790	IKON OFFICE SOLUTIONS	905.09
950792	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (IMG-CANADA LTD)	3,010.78
950793	IMPENCO LTD	9,716.03
950796	IMPRESSIONS DIV OF SHAMROCK	752.13

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EEN	Creditor	Claim
950797	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (IMPRIMERIES PRO PRINTIERS)	1,187.84
950798	IN TRANSIT PERSONNEL INC	4,519.68
950799	ARGO PARTNERS INC. (IN VITRO CORP)	38,817.32
950801	INDUSTRIAL CHIMNEY MAINTENANCE INC	24,952.40
950802	INDUSTRIAL TIRES LTD	698.44
950803	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (INDUSTRIAL TRAILER & EQUIPMENT)	535.00
950804	INDUSTRIAL WATER TREATMENT SYS	1,703.58
950805	INFINITY PRINTING	1,440.96
950809	INTER-CONTINENTAL MERCANTILE	2,658.73
950810	INTERNATIONAL FASHIONS	2,512.04
950811	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (INTERNATIONAL FASHIONS GROUP)	4,159.44
950812	INTERNATIONAL PRODUCTS	728.03
950813	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (INTERNETWORK VANGUARD OPER LTD)	4,558.20
950814	INTERPROVINCIAL PLUM & HEAT	1,058.41
950815	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (INTERSAN)	2,445.15
950816	INTERSAN INC	1,871.72
950818	IN-ZOO DIV SHABILLER INC	42,814.67
950820	IRVING OIL LTD	3,490.84
950821	ISLAND PACIFIC INSTITUTE	983.14
950824	ITEMS UNLIMITED (2978130 CAN INC)	520.08
950827	J H SECORD ENT LTD	545.70
950828	J J BARNICKE LIMITED	2,540.10
950829	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (J P METAL INC)	11,224.30
950830	J R WEST LTD	1,924.16
950836	POLACH, JERRY (B&E)	977,516.50
950839	JESSA, ZUBEDA	2,287.11
950841	JIMMISS CANADA INC	2,900.00
950842	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (JML INDUSTRIAL ELECTRIC INC)	8,042.76
950843	ANDERSON, JOHN (B&E)	511,172.75
950844	JO LENE (CANADA)	4,206.54
950845	JOHN FORSYTH SHIRT CO LTD/PURE	22,280.90
950846	JOHN L NORGET & CO LTD	1,977.47
950847	MCKEE, JOHN (B&E)	590,873.75
950848	JOHNSON CONTROLS	2,303.38
950849	JOHNSON CONTROLS LTD	4,438.62
950851	JOHNSON CONTROLS#V4020	1,882.45
950853	JOLICOEUR LTEE	3,106.02
950855	JOVANOVICH, LILLIAN	1,000.00
950856	JOYCE FRUIT MARKETS	7,439.25
950858	JUDY INC	1,605.00
950859	JULMAR C/O MARK CARTER	7,429.02
950862	KAID	156,432.68
950863	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (KALAN C/O TATOU)	14,534.00
950864	KALORA INTERIORS INTERNATIONAL	18,741.98
950865	KANE, PATRICIA	5,000.00
950867	KARABUS MANAGEMENT	65,563.25
950869	KAYJET PROMOTIONS LTD	3,224.46
950870	KB EXPRESS	4,383.74

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EEN	Creditor	Claim
950871	KBM EQUIPMENT DE BUREAU	623.27
950874	KENNEDY, WAYNE (B&E)	1,136,453.25
950876	KINGSDOWN OWEN & COMPANY LTD	13,419.18
950877	KERR BROS LTD	907.70
950879	KILO	1,366.87
950880	ARGO PARTNERS INC. (KINCAID FURNITURE COMPANY)	21,361.15
950884	KLAUS STEILMANN INC	39,312.68
950885	KLAXONNEZ INC	22,476.76
950886	KLG SERVICES C/O KEN GREENBURY	3,806.25
950887	KM TRADING	6,596.56
950889	KNIRPS CANADA INC	683.92
950891	KONINGS WHOLESALE	72,264.66
950892	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (KOOL KIDS INCORPORATED)	1,294.74
950896	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (KPMG LLP)	6,866.73
950897	LONG ACRE CAPITAL PARTNERS (KPS KIDSWEAR INTERNATIONAL INC)	122,000.00
950898	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (KRAFT CANADA INC)	13,061.89
950900	KREISZ JACK M	2,430.85
950903	KUB BAKERY	3,829.45
950904	KURENOFF, STEVE E.	4,442.64
950905	KWARTZ INTERNATIONAL	4,178.62
950906	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (L & C DISTRIBUTORS)	762.27
950907	L B MAPLE TREATS INC	6,843.69
950908	L G ELECTRONICS (PARTS)	20,487.73
950910	L M TOOLEY CONSULTING	11,581.68
950911	LA BRASSERIE LABATT LTEE	719.21
950912	LA CHARITE APPAREL 1989 INC	16,133.20
950913	LA PRESSE LTEE	51,202.78
950914	LA TRIBUNE	8,083.98
950915	LACE GOODS CO LTD	10,813.21
950919	LAMANTIA, ANTHONY (B&E)	941,592.75
950921	LANA LEE FASHIONS INC	10,816.42
950922	LANCOME CANADA	641,268.03
950924	LANDIS & GYR	48,346.22
950926	LAPAS CONSULTING ENGINEERS LTD	560.65
950927	LARRY RENAUD CONSULTING SERVS	5,055.75
950928	LARUS INC	822.50
950930	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (LAVERY DE BILLY)	9,606.78
950932	LA-Z-BOY CANADA LTD	27,776.37
950933	LE GROUPE RESISTANCE INC	35,265.06
950934	LE SOLEIL	20,895.20
950937	LEEBER LIMITED	4,255.75
950940	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (L'EMBALLAGE TOUT INC)	5,539.10
950943	LES RETOUCHES DE. FIL EN AIGUILLE INC.	1,042.71
950944	LESLIE MORGAN	2,332.60
950945	LONG ACRE CAPITAL PARTNERS (LEVI STRAUSS OF CANADA INC)	381,060.59
950948	LEXINGTON FURNITURE INDUSTRIES	5,372.78
950951	LILYDALE POULTRY	748.28
950953	LISE WATIER COSMETIQUES INC	30,811.45

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EEN	Creditor	Claim
950954	LITEMOR DIST.W.LTD	1,409.22
950955	LITTLE BROTHERS DRYWALL	15,291.58
950956	LITTLE FOLKS LTD	22,149.35
950959	LIZ CLAIBORNE CANADA	474,942.57
950965	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (LONESOME PINE STUDIOS INC)	1,220.87
950966	LOOKS	772.92
950967	LORI ANN MFG INC	2,303.34
950968	LOU BATTEN INC	134,143.86
950969	LOUBEN SPORTSWEAR INC	113,838.42
950971	LOWE RMP DIRECT	3,372.97
950972	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (LUMIPRO LIGHTING SERVICES)	2,076.21
950974	MAC MOR OF CANADA LTD	22,949.12
950975	MAC PLASTICS LTD	533.82
950977	MACFARLANE, ALEXANDER (B&E)	138,951.25
950980	MAJESTIC IND LTD	999.00
950981	MAJOR, GEORGE C.. (B&E)	526,425.50
950982	MALHOTRA, MAHINDRA KUMAR	1,075.00
950983	MANAGER JEANS CO	38,244.96
950989	MARENZ GEN CONTRACTING LTD	97,698.89
950990	MALANDRUCCOLO, MARGARET	15,380.31
950991	MARKET FACTS OF CANADA LTD	24,476.25
950992	MARKHAM HYDRO	19,486.44
950994	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (MASQ)	64,071.49
950995	MASSON AGENCIES LTD	7,701.52
950996	MATCO TRANSPORATION SYSTEMS	1,373.00
950998	MATTEL CANADA LTD	37,494.96
951000	MB MARKETING	35,079.81
951003	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (MCAUSTLIN INSTALLATION INC)	885.50
951005	MCGREGOR HOSIERY MILLS	7,209.42
951007	MCKENZIE, SEAN	1,428.20
951012	MDI WASTE SERVICES	1,845.39
951013	ME TOO	2,621.25
951014	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (MECANIQUE BATIMENT LANAUDIERE)	3,846.44
951017	MEDIACOMPANY (THE)	244,309.09
951018	ARGO PARTNERS INC. (MEGA NECKWEAR LTD)	16,289.90
951020	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (MELISSA BRIDLE PHOTOG & DESIGN)	1,685.00
951021	MELITTA CANADA INC	1,614.48
951022	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (MELROSE COFFEE COMPANY)	3,105.45
951023	MERA INTERNATIONAL LTD	1,334.88
951027	MERCHANTS HOME DELIVERY	55,118.92
951029	METRO CAB CO LTD	870.05
951030	METRO COM SERVICE	759.55
951031	METRO WALLCOVERINGS	2,439.57
951032	METRO WASTE PAPER RECOVERY INC	14,157.98
951034	METROLAND PUBLISHING, PRINTING	261,745.46
951036	MEYER HOUSEWARES	29,577.93
951037	MFP FINANCIAL SERVICES LTD	127,521.00
951038	MICHAEL KAN ENTERPRISES INC	261,305.11

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EEN	Creditor	Claim
951039	WARWICK, MICHAEL (B&E)	988,085.00
951041	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (MICROPHONE MUSIC INC)	3,905.50
951043	MIDDLETON, LAURA	28,000.00
951044	MID-ISLAND SIGN SERVICE	1,129.07
951045	MIDLAND COURIER	1,476.85
951046	MIDLAND TRANSPORT	1,922.91
951047	MIDWAY INDUSTRIES LTD	24,246.65
951050	LONG ACRE CAPITAL PARTNERS (MIL-IDEE ACCESSOIRES MODE LTEE)	49,844.88
951051	LONG ACRE CAPITAL PARTNERS (MILLARD LISTER SALES LTD)	56,261.19
951054	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (MINA)	3,745.00
951055	MING PAO NEWSPAPERS	2,464.98
951056	MINISTER OF FINANCE BC	1,268,796.34
951057	MINISTER OF FINANCE OF MAN (HT&PST)	39,389.00
951059	MINISTER OF REVENUE SASK	119,669.00
951060	MINISTRE DU REVENU DU QUEBC	645,080.00
951062	MINTO PLAZA SUITES DEVELOPMENT	4,444.00
951063	MIRABAU SERIGRAPHIE	11,197.00
951066	MITCHELLS GOURMET FOODS INC	7,551.95
951070	MODERN BUILDING CLEANING INC	28,522.52
951071	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (MODERNE LTEE)	4,744.05
951072	MOHAMMED, ZALIMON	5,000.00
951073	MOLSON O'KEEFE	928.18
951076	MONAS & COMPANY LIMITED	971.47
951077	MONCTON PUBLISHING	6,034.79
951078	LONG ACRE CAPITAL PARTNERS (MONTANA RIVER)	37,276.95
951081	MONTGOMERY KONE ELEVATOR CO. LIMITED	51,780.66
951083	MOORE BUSINESS COMM SERVICES	146,793.89
951084	MOORE BUSINESS FORMS & SYSTEMS	35,474.18
951088	MORGAN SCOTT	5,804.75
951089	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (MORLEY'S APPLIANCES CENTRE)	964.85
951090	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (MORNING STAR THE)	2,963.65
951091	MORTON-PARKER LTD	18,708.31
951093	MOTEURS ELECTRIQUES LAVAL LTEE	2,718.05
951094	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (MOULINEX CANADA LTD)	13,768.26
951096	MR JEFF INC	180,771.00
951101	MTC LEASING INC	1,089.41
951106	NANAIMO BULLITIN	1,132.04
951107	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (NATIONAL CHEMSEARCH OF CANADA)	669.44
951108	ARGO PARTNERS INC. (NATIONAL NETWORK CONSULTING)	7,669.76
951110	NATIONAL SHOE SPECIALTIES	1,741.96
951111	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (NATIONAL WOODCRAFT CANADA LTD)	4,363.08
951112	LONG ACRE CAPITAL PARTNERS (NATKIDS (1989) LTD)	48,058.41
951113	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (NATURAL BAKERY)	3,348.14
951114	ARGO PARTNERS INC. (NATURAL BALANCE INC)	45,321.99
951115	NATURE'S FARM	3,007.76
951116	NCR CANADA LTD	28,625.23
951117	NDAP-TMP WORLDWIDE	103,535.96
951118	NEDCO (WESTBURNE)	1,141.88

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EEN	Creditor	Claim
951120	NELSONS LINEN & INDUST SUPPLY	916.50
951121	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (NELSONS LINEN SUPPLY)	946.69
951123	NEPTUNE'S FISHERIES LTD	7,641.72
951124	NESTLE CANADA INC	7,831.05
951125	NESTLE CANADA INC/CREME GLACEE	2,163.28
951126	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (NETMAR INC)	1,605.00
951127	NEW AGE PAINTING	22,149.00
951129	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (NEWMARKET GRAPHIC SERVICES)	3,441.05
951131	NEWSGROUP WEEKEND EDITION	2,892.55
951134	NIKE CANADA LTD	57,523.64
951135	NIKKO CERAMICS	67,116.05
951139	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (NORITAKE CANADA LTD)	13,457.85
951140	NORTH SCREEN STUDIOS LIMITED	1,227.61
951142	NORTH YORK MIRROR	1,233.50
951143	NORTHDAL	2,501.41
951144	NORTHERN FEATHER	8,916.89
951145	NORTHERN LEGEND INC	17,399.24
951146	NORTHERN MEAT SERVICE	8,838.93
951148	NOVELTY SHOE REPAIR	544.63
951149	NOW NEWSPAPER LIMITED	3,058.12
951150	NYGARD INTERNATIONAL	148,286.90
951151	O'BRIEN INSTALLATIONS LTD	4,927.35
951152	OBUS FORME LTD	1,871.69
951154	OCTACOM	3,366.95
951158	OLD DUTCH FOODS	2,953.96
951161	OMA'S BAKESHOP	1,037.85
951164	LONG ACRE CAPITAL PARTNERS (ONE 2 ONE LINGERIE INC)	53,365.83
951165	ONT MIN OF REV - TECO	80,121.62
951166	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ONTARIO CORRUGATING/PAPERBOARD)	521.41
951167	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ONTARIO RESTAURANT ASSOCIATION)	1,284.00
951168	ORACLE CORPORATION CANADA INC.	201,403.87
951169	ORGANIC RESOURCE MANAGEMENT	985.75
951170	ORIENTAL ACCENT	11,464.00
951171	ORIENTAL WEAVERS SPHINX	896.46
951172	OSHAWA PUBLIC UTILITIES	24,865.27
951173	OSRAM SYLVANIA LTD	1,456.07
951180	LONG ACRE CAPITAL PARTNERS (OXFORDSHIRE CLOTHING CO)	54,891.00
951181	LONG ACRE CAPITAL PARTNERS (OZ INC)	144,542.01
951183	P U C OF BURLINGTON	24,017.76
951184	P U C OF ST CATHERINES	4,720.25
951185	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (PACE CHEMICALS LTD)	3,685.15
951186	PACE SETTERS SPORTSWEAR INC	13,721.96
951189	PACIFIC FIRST SYSTEMS INC	9,699.55
951190	PACIFIC RISK MANAGEMENT CORP	2,568.00
951191	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (PACIFIC SALMON INDUSTRIES INC)	563.68
951193	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (PAL DISTRIBUTORS INC)	2,994.29
951194	PALLISER FURNITURE LTD-DEFEHR	19,953.08
951199	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (PAN OCEANIC EYEWEAR)	4,245.60

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EEN	Creditor	Claim
951206	PAPILLON-BLANC LINGERIE INC	10,630.88
951207	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (PAQUET GALARDO & NANTAIS)	1,883.64
951208	PARAMOUNT INTERIORS LTD	6,682.86
951209	PARCELWAY COURIER	1,396.06
951210	PARFUMS & BEAUTE CANADA	337,622.33
951211	PARFUMS CHRISTIAN DIOR CANADA	728,511.77
951212	PARFUMS GIVENCHY CANADA LTD	76,101.82
951213	LONG ACRE CAPITAL PARTNERS (PARIS STAR KNITTING MILLS INC)	46,794.71
951215	PARKER PAD & PRINTING LTD	117,922.56
951216	PARKLANE COMPUTER SYSTEMS	758.20
951217	PARKSIDE MECHANICAL	844.23
951218	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (PARMALAT DAIRY & BAKERY INC)	16,276.11
951221	PAUL SAHLIN TIFFANIES INCORP	10,109.74
951222	PCL-MAXAM	11,431.88
951223	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (PEDERSEN'S STORAGE & CARTAGE)	2,969.09
951224	PEERLESS CARPET CORP	16,820.40
951225	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (PEINTURES LE CORBUSIER)	714.65
951226	PENG PENG	75,920.16
951227	PEOPLES SHOE SALES INC	7,443.67
951228	PEPSI-COLA CANADA BEVERAGES	1,438.44
951232	SAUNDERS, PETER	1,133,694.00
951236	PHANTOM	204,105.00
951238	PIER CONNECTION FASHIONS INC.	20,817.00
951239	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (PIERRE MUNIER PATISSIER INC)+B905	995.05
951242	PINCHIN ENVIRONMENTAL CONSULT	5,118.68
951243	PINCHIN-HARRIS & ASSOCIATES LT	9,194.57
951245	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (PINE CENTRE LTD THE)	1,411.20
951247	PINSTRIPES PERSONNEL INC	83,812.87
951248	PIONEER BALLOON CANADA	5,314.11
951249	PIRO, MARIA	918.85
951251	PITTON PLUMBING & HEATING INC	1,442.79
951252	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (PLACEMENT POTENTIEL INC)	770.00
951253	PLAYTEX LIMITED	4,073.63
951254	PLUM TRADERS	5,084.34
951257	PNEUS ONTARIO TIRE INC	1,879.56
951259	PNG GLOBE ENVELOPES	1,542.51
951260	POHL PAINTING & DECORATING LTD	14,980.00
951261	POINTE LUMBER INC	2,549.89
951262	POLDER INC	10,671.56
951264	POLO RALPH LAUREN (DIV) MODES	2,000,000.00
951265	PORT-STYLE ENTERPRISES INC	1,628.40
951267	POSTAGE BY PHONE-21106810	535.00
951269	POWERTRADE ELECTRIC	3,243.10
951270	POWICK, PATRICIA	1,900.76
951271	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (PRATICAL EXPRESS)	3,516.31
951272	PRATTS WHOLESALE LIMITED	43,333.97
951274	PRAXIUM GROUP (THE)	6,900.00
951275	PREFERRED MEATS	4,312.49

The T. Eaton Company Limited

CCAA Distribution Claim List

Schedule of Trade and Other Claimants With Claims over \$500 (Excluding Landlords)

Schedule D-3

EEN	Creditor	Claim
951276	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (PREMIER WASTE SYSTEMS)	2,849.68
951279	PRESTI-PRESSE	11,157.42
951280	PRETTY BABY LIMITED	2,196.41
951281	PRINTING HOUSE	58,409.53
951284	PRO PLAYER FRUIT OF THE LOOM	645.34
951286	PROCOM ELITE	535.00
951289	PROMAN CONSULTANTS LTD	4,102.94
951290	PROSPERITY KNITWEAR LTD	14,408.62
951294	PROVINCIAL TRAILER RENTALS	894.56
951295	LONDON FREE PRESS PRINTING CO	35,146.16
951298	ARGO PARTNERS INC. (QRS CORPORATION)	66,294.10
951299	QRX TECHNOLOGY GROUP	6,214.59
951300	QUADRANT COSMETICS CORPORATION	154,492.67
951301	QUALIFIRST FOODS LTD	5,850.42
951302	QUANTUM MANAGEMENT SERVICES LT	6,072.81
951303	QUEBECOR PRINTING RICHMOND HIL	260,954.46
951304	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (QUEBECTEL MICROCODE)	890.29
951305	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (QUE-MAR INC)B365	834.78
951308	QUINTERRA PROPERTY MAINT	450,769.40
951310	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (R G O OFFICE PRODUCTS LTD)	624.88
951311	R M DISTRIBUTION CO	2,209.03
951312	R M P ATHLETICS BROOK SHOES	73,012.50
951313	RADECKI, HENRYK	1,143.10
951314	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (RADIOMUTUEL INC. (CKFM/CHIK))	3,638.00
951318	RALPH	14,000.00
951319	RANKA ENTERPRISES INC	43,323.73
951321	RAWLCO COMMUNICATIONS	3,654.95
951323	RAY WIN INDUSTRIES	3,238.99
951324	RAY'S TAILORS	1,158.81
951327	RECEIVER GENERAL FOR CAN. (DAVID MCCORY)	2,405,955.00
951328	RECORD (THE)	3,637.14
951329	RED DEER ADVOCATE	11,106.19
951331	REEBOK CANADA OUTLET	1,272.00
951332	REFLECTIONS FURNITURE IND LTD	7,275.97
951334	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (REGAL + LAGER INC)	2,123.00
951335	REGGIN INDUSTRIES INC	913.78
951336	REGION MUNICIPALITY SUDBURY	2,234.44
951337	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (REGIONAL MUNICIPAL OF PEEL)	2,548.39
951338	REGIONAL MUNICIPALTY DURHAM	2,718.29
951341	REIMER EXPRESS LINES LTD	6,835.91
951342	RENTOKIL SANITACT	1,516.50
951343	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (REN-WIL ORIGINALS INC)	1,065.01
951344	REQUEST JEANS LTD	21,802.32
951347	REVMAN INDUSTRIES INC	5,542.15
951348	RICHELIEU HOSIERY INTL INC	24,097.69
951352	RIDEAU ORDERS DECORATIONS&MED	22,996.05
951353	RIGGINS APPAREL GROUP	71,117.96
951354	RINO ROSSI INC	39,744.30

The T. Eaton Company Limited
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 Schedule of Trade and Other Claimants With Claims over \$500 (Excluding Landlords)

