

GRAFTON-FRASER INC.

**THIRD REPORT OF RICHTER ADVISORY GROUP INC.,
IN ITS CAPACITY AS MONITOR OF
GRAFTON-FRASER INC.**

APRIL 17, 2017

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

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
GRAFTON-FRASER INC.**

**THIRD REPORT OF RICHTER ADVISORY GROUP INC.
In its capacity as Monitor of the Company**

April 17, 2017

Introduction

1. On January 25, 2017 (the "**Filing Date**"), the Ontario Superior Court of Justice (Commercial List) (the "**Court**") issued an order (the "**Initial Order**"), as amended and restated at a subsequent Court attendance on January 30, 2017 (the "**Amended and Restated Initial Order**"), granting Grafton-Fraser Inc. ("**Grafton**" or the "**Company**") protection pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"). Richter Advisory Group Inc. ("**Richter**") was appointed as monitor (the "**Monitor**"). The proceedings commenced by Grafton under the CCAA are herein referred to as the "**CCAA Proceedings**". A copy of the Amended and Restated Initial Order is attached as Exhibit "A" to the Affidavit of Mark Sun sworn April 12, 2017 (the "**Sun Affidavit**") and filed in support of the Company's motion returnable April 20, 2017.
2. The Initial Order provided Grafton with, *inter alia*, a stay of proceedings until February 23, 2017 (the "**Initial Stay Period**"). The Initial Order also granted Grafton the authority to enter into amended and restated forbearance agreements (the "**Forbearance Agreements**") with its two primary secured creditors, being Canadian Imperial Bank of Commerce ("**CIBC**") as agent and lender, as well as GSO Capital Partners LP ("**GSO**") as agent for the GSO Lenders (as defined in the Amended and Restated Initial Order, and together with CIBC, the "**Secured Lenders**"), pursuant to which CIBC and GSO agreed, among other things, to continue to forbear from exercising their rights and remedies under their respective loan documents. Among other terms, the amended and restated forbearance agreement

with CIBC allowed Grafton to continue to borrow under its revolving facility with CIBC (the “**CIBC Facility**”), subject to the terms and conditions contained in the CIBC forbearance agreement.

3. As the Company required further financing to pursue its restructuring plan than was provided for under the CIBC Facility, the Initial Order also granted Grafton the authority to enter into an agreement (the “**DIP Agreement**”) with GSO (and certain related entities) (the “**DIP Lenders**”) for a new non-revolving credit facility in the maximum amount of \$5.5 million (the “**DIP Credit Facility**”) to provide additional funding for the Company’s operations during the CCAA Proceedings.
4. Contemporaneous with the Company’s service of its application for the Initial Order, the Company served a motion, returnable January 30, 2017, for orders approving, among other things, (i) the proposed sale and investment solicitation process (“**SISP**”) to be carried out by the Company with the Monitor’s assistance, (ii) the execution of an asset purchase agreement dated January 24, 2017 between Grafton and 1104307 B.C. Ltd. (now GSO GF Acquisition B.C. Ltd., a party related to GSO, and referred to herein as the “**Stalking Horse Bidder**”) to serve as the stalking horse bid under the proposed SISP (the “**Stalking Horse APA**”), and (iii) a liquidation consulting agreement (the “**Liquidation Consulting Agreement**”) dated January 24, 2017, including the sales guidelines (the “**Sale Guidelines**”) in connection with same, between Grafton and a contractual joint venture composed of Gordon Brothers Canada ULC and Merchant Retail Solutions ULC (together, the “**Consultant**”), pursuant to which the Consultant is to advise the Company on the liquidation of inventory and owned furniture, fixtures and equipment at certain underperforming stores.
5. On January 30, 2017, the Court issued an order (the “**Stalking Horse and SISP Order**”) which, among other things, authorized Grafton to enter into the Stalking Horse APA and approved the SISP. A copy of the Stalking Horse and SISP Order is attached as Exhibit “B” to the Sun Affidavit.
6. Also on January 30, 2017, the Court issued an order (the “**Liquidation Approval Order**”) which, among other things, authorized Grafton to enter into the Liquidation Consulting Agreement and approved the Sales Guidelines. A copy of the Liquidation Approval Order is attached as Exhibit “B” to the Sun Affidavit.
7. On February 22, 2017, the Court issued an order (the “**Stay Extension Order**”) which, among other things, extended the Initial Stay Period to June 15, 2017. A copy of the Stay Extension Order is attached as Exhibit “C” to the Sun Affidavit.

Purpose of this Report

8. The purpose of this, the Monitor's third report (the "**Third Report**"), is to provide information to this Honourable Court regarding the following:
- (i) the activities of the Company and the Monitor since February 16, 2017 (the date of the Monitor's Second Report) to the date of this Third Report;
 - (ii) the results of the SISP, including the Monitor's comments and recommendation regarding the transaction between Grafton and the Stalking Horse Bidder, as contemplated in the Stalking Horse APA (the "**Transaction**");
 - (iii) the status of the liquidation of stores, as contemplated in Liquidation Consulting Agreement;
 - (iv) the communications between Tradex Global Inc. ("**Tradex**"), a former service provider to the Company, the Monitor's counsel, Cassels Brock & Blackwell LLP ("**Cassels**"), and the Company's counsel, Fasken Martineau DuMoulin LLP ("**Fasken**");
 - (v) the suspension of the Company's AdWords account with Google Inc. ("**Google**") and the Company's (and others) communications with Google in connection thereto;
 - (vi) the Company's reported receipts and disbursements for the period from February 12, 2017 to April 8, 2017, including a comparison of reported to forecast results;
 - (vii) amendments to the Forbearance Agreements and the DIP Agreement (together, as amended, the "**Credit Facilities**"); and
 - (viii) the Monitor's support for the Company's request that this Honourable Court grant an order(s):
 - I. approving the Transaction and vesting, upon the closing of the Transaction, all of the Company's rights, title and interest in and to the Purchased Assets (as set out and described in the Stalking Horse APA), in the Stalking Horse Bidder (now, the "**Purchaser**"), free and clear of and from all Claims (as defined in the sale approval and vesting order being sought by the Company, the "**Approval and Vesting Order**"), except for those permitted encumbrances, easements and restrictive covenants listed on Schedule "C" to the Approval and Vesting Order;
 - II. approving this Third Report, and the activities, actions and conduct of the Monitor set out herein; and

- III. approving the Monitor's fees and disbursements for the period from January 25, 2017 to April 1, 2017 and those of Cassels for the period from January 20, 2017 to March 31, 2017.

Terms of Reference

9. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.
10. In preparing this report and conducting its analyses, the Monitor has obtained and relied upon certain unaudited, draft, and/or internal financial information of the Company, the Company's books and records and discussions with various parties, including Grafton's employees and certain of its directors (collectively, the "**Information**").
11. Except as otherwise described in this report:
 - (i) the Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountant Canada Handbook; and
 - (ii) the Monitor has not conducted an examination or review of any financial forecast and projections in a manner that would comply with the procedures described in the Chartered Professional Accountant Canada Handbook.
12. Since future-oriented information is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and variations may be material. Accordingly, the Monitor expresses no assurance as to whether projections will be achieved. The Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon by the Monitor in preparing this report.

The Company's Activities

13. Grafton's activities since the commencement of the CCAA Proceedings to February 16, 2017 are detailed in the Monitor's second report dated February 16, 2017 (the "**Monitor's Second Report**"). Subsequent to the filing of the Monitor's Second Report, the Company's activities have included:
- (i) meeting and communicating with the Company's employees regarding the status of the CCAA Proceedings;
 - (ii) requesting and obtaining advances of funds under the DIP Credit Facility;
 - (iii) making payments to suppliers for goods and/or services received following the issuance of the Initial Order;
 - (iv) reporting receipts and disbursements;
 - (v) preparing weekly financial reports for the Secured Lenders;
 - (vi) communicating with key suppliers to secure goods and services during the CCAA Proceedings and to address payment terms;
 - (vii) responding to calls and enquiries from creditors and other stakeholders regarding the CCAA Proceedings;
 - (viii) communicating extensively with Oberfeld Snowcap Inc. ("**Oberfeld**"), the Company's exclusive real estate consultant retained to assist in renegotiating the lease terms for certain of the Company's retail locations;
 - (ix) reviewing and executing agreements with certain of the Company's landlords to reflect renegotiated lease rates and other modifications, subject to certain terms and conditions;
 - (x) collaborating with the Consultant regarding the liquidation sales at certain of the Company's underperforming stores, pursuant to the Liquidation Consulting Agreement;
 - (xi) communicating with the Purchaser to discuss the status of the CCAA Proceedings and the Company's ongoing operations as well as the schedules to the Stalking Horse APA;
 - (xii) consulting and working with the Monitor in carrying out the SISF, including providing information for the electronic data room;

- (xiii) executing second and third amendments to the Stalking Horse APA (the “**Stalking Horse Amendments**”), which extended the date by which the Purchaser was required to notify the Company of, among other things, those retail store locations that will form part of the Purchased Assets from March 3, 2017 to March 31, 2017;
- (xiv) executing an amendment to the Liquidation Consulting Agreement extending the deadline by which the Company was required to provide the Consultant with a list of Closing Stores (as hereinafter defined) from February 13, 2017 to April 3, 2017, which amendment was intended to align with the amendments to the Stalking Horse APA;
- (xv) delivering disclaimer/resiliation notices on fourteen (14) real property leases and two (2) other agreements pursuant to section 32 of the CCAA;
- (xvi) corresponding with Canada Revenue Agency (“**CRA**”) and responding to information requests in connection with CRA’s audit of input tax credits claimed by the Company on pre-filing liabilities owing as at the Filing Date; and
- (xvii) consulting with the Monitor and its counsel on various matters in connection with the CCAA Proceedings.

The Monitor’s Activities

14. The activities of the Monitor from the commencement of the CCAA Proceedings up to February 16, 2017 are detailed in the Monitor’s Second Report. Subsequent to the filing of the Monitor’s Second Report, the Monitor’s activities have included:
- (i) maintaining a website at <https://richter.ca/en/folder/insolvency-cases/g/grafon-fraser-inc>, where all materials filed with the Court and all orders made by the Court in connection with the CCAA Proceedings, are available in electronic format;
 - (ii) monitoring Grafton’s cash flows, including the reporting of variances to the Company’s cash flow forecast and adherence to covenants under the DIP Agreement and the Forbearance Agreements;
 - (iii) monitoring the Company’s sales tax liability position. Pursuant to paragraph 9 of the Amended and Restated Initial Order, Grafton has provided the Monitor approximately \$140,000 in respect of its projected post-filing sales tax liability. The Monitor will continue to

hold such funds and, at the Company's request, transfer such funds to Grafton as necessary for payment of such taxes;

- (iv) assisting Grafton with the preparation of its weekly financial reports provided to the Secured Lenders;
- (v) reviewing and approving the Company's requests, in accordance with the terms of the Amended and Restated Initial Order, to pay certain expenses incurred prior to the commencement of the CCAA Proceedings to secure the continued delivery of essential goods and/or services to the Company;
- (vi) assisting the Company in carrying out the SISP, including corresponding with Potential Interested Parties (as hereinafter defined) and populating/updating information made available in an electronic data room;
- (vii) attending, as necessary, at Grafton's premises and meeting with the Company's management ("**Management**") to discuss Grafton's operations and the CCAA Proceedings;
- (viii) corresponding and communicating with the Consultant in connection with the liquidation and closure of certain of the Company's underperforming stores;
- (ix) corresponding and communicating with Oberfeld, the Company, and the Company's counsel in connection with the renegotiation of lease terms for certain of the Company's retail store locations and the execution of corresponding agreements;
- (x) assisting the Company, at Management's request, in updating a detailed two-year monthly financial forecast to be provided to the Secured Lenders and the Purchaser;
- (xi) reviewing and approving the disclaimer/resiliation, by the Company, of fourteen (14) real property leases and two (2) other agreements pursuant to section 32 of the CCAA;
- (xii) reviewing and addressing a statement of claim filed with the Ontario Superior Court of Justice (Toronto) on April 7, 2017 by the plaintiff, Eduard Gocky, for damages in the amount of \$100,000 related to bodily harm asserted to have been suffered as a result of a fall in one of the Company's stores in July 2015;
- (xiii) corresponding and communicating with the Secured Lenders and their advisors;

- (xiv) responding to calls and enquiries from creditors and other stakeholders regarding the CCAA Proceedings; and
- (xv) preparing this Third Report.

The Sale and Investment Solicitation Process

- 15. As noted in the Monitor's previous reports (the "**Reports**"), the SISP provided a means of establishing a benchmark for the Purchased Assets and provided a forum for prospective purchasers or investors to present a bid(s) superior to that contemplated by the Stalking Horse APA.
- 16. As also noted in the Reports, in order to protect the release of certain sensitive information to the Company's competitors, the SISP contemplated a two (2) phase bidding process. During the first phase, Potential Bidders (as hereinafter defined) received coded lease information. Bidders who submitted a qualified bid under the first phase of the bid process (a "**Qualified Phase I Bid**") would be invited to participate in the second phase of the bid process where uncoded lease information and other sensitive information (such as store locations) would be made available. As discussed further below, the Stalking Horse APA was the only Qualified Phase I Bid received by the Phase I Bid Deadline (as hereinafter defined).
- 17. The key aspects of the SISP and its results are summarized as follows:
 - (i) the Monitor, in consultation with the Company, compiled a list of 174 potential interested parties, including strategic/financial purchasers and liquidators, primarily located in Canada and the United States (collectively, the "**Potential Interested Parties**");
 - (ii) on or about January 31, 2017, the Monitor distributed a teaser document, which it had prepared in consultation with Grafton, detailing the opportunity to acquire and/or invest in the Company's business or assets, to the Potential Interested Parties;
 - (iii) Potential Interested Parties interested in obtaining additional information regarding the Company were required to execute a Confidentiality Agreement and Acknowledgement of the SISP (together, the "**NDA**"). Eight (8) Potential Interested Parties requested and were provided with the form of NDA. Four (4) Potential Interested Parties (now, "**Potential**

Bidders") executed the NDA and were provided with access to an electronic data room to conduct their due diligence;

- (iv) the SISP contemplated that in the event that any member of Management intended to participate in the SISP, any such party or parties were required to advise the Monitor, in writing, of such intention on or before February 15, 2017 (the "**Participation Notice**"). No such Participation Notice was received by the Monitor by the deadline noted;
- (v) Potential Bidders interested in submitting a bid to acquire and/or invest in the Company's business or assets were required to submit an offer to the Monitor on or before 5:00 p.m. (EST) on March 13, 2017 (the "**Phase I Bid Deadline**"). In accordance with the terms of the SISP, on March 10, 2017, the Monitor provided an update to the Potential Bidders on the minimum purchase price for the Purchased Assets to be considered a Qualified Phase I Bid;
- (vi) as noted above, with the exception of the Stalking Horse Bid, no other bids were submitted prior to the Phase I Bid Deadline; and
- (vii) following the expiration of the Phase I Bid Deadline, the Company and the Monitor advised the Stalking Horse Bidder that it was the only "qualified bidder" and that the Stalking Horse APA was declared the "winning bid" in accordance with the SISP.

The Transaction

18. Subsequent to the Court's approval of the Stalking Horse APA and the SISP, the Stalking Horse APA was amended on three (3) occasions to extend the initial deadline by which the Stalking Horse Bidder was to submit the final schedules (including the Supplier Liabilities, the Assumed Contracts, the Purchased Locations, and the purchase price allocation) from February 17, 2017 (the "**Final Schedules Deadline**") to March 31, 2017. The extension of the Final Schedules Deadline provided the Stalking Horse Bidder additional time to, among other things, consider the results of the lease negotiations for the purposes of determining the Purchased Locations and Assumed Contracts.
19. As noted in the Monitor's first report dated January 26, 2017 (the "**First Report**"), the Company, the Stalking Horse Bidder and their respective counsel (in consultation with the Monitor, the Secured Lenders and their respective counsel) negotiated the terms of the Stalking Horse APA. A copy of the

Stalking Horse APA, including the schedules attached thereto, is attached as Exhibit “D” to the Sun Affidavit.

20. Key elements of the Transaction are as follows (capitalized terms not otherwise defined herein shall have the meanings ascribed in the Stalking Horse APA):
- (i) the Purchaser is acquiring, as a going concern, on an “as is, where is” basis, substantially all of Grafton’s business and assets;
 - (ii) the consideration for the Transaction includes the release of certain amounts owed by Grafton to the GSO Lenders and the assumption, by the Purchaser, of certain amounts owed by Grafton to the Secured Lenders and certain other Company obligations, including Supplier Liabilities (pre-filing amounts owed by Grafton to certain suppliers of goods/services to the extent agreements with such suppliers have been entered into with the Purchaser on terms acceptable to CIBC and the Purchaser) and liabilities related to the period subsequent to the Filing Date, as well as a cash payment to satisfy certain other Company liabilities, including professional fees, sales taxes and other priority amounts;
 - (iii) the Stalking Horse APA contemplated the acquisition, by the Purchaser, of no fewer than 110 of the Company’s retail store locations. Following extensive negotiations with the Company’s landlords, the Purchaser has informed the Company of its intention to acquire 139 retail stores operated by the Company (as well as Grafton’s head office);
 - (iv) the Monitor understands that the Purchaser intends to offer employment to the majority of the Company’s employees. The Stalking Horse APA contemplates that seven (7) days prior to the Closing Date the Purchaser will offer employment to no fewer than 1,100 of the Company’s employees (the “**Transferred Employees**”) on substantially similar terms and conditions to their existing employment with the Company. In this regard, the Purchaser shall assume the associated employee liabilities from and after the Closing Date and the Employee Plans in respect of the Transferred Employees. Those employees either not offered or who do not accept offers of employment by the Purchaser are to be paid the amounts owing to them on account of wages and vacation pay;

- (v) the Purchaser will be responsible for the payment of any cure costs required by section 11.3(4) of the CCAA (being those related to monetary defaults only) for any of the Assumed Real Property Leases and Assumed Contracts. The Company is required to use commercially reasonable efforts to obtain consents to the assignment of any such agreements to the Purchaser (subject to the Purchaser's requirement to reasonably cooperate in order to assist). In the event that such consents cannot be obtained, upon terms satisfactory to the parties acting reasonably, the Company is required to use commercially reasonable efforts to obtain an order assigning the Company's rights and obligations under such agreements to the Purchaser, pursuant to section 11.3 of the CCAA. Should the Company be required to bring such a motion, the Monitor will address such request at that time;
- (vi) the Monitor understands that the parties are working to close the Transaction by May 31, 2017, however, closing may take place at such other time as the Company and the Purchaser may agree; and
- (vii) the CIBC Forbearance Agreement requires that the vesting motion with respect to the Transaction be heard by April 24, 2017.

21. the Transaction is conditional on a number of factors, including:

- (i) the Stalking Horse APA being the Successful Bid in accordance with the SISP;
- (ii) the Court approving the Stalking Horse APA and the Transaction as well as the granting of the Approval and Vesting Order;
- (iii) all conditions to the exit financing to be provided by CIBC to the Purchaser having been satisfied, excluding the delivery of the Monitor's Certificate to the Purchaser in respect of the Transaction. The Monitor has reviewed the exit financing term sheet and, as at the date of this Third Report, is not aware of any reason that such conditions cannot be satisfied;
- (iv) the Purchaser and the Company having entered into settlement agreements with Suppliers, on terms acceptable to CIBC and the Purchaser, establishing both the terms of continued supply and the payment terms upon which the Purchaser has agreed to assume the Supplier Liabilities. The Monitor understands that the Company and the Purchaser have prepared a form settlement agreement for the Supplier Liabilities and a form vendor agreement

establishing the terms of continued supply to the Purchaser, but that as at the date of this Third Report, no such agreements have been entered into with Suppliers;

- (v) the receipt of the necessary third party consents or a CCAA Assignment Order in respect of the Assumed Real Property Leases and Assumed Contracts. As at the date of this Third Report, the Monitor understands that the Company has commenced the process of seeking the required consents (including the finalization of a form consent letter with the assistance of the Purchaser) and, if they cannot be obtained by May 3, 2017, a CCAA Assignment Order in order to effect assignment of certain of the Assumed Real Property Leases and Assumed Contracts may be required;
 - (vi) the Liquidation shall have been completed and the related proceeds in respect of the ABL Priority Collateral and Term Priority Collateral paid to CIBC and GSO, respectively. The liquidation sales are expected to be completed by April 30, 2017; and
 - (vii) to the extent that a notification is required under Part IX of the *Competition Act (Canada)*, the Commissioner has issued an advance ruling certificate under section 102 of the *Competition Act (Canada)* or the expiry, termination or waiver of the applicable waiting period under section 123 of the *Competition Act (Canada)* and the Commissioner has issued a No-Action Letter satisfactory to the Purchaser and the Company. The Monitor understands that the Purchaser and the Company are working to determine if the relevant notification is required, and if so, will work towards fulfilling this condition expediently.
22. Upon the waiver or satisfaction of the conditions precedent, the Monitor shall file a certificate with the Court attesting that the Transaction had been completed to the satisfaction of the Monitor and confirming the closing of the Transaction.
23. The Monitor is of the opinion that the Transaction represents the best recovery for the Purchased Assets in the circumstances and satisfies the factors to be considered pursuant to section 36(3) of the CCAA. In particular, the Monitor is of the view that:
- (i) the SISP was reasonable in the circumstances and approved by the Court;
 - (ii) the Transaction would be substantially more beneficial to the Company's creditors, as compared to the alternatives, which may result in the liquidation of the Company's assets;

- (iii) the Company's limited liquidity substantially eliminates the opportunity to further market the Purchased Assets for sale without putting the Transaction at risk and impairing recoveries. Prior to the Filing Date, the Company's continuing losses virtually eliminated its cash balances and availability under its operating line with CIBC. Other than the limited DIP funding provided by the DIP Lenders for the purposes of the CCAA Proceedings, the Company is unlikely to source additional funding from a third party and, even if it could, in the Monitor's view such funding would likely be limited and expensive;
- (iv) the further marketing of the Company's assets would not likely result in greater realizations, as the market has been fully canvassed and all likely bidders have already been provided the opportunity to bid on the assets;
- (v) the Transaction represents the best and highest offer for the Purchased Assets and the short time-frame to closing will eliminate ongoing operating costs;
- (vi) the Transaction provides for the payment of the amounts contemplated by section 36(7) of the CCAA; and
- (vii) the Transaction represents the best opportunity to maximize recoveries for creditors of the Company and provides the greatest benefit to all stakeholders (including employees, customers, suppliers, etc.), as it results in the continuity of Grafton's business.

The Liquidation Consulting Agreement

- 24. As noted in the Reports, the Company provided the Consultant with a list of fifteen (15) underperforming stores that it wished to liquidate (the "**Closing Stores**") on February 13, 2017. Liquidation sales commenced on February 15, 2017 and are to terminate on or before April 30, 2017 (the "**Liquidation Period**").
- 25. Pursuant to the terms of the Liquidation Consulting Agreement, the Company was permitted to modify (increase or decrease) the number of Closing Stores included in the liquidation process up to March 15, 2017 (the "**Closing Stores Deadline**"). Prior to the Closing Store Deadline the Company added two (2) stores to the Closing Stores list.

26. As lease renegotiations continued and favourable agreements were negotiated with certain of the landlords after the Closing Stores Deadline, the Consultant and the Company executed an amendment to the Liquidation Consulting Agreement extending the Closing Stores Deadline to April 3, 2017 to grant the Company sufficient time to add/remove stores from the liquidation based on feedback from the Stalking Horse Bidder (as discussed previously in this Third Report). Ultimately, certain stores were removed from the liquidation and the Closing Stores list comprised thirteen (13) Closing Stores. In connection with these Closing Stores, as at the date of this Third Report, the Company is planning to terminate the employment of 62 store-level employees.

Tradex Global Inc.

27. Tradex is a provider of sourcing and quality control services related to overseas purchases of merchandise. Management has informed the Monitor that the Company had previously engaged Tradex's services, but that the service agreement between Grafton and Tradex (the "**Service Agreement**") was terminated by the Company prior to the Filing Date.
28. By letter dated January 31, 2017 (the "**January 31 Letter**", a copy of which is attached hereto as **Appendix "A"**), Tradex's solicitor, Gordon Meiklejohn ("**Meiklejohn**"), wrote to Cassels to advise of a statement of claim filed with the Ontario Superior Court of Justice (Toronto) on January 26, 2017 (the "**Tradex Claim**"). The Tradex Claim asserts that:
- (i) notwithstanding the termination of the Service Agreement on May 5, 2016 (the "**Service Termination Date**"), Tradex has continued to provide services to Grafton pursuant to a verbal agreement between M. Stern ("**Stern**"), a representative of Tradex, and G. Stonehouse ("**Stonehouse**"), a director of Grafton, effectively continuing the terms of the Service Agreement;
 - (ii) on the basis of verbal agreement, Tradex has invoiced Grafton for services rendered subsequent to the Service Termination Date in the aggregate amount of US\$476,783, which invoices were paid by the Company through October 2016; and
 - (iii) Tradex continues to provide services to Grafton, and that as at the date of the Tradex Claim, the Company owed Tradex \$333,308.00 and US\$421,358.00.

29. In response to the January 31 Letter, on February 2, 2017 (the “**February 2 Letter**”, a copy of which is attached hereto as **Appendix “B”**), Cassels wrote to Meiklejohn to inform him that Grafton had advised the Monitor that the Company did not require go forward services from Tradex. Cassels further noted that a claims process had not been commenced in the CCAA Proceedings and, as such, it was premature to comment on the Monitor or Grafton’s views on the amounts owed, if any, by the Company to Tradex. Cassels also enquired if Meiklejohn wanted to be added to the service list in the CCAA Proceedings.
30. On February 16, 2017 (the “**February 16 Letter**”, a copy of which is attached hereto as **Appendix “C”**) Meiklejohn again wrote to Cassels to, among other things, assert that members of the Company’s Management are aware of the ongoing services provided by Tradex to the Company and, in support thereof, attached copies of email communications between certain of Grafton’s overseas suppliers and Tradex, as well as between Stonehouse, Tradex, and the Company respectively. Meiklejohn also requested that the Monitor’s records be amended to include the debt due to Tradex (as detailed in the Meiklejohn correspondence and Tradex Claim), as no amounts owing to Tradex were listed on the list of creditors originally prepared by the Company in connection with the CCAA proceedings.
31. In response to the Tradex Claim and the above correspondence between Cassels and Meiklejohn, on March 3, 2017, the Company’s counsel, Fasken, wrote to Cassels (the “**Fasken Letter**”) to confirm that:
- (i) the Service Agreement was terminated in May 2016;
 - (ii) Grafton has not engaged Tradex or any of its related parties since the engagement was terminated. Further, Management is not aware of any verbal agreement between Stonehouse and Stern, and to the extent Tradex purported to have done work for the Company subsequent to May 2016, Tradex has done so of its own volition and at its own expense;
 - (iii) the payments made by Grafton to Tradex following the Service Termination Date relate to shipments received in Q2 2016 and the payments made were agreed to in exchange for assistance provided by Stern with respect to the ongoing supply of product by a Grafton supplier with whom Stern had a relationship; and

- (iv) the Company disputes the assertions made in the Tradex Claim and the Meiklejohn correspondence with Cassels.
32. On March 8, 2017 (the “**March 8 Email**”, a copy of which is attached hereto as **Appendix “D”**), Cassels forwarded Meiklejohn the Fasken Letter outlining the Company’s position in respect of the Tradex Claim and explained that, at present, no claims process had been commenced in the CCAA Proceedings.
33. On March 22, 2017, Tradex forwarded Grafton invoices for services it claims to have rendered to the Company in connection with merchandise shipped from suppliers to the Company in February 2017. The Monitor understands that the Company does not intend to pay these invoices, as it does not believe such amounts are owing.
34. On March 28, 2017, Meiklejohn emailed Cassels to, among other things, refute the Company’s position on the Tradex Claim, as detailed in the Fasken Letter, and take issue with the Monitor’s treatment of the Tradex Claim. On March 29, 2017, Cassels emailed Meiklejohn to, among other things, provide an update on the CCAA Proceedings, including the results of the SISP and the Company’s intention to seek the Court’s approval of the Transaction. Cassels further explained that the Monitor has requested and obtained the Company’s position on the Tradex Claim and Meiklejohn’s communications with Cassels and that, at present, the Monitor does not see a reason to spend time or funds further assessing pre-filing unsecured claims, including the Tradex Claim. Cassels also noted that the list of creditors prepared by Grafton was not a definitive determination of debt obligations, but rather was a method of providing notice of the CCAA Proceedings to interested creditors. Copies of the above March 28 and March 29 correspondence are attached hereto as **Appendix “E”**.
35. On April 12, 2017, following service of the Company’s Motion Record in connection with its motion returnable April 20, 2017, Meiklejohn emailed Fasken (with a copy to Cassels) advising that Tradex opposed the granting of the Approval and Vesting Order on the basis that the Transaction does not treat all suppliers equally. Meiklejohn also requested that it be provided with, among other things, the list of Supplier Liabilities being assumed by the Purchaser.
36. On April 13, 2017, Fasken responded to Meiklejohn’s April 12 email. The response noted, among other things, that:

- (i) the Supplier Liabilities schedule contains sensitive commercial information and, as such, the Purchaser is not willing to disclose the unredacted schedule;
 - (ii) the schedule is not relevant to Tradex's objections, as the CCAA does not distinguish between suppliers and non-suppliers with unsecured claims;
 - (iii) the Purchaser has determined that certain suppliers are critical to the ongoing value and operations of the business and has agreed to assume the Company's indebtedness to these creditors, on terms satisfactory to the Purchaser. At full value, these claims total approximately \$5.2 million. Tradex is not one of the supplier's the Purchaser deems critical and finds itself in a group of other parties who will, or have asserted, unsecured claims against Grafton that the Purchaser will not assume;
 - (iv) the Company had aggregate known unsecured liabilities as at the Filing Date of approximately \$8 million along with contingent claims in excess of \$2 million. In addition, since the commencement of the CCAA Proceedings, the Company has, or will in the coming weeks, disclaim agreements (16 agreements have been disclaimed to the date of this Third Report) and terminate the employment of numerous employees, which is expected to result in significant unsecured damages claims by counterparties to the disclaimed agreements and terminated employees; and
 - (v) the SISP did not result in any additional offers for the Company's business or assets.
37. Copies of the aforementioned April 12 and April 13 correspondence between Tradex and Fasken are attached hereto as **Appendix "F"**.