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EEN	Creditor	Claim
951357	RIVIERA CONCEPT INC	46,389.02
951358	RIVIERA/BARMISH	25,547.50
951360	RJS TRADING INTERNATIONAL LTD	8,704.15
951361	RK MECHANICAL	5,532.63
951364	ROBERT ROBINSON'S UPHOLSTE	1,353.55
951366	TUDDENHAM, ROBERT (B&E)	1,316,156.00
951367	ROCHE MCCAULEY & PARTNERS	84,731.29
951368	ROCK 95	1,438.04
951370	ROGERS BROADCASTING (CHFI)	23,507.90
951371	ROGERS CABLE T V	1,692.80
951372	ROGERS CABLESYSTEMS	702.64
951373	ROGER'S CHOCOLATES LIMITED	6,684.67
951374	RON VAN DEN ADEL	2,235.00
951377	ROSEDALE TRANSPORT LTD	3,953.46
951378	ROSEWORKS C/O COVER-IT KINGSTON	5,778.05
951379	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ROSS ELECTRONIC SUPPLY LTD)	1,087.40
951380	ROSS PETTY PRODUCTIONS INC.	74,900.00
951381	ROSS, BRIAN	921.28
951382	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ROTO-ROOTER/AMALGAMATED SEWER)	582.08
951383	ROWE FURNITURE CORP (PARTS)	1,784.70
951384	ARGO PARTNERS INC. (ROWE FURNITURE CORPORATION)	21,521.76
951385	ROY & FILS LTD	5,218.69
951386	ROYAL BANK OF CANADA	986,966.40
951387	ROYAL DISPOSAL LTD	6,203.69
951388	ROYAL DOULTON CANADA INC	16,733.67
951389	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ROYAL ENVELOPE LTD)	589.14
951391	LONG ACRE CAPITAL PARTNERS (ROYAL LASER TECH CORPORATION)	198,164.64
951393	ROYAL PROPERTY MANAGEMENT	4,934.63
951394	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ROYAL TAXI)	1,388.29
951398	RYCZAK, KEVIN	6,149.23
951400	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (RYDER TRUCK RENTAL CANADA LTD)	1,349.66
951401	S H KRIKORIAN AND CO LTD	22,692.48
951405	SAFETY-KLEEN OIL SERVICES	3,712.92
951406	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (SAINT HILAIRE INC)	4,216.86
951407	SALANT CANADA INC	82,199.17
951408	SALTON APPLIANCE (1985) CORP	4,369.56
951410	SAMBORO LUGGAGE CORP	91,270.86
951411	SAMEDAY RIGHT O WAY	34,460.57
951412	SAMMUT LANDSCAPING & CONTRACT	4,467.24
951413	SAMSONITE OF CANADA	62,156.00
951417	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (SANTANA CANADA INC)	3,399.94
951419	SARA LEE HOSIERY INTERNATIONAL	18,002.69
951422	SASKATCHEWAN POWER CORP	38,300.64
951423	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (SASKATOON CO-OP ASSOCIATION LTD)	716.44
951424	SASKENERGY	1,505.82
951425	SCANTRADE INTERNATIONAL	5,659.17
951427	SCARVES & ALLIED ARTS	8,525.75
951428	SCHNADIG CORPORATION	148,331.95

CCAA Distribution Claim List

Schedule of Trade and Other Claimants With Claims over \$500 (Excluding Landlords)

EEN	Creditor	Claim
951430	SCHULTZ HOWARD & ASSOCIATES	372,819.49
951432	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (SCM STORE FIXTURES)	1,302.73
951433	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (SCOTIA TIRE SERVICE)	3,500.15
951434	SCOTT BATHGATE LTD ALTA	2,626.97
951435	SEA CHANGE SEAFOODS LTD	8,073.38
951436	SEABREEZE ELECTRIC CORP	900.42
951437	SEAGULL PEWTER C/O M CARTER	9,756.99
951438	LONG ACRE CAPITAL PARTNERS (SEALY CANADA LTD)	58,739.85
951439	LONG ACRE CAPITAL PARTNERS (SEALY CANADA LTD)	74,557.79
951441	SECROFT METAL PRODUCTS LTD	9,112.89
951442	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (SECUR INC)	10,010.67
951443	SELECT ACOUSTIC SUPPLY INC	3,956.73
951445	SERCA FOODSERVICE INC	9,639.05
951447	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (SERVICEMASTER OF MARKHAM)	1,376.02
951448	SERVICORP INC	21,601.38
951450	SEXAUER LTD	1,084.63
951451	SHARE COMMUNICATIONS	2,323.12
951452	SHARP'S AUDIO-VISUAL LTD	3,047.90
951453	CKRY 105(SHAW)	2,953.14
951454	SHAW RADIO LIMITED-CHQT	1,078.52
951455	SHAW RADIO LIMITED-CISN	3,370.30
951456	SHELDON H A INC	9,187.28
951457	SHELL-X COURIER SERVICE	1,025.06
951458	SHERMAG INC (FURN DIV)	38,659.13
951461	SHISEIDO (CANADA) INC	423,397.92
951462	SHOREWOOD CARTON CORP LTD	204,657.99
951464	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (SHRED-IT CANADA CORPORATION)	1,005.80
951465	SHUN SASABUCHI PHOTOGRAPHY	11,862.30
951468	SIEMENS BUILDING TECHNOLOGIES	136,848.00
951469	SIGA INTERNATIONAL	658,179.98
951471	SIMMONS CANADA INC	7,993.98
951472	SIMMONS CANADA INC	8,920.01
951473	SIMMONS CANADA INC	11,342.21
951474	SIMMONS CANADA INC	23,646.70
951475	SIMMONS CANADA INC	145,917.57
951476	SIMMS SIGAL & COMPANY INC	64,618.19
951481	SKYWAY LUGGAGE OF CANADA	8,135.06
951482	SLEEP INNOVATIONS	5,593.26
951483	SLIDE SPORTSWEAR INC	19,183.01
951485	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (SMITH PACKAGING LTD)	1,149.82
951486	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (SMITH'S CORNED BEEF & SAUSAGE)	763.02
951487	SOMERSET HOSIERY MILLS	4,302.78
951489	SOUL MATES COLLECTION INC (HERB DAVIES)	135,889.30
951492	ARGO PARTNERS INC. (SPECTATOR-SOUTHAM PRESS LTD)	16,373.87
951493	SPECTRUM AUDIO TECHNOLOGY LTD	927.69
951494	SPEEDY PARCEL DELY & CARTAGE	19,487.83
951496	SPLASH INT'L MARKETING INC	11,560.74
951497	SPORTLINES INTERNATIONAL LTD	2,354.00

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Schedule of Trade and Other Claimants With Claims over \$500 (Excluding Landlords)

EEN	Creditor	Claim
951498	SPRING AIR CANADA (SPGA001)	6,388.44
951499	SPRINGS CANADA INC	440,197.72
951500	SPRINT CANADA INC	17,117.81
951501	SRTAIT'S TROPICAL INTERIORS INC.	828.00
951502	ST JOHN AMBULANCE	990.00
951503	ST LAWRENCE TEXTILES INC	30,628.66
951504	ST. JOHN AMBULANCE	1,200.00
951506	CISL 650 RADIO	2,353.87
951507	STANDARD RADIO CFRB/MIX 99.9	14,766.00
951508	STANDARD RADIO CFWM FM	7,740.38
951509	STANDARD RADIO CJAD/CJFM	10,351.18
951510	STANFIELDS LTD	31,932.73
951511	STANFIELDS LTD/EATON LABEL	55,275.95
951512	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (STANTEC ARCHITECTURE LTD)	874.54
951514	STAR BEDDING PRODUCTS LTD	14,987.75
951516	STAR DATA SYSTEMS INC	798.02
951517	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (STATE CHEMICAL LTD)	2,987.97
951519	STEINMAN TRANSPORTATION LTD	898.02
951521	STERLING TRADING INC	4,568.05
951525	STITCH-IT	3,624.62
951526	ALBERTA OILMEN'S BONSPIEL ASSOCIATION	1,972.00
951527	STRANDEL INC (GUESS)	125,736.52
951528	STRAUSS DESIGNS	4,888.00
951529	STUDIO SPECIALTIES	649.60
951530	STUDIO SPECIALTIES LTD	501.00
951531	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (STUYVER'S BAKE STUDIO LTD)	532.84
951533	SUBRAMIAN, CAROLINE	804.19
951534	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (SUDBURY HYDRO)	20,748.98
951535	SUDDEN ATTRACTION LIGHTING	9,013.05
951537	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (SUMMUM BEAUTIE)	27,635.01
951538	SUNBEAM CORP CANADA LTD	53,390.10
951539	SUNWORTHY WALLCOVERINGS DIV RD	512.09
951540	SUPERBA INC	10,187.95
951541	SUTHERLAND MODELS INC	3,706.69
951542	LONG ACRE CAPITAL PARTNERS (SWAROVSKI CANADA LTD)	83,029.65
951543	SWATCH GROUP OF COMPANIES	1,808.72
951544	SWISSMAR IMPORTS LTD	878.57
951545	PITTUMBUR	6,810.00
951546	T LAUZON LTEE	11,534.25
951549	TAPIS T & G ENRG	784.46
951550	TARGET HOME PRODUCTS	40,403.44
951551	TARKOWSKI, HELEN	950.00
951554	TBS SOFTWARE INC.	998.06
951555	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (TC NETWORKING)	1,813.65
951556	TDC DIRECT	12,422.15
951559	TE FINANCIAL CONSULTANTS LTD	39,720.90
951560	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (TECHNOLOGY SOLUTIONS INT LTD)	1,288.00
951563	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (TELIO TRADING CO)	2,417.13

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EEN	Creditor	Claim
951564	TELUS COMMUNICATIONS INC	36,980.24
951566	TERRYHILL MAINT SERVICE	5,198.00
951569	T-FAL CANADA INC	26,844.79
951573	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (THE INDO-CANADIAN VOICE)	727.60
951578	THOMAS COOK GROUP CANADA LTD	2,017,055.00
951580	THOMSON TREMBLAY INC	586.97
951581	THREE'S COMPANY SALES AGENCY	575.18
951582	THUNDER BAY HYDRO	5,144.36
951586	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (TINDALL CORPORATION)	1,430.46
951588	TOASTMASTER INC	11,465.75
951590	TOLEDANO	39,941.84
951592	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (GISELE GAUTHIER TRAITTEUR)	851.26
951595	TOMMY HILFIGER CANADA INC	6,500,000.00
951599	TONE'S BROTHERS INC	621.24
951602	TORONTO HYDRO ELECTRIC	517,498.14
951603	TORONTO SUN THE	33,185.53
951605	TOWERS PERIN FORSTER & CROSBY	27,708.00
951607	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (TOWN OF VAUGHAN)	992.75
951608	TRADE WINDS/CONSOLIDATED SHOE	23,390.81
951609	TRAIL MEATS	10,489.76
951610	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (TRANE SERVICE AGENCY (WINN))	4,146.80
951611	TRANE SRV AGENCY (SASKATOON)	3,182.36
951612	LONG ACRE CAPITAL PARTNERS (TRANSATLANTIC MKG GRP INC)	54,653.75
951613	TRANSCO PLASTIC INDUSTRIES	13,476.97
951614	TRANSCONTINENTAL DISTRIBUTORS	608.46
951616	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (TRANSCRIPTIONS VERBATIM INC)	1,207.02
951617	TREASURER CITY OF TORONTO	5,939.02
951618	TREASURER OF ONTARIO	5,736,301.13
951619	TRENDEX HOME DESIGN INC CANADA	4,488.09
951620	TRICANT GROUP OF COMPANIES INC	144,687.29
951623	TRIUMPH INTERNATIONAL CANADA	267,484.45
951624	TRUCRAFT FURNITURE	1,246.02
951625	TRUEFORM INTIMATE	72,895.92
951627	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (TSM ENGINEERED PRODUCTS)	3,260.40
951629	TURIZIANI, ANNA	1,713.30
951630	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (TWIN CITIES CO-OP DAIRY LTD)	1,117.98
951634	UNDERWRITERS ADJUSTMENT BUREAU	25,794.45
951636	UNICCO FACILITY SERVICES CAN	454,065.00
951637	UNISOURCE CANADA INC	2,033.17
951638	UNISOURCE CANADA INC	14,515.66
951639	UNISOURCE CANADA LTD	10,902.12
951640	UNISOURCE TORONTO	5,040.00
951641	UNITEC PARTS COMPANY	1,892.88
951642	UNITED GIFTWARE MARKETING	27,112.83
951643	UNITED PARCEL	55,772.77
951647	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (UNIVERSAL TV SERVICE CENTRE)	2,055.76
951648	UNIVERSE IMPORTS INC	17,000.16
951651	UTEX CORP	127,453.74

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EEN	Creditor	Claim
951652	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (VALCO FURNITURE LTD)	4,538.24
951653	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (VALUE GRAPHICS)	10,730.95
951654	VAN NET	60,900.20
951657	VANGUARD PLASTICS CANADA INC	26,787.32
951658	VAN-KAM FREIGHTWAYS LTD	5,259.06
951659	VARTY FLOORS LTD	7,793.88
951660	LONG ACRE CAPITAL PARTNERS (VAUGHAN ELECTRICAL SUPPLY CO)	38,765.30
951662	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (LENS EQUIPMENT CO LTD)	665.28
951665	VIAGGIO INCORPORATED	11,787.01
951667	VIKING FIRE SUPPRESSION LTD	17,908.70
951670	VITRERIE ARMAND INC	5,386.62
951671	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (VITRERIE OPTIMUM INC)	815.18
951673	VOGUE BRASSIERE INC C/O COFACE NORTH AMERICA	104,126.97
951675	W M TOUGH CONTRACTORS	11,831.47
951677	WALSH, PAULA	719.19
951681	WARREN FEATHERBONE COMPANY	14,759.53
951683	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (WASTE CONTROL SERVICES)	984.23
951684	WATERFORD WEDGWOOD CANADA INC	26,500.94
951685	WATERLOO NORTH HYDRO	8,390.74
951686	KELOWNA CAPITAL NEWS LTD	2,824.77
951688	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (WEISDORF & CO IRVIN)	3,132.85
951689	WELCO INC	18,216.85
951692	WENGERS	2,688.61
951693	WERTEX HOSIERY INC	9,385.52
951694	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (WESCLEAN REGINA SALES)	978.91
951695	WESCO	3,456.79
951697	LONG ACRE CAPITAL PARTNERS (WEST COAST APPAREL INC/JAX DIV)	256,446.10
951698	LONG ACRE CAPITAL PARTNERS (WEST COAST APPAREL INC/KORET)	410,976.93
951699	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (WEST COAST WASTE SYSTEMS)	1,295.32
951701	WESTBURNE ELECTRICAL	2,385.94
951702	WESTBURY NATIONAL SHOW SYSTEMS	5,259.34
951704	WESTERN GLOVE WORK/CALVIN KLEI	21,496.43
951705	WESTERN GLOVE WORKS/PRIVATE LA	4,952.45
951707	WESTERN SLEEP PRODUCTS	22,227.60
951708	WESTERN WASTE SERVICES INC	2,059.75
951709	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (WESTHILL DAIRY INC)	926.12
951710	WESTON BAKERIES LTD	5,704.13
951711	WET BLUE MINIBEL	5,217.29
951712	WHERE MAGAZINE	583.15
951713	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (WILDLY DELICIOUS PRESERVE CO)	2,051.25
951714	WILLBY CONTRACTING COMPANY	1,355.47
951715	WILLIAM HERSHAW GEN CARPENTER	1,625.00
951716	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (WILLIAM MERCER LIMITED)	4,280.00
951718	WILTON INDUSTRIES CANADA INC	3,196.87
951721	WINNIPEG HYDRO	138,622.94
951722	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (WINNIPEG OLD COUNTRY SAUSAGE)	2,715.19
951723	WINNIPEG SUN	9,577.56
951724	WIN-SIR INC	32,785.56

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EEN	Creditor	Claim
951725	WINSOME TRADING INC	19,028.42
951727	WM DEJONG ENTERPRISES INC	38,884.38
951730	WOOD WYANT INC	1,442.05
951732	WOODSTOP BUILDING SUPPLIES LTD	2,590.82
951735	WORKFORCE TEMP SERVICES LTD	9,460.05
951737	WORLD PACKAGING CORP	1,033.01
951738	WU'S TEXTILE INCORPORATED	19,633.43
951740	YEN BROS PRODUCE LTD	4,312.64
951741	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (YOCAR INC)	4,038.82
951745	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ZEP MANUFACTURING)	3,649.45
951747	ZWILLING J A HENCKELS CAN LTD	115,348.10
951751	ADORABLE JUNIOR GARMENTS	500,000.00
951752	AEDARSA	1,449.25
951762	BABYN, SUSAN	2,300.00
951768	BUCKLERS SERVICE LTD.	954.40
951770	CALGARY SUN	11,733.83
951772	CARMEN JEWELLERY	652.79
951774	CFCA/ CKKW	1,369.80
951775	CFHK RADIO - THE HAWK	2,114.32
951776	CHADA, SHAM	1,064.73
951782	CLARKE, BROWNE ASSOCIATES LTD	1,401.70
951788	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (DELLIXO/PROVIGO DISTRIBUTION)	40,433.71
951789	DELUCA BROS FOODS INTL LTD	1,441.63
951790	DERMA MEATS LTD J J	6,449.00
951792	DE SOUZA, ELIZABETH	2,433.22
951793	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (DEXTER SHOE COMPANY)	818.43
951795	DOLBEC TRANSPORT	5,165.79
951797	DREW INTL FREIGHT FORWARDING	21,003.13
951799	EILEEN, PUTNAM	1,450.00
951800	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (ELPRO INTERNATIONAL INC)	2,062.43
951801	EYE SPY ACCESSORIES INC	8,249.84
951802	FERGUSON GLASS ALBERTA LTD	950.16
951804	FIRENZA PLUMBING & HEATING	3,285.57
951805	LONG ACRE CAPITAL PARTNERS (FLORSHEIM CANADA INC)	135,920.11
951806	FOREMOST LIGHTING & SIGN SERV	553.73
951807	GABLE JENNIE A.	1,217.18
951810	GAZ METROPOLITAIN #105	654.44
951813	GEORGE WAKEFIELD FOODS INC	2,726.13
951814	GEYCO INC	2,894.95
951815	ARGO PARTNERS INC. (GIOVANNI MODEL MANAGEMENT)	10,032.34
951816	GLOUCESTER HYDRO	29,041.97
951819	GRAPHIC TRANSPORTATION SVCS	8,862.03
951821	GREEN, BARBARA	714.00
951823	GSI INTERNATIONAL CONSULTING	9,630.00
951826	H T DRYWALL (CALGARY) LTD	83,761.74
951827	HACO ELECTRIQUE	17,943.90
951830	HEARTLAND SHIPPING SUPPLIES IN	1,105.18
951835	LAMONT	53,000.00

The T. Eaton Company Limited
 CCAA Distribution Claim List
 Schedule of Trade and Other Claimants With Claims over \$500 (Excluding Landlords)

Schedule D-3

EEN	Creditor	Claim
951836	JANTZEN CANADA INC	125,155.62
951837	JONES NEW YORK DIV OF JONES AP	2,097,937.21
951838	KASPER/DIV PRETTY TALK	6,231.68
951844	LA ROCCA	585.00
951845	LADY SANDRA OF CANADA LTD	2,319.76
951847	LAMBETH PAINTING INCORPORATED	1,070.00
951848	LATE FOR THE SKY PRODUCTION CO	32,935.94
951849	LATYCHKEVITCH, OLGA	1,284.18
951850	LAYETTE MINIMOME INC./DEUXPARDEUX	4,725.11
951851	LE JOURNAL DE QUEBEC	13,446.94
951853	LES ECLAIRAGES SOLAIRES	9,167.48
951856	LIBBEY CANADA INC	3,755.18
951857	LINDSAY, MARSHA	4,000.00
951858	LITTLE MISS CHIEF GOURMET PROD	1,530.25
951872	MEUBLES CANADEL INC	2,588.31
951885	NEW BRUNSWICK POWER CORPORATION	19,935.55
951886	NEWMAN, ERNEST	977.47
951887	NEWSWEST CORP.	6,621.12
951888	NEXT MANAGEMENT COMPANY	2,950.85
951890	NORTHERN LINKS LANDSCAPING & SNOW REMOVAL	15,000.00
951892	NTD APPAREL	15,000.00
951893	OE FINANCIAL SERVICES	10,847.27
951896	ONTARIO PROMOTIONAL SERVICES	3,107.88
951897	OTIS CANADA INC	67,470.80
951902	PEZZOLLA, INGRID	1,200.00
951905	PREMIER VISION INC.	34,611.10
951907	PROBEC LTEE	606.18
951910	RAMGOOLAM, BIDAWTEE	1,727.28
951912	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (REDMOND BROADCASTING)	2,568.00
951927	SICARI, PLACIDO	15,757.62
951936	STEWART & COMPANY	2,349.18
951938	STRAITS TROPICAL INTERIORS INC.	828.00
951940	SWERTZ, SHIRLEY	1,518.89
951943	THE OTTAWA SUN	13,150.31
951944	THE TORONTO STAR	219,210.76
951948	UNIVERSAL ELECTIC SERVICES	25,000.00
951949	VAN ZANT, JOAN	2,682.40
951952	VIENI LESLIE	2,000.00
951953	PANZA	10,244.25
951966	CANADIAN BROADCAST SALES	5,350.00
951967	CGFL FM	2,751.24
951969	CFMG FM	3,081.68
951970	CFMO FM	1,070.02
951971	CFPL FM	2,783.07
951972	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CFQM FM)	853.93
951973	CFQX FM	1,600.72
951974	CHFM FM	4,134.66
951975	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CHFX FM)	914.83

The T. Eaton Company Limited
 CCAA Distribution Claim List
 Schedule of Trade and Other Claimants With Claims over \$500 (Excluding Landlords)

Schedule D-3

EEN	Creditor	Claim
951976	CHIQ FM	4,044.45
951978	CHSU SUN FM	2,354.15
951979	CHIUN	1,942.18
951980	CHUM FM	14,637.43
951981	CHYM FM	6,152.51
951982	CIEL FM	3,369.24
951983	CIOC FM (ROGERS BROADCAST)	8,436.95
951985	CIQB FM	1,005.86
951986	CIQM FM	3,145.69
951987	CITE FM	8,731.20
951988	CITE F	2,974.07
951989	CITF FM	5,380.60
951990	CIZZ FM	1,525.80
951991	CJBX FM	1,348.18
951992	CJEZ FM	11,652.45
951993	CJJR FM	5,703.10
951994	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CJMJ FM)	6,955.00
951995	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CJMO FM)	1,027.06
951996	CJMS FM	1,604.91
951997	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CJOB)	2,851.55
951998	CKAC	1,857.66
951999	CKBY FM	2,927.46
952000	CKEGAM	898.95
952001	CKFM FM	10,614.66
952002	CKGM	654.84
952003	CKGY SHAW RADIO	1,117.17
952004	CKIS FM	2,995.89
952005	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CKKL FM)	4,943.40
952006	CKKQFM	3,971.63
952007	CKKS FM	7,757.56
952008	CKKW	1,369.64
952009	CKLH FM	6,462.74
952010	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CKMF FM)	5,238.72
952011	CKMM FM	1,690.64
952012	CKNW	2,236.20
952013	CKOI FM	10,950.33
952014	CKOM	2,097.20
952015	CKRA FM	3,062.19
952016	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (CKTB 610)	2,358.17
952017	CKX FM	1,155.48
952018	CKX	513.68
952019	CKXM AM	719.17
952021	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (FRASER MILNER)	1,063.76
952022	MONTREAL HOUR	963.00
952023	MONTREAL VOIR	1,391.00
952024	NORTH YORK DOWNSVIEW	898.79
952025	OTTAWA LE DROIT	6,933.52
952028	WAVE	899.95

The T. Eaton Company Limited
 CCAA Distribution Claim List
 Schedule of Trade and Other Claimants With Claims over \$500 (Excluding Landlords)