Google Inc.

38. Google provides Google AdWords services to the Company. Google Adwords services are used by Grafton to promote the Company's online presence and to facilitate its online advertising and marketing efforts.
39. On or about February 15, 2017 (likely following Google's receipt of the Monitor's notice to the Company's creditors advising of the CCAA Proceedings), the Company received a notice from Google (the "**1st Suspension Notice**"), via email, informing the Company that it had overdue invoices and

that, unless the outstanding amounts were paid by no later than February 24, 2017, Grafton's AdWords account would be suspended. The Monitor understands that, as at the Filing Date, the Company had unpaid Google accounts totaling approximately \$25,000 (the "**Pre-Filing Accounts**").

40. After receipt of the 1st Suspension Notice, the Company contacted Google to discuss Grafton's CCAA Proceedings, including the provisions of the CCAA which do not require the Company to pay the Pre-Filing Accounts. The Company also confirmed its obligation to pay, in full, for requested services provided to the Company after the commencement of the CCAA Proceedings.
41. On February 21, 2017, Google confirmed that the suspension of the Company's Adwords account would be temporarily put on hold pending further discussions with Google's credit department. Google also advised that they would provide an update on the status of the Company's AdWords account and next steps after consulting with Google's credit department.
42. Without further warning, on March 15, 2017, Grafton received another notice from Google (the "**2nd Suspension Notice**"), via email, informing the Company that unless the Pre-Filing Accounts were paid by no later than close of business on March 24, 2017, Grafton's AdWords account would be suspended.
43. On the same date it received the 2nd Suspension Notice, the Company emailed Google to advise that it had paid all Google invoices for AdWords services provided subsequent to the Filing Date and provided proof of payment. Google responded that the Company's account "should be good".
44. On March 24, 2017, the Company emailed Google to advise that the Company could no longer access its AdWords account and that the Company had been informed that the account would not be reinstated until the Pre-Filing Accounts had been paid. The Company also stressed the immediate impact the suspension had on Grafton's business, especially in light of an upcoming planned sales promotion. Google responded to confirm receipt of payment for services provided subsequent to the Filing Date, but provided no comment on the status of the Company's AdWords account.
45. Between March 24, 2017 and April 7, 2017, the Company and Google exchanged numerous emails in connection with Grafton's suspended Adwords account without progress. In these communications the Company continued to express the need for the account to be activated as soon as possible. On April

7, 2017, Google informed the Company that its AdWords account would not be reinstated until all Pre-Filing Accounts had been paid, but that a new AdWords account could be opened on a prepaid basis.

46. The Monitor understands, through discussions with Management, that should a new Adwords account be opened not only would critical historical data essential to the Company's advertising and marketing efforts be lost, but the new account would be at different/higher cost than the Company's existing Adwords account. In light of the foregoing, the Company did not consider opening a new account a viable option.
47. In an effort to assist in resolving the Google matter and at the request of the Company, on April 7, 2017, the Monitor emailed Google to, among other things, confirm that Grafton was not bankrupt (as noted in a Google email), but that the Company was in the process of restructuring its business, pursuant to the provisions of the CCAA. The Monitor also noted that, pursuant to the Amended and Restated Initial Order, although service providers to the Company were not required to grant further credit to the Company, they were prohibited from discontinuing services to the Company provided that Company paid the normal charges for such services provided after the Filing Date. The Monitor also directed Google to the Monitor's website where a copy of the Amended and Restated Order has been made available in electronic format and suggested that a conference call between representatives of the Company, Google and the Monitor be scheduled as soon as possible to discuss/resolve the matter.
48. On April 11, 2017, the Company and its counsel, the Monitor and its counsel, and representatives of Google participated in a conference call to discuss, among other things, Grafton's CCAA Proceedings and the status of the Company's AdWords account. During this discussion, Cassels advised the Google representatives that, in its view, Google was in violation of the terms of the Amended and Restated Initial Order, the suspension of Grafton's AdWords account appeared to be damaging the Company's business and, as a result, it was imperative that the account be reinstated as soon as possible. Unfortunately, Google's counsel was not available for the above call, but the Google representatives participating on the call committed to consulting with their counsel and communicating their counsel's position to the group within one (1) business day.
49. On April 12, 2017, Fasken emailed the Google representatives that participated in the April 11, 2017 conference call to, again, state that the reactivation of the Company's AdWords account was urgently required and to enquire if Google had been in contact with its counsel regarding the matter. As at the date of this Third Report, Google has not responded to Fasken's April 12th email.

50. On April 17, 2017, Fasken sent a letter to Raymond Andrew Tumagan, a Google representative involved in the Company's account, among other things, providing reference to the terms of the Amended and Restated Initial Order and demanding that Google immediately reinstate the account. Fasken further informed him that should the account not be reinstated by April 18, 2017 at 5 p.m., the Company may take steps to enforce the terms of the Amended and Restated Initial Order.
51. The Company has advised the Monitor that, in its view, not having access to Adwords advertising services or historical advertising information as a result of Google's suspension of the Company's account is causing the Company harm. The Company may be back before this Court to seek additional relief in this regard if the situation cannot be resolved in the near future.

Cash Flow for the Period February 12, 2017 to April 8, 2017

52. The Company's cash flow projection for the period from February 12, 2017 to June 17, 2017 (the "February Cash Flow Forecast") was filed with the Court in support of the Company's motion returnable February 22, 2017 seeking, *inter alia*, the Stay Extension Order.
53. A comparison of Grafton's forecast to reported results for the period February 12, 2017 to April 8, 2017 (the "Period") is summarized as follows:

Grafton-Fraser Inc.			
Cash Flow Variance Analysis			
For the Period February 12 to April 8, 2017			
(\$000's)			
	Reported	Forecast	Variance
Receipts			
Retail Receipts	\$ 20,598	\$ 22,351	\$ (1,753)
GSO DIP Funding	655	600	55
Total Receipts	\$ 21,253	\$ 22,951	\$ (1,698)
Disbursements			
Merchandise	(12,650)	(14,500)	1,850
Payroll	(4,659)	(4,781)	122
Rent	(4,938)	(6,795)	1,857
Sales Tax	(478)	(374)	(105)
Store Expenses and Other	(1,916)	(2,146)	230
Supplier & Other Deposits	(100)	-	(100)
Interest	(356)	(178)	(178)
Forbearance Fee	(55)	-	(55)
Professional Fees	(984)	(1,392)	409
Total Disbursements	(26,149)	(30,366)	4,217
Net Cash Flow	\$ (4,896)	\$ (7,415)	\$ 2,519
Opening Revolver	\$ 17,569	\$ 17,569	\$ -
Draw (Repayment)	4,896	7,415	(2,519)
Closing Revolver	\$ 22,465	\$ 24,984	\$ (2,519)
Opening DIP Term Loan	\$ 4,845	\$ 4,900	\$ (55)
Draws	655	600	55
Interest (PIK'd)	123	120	2
Ending DIP Term Loan	\$ 5,623	\$ 5,620	\$ 2
Ending Total DIP Financing	\$ 28,088	\$ 30,604	\$ (2,516)

54. As reflected in the summary table above, Grafton reported negative cash flow of approximately \$4.9 million and had outstanding operating loan and DIP loan balances of approximately \$22.5 million and \$5.6 million, respectively, as at April 8, 2017. In aggregate, the operating and DIP loan balances were approximately \$2.5 million lower than forecast.
55. The \$1.7 million negative receipts variance in the Period is primarily due to:
- (i) timing differences on the collection of tuxedo rental revenues; and
 - (ii) lower than forecast sales under the Tip Top Tailors banner as a result of various factors, including the impact of liquidation sales on close proximity stores and delayed spring season merchandise deliveries.
56. Professional Fees disbursements were \$0.4 million less than forecast primarily due to the timing of the payments of accrued fees, which is expected to reverse in the coming weeks.

The Credit Facilities

57. The terms of the Credit Facilities require, *inter alia*, the Company to meet certain financial covenants on weekly reported cash receipts (the “**Minimum Cash Receipts**”) and cash disbursements (the “**Maximum Cash Disbursements**”), measured against the cash flow forecast approved by the Secured Lenders and filed in support of the Company’s CCAA Proceedings (the “**Approved Cash Flow Forecast**”). As part of Grafton’s CCAA Proceedings, the Approved Cash Flow Forecast was updated to remain consistent with the February Cash Flow Forecast, which was filed with the Court in support of, among other things, the Stay Extension Order.
58. The Company was not in compliance with the Minimum Cash Receipts covenant in the week ended April 8, 2017. The Monitor understands that the negative cash receipts variance relates in part to timing differences on tuxedo rental revenues, which are anticipated to reverse, and that the balance is mitigated by a favourable disbursements variance to date.
59. The Monitor is aware that the Company has been communicating with each of the Secured Lenders in connection with the covenant breach. The Monitor understands that each of the Secured Lenders have agreed to revise the covenant schedules, which form part of the Credit Facilities, to increase the Minimum Cash Receipts covenant by an aggregate of \$2 million. As part of that agreement, the

Maximum Cash Disbursements covenant will also be decreased by an aggregate of \$2 million. The covenant revisions do not change the cumulative permitted cash flow variance, as the net impact of the revisions is nil.

60. The covenant revisions agreed to by the Secured Lenders are projected to provide the Company with the necessary liquidity to operate through the end of April 2017, and allow the Company, with the assistance of the Monitor, sufficient time to prepare an updated cash flow projection to be submitted to the Secured Lenders for their approval.

Request for Approval of the Monitor's Activities and the Fees/Expenses of the Monitor and its Counsel

61. The Monitor has reported on the status of the CCAA Proceedings and its actions and activities in connection thereto, from time to time, in the Reports to this Honourable Court during the CCAA Proceedings.
62. The Monitor and Cassels have maintained detailed records of their professional time and costs. The Monitor is seeking approval of its fees and disbursements for the period from January 25, 2017 to April 1, 2017 and those of Cassels for the period from January 20, 2017 to March 31, 2017 (the "**Periods**") in connection with the performance of their duties in these CCAA Proceedings.
63. Pursuant to paragraphs 31, 32 and 33 of the Amended and Restated Initial Order, any expenditure or liability properly made or incurred by the Monitor, including the fees and disbursements of the Monitor and the fees and disbursements of its legal counsel, were authorized to be paid on a periodic basis subject to any final assessment or taxation as may be ordered by the Court. In addition, an Administration Charge, in the amount of \$500,000, was granted as security for the professional fees and disbursements of the Monitor, the Monitor's counsel, the Company's counsel, and counsel for the directors of the Company in respect of these CCAA Proceedings.
64. The total fees of the Monitor during the Periods amount to \$433,048.50, together with expenses and disbursements in the amount of \$27,182.24 (both excluding HST) (collectively, the "**Monitor's Fees and Disbursements**"). The time spent by the Monitor's personnel during the Periods is more particularly described in the Affidavit of G. Benchaya, sworn April 13, 2017 in support hereof and attached as **Appendix "G"** to this report (the "**Benchaya Affidavit**"). The Benchaya Affidavit includes a summary of the personnel, hours, and hourly rates charged by the Monitor in respect of the within proceedings for the

Periods. The Benchaya Affidavit also provides a breakdown of the disbursements which include certain of the Cassels' Fees and Disbursements, as detailed in the Sassi Affidavit (each as hereinafter defined).

65. The total fees for services provided by Cassels during the Periods amount to \$98,403.23, including expenses and disbursements (excluding HST) (collectively, the "**Cassels' Fees and Disbursements**"). The time spent by Cassels personnel during the Periods is more particularly described in the Affidavit of M. Sassi, sworn April 7, 2017 in support hereof and attached as **Appendix "H"** to this report (the "**Sassi Affidavit**"). Included in the Sassi Affidavit is a summary of the personnel, hours, and hourly rates charged by Cassels in respect of the within proceedings for the Periods.
66. The Monitor respectfully submits that the Monitor's Fees and Disbursements and the Cassels' Fees and Disbursements are reasonable in the circumstances and have been validly incurred in accordance with the provisions of the Amended and Restated Initial Order. Accordingly, the Monitor now seeks the approval of the Monitor's Fees and Disbursements and the Cassels' Fees and Disbursements.

Monitor's Conclusions and Recommendations

67. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court issue an order(s) granting the relief sought in paragraph 8(viii) of this Third Report.

All of which is respectfully submitted this 17th day of April, 2017.

**Richter Advisory Group Inc.
in its capacity as Monitor of
Grafton-Fraser Inc.**

Per:



Gilles Benchaya, CPA, CA, CIRP, LIT



Adam Sherman, MBA, CIRP, LIT

APPENDIX “A”



**BRANNAN MEIKLEJOHN
BARRISTERS**

*Gordon A. Meiklejohn
416-926-3797 ext. 225
gam@bmbarristers.com*

BY FAX & EMAIL

January 31 2017

Ms. Jane Dietrich
CASSELS BROCK & BLACKWELL LLP
Scotia Plaza
40 King Street West, Suite 2100
Toronto, Ontario M5H 3C2

Dear Ms. Dietrich:

Re: Tradex Global Inc. v. Grafton Fraser Inc.

We are the lawyers for Tradex Global Inc. ("Tradex").

I am writing to you in respect of Tradex's unsecured claims against Grafton Fraser Inc. ("Grafton Fraser").

On January 26 2017 a statement of claim was issued by the Ontario Superior Court at Toronto wherein Tradex claimed amounts then owed to it as of January 25 2017 amounting to US \$421,358.00 and Cdn. \$333,308.00. Attached is a copy of the Statement of Claim in the form it was issued by the Court.

In addition to these amounts, there is the further sum of US \$136,336.000 which is and will be owed to Tradex for invoices rendered to Grafton Fraser for goods which have been shipped from the factories, which invoices are due and payable 60 days after the date the various factories invoiced Grafton Fraser. A summary of those invoices is also attached.

If you would like copies of any of these invoices let me know.

There is also owed to Tradex an amount for Sateen Shirts which were shipped by the factory in October, November, December and January. Rajib Ghosh of Grafton Fraser calculated that annually 320,000 Sateen Shirts were purchased which equates to 26,686 monthly. The parties' agreement provides that Tradex is to be paid \$.80 for each piece resulting in the amount of \$85,395.20 being owed to it (26,686 x .80 x 4) in respect of Sateen Shirts shipped in October, November, December and January to Grafton Fraser.

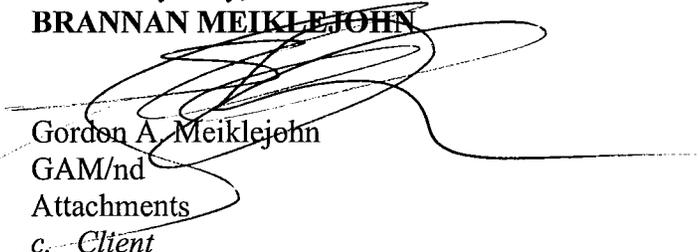
**Rosedale Square, 1055 Yonge Street, Suite 200, Toronto Ontario M4W 2L2
Tel: 416 926 3797 | Fax: 416 926 3712**

In addition, there will be the further sums of \$21,348.80 and US \$240,413.00 which will be owing to Tradex for goods that have been ordered and which goods will be shipped by the factory over the next few months. A summary of those amounts is also attached.

I ask that you or someone from Richter confirm that the amounts set out above are owing to Tradex.

Yours very truly,

BRANNAN MEIKLEJOHN



Gordon A. Meiklejohn

GAM/nd

Attachments

c. Client

**FURTHER INVOICES DELIVERED BY TRADEX FOR GOODS SHIPPED
AS AT JANUARY 30 2017 WHICH WERE NOT INCLUDED IN THE
STATEMENT OF CLAIM DATED JANUARY 25 2017**

INVOICE NO.	AMOUNT (USD)	DATE SHIPPED	DUE DATE
6030	\$5,005 (USD)	November 27 2016	January 27 2017
6031	\$15,239.00 (USD)	November 27 2016	January 27 2017
6032	\$13,097.00 (USD)	December 4 2016	February 4 2017
6033	\$5,070.00 (USD)	December 12 2016	February 12 2017
6034	\$1,3482.00 (USD)	December 25 2016	February 25 2017
6035	\$17,323.00 (USD)	January 1 2017	March 1 2017
6036	\$11,150.00 (USD)	January 8 2017	March 8 2017
6037	\$21,175.00 (USD)	January 15 2017	March 15 2017
6038	\$12,270.00 (USD)	January 24 2017	March 24 2017
6039	\$22,375.00 (USD)	January 22 2017	March 22 2017
TOTAL			\$136,336.00 (USD)

**GOODS ORDERED BUT NOT YET SHIPPED
AS AT JANUARY 30 2017**

CDN \$

Sateen Shirts	Two Months (February & March 2017) 26,686 remaining 26,686 x .80 Cdn =	<u>\$ 21,348.80</u>
	Total	<u>\$ 21,348.80</u>

US \$

Nested Suits	20,510 pieces x \$5.00 =	\$102,550.00
Nested Suits	1,700 pieces x \$5.00 =	\$ 8,500.00
Separate Jackets	14,380 pieces x \$4.00 =	\$ 57,520.00
Suit Separate Pants	13,279 pieces x \$1.00 =	\$ 13,279.00
Pants	2,513 pieces x \$1.00 =	\$ 2,513.00
Fashion Suits	6,689 pieces x \$5.00 =	\$ 33,445.00
Sport Coats	4439 pieces x \$4.00 =	\$ 17,756.00
Jacket	850 pieces x \$4.00 =	\$ 3,400.00
Pant	1,450 x \$1.00 =	<u>\$ 1,450.00</u>
	TOTAL	US \$ <u>240,413.00</u>

Plus – Hanging Inventory 2016

Plus – Fabric to be made

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

TRADEX GLOBAL INC.

Plaintiff

- and -

GRAFTON FRASER INC.

Defendant

STATEMENT OF CLAIM

TO THE DEFENDANT:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiff. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18a prescribed by the Rules of Civil Procedure, serve it on the plaintiff's lawyer or, where the plaintiff does not have a lawyer, serve it on the plaintiff, and file it, with proof of service, in this Court Office, **WITHIN TWENTY DAYS** after this Statement of Claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period of serving and filing your Statement of Defence is forty days. If you are served outside of Canada and the United States of America, the period is sixty days.

Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the Rule of Civil Procedure. This will entitle you to ten more days within which to serve and file your Statement of Defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BE CONTACTING A LOCAL LEGAL AID OFFICE.

IF YOU PAY THE PLAINTIFF'S CLAIM, and \$10,000.00 for costs, within the time for serving and filing your Statement of Defence, you may move to have this proceeding dismissed by the court. If you believe the amount claimed for costs is excessive, you may pay the plaintiff's claim and \$400.00 for costs and have the costs assessed by the court.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

Date: January 2017

Issued by: _____
Local Registrar
393 University Avenue, 10th Floor
Toronto, Ontario M5G 1E6

TO: GRAFTON FRASER INC.
44 Apex Road
Toronto, Ontario
M6A 2V2

CLAIM**1. THE PLAINTIFF CLAIMS AGAINST THE DEFENDANT:**

- a) The Canadian dollar equivalent of US \$421,358.00 for services provided to the defendant as described herein;
 - b) The further sum of Canadian \$333,308.00 for services provided to the defendant as described herein;
 - c) Pre-judgment and post-judgment interest in accordance with the *Courts of Justice Act*, R.S.O. c.C.43, as amended from time to time;
 - d) Its costs of this action together with the applicable HST; and
 - e) Such further and other relief as this Honourable Court may deem just.
2. The plaintiff, Tradex Global Inc. (“Tradex”) is an Ontario corporation providing sourcing and quality control services to purchasers of garments manufactured in Asia.
 3. The defendant, Grafton Fraser Inc. (“Grafton Fraser”) is an Ontario corporation engaged in the business of selling garments in its various stores located in Ontario and elsewhere in Canada.
 4. Since in or about 1981 Tradex and its related companies have been providing services to Grafton Fraser which services included identifying various factories in Asia to produce men’s shirts, sweaters, jackets, suits, outerwear and various items of women’s apparel for purchase by Grafton Fraser. Tradex’s services from time to time included obtaining sample products, coordinating production and providing quality control inspections at the various factories during the manufacturing process.
 5. Over the years Tradex and Grafton Fraser entered into written agreements evidencing this arrangement. On May 5 2016 the then current written agreement between the parties (dated November 1 2015) was terminated and thereafter Tradex continued to provide its services to Grafton Fraser pursuant to an oral agreement reached between Tradex’s representative Melvin Stern and Grafton Fraser’s representative Glenn Stonehouse.

6. The oral agreement was a continuation of the written agreement in place between the parties which provided that Grafton Fraser would pay to Tradex for its sourcing and quality control services the following amounts per item:

Menswear:

Bellissimo Sateen Shirts	\$.80 CDN
Shirts	\$ 1.00 USD
Suits/Suit Separates (2 Pieces)	\$ 4.00 USD
Outerwear	\$12.00 CDN
Pants	\$ 1.00 USD
Sweaters	\$ 1.00 USD
Vests	\$ 1.00 USD

Ladies Wear:

Sweaters	\$ 1.00 USD
Outerwear	\$14.00 USD

7. It is a term of the oral agreement that Tradex would invoice Grafton Fraser upon the garments being shipped to Grafton Fraser from the various factories and the Tradex invoice is payable 60 days after the factory invoice date.
8. From and after May 5 2016 Tradex invoiced Grafton Fraser the sum of US \$476,783.00 for its services and received payments totaling this amount from Grafton Fraser.
9. While Tradex continues to provide its services to Grafton Fraser and continued to invoice Grafton Fraser for the services it provided in the Summer and Fall of 2016 and into January of 2017 the last payment Tradex received was by way of cheque from Grafton Fraser dated October 7 2016 in the amount of US \$3,920.00.
10. Tradex has delivered the following invoices in US dollars to Grafton Fraser for services it has provided which amounts are due and payable to Tradex and which amounts have not been paid by Grafton Fraser.

INVOICE NO.	AMOUNT (USD)	DATE SHIPPED	DUE DATE
6005	\$30,822.00 (USD)	July 17 2016	September 17 2016
6006	\$50,715.00 (USD)	July 24 2016	September 24 2016
6007	\$15,170.00 (USD)	July 21 2016	September 31 2016
6008	\$33,941.00 (USD)	August 7 2016	October 7 2016
6009	\$43,480.00 (USD)	August 14 2016	October 14 2016
6010	\$15,328.00 (USD)	August 2 2016	October 21 2016
6016	\$7,632.00 (USD)	September 14 2016	November 4 2016
6017	\$20,454.00 (USD)	September 11 2016	November 11 2016
6018	\$15,593.00 (USD)	September 25 2016	November 25 2016
6019	\$10,191.00 (USD)	October 10 2016	December 10 2016
6020	\$4,723.00 (USD)	October 16 2016	December 16 2016
6021	\$3,763.00 (USD)	October 23 2016	December 23 2016
6022	\$32,412.00 (USD)	November 13 2016	January 13 2017
6023	\$70,040.00 (USD)	Shipped through Jaytex in June, July and August 2016	August to October 2016
6024	\$14,927.00 (USD)	“	“
6025	\$3,126.00 (USD)	“	“
6026	\$2,895.00 (USD)	“	“
6027	\$5,741.00 (USD)	June 20 2016	August 20 106
6028	\$32,160.00 (USD)	January, June and July 2016	March, August and September 2016
6029	\$8,245.00 (USD)	November 13 2016	January 13 2017
TOTAL			\$421,358.00 (USD)

11. In addition Tradex has delivered the following invoices in Canadian dollars to Grafton Fraser for services it has provided which amounts are due and payable to Tradex and which amounts have not been paid.

INVOICE NO.	AMOUNT (CDN)	DATE SHIPPED	DUE DATE
6011	\$64,788.00 (CDN)	June 2 2016	August 2 2016
6012	\$64,440.00 (CDN)	Jun 15 2016	August 15 2016
6013	\$53,400.00 (CDN)	July 25 2016	September 25 2016
6014	\$39,888.00 (CDN)	August 8 2016	October 8 2016
6015	\$110,792.00 (CDN)	February through September 2016	October 17 2016
TOTAL			\$333,308.00 (CDN)

12. Despite numerous demands made by Tradex to Grafton Fraser, Grafton Fraser has failed to pay Tradex the amounts outstanding on account of services provided to Grafton Fraser as detailed in invoices Grafton Fraser received from Tradex as set out above.
13. As of the date of this statement of claim there is owing to Tradex by Grafton Fraser the amounts of US \$421,358.00 and Canadian \$333,308.00 in respect of services provided to Grafton Fraser by Tradex.
14. Tradex proposes that the trial of this matter take place at the City of Toronto.

Date: January 2017

BRANNAN MEIKLEJOHN

Barristers

Rosedale Square

1055 Yonge Street, Suite 200

Toronto, Ontario M4W 2L2

Gordon A. Meiklejohn (LSUC # 21042Q)

Tel: (416) 926-3797

Fax: (416) 926-3712

Lawyers for the Plaintiff

Court File No.:

TRADEX GLOBAL INC.
Plaintiff

v.

GRAFTON FRASER INC.
Defendant

ONTARIO
SUPERIOR COURT OF JUSTICE
Proceedings Commenced at **TORONTO**

STATEMENT OF CLAIM

BRANNAN MEIKLEJOHN
Barristers
Rosedale Square
1055 Yonge Street, Suite 200
Toronto, Ontario M4W 2L2

Gordon A. Meiklejohn
LSUC #21042Q

Tel. No.: 416-926-3797
Fax No.: 416-926-3712
Lawyers for the Plaintiff

APPENDIX “B”



February 2, 2017

By E-mail

jdietrich@casselsbrock.com

tel: 416.860.5223

fax: 416.640.3144

Brannan Meiklejohn
Barristers
Rosedale Square
1055 Yonge Street
Suite 200
Toronto, Ontario
M4W 2L2

Attention: Gordon A. Meiklejohn

Dear Mr. Meiklejohn:

Re: Tradex Global Inc. ("Tradex") v. Grafton Fraser Inc. ("GFI")

Thank you for your letter of January 31, 2017 on behalf of your client, Tradex. As you know we represent Richter Advisory Group Inc. in its capacity as court - appointed monitor in the *Companies' Creditors Arrangement Act* ("CCAA") proceedings of GFI. GFI obtained protection under the CCAA on January 25, 2016 and all proceedings against or in respect of GFI, including Tradex's claim against GFI have been stayed by order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**").