Schedule D-3

EEN	Creditor	Claim
952029	XTRA!	1,320.38
952030	Z95.3	10,610.31
952031	CITY OF EDMONTON ASSET MANAGEMENT	732.00
952032	DECOR EXPERTS	517.62
952033	DISTRIBUTION CONTINENTAL	9,606.74
952035	NEWCOURT	1,408,312.19
952037	P.H.H. ENVIRONMENTAL	749.00
952038	VUE WEEKLY	547.84
952039	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (DAILY COURIER)	3,318.51
952040	DYELL, DONNA	998.20
952044	CITY OF BRANDON	2,594.64
952045	CITY OF REGINA TREASUER	8,175.78
952046	CITY OF VICTORIA	1,901.86
952047	EXCELLENCE INTL APPAREL INC	9,272.76
952048	HUSKY FOOD IMPORTERS & DISTR	2,063.61
952049	HYDRO QUEBEC	15,724.11
952051	HAIDA GLASS LTD	2,381.58
952052	TREASURY OF ONTARIO	36,982.15
952053	WORKERS COMP BOARD OF BC	46,989.49
952054	WORKERS COMP BOARD OF MAN	16,455.75
952055	WORKERS COMP BOARD/ALBERTA	18,322.90
952057	AEFFE S.P.A.	13,224.71
952058	AIRCO-QUEMAR	834.78
952060	AWL SHOPPE	611.33
952061	BARBER-COLEMAN OF CANADA LTD	545.70
952063	BROWNING-FERRIS INDUSTRIES	2,468.54
952066	CITY TV	37,836.98
952067	COOLING TOWER MAIN. INC,	3,402.60
952068	CRISPIES DBA PEACE FROGS	14,652.00
952069	EDITIONS DARNELL INC.	225,000.00
952070	EVENFLO JUVENILE PRODUCTS CO	9,211.71
952071	FORD CANADA	12,489.30
952072	GLADNEY, THOMAS (B&E)	872,183.25
952073	HELPPFAST	8,003.07
952074	HONEYWELL LTD	4,576.99
952075	J H CRANE ENTERPRISES LTD	7,657.47
952077	LANE UPHOLSTERY	3,089.80
952079	LITEMOR	39,083.68
952080	MAGNETO ELECTRIC SERVICE CO*	11,713.77
952081	MAIDENFORM INC	164,615.99
952083	MEDIACOM INC	17,629.75
952084	MICMAC TAILORS	1,109.12
952086	MOHAWL INDUSTRIES CORPORATION	36,410.16
952088	NORTH SHORE NEWS	6,275.51
952089	NORTHERN LIFE PUBLISHING	2,955.81
952092	RALPH LAUREN HOME COLLECTION	2,528.32
952093	ROBERT AIR MECHANICAL SYSTEMS	11,085.20
952094	SENSORMATIC CANDA INC	52,742.43

The T. Eaton Company Limited
 CCAA Distribution Claim List
 Schedule of Trade and Other Claimants With Claims over \$500 (Excluding Landlords)

Schedule D-3

EEN	Creditor	Claim
952100	UNIVERSAL MANUFACTURING INC	13,577.72
952102	WILLIAM DAVID BENNET ENR	11,340.35
952106	ATCO GAS	2,131.50
952108	RICHARD DENISE	16,246.08
952109	CULBERT ROBERT	2,345.75
952112	DIVERSEY LEVER CANADA	1,182.50
952113	OXFORD INDUSTRIES INC	46,387.63
952114	ARGO PARTNERS INC. (ARROW MANUFACTURING INC)	77,640.50
952116	LAX, SMITH	2,413.75
952117	IDEAL DOOR LTD	3,124.40
952118	BALDO MICHEL	1,198.17
952119	PALUMBO WANDA	1,592.62
952122	SEIDMAN PAUL	1,250.00
952126	MISTER CARPET CARE	2,049.05
952129	DYNAMEX EXPRESS INC	796.38
952130	VERNON, MARGARET	869.09
952132	CHAPTI, BILAL	638.25
952133	STANDARD KNITTING LTD	1,919.93
952139	LONG ACRE CAPITAL PARTNERS (ESPRIT DE CORP 1980 LTD)	106,745.62
952140	171914 CANADA INC (FURS BY VINCENZO)	300,000.00
952142	ZSA LEGAL RECRUITMENT	10,000.00
952148	S.D.R. APPAREL INC	2,216.26
952149	PRICEWATERHOUSECOOPERS INC	1,142,815.00
952150	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (LINDA LINGERIE MFG INC)	5,439.59
952151	KOVACS JOHN	5,000.00
952154	GREENLAY'S SHEEP SHED	972.40
952158	DEBT ACQUISITION COMPANY OF AMERICA V,LLC (FEDERAL EXPRESS)	6,438.99
952164	G ROSENTHAL IMPORTS LTD	1,550.03
952166	BROWN &KALINOWSKI HOLDING	2,046.00
952167	STIEBEY BERLACH GIBBS	3,882.52
952169	WERAN SUSAN	542.48
952170	GIESBRECHT, JENNIFER	585.96
952171	WICKETT STEPHEN	1,363.67
952172	KELLINGTON FLOORS	615.58
952173	KORSON FURNITURE IMPORTS LTD	15,258.18
952174	131383-0022/J.T.HENDERSON	1,084.44
952175	WILLIAM MERCIER LTD.(ERAP)	20,350.33
952180	MANITOBA HYDRO	16,818.89
952184	EASTON COURT MFG #168	7,509.53
952186	DELL COMPUTERS	15,542.25
952187	SMART LAZER GRAFIX	20,211.33
961605	TOWERS PERIN FORSTER & CROSBY	38,643.00
970002	JONES NEW YORK DIV OF JONES AP C/O	1,900,000.00
970003	EMGREG HOLDINGS INC.	180,771.00
970004	STEPNE HOLDINGS LTD.	180,771.00
Total		86,880,605.43

September 17, 1999

The T. Eaton Company Limited
290 Yonge Street
7th Floor
Toronto, ON M5B 1C8

Attention: Mr. David Low

STATEMENT OF ACCOUNT

Re: The T. Eaton Company Limited ("Eaton's")
Our File No.: 99-0901

To services rendered to August 31, 1999 as Trustee under Notice
of Intention to Make a Proposal and Interim Receiver in respect of
The T. Eaton Company Limited.

Our Fee	\$ 454,706.75
Disbursements	<u>37,397.56</u>
	492,104.31
GST	<u>34,447.30</u>
Total	<u>\$ 526,551.61</u>
Less: amount received on account	<u>368,000.00</u>
Total due	<u><u>\$ 158,551.61</u></u>

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RICHTER & PARTNERS INC.
TRUSTEE AND INTERIM RECEIVER
RE: THE T. EATON COMPANY LIMITED
FOR THE PERIOD ENDING AUGUST 31, 1999

<u>Personnel</u>		<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
<u>Partners</u>				
Swidler, J.	Major issues; policy matters; dealing with management and solicitors	95.50	450	42,975.00
Harlang, R.	Court matters; statutory filings, creditor communications; media communications	93.50	375	35,062.50
Rodier, E.	Day to day operations; communications with RFI; Landlord matters	125.30	375	46,987.50
Benchaya, G.	Cash flows; budgets; balance sheet	106.00	375	39,750.00
Manel, P.	Quebec stores; landlord matters; media communication; consumer matters	30.70	375	11,512.00
Farkas, P.	Planning, Court matters	32.50	375	12,187.50
Vincent, Y.	Quebec stores; landlords; property claims; media communication;	32.40	375	12,150.00
Kofman, R.	Court filings; report to Court; planning, S 81.1 inventory matters	122.00	325	39,650.00
Frankel, M.	Inventory	3.70	375	1,387.50
<u>Non-Partners</u>				
Adessky, A.	Day to day operations; disbursement approval	89.00	325	28,925.00
Tertigas, G.	Inventory; Sect 81.1 matters coordination with Agents	70.00	250	17,500.00
Palmer, W.	Inventory	57.25	250	14,312.50

Personnel		Hours	Rate	Amount
Smith, S.	Media communication and coordination	38.30	200	7,660.00
Steinberg, B.	Inventory	82.00	200	16,400.00
Dodick, R.	Licenses, logistic centre	48.50	200	9,700.00
Vininsky, M.	Day-to-day operations	69.95	150	10,492.50
Palachi, E.	Inventory	35.50	200	7,100.00
Ali, R.	Inventory	49.00	175	8,575.00
Bissell, J.	Inventory	55.25	150	8,287.50
Rasool, J.	Planning, inventory	13.50	200	2,700.00
Schwartz, R.	Statutory Notices, filings	42.00	175	7,350.00
Lareau, P.	Property claims; S. 81.1 claims	13.60	160	2,176.00
Bouillé, L.	Administrative	3.80	75	285.00
Girard, C.	Administrative	3.00	75	225.00
Hallit, R.	Administrative	0.90	75	67.50
Menard, J.	Administrative	9.50	75	712.50
Murphy, D.	Administrative	36.50	75	2,737.50
Pham, V.	Administrative	0.30	75	22.50
Roberge, M.	Administrative	1.30	75	97.50
Kashyap, R.	Administrative	31.25	75	2,343.75
Magder, S.	Administrative	64.50	75	4,837.50
Conwath, R.	MIS	0.50	150	75.00
Blaser, D.	MIS	4.00	250	1,000.00
Chan, D.	Inventory	21.00	125	2,625.00
Morresi, A.	Inventory	12.00	125	1,500.00
Devlin, H.	Inventory	25.00	125	3,125.00
Sharma, N.	Inventory	30.00	150	4,500.00
Shum, K.	Inventory	11.50	150	1,725.00
Khan, N.	Inventory	16.00	125	2,000.00
Connolly, M.	Inventory	14.75	150	2,212.50
Chang, J.C.	Inventory	12.50	125	1,562.50

Personnel		Hours	Rate	Amount
Freedman, J.	Inventory	1.00	125	125.00
Filipone, C.	Inventory	49.50	150	7,425.00
Krupka, C.	Inventory	21.00	150	3,150.00
Marcoux, V.	Inventory	16.00	125	2,000.00
Tafler, H.	Inventory	34.00	200	6,800.00
Travitsky, S.	Inventory	13.75	200	2,750.00
Turner, J.	Inventory	18.00	150	2,700.00
Woloz, M.	Inventory	13.50	125	1,687.50
Wilk, L.	Inventory	36.00	150	5,400.00
Yedid, M.	Inventory	54.50	150	8,175.00
TOTAL		1,861.00		\$ 454,706.75

Allocated as follows:

Interim Receiver	367,344.25
Inventory	87,362.50
	<hr/>
	454,706.75
	<hr/>



October 22, 1999

The T. Eaton Company Limited
290 Yonge Street
7th Floor
Toronto, ON M5B 1C8

Attention: Mr. David Low

STATEMENT OF ACCOUNT

Re: The T. Eaton Company Limited ("Eaton's")
Our File No.: 99-0801

To services rendered for the period September 1, 1999 to
September 30, 1999 as Trustee under Notice of Intention to Make
a Proposal and Interim Receiver in respect of The T. Eaton
Company Limited.

Our Fee	\$ 737,404.50
Disbursements (Travel, postage, copying and telephone)	<u>45,436.42</u>
	782,840.92
GST	<u>54,798.86</u>
Total	\$ 837,639.78
Less: amount received on account	<u>749,000.00</u>
Total due	<u><u>\$ 88,639.78</u></u>

RICHTER & PARTNERS INC.
TRUSTEE, MONITOR AND INTERIM RECEIVER
RE: THE T. EATON COMPANY LIMITED
TIME SUMMARY
FOR THE PERIOD SEPTEMBER 1, 1999 TO SEPTEMBER 30, 1999

#43598

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Major issues; policy matters: dealing with management and solicitors	151.50	450	68,175.00
Harlang, R.	Court matters; statutory filings, creditor and media communications	182.00	375	68,250.00
Rodier, E.	Day-to-day operations; communications with RFI; landlord matters	181.00	375	67,875.00
Benchaya, G.	Cash flows; budgets; balance sheet	194.90	375	73,087.50
Manel, P.	Quebec stores; landlord matters; media communication	86.40	375	32,400.00
Farkas, P.	Planning, court matters	87.50	375	32,812.50
Vincent, Y.	Quebec stores; landlords; property claims; media communication	75.70	375	28,387.50
Kofman, R.	Court filings; report to court; planning; S. 81.1 inventory matters	85.50	325	27,787.50
Borer, L.	Tax	40.00	375	15,000.00
Non-Partners				
Adessky, A.	Day-to-day operations; disbursement approval	205.90	325	66,917.50
Tertigas, G.	Inventory; S. 81.1 matters; coordination with Agents	151.50	300	45,450.00
Palmer, W.	Inventory, fixed assets	56.00	250	14,000.00
Cohen, I.	Property claims	238.00	200	47,600.00
Milstein, A.	Control of augmentation	160.10	325	52,032.50
Steinberg, B.	Inventory	173.50	200	34,700.00

#43598

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Dodick, R.	Licenses, logistic centre	166.50	200	33,300.00
Smith, S.	Media communication and coordination	15.50	200	3,100.00
Vininsky, M.	Day-to-day operations	152.50	150	22,875.00
Rasool, J.	Planning, inventory	48.00	200	9,600.00
Schwartz, R.	Statutory notices, filings	12.25	175	2,143.75
Moore, N.	Tax	60.00	325	19,500.00
Manzoor, N.	Tax, creditor claims	23.00	250	5,750.00
D'Oliveira, C.	Tax	8.00	250	2,000.00
Cortes, N.	Inventory, fixed assets	19.00	150	2,850.00
Lareau, P.	Property claims; S. 81.1 claims	13.20	160	2,112.00
Thean, S.	Banking	8.50	125	1,062.50
Tertigas, J.	Creditor/Consumer enquiries	256.00	125	32,000.00
Day, G.	Creditor/Consumer enquiries	91.00	125	11,375.00
Bouillé, L.	Administrative	20.90	75	1,567.50
Girard, C.	Administrative	7.00	75	525.00
Hallit, R.	Administrative	0.40	75	30.00
Menard, J.	Administrative	3.50	75	262.50
Murphy, D.	Administrative	67.30	75	5,047.50
Pham, V.	Administrative	1.50	75	112.50
Roberge, M.	Administrative	2.60	75	195.00
Kashyap, R.	Administrative	72.25	75	5,418.75
Magder, S.	Administrative	62.00	75	4,650.00
Tourville, J.	Administrative	3.70	75	277.50
		<u>3,184.10</u>		<u>840,229.50</u>

#43598

<u>Personnel</u>	<u>Responsibilities</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount (\$)</u>
Less Adjustment for Richter, Usher & Vineberg				
August, 1999 time re: inventory		596.20		102,825.00
		<u>2,587.90</u>		<u>737,404.50</u>



October 22, 1999

The T. Eaton Company Limited
290 Yonge Street
7th Floor
Toronto, ON M5B 1C8

Attention: Mr. David Low

STATEMENT OF ACCOUNT

Re: The T. Eaton Company Limited
Our File No.: 99-0801

To services rendered to September 30, 1999 for inventory
attendance and valuation in connection with the agency agreement
with Gordon Bros., *et. al.*

Our Fee	\$ 334,581.25
Out-of-pocket disbursements: Travel and agents	<u>161,679.54</u>
	496,260.79
GST	<u>34,738.26</u>
Total Due	<u><u>\$ 530,999.05</u></u>

RICHTER, USHER & VINEBERG
RE: THE T. EATON COMPANY LIMITED
TIME SUMMARY - INVENTORY
FOR THE PERIOD TO SEPTEMBER 30, 1999

#43596

Personnel	Time	Rate	Amount (\$)
Partner			
Frankel, M	37.00	375.00	13,875.00
Non Partners			
Ali, R.	37.00	175	6,475.00
Bissell, J.	141.50	150	21,225.00
Chan, D.	54.00	125	6,750.00
Devlin, H.	20.00	125	2,500.00
Sharma, N.	126.50	150	18,975.00
Shum, K.	12.00	150	1,800.00
Khan, N.	52.00	125	6,500.00
Connolly, M.	38.00	150	5,700.00
Chang, J.C.	100.50	125	12,562.50
Yuen, B.	10.50	150	1,575.00
Breido, J.	66.50	150	9,975.00
Palachi, E.	27.00	200	5,400.00
Beauchamp, F.	18.50	125	2,312.50
Brooks, F.	8.50	125	1,062.50
Busner, C.	13.50	150	2,025.00
Champagne, N.	1.50	125	187.50
Cinquino, G.	16.50	125	2,062.50
Evangelista, A.	19.00	125	2,375.00
Fafard, L.	21.50	125	2,687.50
Forgetta, V.	19.50	150	2,925.00
Freedman, J.	8.75	125	1,093.75

#43596

<u>Personnel</u>	<u>Time</u>	<u>Rate</u>	<u>Amount (\$)</u>
Filipone, C.	66.50	150	9,975.00
Krupka, C.	68.00	150	10,200.00
Marcoux, V.	14.50	125	1,812.50
Tafler, H.	51.00	200	10,200.00
Travitsky, S.	38.75	200	7,750.00
Turner, J.	27.00	150	4,050.00
Wexler, A.	20.50	125	2,562.50
Wilk, L.	81.50	150	12,225.00
Yedid, M.	8.00	150	1,200.00
Harrison, M.	15.50	125	1,937.50
Kahls, C.	35.50	125	4,437.50
Lamarche, A.	62.50	150	9,375.00
Caulfield, M.	95.75	150	14,362.50
Keng, T.	77.50	150	11,625.00
	<u>1,512.25</u>		<u>231,756.25</u>
August portion billed by Richter & Partners Inc.	596.20		102,825.00
<u>Total</u>	<u>2,108.45</u>		<u>334,581.25</u>



November 24, 1999

The T. Eaton Company Limited
290 Yonge Street
7th Floor
Toronto, ON M5B 1C8

Attention: Mr. David Low

STATEMENT OF ACCOUNT

Re: The T. Eaton Company Limited ("Eaton's")
Our File No.: 99-0801

To services rendered for the period October 1, 1999 to October 31, 1999 as Interim Receiver in respect of The T. Eaton Company Limited.

Our Fee	\$ 1,068,194.75
Disbursements (Travel, postage, copying and telephone)	<u>48,601.69</u>
	1,116,796.44
GST	<u>78,175.75</u>
Total	\$ 1,194,972.19
Less: amount received on account	<u>749,000.00</u>
Total due	<u><u>\$ 445,972.19</u></u>

RICHTER & PARTNERS INC.
TRUSTEE, MONITOR AND INTERIM RECEIVER
RE: THE T. EATON COMPANY LIMITED
TIME SUMMARY
FOR THE PERIOD OCTOBER 1, 1999 TO OCTOBER 31, 1999

#43663

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Major issues; policy matters: dealing with management and solicitors	152.50	450	68,625.00
Harlang, R.	Court matters; statutory filings, creditor and media communications	220.00	395	86,900.00
Rodier, E.	Day-to-day operations; communications with RFI; landlord matters	175.00	395	69,125.00
Benchaya, G.	Cash flows; budgets; balance sheet	183.50	395	72,482.50
Manel, P.	Quebec stores; landlord matters; media communication	63.90	395	25,240.50
Farkas, P.	Planning, court matters	60.50	395	23,897.50
Vincent, Y.	Quebec stores; landlords; media communication	48.10	395	18,999.50
Kofman, R.	Creditor inquiries	41.50	325	13,487.50
Stein, J.	Tax	54.10	395	21,369.50
Borer, L.	Tax	41.50	395	16,392.50
Wise, J.	Tax	38.80	395	15,326.00
Clamen, B.	Tax	32.00	450	14,400.00
Lagios, T.	Tax	1.40	395	553.00

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Non-Partners				
Adessky, A.	Day-to-day operations; disbursement approval	217.70	325	70,752.50
Tertigas, G.	Notices, claims	206.00	300	61,800.00
Filipone, C.	Operating agreements	193.50	200	38,700.00
Cohen, I.	Operations	192.00	200	38,400.00
Steinberg, B.	Inventory, claims	124.50	200	24,900.00
Dodick, R.	Licensees, operations	178.50	200	35,700.00
Vininsky, M.	Operations	166.50	200	33,300.00
Foreman, C.	Tax	28.00	200	5,600.00
Moore, N.	Tax	52.00	325	16,900.00
Smith, S.	Tax	8.50	250	2,125.00
Manzoor, N.	Tax, creditor claims	96.00	250	24,000.00
Pellarin, J.	NRCS claim valuation	26.50	325	8,612.50
Zelickovics, K.	NRCS claim valuation	22.00	250	5,500.00
Smith, S.	Media communication and coordination	57.70	200	11,540.00
Schwartz, R.	Statutory notices, filings, claims	69.50	200	13,900.00
Ferdinand, J.	Inventory reports	3.00	200	600.00
Rasool, J.	Claims proceduress	21.00	200	4,200.00
Bissel, J.	Claims proceduress	51.00	200	10,200.00
Palmer, W.	Claims proceduress	10.00	250	2,500.00
Lareau, P.	Claims proceduress	0.40	160	64.00
Javier, R.	Claims proceduress	30.00	125	3,750.00
Galvez, E.	Claims proceduress	138.25	125	17,281.25
Moeller, A.	Claims proceduress	110.50	150	16,575.00

#43663

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Abraham, D.	Claims proceduress	5.00	150	750.00
Yeung, H.	Claims procedures	45.50	150	6,825.00
Breido, J.	Claims procedures	6.50	150	975.00
Chang, J.	Claims procedures	7.50	150	1,125.00
Liu, J.	Claims procedures	112.50	175	19,687.50
Rotman, J.	Claims procedures	39.50	150	5,925.00
Jhurma, K.	Claims procedures	3.25	150	487.50
Caulfield, M.	Claims procedures	51.50	150	7,725.00
Chanded, M.	Claims procedures	104.25	150	15,637.50
Connally, M.	Claims procedures	1.00	200	200.00
MacKenzie, M.	Claims procedures	5.00	150	750.00
Sharma, K.	Claims procedures	43.50	175	7,612.50
Garofalo, J.	Claims procedures	66.00	150	9,900.00
Keng, T.	Claims procedures	7.50	150	1,125.00
Pervaiz, Z.	Claims procedures	73.50	150	11,025.00
LeSage, S.	Claims proceduress	23.00	125	2,875.00
Veghel, J.	Claims proceduress	31.25	125	3,906.25
Tertigas, J.	Creditor/Consumer enquiries	188.00	125	23,500.00
Rosoupolis, M.	Creditor/Consumer enquiries	71.00	125	8,875.00
Ali, K.	Creditor/Consumer enquiries	30.25	125	3,781.25
Day, G.	Creditor/Consumer enquiries	81.00	125	10,125.00
Thean, S.	Banking	11.00	125	1,375.00
Baml, P.	Administrative	5.60	110	616.00
Bouillé, L.	Administrative	6.40	75	480.00

#43663

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Hallit, R.	Administrative	1.40	75	105.00
Murphy, D.	Administrative	67.30	75	5,047.50
Roberge, M.	Administrative	6.30	75	472.50
Kashyap, R.	Administrative	77.75	75	5,831.25
Magder, S.	Administrative	153.00	75	11,475.00
Cruise, L.	Administrative	0.75	75	56.25
Baltezar	Administrative	68.00	75	5,100.00
Tourville, J.	Administrative	15.00	75	1,125.00
		4,524.85		1,068,194.75



December 17, 1999

The T. Eaton Company Limited
290 Yonge Street
7th Floor
Toronto, ON M5B 1C8

Attention: Mr. David Low

STATEMENT OF ACCOUNT

Re: The T. Eaton Company Limited ("Eaton's")
Our File No.: 99-0801

To services rendered for the period November 1, 1999 to
November 30, 1999 in respect of The T. Eaton Company Limited.

Our Fee	\$ 924,164.25
Disbursements (Travel, postage, copying, telephone and creditors and shareholders meeting costs)	<u>148,936.16</u>
	\$1,073,100.41
GST	<u>75,117.03</u>
Total	\$ 1,148,217.44
Less: amount received on account	<u>856,000.00</u>
Total due	<u><u>\$ 292,217.44</u></u>

RICHTER & PARTNERS INC.
TRUSTEE, MONITOR AND INTERIM RECEIVER
RE: THE T. EATON COMPANY LIMITED
TIME SUMMARY
FOR THE PERIOD NOVEMBER 1, 1999 TO NOVEMBER 30, 1999

#43660

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Major issues; policy matters: dealing with management and solicitors	126.00	450	56,700.00
Harlang, R.	Court matters; statutory filings, creditor and media communications	201.50	395	79,592.50
Rodier, E.	Day-to-day operations; communications with RFI; landlord matters	194.00	395	76,630.00
Benchaya, G.	Cash flows; budgets; balance sheet; estimated realizations	141.00	395	55,695.00
Manel, P.	Quebec stores; landlord matters; media communication	34.50	395	13,627.50
Farkas, P.	Planning, court matters	67.50	395	26,662.50
Vincent, Y.	Quebec stores; landlords; media communication	37.80	395	14,931.00
Kofman, R.	Creditor inquiries	41.00	325	13,325.00
Stein, J.	Tax	27.70	395	10,941.50
Borer, L.	Tax	32.00	395	12,640.00
Wise, J.	Tax	30.30	395	11,968.50
Rosen, B.	Creditor's Meeting	27.00	395	10,665.00
Frankel, M.	General	1.00	395	395.00

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Non-Partners				
Milstein, A.	Agency Agreement	33.00	325	10,725.00
Adessky, A.	Day-to-day operations; disbursement approval	199.50	325	64,837.50
Tertigas, G.	Notices, claims	236.00	300	70,800.00
Filipone, C.	Operating agreements	204.00	200	40,800.00
Cohen, I.	Operations	230.00	200	46,000.00
Steinberg, B.	Inventory, claims	15.00	200	3,000.00
Dodick, R.	Licensees, operations	162.50	200	32,500.00
Vininsky, M.	Operations	188.00	200	37,600.00
Foreman, E.	Tax	2.50	250	625.00
Moore, N.	Tax	20.00	325	6,500.00
Smith, S.	Tax	1.00	250	250.00
Pepin, M.	Tax	0.30	175	52.50
Manzoor, N.	Tax, creditor claims	87.00	250	21,750.00
Pellarin, J.	Litigation claims/valuations	41.50	325	13,487.50
Surkis-Eisen, H.	Litigation claims/valuations	15.00	300	4,500.00
Lai, A.	Creditors meeting	7.50	275	2,062.50
Tugg, G.	Creditors meeting	8.50	275	2,337.50
Chan, A.	Creditors meeting	12.50	275	3,437.50
Kolker, L.	Creditors meeting	8.50	275	2,337.50
Tombs, L.	Creditors meeting	8.50	275	2,337.50
DeGoeas, M.	Creditors meeting	8.50	275	2,337.50
Conwath, R.	Creditors meeting	9.50	275	2,612.50
Zelickovics, K.	Litigation claims/valuations	50.50	250	12,625.00

#43660

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Smith, S.	Media communication and coordination	23.00	200	4,600.00
Schwartz, R.	Statutory notices, filings, claims	83.00	200	16,600.00
Bissel, J.	Claims proceduress	20.50	200	4,100.00
Ali, R.	Creditor meeting and claims	20.00	200	4,000.00
Levine, M.	Operations	44.00	200	8,800.00
Lareau, P.	Administrative	0.10	175	17.50
Moeller, A.	Claims proceduress	14.00	150	2,100.00
Breido, J.	Claims procedures	7.50	150	1,125.00
Garafolo, R.	Creditors meeting	8.25	150	1,237.50
Mamalias, T.	Creditors meeting	25.25	150	3,787.50
Liu, J.	Claims procedures	6.00	175	1,050.00
Rotman, J.	Claims procedures	35.00	150	5,250.00
Jhurma, K.	Claims procedures	10.00	150	1,500.00
Caulfield, M.	Claims procedures	82.50	150	12,375.00
Sieradzki, D.	Creditors meeting/claims	44.00	150	6,600.00
Rotman, J.	Operations	35.00	150	5,250.00
Veghel, J.	Claims proceduress	31.75	125	3,968.75
Vahik, S.	Claims procedures	25.50	125	3,187.50
Tertigas, J.	Creditor/Consumer enquiries	225.00	125	28,125.00
Rosoupolis, M.	Creditor/Consumer enquiries	45.00	125	5,625.00
Ali, K.	Creditor/Consumer enquiries	17.75	125	2,218.75
Day, G.	Creditor/Consumer enquiries	20.00	125	2,500.00
Gundy, S.	Creditor/Consumer enquiries	13.25	125	1,656.25
Thean, S.	Banking	13.00	125	1,625.00

#43660

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Baril, P.	Accounts payable	15.70	110	1,727.00
Beaudin, A.	Miscellaneous	2.00	125	250.00
Bouillé, L.	Administrative	5.50	75	412.50
Hallit, R.	Administrative	0.75	75	56.25
Girard, C.	Administrative	3.20	75	240.00
Menard, J.	Administrative	1.00	75	75.00
Murphy, D.	Administrative	45.30	75	3,397.50
Pham, V.	Administrative	0.50	75	37.50
Roberge, M.	Administrative	7.60	75	570.00
Kashyap, R.	Administrative	62.00	75	4,650.00
Magder, S.	Administrative	115.75	75	8,681.25
Cruise, L.	Administrative	2.75	75	206.25
Baltazar	Administrative	52.50	75	3,937.50
Tourville, J.	Administrative	9.40	75	705.00
Jefferson, B.	Administrative	50.25	75	3,768.75
Quintos, L.	Administrative	4.00	75	300.00
Vella, L.	Administrative	5.50	75	412.50
Currie, Z.	Administrative	2.00	75	150.00
		3,745.65		924,164.25



RSM Richter

March 2, 2000

The T. Eaton Company Limited
c/o Distributionco Inc.
290 Yonge Street
7th Floor
Toronto, ON M5B 1C8

Attention: Mr. S. Smith

STATEMENT OF ACCOUNT

Re: The T. Eaton Company Limited ("Company")
Our File No.: 99-0801

To services rendered for the period December 1, 1999 to
December 30, 1999 in respect of The T. Eaton Company Limited.

Our Fee	\$ 621,610.25
Disbursements (Travel, postage, copying, telephone, computers and creditors and shareholders meeting costs)	<u>88,812.26</u>
	710,422.51
GST	<u>49,729.58</u>
Total	\$ 760,152.09
Less: amount received on account	<u>749,000.00</u>
Total due	<u><u>\$ 11,152.09</u></u>

RICHTER & PARTNERS INC.
TRUSTEE, MONITOR AND INTERIM RECEIVER
RE: THE T. EATON COMPANY LIMITED
TIME SUMMARY
FOR THE PERIOD DECEMBER 1, 1999 TO DECEMBER 30, 1999

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Major issues; policy matters: dealing with management and solicitors	45.00	450	20,250.00
Harlang, R.	Court matters; statutory filings, creditor and media communications	130.00	395	51,350.00
Rodier, E.	Day-to-day operations; communications with RFI; landlord matters	84.70	395	33,456.50
Benchaya, G.	Cash flows; budgets; balance sheet; estimated realizations; L/C, A/P appraisal	77.00	395	30,415.00
Manel, P.	Quebec stores; landlord matters; media communication, administrative	32.70	395	12,916.50
Vincent, Y.	Quebec stores; landlords; media communication	16.00	395	6,320.00
Kofman, R.	Creditor inquiries	21.00	325	6,825.00
Stein, J.	Tax	36.50	395	14,417.50
Wise, J.	Tax	20.50	395	8,097.50
Farkas, P.	General	37.50	395	14,812.50
Rosen, B.	General	25.50	395	10,072.50
Borer, L.	Tax	31.00	395	12,245.00

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Non-Partners				
Adessky, A.	Day-to-day operations; disbursement approval	196.80	325	63,960.00
Tertigas, G.	Notices, claims	179.00	300	53,700.00
Filipone, C.	Operations; Sears agreements	182.00	200	36,400.00
Cohen, I.	Operations; administration	215.50	200	43,100.00
Steinberg, B.	Inventory, claims	9.00	200	1,800.00
Dodick, R.	Licensees, operations	147.00	200	29,400.00
Vininsky, M.	Operations	155.00	200	31,000.00
Foreman, E.	Tax	20.00	250	5,000.00
Moore, N.	Tax	4.00	325	1,300.00
Moro, B.	Tax	4.00	175	700.00
Manzoor, N.	Tax, creditor claims	9.00	250	2,250.00
Pellarin, J.	Litigation claims/valuations	28.50	325	9,262.50
Surkis-Eisen, H.	Litigation claims/valuations	14.50	300	4,350.00
Conwath, R.	Computer support	20.00	275	5,500.00
Blaser, D.	Computer support	13.50	250	3,375.00
Zelickovics, K.	Litigation claims/valuations	18.00	250	4,500.00
Schwartz, R.	Statutory notices, filings, claims	24.50	200	4,900.00
Levine, M.	Operations	13.50	200	2,700.00
Moeller, A.	Claims proceduress	31.00	150	4,650.00
Breido, J.	Claims procedures	66.50	150	9,975.00
Chang, J.C.	Claims procedures	12.00	150	1,800.00
Mamalias, T.	Creditors meeting	7.50	150	1,125.00
Jhurma, K.	Claims procedures	50.50	150	7,575.00

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Tertigas, J.	Creditor/Consumer enquiries	219.00	125	27,375.00
Rosoupolis, M.	Creditor/Consumer enquiries	63.00	125	7,875.00
Madley, J.	Creditor/Consumer enquiries	124.50	125	15,562.50
King, M.	Creditor/Consumer enquiries	38.00	125	4,750.00
Ruedas, C.	Distribution Notice mailings	45.50	125	5,687.50
Thean, S.	Banking	4.50	125	562.50
Baril, P.	Accounts payable	7.60	110	836.00
Bouillé, L.	Administrative	3.00	75	225.00
Girard, C.	Administrative	1.50	75	112.50
Murphy, D.	Administrative	8.30	75	622.50
Roberge, M.	Administrative	1.00	75	75.00
Kashyap, R.	Administrative	48.75	75	3,656.25
Magder, S.	Administrative	40.50	75	3,037.50
Baltazar	Administrative	15.50	75	1,162.50
Tourville, J.	Administrative	7.60	75	570.00
		2,606.95		621,610.25



March 30, 2000

Distributionco Inc.
290 Yonge Street
7th Floor
Toronto, ON M5B 1C8

Attention: Mr. S. Smith

STATEMENT OF ACCOUNT

**Re: The T. Eaton Company Limited ("Company")
Our File No.: 00-0101**

To services rendered for the period January, 2000 to February 29,
2000 in respect of Distributionco Inc.

Our Fee	\$ 1,253,456.25
Disbursements (Travel, postage, copying, telephone, computers and creditors and shareholders meeting costs)	<u>115,029.91</u>
	1,368,486.16
GST	<u>95,794.03</u>
Total	<u>\$ 1,464,280.19</u>

RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
FOR THE PERIOD JANUARY 1, 2000 TO JANUARY 31, 2000

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Major issues; policy matters: dealing with management and solicitors	60.50	450	27,225.00
Borer, L.	Tax	1.50	395	592.50
Benchaya, G.	Cash flows; budgets; balance sheet; estimated realizations	55.50	395	21,922.50
Harlang, R.	Court matters; statutory filings, creditor and media communications	97.00	395	38,315.00
Manel, P.	Quebec stores; landlord matters; media communication	18.50	395	7,307.50
Rodier, E.	Day-to-day operations; communications with RFI; landlord matters	141.50	395	55,892.50
Stein, J.	Tax	36.50	395	14,417.50
Wise, J.	Tax	0.50	395	197.50
Kofman, R.	Creditor inquiries	4.50	325	1,462.50
Non-Partners				
Adessky, A.	Day-to-day operations; disbursement approval	165.60	325	53,820.00
Moore, N.	Tax	3.00	325	975.00
Pellarin, J.	Litigation claims/valuations	26.50	325	8,612.50
Surkis-Eisen, H.	Litigation claims/valuations	22.50	300	6,750.00
Tertigas, G.	Notices, claims	197.00	300	59,100.00

COPY

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Collins, J.	Computer support	9.00	275	2,475.00
Conwath, R.	Computer support	36.50	275	10,037.50
Krieger, J.	Tax	4.00	275	1,100.00
Un-Sang Yoon	Tax	6.50	275	1,787.50
Blaser, D.	Computer support	5.50	250	1,375.00
Smith, S.	Operations	73.50	325	23,887.50
Zelickovics, K.	Litigation claims/valuations	12.00	250	3,000.00
Cohen, I.	Operations	213.50	200	42,700.00
Dodick, R.	Licensees, operations	153.00	200	30,600.00
Filipone, C.	Operating agreements; operations	147.00	200	29,400.00
Vininsky, M.	Operations	171.50	200	34,300.00
Yeung, H	Operations	40.00	200	8,000.00
Breido, J	Claims procedures	7.50	150	1,125.00
Faissal, M.	Operations	97.50	150	14,625.00
Harz, C	Claims procedures	17.50	150	2,625.00
Ismail, A.	Operations	95.50	150	14,325.00
Lui, J	Claims procedures	55.00	150	8,250.00
Mamalias, T	Claims procedures	120.00	150	18,000.00
Rotman, J	Operations	23.50	150	3,525.00
Shields, J	Claims procedures	48.00	150	7,200.00
Steel, D.	Operations	55.00	150	8,250.00
Tai, T.	Operations	28.50	150	4,275.00

COPY

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Madley, J.	Creditor/Consumer inquiries	114.00	125	14,250.00
Rosoupolis, M.	Creditor/Consumer inquiries	80.00	125	10,000.00
Tertigas, J.	Creditor/Consumer inquiries	219.00	125	27,375.00
Thean, S.	Banking	8.50	125	1,062.50
Baril, P.	Accounts payable	7.70	110	847.00
Baltazar	Administrative	10.50	75	787.50
Bouillé, L.	Administrative	2.40	75	180.00
Girard, C.	Administrative	1.00	75	75.00
Kashyap, R.	Administrative	16.75	75	1,256.25
Magder, S.	Administrative	19.50	75	1,462.50
Murphy, D.	Administrative	19.70	75	1,477.50
Tourville, J.	Administrative	1.00	75	75.00
		2,750.65		626,300.75

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RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
FOR THE PERIOD FEBRUARY 1, 2000 TO FEBRUARY 29, 2000

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Major issues; policy matters: dealing with management and solicitors	57.50	450	25,875.00
Borer, L.	Tax	0.50	395	197.50
Benchaya, G.	Cash flows; budgets; balance sheet; estimated realizations	111.50	395	44,042.50
Harlang, R.	Court matters; statutory filings, creditor and media communications	140.00	395	55,300.00
Manel, P.	Quebec stores; landlord matters; media communication	1.10	395	434.50
Rodier, E.	Day-to-day operations; communications with RFI; landlord matters	137.70	395	54,391.50
Stein, J.	Tax	63.50	395	25,082.50
Kofman, R.	Creditor inquiries	2.00	325	650.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Non-Partners				
Adessky, A.	Day-to-day operations; disbursement approval	131.10	325	42,607.50
Moore, N.	Tax	1.00	325	325.00
Pellarin, J.	Litigation claims/valuations	44.50	325	14,462.50
Surkis-Eisen, H.	Litigation claims/valuations	14.00	300	4,200.00
Tertigas, G.	Notices, claims	205.50	300	61,650.00
Collins, J.	Computer support	20.00	275	5,500.00
Conwath, R.	Computer support	32.00	275	8,800.00
Krieger, J.	Tax	1.00	275	275.00
Foreman, E.	Tax	5.00	250	1,250.00
Smith, S.	Operations	191.00	325	62,075.00
Zelickovics, K.	Litigation claims/valuations	41.00	250	10,250.00
Cohen, I.	Operations	143.00	200	28,600.00
Dodick, R.	Licensees, operations	151.50	200	30,300.00
Filipone, C.	Operating agreements; operations	187.50	200	37,500.00
Vininsky, M.	Operations	143.00	200	28,600.00
Yeung, H	Operations	40.00	200	8,000.00
Harze, C	Claims procedures	7.50	150	1,125.00
Lui, J	Claims procedures	55.00	150	8,250.00
Shields, J	Claims procedures	65.50	150	9,825.00
Madley, J.	Creditor/Consumer inquiries	62.00	125	7,750.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Rosoupolis, M.	Creditor/Consumer inquiries	60.00	125	7,500.00
O'Donnell, C.	Claims process	36.50	110	4,015.00
Tertigas, J.	Creditor/Consumer inquiries	204.00	125	25,500.00
Thean, S.	Banking	7.50	125	937.50
Baril, P.	Accounts payable	11.70	110	1,287.00
Baltazar	Administrative	2.00	75	150.00
Bouillé, L.	Administrative	0.40	75	30.00
Girard, A.	Claims process	26.50	75	1,987.50
Girard, C.	Administrative	1.50	75	112.50
Poulin, M.	Administrative	4.50	75	337.50
Kashyap, R.	Administrative	34.75	75	2,606.25
Magder, S.	Administrative	15.00	75	1,125.00
Menard, J.	Administrative	3.50	75	262.50
Murphy, D.	Administrative	26.00	75	1,950.00
Quintos, L.	Administrative	2.75	75	206.25
Stremski, A.	Administrative	20.30	75	1,522.50
Tourville, J.	Administrative	4.10	75	307.50
		2,515.90		627,155.50

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June 15, 2000

Distributionco Inc.
290 Yonge Street
7th Floor
Toronto, ON M5B 1C8

Attention: Mr. S. Smith

STATEMENT OF ACCOUNT

Re: The T. Eaton Company Limited ("Company")
Our File No.: 00-0101

To services rendered for the period March 1 to March 31, 2000 in
respect of Distributionco Inc., as per the attached.

Our Fee	\$ 600,622.75
Disbursements (Travel, postage, copying, telephone, computers and creditors and shareholders meeting costs)	<u>5,149.24</u>
	605,771.99
Less: interim billing on account	<u>400,000.00</u>
	205,771.99
GST	<u>14,404.04</u>
Total	<u>\$ 220,176.03</u>

RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
FOR THE PERIOD MARCH 1, 2000 TO MARCH 31, 2000

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Major issues; policy matters: dealing with management and solicitors	35.50	450	15,975.00
Benchaya, G.	Cash flows; budgets; balance sheet; estimated realizations	22.50	395	8,887.50
Harlang, R.	Court matters; statutory filings, creditor and media communications	95.50	395	37,722.50
Manel, P.	File administration	6.30	395	2,488.50
Rodier, E.	Day-to-day operations; communications with RFI; claims	179.30	395	70,823.50
Stein, J.	Tax	42.60	395	16,827.00
Kofman, R.	Creditor inquiries	4.00	395	1,580.00
Adessky, A.	Day-to-day operations; disbursement approval	113.00	325	36,725.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Non-Partners				
Moore, N.	Tax	6.00	325	1,950.00
Pellarin, J.	Litigation claims/valuations	42.00	325	13,650.00
Smith, S.	Operations; accounting	205.50	325	66,787.50
Surkis-Eisen, H.	Litigation claims/valuations	1.25	300	375.00
Tertigas, G.	Notices, claims, litigation	213.00	300	63,900.00
Collins, J.	Computer support	17.00	275	4,675.00
Freixa, J.	Computer support	7.00	275	1,925.00
Boily-Cote, J.	Tax	13.25	225	2,981.25
Foreman, E.	Tax	6.30	325	2,047.50
Kim, J.	Operations	178.00	250	44,500.00
Zelickovics, K.	Litigation claims/valuations	26.50	250	6,625.00
Ali, R.	Employee claims	116.50	200	23,300.00
Dodick, R.	Licensees, operations	201.00	200	40,200.00
Filipone, C.	Operating agreements; operations	187.00	200	37,400.00
Vininsky, M.	Operations	183.50	200	36,700.00
Bergevin, A.	Tax	6.00	150	900.00
Lui, J	Claims procedures	101.00	150	15,150.00
Lareau, P.	Accounting	15.50	110	1,705.00
Lareau, P.	File administration	3.60	175	630.00
Morton, R.	Creditor/Consumer inquiries	55.00	125	6,875.00
Tertigas, J.	Creditor/Consumer inquiries	108.00	125	13,500.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Thean, S.	Banking	4.50	125	562.50
Baril, P.	Accounts payable	12.00	110	1,320.00
O'Donnell, C.	Claims process	39.30	175	6,877.50
Baltazar	Administrative		75	0.00
Benedict, M	Administrative	8.25	75	618.75
Bouillé, L.	Administrative	4.20	75	315.00
Chan, A.	Administrative	8.25	75	618.75
Girard, A.	Claims process	47.90	75	3,592.50
Girard, C.	Administrative	9.70	75	727.50
Kashyap, R.	Administrative	42.75	75	3,206.25
Magder, S.	Administrative	26.00	75	1,950.00
Murphy, D.	Administrative	25.90	75	1,942.50
Quintos, L.	Administrative	3.75	75	281.25
Vermette, M.	Systems	8.50	200	1,700.00
Tourville, J.	Administrative	1.40	75	105.00
		2,434.00		600,622.75

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June 15, 2000

Distributionco Inc.
290 Yonge Street
7th Floor
Toronto, ON M5B 1C8

Attention: Mr. S. Smith

STATEMENT OF ACCOUNT

Re: The T. Eaton Company Limited ("Company")
Our File No.: 00-0101

To services rendered for the period April 1 to April 30, 2000 in
respect of Distributionco Inc., as per the attached.