I have discussed your letter with the Monitor and can advise that we have been advised by GFI that GFI does not require go forward services from Tradex at this time.

At this stage of the CCAA proceedings no claims process has been commenced in respect of claims against GFI. As such, it is premature to comment on the Monitor or GFI's views of amounts owed, if any, by GFI to Tradex. Should a process to determine unsecured claims against GFI be undertaken with the approval of the Court, the matters set out in your correspondence of January 31, 2017 would then properly be subject to such process.

In the meantime if you have further questions or would like to be added to the service list in the GFI CCAA proceedings, please let me know.

Yours truly,

FOR:

Jane Dietrich
Partner

JOD/sw
Legal*38838309.1

APPENDIX “C”



Gordon A. Meiklejohn
416-926-3797 ext. 225
gam@bmbarristers.com

BY EMAIL ONLY

February 16 2017

Ms. Jane Dietrich
CASSELS BROCK & BLACKWELL LLP
Scotia Plaza
40 King Street West, Suite 2100
Toronto, Ontario M5H 3C2

Dear Ms. Dietrich:

Re: Tradex Global Inc. v. Grafton Fraser Inc.

I am responding to your email to me of February 2 wherein you write that you are not sure what I am looking to address at this time.

What I am addressing at this time is the fact that for some unknown reason, Mark Sun the Vice President and CFO of Grafton Fraser has not informed the Monitor that Tradex Global Inc. ("Tradex") was a trade creditor and as at January 26 2017 was owed USD \$421,358.00 and CAD \$333,308.00.

As I wrote earlier, the amount owing to Tradex increases as each shipment of garments is quality inspected and leaves the factory. Since issuing the Statement of Claim the amount owed to Tradex by Grafton Fraser has increased by USD \$33,291.00 for garments shipped from the factory at the end of November 2016 and early December 2016.

Grafton Fraser's Vice President and CFO, Mark Sun, its Controller Rajib Ghosh, its Director of Merchandise Wayne Burgetz and its President and CEO Lance Itkoff are all fully aware of Grafton Fraser's dealings with Tradex and of its indebtedness to Tradex for services rendered by Tradex.

As I wrote in my letter to you dated January 31, all of the invoices rendered to Grafton Fraser are in my file and are available should you or anyone from the Monitor wish to review them. Since the invoices with the Grafton Fraser purchase order number on them were delivered to

Rosedale Square, 1055 Yonge Street, Suite 200, Toronto Ontario M4W 2L2
Tel: 416 926 3797 | Fax: 416 926 3712

Grafton Fraser we do not understand why Tradex is not listed as a trade creditor to Grafton Fraser for the total amount of the invoices.

At no time did Grafton Fraser deny its obligation to pay the invoices rendered by Tradex and in fact Grafton Fraser made the following payments to Tradex: April 5 2016 CAD \$60,000.00; May 5 2016 USD \$305,787.00; August 24 2016 USD \$47,018.00; September 22 2016 USD \$80,058.00; and October 7 2016 USD \$43,920.00. Copies of these cheques are attached to this letter as attachment #1.

I also attach an email dated September 28 2016 sent to Stern (melstern@rogers.com) by Kavita Naik the Finance Manager Accounts Payable at Grafton Fraser Subject: RE: Tradex Cheque 80 K Tradex invoices TGI 2067 – 16 2068/2069/2070. I also attach the document which was attached to Ms. Naik's email. The attachment is headed Cheque #153 TRADEX GLOBAL. It is attached as attachment # 2.

In her email Ms. Naik writes; "Mel See Attached. The commission has been paid as per the new rates agreed. Please contact Rajib if you have any concerns or questions regarding same. Thank you. Ms. Naik's email was also sent to Rajib Ghosh, Grafton Fraser's controller.

The attachment summarizes each of the Tradex invoices and totals \$89,046.00 which is the amount of the Grafton Fraser cheque dated September 22 2016 which was provided to Tradex.

Mel Stern is the President of Tradex.

Attached is another email from Kavita Naik which she had previously sent to Mel Stern on September 14 2016 attaching a summary of the Tradex invoices paid by way of Grafton Fraser's cheque #115, dated August 24 2016 in the amount of USD \$47,018.00. It is attached as attachment #3.

I also attach an email exchange from April 28 & 29 2016 wherein Glenn Stonehouse, a shareholder of Grafton Fraser who was actively involved in the business confirmed to Howie Kastner, of Jaytex, the company Grafton Fraser uses to finance alot of the merchandise it purchased, that "GFI will have GFI Mel Stern Outerwear go through Jaytex at 10% mu. Thank you. Mel and I will determine commission for his work and it will be paid by GFI." This exchange is attached as attachment #4.

Stonehouse's email was copied to Lance Itkoff and Wayne Burgetz. As mentioned earlier Burgetz is Grafton Fraser's Director of Merchandise and Itkoff is its CEO.

I also attach Stonehouse's email to Stern of April 28 2016 wherein he confirms that he spoke to Howie at Jaytex and he has agreed to take in both the initial setup order as well as the backup for the F17 Merino sweater program for both TT and BT. Stonehouse's email to Stern was also sent to Burgetz and Itkoff. It is attachment #5.

Also attached is an email from Rajib Ghosh the controller at Grafton Fraser dated October 17 2016 to Mel Stern and copied to Kavita Naik wherein Ghosh writes: "Attached please find the

commission calculation on Sateen Dress Shirts for the period of February to September 2016. Please review and let me know any concern. Also, please send the invoices for processing.” It is attachment #6.

Tradex sent its invoices to Grafton Fraser for the commission owing of CAD \$110,792.00. This has not been paid.

At the end of October 2016, not having received a payment from Grafton Fraser since October 7 2016, Stern emailed the controller, Ghosh, asking for payment. His email dated October 31 2016 is attached asw attachment #7..

Thereafter Stern sent numerous emails to Sun and Ghosh asking for payment and had several conversations with Ghosh. Ghosh informed Stern all Tradex invoices had been processed and were waiting for Sun’s approval. During this time many excuses were proffered by Ghosh as to why payment had not been made. Attached as attachments 8, 9 and 10 are Stern’s emails of December 14 and 19 2016 and January 11 2017 asking for payment.

Having emailed Sun and Ghosh asking for payment and receiving no response, Stern turned to Stonehouse for help in to obtain payment of the outstanding invoices.

Stonehouse attempted to have Sun and Itkoff deal with the amounts owed to Tradex. Attached is Stonehouse’s email which he sent to Sun and Itkoff on January 13 2017. Stonehouse copied Frank Tworecke, who is on the Board of Directors of Gordon Brothers, the investors who own the majority shares of Grafton Fraser. Stonehouse’s email of January 13 is attachment #11.

On January 17 2017 Stern emailed Stonehouse and asked him to call Sun and in turn ask him to pay the Tradex account. That email is attached as attachment #12. Grafton Fraser did not pay the Tradex account.

In light of the history of Tradex' service to Grafton Fraser, we do not understand why the senior management at Grafton Fraser has not disclosed to the Monitor the existence of Grafton Fraser’s debt to Tradex..

In fact Tradex has continued to provide its services to Grafton Fraser, which services include those of is employees in the factories in Asia and in turn, Grafton Fraser has continued to use and request those services.

Attached as attachment #13 is an email dated February 3 2017 sent from Mike Heng to Joe at jchiaromonte@graftonfraser.com with copies to melstern@rogers.com and a number of employees at Grafton Fraser.

Mike Heng is an employee of Tradex who coordinates quality control and shipping at the Dewhirst factory in Cambodia where men’s suits, jackets and pants are manufactured and sold Grafton Fraser.

Joe Chiaramonte is a Senior Buyer at Grafton Fraser who is responsible for Tailored Clothing.

Attached to Heng's email are two documents.

One is labelled Actual Shipped qty 04 - Feb-17 (Air) which confirms that 781 Bellissimo Indigo Suit Indigo Blue were shipped by air to Toronto and that 1,310 Bellissimo Nested Suit – Grey were shipped by air to Toronto.

The other document attached to Heng's email is labelled Actual Shipped qty 04-Feb-17 (Sea) confirms that more suits and sport coats totaling 5,869 pieces were shipped by sea to Toronto and Vancouver.

Chiaramonte responds "Thanks Mike". That email is also attached as attachment #14..

In respect of Grafton Fraser requesting Tradex services attached is an email chain from earlier this month which originates with Chiaramonte requesting that Heng check on colour continuity for the new fabric for "Slate Gray Grad NEW PROGRAM W007." Included is Heng's response. This exchange is attachment #15.

Tradex was clearly a trade creditor to Grafton Fraser as at January 26 2017 and was owed at the time in excess of CAD \$880,000.00 when the exchange rate for the USD is taken into account.

Given this history Sun's decision not to inform the Monitor of the amounts owed to Tradex by Grafton Fraser makes absolutely no sense.

I ask that the Monitor's records be amended to reflect Grafton Fraser's debt to Tradex.

Yours very truly,
BRANNAN MEIKLEJOHN

Gordon A. Meiklejohn

Gordon A. Meiklejohn
GAM/nd
Attachments

c. Mel Stern, Tradex

GFI
1853
GRAFTON-FRASER INC.

44 APEX RD.
TORONTO, ON M6A 2V2
Tel: (416) 760-9222
Fax: (416) 760-2159

CANADIAN IMPERIAL BANK OF COMMERCE
MAIN BRANCH-COMMERCE COLUIT
TORONTO, ONTARIO M5S 1Z9

CHEQUE NO
N° DU CHÉQUE

000194

DATE 04 05 2016
M M D D Y Y Y Y

PAY PAYER SIXTY THOUSAND AND 00/100 CDN *****60,000.00

TO THE ORDER OF
À L'ORDRE DE TRADEX GLOBAL INC.

GRAFTON-FRASER INC.

PERPAYS

PERPAYS

⑈000194⑈ ⑆00002⑆010⑆ 88⑈82010⑈

ItemSeqNum: 2700457252
TrRoutNumCDN: 2
FNumCDN: 10
Account: 8882010
CheckAmt: 6000000
CapturDate: 20160407
Batch ID: 42085

Chen

Endorsement - Signature or Stamp
Endossement - Signature ou tampon

05012-010
APR 07 2016
1150 EGLINTON AVE WEST
TORONTO, ON
05012-010
BACK/VERSO

Printer ID# 1021
ID d'imprimeur 1021

1. The Bank shall not be responsible for the loss or destruction of this cheque if it is not presented to the Bank within the time specified in the conditions of sale.
2. The Bank shall not be responsible for the loss or destruction of this cheque if it is not presented to the Bank within the time specified in the conditions of sale.
3. The Bank shall not be responsible for the loss or destruction of this cheque if it is not presented to the Bank within the time specified in the conditions of sale.
4. The Bank shall not be responsible for the loss or destruction of this cheque if it is not presented to the Bank within the time specified in the conditions of sale.
5. The Bank shall not be responsible for the loss or destruction of this cheque if it is not presented to the Bank within the time specified in the conditions of sale.

05012
6009417

ItemSeqNum: 2700457252
TrRoutNumCDN: 2
FNumCDN: 10
Account: 8882010
CheckAmt: 6000000
CapturDate: 20160407
Batch ID: 42085

PAYABLE THROUGH CANADIAN IMPERIAL BANK OF COMMERCE'S AGENT IN NEW YORK

GRAFTON - FRASER INC.
 44 APEX RD.
 NORTH YORK, ONTARIO M5A 2V2

1 2867200

000053

DATE 2016-05-05
 Y Y Y Y M M D D

PAY TO Tradex Global Inc
 the order of

\$ 305,787.00

Three hundred Five Thousand Seven hundred Eighty Seven DOLLARS

CIBC CANADIAN IMPERIAL BANK OF COMMERCE
 MAIN BRANCH-COMMERCE COURT
 TORONTO, ONTARIO M5L 1B9 92002 010

GRAFTON - FRASER INC.

PER _____
 PER _____

RE T.G.I. 9051 52, 61, 62, 64, 65, 66
\$7,3004,3005,3006,3007

⑈000053⑈ ⑆026002558⑆0000200507562⑈ 024

ItemSeqNum: 3600042340
 TrRoutNumCDN: 2600
 FNumCDN: 558
 Account: 200507512
 CheckAmt: 30578700
 CapturDate: 20160510
 Batch ID: 42098

Printer ID# 1021

MAY 10 2016

ENDORSEMENT - Signature of Owner

05012 6009417

BACK VERSO

ItemSeqNum: 3600042340
 TrRoutNumCDN: 2600
 FNumCDN: 558
 Account: 200507512
 CheckAmt: 30578700
 CapturDate: 20160510
 Batch ID: 42098

PAYABLE THROUGH CANADIAN IMPERIAL BANK OF COMMERCE'S AGENT IN NEW YORK

000115

GRAFTON - FRASER INC.
44 APEX RD.
NORTH YORK, ONTARIO M2A 2V2

1-255/250

DATE 2016-08-24
Y Y Y M M D D

PAY to TRADEX GLOBAL INC.

\$ 47,018.00

the order of

Forty seven Thousand eighteen

00 DOLLARS
100 U.S. FUNDS



CANADIAN IMPERIAL BANK OF COMMERCE
MAIN BRANCH-COMMERCE COURT
TORONTO, ONTARIO M5E 1G9 0002-010

GRAFTON - FRASER INC.

2060/2016, 2063/2016
2064A/2016

PER

PER

⑈000115⑈ ⑆026002558⑆0000200507512⑈ 024

ItemSeqNum: 3500538024
TrRoutNumCDN: 2600
FNumCDN: 558
Account: 200507512
CheckAmt: 4701800
CapturDate: 20160929
Batch ID: 42093

Printer ID# 1021

SEP 29 2016
TORONTO, ONTARIO
3500538024

6009417
05012

Endorsement - Signature of Signer

BACK/VERSO

SEP 28 2016

SEP 28 2016
TORONTO, ONTARIO
00192

ItemSeqNum: 3500538024
TrRoutNumCDN: 2600
FNumCDN: 558
Account: 200507512
CheckAmt: 4701800
CapturDate: 20160929
Batch ID: 42093

PAYABLE THROUGH CANADIAN IMPERIAL BANK OF COMMERCE'S AGENT IN NEW YORK

000153

GRAFTON - FRASER INC.
44 APEX RD.
NORTH YORK, ONTARIO M2A 2V2

1.255/280

DATE 2016-09-22
Y Y Y Y M M D D

PAY TO Trade x Global Inc.

\$80,058.00

the order of Eighty Thousand fiftyeight

00 DOLLARS
100 U.S. DOLLARS



CANADIAN IMPERIAL BANK OF COMMERCE
MAIN BRANCH-COMMERCE COURT
TORONTO, ONTARIO M5L 1B9 00001-218

GRAFTON - FRASER INC.

REF T9/2067A-162068/2069/2070

SIGNATURE

⑈000153⑈ ⑆026002558⑆00002005075⑆2⑈ 024

ItemSecNum: 2700292729

TrRoutNumCDN: 2600

FINumCDN: 558

Account: 200507512

CheckAmt: 8005800

CapturDate: 20160927

Batch ID: 42115

Printer ID# 1021

Signature of Signer

CIBC
TORONTO
SEP 27 2016
2758272124

05012 6009417

BACK/VERSO

ItemSecNum: 2700292729

TrRoutNumCDN: 2600

FINumCDN: 558

Account: 200507512

CheckAmt: 8005800

CapturDate: 20160927

Batch ID: 42115

PAYABLE THROUGH CANADIAN IMPERIAL BANK OF COMMERCE AGENT IN NEW YORK 000176

GRAFTON - FRASER INC.
 44 APEX RD.
 NORTH YORK, ONTARIO M2A 2V2

DATE 2016-10-07
 Y Y Y Y M M D D

PAY TO Tradex Global Inc. \$ 43,920.00

FOR DEPOSIT ONLY

Forty three thousand nine hundred twenty 00 DOLLARS

CANADIAN IMPERIAL BANK OF COMMERCE
 1030 BRANCH COMMERCIAL COURT
 TORONTO, ONTARIO M5L 1G9 (416) 967-4110

GRAFTON - FRASER INC.

PER [Signature]
 FOR [Signature]

Tel: 6001/6002/6003/6004

⑆000176⑆ ⑆026002558⑆00002005075⑆2⑆ 024

ItemSeqNum: 2700378994
 TrRoutNumCDN: 2600
 FNumCDN: 558
 Account: 200507512
 CheckAmt: 4392000
 CapturDate: 20161014
 Batch ID: 42154

Printer ID# 1021

Endorsment: Signature or Stamp

05012
6009417

S.I.B.E.
 TORONTO PC
 10/14/2016
 2700378994

BACK/VERSO

ItemSeqNum: 2700378994
 TrRoutNumCDN: 2600
 FNumCDN: 558
 Account: 200507512
 CheckAmt: 4392000
 CapturDate: 20161014
 Batch ID: 42154

From: Kavita Naik <knaik@graftonfraser.com>
Date: September 14, 2016 at 10:12:07 AM EDT
To: STERN <melstern@rogers.com>
Cc: Rajib Ghosh <rghosh@graftonfraser.com>
Subject: RE: Cheque 47k

Mel,

See attached

Regards
Kavita

From: STERN [<mailto:melstern@rogers.com>]
Sent: Wednesday, September 14, 2016 9:38 AM
To: Rajib Ghosh
Cc: Kavita Naik
Subject: Re: Cheque 47k

Never recvd. Can I pls get this info today
Thanks Mel
Sent from my iPhone

On Sep 13, 2016, at 9:59 AM, Rajib Ghosh <rghosh@graftonfraser.com> wrote:

Hi Kavita,
Could you please send the details to mel?

Thanks
Rajib

-----Original Message-----

From: STERN [<mailto:melstern@rogers.com>]
Sent: Tuesday, September 13, 2016 9:44 AM
To: Rajib Ghosh
Subject: Cheque 47k

Hi Rajib
Pls send me statement what invoices were paid above. I need deduct from my acct Thnx M Sent from my iPhone

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TRADEX GLOBAL

Paid on cheque# 115

Inv#	DATE	INVOICE REFERENCE	GFI PO	# OF UNITS	Commodity	VENDOR NAME	Commission rate	Amount in USD
TGI 2060/2016		63335	63335	1,510.00	SUITS	Dewhirst	5.00	7,550.00
		63861	63861	1,529.00	TROUSERS	Dewhirst	1.00	1,529.00
		63729	63729	495.00	WAISTCOATS	Dewhirst	1.00	495.00
		63730	63730	507.00	WAISTCOATS	Dewhirst	1.00	507.00
		63952	63952	1,302.00	JACKETS	Dewhirst	4.00	5,208.00
		63952A	63952A	1,303.00	JACKETS	Dewhirst	4.00	5,212.00
		65017	65017	712.00	SUITS	Dewhirst	5.00	3,560.00
		63728	63728	284.00	JACKETS	Dewhirst	4.00	1,136.00
		66575	66575	115.00	JACKETS	Dewhirst	4.00	460.00
TGI 2060/2016		Total		4,041.00		Total Payable		25,657.00
TGI 2063/2016		63776	63776	500.00	Trousers	Dewhirst	1.00	500.00
		64892	64892	517.00	Trousers	Dewhirst	1.00	517.00
		63935	63935	808.00	Jackets	Dewhirst	4.00	3,232.00
		66723	66723	403.00	Jackets	Dewhirst	4.00	1,612.00
		63752	63752	506.00	Suits	Dewhirst	5.00	2,530.00
		66710	66710	368.00	Jackets	Dewhirst	4.00	1,472.00
		63953	63953	509.00	Suits	Dewhirst	5.00	2,545.00
TGI 2063/2016		Total		1,017.00		Total Payable		12,408.00
TGI 2064/2016-Inv# repeated		63462	63462	350.00	Jackets	Dewhirst	4.00	1,400.00
		64880	64880	500.00	Trousers	Dewhirst	1.00	500.00
		60848	60848	509.00	Trousers	Dewhirst	1.00	509.00
		63922	63922	510.00	Trousers	Dewhirst	1.00	510.00
		63865	63865	505.00	Trousers	Dewhirst	1.00	505.00
		66737	66737	600.00	Trousers	Dewhirst	1.00	600.00
		63780	63780	1,016.00	Trousers	Dewhirst	1.00	1,016.00
		64905	64905	920.00	Trousers	Dewhirst	1.00	920.00
		66747	66747	714.00	Trousers	Dewhirst	1.00	714.00
		64871	64871	503.00	Trousers	Dewhirst	1.00	503.00
		66716	66716	444.00	Jackets	Dewhirst	4.00	1,776.00
TGI 2064/2016-Inv# repeated		Total		850.00		Total Payable		8,953.00
						Total Paid		47,018.00

Cheque#153
TRADEX GLOBAL

Inv#	INVOICE REFERENCE	GFI PO	# OF UNITS	Commodity	VENDOR NAME	Commission rate	Paid Amount in USD	As per Invoice	Variance
TGI 2067/2016	61767	61767	506.00	Trousers	Dewhirst	1.00	506.00		
	61768	61768	480.00	Trousers	Dewhirst	1.00	480.00		
	64948	64948	304.00	Jackets	Dewhirst	4.00	1,216.00		
	65851	65851	407.00	Jackets	Dewhirst	4.00	1,628.00		
	65860	65860	1,133.00	Trousers	Dewhirst	1.00	1,133.00		
	65865	65865	817.00	Trousers	Dewhirst	1.00	817.00		
	66721	66721	414.00	Trousers	Dewhirst	1.00	414.00		
	66726	66726	398.00	Jackets	Dewhirst	4.00	1,592.00		
	67983	67983	406.00	Trousers	Dewhirst	1.00	406.00		
	67993	67993	664.00	Trousers	Dewhirst	1.00	664.00		
	68002	68002	776.00	Trousers	Dewhirst	1.00	776.00		
	68252	68252	532.00	Waistcoats	Dewhirst	1.00	532.00		
TGI 2067/2016	Total		986.00		Total Payable		10,164.00	11,273.00	-1,109.00
TGI 2068/2016	65842	65842	500.00	Suits	Dewhirst	5.00	2,500.00		
	68700	68700	705.00	Jackets	Dewhirst	4.00	2,820.00		
	61652	61652	400.00	Jackets	Dewhirst	4.00	1,600.00		
	65871	65871	257.00	Jackets	Dewhirst	4.00	1,028.00		
	66742	66742	248.00	Jackets	Dewhirst	4.00	992.00		
	63473	63473	508.00	Jackets	Dewhirst	4.00	2,032.00		
	68492	68492	507.00	Trousers	Dewhirst	1.00	507.00		
	65864	65864	509.00	Trousers	Dewhirst	1.00	509.00		
	68251	68251	503.00	Waistcoats	Dewhirst	1.00	503.00		
	66056	66056	1,133.00	Trousers	Dewhirst	1.00	1,133.00		
	68149	68149	950.00	Trousers	Dewhirst	1.00	950.00		
	68702	68702	307.00	Jackets	Dewhirst	4.00	1,228.00		
TGI 2068/2016	Total		1,205.00		Total Payable		15,802.00	18,226.00	-2,424.00
TGI 2069/2016	65844	65844	762.00	Suits	Dewhirst	5.00	3,810.00		
	63765	63765	763.00	Suits	Dewhirst	5.00	3,815.00		
	63766	63766	505.00	Suits	Dewhirst	5.00	2,525.00		
	64941	64941	509.00	Jackets	Dewhirst	4.00	2,036.00		
	68003	68003	1,122.00	Jackets	Dewhirst	4.00	4,488.00		
	67994	67994	553.00	Jackets	Dewhirst	4.00	2,212.00		
	63461	63461	720.00	Jackets	Dewhirst	4.00	2,880.00		
	67988	67988	508.00	Trousers	Dewhirst	1.00	508.00		
	68001	68001	2,534.00	Trousers	Dewhirst	1.00	2,534.00		
	67992	67992	1,217.00	Trousers	Dewhirst	1.00	1,217.00		
	64119	64119	513.00	Trousers	Dewhirst	1.00	513.00		
	65196	65196	518.00	Trousers	Dewhirst	1.00	518.00		
	65861	65861	505.00	Trousers	Dewhirst	1.00	505.00		
	63866	63866	505.00	Trousers	Dewhirst	1.00	505.00		
	63867	63867	813.00	Trousers	Dewhirst	1.00	813.00		
	66738	66738	500.00	Trousers	Dewhirst	1.00	500.00		
	63782	63782	1,021.00	Trousers	Dewhirst	1.00	1,021.00		
	63783	63783	814.00	Trousers	Dewhirst	1.00	814.00		
	66732	66732	595.00	Trousers	Dewhirst	1.00	595.00		
	64123	64123	519.00	Trousers	Dewhirst	1.00	519.00		
	65859	65859	524.00	Trousers	Dewhirst	1.00	524.00		
	67980	67980	500.00	Trousers	Dewhirst	1.00	500.00		
	64873	64873	550.00	Trousers	Dewhirst	1.00	550.00		
	68206	68206	622.00	Waistcoats	Dewhirst	1.00	622.00		
	65475	65475	505.00	Waistcoats	Dewhirst	1.00	505.00		
	65645	65645	539.00	Waistcoats	Dewhirst	1.00	539.00		
	65651	65651	518.00	Waistcoats	Dewhirst	1.00	518.00		
	63826	63826	515.00	Waistcoats	Dewhirst	1.00	515.00		
TGI 2069/2016	Total		19,769.00		Total Payable		36,601.00	39,505.00	-2,904.00
TGI 2070/2016	68453	68453	749.00	Suits	Dewhirst	5.00	3,745.00		
	68004	68004	508.00	Jackets	Dewhirst	4.00	2,032.00		
	67995	67995	516.00	Jackets	Dewhirst	4.00	2,064.00		
	63505	63505	511.00	Jackets	Dewhirst	4.00	2,044.00		
	63474	63474	509.00	Jackets	Dewhirst	4.00	2,036.00		
	65204	65204	507.00	Jackets	Dewhirst	4.00	2,028.00		
	68481	68481	510.00	Trousers	Dewhirst	1.00	510.00		
	63924	63924	500.00	Trousers	Dewhirst	1.00	500.00		
	63923	63923	610.00	Trousers	Dewhirst	1.00	610.00		
	68051	68051	417.00	Trousers	Dewhirst	1.00	417.00		
	68249	68249	504.00	Waistcoats	Dewhirst	1.00	504.00		
	68282	68282	507.00	Waistcoats	Dewhirst	1.00	507.00		
	68207	68207	494.00	Waistcoats	Dewhirst	1.00	494.00		
TGI 2070/2016	Total		34,333.00		Total Payable		17,491.00	20,042.00	-2,551.00
	Total				Total Payable		80,058.00	89,046.00	-8,988.00

From: Kavita Naik <knaik@graftonfraser.com>
Date: September 28, 2016 at 9:36:46 AM EDT
To: STERN <melstern@rogers.com>
Cc: Rajib Ghosh <rghosh@graftonfraser.com>
Subject: RE: Tradex Cheque 80 K Tradex invoices TGI 2067A - 16 2068/2069/2070

Mel... See attached.

The commission has been paid as per the new rates agreed. Please contact Rajib if you have any concerns or questions regarding the same.

Thank you,

Kavita Naik
Finance Manager Accounts Payable
Grafton Fraser Inc
G: knaik@graftonfraser.com
k: 416-780-9922 x 2220

-----Original Message-----

From: STERN [<mailto:melstern@rogers.com>]
Sent: Wednesday, September 28, 2016 6:14 AM
To: Kavita Naik
Cc: Rajib Ghosh
Subject: Tradex Cheque 80 K Tradex invoices TGI 2067A - 16 2068/2069/2070

Hi Kavita

Can you pls send me clarification original amount due each above Tradex invoice and what was paid against each invoice. I need reconcile payment and account Thanks Mel Sent from my iPad

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Forbes, Katherine

From: Gordon A. Meiklejohn <gam@bmbarristers.com>
Sent: February 16, 2017 1:42 PM
To: Gordon A. Meiklejohn
Subject: Commission on Sateen Dress Shirts
Attachments: TradeEx - Sateen Dress Shirt Commission Feb to Sept 2016 v2 101716.pdf

From: Rajib Ghosh <rghosh@grafonfraser.com>
Date: October 17, 2016 at 6:11:53 PM EDT
To: "melstern@rogers.com" <melstern@rogers.com>
Cc: Kavita Naik <knaik@grafonfraser.com>
Subject: **Commission on Sateen Dress Shirts**

Hi Mel,

Attached please find the commission calculation on Sateen Dress Shirts for the period of February to September 2016. Please review and let me know any concern.