Our Fee	\$ 507,875.00
Disbursements (Travel, postage, copying, telephone, computers and creditors and shareholders meeting costs)	<u>87,190.89</u>
	595,065.89
GST	<u>41,654.61</u>
Total	<u>\$ 636,720.50</u>

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RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
FOR THE PERIOD APRIL 1, 2000 TO APRIL 30, 2000

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Major issues; policy matters: dealing with management and solicitors	34.00	450	15,300.00
Harlang, R.	Court matters; statutory filings, creditor communications, real estate	163.00	395	64,385.00
Rodier, E.	Day-to-day operations; communications with RFI; landlord matters	112.00	395	44,240.00
Stein, J.	Tax	23.00	395	9,085.00
Kofman, R.	Creditor inquiries	5.75	395	2,271.25
Benchaya, G.	Budgets; balance sheet; estimated realizations	4.50	395	1,777.50
Wise, J.	Tax	4.80	395	1,896.00
Adessky, A.	Day-to-day operations; disbursement approval	21.90	325	7,117.50

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Non-Partners				
Smith, S.	Operations	173.00	325	56,225.00
Pellarin, J.	Litigation claims/valuations	45.00	325	14,625.00
Tertigas, G.	Notices, claims, litigation	157.00	300	47,100.00
Surkis-Eisen, H.	Litigation claims/valuations	21.75	300	6,525.00
Kim, J.	Operations	137.50	250	34,375.00
Zelickovics, K.	Litigation claims/valuations	33.00	250	8,250.00
Dodick, R.	Operations; receivables	128.50	200	25,700.00
Filipone, C.	Operating agreements; operations	163.00	200	32,600.00
Vininsky, M.	Operations	147.95	200	29,590.00
Schwartz, R.	Administrative matters	2.50	200	500.00
Ali, R.	Employee claims	65.25	200	13,050.00
Collins, J.	Computer support	8.00	275	2,200.00
Freixa, J.	Computer support	3.00	275	825.00
Carrol, D.	Systems support	92.00	200	18,400.00
Vermette, M.	Systems support	15.50	200	3,100.00
Pelletier, D.	Communications	0.90	180	162.00
Lareau, P.	File administration	2.10	175	367.50
Tertigas, J.	Creditor/Consumer inquiries	169.00	125	21,125.00
Rosoupolis, M.	Creditor/Consumer inquiries	60.00	125	7,500.00
O'Donnell, C.	Claims process	110.80	175	19,390.00
Thean, S.	Banking	2.75	125	343.75

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Baril, P.	Accounts payable	5.20	110	572.00
Lareau, P.	Bookkeeping	20.00	110	2,200.00
Bouillé, L.	Administrative	1.50	75	112.50
Girard, A.	Accounting	70.35	75	5,276.25
Girard, C.	Administrative	3.00	75	225.00
Kashyap, R.	Administrative	34.25	75	2,568.75
Larente, S.	Administrative	97.50	75	7,312.50
Magder, S.	Administrative	7.00	75	525.00
Murphy, D.	Administrative	12.20	75	915.00
Tourville, J.	Administrative	1.90	75	142.50
		2,160.35		507,875.00

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August 29, 2000

Distributionco Inc.
c/o Richter & Partners Inc.
90 Eglinton Avenue East
Suite 700
Toronto, ON M4P 2Y3

Attention: Mr. R. Dodick

STATEMENT OF ACCOUNT

Re: **Distributionco Inc. ("Company")**
Our File No.: 00-0101

To services rendered for the period May 1 to May 31, 2000 in
respect of Distributionco Inc., as per the attached.

Our Fee	\$ 505,797.00
Disbursements (Travel, postage, copying, telephone)	<u>35,497.62</u>
	\$541,294.86
Less: interim billing on account	<u>300,000.00</u>
	241,294.86
GST	<u>16,890.64</u>
Total	<u>\$ 258,185.50</u>

RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
FOR THE PERIOD MAY 1, 2000 TO MAY 31, 2000

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Major issues; policy matters: dealing with solicitors	30.50	450	13,725.00
Borer, L.	Tax	0.50	395	197.50
Harlang, R.	Real estate, creditor communications, claims and dividends	89.00	395	35,155.00
Manel, P.	File administration	5.50	395	2,172.50
Rodier, E.	Day-to-day operations; residual assets, claims and dividends	147.40	395	58,223.00
Stein, J.	Tax	33.00	395	13,035.00
Vincent, Y.	File administration	1.25	395	493.75
Wise, J.	Tax	1.00	395	395.00
Adessky, A.	Day-to-day operations, disbursement approval	4.50	325	1,462.50
Foreman, E.	Tax	1.30	325	422.50

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Non-Partners				
Pellarin, J.	Litigation claims/valuations	32.00	325	10,400.00
Smith, S.	Operations	183.50	325	59,637.50
Tertigas, G.	Notices, claims, litigation	209.00	300	62,700.00
Collins, J.	Computer support	12.50	275	3,437.50
Freixa, J.	Computer support	7.00	300	2,100.00
Ratthe, M.A.	Tax	6.95	150	1,042.50
Kim, J.	Operations	180.00	250	45,000.00
Zelickovics, K.	Litigation claims/valuations	22.00	250	5,500.00
Ali, R.	Employee claim	8.00	200	1,600.00
Carroll, D.	Systems Analyst	134.00	200	26,800.00
Dodick, R.	Licensees, operations	147.00	200	29,400.00
Filipone, C.	Operating agreements; operations	168.00	200	33,600.00
Schwartz, R.	Administrative matters	2.25	200	450.00
Vininsky, M.	Operations	167.50	200	33,500.00
Yeung, H	Operations	4.50	200	900.00
Porepa, J.	Claims procedures	4.50	150	675.00
Rosoupolis, M.	Creditor/Consumer inquiries	5.00	125	625.00
Tertigas, J.	Creditor/Consumer inquiries	198.00	125	24,750.00
Thean, S.	Banking	4.50	125	562.50
Baril, P.	Accounts payable	8.30	110	913.00
Lareau, P.	Bookkeeping, dividends	24.80	110	2,728.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
O'Donnell, C.	Claims process	138.00	175	24,150.00
Abichaker, R.	Administrative	1.00	75	75.00
Alland, A.	Administrative, claims	4.50	60	270.00
Bouillé, L.	Administrative	3.00	75	225.00
Larente, S.	Administrative	7.60	75	570.00
Girard, C.	Administrative	5.50	75	412.50
Kashyap, R.	Administrative	26.25	75	1,968.75
Magder, S.	Administrative	11.00	75	825.00
Murphy, D.	Administrative	14.90	75	1,117.50
Poulin, M.	Administrative	13.30	75	997.50
Stremski, A.	Administrative	29.30	110	3,223.00
Tourville, J.	Administrative	4.80	75	360.00
		2,102.40		505,797.00

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August 29, 2000

Distributionco Inc.
c/o Richter & Partners Inc.
90 Eglinton Avenue East
Suite 700
Toronto, ON M4P 2Y3

Attention: Mr. R. Dodick

STATEMENT OF ACCOUNT

Re: Distributionco Inc. ("Company")
Our File No.: 00-0101

To services rendered for the period June 1 to June 30, 2000 in
respect of Distributionco Inc., as per the attached.

Our Fee	\$ 417,591.50
Disbursements (Travel, postage, copying, telephone)	<u>2,221.68</u>
	\$419,813.18
Less: interim billing on account	<u>300,000.00</u>
	119,813.18
GST	<u>8,386.92</u>
Total	<u>\$ 128,200.10</u>

RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
FOR THE PERIOD JUNE 1, 2000 TO JUNE 30, 2000

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Major issues; policy matters; dealing with solicitors	18.00	450	8,100.00
Cohen, J	Interim Dividend	1.00	400	400.00
Harlang, R.	Real estate, creditor communications, claims and disputes	142.50	395	56,287.50
Rodier, E.	Day-to-day operations; residual assets, claims and dividends	110.20	395	43,529.00
Stein, J.	Tax	31.00	395	12,245.00
Kofman, R.	Creditor inquiries	2.50	375	937.50
Rosenblum, H.	Claims and dividends	4.50	395	1,777.50
Vincent, Y.	File administration	0.75	395	296.25
Adessky, A.	Day-to-day operations; disbursement approval	3.20	325	1,040.00
Foreman, E.	Tax	5.50	325	1,787.50

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Non-Partners				
Pellarin, J.	Litigation claims/valuations	29.00	325	9,425.00
Smith, S.	Operations	29.00	325	9,425.00
Freixa, J.	Computer support	3.50	300	1,050.00
Tertigas, G.	Notices, claims, litigation	206.00	300	61,800.00
Bharat, P.	Systems Analyst	85.00	200	17,000.00
Collins, J.	Computer support	7.00	275	1,925.00
Vermette, M.	Computer Analyst	54.50	200	10,900.00
Gagnon, P.	Claims and dividends	2.70	250	675.00
Kolker, L	Interim Dividend	6.50	250	1,625.00
Schoelch, C.	Claims and dividends	22.50	250	5,625.00
Zelickovics, K.	Litigation claims/valuations	17.00	250	4,250.00
Carroll, D.	Systems Analyst	56.50	200	11,300.00
Dodick, R.	Licensees, operations	150.00	200	30,000.00
Filipone, C.	Operating agreements; operations	46.00	200	9,200.00
Vininsky, M.	Operations	146.50	200	29,300.00
Gambrill, M	Interim Dividend	33.00	150	4,950.00
Gazi, Shoab	Interim Dividend	3.00	150	450.00
Klass, D	Interim Dividend	34.00	150	5,100.00
Moro, B	Tax	3.50	150	525.00
Wein, J	Interim Dividend	35.00	150	5,250.00
Tertigas, J.	Creditor/Consumer inquiries	179.00	125	22,375.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Thean, S.	Banking	4.00	125	500.00
Baril, P.	Accounts payable	3.60	110	396.00
Frank, H.	Dividend	118.75	90	10,687.50
O'Donnell, C.	Claims process	114.50	175	20,037.50
Lareau, P.	Bookkeeping, dividend	38.40	110	4,224.00
Porepa, J	Interim Dividend	6.00	110	660.00
Abichaker, R.	Administrative	1.00	75	75.00
Baltazar	Administrative	3.50	75	262.50
Bouillé, L.	Administrative	7.10	75	532.50
Cristofaro, A.	Administrative, dividend	9.00	60	540.00
Delli Colli, J.	Administrativ, dividend	29.00	60	1,740.00
Girard, C.	Administrative	1.00	75	75.00
Gabba, N.	Administrative, dividend	22.00	60	1,320.00
Kashyap, R.	Administrative	10.75	75	806.25
Hallit, R.	Administrative	1.00	75	75.00
Magder, S.	Administrative	18.50	75	1,387.50
Kuczynski, R.	Administrative, dividend	24.00	60	1,440.00
Larente, S.	Administrative	4.90	75	367.50
Murphy, D.	Administrative	12.30	75	922.50
Nardi, C.	Claims	11.00	60	660.00
Zbriger, B.	Administrative, claims	18.50	60	1,110.00
Pham, V.	Administrative	1.00	75	75.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Stremski, A.	Administrative	15.30	75	1,147.50
		1,943.45		417,591.50

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November 13, 2000

Distributionco Inc.
c/o Richter & Partners Inc.
90 Eglinton Avenue East
Suite 700
Toronto, ON M4P 2Y3

Attention: Mr. R. Dodick

STATEMENT OF ACCOUNT

Re: **Distributionco Inc. ("Company")**
Our File No.: 00-0101

To services rendered for the period July 1 to September 30, 2000
in respect of Distributionco Inc., as per the attached.

Our Fee	\$ 975,301.25
Disbursements (Travel, postage, copying, telephone)	<u>33,745.00</u>
	\$1,009,046.25
Less: interim billing on account	<u>600,000.00</u>
	409,046.25
GST	<u>28,633.24</u>
Total	<u>\$ 437,679.49</u>

RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
FOR THE PERIOD JULY 1, 2000 TO SEPTEMBER 30, 2000

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Overseeing all policy matters in the file Dealing with major issues	40.00	450	18,000.00
Harlang, R.	Real estate, creditor communications, claims and disputes	309.00	395	122,055.00
Manel, P.	File administration	27.00	395	10,665.00
Rodier, E.	Day-to-day responsibilities Realization on residual assets Reporting to Creditors and Court Administration of Joint Venture and Sears agreement Claims and dividend process Database	329.40	395	130,113.00
Stein, J.	Tax Department Miscellaneous issues	40.00	395	15,800.00
Kofman, R.	Creditor inquiries Day-to-day operations; disbursement	15.25	375	5,718.75
Rosenblum, H.	Claims and dividend process	5.50	395	2,172.50
Wise, J.	Tax Department Miscellaneous issues	27.50	395	10,862.50
Adessky, A.	Day-to-day general responsibilities Administration of Sears and Joint Venture agreements Disbursement approval Claims and dividend process	9.00	325	2,925.00
Foreman, E.	Tax Department Miscellaneous issues	11.00	325	3,575.00
Schaefer, A	Litigation claims/valuations	24.00	325	7,800.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Smith, S.	Realization on residual assets Financial statements and accounting Day-to-day responsibilities Disbursements approval	146.70	325	47,677.50
Non-Partners				
Pellarin, J.	Litigation claims/valuations	40.00	325	13,000.00
Tertigas, G.	Notices, claims, litigation	354.50	300	106,350.00
Phelps, D.	Litigation claims/valuations	102.50	275	28,187.50
Schoelch, C.	Claims and dividend process	8.90	250	2,225.00
Zelickovics, K.	Litigation claims/valuations	2.50	250	625.00
Moreno, Y.	Tax Department	5.50	250	1,375.00
Charalampopoulos, J.	Dividend and claims process	56.75	250	14,187.50
Bharat, P.	Technical systems support Dividend and claims process	116.00	200	23,200.00
Carroll, D.	Technical systems support Dividend and claims process	401.20	200	80,240.00
Dodick, R.	Licensees, operations	284.00	200	56,800.00
Filipone, C.	Reports; Statement of Receipts and Disbursements; Communications with creditors; Banking; File administration Administration of Sears agreement	116.50	200	23,300.00
Hoppe, M.	Accounts payable	5.00	200	1,000.00
Kim, J.	Operations	23.50	200	4,700.00
Schwartz, R.	Administration	6.00	200	1,200.00
Vermette, M.	Technical systems support Dividend and claims process	18.50	200	3,700.00
Vininsky, M.	Operations	80.75	200	16,150.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
O'Donnell, C.	Claims and dividend process Database, administration	345.00	200	69,000.00
Callaghan, J.	Claims and dividend process; Database, administration	99.70	150	14,955.00
Ismail, A	Accounts payable	96.00	150	14,400.00
Minassian, A.	Tax Department	7.00	150	1,050.00
Ratthe, M.A.	Tax Department Miscellaneous tax issues	8.80	150	1,320.00
Garafalo, R	Administration	5.50	150	825.00
Lato, V.	Administration; Claims and dividend process	199.00	150	29,850.00
Morton, R	Creditor/Consumer inquiries	210.50	125	26,312.50
Tertigas, J.	Creditor/Consumer inquiries	163.00	125	20,375.00
Thean, S.	Banking	5.50	125	687.50
Baril, P.	Accounts payable, administration	6.50	110	715.00
Lareau, P.	Bookkeeping; Claims and dividend process	70.20	110	7,722.00
Frank, H.	Administration; Claims and dividend process	19.00	90	1,710.00
Baltazar, E	Administrative	5.50	75	412.50
Bouillé, L.	Administrative	29.90	75	2,242.50
Girard, C.	Administrative	23.20	75	1,740.00
Kashyap, R.	Administrative	54.75	75	4,106.25
Larente, S.	Administrative	31.50	75	2,362.50
Magder, S.	Administrative	14.00	75	1,050.00
Murphy, D.	Administrative	14.40	75	1,080.00
Gladu, D.	Administrative	4.75	75	356.25

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Strelbitsky, o.	Administrative	5.00	60	300.00
Cristofano, N.	Administrative, dividend	13.00	60	780.00
Lemelin, M	Administrative, dividend	5.50	60	330.00
Patrella, M.	Administrative, dividend	24.00	60	1,440.00
Sauro, V.	Administrative, dividend	21.00	60	1,260.00
Parisi, R.	Administrative, dividend	2.00	60	120.00
Huard, M.	Administrative	13.00	60	780.00
Menard, J.	Administrative	2.00	60	120.00
L'Ecuyer, M.	Administrative	13.00	60	780.00
Keyani-Tari	Administrative, dividend	13.00	60	780.00
Delli Colli, J.	Administrative, dividend	87.50	60	5,250.00
Gileva, L.	Administrative	13.00	60	780.00
Kraft, M.	Administrative, dividend	13.25	60	795.00
Baldassare, L.	Administrative, claims	13.00	60	780.00
Balta, Z.	Administrative, claims	13.00	60	780.00
Denissov, H.	Administrative, claims	13.00	60	780.00
Buffone, M.	Administrative, claims	13.00	60	780.00
Zbriger, B.	Administrative, claims	46.50	60	2,790.00
		4,343.90		975,301.25

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April 30, 2001

Distributionco Inc.
c/o Richter & Partners Inc.
90 Eglinton Avenue East
Suite 700
Toronto, ON M4P 2Y3

Attention: Mr. R. Harlang

STATEMENT OF ACCOUNT

Re: Distributionco Inc. ("Company")
Our File No.: 00-0101

To services rendered for the period October 1, 2000 to
February 28, 2001 in respect of Distributionco Inc., as per the
attached.

Our Fee	\$ 1,757,054.75
Disbursements (Travel, postage, copying, telephone)	<u>79,565.01</u>
	1,836,619.76
Less: interim billing on account	<u>1,400,000.00</u>
	436,619.76
GST	<u>30,563.38</u>
Total	<u>\$ 467,183.14</u>

RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
FOR THE PERIOD OCTOBER 1, 2000 TO FEBRUARY 28, 2001

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Overseeing all policy matters in the file Dealing with major issues	73.00	450	32,850.00
Harlang, R.	Real estate, creditor communications, claims and disputes	418.00	425	177,650.00
Benchaya, G.	Cash flow, budgets	27.50	395	10,862.50
Forman, E.	Tax	135.40	395	53,483.00
Manel, P.	File administration	7.40	395	2,923.00
Rodier, E.	Day-to-day responsibilities Realization on residual assets Reporting to Creditors and Court Administration of Joint Venture and Sears agreement Claims and dividend process Database	463.90	395	183,240.50
Stein, J.	Tax Department Miscellaneous issues	130.60	395	51,587.00
Vincent, Y.	File administration	2.00	395	790.00
Kofman, R.	Creditor inquiries Day-to-day operations; disbursement	19.00	375	7,125.00
Rosenblum, H.	Claims and dividend process	1.00	395	395.00
Wise, J.	Tax Department Miscellaneous issues	95.50	395	37,722.50
Adessky, A.	Day-to-day general responsibilities Administration of Sears and Joint Venture agreements Disbursement approval Claims and dividend process	4.40	325	1,430.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Schaefer, A.	Litigation claims/valuations	58.00	350	20,300.00
Smith, S.	Realization on residual assets Financial statements and accounting Day-to-day responsibilities Disbursements approval	262.50	325	85,312.50
Non-Partners				
Pellarin, J.	Litigation claims/valuations	179.00	350	62,650.00
Tertigas, G.	Notices, claims, litigation	635.50	300	190,650.00
Phelps, D.	Litigation claims/valuations	23.50	275	6,462.50
Moore, N.	Tax Department	1.00	250	250.00
Nadler, P.	Tax Department	1.30	250	325.00
Palmer, W.	Accounting	13.00	250	3,250.00
Charalampopoulos, J.	Dividend and claims process	88.75	250	22,187.50
Yau, S.	Tax Department	1.00	250	250.00
Bannot, P.	Technical systems support Dividend and claims process	273.50	200	54,700.00
Carroll, D.	Technical systems support Dividend and claims process	670.44	200	134,088.00
Chaer, P.	Technical systems support Dividend and claims process	33.50	200	6,700.00
Dodick, R.	Licensees, operations	232.50	200	46,500.00
Filipone, C.	Reports; Statement of Receipts and Disbursements; Communications with creditors; Banking; File administration Administration of Sears agreement	56.50	200	11,300.00
Kim, J.	Operations	2.50	200	500.00
Schwartz, R.	Administration	40.25	200	8,050.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Vermette, M.	Technical systems support Dividend and claims process	51.80	200	10,360.00
Glazer, J.	Operations	32.50	200	6,500.00
O'Donnell, C.	Claims and dividend process Database, administration	529.50	200	105,900.00
Masley, R.	Litigation claims/valuations	85.00	200	17,000.00
Steinberg, B.	Audit	12.00	200	2,400.00
Poliszuk, Y.	Litigation claims/valuations	133.50	200	26,700.00
Sylvestre, J.	Litigation claims/valuations	6.50	175	1,137.50
Callaghan, J.	Claims and dividend process; Database, administration	51.30	175	8,977.50
Choudhury, S.	Audit	5.75	150	862.50
Cossette, S.	Audit	15.50	150	2,325.00
DeAngelis, V.	Tax	43.70	150	6,555.00
DiMaria, G.	Audit	21.00	150	3,150.00
Gabba, N.	Audit	4.00	150	600.00
Hallit, R.	Administration	2.00	150	300.00
Kuczynski, R.	Audit	19.75	150	2,962.50
Ismail, A.	Accounts payable	90.50	150	13,575.00
Lachirite, G.	Audit	29.00	150	4,350.00
Lamarche, A.	Audit	14.50	150	2,175.00
Minassian, A.	Tax Department	29.50	150	4,425.00
Ruest, J.	Audit	23.00	150	3,450.00
Pare, L.	Translation	24.00	150	3,600.00
Ratthe, M.A.	Tax Department Miscellaneous tax issues	42.40	150	6,360.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Steel, D.	Administration	1.00	150	150.00
Lato, V.	Administration; Claims and dividend process	412.00	175	72,100.00
Bajaj, J.	Litigation claims/valuations	16.00	150	2,400.00
Rozansky, H.	Audit	9.25	150	1,387.50
Wong, W.	Accounting	332.50	150	49,875.00
Tertigas, J.	Creditor/Consumer inquiries	671.00	150	100,650.00
Yoreno, Y.	Audit	2.75	150	412.50
Voutsis, T.	Tax Department	0.30	150	45.00
	Audit	30.00	150	4,500.00
Morton, R.	Creditor/Consumer inquiries	92.00	125	11,500.00
Roussopoulos, M.	Creditor/Consumer inquiries	22.50	125	2,812.50
Thean, S.	Banking	39.75	125	4,968.75
Baril, P.	Accounts payable, administration	13.80	110	1,518.00
Stremski, A.	Bookkeeping	151.10	110	16,621.00
English, C.	Banking	90.00	110	9,900.00
Lareau, P.	Bookkeeping; Claims and dividend process	192.30	110	21,153.00
Baltazar, E.	Administrative	5.00	75	375.00
Bouillé, L.	Administrative	29.70	75	2,227.50
Girard, A.	Administrative	8.00	75	600.00
Kashyap, R.	Administrative	44.75	75	3,356.25
Magder, S.	Administrative	6.50	75	487.50
Pham, V	Administrative	5.00	75	375.00
Rudnicki, R	Administrative	14.50	75	1,087.50

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Gladu, D.	Administrative	7.25	75	543.75
DaSilva, S.	Administrative	10.50	60	630.00
Conforti, G.	Administrative	1.50	60	90.00
Menard, J.	Administrative	1.50	60	90.00
		7,427.59		1,757,054.75

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July 30, 2001

Distributionco Inc.
 c/o Richter & Partners Inc.
 90 Eglinton Avenue East
 Suite 700
 Toronto, ON M4P 2Y3

Attention: Mr. R. Harlang

STATEMENT OF ACCOUNT

Re: Distributionco Inc. ("Company")
Our File No.: 00-0101

To services rendered for the period March 1, 2001 to May 31,
 2001 in respect of Distributionco Inc., as per the attached.

Our Fee	\$ 808,198.50
Disbursements (Travel, postage, copying, telephone)	<u>19,501.21</u>
	827,699.71
Less: interim billing on account	<u>600,000.00</u>
	227,699.71
GST	<u>15,938.98</u>
Total	<u><u>\$ 243,638.69</u></u>

RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
FOR THE PERIOD MARCH 1, 2001 TO MAY 31, 2001

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Overseeing all policy matters in the file Dealing with major issues	45.30	450	20,385.00
Harlang, R.	Real estate, creditor communications, claims and disputes	204.00	425	86,700.00
Farkas, Peter	Creditor communications	1.00	425	425.00
Benchaya, G.	Cash flow, budgets	1.00	395	395.00
Forman, E.	Tax	39.60	395	15,642.00
Manel, P.	File administration	6.30	395	2,488.50
Rodier, E.	Day-to-day responsibilities Realization on residual assets Reporting to Creditors and Court Administration of Joint Venture and Sears agreement Claims and dividend process Database	185.20	395	73,154.00
Stein, J.	Tax Department Miscellaneous issues	59.80	395	23,621.00
Vincent, Y.	File administration		395	0.00
Kofman, R.	Creditor inquiries Day-to-day operations; disbursement	1.00	375	375.00
Rosenblum, H.	Claims and dividend process	3.50	395	1,382.50
Wise, J.	Tax Department Miscellaneous issues	35.00	395	13,825.00

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Adessky, A.	Day-to-day general responsibilities Administration of Sears and Joint Venture agreements Disbursement approval Claims and dividend process	2.90	325	942.50
Schaefer, A.	Litigation claims/valuations	7.00	350	2,450.00
Smith, S.	Realization on residual assets Financial statements and accounting Day-to-day responsibilities Disbursements approval	54.50	325	17,712.50
Non-Partners				
Pellarin, J.	Litigation claims/valuations	98.00	350	34,300.00
Tertigas, G.	Notices, claims, litigation	241.50	300	72,450.00
Phelps, D.	Litigation claims/valuations	8.50	275	2,337.50
Vininsky, M	Communication with creditors	1.00	250	250.00
Moore, N.	Tax Department	1.40	250	350.00
Charalampopoulos, J.	Dividend and claims process	143.00	250	35,750.00
Carroll, D.	Technical systems support Dividend and claims process	302.50	200	60,500.00
Filipone, C.	Reports; Statement of Receipts and Disbursements; Communications with creditors; Banking; File administration Administration of Sears agreement	6.50	200	1,300.00
Schwartz, R.	Administration	0.50	200	100.00
Vermette, M.	Technical systems support Dividend and claims process	3.50	200	700.00
O'Donnell, C.	Claims and dividend process Database, administration	304.20	200	60,840.00
Masley, R.	Litigation claims/valuations	103.10	200	20,620.00

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Poliszuk, Y.	Litigation claims/valuations	25.10	200	5,020.00
Sylvestre, J.	Litigation claims/valuations	55.90	175	9,782.50
Callaghan, J.	Claims and dividend process; Database, administration	116.80	175	20,440.00
Guay, I	Audit	4.50	150	675.00
Guerriero	Audit	38.00	150	5,700.00
DeAngelis, V.	Tax	0.60	150	90.00
Gravel, C	Audit	16.00	150	2,400.00
Gutierrez, N	Audit	4.00	150	600.00
Kuczynski, R.	Audit	22.50	150	3,375.00
Perron, A.	Tax Department	0.70	150	105.00
Zbriger, B.	Audit	8.00	150	1,200.00
Ratthe, M.A.	Tax Department Miscellaneous tax issues	2.05	150	307.50
Lato, V.	Administration; Claims and dividend process	199.00	175	34,825.00
Wong, W.	Accounting	560.00	150	84,000.00
Tertigas, J.	Creditor/Consumer inquiries	307.00	150	46,050.00
Roussopoulos, M.	Creditor/Consumer inquiries	20.00	125	2,500.00
Thean, S.	Banking	38.00	125	4,750.00
Baril, P.	Accounts payable, administration	7.50	110	825.00
Stremski, A.	Bookkeeping	110.10	110	12,111.00
English, C.	Banking	32.00	110	3,520.00
Lareau, P.	Bookkeeping; Claims and dividend process	30.80	110	3,388.00
Rasool, J	Administrative, LTD claims	38.50	100	3,850.00



November 19, 2001

Distributionco Inc.
c/o Richter & Partners Inc.
90 Eglinton Avenue East
Suite 700
Toronto, ON M4P 2Y3

Attention: Mr. R. Harlang

STATEMENT OF ACCOUNT

**Re: Distributionco Inc. ("Company")
Our File No.: 00-0101**

To services rendered for the period June 1, 2001 to September 30,
2001 in respect of Distributionco Inc., as per the attached.

Our Fee	\$ 631,122.85
Disbursements (Travel, postage, copying, telephone)	<u>20,217.42</u>
	651,340.27
Less: interim billing on account	<u>400,000.00</u>
	251,340.27
GST	<u>17,593.82</u>
Total	<u>\$ 268,934.09</u>

RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
FOR THE PERIOD JUNE 1, 2001 TO SEPTEMBER 30, 2001

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Overseeing all policy matters in the file Dealing with major issues	22.00	450	9,900.00
Harlang, R.	Real estate, creditor communications, claims and disputes	95.00	425	40,375.00
Farkas, P	Creditor communications	2.50	425	1,062.50
Benchaya, G.	Cash flow, budgets	1.00	395	395.00
Forman, E.	Tax	46.50	395	18,367.50
Rodier, E.	Day-to-day responsibilities Realization on residual assets Reporting to Creditors and Court Administration of Joint Venture and Sears agreement Claims and dividend process Database	180.63	395	71,348.85
Stein, J.	Tax Department Miscellaneous issues	87.50	395	34,562.50
Kofman, R.	Creditor inquiries Day-to-day operations; disbursement	10.00	375	3,750.00
Rosenblum, H.	Claims and dividend process	0.50	395	197.50
Wise, J.	Tax Department Miscellaneous issues	6.00	395	2,370.00
Adessky, A.	Day-to-day general responsibilities Administration of Sears and Joint Venture agreements Disbursement approval Claims and dividend process	0.50	325	162.50
Schaefer, A.	Litigation claims/valuations	8.50	350	2,975.00

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Smith, S.	Realization on residual assets Financial statements and accounting Day-to-day responsibilities Disbursements approval	46.50	325	15,112.50
Non-Partners				
Pellarin, J.	Litigation claims/valuations	82.00	350	28,700.00
Tertigas, G.	Notices, claims, litigation	218.00	300	65,400.00
Phelps, D.	Litigation claims/valuations	11.00	275	3,025.00
Vininsky, M	Communication with creditors	2.25	250	562.50
Moore, N.	Tax Department	5.00	250	1,250.00
Steinberg, B.	Tax Department	2.00	250	500.00
Charalampopoulos, J.	Dividend and claims process	106.00	250	26,500.00
Bissell, J	Creditor communications	2.50	200	500.00
Carroll, D.	Technical systems support Dividend and claims process	184.75	200	36,950.00
Filipone, C.	Reports; Statement of Receipts and Disbursements; Communications with creditors; Banking; File administration Administration of Sears agreement	4.00	200	800.00
Schwartz, R.	Administration	7.50	200	1,500.00
O'Donnell, C.	Claims and dividend process Database, administration	181.50	200	36,300.00
Masley, R.	Litigation claims/valuations	121.00	200	24,200.00
Callaghan, J.	Claims and dividend process; Database, administration	25.50	175	4,462.50
Gabba, N.	Audit	2.50	150	375.00
Phan, C.	Audit	3.50	150	525.00

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Vong, A.	Audit	3.00	150	450.00
Zagury, C.	Audit	1.25	150	187.50
Jamal, M	Audit	1.00	150	150.00
DeAngelis, V.	Tax	47.50	150	7,125.00
Gravel, C	Audit	5.00	150	750.00
Lincourt, S.	Audit	20.00	150	3,000.00
Kuczynski, R.	Audit	5.00	150	750.00
Perron, A.	Tax Department	4.80	150	720.00
Minassian, A.	Tax	5.30	150	795.00
Cloutier, J	Tax Department	6.25	150	937.50
Lato, V.	Administration; Claims and dividend process	210.00	175	36,750.00
Wong, W.	Accounting	200.00	175	35,000.00
Tertigas, J.	Creditor/Consumer inquiries	184.00	150	27,600.00
Tesler, S.	Creditor/Consumer inquiries	11.50	150	1,725.00
Walia, A	Creditor/Consumer inquiries	32.00	150	4,800.00
Thean, S.	Banking	109.50	125	13,687.50
Baril, P.	Accounts payable, administration	6.70	110	737.00
Stremski, A.	Bookkeeping	66.40	110	7,304.00
English, C.	Banking	7.25	110	797.50
Lareau, P.	Bookkeeping; Claims and dividend process	22.30	110	2,453.00
Goldberg, D.	Administrative, LTD claims	158.00	100	15,800.00
Halton, A.	Administrative, LTD claims	52.50	100	5,250.00
Rasool, J	Administrative, LTD claims	246.50	100	24,650.00

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Baltazar, E.	Administrative	10.00	75	750.00
Bouillé, L.	Administrative	15.00	75	1,125.00
Kashyap, R.	Administrative	20.00	75	1,500.00
Magder, S.	Administrative	4.00	75	300.00
Rudnicki, R	Administrative	48.90	75	3,667.50
Tourville, J.	Administrative	0.30	75	22.50
Menard, J.	Administrative	3.50	60	210.00
		2,973.58		631,122.85



April 17, 2002

Distributionco Inc.
c/o Richter & Partners Inc.
90 Eglinton Avenue East
Suite 700
Toronto, ON M4P 2Y3

Attention: Mr. R. Harlang

STATEMENT OF ACCOUNT

**Re: Distributionco Inc. ("Company")
Our File No.: 00-0101**

To services rendered for the period October 1, 2001 to
February 28, 2002 in respect of Distributionco Inc., as per the
attached.

Our Fee	\$ 756,562.00
Disbursements (Travel, postage, copying, telephone)	<u>25,959.00</u>
	782,521.00
Less: interim billing on account	<u>200,000.00</u>
	582,521.00
GST	<u>40,776.00</u>
Total	<u>\$ 623,297.00</u>

RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
OCTOBER 1, 2000 TO FEBRUARY 28, 2002

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Overseeing all policy matters in the file Dealing with major issues	14.50	500	7,250.00
Harlang, R.	Real estate, creditor communications, claims and disputes	46.00	450	20,700.00
Manel, P	Creditor communications	0.50	450	225.00
Rodier, E.	Day-to-day responsibilities Realization on residual assets Reporting to Creditors and Court Administration of Joint Venture and Sears agreement	259.60	450	116,820.00
Forman, E.	Tax	42.10	400	16,840.00
Lagios, T	Tax	2.20	400	880.00
Rosenblum, H.	Claims and dividend process	4.00	400	1,600.00
Stein, J.	Tax Department Miscellaneous issues	83.80	400	33,520.00
Wise, J.	Tax Department Miscellaneous issues	8.40	400	3,360.00
Schaefer, A.	Litigation claims/valuations		375	0.00
Adessky, A.	File Administration	2.40	325	780.00
Smith, S.	Realization on residual assets Financial statements and accounting	103.00	325	33,475.00
Non-Partners				
Pellarin, J.	Litigation claims/valuations	114.00	350	39,900.00
Tertigas, G.	Notices, claims, litigation	123.00	325	39,975.00
Phelps, D.	Litigation claims/valuations	7.00	275	1,925.00
Vininsky, M	Communication with creditors	6.50	275	1,787.50
Charalampopoulos, J.	Dividend and claims process	135.70	250	33,925.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Filipone, C.	Reports; Statement of Receipts and Disbursements; Communications with creditors; Banking; File administration Administration of Sears agreement	3.00	250	750.00
Frexia, H	Technical systems support	4.50	250	1,125.00
Klass, D	Retiree discount claim	71.00	250	17,750.00
Bissell, J	Creditor communications, Retiree Discount Claim	10.00	225	2,250.00
Carroll, D.	Technical systems support Dividend and claims process	350.75	200	70,150.00
DeAngelis, V.	Tax	49.80	200	9,960.00
Masley, R.	Litigation claims/valuations	107.00	225	24,075.00
Abraham, D.	Litigation claims/valuations	19.75	225	4,443.75
O'Donnell, C.	Claims and dividend process Database, administration	276.80	200	55,360.00
Sawyer, S	Technical systems support	5.50	200	1,100.00
Schwartz, R.	Administration	9.25	200	1,850.00
Callaghan, J.	Claims and dividend process; Database, administration	2.60	175	455.00
Lareau, P.	Bookkeeping; Claims and dividend process	73.60	175	12,880.00
Lato, V.	Administration; Claims and dividend process	326.50	175	57,137.50
Thean, S.	Banking	70.75	175	12,381.25
Allard	Audit	2.00	150	300.00
Azoulay, S	Audit	9.00	150	1,350.00
Bercier, J.	Audit	2.75	150	412.50
Bisson, C.	Audit	2.80	150	420.00
Christofaro, A.	Audit	66.45	150	9,967.50
Corbier, G.	Audit	9.00	150	1,350.00
Delli Colli, J.	Audit	9.00	150	1,350.00
Di Palma, S.	Audit	17.25	150	2,587.50
Hogan, M.	Audit	16.00	150	2,400.00
Horner, A.	Audit	15.50	150	2,325.00
Kuczynski, R.	Audit	99.00	150	14,850.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Laport, G.	Audit	9.50	150	1,425.00
Madejchuk, E.	Audit	7.25	150	1,087.50
Mailloux, V.	Audit	2.50	150	375.00
Petrazzouli, T.	Audit	4.00	150	600.00
Rozanicki, S.	Audit	1.75	150	262.50
Sauro, V.	Audit	4.50	150	675.00
Steinberg, M	Audit	5.00	150	750.00
Strelbitsky, O.	Audit	5.00	150	750.00
Syed, B.	Audit	30.25	150	4,537.50
Tertigas, J.	Creditor/Consumer inquiries	277.00	150	41,550.00
Victor, S.	Audit	89.50	150	13,425.00
Vong, A.	Audit	6.50	150	975.00
Zagury, C.	Audit	4.00	150	600.00
Zbiger, B.	Audit	2.25	150	337.50
Baril, P.	Accounts payable, administration	11.40	110	1,254.00
Stremski, A.	Bookkeeping	194.30	110	21,373.00
Bouillé, L.	Administrative	8.70	75	652.50
Edgar, B.	Administrative	6.00	75	450.00
Kashyap, R.	Administrative	9.50	75	712.50
Pham, V.	Administration	3.50	75	262.50
Rudnicki, R	Administrative	29.60	75	2,220.00
Tarbox, K.	Administrative	0.20	75	15.00
Menard, J.	Administrative	4.50	60	270.00
Sollazzo, L.	Photocopies	1.00	60	60.00
		3,299.95		756,562.00

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June 17, 2002

Distributionco Inc.
c/o Richter & Partners Inc.
90 Eglinton Avenue East
Suite 700
Toronto, ON M4P 2Y3

Attention: Mr. R. Harlang

STATEMENT OF ACCOUNT

Re: Distributionco Inc. ("Company")
Our File No.: 00-0101

To services rendered for the period March 1, 2002 to
April 28, 2002 in respect of Distributionco Inc., as per the
attached.

Our Fee	\$ 323,934.75
Disbursements (Travel, postage, copying, telephone)	<u>12,873.07</u>
	336,807.82
Less: interim billing on account	<u>120,000.00</u>
	216,807.82
GST	<u>15,176.55</u>
Total	<u>\$ 231,984.37</u>

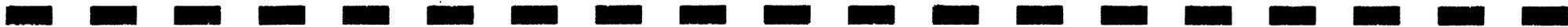
RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
MARCH 1, 2002 TO APRIL 30, 2002

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Overseeing all policy matters in the file Dealing with major issues	1.00	550	550.00
Borer, L.	Tax	3.50	450	1,575.00
Harlang, R.	Real estate, creditor communications, claims and disputes	34.00	450	15,300.00
Weiner, A.	Audit	1.00	400	400.00
Rodier, E.	Day-to-day responsibilities Realization on residual assets Reporting to Creditors and Court Administration of Joint Venture and Sears agreement	107.20	450	48,240.00
Forman, E.	Tax	18.80	400	7,520.00
Lagios, T	Tax		400	0.00
Rosenblum, H.	Claims and dividend process	1.50	400	600.00
Stein, J.	Tax Department Miscellaneous issues	37.00	400	14,800.00
Wise, J.	Tax Department Miscellaneous issues	3.30	400	1,320.00
Adessky, A.	File Administration		325	0.00
Smith, S.	Realization on residual assets Financial statements and accounting	29.00	325	9,425.00
Non-Partners				
Pellarin, J.	Litigation claims/valuations	71.50	350	25,025.00
Tertigas, G.	Notices, claims, litigation	117.00	325	38,025.00
Moore, Neil	Tax	3.00	290	870.00
Vininsky, M	Realty tax matters	0.75	275	206.25
Charalampopoulos, J.	Dividend and claims process	31.95	250	7,987.50
Frexia, H	Technical systems support	3.00	250	750.00
Liebernez, M.	Analysis of claims for GST purposes	14.50	250	3,625.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Carroll, D.	Technical systems support Dividend and claims process	89.00	200	17,800.00
DeAngelis, V.	Tax	11.50	200	2,300.00
Abraham, D.	Litigation claims/valuations	21.50	225	4,837.50
O'Donnell, C.	Claims and dividend process Database, administration	136.70	200	27,340.00
Sawyer, S	Technical systems support	0.50	200	100.00
Schwartz, R.	Administration	3.00	200	600.00
Lato, V.	Administration; Claims and dividend process	161.50	175	28,262.50
Thean, S.	Banking	68.25	175	11,943.75
Weeden, H.	Tax	8.75	175	1,531.25
Petrazzouli, T.	Audit	7.95	150	1,192.50
Sayer, S.	Technical support	0.50	150	75.00
Tertigas, J.	Creditor/Consumer inquiries	209.00	150	31,350.00
Victor, S.	Audit	2.00	150	300.00
Zbiger, B.	Audit	1.00	150	150.00
Baril, P.	Accounts payable, administration	0.40	110	44.00
Stremski, A.	Bookkeeping	150.20	110	16,522.00
Bouillé, L.	Administrative	15.10	75	1,132.50
Kashyap, R.	Administrative	6.00	75	450.00
Tourville, J.	Administration	0.30	75	22.50
Rudnicki, R	Administrative	23.50	75	1,762.50
		1,394.65		323,934.75

COPY



October 3, 2002

Distributionco Inc.
c/o Richter & Partners Inc.
90 Eglinton Avenue East
Suite 700
Toronto, ON M4P 2Y3

Attention: Mr. R. Harlang

STATEMENT OF ACCOUNT

Re: Distributionco Inc. ("Company")
Our File No.: 00-0101

To services rendered for the period May 1, 2002 to
July 31, 2002 in respect of Distributionco Inc., as per the attached.

Our Fee	\$ 379,101.50
Disbursements (Travel, postage, copying, telephone)	<u>10,264.10</u>
	389,365.60
Less: interim billing on account	<u>200,000.00</u>
	189,365.60
GST	<u>13,255.59</u>
Total	<u>\$ 202,621.19</u>

RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
MAY 1, 2002 TO JULY 31, 2002

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Overseeing all policy matters in the file Dealing with major issues	8.00	550	4,400.00
Harlang, R.	Real estate, creditor communications, claims and disputes	63.00	450	28,350.00
Rodier, E.	Day-to-day responsibilities Realization on residual assets Reporting to Creditors and Court Administration of Joint Venture and Sears agreement	136.00	450	61,200.00
Forman, E.	Tax	45.80	400	18,320.00
Manel	Miscellaneous creditors issues	0.40	450	180.00
Stein, J.	Tax Department Miscellaneous issues	39.30	400	15,720.00
Wise, J.	Tax Department Miscellaneous issues	7.30	400	2,920.00
Smith, S.	Realization on residual assets Financial statements and accounting	74.00	325	24,050.00
Non-Partners				
Tertigas, G.	Notices, claims, litigation	141.00	325	45,825.00
Moore, Neil	Tax	3.00	290	870.00
Charalampopoulos, J.	Dividend and claims process	44.00	250	11,000.00
Carroll, D.	Technical systems support Dividend and claims process	8.25	200	1,650.00
DeAngelis, V.	Tax	84.10	200	16,820.00
Glazer, G.	Employee matters	4.70	250	1,175.00
O'Donnell, C.	Claims and dividend process Database, administration	62.30	200	12,460.00
Schwartz, R.	Administration	3.75	200	750.00
Lareau, P.	Bookkeeping; Claims and dividend process	7.50	175	1,312.50

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Lato, V.	Administration; Claims and dividend process	205.50	175	35,962.50
Thean, S.	Banking	53.50	175	9,362.50
Antchivalvskaia, M.	Employee matters	34.50	150	5,175.00
Choudhury, S.	Audit	4.50	150	675.00
Corbier, G.	Audit	1.50	150	225.00
Ciampini, C.	Audit	8.00	150	1,200.00
Houle, C.	Audit	10.00	150	1,500.00
Myette, A.	Tax	1.20	150	180.00
Yau, S.	Tax	0.50	150	75.00
Yeboah, A.	Audit	0.50	150	75.00
Rasool, J.	Employee matters	149.50	150	22,425.00
Tertigas, J.	Creditor/Consumer inquiries	230.00	150	34,500.00
Victor, S.	Audit	33.00	150	4,950.00
Stremski, A.	Bookkeeping	109.90	110	12,089.00
Bouillé, L.	Administrative	8.90	75	667.50
Kashyap, R.	Administrative	10.00	75	750.00
Gobeil, N.	Administrative	0.50	75	37.50
Tourville, J.	Administration	0.90	75	67.50
Rudnicki, R.	Administrative	27.80	75	2,085.00
Pham, V.	Administrative	0.50	75	37.50
Menard, J.	Administrative	1.00	60	60.00
		1,624.10		379,101.50

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RICHTER & PARTNERS INC.
TRUSTEE, MONITOR AND INTERIM RECEIVER
RE: THE T. EATON COMPANY LIMITED
TIME SUMMARY
MAY 1, 2002 TO JULY 31, 2002

Courier and postage charges	251.40
Computer consulting	
Telephone	
Photocopy charges	
Meals and travel	577.70
Misc.	
Equipment rentals	
	<hr/>
	829.10
Richter- Montreal	
	<hr/>
	9,435.00
Total	
	<hr/>
	10,264.10
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April 4, 2003

Distributionco Inc.
c/o Richter & Partners Inc.
90 Eglinton Avenue East
Suite 700
Toronto, ON M4P 2Y3

Attention: Mr. R. Harlang

STATEMENT OF ACCOUNT

Re: Distributionco Inc. ("Company")
Our File No.: 00-0101

To services rendered for the period August 1, 2002 to
February 28, 2003 in respect of Distributionco Inc., as per the
attached.