Also, please send the invoices for processing.

Thanks
Rajib

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TradeEx Global

Commission Calculation for Sateen Dress Shirt

February to September 2016

Vendor: 960 - Jaytex

Period	Month	Values	
		Sum of Qty Received	Sum of Commission @CAD 0.80/Unit
P01-16	Feb	42,983	\$34,386
P02-16	Mar	22,967	\$18,374
P03-16	Apr	25,786	\$20,629
P04-16	May	25,197	\$20,158
P05-16	Jun	15,901	\$12,721
P06-16	Jul	15,004	\$12,003
P07-16	Aug	30,683	\$24,546
P08-16	Sep	34,969	\$27,975
Grand Total		213,490	\$170,792
Less: Advance Paid			\$60,000
Net Payment Due			\$110,792

Forbes, Katherine

From: Gordon A. Meiklejohn <gam@bmbarristers.com>
Sent: February 16, 2017 1:44 PM
To: Gordon A. Meiklejohn
Subject: Tradex Payment

From: STERN <melstern@rogers.com>
Date: October 31, 2016 at 9:11:29 AM EDT
To: Rajib Ghosh <rghosh@graftonfraser.com>
Subject: Tradex Payment

Hi Rajib

I have not received any cheque last two weeks?

Pls pay sept /oct invoices

TGI- 6005-	usd 30,822	due sept 17
TGI- 6006-	50,715	sept 24
TGI- 6007-	15,170	sept 31
Total	96,607	
TGI- 6008 -	usd 33,941	due oct 7
TGI -6009-	43,480	oct 15
TGI- 6010-	15,328.	oct 21
Total	92,749	

Thanks Mel

Forbes, Katherine

From: Gordon A. Meiklejohn <gam@bmbarristers.com>
Sent: February 16, 2017 1:46 PM
To: Gordon A. Meiklejohn
Subject: TRADEX PAYMENT REQUIRED

From: STERN <melstern@rogers.com>
Date: December 14, 2016 at 9:15:07 AM EST
To: msun@graftonfraser.com
Cc: rghosh@graftonfraser.com
Subject: TRADEX PAYMENT REQUIRED

TGI 6005- usd 30,822 shppd July 17 due sept 17
TGI 6006- 50,715 shppd July 24 due sept 24
TGI 6007- 15,170 shppd July 31 due sept 31
Total usd 96,707 (DEW)
TGI 6008- usd 33,941 shppd aug 7 due oct 7
TGI 6009- 43,480 shppd aug 14. due oct 14
TGI 6010- 15,328 shppd aug 21 due oct 21
Total usd 92,749 (DEW)
TGI 6011- cnd 64,788 shppd June 2 due aug 2 Ningbo Highforce wools thru jaytex
TGI 6012- 64,440 shppd June 15 due aug 15
TGI 6013- 53,400 shppd July 25 due sept 25
TGI 6014- 39,888 shppd aug 8. due oct 8
Total cnd 222,516
TGI 6015-cnd 110,792 SATEEN shirts Feb thru Sept (8 months)
Reconciled by Rajib Oct 17 (paid for 2 months)
TGI 6016- usd 7,632 shppd sept 4 due nov 4
TGI 6017- 20,454 shppd sept 11 due nov 11
TGI 6018- 15,593 shppd sept 25 due nov 25
TGI 6019- 10,191 shppd oct 10 due dec 10
Total usd 53,870 (DEW)
TGI 6020 - usd 4723 shppd oct 16 due dec 16
TGI 6021- 3763 shppd oct 23 due dec 23 (air)
Total usd 8,486. (DEW)
TGI 6022- usd 32,412 (air) (DEW)

TGI 6023- usd 70,040
TGI 6024- 14,927
TGI 6025- 3,126
TGI 6026- 2,895
Total usd 90,988 (DEW)
TGI 6027 usd 5,741. Quantum
TGI 6028 usd 32,160 Quantum
TGI 6029 usd. 8,245 (DEW)

TGI 6030 usd 5,005
TGI 6031 15,239
TGI 6032. 13,047

Total usd 33,291 (DEW)

Hi Mark

As you are aware I never recieved any November payment . Please issue a cheque this week as I have many year end obligations to pay staff and my bank. Also can you provide a payment schedule.

Thanks Mel

Forbes, Katherine

From: Gordon A. Meiklejohn <gam@bmbarristers.com>
Sent: February 16, 2017 1:47 PM
To: Gordon A. Meiklejohn
Subject: TRADEX PAYMENT REQUIRED (REVISED)

From: STERN <melstern@rogers.com>
Date: December 19, 2016 at 10:08:52 AM EST
To: msun@griftonfraser.com
Cc: rghosh@griftonfraser.com
Subject: Fwd: TRADEX PAYMENT REQUIRED (REVISED)

Hi Mark

Pls reply I need I cheque in the next few days so I can pay my staff and the bank
M

Sent from my iPhone

Begin forwarded message:

From: STERN <melstern@rogers.com>
Date: December 16, 2016 at 9:06:25 AM EST
To: msun@griftonfraser.com
Cc: rghosh@griftonfraser.com
Subject: TRADEX PAYMENT REQUIRED (REVISED)

TGI 6005-usd 30,822 shppd July 17 due sept17
TGI 6006- 50,715 shppd July 24 due sept 24
TGI 6007- 15,170. shppd July 21 due sept 31
Total. usd 96,707 (DEW)

TGI 6008-usd 33,941 shppd aug 7 due oct 7
TGI 6009- 43,480 shppd aug 14 due oct 14
TGI 6010- 15,328 shppd aug 21 due oct 21
Total usd 92,749 (DEW)

TGI 6011-cnd 64,788 shppd June 2 due August 2 Ningbo Highforce Wools thru
jaytex

TGI 6012- 64,440 shppd June 15 due August 15
TGI 6013- 53,400 shppd July 25 due sept 25
TGI 6014- 39,888 shppd aug 8 due oct 8
Total cnd 222,526 (wool coats)

TGI 6015-cnd 110, 792 Sateen Shirts Feb thru Sept 2016 (8 months) (paid 2
months)

Reconciliation Oct 17 done by Rajib thru jaytex

TGI 6016-usd 7,632 shppd sept 14 due nov 4
TGI 6017- 20,454 shppd sept 11 due nov 11
TGI 6018- 15,593 shppd sept 25 due nov 25
TGI 6019- 10,191 shppd oct 10 due dec 10
Total usd 53,870 (DEW)

TGI 6020- usd 4,723 shppd oct 16 due dec 16

TGI 6021 - 3,763 shppd oct 23 due dec 23
Total usd 8,486 (DEW)
TGI 6022- usd 32,412 (DEW) AIR
TGI 6023 -usd 70, 040 IBERASIA SWEATERS thru Jaytex
TGI 6024- 14,927
TGI 6025- 3,126
TGI 6026- 2,895
Total usd 90,988 IBERASIA
TGI 6027- usd. 5,741 Quantum
TGI 6028- usd 32,160 Quantum
TGI 6029- usd 8,245 (DEW)

TGI 6030- usd 5,005
TGI 6031- 15,239
TGI 6032- 13,047
Total usd 33,291 (DEW)

Hi Mark

As you are aware I never recieved any November payment . Please issue a cheque this week as I have many year end obligations to pay staff and the bank. Also can You provide a payment schedule
Thanks Mel

Forbes, Katherine

From: Gordon A. Meiklejohn <gam@bmbarristers.com>
Sent: February 16, 2017 1:49 PM
To: Gordon A. Meiklejohn
Subject: TRADEX PAYMENT REQUIRED (REVISED)

From: STERN <melstern@rogers.com>
Date: January 11, 2017 at 8:51:16 AM EST
To: msun@graftonfraser.com
Cc: rghosh@graftonfraser.com
Subject: Fwd: TRADEX PAYMENT REQUIRED (REVISED)

Hi Mark

Pls reply I need I cheque in the next few days so I can pay my staff

Hi Mark

Can you pls call me 416 4730302 as
the last cheque issued was Oct 13

Sent from my iPhone

Begin forwarded message:

From: STERN <melstern@rogers.com>
Date: December 16, 2016 at 9:06:25 AM EST
To: msun@graftonfraser.com
Cc: rghosh@graftonfraser.com
Subject: TRADEX PAYMENT REQUIRED (REVISED)

TGI 6005-usd 30,822 shppd July 17 due sept17
TGI 6006- 50,715 shppd July 24 due sept 24
TGI 6007- 15,170. shppd July 21 due sept 31
Total. usd 96,707 (DEW)

TGI 6008-usd 33,941 shppd aug 7 due oct 7
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Total cnd 222,526 (wool coats)

TGI 6015-cnd 110, 792 Sateen Shirts Feb thru Sept 2016 (8 months) (paid 2
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TGI 6017- 20,454 shppd sept 11 due nov 11
TGI 6018- 15,593 shppd sept 25 due nov 25

TGI 6019- 10,191 shppd oct 10 due dec 10
Total usd 53,870 (DEW)
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Total usd 8,486 (DEW)
TGI 6022- usd 32,412 (DEW) AIR
TGI 6023 -usd 70, 040 IBERASIA SWEATERS thru Jaytex
TGI 6024- 14,927
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TGI 6026- 2,895
Total usd 90,988 IBERASIA
TGI 6027- usd. 5,741 Quantum
TGI 6028- usd 32,160 Quantum
TGI 6029- usd 8,245 (DEW)

TGI 6030- usd 5,005
TGI 6031- 15,239
TGI 6032- 13,047
Total usd 33,291 (DEW)

Hi Mark

As you are aware I never recieved any November payment . Please issue a cheque

this week as I have many year end obligations to pay staff and the bank. Also can

You provide a payment schedule

Thanks Mel

Forbes, Katherine

From: Gordon A. Meiklejohn <gam@bmbarristers.com>
Sent: February 16, 2017 1:59 PM
To: Gordon A. Meiklejohn
Subject: TRADEX SUMMARY 2016 OUTSTANDING

From: Glenn Stonehouse <stonehouse@stonehousegroupinc.com>
Date: January 13, 2017 at 1:02:46 PM EST
To: Mark Sun <msun@graftonfraser.com>, Lance Itkoff <Litkoff@graftonfraser.com>, Frank Tworecke <ftworecke@comcast.net>
Cc: Mel Stern <melstern@rogers.com>, Glenn Stonehouse <stonehouse@stonehousegroupinc.com>
Subject: Fwd: **TRADEX SUMMARY 2016 OUTSTANDING**

Mark – I just received this recap from Mel. He has converted all to CDN dollars. See Mel's note at the bottom of his email. Lance you will need to meet with Mel to clarify your go forward position.

Glenn

2016 OUTSTANDING

Date: January 13, 2017 at 12:24:50 PM EST
To: Glenn Stonehouse <stonehouse@stonehousegroupinc.com>

Hi Glenn

Last cheque rcvd oct 15

Dewhirst due end sept n oct 250k

Sateen feb-sept blnce. 110k

Quantum shirts. 50k

Sweaters 118k

Wool coats 223k

750k

Dewhirst nov/dec. 200k

TTL. CND 950

Sateen need re cap oct nov dec

Dewhirst shppng Dec /Jan

M

Sent from my iPhone

Forbes, Katherine

From: Gordon A. Meiklejohn <gam@bmbarristers.com>
Sent: February 16, 2017 2:01 PM
To: Gordon A. Meiklejohn
Subject: MARK SUN

From: Mel Stern <melstern@rogers.com>
Date: January 17, 2017 at 4:50:30 PM EST
To: Glenn Stonehouse <stonehouse@stonehousegroupinc.com>
Subject: MARK SUN

Hi Glenn
Can you pls call Mark and ask him to
pay Tradex account
I have not recieved any reply from him
Thanks Mel

Sent from my iPhone

Forbes, Katherine

From: Gordon A. Meiklejohn <gam@bmbarristers.com>
Sent: February 16, 2017 2:04 PM
To: Gordon A. Meiklejohn
Subject: Sea & Air shipped report on 04-Feb-17
Attachments: Actual Shipped qty 04-FEB-2017 (Air).xlsx; ATT00001.htm; Actual Shipped qty 04-FEB-2017 (Sea) .xlsx; ATT00002.htm

From: Mike Heng <mikeheng9@gmail.com>
Date: February 3, 2017 at 10:22:00 PM EST
To: Joe <jchiaromonte@griftonfraser.com>
Cc: Mel <melstern@rogers.com>, Cheryl Findlay <cfindlay@griftonfraser.com>, Melinda Serafico <mserafico@griftonfraser.com>, nleung@griftonfraser.com
Subject: Sea & Air shipped report on 04-Feb-17

Hi Joe,

Pls find attachments for shipped qty on 04-Feb-17 both air & sea.

Best regards
Mike Heng
H/P: +855 77 866658
Skype: Mike Heng (Cambodia)

Actual Shipped qty 04-Feb-17 (Air)

Style Description/ Color	ITEMS	STYLE Number	PO Number	Book QTY	Shipped Qty	DELIVERY POINT
BELISSIMO INDIGO SUIT - INDIGO BLUE	Suit	B2025	75264	781	781	BOX/ TORONTO
BELISSIMO NESTED SUIT - GREY	Suit	B1011	75258	1,310	1,310	BOX/ TORONTO

Actual Shipped qty 04-Feb-17 (Sea)

Style Description/ Color	ITEMS	STYLE Number	PO Number	Book QTY	Shipped Qty	DELIVERY POINT
JONES NEW YORK NESTED SUIT - STONE	SUIT	JN843	76989	567	564	GOH/ TORONTO
BELLISSIMO NESTED SUIT - NAVY	SUIT	B2001	75252	1,400	1,424	GOH/ TORONTO
BELLISSIMO INDIGO SUIT - INDIGO BLUE	SUIT	B2005	77778	257	257	GOH/ TORONTO
BELLISSIMO GRAD SUIT SEPARATE - BLACK	SUIT	B2003	77777	520	520	GOH/ TORONTO
BELLISSIMO SPORTCOAT - TAUPE	JKT	B2061	76692	1,347	1,347	BOX/ VANCOUVER
BELLISSIMO SPORTCOAT - CEMENT	JKT	B2060	76045	757	757	BOX/ VANCOUVER
BELLISSIMO SPORTCOAT - TAUPE	JKT	B2058		1,000	1,000	BOX/ VANCOUVER

Forbes, Katherine

To: Gordon A. Meiklejohn
Subject: Sea & Air shipped report on 04-Feb-17

From: Joe Chiaramonte <jchiaramonte@graftonfraser.com>
Date: February 3, 2017 at 11:18:15 PM EST
To: Mike Heng <mikeheng9@gmail.com>
Cc: Mel <melstern@rogers.com>, Cheryl Findlay <cfindlay@graftonfraser.com>, Melinda Serafico <mserafico@graftonfraser.com>, Natalie Leung <nleung@graftonfraser.com>
Subject: Re: Sea & Air shipped report on 04-Feb-17

Thanks mike

Sent from my Samsung device

----- Original message -----

From: Mike Heng <mikeheng9@gmail.com>
Date: 02-03-2017 10:47 PM (GMT-05:00)
To: Joe Chiaramonte <jchiaramonte@graftonfraser.com>
Cc: Mel <melstern@rogers.com>, Cheryl Findlay <cfindlay@graftonfraser.com>, Melinda Serafico <mserafico@graftonfraser.com>, Natalie Leung <nleung@graftonfraser.com>
Subject: Re: Sea & Air shipped report on 04-Feb-17

Hi Joe,

Pls find revised sea shipped report. Report revised on PO# as highlighted in red. Thanks

Best regards
Mike Heng
H/P: +855 88 9996789
Skype: Mike Heng (Cambodia)

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Forbes, Katherine

From: Gordon A. Meiklejohn <gam@bmbarristers.com>
Sent: February 16, 2017 2:07 PM
To: Gordon A. Meiklejohn
Subject: Slate Grey Grad NEW PROGRAM W007

From: Joe Chiaramonte <jchiaramonte@graftonfraser.com>
Date: February 5, 2017 at 9:38:24 PM EST
To: "Ramdani, Roni" <Roni.Ramdani@dewhirst.com>, "mikeheng9@gmail.com" <mikeheng9@gmail.com>, Mel <melstern@rogers.com>
Cc: "McBeth, Ian" <Ian.McBeth@dewhirst.com>, Shereena Silva <Shereena.Silva@dewhirst.com>, "Lamsen, May Ann" <MayAnn.Lamsen@dewhirst.com>, "Vath, Sivan" <Sivan.Vath@dewhirst.com>
Subject: Re: Slate Grey Grad NEW PROGRAM W007

Sherena. See attached. You had mentioned this was same fabric as blue. And that we should be good as suit separate program continuity for cour. Can u please re confirm.....
Can this fabric be used for separates. As the other 3 programs we currently have.

Sent from my Samsung device

----- Original message -----

From: "Ramdani, Roni" <Roni.Ramdani@dewhirst.com>
Date: 02-05-2017 9:36 PM (GMT-05:00)
To: mikeheng9@gmail.com, Mel <melstern@rogers.com>
Cc: Joe Chiaramonte <jchiaramonte@graftonfraser.com>, "McBeth, Ian" <Ian.McBeth@dewhirst.com>, Shereena Silva <Shereena.Silva@dewhirst.com>, "Lamsen, May Ann" <MayAnn.Lamsen@dewhirst.com>, "Vath, Sivan" <Sivan.Vath@dewhirst.com>
Subject: RE: Slate Grey Grad NEW PROGRAM W007

Hi All,

I just got feedback from Mills as attached and found out that this is piece dyed fabric. If this program will be flow I mean we're going to have in next seasons I believe better we change to fiber dyed/yarn dyed fabric so we can have better color continuity.

Kind Regards,

Roni Ramdani | Fabric Technical Manager

Dewhirst Group | Dewhirst Cambodia | Tuorl Pongror Village | Sangkat Chom Chao | Khan Porsenchey | Phnom Penh | Cambodia

☎: Office: (+855) 23969621 ext.119 | ☎: Mobile: (+855) 16479466 | ✉: Roni.Ramdani@dewhirst.com | 🌐 :
www.Dewhirst.com

From: Ramdani, Roni
Sent: 02 February 2017 07:47
To: 'mikeheng9@gmail.com'; Mel
Cc: Joe; McBeth, Ian; Silva, Shereena
Subject: RE: Slate Grey Grad NEW PROGRAM W007

Hi All,

I've contacted the mills to get some information related with the fabric performance, but unfortunately currently the mills still in holiday for Chinese New Year, they will start to work again on next Monday, will inform you once we got the info.

Kind Regards,

Roni Ramdani | Fabric Technical Manager

Dewhirst Group | Dewhirst Cambodia | Tuorl Pongror Village | Sangkat Chom Chao | Khan Porsenchey | Phnom Penh | Cambodia

☎: Office: (+855) 23969621 ext.119 | ☎: Mobile: (+855) 16479466 | ✉: Roni.Ramdani@dewhirst.com | 🌐 :
www.Dewhirst.com

From: mikeheng9@gmail.com [<mailto:mikeheng9@gmail.com>]
Sent: 01 February 2017 16:54
To: Mel
Cc: Joe; McBeth, Ian; Ramdani, Roni; Silva, Shereena
Subject: Fwd: Slate Grey Grad NEW PROGRAM W007

Hi Mel,

Joe needs to know the risk of fabric and now DCC fabric dept is following up the information from SBO (Shanghai Buying Office) who developed this fabric. They will send email to Joe once they got full info. Thanks

Best regards

Mike

H/P: (855) 77 866658

Begin forwarded message:

From: Mel Stern <melstern@rogers.com>
Date: February 1, 2017 at 4:25:37 PM GMT+7
To: Mike Heng <mikeheng9@gmail.com>
Subject: Fwd: Slate Grey Grad NEW PROGRAM W007

Sent from my iPhone

Begin forwarded message:

From: mikeheng9@gmail.com
Date: January 30, 2017 at 8:28:22 PM EST
To: Joe Chiaramonte <jchiaramonte@graftonfraser.com>
Cc: Mel <melstern@rogers.com>
Subject: Re: Slate Grey Grad NEW PROGRAM W007

Hi Joe,

They are checking and let you know as soon as possible. Thanks

Best regards

Mike

H/P: (855) 77 866658

On Jan 30, 2017, at 8:53 PM, Joe Chiaramonte
<jchiaramonte@graftonfraser.com> wrote:

I need confirmation from them on colour continuity,

Can you check if Mike has info

JOE CHIARAMONTE | *Grafton Fraser Inc.*

TIP TOP Tailors Division.

BUYER (Tailored Clothing)

44 Apex Rd. Toronto, ON M6A 2V2

Tel: Direct 416-780 2143 | Fax 416- 780-2158

Cell 416 399-5260

Jchiaromonte@graftonfraser.com

<903662D8-24FE-49D2-9B9E-E49EFC8FAF4A[4].png>

From: Joe Charamonte
<jchiaromonte@graftonfraser.com>
Date: Wednesday, January 25, 2017 at 9:22 AM
To: Ian <ian.mcbeth@dewhirst.com>, Shereena Silva <Shereena.Silva@dewhirst.com>
Subject: Slate Grey Grad NEW PROGRAM W007

Can I have confirmation that this new fabric will meet standards for colour continuity as it is a suit separate program,

Appreciate it,

Joe

JOE CHIARAMONTE | *Grafton Fraser Inc.*

TIP TOP Tailors Division.

BUYER (Tailored Clothing)

44 Apex Rd. Toronto, ON M6A 2V2

Tel: Direct 416-780 2143 | Fax 416- 780-2158

Cell 416 399-5260

Jchiaromonte@griftonfraser.com



TIPTOP TAILORS

George Richards
BIG & TALL MENSWEAR



Mr. Big&Tall

Kingsport

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<903662D8-24FE-49D2-9B9E-E49EFC8FAF4A[2].png>

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From: Glenn Stonehouse <stonehouse@stonehousegroupinc.com>
Date: April 29, 2016 at 1:08:16 PM EDT
To: Howie Kastner <HKastner@jaytex.com>, wburgetz@griftonfraser.com,
lspinosa@griftonfraser.com
Cc: Mel Stern <melstern@rogers.com>, Tom Madge <tmadge@jaytex.com>, "Lance Itkoff
(lanceitkoff@gmail.com)" <Lanceitkoff@gmail.com>, Frank Tworecke
<ftworecke@comcast.net>, Hudson Paul <phudson@griftonfraser.com>
Subject: Re: Outerwear FOB Prices

Howie –

The guys are working on it now and you will receive the information at the latest Monday.

Luigi/Wayne be sure you get all the details, styles and FOB confirmed with Mel so everything runs smooth for Howie.

Thanks,
Glenn

On Apr 29, 2016, at 12:30 PM, Howie Kastner <HKastner@jaytex.com> wrote:

Hi Glenn
We will need a list of styles with all details including FOB prices from Mel along with GFI worksheets.
Thanks
Howie

Howie Kastner
President
J A Y T E X g r o u p
29 Gurney Cres. Toronto, Ontario
M6B 1S9 Canada
T: 416.785.1099 x 202
C: 416.931.2427
hkastner@jaytex.com
www.jaytexgroup.com

On Apr 29, 2016, at 9:29 AM, Glenn Stonehouse <stonehouse@stonehousegroupinc.com> wrote:

Thanks Howie

Glenn Stonehouse
Mobile 416 720 7411
stonehouse@stonehousegroupinc.com

On Apr 29, 2016, at 9:16 AM, Howie Kastner <HKastner@jaytex.com> wrote:

Hi Glenn

Confirmed at 1.27
Howie

Howie Kastner
President

J A Y T E X g r o u p
29 Gurney Cres., Toronto, Ontario M6B 1S9 Canada
T: 416.785.1099 x202
C: 416.931.2427

hkastner@jaytex.com
www.jaytexgroup.com

From: Glenn Stonehouse [<mailto:stonehouse@stonehousegroupinc.com>]
Sent: Friday, April 29, 2016 9:02 AM
To: melstern@rogers.com
Cc: Howie Kastner
Subject: Re: outerwear

Mel - the f/x rate that I have been using with Howie is 27%.
Howie can you confirm for us.

Glenn Stonehouse
Mobile 416 720 7411
stonehouse@stonehousegroupinc.com

On Apr 28, 2016, at 10:52 PM, melstern@rogers.com wrote:

Thnx Glen. What FX do I use? 26 pct?
M
Sent from my BlackBerry device on the Rogers Wireless Network

From: Glenn Stonehouse <stonehouse@stonehousegroupinc.com>
Date: Thu, 28 Apr 2016 22:11:14 -0400
To: <melstern@rogers.com>
Subject: Fwd: outerwear

FYI

Begin forwarded message:

From: Wayne Burgetz <wburgetz@griftonfraser.com>
Subject: Re: outerwear
Date: April 28, 2016 at 9:02:44 PM EDT
To: "Glenn Stonehouse (External)" <stonehouse@stonehousegroupinc.com>

Much better....thanks
W

Sent from my Samsung device

----- Original message -----

From: Glenn Stonehouse <stonehouse@stonehousegroupinc.com>

Date: 04-28-2016 20:46 (GMT-05:00)

To: Howie Kastner <HKastner@jaytex.com>

Cc: Eric Grundy <egrundy@yminc.ca>, Tworecke Frank <tworecke@icloud.com>, "Lance Itkoff (lanceitkoff@gmail.com)" <Lanceitkoff@gmail.com>, Wayne Burgetz <wburgetz@graftonfraser.com>, luigi spinosa <spinosa99@yahoo.com>

Subject: outerwear

Howie –

As we discussed this evening GFI will have GF/IMel Stern outerwear go through Jaytex at 10% mu. thank you!

Mel and I will determine commission for his work and it will be paid by GFI.

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Forbes, Katherine

From: Gordon A. Meiklejohn <gam@bmbarristers.com>
Sent: February 16, 2017 1:30 PM
To: Gordon A. Meiklejohn
Subject: Jaytex L/C

From: Glenn Stonehouse <stonehouse@stonehousegroupinc.com>
Date: April 28, 2016 at 10:06:30 AM EDT
To: melstern@rogers.com
Cc: wburgetz@graftonfraser.com, lspinosa@graftonfraser.com, Frank Tworecke <ftworecke@comcast.net>, "Lance Itkoff (lanceitkoff@gmail.com)" <Lanceitkoff@gmail.com>, Hudson Paul <phudson@graftonfraser.com>
Subject: Re: Jaytex L/C

Mel –

Please be advised that I spoke with Howie at Jaytex just now and he has agreed to take in both the initial setup order as well as the backup for the F17 Merino sweater program for both TT and BT. He is sending an email now to Ibercotton to confirm.

Glenn

On Apr 28, 2016, at 8:41 AM, melstern@rogers.com wrote:

Hi Glenn
See LC 70040 pcs Merino program Tip Top n Big n Tall F16
Fcty need Jaytex axcept may 10th delvy so they can have credit released from their bank
other wise they have problem to pay staff and may have a strike
Can you pls contact jaytex I will pay any additional interest charge and cost for holding
goods in two containers for a month
I want avoid any possibilty of grafton not getting shipped.
Thanks Mel
Sent from my BlackBerry device on the Rogers Wireless Network

From: Cesar Laborda - Ibercotton <cesar@ibercotton.com>
Date: Thu, 28 Apr 2016 00:34:59 +0000
To: Mel Stern<melstern@rogers.com>
Subject: Jaytex L/C

César Laborda Gallego- **Ibercotton S.A.**
Plataforma Logística PLA-ZA
50197 – Zaragoza
Skype: cesaribercotton
Telf. +34 609-88 44 64 ,
Cambodia + 855 96 310 43 30
<Carta de credito Jaytex.pdf>

APPENDIX “D”

From: Dietrich, Jane
Sent: Wednesday, March 08, 2017 9:04 AM
To: 'Gordon A. Meiklejohn'
Subject: RE: Tradex v Grafton Fraser

Gordon;

My apologies for the delayed response. We have been following up with the Company and received the attached letter from them late last Friday.