Our Fee	\$ 831,279
Disbursements (Travel, postage, copying, telephone)	<u>43,780</u>
	875,059
Less: interim billing on account	<u>460,000</u>
	415,059
GST	<u>29,054</u>
Total	<u>\$ 444,113</u>

RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
AUGUST 1, 2002 TO FEBRUARY 28, 2003

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Overseeing all policy matters in the file Dealing with major issues	17.50	550	9,625.00
Harlang, R.	Real estate, creditor communications, claims and disputes	60.00	475	28,500.00
Rodier, E.	Day-to-day responsibilities Realization on residual assets Reporting to Creditors and Court Administration of Joint Venture and Sears agreement	259.00	450	116,550.00
Forman, E.	Tax	76.50	400	30,600.00
Stein, J.	Tax Department Miscellaneous issues	146.30	400	58,520.00
Wise, J.	Tax Department Miscellaneous issues	11.50	400	4,600.00
Smith, S.	Realization on residual assets Financial statements and accounting	69.00	325	22,425.00
Non-Partners				
Tertigas, G.	Notices, claims, litigation	200.00	350	70,000.00
Moore, Neil	Tax	10.00	290	2,900.00
Adjami, C.	Polo/Jones dispute	17.50	250	4,375.00
Charalampopoulos, J.	Dividend and claims process	71.00	250	17,750.00
Glazer, G.	Employee matters	10.00	250	2,500.00
Carroll, D.	Technical systems support	234.00	200	46,800.00
DeAngelis, V.	Tax	105.60	200	21,120.00
O'Donnell, C.	Claims and dividend process Database, administration	382.90	200	76,580.00
Schwartz, R.	Administration	10.00	200	2,000.00
Antchivalvskaia, M.	Employee database management	31.00	175	5,425.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Lato, V.	Administration; Claims and dividend process	629.50	175	110,162.50
Thean, S.	Banking/Accounting records	94.00	175	16,450.00
Binns, S.	Tax	3.50	150	525.00
Kuczynski, R.	Audit	103.50	150	15,525.00
MacEwen, A.	Employee inquiries	357.60	150	53,640.00
Minnasian, A.	Tax	3.10	150	465.00
Petrazzouli, T.	Audit	5.90	150	885.00
Rasool, J.	Employee matters	121.25	150	18,187.50
Tertigas, J.	Creditor/Consumer inquiries	479.00	150	71,850.00
Travers, J.	Audit	17.10	150	2,565.00
Victor, S.	Audit	5.00	150	750.00
Stremski, A.	Bookkeeping	69.70	110	7,667.00
Baltazar, E.	Administrative	5.00	75	375.00
Bouillé, L.	Administrative	16.20	75	1,215.00
Kashyap, R.	Administrative	38.50	75	2,887.50
Pham, V.	Administrative	22.50	75	1,687.50
Rudnicki, R	Administrative	82.30	75	6,172.50
		3,765.45		831,279.50

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March 12, 2004

Distributionco Inc.
c/o Richter & Partners Inc.
90 Eglinton Avenue East
Suite 700
Toronto, ON M4P 2Y3

Attention: Mr. R. Harlang

STATEMENT OF ACCOUNT

Re: **Distributionco Inc. ("Company")**
Our File No.: 00-0101

To services rendered for the period March 1, 2003 to
December 31, 2003 in respect of Distributionco Inc., as per the
attached.

Our Fee	\$ 1,012,813
Disbursements (Travel, postage, copying, telephone)	<u>13,173</u>
	1,025,986
Less: interim billing on account	<u>240,000</u>
	785,986
GST	<u>55,019</u>
Total	<u>\$ 841,005</u>

RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
MARCH 31, 2003 TO DECEMBER 31, 2003

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Overseeing all policy matters in the file Dealing with major issues	21.00	550	11,550.00
Harlang, R.	Real estate, creditor communications, claims and disputes	96.00	495	47,520.00
Rodier, E.	Day-to-day responsibilities Realization on residual assets Reporting to Creditors and Court Administration of Joint Venture and Sears agreement	273.30	450	122,985.00
Forman, E.	Tax return preparation; reconciliation of CCRA tax accounts	55.80	400	22,320.00
Rosenblum, H.	Claims and dividend process		400	0.00
Stein, J.	Tax Department Miscellaneous issues	123.80	400	49,520.00
Wise, J.	Tax Department Miscellaneous issues	5.80	400	2,320.00
Smith, S.	Realization on residual assets Financial statements and accounting	103.00	325	33,475.00
Non-Partners				
Tertigas, G.	Notices, claims, litigation	208.00	375	78,000.00
Glazer, G.	Employee matters	3.50	275	962.50
Liebernez, M.	Analysis of claims for GST purposes	7.50	275	2,062.50
Charalampopoulos, J.	Dividend and claims process	51.00	250	12,750.00
Filipone, C.	Reports; Statement of Receipts and Disbursements; Communications with creditors; Banking; File administration Administration of Sears agreement	4.00	250	1,000.00
Carroll, D.	Technical systems support Dividend and claims process	536.30	210	112,623.00
O'Donnell, C.	Claims and dividend process Database, administration	602.00	210	126,420.00
Masley, R.	Litigation claims/valuations		225	0.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Abraham, D.	Litigation claims/valuations		225	0.00
DeAngelis, V.	Tax	136.90	200	27,380.00
Schwartz, R.	Administration		200	0.00
Tertigas, J.	Creditor/Consumer inquiries	464.50	200	92,900.00
Thean, S.	Banking/Accounting records	86.00	200	17,200.00
Lato, V.	Administration; Claims and dividend process	834.00	175	145,950.00
Barry, M.	Claims and dividend process	34.00	150	5,100.00
Benchaya, O.	Claims and dividend process	31.25	150	4,687.50
Gravel, C.	Claims and dividend process	52.00	150	7,800.00
Kuczynski, R.	Claims and dividend process	76.50	150	11,475.00
Laport, G.	Claims and dividend process	48.75	150	7,312.50
Myette, A.	Tax	8.90	150	1,335.00
Rasool, J.	Employee matters	54.75	150	8,212.50
Vong, A.	Claims and dividend process	20.00	150	3,000.00
Lareau, P.	Bookkeeping; Claims and dividend process	7.40	125	925.00
Stremski, A.	Bookkeeping	372.50	125	46,562.50
Kashyap, R.	Administrative	13.50	85	1,147.50
Bouillé, L.	Administrative	13.90	75	1,042.50
Leveille, I	Administrative	17.50	75	1,312.50
Machesseault, Y.	Administrative	5.00	75	375.00
Pham, V.	Administrative		75	0.00
Rudnicki, R	Administrative	40.20	75	3,015.00
Tourville, J.	Administration	34.30	75	2,572.50
		4,442.85		1,012,813.00

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RICHTER & PARTNERS INC.
TRUSTEE, MONITOR AND INTERIM RECEIVER
RE: THE T. EATON COMPANY LIMITED
TIME SUMMARY
MARCH 31, 2003 TO DECEMBER 31, 2003

Courier and postage charges	760.49
Computer consulting	
Telephone	
Photocopy charges	
Meals and travel	84.91
Misc.	
Equipment rentals	
	<hr/>
	845.40
Richter- Montreal	<hr/>
	12,327.67
Total	<hr/> <hr/>
	13,173.07

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September 22, 2004

RSM Richter Inc.

200 King St. W., P.O. Box 48, 19th Floor
Toronto, ON M5H 3T4
Tel: 416.932.8000 Fax: 416.932.6200
www.rsmrichter.com

Distributionco Inc.
c/o RSM Richter Inc.
200 King Street West
Suite 1900, P.O. Box 48
Toronto, ON M5H 3T4

Attention: Robert Harlang

GST#: 120085220RT
Invoice #: 4977
Client ID: 00-0101
GT:rk

STATEMENT OF ACCOUNT

Re: Distributionco Inc. ("Company")
Our File No.: 00-0101

To services rendered for the period January 1, 2004 to April 30, 2004 in respect of Distributionco Inc. as per the attached.

Our Fee (per attached time summary)	\$	300,619.00
Disbursements (Travel, postage, copying, telephone)		<u>8,933.00</u>
		309,552.00
Less: Interim billing on account		<u>85,000.00</u>
		224,552.00
GST		<u>15,718.64</u>
Total Due	\$	<u><u>240,270.64</u></u>

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RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
JANUARY 1, 2004 TO APRIL 30, 2004

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Harlang, R.	Real estate, creditor communications, claims and disputes; tax matters	32.00	495	15,840.00
Rodier, E.	Day-to-day responsibilities; realization on residual assets; reporting to creditors and Court; claims and dividend process; financial statements and accounting; database administration; GST issues; negotiations with CRA; miscellaneous tax issues	64.90	450	29,205.00
Forman, E.	Tax return preparation; reconciliation of CCRA tax accounts	8.80	400	3,520.00
Stein, J.	GST issues; negotiations with CRA; miscellaneous tax issues	44.50	400	17,800.00
Non-Partners				
Tertigas, G.	Daily file management; dealing with creditor inquiries; discussions with Koskie Minsky regarding disputed employee claims; dealing with disputed claims of Jones New York and Polo; reviewing bank accounts and bank reconciliation	130.00	375	48,750.00
Liebernez, M.	Analysis of claims for GST purposes	3.50	275	962.50
Charalampopoulos, J.	Dividend and claims process	12.00	250	3,000.00
Carroll, D.	Technical systems support; dividend and claims process; database administration; T4's; reconciliation of dividend payments and claims	149.50	210	31,395.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
O'Donnell, C.	Claims and dividend process; database administration; communication with employees and creditors; T4's; reconciliation of dividend payments and claims; bookkeeping	155.40	210	32,634.00
DeAngelis, V.	Tax return preparation; communications with CRA; reconciliation of CRA tax accounts	12.15	200	2,430.00
Tertigas, J.	Responding to creditor inquiries; updating claim database; assisting in retrieval of files related to Jones and Polo; filing claims for old bank accounts with the Bank of Canada; accounts receivable collections	141.00	200	28,200.00
Thean, S.	Banking	43.00	200	8,600.00
Lato, V.	Administration; correspondence with creditors; claims and dividend process; database administration; employee claims and inquiries; issuance of stock payments; new cheques and corresponding letters	359.50	175	62,912.50
Benchaya, O.	Claims and dividend process	2.00	150	300.00
Kuczynski, R.	Claims and dividend process	4.00	150	600.00
Coutu, J	Miscellaneous tax issues	5.50	150	825.00
Stremski, A.	Bookkeeping; bank reconciliations	80.70	125	10,087.50
Kashyap, R.	Administrative	8.50	85	722.50
Bouillé, L.	Administrative	11.10	75	832.50
Li, B.	Administrative	2.50	75	187.50
Pham, V.	Administrative	2.50	90	225.00
Rudnicki, R	Administrative	17.20	75	1,290.00
Cinq-Mars, M.	Administration	4.00	75	300.00
		1,294.25		300,619.00

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RICHTER & PARTNERS INC.
TRUSTEE, MONITOR AND INTERIM RECEIVER
RE: THE T. EATON COMPANY LIMITED
TIME SUMMARY
JANUARY 1, 2004 TO APRIL 30, 2004

Courier and postage charges	760.49
Computer consulting	
Telephone	
Photocopy charges	
Meals and travel	84.91
Misc.	
Equipment rentals	
	<hr/>
	845.40
Richter- Montreal	<hr/>
	12,327.67
Total	<hr/> <hr/>
	13,173.07

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December 3, 2004

RSM Richter Inc.
200 King St. W., P.O. Box 48, 19th Floor
Toronto, ON M5H 3T4
Tel: 416.932.8000 Fax: 416.932.6200
www.rsmrichter.com

Distributionco Inc.
c/o RSM Richter Inc.
200 King Street West
Suite 1900, P.O. Box 48
Toronto, ON M5H 3T4

Attention: Robert Harlang

GST#: 120085220RT
Invoice #: 5061
Client ID: 00-0101
GT

STATEMENT OF ACCOUNT

Re: Distributionco Inc. ("Company")
Our File No.: 00-0101

To services rendered for the period May 1, 2004 to October 31, 2004 in respect of Distributionco Inc. as per the attached.

Our Fee (per attached time summary)	\$	305,892.75
Disbursements (Travel, postage, copying, telephone)		<u>3,606.97</u>
		309,499.72
Less: Interim billing on account		<u>135,000.00</u>
		174,499.72
GST		<u>12,214.98</u>
Total Due	\$	<u><u>186,714.70</u></u>

RSM RICHTER INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
MAY 1, 2004 TO OCTOBER 31, 2004

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Harlang, R.	Real estate; creditor communications; claims and disputes; tax matters	48.50	495	24,007.50
Rodier, E.	Day-to-day responsibilities; realization on residual assets; reporting to creditors and Court; claims and dividend process; financial statements and accounting; database administration; GST issues; negotiations with CRA; miscellaneous tax issues	64.95	465	30,201.75
Forman, E.	Tax return preparation; reconciliation of CCRA tax accounts	18.00	400	7,200.00
Rosenblum, H.	Claims and dividend process	2.00	400	800.00
Stein, J.	GST issues; negotiations with CRA; miscellaneous tax issues	63.00	400	25,200.00
Wise, J.	Tax Department; Miscellaneous issues	3.00	400	1,200.00
Smith, S.	Realization on residual assets; Financial statements and accounting; Day-to-day responsibilities; Disbursements approval	35.00	350	12,250.00
Non-Partners				
Tertigas, G.	Daily file management; dealing with creditor inquiries; discussions with Koskie Minsky regarding disputed employee claims; dealing with disputed claims of Jones New York and Polo; reviewing bank accounts and bank reconciliation	131.00	395	51,745.00
Glazer, G.	Employee matters	0.50	275	137.50
Lieberenz, M.	Analysis of claims for GST purposes	31.00	300	9,300.00
Charalampopoulos, J.	Dividend and claims process	13.25	250	3,312.50

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Carroll, D.	Technical systems support; dividend and claims process; database administration; T4's; reconciliation of dividend payments and claims	12.50	210	2,625.00
O'Donnell, C.	Claims and dividend process; database administration; communication with employees and creditors; T4's; reconciliation of dividend payments and claims; bookkeeping	56.60	210	11,886.00
DeAngelis, V.	Tax return preparation; communications with CRA; reconciliation of CRA tax accounts	32.60	200	6,520.00
Tertigas, J.	Responding to creditor inquiries; updating claim database; assisting in retrieval of files related to Jones and Polo; filing claims for old bank accounts with the Bank of Canada; accounts receivable collections	175.00	220	38,500.00
Thean, S.	Banking	41.50	200	8,300.00
Lato, V.	Administration; correspondence with creditors; claims and dividend process; database administration; employee claims and inquiries; issuance of stock payments; new cheques and corresponding letters	275.50	175	48,212.50
Benchaya, O.	Claims and dividend process	4.00	150	600.00
Gravel, C.	Claims and dividend process	58.00	150	8,700.00
Kuczynski, R.	Claims and dividend process	9.00	150	1,350.00
Coutu, J.	Miscellaneous tax issues	11.40	175	1,995.00
Stremski, A.	Bookkeeping; bank reconciliations	74.80	125	9,350.00
Kashyap, R.	Administrative	4.00	85	340.00
Bouillé, L.	Administrative	17.00	75	1,275.00
Rudnicki, R.	Administrative	11.80	75	885.00
		1,193.90		305,892.75

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RICHTER & PARTNERS INC.
TRUSTEE, MONITOR AND INTERIM RECEIVER
RE: THE T. EATON COMPANY LIMITED
TIME SUMMARY
MAY 1, 2004 TO OCTOBER 31, 2004

Courier and postage charges	760.49
Computer consulting	
Telephone	
Photocopy charges	
Meals and travel	84.91
Misc.	
Equipment rentals	
	<hr/>
	845.40
Richter- Montreal	
	<hr/>
	12,327.67
Total	
	<hr/>
	13,173.07
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RSM Richter

May 6, 2005

RSM Richter Inc.

200 King St. W., P.O. Box 48, 19th Floor
Toronto, ON M5H 3T4
Tel: 416.932.8000 Fax: 416.932.6200
www.rsmrichter.com

Distributionco Inc.
c/o RSM Richter Inc.
200 King Street West
Suite 1100, P.O. Box 48
Toronto, ON M5H 3T4

Attention: Robert Harlang

GST#: 120085220RT
Invoice #: 5225
Client ID: 00-0101
GT:sc

STATEMENT OF ACCOUNT

Re: **Distributionco Inc. ("Company")**
Our File No. 00-0101

To services rendered for the period November 1, 2004 to February 28, 2005 in respect of Distributionco Inc. as per the attached.

Our Fee (per attached time summary)	\$	371,846.75
Disbursements (travel, postage, copying, telephone)		<u>18,544.37</u>
		390,391.12
Less: Interim billing on account		<u>105,000.00</u>
		285,391.12
GST		<u>19,977.38</u>
Total Due	\$	<u>305,368.50</u>

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an affiliation of independent accounting and professional firms.

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RSM RICHTER INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
NOVEMBER 1, 2004 TO FEBRUARY 28, 2005

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Rodier, E.	Day-to-day responsibilities; realization on residual assets; reporting to creditors and Court; claims and dividend process; financial statements and accounting; database administration; GST issues; negotiations with CRA; miscellaneous tax issues.	90.50	500	45,250.00
Harlang, R.	Real estate; creditor communications; claims and disputes; tax matters.	36.00	495	17,820.00
Adessky, A.	Claims and dividend process.	20.60	450	9,270.00
Forman, E.	Tax return preparation; reconciliation of CCRA tax accounts.	27.00	400	10,800.00
Rosenblum, H.	Claims and dividend process	1.00	400	400.00
Smith, S.	Realization on residual assets; financial statements and accounting; day-to-day responsibilities; disbursements' approval.	35.50	400	14,200.00
Stein, J.	GST issues; negotiations with CRA; miscellaneous tax issues.	37.00	400	14,800.00
Non-Partners				
Tertigas, G.	Daily file management; dealing with creditor inquiries; discussions with Koskie Minsky regarding disputed employee claims; dealing with 6th dividend; reviewing bank accounts and bank reconciliation.	124.00	395	48,980.00
Charalampopoulos, J.	Dividend and claims process.	20.50	250	5,125.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Carroll, D.	Technical systems support; dividend and claims process; database administration; T4's; reconciliation of dividend payments and claims.	154.50	230	35,535.00
O'Donnell, C.	Claims and dividend process; database administration; communication with employees and creditors; T4's; reconciliation of dividend payments and claims; bookkeeping.	329.60	230	75,808.00
DeAngelis, V.	Tax return preparation; communications with CRA; reconciliation of CRA tax accounts.	41.55	225	9,348.75
Schwartz, R.	Administration	0.50	225	112.50
Tertigas, J.	Responding to creditor inquiries; updating claim database; assisting in retrieval of files related to Jones and Polo; filing claims for old bank accounts with the Bank of Canada; accounts receivable collections.	113.00	220	24,860.00
Thean, S.	Banking	44.75	220	9,845.00
Callaghan, J.	Claims and dividend process; database, administration.	138.10	175	24,167.50
Bevacqua, B.	Bookkeeping and bank reconciliations.	19.50	160	3,120.00
Stremski, A.	Bookkeeping; bank reconciliations.	52.90	160	8,464.00
Benchaya, O.	Claims and dividend process.		150	0.00
Kuczynski, R.	Claims and dividend process.	0.50	150	75.00
Kan, W.	Claims and dividend process.	65.75	125	8,218.75
Kashyap, R.	Administrative	2.50	90	225.00
Beaulieu, A-M.	Administrative	26.75	85	2,273.75
Fitzpatrick, A-M.	Administrative	4.35	85	369.75
Rudnicki, R.	Administrative	7.00	85	595.00
Carreiro, S.	Administrative	9.25	80	740.00
Ivosevich, D.	Administrative	3.00	75	225.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Lam, K.	Administrative	0.25	75	18.75
Li, B.	Administrative	6.50	75	487.50
Schein, R.	Administrative	9.50	75	712.50
		1,421.85		371,846.75

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RSM Richter

November 10, 2005

RSM Richter Inc.

200 King St. W., P.O. Box 48, 19th Floor
Toronto, ON M5H 3T4
Tel: 416.932.8000 Fax: 416.932.6200
www.rsmrichter.com

Distributionco Inc.
c/o RSM Richter Inc.
200 King Street West
Suite 1100, P.O. Box 48
Toronto, ON M5H 3T4

Attention: Robert Harlang

GST#: 120085220RT
Invoice #: **5398**
Client ID: 00-0101
GT:sc

STATEMENT OF ACCOUNT

Re: **Distributionco Inc. ("Company")**
Our File No. 00-0101

To services rendered for the period March 1, 2005 to September 30, 2005 in respect of Distributionco Inc. as per the attached.

Our Fee (per attached time summary)	\$	325,153.00
Disbursements (travel, postage, copying, telephone)		<u>6,828.24</u>
		331,981.24
Less: Interim billing on account		<u>95,000.00</u>
		236,981.24
GST		<u>16,588.69</u>
Total Due	\$	<u>253,569.93</u>

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RSM RICHTER INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
MARCH 1, 2005 TO SEPTEMBER 30, 2005

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Rodier, E.	Day-to-day responsibilities; realization on residual assets; reporting to creditors and Court; claims and dividend process; financial statements and accounting; database administration; GST issues; negotiations with CRA; miscellaneous tax issues.	46.70	500	23,350.00
Harlang, R.	Real estate; creditor communications; claims and disputes; tax matters.	46.50	495	23,017.50
Adessky, A.	Claims and dividend process.	5.00	450	2,250.00
Forman, E.	Tax return preparation; reconciliation of CCRA tax accounts.	14.80	400	5,920.00
Rosenblum, H.	Claims and dividend process.	4.00	400	1,600.00
Smith, S.	Financial statements and accounting.	38.00	400	15,200.00
Stein, J.	GST issues; negotiations with CRA; miscellaneous tax issues.	19.80	400	7,920.00
Non-Partners				
Tertigas, G.	Daily file management; dealing with creditor inquiries; discussions with Koskie Minsky regarding disputed employee claims; dealing with sixth dividend; reviewing bank accounts and bank reconciliation.	97.00	395	38,315.00
Charalampopoulos, J.	Dividend and claims process.	25.35	220	5,577.00
Carroll, D.	Technical systems support; dividend and claims process; database administration; T4's; reconciliation of dividend payments and claims.	93.25	230	21,447.50

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
O'Donnell, C.	Claims and dividend process; database administration; communication with employees and creditors; T4's; reconciliation of dividend payments and claims; bookkeeping.	240.80	230	55,384.00
Masley, R.	Litigation claims/valuations.		225	0.00
Abraham, D.	Litigation claims/valuations.		225	0.00
DeAngelis, V.	Tax return preparation; communications with CRA; reconciliation of CRA tax accounts.	13.30	225	2,992.50
Schwartz, R.	Administration.	0.50	225	112.50
Tertigas, J.	Responding to creditor inquiries; updating claims database; filing claims for old bank accounts with the Bank of Canada; accounts receivable collections.	106.50	220	23,430.00
Thean, S.	Banking.	54.00	220	11,880.00
Coutu, J.	Miscellaneous tax issues.	6.75	175	1,181.25
Perron, A.	Claims and dividend process.	0.40	175	70.00
Lato, V.	Administration; correspondence with creditors and employees; claims and dividend process; database administration; employee claims inquiries; issuance of stop payments, new cheques and corresponding letters.	178.55	175	31,246.25
Callaghan, J.	Claims and dividend process; database administration.	25.30	160	4,048.00
Bevacqua, B.	Bookkeeping and bank reconciliations.	71.20	160	11,392.00
Stremski, A.	Bookkeeping; bank reconciliations.	110.90	160	17,744.00
Kuczynski, R.	Claims and dividend process.	24.50	125	3,062.50
Perciballi, A.	Claims and dividend process.	4.75	75	356.25
Lareau, P.	Bookkeeping; Claims and dividend process	0.50	160	80.00
Monte, A.	Claims and dividend process.	1.75	75	131.25

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Schnubach, R.	Claims and dividend process.	1.00	75	75.00
Kashyap, R.	Administrative.	5.00	90	450.00
Beaulieu, A-M.	Administrative.	17.15	85	1,457.75
Ranger, M.	Claims and dividend process.	4.50	75	337.50
Rudnicki, R.	Administrative.	31.70	85	2,694.50
Carreiro, S.	Administrative.	3.90	80	312.00
St. Germain, J.	Claims and dividend process.	1.25	75	93.75
Lam, K.	Administrative.	0.50	75	37.50
Margalith, R.	Claims and dividend process.	107.95	75	8,096.25
Schein, R.	Claims and dividend process.	2.75	75	206.25
Raimond, L.	Claims and dividend process.	39.50	75	2,962.50
Menard, J.	Administrative.	8.50	85	722.50
		1,453.80		325,153.00

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RSM Richter

April 25, 2006

RSM Richter Inc.

200 King St. W., P.O. Box 48, 19th Floor
Toronto, ON M5H 3T4
Tel: 416.932.8000 Fax: 416.932.6200
www.rsmrichter.com

Distributionco Inc.
c/o RSM Richter Inc.
200 King Street West
Suite 1100, P.O. Box 48
Toronto, ON M5H 3T4

Attention: Robert Harlang

GST#: 120085220RT
Invoice #: 5558
Client ID: 00-0101
GT:rk

STATEMENT OF ACCOUNT

Re: Distributionco Inc. ("Company")
Our File No. 00-0101

To services rendered for the period October 1, 2005 to February 28, 2006 in respect of Distributionco Inc. as per the attached.

Our Fee (per attached time summary)	\$	168,493.25
Disbursements (travel, postage, copying, telephone)		<u>2,406.07</u>
		170,899.32
Less: Interim billing on account		<u>70,000.00</u>
		100,899.32
GST		<u>7,062.95</u>
Total Due	\$	<u>107,962.27</u>

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RSM RICHTER INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
OCTOBER 1, 2005 TO FEBRUARY 28, 2005

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Overseeing all policy matters in the file Dealing with major issues	1.00	550	550.00
Harlang, R.	Real estate; creditor communications; claims and disputes; tax matters.	24.00	525	12,600.00
Rodier, E.	Day-to-day responsibilities; realization on residual assets; reporting to creditors and Court; claims and dividend process; financial statements and accounting; database administration; GST issues; negotiations with CRA; miscellaneous tax issues.	24.30	500	12,150.00
Wise, J.	Tax Department Miscellaneous issues	15.80	500	7,900.00
Forman, E.	Tax return preparation; reconciliation of CCRA tax accounts.	20.00	400	8,000.00
Stein, J.	GST issues; negotiations with CRA; miscellaneous tax issues.	26.20	400	10,480.00
Non-Partners				
Tertigas, G.	Daily file management; dealing with creditor inquiries; discussions with Koskie Minsky regarding disputed employee claims; dealing with sixth dividend; reviewing bank accounts and bank reconciliation.	57.50	425	24,437.50
Moore, Neil	Tax	1.00	420	420.00
DeAngelis, V.	Tax return preparation; communications with CRA; reconciliation of CRA tax accounts.	68.30	250	17,075.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Tertigas, J.	Responding to creditor inquiries; updating claims database; filing claims for old bank accounts with the Bank of Canada; accounts receivable collections.	97.00	250	24,250.00
Carroll, D.	Technical systems support; dividend and claims process; database administration; T4's; reconciliation of dividend payments and claims.	13.75	230	3,162.50
O'Donnell, C.	Claims and dividend process; database administration; communication with employees and creditors; T4's; reconciliation of dividend payments and claims; bookkeeping.	49.60	230	11,408.00
Charalampopoulos, J.	Dividend and claims process.	6.50	220	1,430.00
Thean, S.	Banking.	40.75	220	8,965.00
Chan, A.	Server and data maintenance	8.00	200	1,600.00
Lato, V.	Administration; correspondence with creditors and employees; claims and dividend process; database administration; employee claims inquiries; issuance of stop payments, new cheques and corresponding letters.	74.00	175	12,950.00
Callaghan, J.	Bookkeeping, bank reconciliations and communications with creditors	6.50	160	1,040.00
Stremski, A.	Bookkeeping; bank reconciliations.	41.60	160	6,656.00
Kuczynski, R.	Claims and dividend process.	1.00	125	125.00
Kashyap, R.	Administrative.	1.25	90	112.50
Beaulieu, A-M.	Administrative.	14.45	85	1,228.25
Carreiro, S.	Administrative.	7.20	85	612.00
Rudnicki, R.	Administrative.	14.90	85	1,266.50
Perciballi, A.	Claims and dividend process.	1.00	75	75.00
		615.60		168,493.25

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RSM Richter

January 2, 2007

RSM Richter Inc.

200 King St. W., P.O. Box 48, 19th Floor
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www.rsmrichter.com

Distributionco Inc.
c/o RSM Richter Inc.
200 King Street West
Suite 1100, P.O. Box 48
Toronto, ON M5H 3T4

Attention: Robert Harlang

GST#: 120085220RT
Invoice #: 5801
Client ID: 00-0101
GT:cs

STATEMENT OF ACCOUNT

**Re: Distributionco Inc. ("Company")
Our File No. 00-0101**

To services rendered for the period March 1, 2006 to October 31, 2006 in respect of Distributionco Inc. as per the attached.

Our Fee (per attached time summary)	\$	415,922.75
Disbursements (travel, postage, copying, telephone)		<u>8,871.29</u>
		424,794.04
Less: Interim billing on account		<u>115,000.00</u>
		309,794.04
GST		<u>18,587.64</u>
Total Due	\$	<u>328,381.68</u>

RSM Richter

RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
MARCH 1, 2006 TO SEPTEMBER 30, 2006

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Swidler, J.	Overseeing all policy matters; Iberville settlement	117.00	650	76,050.00
Rodier, E.	Day-to-day responsibilities; realization on residual assets; reporting to creditors and Court; claims and dividend process; financial statements and accounting; database administration; GST issues; negotiations with CRA; miscellaneous tax issues; Iberville settlement	136.50	550	75,075.00
Harlang, R.	Real estate, creditor communications, claims and disputes; tax matters	58.50	525	30,712.50
Adessky, A.	Claims and dividend process	1.50	450	675.00
Forman, E.	Tax return preparation; reconciliation of CCRA tax accounts	20.00	400	8,000.00
Rosenblum, H.	Claims and dividend process	0.50	400	200.00
Wise, J.	Tax Department Miscellaneous issues	36.80	500	18,400.00
Smith, S.	Financial statements and accounting	28.50	400	11,400.00
Stein, J.	GST issues; negotiations with CRA; miscellaneous tax issues	42.70	400	17,080.00
Non-Partners				
Tertigas, G.	Daily file management; dealing with creditor inquiries; discussions with Koskie Minsky regarding disputed employee claims; dealing with 6th dividend; reviewing bank accounts and bank reconciliation	67.00	425	28,475.00
Bissonette, F.	Tax	2.75	450	1,237.50
Charalampopoulos, J.	Dividend and claims process	7.00	255	1,785.00

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Personnel	Responsibilities	Hours	Rate	Amount (\$)
Carroll, D.	Technical systems support; dividend and claims process; database administration; T4's; reconciliation of dividend payments and claims	9.00	250	2,250.00
O'Donnell, C.	Claims and dividend process; database administration; communication with employees and creditors; T4's; reconciliation of dividend payments and claims; bookkeeping	47.70	250	11,925.00
DeAngelis, V.	Tax return preparation; communications with CRA; reconciliation of CRA tax accounts	71.40	275	19,635.00
Tertigas, J.	Responding to creditor inquiries; updating claim database; assisting in retrieval of files related to Jones and Polo; filing claims for old bank accounts with the Bank of Canada; accounts receivable collections	93.50	250	23,375.00
Thean, S.	Banking	66.00	220	14,520.00
Callaghan, J.	Claims and dividend process; Database, administration	6.70	160	1,072.00
Lato, V.	Claims and dividend process; database administration; communication with employees and creditors; T4's; reconciliation of dividend payments and claims; bookkeeping	146.50	175	25,637.50
Stremski, A.	Bookkeeping; bank reconciliations	62.50	160	10,000.00
Victor, S.	Audit	4.50	175	787.50
Administrative-Mtl.	Administrative	40.55	85	3,446.75
Administrative-Tor.	Administrative	74.75	85	6,353.75
		1,141.85		388,092.50

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RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
OCTOBER 1, 2006 TO OCTOBER 31, 2006

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Rodier, E.	Day-to-day responsibilities; realization on residual assets; reporting to creditors and Court; claims and dividend process; financial statements and accounting; database administration; GST issues; negotiations with CRA; miscellaneous tax issues; Iberville settlement	8.20	550	4,510.00
Harlang, R.	Real estate, creditor communications, claims and disputes; tax matters	4.50	550	2,475.00
Forman, E.	Tax return preparation; reconciliation of CCRA tax accounts	0.50	400	200.00
Stein, J.	GST issues; negotiations with CRA; miscellaneous tax issues	1.40	400	560.00
Non-Partners				
Tertigas, G.	Daily file management; dealing with creditor inquiries; discussions with Koskie Minsky regarding disputed employee claims; dealing with 6th dividend; reviewing bank accounts and bank reconciliation	13.00	450	5,850.00
Charalampopoulos, J.	Dividend and claims process	1.50	255	382.50
O'Donnell, C.	Claims and dividend process; database administration; communication with employees and creditors; T4's; reconciliation of dividend payments and claims; bookkeeping	14.10	250	3,525.00
DeAngelis, V.	Tax return preparation; communications with CRA; reconciliation of CRA tax accounts	4.90	275	1,347.50

Tertigas, J.	Responding to creditor inquiries; updating claim database; assisting in retrieval of files related to Jones and Polo; filing claims for old bank accounts with the Bank of Canada; accounts receivable collections	11.50	300	3,450.00
Thean, S.	Banking	4.50	225	1,012.50
Callaghan, J.	Claims and dividend process; Database, administration	0.60	160	96.00
Lato, V.	Claims and dividend process; database administration; communication with employees and creditors; T4's; reconciliation of dividend payments and claims; bookkeeping	15.00	175	2,625.00
Stremski, A.	Bookkeeping; bank reconciliations	2.80	160	448.00
Kuczynski, R.	Claims and dividend process	0.25	145	36.25
Administrative-Mtl.	Administrative	12.50	85	1,062.50
Administrative-Tor.	Administrative	2.50	100	250.00
		97.75		27,830.25



RSM Richter

June 29, 2007

RSM Richter Inc.

200 King St. W., P.O. Box 48, 19th Floor
Toronto, ON M5H 3T4
Tel: 416.932.8000 Fax: 416.932.6200
www.rsmrichter.com

Distributionco Inc.
c/o RSM Richter Inc.
200 King Street West
Suite 1100, P.O. Box 48
Toronto, ON M5H 3T4

Attention: Robert Harlang

GST#: 120085220RT
Invoice #: 5977
Client ID: 00-0101
GT:cs

STATEMENT OF ACCOUNT

Re: Distributionco Inc. ("Company")
Our File No. 00-0101

To services rendered for the period November 1, 2006 to May 31, 2007 in respect of Distributionco Inc. as per the attached.

Our Fee (per attached time summary)	\$	709,750.35
Disbursements (travel, postage, copying, telephone)		<u>19,734.30</u>
		729,484.65
Less: Interim billing on account		<u>243,000.00</u>
		486,484.65
GST		<u>29,189.08</u>
Total Due	\$	<u>515,673.73</u>

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RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
NOVEMBER 1, 2006 TO MAY 31, 2007

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Rodier, E.	Day-to-day responsibilities; realization on residual assets; reporting to creditors and Court; claims and dividend process; financial statements and accounting; database administration; GST issues; negotiations with CRA; miscellaneous tax issues; Iberville settlement	140.10	550	77,055.00
Harlang, R.	Real estate, creditor communications, claims and disputes; tax matters	50.50	550	27,775.00
Manel	Miscellaneous creditors issues	1.70	550	935.00
Forman, E.	Tax return preparation; reconciliation of CCRA tax accounts	7.00	400	2,800.00
Rosenblum, H.	Claims and dividend process	2.00	400	800.00
Wise, J.	Tax Department Miscellaneous issues	7.40	500	3,700.00
Stein, J.	GST issues; negotiations with CRA; miscellaneous tax issues	2.20	400	880.00
Non-Partners				
Tertigas, G.	Daily file management; dealing with creditor inquiries; discussions with Koskie Minsky regarding disputed employee claims; dealing with 6th dividend; reviewing bank accounts and bank reconciliation	251.50	450	113,175.00
Charalampopoulos, J.	Dividend and claims process	12.75	255	3,251.25
Carroll, D.	Technical systems support; dividend and claims process; database administration; T4's; reconciliation of dividend payments and claims	153.50	250	38,375.00

Personnel	Responsibilities	Hours	Rate	Amount (\$)
O'Donnell, C.	Claims and dividend process; database administration; communication with employees and creditors; T4's; reconciliation of dividend payments and claims; bookkeeping	416.60	250	104,150.00
Lee, A.	Financial analysis, employee communications and issues	11.00	250	2,750.00
Le, K.	Financial analysis, employee communications and issues	43.90	250	10,975.00
DeAngelis, V.	Tax return preparation; communications with CRA; reconciliation of CRA tax accounts	16.90	275	4,647.50
Schwartz, R.	Administration	1.75	250	437.50
Tertigas, J.	Responding to creditor inquiries; updating claim database; assisting in retrieval of files related to Jones and Polo; filing claims for old bank accounts with the Bank of Canada; accounts receivable collections	280.00	300	84,000.00
Thean, S.	Banking	34.25	225	7,706.25
Lato, V.	Claims and dividend process; database administration; communication with employees and creditors; T4's; reconciliation of dividend payments and claims; bookkeeping	300.00	175	52,500.00
Stremski, A.	Bookkeeping; bank reconciliations	85.30	160	13,648.00
Staszewski, A.	Misc. administration	18.00	150	2,700.00
Cahno, G.	Translation	2.75	150	412.50
Ackman, J.	Misc. administration	0.75	125	93.75
Davey, L.	Misc. administration	3.50	250	875.00
Lareau, P.	Bookkeeping; Claims and dividend process	247.50	160	39,600.00
Duhamel, M	Misc. administration	1.00	125	125.00
Guillaud, P.	Translation	1.25	150	187.50
Administrative-Mtl.	Administrative, call center	1,309.66	85	111,321.10
Administrative-Tor.	Administrative	48.75	100	4,875.00
		3,451.51		709,750.35

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December 6, 2007

RSM Richter Inc.
200 King St. W., P.O. Box 48, 19th Floor
Toronto, ON M5H 3T4
Tel: 416.932.8000 Fax: 416.932.6200
www.rsmrichter.com

Distributionco Inc.
c/o RSM Richter Inc.
200 King Street West
Suite 1100, P.O. Box 48
Toronto, ON M5H 3T4

Attention: Robert Harlang

GST#: 120085220RT
Invoice #: 6098
Client ID: 00-0101
GT:rk

STATEMENT OF ACCOUNT

Re: Distributionco Inc. ("Company")
Our File No. 00-0101

To services rendered for the period June 1, 2007 to September 30, 2007 in respect of Distributionco Inc. as per the attached.

Our Fee (per attached time summary)	\$	224,021.00
Disbursements (travel, postage, copying, telephone)		<u>5,059.65</u>
		229,080.65
Less: Interim billing on account		<u>95,000.00</u>
		134,080.65
GST		<u>8,044.84</u>
Total Due	\$	<u>142,125.49</u>

RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
JUNE 1, 2007 TO SEPTEMBER 30, 2007

Personnel	Responsibilities	Hours	Rate	Amount (\$)
Partners				
Rodier, E.	Day-to-day responsibilities; realization on residual assets; reporting to creditors and Court; claims and dividend process; financial statements and accounting; database administration; GST issues; negotiations with CRA; miscellaneous tax issues;	43.10	550	23,705.00
Harlang, R.	Real estate, creditor communications, claims and disputes; tax matters	37.50	550	20,625.00
Forman, E.	Tax return preparation; reconciliation of CCRA tax accounts	5.00	400	2,000.00
Smith, S.	Financial statements and accounting; tax related issues; GST issues	39.00	500	19,500.00
Moore, N.	Tax issues	0.50	575	287.50
Non-Partners				
Pellarin, J.	Litigation claims/valuations	10.00	425	4,250.00
Tertigas, G.	Daily file management; dealing with creditor inquiries; discussions with Koskie Minsky regarding disputed employee claims; dealing with 6th dividend; reviewing bank accounts and bank reconciliation	105.00	450	47,250.00
Vininsky, M	Insurance refund	1.80	400	720.00
Charalampopoulos, J.	Dividend and claims process	4.50	255	1,147.50
Carroll, D.	Technical systems support; dividend and claims process; database administration; T4's; reconciliation of dividend payments and claims	38.25	250	9,562.50

Personnel	Responsibilities	Hours	Rate	Amount (\$)
O'Donnell, C.	Claims and dividend process; database administration; communication with employees and creditors; T4's; reconciliation of dividend payments and claims; bookkeeping	42.70	250	10,675.00
Crawford, B.	Tax issues	1.25	280	350.00
DeAngelis, V.	Tax return preparation; communications with CRA; reconciliation of CRA tax accounts	4.50	275	1,237.50
Tertigas, J.	Responding to creditor inquiries; updating claim database; assisting in retrieval of files related to Jones and Polo; filing claims for old bank accounts with the Bank of Canada; accounts receivable collections	64.50	300	19,350.00
Thean, S.	Banking	15.25	225	3,431.25
Lato, V.	Claims and dividend process; database administration; communication with employees and creditors; T4's; reconciliation of dividend payments and claims; bookkeeping; issuance of stop payments and replacement cheques	126.00	175	22,050.00
Stremski, A.	Bookkeeping; bank reconciliations	68.20	160	10,912.00
Kuczynski, R.	Claims and dividend process	3.00	145	435.00
Lareau, P.	Bookkeeping; Claims and dividend process	90.20	160	14,432.00
Administrative-Mtl.	Administrative, call center	137.95	85	11,725.75
Administrative-Tor.	Administrative	3.75	100	375.00
		841.95		224,021.00

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RSM Richter

June 10, 2007

Distributionco Inc.
c/o RSM Richter Inc.
200 King Street West
Suite 1100, P.O. Box 48
Toronto, ON M5H 3T4

Attention: Robert Harlang

RSM Richter Inc.

200 King St. W., P.O. Box 48, 19th Floor
Toronto, ON M5H 3T4
Tel: 416.932.8000 Fax: 416.932.6200
www.rsmrichter.com

GST#: 120085220RT
Invoice #: 6265
Client ID: 00-0101
GT:cs

STATEMENT OF ACCOUNT

Re: **Distributionco Inc. ("Company")**
Our File No.: 00-0101

To services rendered for the period October 1, 2007 to May 31, 2008 in respect of Distributionco Inc. as per the attached.

Our Fee (per attached time summary)	\$	411,841.25
Disbursements (travel, postage, copying, telephone)		<u>6,993.16</u>
		418,834.41
Less: Interim billing on account		<u>120,000.00</u>
		298,834.41
GST		<u>14,941.72</u>
Total Due	\$	<u>313,776.13</u>

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RSM Richter is an independent member firm of RSM International,
an affiliation of independent accounting and professional firms.

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RICHTER & PARTNERS INC.
LIQUIDATOR
RE: DISTRIBUTIONCO INC.
TIME SUMMARY
OCTOBER 1, 2007 TO MAY 31, 2008

Personnel	Responsibilities	Hours	Rate	Amount (\$)	RSM Richter	RSM Richter
					Toronto	Montreal
Partners						
Harlang, R.	Overall file management; creditor communications; tax matters; wind-up issues	56.50	575	32,487.50	32,487.50	
Rodier, E.	Day-to-day responsibilities; realization on residual assets; reporting to creditors and Court; claims and dividend process; financial statements and accounting; database administration; GST issues; negotiations with CRA; miscellaneous tax issues; miscellaneous employee and trade creditor issues	158.80	550/ 575	91,065.00		91,065.00
Adessky, A.	Claims and dividend process	3.40	450	1,530.00		1,530.00
Forman, E.	Tax return preparation; reconciliation of CRA tax accounts	15.90	450/ 500	7,875.00		7,875.00
Wise, J.	Tax Department Miscellaneous issues	0.50	600	300.00		300.00
Smith, S.	Financial statements and accounting; tax related issues; GST issues	36.00	500	18,000.00		18,000.00
Non-Partners						
Tertigas, G.	Daily file management; dealing with creditor inquiries; discussions with Koskie Minsky regarding disputed employee claims; reviewing bank accounts and bank reconciliation; dealing with tax matters; dealing with wind-up issues	189.50	475	90,012.50	90,012.50	
Vininsky, M	Insurance refund	5.40	450	2,430.00	2,430.00	
DeAngelis, V.	Tax return preparation; communications with CRA; reconciliation of CRA tax accounts	65.40	400	26,160.00		26,160.00
S. Gobeil	Clearance certificate; miscellaneous tax issues	0.30	350	105.00		105.00
Tertigas, J.	Responding to creditor inquiries; updating claim database; assisting in retrieval of files related to Jones and Polo; filing claims for old bank accounts with the Bank of Canada; accounts receivable collections	46.00	325	14,950.00	14,950.00	
C. Boudreay	GST issues	42.25	275	11,618.75		11,618.75

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Personnel	Responsibilities	Hours	Rate	Amount (\$)	RSM Richter	RSM Richter
					Toronto	Montreal
Lato, V.	Claims and dividend process; database administration; communication with employees and creditors; T4's; reconciliation of dividend payments and claims; bookkeeping; issuance of stop payments and replacement cheques	41.50	260	10,790.00		10,790.00
Charalampopoulos, J.	Dividend and claims process	4.00	255	1,020.00		1,020.00
Carroll, D.	Technical systems support; dividend and claims process; database administration; T4's; reconciliation of dividend payments and claims	57.00	250	14,250.00		14,250.00
J. Wang	Clearance certificate; miscellaneous tax issues	9.70	250	2,425.00		2,425.00
O'Donnell, C.	Claims and dividend process; database administration; communication with employees and creditors; T4's; reconciliation of dividend payments and claims; bookkeeping	145.70	250	36,425.00		36,425.00
Thean, S.	Banking	66.50	225	14,962.50	14,962.50	
M.O. Paquet	Clearance certificate; miscellaneous tax issues	8.25	200	1,650.00		1,650.00
Stremski, A.	Bookkeeping; bank reconciliations	76.10	190	14,459.00		14,459.00
Kuczynski, R.	Claims and dividend process	1.00	185	185.00		185.00
P. Lareau	Bookkeeping; bank reconciliations; call center	31.30	185	5,790.50		5,790.50
C. Girard	Administrative, call center	88.35	105	9,276.75		9,276.75
L. Carignan	Administrative, call center	22.25	105	2,336.25		2,336.25
N. Fournier	Administrative, call center	2.00	105	210.00		210.00
Rudnicki, R.	Administrative	0.50	105	52.50		52.50
C. Stitchman	Administrative, call center	8.00	100	800.00	800.00	
K. Burak	Administrative	9.00	75	675.00		675.00
		1,134.60		411,841.25	155,642.50	256,198.75

COPY

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, R.S.O. 1990, c. B-16, s. 182, AS AMENDED

AND IN THE MATTER OF AN APPLICATION BY THE T. EATON COMPANY LIMITED RELATING TO A PROPOSED ARRANGEMENT INVOLVING THE T. EATON COMPANY LIMITED AND ITS SECURITYHOLDERS AND 1381052 ONTARIO INC.

Applicants

Court File No. 99-CL-3514

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

Proceeding commenced at **TORONTO**

**MOTION RECORD
(Returnable July 17, 2008)
(VOLUME I OF II)**

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M5K 1N6

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Solicitors for RSM Richter Inc., in its capacity
as Liquidator of Distributionco Inc.