We have no further Court appearances scheduled, nor is there currently a claims process in place to determine the pre-filing obligations of the Company.

Please let me know if you would like to discuss.

Jane

 The logo for Cassels Brock Lawyers, featuring a stylized 'C' and 'B' in gold and black, with the text 'CASSELS BROCK LAWYERS' below it.	<p>Jane O Dietrich Direct: +1 416 860 5223 • Fax: +1 416 640 3144 • jdietrich@casselsbrock.com 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, Canada M5H 3C2 www.casselsbrock.com Services provided through a Professional Corporation</p>
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+ 1 416 364 7813 Fax
1 800 268 8424 Toll-free

fasken.com



Stuart Brotman
Direct +1 416 865 5419
sbrotman@fasken.com

March 3, 2017
File No.: 233314.00092/16472

Via Email - jdietrich@casselsbrock.com

Ms. Jane Dietrich
Cassels Brock & Blackwell LLP
Suite 2100, Scotia Plaza
40 King Street West
Toronto, ON M5H 3C2

Dear Ms. Dietrich:

Re: Grafton-Fraser Inc. ats. Tradex Global Inc.

We are writing in respect of the statement of claim issued by Tradex Global Inc. (together with its affiliates, "Tradex") against Grafton-Fraser Inc. ("GFI"), and the correspondence that you have received from counsel for Tradex relating to the claims and allegations asserted therein.

Prior to May 2016, GFI had engaged Tradex in connection with the sourcing of certain product lines and related quality control. Those arrangements were terminated by termination agreements executed in early May 2016, which agreements contained broad mutual releases.

GFI has not engaged Tradex or any of its related parties to provide products or services since that time. GFI management is not aware of any oral agreement between Mr. Stern or Mr. Stonehouse, contrary to the allegation in the statement of claim.

To the extent Tradex purports to have done any work on GFI's behalf since May 2016, it has done so of its own volition and at its own expense.

GFI acknowledges having made payments to Tradex in each of August, September and October 2016. Those payments were made in respect of shipments received in Q2 2016, and were agreed to as special dispensation for assistance provided by Mr. Stern in discussions relating to the ongoing supply of product from a GFI supplier with whom Mr. Stern has a relationship.

233314.00092/95390375.1

For certainty, except as described in the preceding paragraph, GFI has not engaged the services of Tradex since execution of the termination agreements in May 2016, and GFI does not intend to do so going forward. GFI disputes the claims asserted by Tradex in its statement of claim and in the correspondence from its counsel.

Yours truly,

FASKEN MARTINEAU DuMOULIN LLP



Stuart Brotman

SB/ima

APPENDIX “E”

From: Dietrich, Jane
Sent: Wednesday, March 29, 2017 11:27 AM
To: 'Gordon A. Meiklejohn'
Subject: RE: Tradex v Grafton Fraser

Gordon:

As I have previously mentioned, there is no pre-filing claims process at this time for Grafton-Fraser Inc.'s unsecured creditors.

To provide you with an update on the status of the proceedings; as you are aware on January 30, 2017 the Court approved an agreement of purchase and sale (the "Stalking Horse Agreement") between GFI and 1104307 B.C. Ltd. (the "Purchaser") for use as a stalking horse bid in a sales and investment solicitation process (the "SISP") that was also approved by the Court in the same order. Under the SISP, the Phase I bid deadline has now passed and no qualified bids, other than the Stalking Horse Agreement were received. I understand that the Company is the process of booking court time to seek an approval and vesting order in respect of the Stalking Horse Agreement with the intention to work towards closing of that transaction. I expect that hearing to take place sometime in mid April. You, and the entire service list, will be provided with notice of that hearing.

The Purchaser, is an entity related to GSO Capital Partners, a secured creditor of GFI and the purchase price under the Stalking Horse Agreement, as set out in previous court material with which you were served, includes an assumption and release of certain secured debt, payment of certain priority amounts as well as an assumption of certain liabilities. As a result, if the transaction contemplated by the Stalking Horse Agreement closes (obviously subject to court approval), the Monitor does not expect there to be any proceeds available for pre-filing unsecured creditors whose debts are not assumed by the Purchaser. Given that no superior offers were received under the SISP, there does not seem to be any realistic possibility for higher recoveries.

The Monitor has previously asked GFI (its management, not any specific director) for its position on your correspondence and passed on to you their response. Given the above, the Monitor does not see a reason to spend time or funds calling for or further assessing pre-filing unsecured claims, including the claim by your client.

Your allegation that the Monitor is not 'monitoring' the matter is inappropriate. This matter has not been addressed (nor do we see a practical need for it to be addressed) by the Court, and your allegation that the Court has somehow been misled has no basis. The list of creditors prepared by GFI is based on its books records and, as we have explained, is not a definitive determination of debt obligations, rather is a method of providing notice to interested creditors. You are obviously aware of the proceedings have been on the service list for quite some time.

Please let me know if you have any questions regarding the above.

 <p>CASSELS BROCK LAWYERS</p>	<p>Jane O Dietrich Direct: +1 416 860 5223 • Fax: +1 416 640 3144 • jdietrich@casselsbrock.com 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, Canada M5H 3C2 www.casselsbrock.com Services provided through a Professional Corporation</p>
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From: Gordon A. Meiklejohn [<mailto:gam@bmbarristers.com>]
Sent: Tuesday, March 28, 2017 10:34 AM
To: Dietrich, Jane
Subject: RE: Tradex v Grafton Fraser

Hello Jane.

Further to my email of March 16 can you advise if a date has been set, or proposed, to deal with the issue of confirming the list of creditors for Grafton Fraser.

I am scheduled to be away for parts of April and any advance notice you can provide would be appreciated.

Needless to say Tradex does not accept the explanation provided by Mr. Brotman in his letter of March 3 2017 that "To the extent Tradex purports to have done any work on GFI's behalf since May 2016, it has done so of its own volition and at its own expense".

It appears the Monitor has not monitored the matter and has not even considered what I submitted.

The evidence I attached to my letter of February 16 clearly confirmed an agreement was in place between Tradex and GFI in September.

Attached was the following email which accompanied GFI's cheque dated September 22 2017 which was sent by Kavita Naik, GFI's Finance Manager Accounts Payable:

From: Kavita Naik <knaik@graftonfraser.com>
Date: September 28, 2016 at 9:36:46 AM EDT
To: STERN <melstern@rogers.com>
Cc: Rajib Ghosh <rghosh@graftonfraser.com>
Subject: RE: Tradex Cheque 80 K Tradex invoices TGI 2067A - 16 2068/2069/2070

Mel.... See attached.

The commission has been paid as per the new rates agreed. Please contact Rajib if you have any concerns or questions regarding the same.

Thank you,

Kavita Naik
Finance Manager Accounts Payable
Grafton Fraser Inc
G: knaik@graftonfraser.com
k: 416-780-9922 x 2220

Also included in the attachments to my letter of February 16 was the evidence of GFI's comptroller, Rajib Ghosh. His email read:

From: Rajib Ghosh <rghosh@graftonfraser.com>
Date: October 17, 2016 at 6:11:53 PM EDT

To: "melstern@rogers.com" <melstern@rogers.com>
Cc: Kavita Naik <knaik@griftonfraser.com>
Subject: **Commission on Sateen Dress Shirts**

Hi Mel,

Attached please find the commission calculation on Sateen Dress Shirts for the period of February to September 2016. Please review and let me know any concern.

Also, please send the invoices for processing.

Thanks
Rajib

You will note his email is dated October 17 and references commission on sateenb dress shirts shipped from February to September of 2016.

Tradex submitted the invoices. It was not paid.

In his letter of March 3 2017, Mr. Brotman writes that the payments made to Tradex in August, September and October were made in respect of shipments received in Q 2 2016 and were made in respect of a GFI supplier whom Mr. Stern has a relationship. A review of the invoices paid by GFI would confirm that not all related to shipments received in Q 2.

In addition, a review would confirm that the payments made by GFI were to a different supplier than the supplier of the Sateen Dress Shirts in respect of which Rajib had requested Trade send its invoices.

These are but two of many examples of evidence that I attached to my letter to confirm the ongoing relationship.

Had the Monitor spoken to Glenn Stonehouse it would have obtained additional evidence to confirm that there was an ongoing agreement in place between Tradex and GFI following the termination of the wrtiten agreement in May 2016.

I had hoped to resolve this issue by having the Monitor review the communitions between GFI and Tradex. Unfortunatley, that appears not to have occurred with the result that the Monitor and the court continue to be mislead as to GFI's agreement with our client.

I ask that you advise me at your ealiest of the proposed date to return to the Court to finalize the list of creditors.

Gordon A. Meiklejohn



Rosedale Square, 1055 Yonge Street, Suite 200
Toronto, Ontario M4W 2L2
Tel. 416.926.3797 Ext 225; Fax 416.926.3712

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APPENDIX “F”

From: Gordon A. Meiklejohn [<mailto:gam@bmbarristers.com>]
Sent: Thursday, April 13, 2017 5:14 PM
To: Dylan Chochla
Cc: Stuart Brotman; Dietrich, Jane
Subject: RE: E-Service: In The Matter of the CCAA - Grafton-Fraser Inc. (Crt File No CV-17-11677-00CL)
(Sale Approval Motion)

Thanks for your response. I will include it in the Motion Record.

Gordon A. Meiklejohn



Rosedale Square, 1055 Yonge Street, Suite 200
Toronto, Ontario M4W 2L2
Tel. 416.926.3797 Ext 225; Fax 416.926.3712

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From: Dylan Chochla [<mailto:dchochla@fasken.com>]
Sent: April-13-17 5:26 PM
To: Gordon A. Meiklejohn
Cc: Stuart Brotman; Dietrich, Jane
Subject: RE: E-Service: In The Matter of the CCAA - Grafton-Fraser Inc. (Crt File No CV-17-11677-00CL)
(Sale Approval Motion)

Mr. Meiklejohn,

We write in response to your two emails of last evening, and further to your exchange of emails with Monitor's counsel earlier today.

As disclosed in Mr. Sun's affidavit, the Supplier Liabilities at Schedule 2.3(e) of the Purchase Agreement contains commercially sensitive information that the purchaser has required be redacted to protect the value of the business it is to acquire. We contacted the purchaser's counsel following receipt of your email, and the purchaser is not prepared to disclose an unredacted copy of that list.

From Grafton-Fraser's perspective, the list is not relevant to your objection. The CCAA does not distinguish between types of unsecured creditors. That is to say, even if the equal treatment provisions of the CCAA did apply to a sale transaction, which they do not, no distinction is drawn as between suppliers and non-suppliers with unsecured claims.

The purchaser has determined that certain suppliers are critical to the ongoing value and operation of the business and has agreed to assume indebtedness owed to those creditors, subject to the satisfaction of certain conditions. At full value, those claims represent approximately \$5.2 million (with USD converted to CAD). Your client is not one of the suppliers who the purchaser deems critical, and so finds

itself in a group of other parties who have, or have asserted, unsecured claims against the debtor that the purchaser will not assume.

We note that the company had aggregate known unsecured liabilities at the date of filing of approximately \$8 million, along with contingent claims in litigation of over \$2 million. In addition, since the commencement of its CCAA proceedings the company has, or will in the coming weeks, disclaimed contracts (numbering 16 thus far) and terminated the employment of numerous employees, which can be expected to result in significant unsecured damages claims by the counterparties to those contracts and former employees.

The stalking horse sale process generated no competing offers.

Best regards,
Dylan

--

Dylan Chochla | Associate
T. +1 416 868 3425 | F. +1 416 364 7813

From: Gordon A. Meiklejohn [<mailto:gam@bmbarristers.com>]
Sent: April-12-17 6:00 PM
To: Irene Artuso
Cc: Stuart Brotman; Dietrich, Jane
Subject: RE: E-Service: In The Matter of the CCAA - Grafton-Fraser Inc. (Crt File No CV-17-11677-00CL) (Sale Approval Motion)

Our client Tradex Global Inc. is opposed to the granting of the Order approving the Purchase Agreement on the basis it does not treat the Supplier's equally.

Would someone provide me with the Monitor's Third Report as it is not on the website.

I also ask that someone provide me with un-redacted list of Supplier Liabilities (Schedule 2.3 e of the Purchase Agreement).

I also ask that someone provide me with a list of other parties in addition to Tradex who allege that they are Supplier Creditors of GFI but have not been included on the list of Supplier Liabilities and if there are any others, the amounts each alleges is owed to them.

In light of the holidays and resultant short notice I ask that you respond to my requests at your earliest opportunity.

Gordon A. Meiklejohn



Rosedale Square, 1055 Yonge Street, Suite 200

Toronto, Ontario M4W 2L2
Tel. 416.926.3797 Ext 225; Fax 416.926.3712

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From: Irene Artuso [<mailto:iartuso@fasken.com>]

Sent: April-12-17 3:53 PM

To: mgottlieb@counsel-toronto.com; awinton@counsel-toronto.com; jdietrich@casselsbrock.com; msassi@casselsbrock.com; gbenchaya@richterconsulting.com; asherman@richter.ca; evan.cobb@nortonrosefulbright.com; rschwill@dwpv.com; nrenner@dwpv.com; sabitan@osler.com; dbish@torys.com; lcoodin@torys.com; frank.lamie@gowlingwlq.com; stephen.pike@gowlingwlq.com; Gordon A. Meiklejohn; ELefebvre@blg.com; heather.mcgregor@xerox.com; lgalessiere@mcleankerr.com; wstevenson@mcleankerr.com; ktsang@oxfordproperties.com; bhobson@creit.ca; edmonton@artisreit.com; ggalati@dv-law.com; wolfgang@dv-law.com; dwaldman@dv-law.com; lgreene@cornerbrookmall.com; jzarnowski@shindico.com; bpeters@shindico.com; accounting@ronmor.ca; raucan@aol.com; raucan@aol.com; info@southcentremall.com; okparaj@orlandocorp.com; mbobrowsky@primarisreit.com; GTurner@primarisreit.com; southlandmall@onereit.ca; sales@guildfordtowncentre.com; KBinio@primarisreit.com; cfobert@primarisreit.com; SDalrymple@primarisreit.com; accounting@ronmor.ca; ejodoin@epicrealtypartners.com; GBates@primarisreit.com; jwolf@blaney.com; sales.sq1@oxfordproperties.com; accounting@royalcourtyards.com; kerry@royalcourtyards.com; TFoulds@onereit.ca; kingswayadmin@oxfordproperties.com; Frances@econo-malls.com; spmadmin@primarisreit.com; mkehr@oxfordproperties.com; Yorkdale_Sales@oxfordproperties.com; cwong@strathallen.com; john.colbert@wem.ca; theresa.paquette@wem.ca; dean.shaben@wem.ca; Joanne.Blyde@plaza.ca; BFrolick@primarisreit.com; skremidas@primarisreit.com; SAdmin@primarisreit.com; orchardparksales@primarisreit.com; EDeacon@primarisreit.com; hill@Shapepm.com; missa@oxfordproperties.com; EMcKay@primarisreit.com; Frances@econo-malls.com; mgrant@firstgulf.com; karen.a@woodbinemall.com; bhobson@creit.ca; amuere@creit.ca; mgrant@firstgulf.com; ggalati@dv-law.com; wolfgang@dv-law.com; dwaldman@dv-law.com; ashleyvarcoe@rogers.com; mgrant@firstgulf.com; COconnor@controlex.ca; kcook@oxfordproperties.com; lwhite@centrecorp.com; CCastonguay@AnthemProperties.com; rachel.oommen@gwlra.com; xinna@westbankcorp.com; eimon@westbankcorp.com; dhenly@primarisreit.com; margie.loisel@plaza.ca; cseymour@primarisreit.com; lclosenberg@k-cap.com; joann.king@algonet.com; accounting@ronmor.ca; mgrant@firstgulf.com; rcrowley@northrupgroup.ca; jmcelman@coxandpalmer.com; dhenly@primarisreit.com; kori@georgetownmarketplace.com; gfera@mccor.ca; edmontoncitycentre@oxfordproperties.com; sales@dixieoutletmall.com; acolalillo@rogers.com; CeceliaL@westdaleproperties.com; linda.senat@plaza.ca; haynes@Shapepm.com; charding@steinerproperties.ca; ian@werkerlaw.com; ccosgriffe@woolvan.com; rwatkins@woolvan.com; andre.bourgon@bellnet.ca; nrosen@abg-nyc.com; IDesharnais@blg.com; tmulliez@daniel-hechter.fr; diane.winters@justice.gc.ca; julie.lahaie@canadapost.postescanada.ca

Cc: Stuart Brotman; Dylan Chochla; Natasha De Cicco

Subject: E-Service: In The Matter of the CCAA - Grafton-Fraser Inc. (Crt File No CV-17-11677-00CL)
(Sale Approval Motion)

To the Service List:

Please find enclosed the Motion Record of the Applicant in the above-captioned proceedings, for a motion returnable Thursday, April 20, 2017, at 10:00 a.m. at the Courthouse at 330 University Avenue, Toronto, Ontario, which is hereby served upon you pursuant to the E-Service Protocol of the Ontario Commercial List as approved in the Initial Order made in these

proceedings. The motion is to seek, among other things, approval of the Transaction contemplated in the Asset Purchase Agreement enclosed with these materials.

--

Irene Artuso | Legal Assistant

T. +1 416 868 7821 | F. +1 416 364 7813
iartuso@fasken.com | www.fasken.com

Fasken Martineau DuMoulin LLP
333 Bay Street, Suite 2400, Toronto, Ontario M5H 2T6



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APPENDIX “G”

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

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
GRAFTON FRASER INC.**

AFFIDAVIT OF GILLES BENCHAYA

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

1. I am a Senior Vice President of Richter Advisory Group Inc. ("**Richter**") and, as such, I have knowledge of the matters hereinafter deposed to except where stated to be on information and belief, and where so stated, I verily believe it to be true.
2. On January 25, 2017, the Ontario Superior Court of Justice (Commercial List) issued an order, as amended and restated at a subsequent Court attendance on January 30, 2017 (the "**Amended and Restated Initial Order**"), granting Grafton Fraser Inc. ("**GFI**"), protection pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c C-36, as amended. Richter was appointed as Monitor of GFI (the "**Monitor**").
3. During the period from January 25, 2017 to April 1, 2017 (the "**Period**"), the Monitor has provided services and incurred disbursements, in the amounts of \$433,048.50 and \$27,182.24 respectively (excluding HST), with respect to services provided to GFI. Attached hereto and marked as **Exhibit "A"** to my Affidavit is a summary of all invoices rendered by the Monitor on a periodic basis during the Period (the "**Accounts**").
4. True copies of the Accounts, which include a fair and accurate description of the services provided along with the hours and applicable rates claimed by the Monitor, are attached as **Exhibit "B"** to my Affidavit.

5. The Monitor has previously filed reports with the Court with respect to its conduct and the CCAA proceedings dated January 26, 2017 and February 16, 2017, respectively (the "Reports"), in addition to a pre-petition report which was filed by Richter in its capacity as Proposed Monitor. Contemporaneous with the filing of this Affidavit, the Monitor is filing its third report to the Court with respect to the CCAA proceedings (the "Third Report"). Details of the activities undertaken and services provided by the Monitor in connection with the administration of the CCAA proceedings are described in the Reports and the Third Report.
6. In the course of performing its duties pursuant to the provisions of the Amended and Restated Initial Order, the Monitor's staff has expended a total of 858.85 hours during the Period. Attached as Exhibit "C" to my Affidavit is a schedule setting out a summary of the individual staff involved in the administration of the CCAA proceedings and the hours and applicable rates claimed by the Monitor for the Period. The average hourly rate billed by the Monitor during the Period is \$504.22.
7. The total amount of disbursements being claimed for work performed by the Monitor during the Period is \$27,182.24 (excluding HST). Attached as Exhibit "D" to my Affidavit is a schedule setting out a summary of the Monitor's disbursements during the Period.
8. The total amount of professional fees and disbursements being claimed for work performed by the Monitor during the Period is \$460,230.74 (excluding HST).
9. The Monitor requests that this Honourable Court approve its Accounts for the Period, in the total amount of \$460,230.74 (excluding HST) for services rendered and recorded during the Period.
10. Cassels Brock & Blackwell LLP ("Cassels"), as independent counsel to the Monitor, has provided legal services to the Monitor throughout the CCAA proceedings in a manner consistent with the instructions of the Monitor and has prepared an affidavit with respect to the services rendered during the period from January 20, 2017 to March 31, 2017. The Monitor has reviewed the invoices rendered by Cassels during the period from January 20, 2017 to March 31, 2017.
11. To the best of my knowledge, the rates charged by the Monitor and Cassels are comparable to the rates charged for the provision of similar services by other large accounting and legal firms in the Toronto market.
12. I verily believe that the fees and disbursements incurred by the Monitor and Cassels are fair and reasonable in the circumstances.
13. This Affidavit is sworn in connection with a motion for an Order of this Honourable Court to, among other things, approve the fees and disbursements of the Monitor and those of its legal counsel and for no improper purpose.

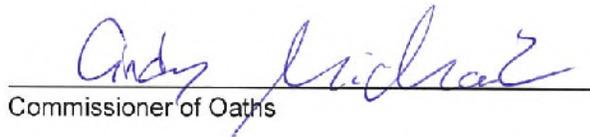
Dated at Montreal, Province of Quebec, this 13th day of April, 2017.

Richter Advisory Group Inc.
In its capacity as Monitor of
Grafton Fraser Inc.



Gilles Benchaya, CPA, CA, CIRP, LIT

SWORN BEFORE ME at the City of
Montreal, in the Province of Quebec
this 13th day of April, 2017.



Commissioner of Oaths



Exhibit "A"

Court File No.: CV-17-11677-00CL

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
GRAFTON FRASER INC.**

Statement of Fees Summary

Richter Advisory Group Inc.

IN THE MATTER OF THE COMPANIES CREDITORS ARRANGEMENT ACT ("CCAA")

Re: Grafton Fraser Inc.
Statement of Fees Summary
For the Period from January 25 to April 1, 2017

<u>Inv. Date</u>	<u>Time</u>	<u>Disbursements</u>	<u>HST</u>	<u>Total</u>
January 31, 2017	34,135.50	-	4,437.62	38,573.12
February 9, 2017	72,779.50	2,644.79	9,805.16	85,229.45
February 15, 2017	38,506.75	210.45	5,033.24	43,750.44
February 24, 2017	49,936.00	-	6,491.68	56,427.68
February 28, 2017	32,133.50	235.98	4,208.03	36,577.51
March 10, 2017	33,305.00	-	4,329.65	37,634.65
March 20, 2017	41,982.50	-	5,457.73	47,440.23
March 22, 2017	42,970.00	4,601.89	6,184.35	53,756.24
March 31, 2017	37,816.00	13,768.13	6,705.94	58,290.07
April 6, 2017	49,483.75	5,721.00	7,176.62	62,381.37
	<u>433,048.50</u>	<u>27,182.24</u>	<u>59,830.02</u>	<u>520,060.76</u>

Exhibit "B"

Court File No.: CV-17-11677-00CL

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
GRAFTON FRASER INC.**

Copies of Invoices of the Monitor



Grafton-Fraser Inc.
44 Apex Rd
North York, ON M6A 2V2

Attention: Mr. Mark Sun

Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")
Invoice #20401578

To: Our professional services as Monitor for the period January 25 to January 28, 2017.

Time Charges (per attached summary)	\$34,135.50
HST #885435842 RT0001	<u>4,437.62</u>
Total	<u>\$38,573.12</u>



RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")

Summary of Time Charges

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya, Partner	22.00	\$625	\$13,750.00
Adam Sherman, Partner	7.50	625	4,687.50
Warren Levine, VP	9.00	550	4,950.00
Katherine Forbes, VP	10.00	525	5,250.00
Corey Pedneault, Associate	3.50	375	1,312.50
Anthony Colonna, Analyst	4.00	285	1,140.00
Carol O'Donnell, File Administrator	9.00	250	2,250.00
Soazig Bourguine, File Administrator	4.30	185	795.50
	<u>69.30</u>		<u>\$34,135.50</u>

RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc.

Details of Time Charges
January 25 to 28, 2017

Date	Name	Description	Hours	Rate	Total
2017-01-25	Warren Levine	Call with Richter (A. Sherman, K. Forbes, G. Benchaya) re: next steps.	1.00	550.00	550.00
2017-01-25	Warren Levine	Review of Monitor's First Report. Circulating comments.	2.00	550.00	1,100.00
2017-01-25	Warren Levine	Further updates to communication packages (webpage, contact info).	1.50	550.00	825.00
2017-01-25	Warren Levine	Coordinate with C. O'Donnell re: internet posting of documents.	1.00	550.00	550.00
2017-01-25	Warren Levine	Calls with counsel re: updates to process.	1.50	550.00	825.00
2017-01-25	Gilles Benchaya	Telephone call with M. Sun re: business operations. Follow-up on critical disbursements. Status update call with counsel/CIBC. Contingency planning prep. & discussions with counsel re: same. Meeting at Judge's chambers re: issuance of order.	4.00	625.00	2,500.00
2017-01-25	Gilles Benchaya	Follow-up calls with Company re: planning for employee meetings, review of communications package. Planning telephone call with K. Forbes.	5.50	625.00	3,437.50
2017-01-25	Katherine Forbes	Posting items to monitor's website, correspondence with counsel, planning discussions re: onsite work at the company, Day 1 activities.	2.50	525.00	1,312.50
2017-01-25	Adam Sherman	Finalize/sign pre-filing report. Emails/calls with Richter team. Emails from Fasken re: update, application record, telephone call. Emails from Cassels re: first report. Review weekly monitoring. Email from Fasken re: Initial Order.	2.00	625.00	1,250.00
2017-01-25	Carol O'Donnell	Meet with A. Adessky regarding preparation of, and set-up for, potential NOI filing, including set-up of 1-800 numbers and email address.	3.50	250.00	875.00
2017-01-26	Corey Pedneault	Roll-forward of weekly monitoring schedule (new schedule to reflect latest forbearance). Discussions with R. Ghosh re: funding requests. Preparation of data room for sale process (supervision A. Colonna). Follow-ups with C. O'Donnell and K. Forbes.	2.00	375.00	\$750.00
2017-01-26	Soazig Bourguine	Newspaper Ad (draft), review of initial order, email A. Sherman re: Form 1, email to Niwri re: Newspaper Ad.	1.20	185.00	222.00
2017-01-26	Warren Levine	Review of First Monitor's Report. Coordinate call with Liquidator.	1.00	550.00	550.00
2017-01-26	Gilles Benchaya	Telephone call with K. Forbes re: employee meetings. Telephone call with Peerless re: explanation of filing, telephone call with Stern Capital re: filing, review of communications with lease consultant, update call with Davies re: coordination of meetings. Update call with management re: first day issues. Review vendor communication letter with CFO and discussion re: vendor strategy.	6.50	625.00	4,062.50
2017-01-26	Katherine Forbes	Company townhall attendance and onsite work at the Company. Call with GSO counsel.	5.50	525.00	2,887.50
2017-01-26	Anthony Colonna	Preparation of information to be posted to sale process data room.	4.00	285.00	1,140.00
2017-01-26	Carol O'Donnell	Review of initial order. Open new bank account, complete documents. Post documents to website. Discussions with A. Sherman regarding mailing, bank account. Instructions and supervision regarding newspaper ad, filing of forms with CCAA, other misc. activities.	4.00	250.00	1,000.00
2017-01-26	Adam Sherman	Emails/calls with Richter team. Sign Form 1. Review/update CCAA ad. Emails from Norton Rose/Davies/Fasken re: first report. Finalize/sign first report. Emails/calls with Cassels re: various matters. Review security review. Telephone call with the Company.	4.50	625.00	2,812.50
2017-01-27	Corey Pedneault	Follow-up re: A/P listing / creditor addresses / employee addresses, and follow-up re: service list.	1.50	375.00	562.50
2017-01-27	Soazig Bourguine	Emails exchange with Niwri re: Newspaper Ad, First Report emailed to CCAA, email to K. Forbes & A. Sherman re: Newspaper Ad.	0.50	185.00	92.50
2017-01-27	Soazig Bourguine	Merge, labels (landlords, stores & head office employees).	2.00	185.00	370.00
2017-01-27	Soazig Bourguine	Service list & E-Service list posted on the website and emailed to CCAA.	0.60	185.00	111.00
2017-01-27	Warren Levine	Updates to Teaser / Prospect list.	1.00	550.00	550.00
2017-01-27	Gilles Benchaya	Follow-up call with Peerless. Telephone call with Majestic. Update call with Eileen Oberfeld re: lease update. Telephone call with M. Sun re: supplier terms and review of supplier letter. Discussions with M. Sun re: banking and initial DIP wire transfer, review of financial results to date and orders on hand.	6.00	625.00	3,750.00
2017-01-27	Katherine Forbes	Responding to creditor inquiries, and discussions with management on arrangements with vendors post-filing, review of supplier letter acknowledgments. Meeting onsite with management.	2.00	525.00	1,050.00
2017-01-27	Carol O'Donnell	Post documents to websites, emails to C. Pedneault regarding creditors list, employees and landlord list. Prepare list for import. Misc. administration.	1.50	250.00	375.00
2017-01-27	Adam Sherman	Emails/calls with creditors. Emails/discussions with Richter team.	1.00	625.00	625.00
			69.30		\$34,135.50



Grafton-Fraser Inc.
44 Apex Rd
North York, ON M6A 2V2

Attention: Mr. Mark Sun

Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")
Invoice #20401605

To: Our professional services as Monitor for the period January 29 to February 4, 2017.

Time Charges (per attached summary)	\$72,779.50
Disbursements	2,644.79
HST #885435842 RT0001	<u>9,805.16</u>
Total	<u>\$85,229.45</u>



RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")

Summary of Time Charges

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya, Partner	36.00	\$625	\$22,500.00
Adam Sherman, Partner	9.00	625	5,625.00
Warren Levine, VP	34.00	550	18,700.00
Katherine Forbes, VP	29.80	525	15,645.00
Corey Pedneault, Associate	12.70	375	4,762.50
Caleigh Smith, Associate	8.00	285	2,280.00
Daniel Dabora, Analyst	1.00	285	285.00
Accounting and Administration	29.60		2,982.00
	<u>160.10</u>		<u>\$72,779.50</u>

RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc.

Details of Time Charges
January 29 to February 4, 2017

Date	Name	Description	Hours	Rate	Total
2017-01-29	Warren Levine	Updates to Teaser / Prospect list.	1.50	550.00	\$825.00
2017-01-29	Gilles Benchaya	Update call with Eileen re: ICSC and preparation of agenda for meeting with GSO.	1.00	625.00	625.00
2017-01-30	Corey Pedneault	Discussion/update with G. Benchaya, review prior week results, follow-up re: creditor's list, retainer / billing.	1.00	375.00	375.00
2017-01-30	Soazig Bourgine	Draft of Form 2, email to A. Sherman, K. Forbes, creditors labels for mailing.	1.50	185.00	277.50
2017-01-30	Soazig Bourgine	Website posting.	1.00	185.00	185.00
2017-01-30	Soazig Bourgine	Landlords labels for mailing.	1.00	185.00	185.00
2017-01-30	Soazig Bourgine	Form 2 posted on website and efiled with CCAA.	0.30	185.00	55.50
2017-01-30	Ann Stremski	Edit and import creditor list.	1.30	185.00	240.50
2017-01-30	Gilles Benchaya	Work on potential interested parties list, updates to teaser, review of data room info. Call to Streambank re: SISP. Queries from various vendors (Peerless, Majestic, NAB).	8.00	625.00	5,000.00
2017-01-30	Katherine Forbes	Responding to numerous supplier and other creditor enquiries, onsite work at the company including meetings with management on liquidation sales, supplier arrangements.	3.80	525.00	1,995.00
2017-01-30	Katherine Forbes	Attendance at court for SISP and Stalking Horse Order, Approval Order - Consulting Agreement.	1.80	525.00	945.00
2017-01-30	Adam Sherman	Attendance in Court re approval of stalking horse APA, SISP, etc., including discussions with various counsel. Emails/discussions with Richter team. Review and sign Form 2 for OSB. Email from Fasken attaching order. Calls with creditors.	3.00	625.00	1,875.00
2017-01-30	Warren Levine	Call with GFI, Gordon Brothers.	1.00	550.00	550.00
2017-01-30	Warren Levine	Various updates and revisions to list of potential interested parties. Circulate to BOD, counsel for their input.	4.50	550.00	2,475.00
2017-01-30	Warren Levine	Updates to Teaser. Incorporate comments from counsel, G. Benchaya.	3.50	550.00	1,925.00
2017-01-31	Corey Pedneault	Lease analysis - preparation of document for Oberfeld. Discussion with PWC re: shrink reserve preparation of schedule for lender; preparation of draft retention letter.	2.50	375.00	937.50
2017-01-31	Soazig Bourgine	Service lists emailed to CCAA & post on website, supplementary list by email.	0.50	185.00	92.50
2017-01-31	Soazig Bourgine	Creditors Labels, Supplementary list by email, email to A. Sherman & K. Forbes.	1.50	185.00	277.50
2017-01-31	Soazig Bourgine	Email to A. Sherman & K. Forbes re: Notice to Creditors.	0.10	185.00	18.50
2017-01-31	Peter Rosenfeld	Putting Labels on envelopes.	3.50	45.00	157.50
2017-01-31	Gilles Benchaya	Discussion of trade terms with M. Sun and L. Itkoff, and update of operational issues with same. Call with Oberfeld re: status of lease discussions. Work on SISP, teaser update, board approval re: sale process and discussion with management re: SISP.	8.50	625.00	5,312.50
2017-01-31	Adam Sherman	Emails/calls with creditors re: CCAA, leased assets, etc. Emails/discussions with Richter team re various matters. Review, revise and finalize creditor notice. Emails with Cassels/Fasken re: Tradex. Emails with the Company/Fasken re: teaser.	2.00	625.00	1,250.00
2017-01-31	Katherine Forbes	Reviewing supplier letters prepared by management and various correspondence with management re: CCAA proceedings and supplier issues. Discussion with counsel re: supplier communications received.	1.20	525.00	630.00
2017-01-31	Katherine Forbes	Responding to numerous supplier and other creditor inquiries.	1.70	525.00	892.50
2017-01-31	Warren Levine	Prepare and review NDA for potential parties.	1.50	550.00	825.00
2017-01-31	Warren Levine	Circulate Teaser to ~175 potential interested parties.	3.50	550.00	1,925.00
2017-01-31	Warren Levine	Correspondence with Company/Parties re: process.	1.00	550.00	550.00
2017-01-31	Warren Levine	Prepare/update data room.	2.00	550.00	1,100.00
2017-02-01	Corey Pedneault	Preparation call with management and Richter for GSO meeting, update Oberfeld preliminary lease analysis. Preparation of weekly monitoring and pro forma weekly monitoring for the upcoming week. Review of disbursements with R. Ghosh & M. Sun.	7.00	375.00	2,625.00
2017-02-01	Soazig Bourgine	Mailing, Notice (i) emailed to CCAA (ii) posted on website (iii) emailed to supplementary list by email.	1.50	185.00	277.50
2017-02-01	Soazig Bourgine	Mailing Lists & Affidavit.	1.50	185.00	277.50
2017-02-01	Soazig Bourgine	List of Creditors, posting on website and efiled with CCAA, email to supplementary list.	0.80	185.00	148.00
2017-02-01	Andrew Zageris	Labeling and stuffing envelopes.	4.00	45.00	180.00
2017-02-01	Scott Thomson	Folding and stuffing envelopes.	3.00	45.00	135.00
2017-02-01	Peter Rosenfeld	Putting Labels and stuffing envelopes.	3.00	45.00	135.00
2017-02-01	Franca Sciascia	Stuffing and putting envelopes in mail machine.	3.00	45.00	135.00
2017-02-01	Adam Sherman	Emails/discussions with Richter team re: various matters. Emails with Cassels re: estoppel letter. Emails/calls with creditors. Email from Davies re: lease consents. Email from Fasken/Cassels re: former employee claim. Review weekly monitoring report.	3.00	625.00	1,875.00
2017-02-01	Daniel Dabora	Detailed comparative analysis of rents and square footage for store locations.	1.00	285.00	285.00
2017-02-01	Lyne Robert	Stuffing envelopes and labeling.	1.50	45.00	67.50
2017-02-01	Katherine Forbes	Onsite work at the company, including meetings with management, and planning for Feb. 2 meeting with GSO. Internal communications and communications with counsel re: Feb. 2 meeting. Responding to numerous stakeholder inquiries.	7.50	525.00	3,937.50
2017-02-01	Warren Levine	Updates to data room. Review with Company and discussions with G. Benchaya and counsel.	3.00	550.00	1,650.00
2017-02-01	Warren Levine	Discuss agenda for Feb 2nd meeting including conference call with Company and the preparation of materials.	2.50	550.00	1,375.00
2017-02-01	Warren Levine	Sales Process - Process NDAs, grant access to data room, respond to inquiries.	2.00	550.00	1,100.00
2017-02-01	Gilles Benchaya	Discussion M. Sun re: data room confidential information. Preparation and review of information/agenda and analysis for GSO meeting. Discussion re: Tradex.	7.50	625.00	4,687.50
2017-02-02	Corey Pedneault	Update schedule of pro-forma monitoring reports ahead of GSO meeting.	0.20	375.00	75.00

RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc.

Details of Time Charges
January 29 to February 4, 2017

Date	Name	Description	Hours	Rate	Total
2017-02-02	Adam Sherman	Emails/calls with creditors. Emails with Cassels re: Court date for extension motion. Emails/discussions with Richter team.	1.00	625.00	625.00
2017-02-02	Katherine Forbes	Onsite meeting with management, GSO, and all parties' counsel.	4.00	525.00	2,100.00
2017-02-02	Katherine Forbes	Onsite work at the company, including various communications with management on suppliers, banking, closing stores, and other CCAA matters. Drafting of Second Monitor's Report.	3.50	525.00	1,837.50
2017-02-02	Carol O'Donnell	Verify bank for wire transfer, update deposit, email to A. Sherman.	0.20	250.00	50.00
2017-02-02	Warren Levine	Review lease analysis.	1.00	550.00	550.00
2017-02-02	Warren Levine	Review weekly monitoring schedules.	1.00	550.00	550.00
2017-02-02	Warren Levine	Follow up on Sales Process including addressing questions from potential interested parties and adding files to data room.	2.50	550.00	1,375.00
2017-02-02	Caleigh Smith	Communication with creditors, review of AMEX agreement and correspondence with AMEX.	5.50	285.00	1,567.50
2017-02-02	Gilles Benchaya	Meeting at GFI with GSO to review detailed agenda. Follow-up discussions with lease consultant on lease negotiations and strategy.	6.50	625.00	4,062.50
2017-02-03	Corey Pedneault	Update cash flow forecast for first stay extension motion.	2.00	375.00	750.00
2017-02-03	Soazig Bourguine	Affidavit emailed to OSB (CCAA).	0.20	185.00	37.00
2017-02-03	Katherine Forbes	Drafting of Monitor's Second Report, and review of documents in support thereof. Internal discussions re: liquidation sales, planning for motion returnable Feb. 13/17. Responding to inquiries from various stakeholders.	2.50	525.00	1,312.50
2017-02-03	Katherine Forbes	Onsite work at Grafton, including meetings with management and Gordon Brothers re: liquidation sales, and management and Oberfeld re: lease renegotiations. Internal correspondence with C. Smith re: AMEX merchant solutions, and with management on same.	3.80	525.00	1,995.00
2017-02-03	Carol O'Donnell	Verify bank for wire, email to C. Pedneault, update deposit.	0.20	250.00	50.00
2017-02-03	Warren Levine	Responding to questions from potential interested parties re NDA and additional information. Populate certain files to data room.	2.50	550.00	1,375.00
2017-02-03	Warren Levine	Review weekly cash flow.	1.00	550.00	550.00
2017-02-03	Caleigh Smith	Communication with creditors, calls with AMEX (merchant solutions and corporate cards).	2.50	285.00	712.50
2017-02-03	Gilles Benchaya	Follow-up call with Oberfeld on lease concessions update. Work on updated cash flow. Identification of initial closing stores list. Follow-up call with K. Forbes re: Gordon Brothers preparations and start date. Review updated real estate analysis prepared by the company.	4.50	625.00	2,812.50
			<u>160.10</u>		<u>\$72,779.50</u>



Grafton-Fraser Inc.
44 Apex Rd
North York, ON M6A 2V2

Attention: Mr. Mark Sun

Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")
Invoice #20401641

To: Our professional services as Monitor for the period February 5, 2017 to February 11, 2017.

Time Charges (per attached summary)	\$38,506.75
Disbursements	210.45
HST #885435842 RT0001	<u>5,033.24</u>
Total	<u>\$43,750.44</u>



RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")

Summary of Time Charges

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya, Partner	14.50	\$625	\$9,062.50
Adam Sherman, Partner	6.50	625	4,062.50
Warren Levine, VP	17.00	550	9,350.00
Katherine Forbes, VP	25.10	525	13,177.50
Corey Pedneault, Associate	6.75	375	2,531.25
Accounting and Administration	1.50		323.00
	<u>71.35</u>		<u>\$38,506.75</u>

RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc.

Details of Time Charges
February 5 to February 11, 2017

Date	Name	Description	Hours	Rate	Total
02/05/2017	Katherine Forbes	Drafting of Second Monitor's Report and review of related documents.	2.80	525.00	1,470.00
02/06/2017	Warren Levine	Updates to sale process. Upload additional info to data room. Correspondence with various parties/counsel re: NDA.	3.50	550.00	1,925.00
02/06/2017	Warren Levine	Review weekly monitoring including daily sales and disbursements.	0.50	550.00	275.00
02/06/2017	Katherine Forbes	Call with AMEX on proposed cash reserves. Call with Mark Sun re: operational update. Correspondence with the company on various matters. Internal correspondence re: updated cash flows.	2.60	525.00	1,365.00
02/06/2017	Katherine Forbes	Review of Second Monitor's Report and Stay Extension Affidavit. Communications with counsel on closing stores list, and various landlord matters. Responding to creditor inquiries and correspondence with C. Smith on same.	2.70	525.00	1,417.50
02/06/2017	Katherine Forbes	Review of Art Gullett's employment contract and correspondence with Sue Mack.	0.60	525.00	315.00
02/06/2017	Corey Pedneault	Update of cash flow forecast for stay extension. Update of monitoring report and preparation of cash flow tables for Monitor's Second Report.	4.00	375.00	1,500.00
02/06/2017	Gilles Benchaya	Discussion with Oberteld re: lease negotiation status, including Primaris and timing of store closings. Update on head office lease. Review of DIP and other notice requirements. Review of BBC and reconciliation to Plan.	3.50	625.00	2,187.50
02/06/2017	Adam Sherman	Emails with Cassels re: rescheduling of Court date. Emails/discussions with Richter team. Email from Fasken re: draft affidavit. Calls with creditors.	1.50	625.00	937.50
02/07/2017	Carol O'Donnell	Communications with CIBC, email to C. Pedneault with new banking information.	0.20	250.00	50.00
02/07/2017	Warren Levine	Various updates to data room and correspondence with potential purchasers.	3.00	550.00	1,650.00
02/07/2017	Katherine Forbes	Onsite work at the company, including numerous discussions with various members of management. Call with M. Sassi re: landlord inquiries and service list matters. Supplier inquiries, including correspondence with C. Smith.	3.80	525.00	1,995.00
02/07/2017	Katherine Forbes	Review of cash flow variance reporting and discussion with C. Pedneault.	0.30	525.00	157.50
02/07/2017	Corey Pedneault	Update of monitoring schedules as required under forbearance agreement (detailed review of receipts and disbursements) and discussions with Mark Sun, R. Ghosh, C. Mandas about updated cash flow.	2.00	375.00	750.00
02/07/2017	Gilles Benchaya	Update to GSO on status of sale process. Call with M. Sun and C. Mendes re: updated cash flow assumptions for extension. Discussion JD re: status update on sale process. Work on updated cash flow.	3.00	625.00	1,875.00
02/07/2017	Adam Sherman	Emails/calls with creditors. Emails/discussions with Richter team.	1.00	625.00	625.00
02/08/2017	Warren Levine	Discussion with C. Mendes re: information posted in data room and status of NDA letters.	1.00	550.00	550.00
02/08/2017	Warren Levine	Sale Process - Correspondence with potential purchasers re: NDA changes and data room access.	1.50	550.00	825.00
02/08/2017	Katherine Forbes	Onsite work at the company, and subsequent calls and emails with the company re: employee and supplier matters. Correspondence with company counsel re: employee matters. Responding to creditor inquiries.	2.70	525.00	1,417.50
02/08/2017	Katherine Forbes	Discussions with management and counsel re: updates to service list, store liquidation timeline, employee matters. Review of weekly monitoring.	1.70	525.00	892.50
02/08/2017	Corey Pedneault	Update, finalization, and circulation to lenders of weekly monitoring report. Review of the company's funding request. Update cash flow forecast for reported results.	0.75	375.00	281.25
02/08/2017	Gilles Benchaya	Calls on sale process with three prospective purchasers, including issuance of NDAs, weekly reporting, and variance analysis.	3.00	625.00	1,875.00
02/08/2017	Adam Sherman	Emails/calls with creditors. Emails/discussions with Richter team. Review weekly monitoring report.	1.00	625.00	625.00
02/09/2017	Carol O'Donnell	Prepare wire transfer, update deposit.	0.50	250.00	125.00
02/09/2017	Warren Levine	Review daily cash flow, sales and margin activity. Discuss with R Ghosh.	1.50	550.00	825.00
02/09/2017	Warren Levine	Responding to questions/information requests from potential purchasers.	1.00	550.00	550.00
02/09/2017	Warren Levine	Correspondence with Company and counsel re: proposed changes to NDA.	1.00	550.00	550.00
02/09/2017	Katherine Forbes	Correspondence with company on liquidation sale and UPS issues. Call with UPS on freight services. Modifications to e-service list.	0.70	525.00	367.50
02/09/2017	Katherine Forbes	Discussions with G. Benchaya on various CCAA matters. Review of lease amendment template. Discussions with counsel re: modifications of supplier terms, compliance with forbearance agreements and DIP agreement.	2.60	525.00	1,365.00
02/09/2017	Soazig Bourguine	Website posting and emailing Service List to OSB (CCAA).	0.30	185.00	55.50
02/09/2017	Gilles Benchaya	Discussion with counsel for Daniel Hechter on sale process. Discussion with M. Sun re: store closing list. Update call with M. Kahn. Review of trade A/P schedule.	2.50	625.00	1,562.50
02/09/2017	Adam Sherman	Review and provide comments on Monitor's 2nd report. Emails/discussions with Richter team. Emails/calls with creditors and other interested parties.	2.00	625.00	1,250.00
02/10/2017	Warren Levine	Update potential purchasers tracking sheet and provide summary statistics for Monitor's Report.	1.00	550.00	550.00
02/10/2017	Warren Levine	Correspondence with potential purchaser/counsel re: NDA changes.	2.00	550.00	1,100.00

RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc.

Details of Time Charges
February 5 to February 11, 2017

02/10/2017	Warren Levine	Call with factoring company, G. Benchaya.	0.50	550.00	275.00
02/10/2017	Warren Levine	Discussion with counsel re: direction on how to respond to data room questions.	0.50	550.00	275.00
02/10/2017	Katherine Forbes	Updates to closing stores for data room, update of trade payables and internal correspondence on same. Correspondence with company counsel and monitor's counsel re: liquidation sales update.	2.10	525.00	1,102.50
02/10/2017	Katherine Forbes	Update calls with management re: lease concessions and liquidation sales updates, and call with HR consultant on employee communications including review of materials.	2.50	525.00	1,312.50
02/10/2017	Soazig Bourgine	Returned Notice to new addresses.	0.20	185.00	37.00
02/10/2017	Soazig Bourgine	Website posting and emailing Service List to OSB (CCAA).	0.30	185.00	55.50
02/10/2017	Gilles Benchaya	Update call with Oberfeld re: lease negotiations, call with M. Sun re: various matters, call with K. Forbes re: status of liquidation, store closing list and operating matters.	2.50	625.00	1,562.50
02/10/2017	Adam Sherman	Emails/discussions with Richter team. Emails/calls with creditors and other interested parties.	1.00	625.00	625.00
				<u>71.35</u>	<u>\$38,506.75</u>



Grafton-Fraser Inc.
44 Apex Rd
North York, ON M6A 2V2

Attention: Mr. Mark Sun

Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")
Invoice #20401659

To: Our professional services as Monitor for the period February 12, 2017 to February 18, 2017.

Time Charges (per attached summary)	\$49,936.00
HST #885435842 RT0001	<u>6,491.68</u>
Total	<u>\$56,427.68</u>



RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")

Summary of Time Charges

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya, Partner	14.00	\$625	\$ 8,750.00
Adam Sherman, Partner	13.90	625	8,687.50
Warren Levine, VP	25.50	550	14,025.00
Katherine Forbes, VP	26.30	525	13,807.50
Corey Pedneault, Associate	8.20	375	3,075.00
Caleigh Smith, Associate	3.25	350	1,137.50
Accounting and Administration	2.10		453.50
	<u>93.25</u>		<u>\$49,936.00</u>

Re: Grafton-Fraser Inc.

Details of Time Charges
February 12 to February 18, 2017

Date	Name	Description	Hours	Rate	Total
02/13/2017	Carol O'Donnell	Review order regarding newspaper ad. Discussion with A. Sherman.	0.10	250.00	25.00
02/13/2017	Warren Levine	Correspondence with potential purchasers. Granting data room access to 4 individuals upon receipt of executed NDA.	2.50	550.00	1,375.00
02/13/2017	Warren Levine	Review of updated cash flow model.	1.50	550.00	825.00
02/13/2017	Katherine Forbes	Onsite work at the company, including meetings with management and HR consultants on employee matters in connection with liquidation sales and other CCAA matters.	3.90	525.00	2,047.50
02/13/2017	Katherine Forbes	Drafting of Second Monitor's Report.	1.50	525.00	787.50
02/13/2017	Katherine Forbes	Meetings with management and Gordon Brothers on liquidation sales, and numerous calls/emails on closing stores.	2.90	525.00	1,522.50
02/13/2017	Corey Pedneault	Rollforward of weekly monitoring as required under the forbearance agreements. Discussion with R. Ghosh re: CRA audit of pre-filing payables. Preliminary updates to cash flow forecast for Monitor's Second Report.	0.70	375.00	262.50
02/13/2017	Gillas Benchaya	Addressing queries from M. Khan. Review closing store list. Follow-up questions from David Peress at Streambank. Review latest trade payable listing pre-filing. Review draft amendments to APA. Update on outstanding issues for stay extension.	3.50	625.00	2,187.50
02/13/2017	Adam Sherman	Emails/discussions with Richter team. Emails/calls with creditors. Emails/calls with J. Dietrich. Email from Fasken re: updated affidavit.	1.50	625.00	937.50
02/13/2017	Caleigh Smith	Creditor inquiry follow-up, application record review.	2.50	350.00	875.00
02/14/2017	Carol O'Donnell	Email to A. Sherman for approval 2nd newspaper ad. Email to Niwri with signed cost estimate. Make arrangements for 2nd ad in Globe and Mail.	0.40	250.00	100.00
02/14/2017	Warren Levine	Correspondence with a potential bidder re: process and list of users for data room. Provide data room access to approved list.	1.00	550.00	550.00
02/14/2017	Warren Levine	View preliminary weekly monitoring and updated cash flow model.	2.00	550.00	1,100.00
02/14/2017	Warren Levine	Updating sales process status sheet, and correspondence with other potential purchasers.	1.50	550.00	825.00
02/14/2017	Katherine Forbes	Onsite work at the company, including review of draft letters to employees and lender communications. Communications with counsel and company re: lease negotiations and closing stores.	4.50	525.00	2,362.50
02/14/2017	Katherine Forbes	Responding to PWC inquiries, discussion with C. Pedneault. Discussion with company counsel re: approvals and communications required under the forbearance agreements.	1.00	525.00	525.00
02/14/2017	Corey Pedneault	Update of cash flow forecast (all assumptions and package) for Monitor's Report. Discussion with company regarding forecast assumptions. Discussion with company re: borrowing request.	6.00	375.00	2,250.00
02/14/2017	Gillas Benchaya	Work on updated cashflow for extension. Call with CIBC to discuss updated cashflow. Update call with GSO. Call to review lease concessions. Review Gordon Brothers liquidation store budget. Review divisional store contributions reflecting updated lease rates.	4.00	625.00	2,500.00
02/14/2017	Adam Sherman	Emails with C. O'Donnell re: approval of ad. Emails/calls with creditors. Emails/call with J. Dietrich re: affidavit, Monitor's report, etc. Review, revise and update Monitor's Report, including email to Cassels attaching same.	5.50	625.00	3,437.50
02/15/2017	Warren Levine	Call with PWC to review updated cash flow, status of lease concessions, and other operational.	1.50	550.00	825.00
02/15/2017	Warren Levine	Prepare store closure list for data room and obtain approval from management to post.	1.50	550.00	825.00
02/15/2017	Warren Levine	Correspondence with potential bidders. Discussion re potential NDA changes, data room access, sale process, etc.	2.50	550.00	1,375.00
02/15/2017	Warren Levine	Review weekly monitoring.	1.00	550.00	550.00
02/15/2017	Katherine Forbes	Update call with CIBC.	0.80	525.00	420.00
02/15/2017	Katherine Forbes	Onsite work at the company, including meetings and discussions re: closing stores. Invoicing activities. Discussions with management re: supplier issues and CRA audit.	4.40	525.00	2,310.00
02/15/2017	Katherine Forbes	Communications with counsel, company, and landlords re: liquidation sales signaga. Review of Second Monitor's Report, update cash flows included, and circulating for comments.	2.30	525.00	1,207.50
02/15/2017	Soazig Bourguine	Website posting of Service Lists and Motion, emails to CCAA (OSB).	0.50	185.00	92.50
02/15/2017	Corey Pedneault	Review BBC with R. Ghosh, finalize and circulate monitoring to lenders. Distribute updated cash flow forecast for forbearance purposes.	1.00	375.00	375.00
02/15/2017	Gilles Benchaya	Review draft lease amendment template and discussions with J. Dietrich re: same. Review Monitor's Second Report draft. Call with M. Sun re: amended cash flow for forbearance agreement, and subsequent adjustments. Call with PWC re: status update.	4.50	625.00	2,812.50

Re: Grafton-Fraser Inc.

Details of Time Charges
February 12 to February 18, 2017

Date	Name	Description	Hours	Rate	Total
02/15/2017	Adam Sherman	Emails and conference call with PwC re: update. Review updated cash flow, including emails/discussions with Richter team. Email from Fasken re: Motion Record returnable 2/22/2017. Emails with Cassels/Fasken re: Monitor's report. Review weekly monitoring.	3.00	625.00	1,875.00
02/16/2017	Warren Levine	Email correspondence / discussion with L. Itkoff, Me Desherneis (Counsel for Daniel Hechter) re: potential new contract.	1.50	550.00	825.00
02/16/2017	Warren Levine	Pre-call with J. Dietrich re: upcoming call with potential bidder.	0.50	550.00	275.00
02/16/2017	Warren Levine	Call with potential bidder and addressing information requests. Post-call update to Company and counsel.	1.00	550.00	550.00
02/16/2017	Warren Levine	Review updated cash flow model reflecting prior week results. Ensure timing differences are properly reflected in later weeks.	1.50	550.00	825.00
02/16/2017	Warren Levine	Sales process - Updates to tracking sheet, correspondence with potential purchasers / counsel to discuss NDA changes.	1.50	550.00	825.00
02/16/2017	Katherine Forbes	Finalizing Monitor's Second Report and preparing for service; correspondence with Monitor's counsel on same. Correspondence and providing information re: Stalking Horse APA deliveries.	2.70	525.00	1,417.50
02/16/2017	Katherine Forbes	Correspondence with management and C. Smith re: Google and other creditor inquiries. Updates to the service list. Review of reporting requirements in forbearances and Stalking Horse APA.	1.60	525.00	840.00
02/16/2017	Katherine Forbes	Invoicing activities.	0.20	525.00	105.00
02/16/2017	Gilles Benchaya	NDA comments re: Stern Capital. Review latest draft of Monitor's Report. Queries from Davies re: lease amendment. Follow-up with J. Dietrich, W. Levine re: SISF data required by certain potential purchasers. Update on Tradex claim.	2.00	625.00	1,250.00
02/16/2017	Adam Sherman	Emails from Davies/Norton Rose re: Monitor's Report. Review, update and finalize Monitor's Report. Emails/discussions with Richter team. Emails/call with Cassels re: lease amendment doc. Emails with Cassels re Tradex. Email from Fasken re: landlord letter.	2.50	625.00	1,562.50
02/16/2017	Caleigh Smith	Creditor inquiry follow-up.	0.75	350.00	262.50
02/17/2017	Carol O'Donnell	Communications with creditors.	0.50	250.00	125.00
02/17/2017	Warren Levine	Call with Fasken, Cassels Brock to discuss data room information requests.	1.00	550.00	550.00
02/17/2017	Warren Levine	Prepare and review additional information for data room identifying stores by banner and associated square footage.	1.50	550.00	825.00
02/17/2017	Warren Levine	Correspondence with potential purchasers. Granting data room access to 4 individuals upon receipt of executed NDA.	1.50	550.00	825.00
02/17/2017	Warren Levine	Correspondence with G. Benchaya, Cassels Brock.	0.50	550.00	275.00
02/17/2017	Katherine Forbes	Discussions with N. Decicco re: post-filing agreements and other CCAA matters. Corresponding with C. Smith re: creditor inquiries.	0.50	525.00	262.50
02/17/2017	Soezig Bourgine	Website posting of 2nd Report, email to OSB (CCAA).	0.30	185.00	55.50
02/17/2017	Soezig Bourgine	Email to C. Pedneault re: Notices returned to us, Notice returned re: POP Exhibits.	0.30	185.00	55.50
02/17/2017	Corey Pedneault	Update covenant schedule per conversation with K. Forbes.	0.50	375.00	187.50
02/17/2017	Adam Sherman	Discussion with Davies re: lease amendment documents, and emails/calls with Cassels re: same. Emails/discussions with Richter team. Emails with Cassels, Fasken re: ABG-Jones Notice of Termination.	1.40	625.00	875.00
			<u>93.25</u>		<u>49,936.00</u>



Grafton-Fraser Inc.
44 Apex Rd
North York, ON M6A 2V2

Attention: Mr. Mark Sun

Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")
Invoice #20401664

To: Our professional services as Monitor for the period February 19, 2017 to February 25, 2017.

Time Charges (per attached summary)	\$32,133.50
Disbursements	235.98
HST #885435842 RT0001	<u>4,208.03</u>
Total	<u>\$36,577.51</u>



RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")

Summary of Time Charges

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya, Partner	12.50	\$625	\$ 7,812.50
Adam Sherman, Partner	4.20	625	2,625.00
Warren Levine, VP	16.00	550	8,800.00
Katherine Forbes, VP	14.50	525	7,612.50
Audrey Mercier, VP	0.75	375	281.25
Corey Pedneault, Associate	9.75	375	3,656.25
Accounting and Administration	5.80		1,346.00
	<u>63.50</u>		<u>\$32,133.50</u>

RICHTER ADVISORY GRDUP INC.
Re: Grafton-Fraser Inc.

Details of Time Charges
February 19 to February 25, 2017

Date	Name	Description	Hours	Rate	Total
02/20/2017	Carol O'Donneil	Communications with creditors.	0.70	250.00	175.00
02/20/2017	Warren Levine	Sale process - Questions from potential bidders, NDA discussions, data room management.	1.50	550.00	825.00
02/20/2017	Warren Levine	Discussion with C. Mendes re: rent concessions.	1.00	550.00	550.00
02/20/2017	Corey Pedneault	Coordination of updates to service list and retrieval of addresses from employees where communication packages were returned to the sender.	0.25	375.00	93.75
02/20/2017	Gilles Benchaya	Update from M. Sun on operational activities. Work on sale process including addressing queries, information requests. Review cash flow update. Discussion M. Kahn re: timeline.	2.50	625.00	1,562.50
02/21/2017	Carol O'Donnell	Receiving phone messages and returning phone calls to creditors.	2.20	250.00	550.00
02/21/2017	Warren Levine	Updates to the sale process including fielding questions from potential bidders and populating data room with additional information.	1.50	550.00	825.00
02/21/2017	Warren Levine	Updated minimum bid calculation per SISP.	1.00	550.00	550.00
02/21/2017	Warren Levine	Review updated cash flow forecast/weekly monitoring.	1.00	550.00	550.00
02/21/2017	Warren Levine	Updates to rent concessions analysis.	1.00	550.00	550.00
02/21/2017	Katherine Forbes	Onsite work at the company, including discussions with management on various vendors and employee matters.	3.80	525.00	1,995.00
02/21/2017	Katherine Forbes	Responding to employee enquiries.	0.50	525.00	262.50
02/21/2017	Soazig Bourguine	Service Lists emailed to CCAA (OSB) & posted on the website.	0.30	185.00	55.50
02/21/2017	Corey Pedneault	Update of weekly monitoring (detailed analysis of receipts / disbursements). Discussion with C. Mendes re: forbearance agreement's cash flow requirements. Reply to emails from M. Kahn. Discussion with R. Ghosh re: borrowing availability.	1.50	375.00	562.50
02/21/2017	Gilles Benchaya	Review of purchase price allocation considerations with W. Levine, including potential change in year-end for purchaser re: revised business Plan. Updated cash flow. Discussion J. Dietrich re: Tradex.	2.50	625.00	1,562.50
02/21/2017	Adam Sherman	Emails/calls with creditors. Emails/discussions with Richter team. Emails with Cassels/Fasken re: Court attendance.	1.00	625.00	625.00
02/22/2017	Carol O'Donnell	Communications with creditors.	0.50	250.00	125.00
02/22/2017	Warren Levine	Review weekly monitoring.	1.50	550.00	825.00
02/22/2017	Warren Levine	Updates to sale process including fielding questions from potential bidders and populating data room with additional info.	1.50	550.00	825.00
02/22/2017	Warren Levine	Review updated lease concessions schedule. Discussion with C. Mendes.	1.50	550.00	825.00
02/22/2017	Katherine Forbes	Attendance at Court for stay extension motion.	1.50	525.00	787.50
02/22/2017	Katherine Forbes	Addressing employee and supplier inquiries, and correspondence with R. Ghosh and M. Sun on same.	1.20	525.00	630.00
02/22/2017	Katherine Forbes	Conference call with Monitor's counsel and company counsel, including correspondence and preparation in advance of call.	1.30	525.00	682.50
02/22/2017	Soazig Bourguine	Service Lists emailed to CCAA (OSB) & posted on the website.	0.30	185.00	55.50
02/22/2017	Soazig Bourguine	Website posting and email to CCAA (OSB) of the Order and Endorsement (First Stay Extension).	0.30	185.00	55.50
02/22/2017	Corey Pedneault	Update and finalization of weekly monitoring report. Discussion with R. Ghosh re: which payments were cancelled. Discussion with K. Forbes re: forbearance agreement and covenant requirements. Preliminary analysis of updated rent savings.	4.00	375.00	1,500.00
02/22/2017	Gilles Benchaya	Review of minimum bid amount calculation with W. Levine, and discussion of other considerations re: same with J. Dietrich. Call with counsels re: various outstanding issues. Call with CIBC re: status of revised cash flows. Follow-up with S. Lewis re: NDA.	3.00	625.00	1,875.00
02/22/2017	Adam Sherman	Attendance in Court re: extension motion, including discussions with various counsel. Emails/calls with creditors. Emails/discussions with Richter team. Email from Fasken attaching order/endorsement. Review weekly monitoring.	2.00	625.00	1,250.00
02/23/2017	Carol O'Donnell	Prepare telephone and email log.	0.80	250.00	200.00
02/23/2017	Ann Stremski	Return calls and emails; update schedules.	0.50	185.00	92.50
02/23/2017	Warren Levine	Discussion with potential bidder and counsel re: NDA changes. Further discussion with potential purchaser re: sale process.	2.00	550.00	1,100.00
02/23/2017	Warren Levine	Review updated cash flow model inclusive of the prior week reported results incorporating timing differences.	1.50	550.00	825.00
02/23/2017	Katherine Forbes	Onsite work at Grafton, including meetings with management, and CRA re: audit. Call with management and S. Broiman re: Tradex claims. Internal correspondence re: Tradex.	6.00	525.00	3,150.00
02/23/2017	Soazig Bourguine	Notice mailed back to new address (employees).	0.20	185.00	37.00
02/23/2017	Gilles Benchaya	Review of inventory and purchase reconciliation for CIBC. Review company Borrowing request. Call with Lance re: Tradex and subsequent discussion with J. Dietrich. Review comments on template lease amendments from landlord counsel.	3.00	625.00	1,875.00
02/23/2017	Adam Sherman	Emails with Cassels/Fasken re: form of lease assignment. Emails/discussions with Richter team. Emails/calls with creditors.	1.20	625.00	750.00
02/24/2017	Audrey Mercier	Accounting treatment of acquisition for projection purposes.	0.75	375.00	281.25
02/24/2017	Warren Levine	Update sales process tracker with latest activity.	1.00	550.00	550.00
02/24/2017	Katherine Forbes	Preparing detailed invoicing.	0.20	525.00	105.00
02/24/2017	Corey Pedneault	Update inputs in preparation for 2 years forecast model.	4.00	375.00	1,500.00
02/24/2017	Gilles Benchaya	Work on revised business plan and cash flow forecast rolling BBC. Update N. Decicco on NDA comments.	1.50	625.00	937.50
			83.50		\$32,133.50



Grafton-Fraser Inc.
44 Apex Rd
North York, ON M6A 2V2

Attention: Mr. Mark Sun

Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")
Invoice #20401707

To: Our professional services as Monitor for the period February 26, 2017 to March 4, 2017.

Time Charges (per attached summary)	\$33,305.00
HST #885435842 RT0001	<u>4,329.65</u>
Total	<u>\$37,634.65</u>



RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")

Summary of Time Charges

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya, Partner	13.00	\$625	\$ 8,125.00
Adam Sherman, Partner	2.60	625	1,625.00
Warren Levine, VP	10.50	550	5,775.00
Katherine Forbes, VP	13.30	525	6,982.50
Corey Pedneault, Associate	27.50	375	10,312.50
Caleigh Smith, Associate	0.50	350	175.00
Accounting and Administration	1.50		310.00
	<u>68.90</u>		<u>\$33,305.00</u>

RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc.

Details of Time Charges
February 26, 2017 to March 4, 2017

Date	Name	Description	Hours	Rate	Total
01/16/2017	Katherine Forbes	Drafting of Monitor's First Report, review of Consulting Agreement.	1.00	525.00	525.00
02/27/2017	Ann Stremski	Communications with creditors; update tracking log.	0.40	185.00	74.00
02/27/2017	Warren Levine	Ongoing sales process - updates to data room, responding to questions from potential interested parties.	1.50	550.00	825.00
02/27/2017	Warren Levine	Review of updated P&L model, store assumptions and rent concessions.	1.50	550.00	825.00
02/27/2017	Katherine Forbes	Calls with landlord for 21 Hafis Road, and follow-up with company's counsel on status of lease. Call with counsel and internal correspondence to discuss Tradex update. Onsite work at the company, including discussions with management re: lender update.	3.00	525.00	1,575.00
02/27/2017	Corey Pedneault	Update of 2017-2019 plan (including rolling forward supporting schedules, refining and challenging assumptions, updating inputs).	4.00	375.00	1,500.00
02/27/2017	Gilles Benchaya	Call with PwC re: info request, operational update, merchandise plan, etc. Subsequent preparation and review of detailed COGS and sales variances, and analysis of incremental purchases in revised cash flow for PwC.	3.00	625.00	1,875.00
02/27/2017	Adam Sherman	Emails with PwC re: inventory reconciliation. Emails/discussions with Richter team re: various matters.	0.80	625.00	500.00
02/28/2017	Warren Levine	Calls with potential bidders/counsel/M. Sun to discuss potential changes to NDA.	1.00	550.00	550.00
02/28/2017	Warren Levine	Analysis of annual rent concessions based on latest Company schedule incorporating Oberfeld comments.	1.00	550.00	550.00
02/28/2017	Katherine Forbes	Onsite work at the company. Correspondence with R. Ghosh re: supplier deposits. Review of detailed fees invoice. Correspondence with counsel re: landlord inquiries.	2.20	525.00	1,155.00
02/28/2017	Corey Pedneault	Complete, detailed, COGS reconciliation analysis and build-up, as requested by PwC. Update of 2017-2019 Plan.	8.00	375.00	3,000.00
02/28/2017	Gilles Benchaya	Call with GSO re: change in year-end and impact on revised projections and balance of tax. Call with M. Sun re: change in year-end. Follow-up with W. Levine re: purchase price allocation and impact on cash flow. Analysis of optimal post-closing year-end.	2.00	625.00	1,250.00
02/28/2017	Gilles Benchaya	Follow-up on SISP and info requests from potential interested parties. Call with Eileen (Oberfeld) re: status of lease negotiation documentation with landlords. Discussion with J. Dietrich re: landlord counsel queries.	1.50	625.00	937.50
03/01/2017	Ann Stremski	Communication with employee; update tracking schedule.	0.20	185.00	37.00
03/01/2017	Warren Levine	Review weekly monitoring report and provide comments to C. Pedneault.	1.50	550.00	825.00
03/01/2017	Warren Levine	Updates to data room including review of activity, posting January financials.	1.00	550.00	550.00
03/01/2017	Katherine Forbes	Correspondence with G. Benchaya and M. Sun re: schedules to stalking horse APA. Review of borrowing base and sales tax calculation, and correspondence with C. Pedneault. Assistance with information for corporate credit card accounts. Detailed invoicing activities.	1.10	525.00	577.50
03/01/2017	Corey Pedneault	Update of forecast model through May 2020, including adjusting store-by-store rent assumptions and ensuring model integrity.	6.00	375.00	2,250.00
03/01/2017	Gilles Benchaya	Discussion with J. Dietrich re: landlord waiver form. Call with L. Itoff and M. Sun re: landlord waiver and head office lease. Review of updated lease reconciliation schedule. Review of weekly monitoring schedule.	2.00	625.00	1,250.00
03/01/2017	Adam Sherman	Call with creditor. Emails/discussions with Richter team. Review weekly monitoring.	0.80	625.00	500.00
03/02/2017	Ann Stremski	Filing early claims received, and reply to Euler; update tracking schedule.	0.40	185.00	74.00
03/02/2017	Warren Levine	Call with Company, Cassels, Fasken to discuss lease concession worksheet, status of negotiations with landlords and next steps.	1.50	550.00	825.00
03/02/2017	Katherine Forbes	Onsite work at the company and discussions with management and G. Benchaya re: locations listing for stalking horse APA. Supplier inquiries.	3.70	525.00	1,942.50
03/02/2017	Katherine Forbes	Call with company, G. Benchaya, and counsels re: lease and overall business update and supplier communications. Call with R. Ghosh re: supplier issues.	1.10	525.00	577.50
03/02/2017	Corey Pedneault	Update of model through May 2020 (extending forecast model, updating multiple supporting schedules, adjusting presentation). Update of 4-wall analysis by store for 3 years to reflect forecast rent savings.	5.00	375.00	1,875.00

RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc.

Details of Time Charges
February 26, 2017 to March 4, 2017

Date	Name	Description	Hours	Rate	Total
03/02/2017	Gilles Benchaya	Call with suppliers re: extension (Point Zero and Peerless). Update call with counsel re: extension and communication with vendors.	2.00	625.00	1,250.00
03/02/2017	Caleigh Smith	Responding to creditor inquiries.	0.50	350.00	175.00
03/03/2017	Carol O'Donnell	Prepare wire transfers, update, scan and save.	0.50	250.00	125.00
03/03/2017	Warren Levine	Review weekly results including sales, GM% and cash position.	1.00	550.00	550.00
03/03/2017	Warren Levine	Communication with potential bidder re: NDA issues.	0.50	550.00	275.00
03/03/2017	Katherine Forbes	Correspondence with counsel re: schedules to stalking horse APA. Correspondence with company re: CRA audit report, stalking horse APA deliveries. Calls with C. Pedneault and R. Ghosh re: licensor pre-filing inquiries and review of royalties report.	1.20	525.00	630.00
03/03/2017	Corey Pedneault	Consolidation of multiple source documents for modelling purposes. Work on 2017-2020 forecast. Detailed examination of EBITDA add-backs.	4.50	375.00	1,687.50
03/03/2017	Gilles Benchaya	Review amendment to APA. Update store closure list. Review supplier pre-filing payables. Review Tradex letter, and discussion with J. Dietrich re: letter and comments. Discussion with C. Pedneault re: revised three-year 4-wall EBITDA forecast. Update on SISP with W. Levine.	2.50	625.00	1,562.50
03/03/2017	Adam Sherman	Emails/call with a creditor. Emails/discussions with Richter team. Email from Fasken attaching landlord correspondence re: notice of liquidation sale.	1.00	625.00	625.00
			<u>68.90</u>		<u>33,305.00</u>

Grafton-Fraser Inc.
44 Apex Rd
North York, ON M6A 2V2

Attention: Mr. Mark Sun

Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")
Invoice # 20401720

To: Our professional services as Monitor for the period March 5, 2017 to March 11, 2017.

Time Charges (per attached summary)	\$41,982.50
HST #885435842 RT0001	<u>5,457.73</u>
Total	<u>\$47,440.23</u>



RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")

Summary of Time Charges

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya, Partner	12.50	\$625	\$ 7,812.50
Adam Sherman, Partner	3.20	625	2,000.00
Warren Levine, VP	35.50	550	19,525.00
Katherine Forbes, VP	17.90	525	9,397.50
Corey Pedneault, Associate	7.00	375	2,625.00
Caleigh Smith, Associate	1.25	350	437.50
Accounting and Administration	1.00		185.00
	<u>78.35</u>		<u>\$41,982.50</u>

RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc.

Details of Time Charges
March 5, 2017 to March 11, 2017

Date	Name	Description	Hours	Rate	Total
03/06/2017	Warren Levine	Update sales process tracker sheet. Provide update to K. Forbes.	1.00	550.00	550.00
03/06/2017	Warren Levine	Provide copies of disclaimed leases to counsel.	0.50	550.00	275.00
03/06/2017	Warren Levine	Preparation of income tax analysis under various year end scenarios. Discussion with G. Benchaya and M. Sun.	4.50	550.00	2,475.00
03/06/2017	Katherine Forbes	Onsite at company, including discussions with management re: lender update and financial performance, CRA, etc. Correspondence with D. Chochla re: lease disclaimers. Various creditor inquiries, incl. Blue Jays. Credit cards follow-up.	5.00	525.00	2,625.00
03/06/2017	Katherine Forbes	Email correspondence with J. Dietrich, G. Benchaya re: second amendment to APA.	0.40	525.00	210.00
03/06/2017	Soazig Bourguine	Services Lists posted on the website and emailed to CCAA (OSB).	0.30	185.00	55.50
03/06/2017	Corey Pedneault	Update of 3-year four-wall analysis. Update of the model including roll-out through May 2020. Rollforward and completion of weekly monitoring report (detailed review of receipts/disbursements and accompanying supporting schedules).	7.00	375.00	2,625.00
03/06/2017	Gilles Benchaya	Update on operating issues with M. Sun and L. Itkoff. Update on Tradex Issue. Work on fiscal year-end analysis including discussions with M. Sun.	2.00	625.00	1,250.00
03/06/2017	Adam Sherman	Emails/calls with creditors. Emails/discussions with Richter team re: Blue Jays' sponsorship, 2nd amendment to APA and other matters.	0.80	625.00	500.00
03/07/2017	Warren Levine	Review weekly monitoring. Investigate receipts shortfall and provide comments to C. Pedneault.	2.00	550.00	1,100.00
03/07/2017	Warren Levine	Prepare and review market rent analysis with L. Senyk.	2.00	550.00	1,100.00
03/07/2017	Warren Levine	Further refinement to income tax analysis. Discussion with Company and selection of year-end.	1.50	550.00	825.00
03/07/2017	Warren Levine	Discussion with C. Mendes to reconcile store count.	0.50	550.00	275.00
03/07/2017	Warren Levine	Continuing work on business plan model to update for new lease concessions.	1.50	550.00	825.00
03/07/2017	Katherine Forbes	Review of supplier liabilities language in APA; call with CRA and R. Ghosh re: audit results. Drafting third monitor's report. Follow up with CIBC re: credit cards. Correspondence re: second amendment to APA.	4.50	525.00	2,362.50
03/07/2017	Gilles Benchaya	Discussion with L. Itkoff re: Globe and Mail interview. Work on 3-year forecast & 4-wall analysis, and review of underlying assumptions.	2.50	625.00	1,562.50
03/08/2017	Ann Stremski	Return call to creditor; forward call to Toronto office.	0.20	185.00	37.00
03/08/2017	Warren Levine	Preparation of a new NDA, correspondence with Company/potential purchaser, and providing data room access.	1.00	550.00	550.00
03/08/2017	Warren Levine	Final review/approval of weekly monitoring.	1.00	550.00	550.00
03/08/2017	Warren Levine	Work on 4-wall store profitability analysis. Review with G. Benchaya and discuss with Company.	5.50	550.00	3,025.00
03/08/2017	Soazig Bourguine	Processing new address for Notice returned to us.	0.30	185.00	55.50
03/08/2017	Gilles Benchaya	Work on market rent analysis, including review by lease with Eileen Tarrant. Update of minimum bid analysis in anticipation of bid deadline. Review of weekly monitoring and BBC.	2.00	625.00	1,250.00
03/08/2017	Adam Sherman	Calls with creditors. Emails/discussions with Richter team.	0.40	625.00	250.00
03/09/2017	Warren Levine	Continue updating 4-Wall profitability analysis including refinements to model assumptions and rent concessions.	4.50	550.00	2,475.00
03/09/2017	Warren Levine	Discussion with Oberfeld on market rents and landlord option clauses.	1.00	550.00	550.00
03/09/2017	Warren Levine	Fielding questions from potential bidders.	1.00	550.00	550.00
03/09/2017	Warren Levine	Review of updated real estate spreadsheet with C. Mendes.	1.00	550.00	550.00
03/09/2017	Katherine Forbes	Calls with M. Sun, W. Levine on sale process. Call with R. Ghosh re: pre-filing accounts payable audit by CRA. Call with CIBC re: corporate credit cards. Detailed invoicing.	3.50	525.00	1,837.50
03/09/2017	Katherine Forbes	City of Calgary accounts and other supplier matters.	0.30	525.00	157.50
03/09/2017	Soazig Bourguine	Notice returned, and new address.	0.20	185.00	37.00
03/09/2017	Gilles Benchaya	Update on SISP process and follow-up on Stem queries.	3.00	625.00	1,875.00
03/09/2017	Adam Sherman	Review weekly monitoring. Emails/discussions with Richter team. Call with creditor.	0.80	625.00	500.00
03/10/2017	Warren Levine	Continuing work on 4-wall model and draft schedules. Updates to list of liquidation stores and lease concessions.	5.00	550.00	2,750.00
03/10/2017	Warren Levine	Call with Company CEO, CFO and G. Benchaya.	0.50	550.00	275.00
03/10/2017	Warren Levine	Update call with Cassels/Richter team.	0.50	550.00	275.00
03/10/2017	Warren Levine	Finalize and post minimum bid amount to data room.	1.00	550.00	550.00
03/10/2017	Katherine Forbes	Email correspondence with G. Benchaya and counsel re: operations update, and telephone call re: same. Creditor inquiries. Review of UPS invoices and supporting documentation for post-filing services. Various correspondence with management re: vendors. Detailed Invoicing.	4.20	525.00	2,205.00
03/10/2017	Gilles Benchaya	Review of final closing stores list. Work on schedule 3.1 to APA (Guaranteed Purchase Price Allocation). Call with J. Dietrich re: Schedule 3.1. Update call with counsel, K. Forbes, W. Levine re: SISP.	3.00	625.00	1,875.00
03/10/2017	Adam Sherman	Emails with Cassels re: update. Conference call with Cassels/Fasken re: various matters. Emails/discussions with Richter team. Email from Fasken.	1.20	625.00	750.00
03/10/2017	Caleigh Smith	Responding to creditor inquiries.			
			<u>1.25</u>	<u>350.00</u>	<u>437.50</u>
			<u>78.35</u>		<u>41,982.50</u>



Grafton-Fraser Inc.
44 Apex Rd
North York, ON M6A 2V2

Attention: Mr. Mark Sun

Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")
Invoice #20401730

To: Our professional services as Monitor for the period March 12, 2017 to March 18, 2017.

Time Charges (per attached summary)	\$42,970.00
Disbursements	4,601.89
HST #885435842 RT0001	<u>6,184.35</u>
Total	<u>\$53,756.24</u>



RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")

Summary of Time Charges

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya, Partner	22.00	\$625	\$13,750.00
Adam Sherman, Partner	0.90	625	562.50
Lorne Richter, Partner	0.50	600	300.00
Warren Levine, VP	36.80	550	20,240.00
Katherine Forbes, VP	10.50	525	5,512.50
Corey Pedneault, Associate	1.50	375	562.50
Caleigh Smith, Associate	1.50	350	525.00
Marcus Chalmers, Financial Analyst	2.00	285	570.00
Lubov Senyk, Financial Analyst	3.00	285	855.00
Accounting and Administration	0.50		92.50
	<u>79.20</u>		<u>\$42,970.00</u>

RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc.

Details of Time Charges
March 12, 2017 to March 18, 2017

Date	Name	Description	Hours	Rate	Total
03/12/2017	Adam Sherman	Email from Fasken re: update on status of lease concessions/assignments, including tracking schedule for same.	0.20	625.00	125.00
03/13/2017	Warren Levine	Review email from potential bidder. Notification to counsel of no bids as a result of SISP.	0.50	550.00	275.00
03/13/2017	Warren Levine	Update of 4-wall store analysis including discussion with Company, G. Benchaya and L. Senyk. Circulate to GSO.	9.00	550.00	4,950.00
03/13/2017	Warren Levine	Call with GSO, Davies, Fasken, Richter team to discuss upcoming deadline for list of go-forward stores and other deliverables re: APA.	0.80	550.00	440.00
03/13/2017	Katherine Forbes	Call on leases and follow-up call with G. Benchaya and W. Levine re: same. Responding to an employee inquiry. Call with R. Ghosh re: UPS invoices. Correspondence re: results of SISP.	3.00	525.00	1,575.00
03/13/2017	Soazig Bourguine	Service List emailed to CCAA (OSB) and posted on the website.	0.30	185.00	55.50
03/13/2017	Gilles Benchaya	Call with Gordon Brothers re: extension of deadline to submit closing stores/potential impact on realization. Call with M. Sun/L. Itkoff to review the store-by-store performance. Call with counsel to review status of lease amendments documentation. Work with W. Levine re: lease profitability analysis.	9.00	625.00	5,625.00
03/13/2017	Adam Sherman	Emails from M. Sun re: update to lease tracking schedule and discussion with liquidator. Email from Stern group re: sales process. Emails with Richter team. Emails from Fasken/Cessels re: amendments to liquidation consulting agreement.	0.50	625.00	312.50
03/13/2017	Lubov Senyk	Rent concessions analyses.	2.00	285.00	570.00
03/14/2017	Warren Levine	Update call with GSO/Company to review 4-wall analysis, process and operational update.	1.50	550.00	825.00
03/14/2017	Warren Levine	Updates to business plan model to correct certain rent terms and other issues.	2.00	550.00	1,100.00
03/14/2017	Warren Levine	Work re: extending liquidation consulting agreement deadline; calls with Gordon Brothers and Company, draft email response to Davies re: same.	1.00	550.00	550.00
03/14/2017	Warren Levine	Review changes on PPA methodology schedule.	0.50	550.00	275.00
03/14/2017	Warren Levine	Review weekly monitoring, provide comments to M. Chalmers.	1.00	550.00	550.00
03/14/2017	Katherine Forbes	Review of sales results and weekly update document to lenders; GSO update call. Emails from R. Ghosh on various matters. Supplier inquiries. D&O insurance call with counsel and correspondence with Company on various CCAA matters. Review of amendment to liquidation consulting agreement.	3.50	525.00	1,837.50
03/14/2017	Corey Pedneault	Work with M. Chalmers on weekly monitoring report.	1.50	375.00	562.50
03/14/2017	Gilles Benchaya	Discussion with R. Ghosh re: tax returns/losses available to carry back. Update call with GSO and Company to review lease analysis, operational performance. Updated amendments to APA. Follow-up call with Company and counsel on SISP results.	3.00	625.00	1,875.00
03/14/2017	Lubov Senyk	Rent concessions analyses.	1.00	285.00	285.00
03/15/2017	Warren Levine	Discussion with M. Sun re: PPA methodology.	0.50	550.00	275.00
03/15/2017	Warren Levine	Info requests from Davies (insurance, employee contracts).	0.50	550.00	275.00
03/15/2017	Warren Levine	Continue to work on P&L forecast model, including update for change to April year-end, comparative store sales assumptions, model outputs.	3.00	550.00	1,650.00
03/15/2017	Warren Levine	Work on 4-wall analysis under flat comparative store sales scenario.	2.50	550.00	1,375.00
03/15/2017	Katherine Forbes	Preparation of open items list for circulation to counsel, and call with G. Benchaya re: same. Email correspondence with counsel re: supplier matters. Telephone call with R. Ghosh re: UPS freight holds. Discussions with counsel, G. Benchaya, M. Sun re: employee matters.	2.20	525.00	1,155.00
03/15/2017	Gilles Benchaya	Call with management re: next steps/employment agreements, trade creditor agreements, communications, etc. Review of consolidated BBC and updated cashflow, including forecasted merchandise shipments. Review of updated lease analysis/sensitized scenario. Follow-up call with N. Decicco on lease amendments and extension to liquidation consulting agreement.	3.50	625.00	2,187.50
03/15/2017	Adam Sherman	Review weekly monitoring.	0.20	625.00	125.00
03/15/2017	Marcus Chalmers	Preparation of weekly monitoring report with C. Pedneault.	2.00	285.00	570.00
03/16/2017	Warren Levine	Review of corporate SG&A with G. Benchaya, comparison against previous results, and discussion with M. Sun.	1.50	550.00	825.00
03/16/2017	Warren Levine	Preparation of a draft report for GSO incorporating 4-wall EBITDA under various scenarios and assumptions.	3.50	550.00	1,925.00
03/16/2017	Warren Levine	Review and approve weekly monitoring report.	1.00	550.00	550.00
03/16/2017	Warren Levine	Further updates to business plan model reflecting change to an April year-end.	2.50	550.00	1,375.00
03/16/2017	Katherine Forbes	Telephone calls with R. Ghosh, the Company's D&O insurance provider, and M. Sun re: D&O insurance. CRA matters, and other supplier developments. Correspondence with counsels to Monitor and the Company re: supplier communications.	1.00	525.00	525.00
03/16/2017	Gilles Benchaya	Call with Lorne Richter re: tax loss carry-forwards and potential Plan of Arrangement. Meeting with GSO to discuss status of restructuring, next steps to close transaction, and tax losses.	4.00	625.00	2,500.00
03/16/2017	Lorne Richter	Telephone discussion with G. Benchaya.	0.50	600.00	300.00
03/16/2017	Caleigh Smith	Responding to creditor inquiries.	1.50	350.00	525.00
03/17/2017	Ann Stremski	Communications with creditor.	0.20	185.00	37.00
03/17/2017	Warren Levine	Review of list of potential new hires with M. Sun.	1.00	550.00	550.00
03/17/2017	Warren Levine	Discussion with potential bidder re: NDA submitted after the bid deadline.	0.50	550.00	275.00
03/17/2017	Warren Levine	Continue to work on P&L forecast model, including update for change to April year-end, comparative store sales assumptions, model outputs.	3.00	550.00	1,650.00
03/17/2017	Warren Levine	Review of updated lease summary tracker and discussion with C. Mendes.	1.00	550.00	550.00
03/17/2017	Katherine Forbes	Call with counsel for supplier. Other supplier inquiries and related correspondence with C. Smith. Reviewing correspondence re: supplier payment agreements. Call with CIBC re: corporate credit cards.	0.80	525.00	420.00
03/17/2017	Gilles Benchaya	Review tax loss carry-back and remaining loss carry-forwards. Update on sales performance from M. Sun. Review impact of rent concessions on cashflow forecast.	2.50	625.00	1,562.50
			79.20		42,970.00



Grafton-Fraser Inc.
44 Apex Rd
North York, ON M6A 2V2

Attention: Mr. Mark Sun

Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")
Invoice #20401754

To: Our professional services as Monitor for the period March 19, 2017 to March 25, 2017.

Time Charges (per attached summary)	\$37,816.00
Cassels Brock (invoice attached)	<u>13,768.13</u>
	51,584.13
HST #885435842 RT0001	<u>6,705.94</u>
Total	<u>\$58,290.07</u>



RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")

Summary of Time Charges

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya, Partner	9.50	\$625	\$5,937.50
Adam Sherman, Partner	0.80	625	500.00
Alon Wexler, Partner	2.00	550	1,100.00
Warren Levine, VP	42.00	550	23,100.00
Katherine Forbes, VP	7.10	525	3,727.50
Melissa Buck, Associate	1.50	375	562.50
Caleigh Smith, Associate	0.75	350	262.50
Daniel Dabara, Financial Analyst	2.50	285	712.50
Lubov Senyk, Financial Analyst	6.00	285	1,710.00
Accounting and Administration	1.10		203.50
	<u>73.25</u>		<u>\$37,816.00</u>

RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc.

Details of Time Charges
Merch 19, 2017 to March 25, 2017

Date	Name	Description	Hours	Rate	Total
02/23/2017	Lubov Senyk	Rent concessions (incl. forecast preparation and rent summary output tables).	3.00	285.00	855.00
03/09/2017	Lubov Senyk	Rent concessions analysis.	1.50	285.00	427.50
03/10/2017	Melissa Buck	Grafton PPA methodology memo for G. Benchaya and A. Wexler.	1.50	375.00	562.50
03/10/2017	Lubov Senyk	Rent concessions analysis.	1.50	285.00	427.50
03/10/2017	Alon Wexler	PPA methodology schedule.	2.00	550.00	1,100.00
03/19/2017	Warren Levine	Continued work on Business Plan model, Incorporating revised sales and margin assumptions.	4.00	550.00	2,200.00
03/20/2017	Pascale Lareau	Bank reconciliation.	0.20	185.00	37.00
03/20/2017	Warren Levine	Review of daily sales reports. Discussion with Company to setup daily email re: same.	0.50	550.00	275.00
03/20/2017	Warren Levine	Coordinating calls for the week with counsel and PwC.	0.50	550.00	275.00
03/20/2017	Warren Levine	Work on forecast model to build out weekly cash flow capabilities through April 2018, and monthly through April 2020.	5.50	550.00	3,025.00
03/20/2017	Katherine Forbes	Correspondence with M. Sun and C. Smith re: creditor inquiries.	0.30	525.00	157.50
03/20/2017	Gilles Benchaya	Update on lease status with Eileen Tarrant and M. Sun. Review of operational matters with M. Sun. Review of updated lease analysis.	1.50	625.00	937.50
03/20/2017	Adam Sherman	Review/approve bank reconciliation for February 2017.	0.20	625.00	125.00
03/21/2017	Warren Levine	Discussion with C. Mendes re: status of lease negotiations and circulating update to the group.	1.00	550.00	550.00
03/21/2017	Warren Levine	Continued work on business plan model and building out April year-end tables for presentation in business plan report.	4.50	550.00	2,475.00
03/21/2017	Warren Levine	Updating 4-wall store-by-store schedule incorporating latest business plan assumptions and lease concessions.	1.50	550.00	825.00
03/21/2017	Katherine Forbes	Responding to an employee inquiry. Detailed invoicing activities.	0.60	525.00	315.00
03/21/2017	Gilles Benchaya	Review of business update package and call with GSO and Company to discuss. Work on updated business plan with W. Levine and review of underlying assumptions with management and Frank Tworecke.	1.00	625.00	625.00
03/22/2017	Ann Stremski	Communications with C. Pedneault and research.	0.30	185.00	55.50
03/22/2017	Warren Levine	Analysis of current and next week's projected receipts to predict compliance with CIBC covenant.	1.00	550.00	550.00
03/22/2017	Warren Levine	Preparation of an analysis to assess the shortfall in year-to-date receipts vs. Budget including an analysis of YTD comparative stores sales, and the impact of liquidation stores and ecommerce.	3.50	550.00	1,925.00
03/22/2017	Warren Levine	Further work on cash flow model including an update to the purchases estimate based on recent DSOH trending and input from management.	3.50	550.00	1,925.00
03/22/2017	Katherine Forbes	Discussions with M. Sun and monitor's counsel re: Square One vacate notice, and follow-up re: status. Review of sales tax schedule, related clause in Initial Order, and correspondence with C. Pedneault and R. Ghosh. Responding to emails from the Company.	1.30	525.00	682.50
03/22/2017	Gilles Benchaya	Review of borrowing base request and monitoring report. Review of sensitized cash flow and covenants. Review of tax returns and call with Rajib to discuss the potential forgiveness of debt.	2.00	625.00	1,250.00
03/22/2017	Adam Sherman	Review weekly monitoring. Email from the property manager for West Edmonton Mall, including emails to Cassels/Fasken re: same.	0.30	625.00	187.50
03/23/2017	Warren Levine	Meet with G. Benchaya to prepare for PwC call and to discuss analysis of YTD comparative store sales.	0.50	550.00	275.00
03/23/2017	Warren Levine	Call with PwC/Richter team to discuss restructuring process, updated plan, etc.	1.00	550.00	550.00
03/23/2017	Warren Levine	Internal discussion with Corporate Finance group re: lease valuation calculation, including with analyst to perform the analysis.	1.00	550.00	550.00
03/23/2017	Warren Levine	Further updates to business plan model to incorporate estimated March sales and gross margin trending. Updating output tables and 4-wall schedule by store.	4.00	550.00	2,200.00
03/23/2017	Katherine Forbes	Onsite work at the company, including meetings with C. Mendes, M. Sun on operational update and status of suppliers and inventory receipts. Review of draft third monitor's report, and internal correspondence re: suppliers and detailed invoicing.	3.30	525.00	1,732.50
03/23/2017	Katherine Forbes	PwC update call.	0.80	525.00	420.00
03/23/2017	Soazig Bourguine	Service Lists posted on the website and emailed to CCAA (OSB).	0.30	185.00	55.50
03/23/2017	Gilles Benchaya	Call with M. Kahn re: status of lease discussions and timing. Call with J. Corp re: status of process and future purchases. Call with PwC to review business update, process, timing on business plan, etc.	3.00	625.00	1,875.00
03/23/2017	Adam Sherman	Call with McLean&Kerr LLP, counsel for Oxford, re: various matters.	0.30	625.00	187.50
03/23/2017	Caleigh Smith	Responding to creditor inquiries.	0.75	350.00	262.50
03/24/2017	Pascale Lareau	Journal entry re: wire transfer from Grafton.	0.30	185.00	55.50
03/24/2017	Warren Levine	Discussion with G. Benchaya re: updated business plan and report presentation.	0.50	550.00	275.00
03/24/2017	Warren Levine	Review updated landlord status schedule. Follow-up questions with C. Mendes.	0.50	550.00	275.00
03/24/2017	Warren Levine	Review of lease valuation analysis.	0.50	550.00	275.00
03/24/2017	Warren Levine	Update analysis of projected cash receipts vs. CIBC covenant.	0.50	550.00	275.00
03/24/2017	Warren Levine	Continued work on long-term cash flow model incorporating new April year-end.	3.50	550.00	1,925.00
03/24/2017	Warren Levine	Discuss with D. Dabora re: output tables and analysis required for report presentation.	0.50	550.00	275.00
03/24/2017	Daniel Dabora	SG&A analysis for 2017-2019 forecast (April year-end expenditures).	2.50	285.00	712.50
03/24/2017	Katherine Forbes	Correspondence with M. Sun, G. Benchaya re: supplier matters. Various creditor inquiries.	0.80	525.00	420.00
03/24/2017	Gilles Benchaya	Review updated lease tracker and discussion M. Sun re: status of outstanding leases. Status update call with J. Dietrich. Work with W. Levine on updated plan.	2.00	625.00	1,250.00
03/25/2017	Warren Levine	Follow-up with D. Dabora re: schedules and report tables.	0.50	550.00	275.00
03/25/2017	Warren Levine	Updating cash flow model incorporating revised April year-end P&L forecast.	3.50	550.00	1,925.00
			73.25	550.00	37,816.00



Grafton-Fraser Inc.
44 Apex Rd
North York, ON M6A 2V2

Attention: Mr. Mark Sun

Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")
Invoice #20401784

To: Our professional services as Monitor for the period March 26, 2017 to April 1, 2017.

Time Charges (per attached summary)	\$49,483.75
Disbursements (see Cassels invoice attached)	<u>5,721.00</u>
	55,204.75
HST #885435842 RT0001	<u>7,176.62</u>
Total	<u>\$62,381.37</u>



RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc. (together with its affiliates, the "Company")

Summary of Time Charges

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Gilles Benchaya, Partner	21.00	\$625	\$13,125.00
Adam Sherman, Partner	2.30	625	1,437.50
Phil Nadler, Partner	0.30	600	180.00
Warren Levine, VP	41.50	550	22,825.00
Katherine Forbes, VP	6.80	525	3,570.00
Caleigh Smith, Associate	0.50	350	175.00
Daniel Dabora, Financial Analyst	24.50	285	6,982.50
Anthony Colonna, Financial Analyst	2.00	285	570.00
Alex Halpern, Manager	2.75	225	618.75
	<u>101.65</u>		<u>\$49,483.75</u>

RICHTER ADVISORY GROUP INC.
Re: Grafton-Fraser Inc.

Details of Time Charges
March 26, 2017 to April 1, 2017

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
03/23/2017	Phil Nadler	Gilles re: loss	0.30	600.00	180.00
03/26/2017	Warren Levine	Commence outline for business plan report and begin to populate with preliminary EBITDA and rent tables.	3.50	550.00	1,925.00
03/27/2017	Warren Levine	Update model for Feb 2017 reported results. Work with D. Dabora and C. Pedneault.	1.50	550.00	825.00
03/27/2017	Warren Levine	Discuss Fall 2017 purchases and GFI business plan with C. Mendes. Update model to incorporate these purchase levels.	2.00	550.00	1,100.00
03/27/2017	Warren Levine	Updates to CF model to roll forward working capital components in F2019 and F2020.	2.00	550.00	1,100.00
03/27/2017	Warren Levine	Analysis of projected cash receipts for the week vs. covenant.	1.00	550.00	550.00
03/27/2017	Daniel Dabora	Adjusting SGA schedules to align expenses with the April Year ends for the forecasted periods of F2018, F2019, F2020 for the April Business plan.	1.50	285.00	427.50
03/27/2017	Daniel Dabora	Preparing Rent Concession EBITDA Addback schedule regarding the forecasted F2018, F2019, F2020 periods.	1.00	285.00	285.00
03/27/2017	Katherine Forbes	Correspondence with G. Benchaya, R. Ghosh on D&O insurance, invoicing. Correspondence with J. Corp, other suppliers. Emails with company/Fasken re: Blue Jays agreements.	1.00	525.00	525.00
03/27/2017	Gilles Benchaya	Tail d&o insurance update. Call with J. Dietrich re: update and status of lease amendments. Call with CIT factors re: update. Update questions Jc Wiltzer re: J. Corp. Review form of supplier agreement. Review business update.	3.50	625.00	2,187.50
03/27/2017	Adam Sherman	Calls with creditors. Emails/discussions with Richter team.	0.50	625.00	312.50
03/27/2017	Caleigh Smith	Correspondence with City of Calgary regarding account information.	0.50	350.00	175.00
03/28/2017	Warren Levine	GSO update call with Company. Follow-up call with L. Itkoff, M. Sun to discuss status of lease negotiations and next steps.	1.00	550.00	550.00
03/28/2017	Warren Levine	Call with Fasken, Cassels Brock to discuss various issues including Tradex, status of lease concessions.	1.00	550.00	550.00
03/28/2017	Warren Levine	Review preliminary weekly monitoring analysis.	0.50	550.00	275.00
03/28/2017	Warren Levine	Analysis of current week cash receipts. Discussion with R. Ghosh.	0.50	550.00	275.00
03/28/2017	Warren Levine	Work with G. Benchaya and D. Dabora on Business plan model, Incorporate latest comp and margin trending.	4.00	550.00	2,200.00
03/28/2017	Anthony Colonna	Performed monitoring for the week of March 25.	1.00	285.00	285.00
03/28/2017	Alex Halpern	Tax research requested by Phil Nadler on loss utilization re: bankruptcy.	2.75	225.00	618.75
03/28/2017	Katherine Forbes	Review of supplier payments agreement, and correspondence with counsel.	1.00	525.00	525.00
03/28/2017	Gilles Benchaya	Business update call with Company and GSO. Discuss J. Dietrich re: Tradex legal letter. Proposed response to Tradex letter. Comments on form of supplier agreement. Update call on lease concessions status. Discussion Eileen H re: outstanding landlord issues.	3.00	625.00	1,875.00
03/29/2017	Warren Levine	Call with Company and PWC to provide update on business and timeline for deliverables.	1.00	550.00	550.00
03/29/2017	Warren Levine	Discussion with Oberfeld re: market rent and likelihood of lease renewals post concession period.	1.50	550.00	825.00
03/29/2017	Warren Levine	Updates to business plan to incorporate 1 yr lease renewals post concession period.	2.50	550.00	1,375.00
03/29/2017	Warren Levine	Continue to work on CF model incorporating latest Business Plan model and prior week reported activity.	2.50	550.00	1,375.00
03/29/2017	Warren Levine	Analysis of weekly receipts and discuss with R. Ghosh.	1.00	550.00	550.00
03/29/2017	Warren Levine	Review draft report to determine additional info/analyses needed. Send email to CFO requesting missing info.	1.50	550.00	825.00
03/29/2017	Daniel Dabora	Preparing the Business Plan financial analysis regarding recurring and non-recurring selling, general, & administrative expenses for the forecasted periods of F2018, F2019, F2020.	2.00	285.00	570.00
03/29/2017	Daniel Dabora	Preparing the Business Plan financial analysis regarding comp sales for the TipTop Tailors, Great Richards & Mr. Big&Tall for the trailing 12 month periods ending April 2015, 2016, 2017, 2018, 2019, 2020.	4.00	285.00	1,140.00
03/29/2017	Katherine Forbes	Onsite meeting with management at the company, including update call with PWC. Detailed invoicing activities. Correspondence re: supplier payments agreement, Blue Jays agreements. Internal correspondence re: planning.	3.00	525.00	1,575.00
03/29/2017	Gilles Benchaya	Review J. Dietrich comments on Tradex letter. Work on updated three year plan with W. Levine. Call with Eileen re concessions likely to renew, market rent analysis etc. PWC update call and call with company prior to discuss PWC queries.	2.00	625.00	1,250.00
03/29/2017	Gilles Benchaya	Review BBC. Discussion M. Sun re: D&O sales tax issues. Contract disclaimer for Sponsorship. Review of Oberfeld detailed market analysis.	2.00	625.00	1,250.00
03/29/2017	Adam Sherman	Emails with Richter team re: various matters, including April 21 Court motion.	0.30	625.00	187.50
03/30/2017	Warren Levine	Incorporate Cassels Brock invoice with monitor invoice. Explain change to R. Ghosh.	0.50	550.00	275.00
03/30/2017	Warren Levine	Respond to questions from Davies (bank accounts, insurance, etc.).	1.00	550.00	550.00
03/30/2017	Warren Levine	Review royalty payable with R Ghosh and discuss timing of payment.	1.00	550.00	550.00
03/30/2017	Warren Levine	Receipt of executed landlord amendments. Coordinate with D Chocla of Fasken re: uploading documents to a data site.	1.00	550.00	550.00

RICHTER ADVISORY GROUP INC.

Re: Grafton-Fraser Inc.

Details of Time Charges

March 26, 2017 to April 1, 2017

<u>Date</u>	<u>Name</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
03/30/2017	Warren Levine	Continue to work with D. Dabora and G. Benchaya on Business Plan model.	3.00	550.00	1,650.00
03/30/2017	Warren Levine	Update draft report with additional schedules from Business Plan model and CF.	1.50	550.00	825.00
03/30/2017	Daniel Dabora	Continue to work with W. Levine and G. Benchaya on Business Plan model.	3.00	285.00	855.00
03/30/2017	Daniel Dabora	Preparing 4Wall Analysis for retail locations for the forecasted periods of F2017, F2018, F2019.	2.00	285.00	570.00
03/30/2017	Daniel Dabora	Prepare store continuity schedule and updating for store closures in the forecasted periods of F2017, 2018, 2019.	3.00	285.00	855.00
03/30/2017	Katherine Forbes	Emails and telephone call with counsel, correspondence with G. Benchaya re: disclaimers of agreements. Review of correspondence re: leases update, and operational matters from R. Ghosh.	0.80	525.00	420.00
03/30/2017	Gilles Benchaya	Call with Davies and counsel re: March 31 deadline for stores. Fiscal year query from Davies. Review amendments to lease updates from Company. Review weekly monitoring. Analysis of rental income and timing of collections.	4.50	625.00	2,812.50
03/30/2017	Gilles Benchaya	Call with Rajib and M. Sun re: liquidation sales results, rental income accounting and cash flow and trending. Work on detailed 3 year model.	2.00	625.00	1,250.00
03/30/2017	Adam Sherman	Emails from Fasken re: contract disclaimers, store lease analysis and other matters. Review weekly monitoring. Emails with Richter team.	0.70	625.00	437.50
03/31/2017	Warren Levine	Coordinate follow up call with PWC and Company.	0.50	550.00	275.00
03/31/2017	Warren Levine	Review of Company's merchant plan and discuss with C. Mendes.	1.00	550.00	550.00
03/31/2017	Warren Levine	Review of additional received executed lease amendments. Ensure that business plan model reflects business deals.	1.00	550.00	550.00
03/31/2017	Warren Levine	Review updated Company CF with R. Ghosh. Discuss timing of certain material disbursements.	1.00	550.00	550.00
03/31/2017	Warren Levine	Further work on business plan model with D. Dabora and G. Benchaya. Updates to liquidation activity and recent comp performance.	3.00	550.00	1,650.00
03/31/2017	Anthony Colonna	Created EBITDA bridge graph.	1.00	285.00	285.00
03/31/2017	Daniel Dabora	Call with Oberfeld regarding lease concessions and the likelihood of stores that may keep concessions in the year following the concession period.	1.50	285.00	427.50
03/31/2017	Daniel Dabora	Call with PWC regarding business plan.	0.50	285.00	142.50
03/31/2017	Daniel Dabora	Preparing Monthly Adjusted EBITDA table for the periods of Feb 17 to Apr 18.	4.00	285.00	1,140.00
03/31/2017	Daniel Dabora	Preparing Summary EBITDA tables by banners for the forecasted periods F2017, F2018, F2019.	2.00	285.00	570.00
03/31/2017	Katherine Forbes	Review and facilitating signatures for Monitor's approval of disclaimers, and discussion with counsel. Responding to former employee inquiry.	1.00	525.00	525.00
03/31/2017	Gilles Benchaya	Review financial package for Feb. Follow-up on rental payments. Review summary by landlord and list of go-forward stores. Send final wording on year end to Davies. Discussion John B re: outstanding landlord docs.	3.00	625.00	1,875.00
03/31/2017	Gilles Benchaya	Review final store list. Work on detailed model.	1.00	625.00	625.00
03/31/2017	Adam Sherman	Emails/discussions with Richter team. Emails from Fasken re disclaimers. Sign disclaimers.	0.80	625.00	500.00
			<u>101.65</u>		<u>49,483.75</u>

Exhibit "C"

Court File No.: CV-17-11677-00CL

**O N T A R I O
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
GRAFTON FRASER INC.**

Time Summary

Richter Advisory Group Inc.

IN THE MATTER OF THE COMPANIES CREDITORS ARRANGEMENT ACT ("CCAA")

Re: Grafton Fraser Inc.

Time Summary

For the Period from January 25 to April 1, 2017

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Adam Sherman, Partner	50.90	\$ 625.00	\$ 31,812.50
Alex Halpern, Associate	2.75	225.00	618.75
Alon Wexler, Partner	2.00	550.00	1,100.00
Anthony Colonna, Financial Analyst	6.00	285.00	1,710.00
Audrey Mercier, Vice-president	0.75	375.00	281.25
Caleigh Smith, Associate	7.75	350.00	2,712.50
Caleigh Smith, Financial Analyst	8.00	285.00	2,280.00
Corey Pedneault, Senior Associate	76.90	375.00	28,837.50
Daniel Dabora	28.00	285.00	7,980.00
Gilles Benchaya, Partner	177.00	625.00	110,625.00
Katherine Forbes, Vice-president	161.30	525.00	84,682.50
Lorne Richter, Partner	0.50	600.00	300.00
Lubov Senyk	9.00	285.00	2,565.00
Marcus Chalmers	2.00	285.00	570.00
Melissa Buck	1.50	375.00	562.50
Phil Nadler, Partner	0.30	600.00	180.00
Warren Levine, Vice-president	267.80	550.00	147,290.00
Accounting and Administration	56.40		8,941.00
Grand Total	<u>858.85</u>		<u>\$ 433,048.50</u>
Average Hourly Amount			<u>\$ 504.22</u>

Exhibit "D"

Court File No.: CV-17-11677-00CL

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

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
GRAFTON FRASER INC.**

Disbursement Summary

Richter Advisory Group Inc.

IN THE MATTER OF THE COMPANIES CREDITORS ARRANGEMENT ACT ("CCAA")

Re: Grafton Fraser Inc.

Disbursement Summary
For the Period from January 25 to April 1, 2017

Advertising	\$	3,877.12
Airfare		711.39
Meals		107.22
Hotel		547.19
Parking		232.59
Photocopies		482.75
Postage		1,598.11
Professional Services - Legal		19,489.13
Taxi		136.22
Conference call		0.52
	\$	<u>27,182.24</u>

APPENDIX “H”

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

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
GRAFTON-FRASER INC.**

(the "Applicant")

**AFFIDAVIT OF MONIQUE SASSI
Sworn April 7, 2017**

I, Monique Sassi, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY** that:

1. I am an Associate in the law firm Cassels Brock & Blackwell LLP ("**Cassels Brock**"), counsel for Richter Advisory Group Inc. ("**Richter**"), in its capacity as the Court-appointed monitor (the "**Monitor**") of the Applicant pursuant to the initial order of Justice Hainey dated January 25, 2017 (the "**Initial Order**") and as such have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe it to be true.
2. The Applicant's motion returnable April 20, 2017, seeks approval of certain of the Monitor's and its counsel's fees and disbursements.
3. Between January 20, 2017 and March 31, 2017, Cassels Brock incurred fees and disbursements of \$111,195.66 acting as Counsel to the Monitor including applicable Ontario Harmonized Sales Tax. Particulars of the work performed are contained in Cassels Brock's invoices (the "**Invoices**"), copies of which are attached as Exhibit "**A**" to my Affidavit.

4. Attached hereto and marked as Exhibit "B" is a summary of the lawyers or paraprofessionals whose services are reflected on the Invoices, including, year of call (if applicable) hourly rate, and a summary of the total fees and hours billed.
5. Attached hereto and marked as Exhibit "C" is a summary of each invoice together with a calculation of the average hourly billing rates for the lawyers and paraprofessionals whose services are reflected thereon. The average hourly billed rate for this period of the engagement is \$490.35.
6. To the best of my knowledge, the rates charged by Cassels Brock are comparable to the rates charged for the provision of similar services by other legal firms in the Toronto market.
7. This affidavit is sworn in support of a motion approving the accounts of Cassels Brock, counsel to the Monitor, and for no other or improper purpose.

SWORN BEFORE ME at the City of)
 Toronto, in the Province of Ontario,)
 this 7th day of April, 2017)

Stephanie Waugh)
 _____)

Commissioner for Taking Affidavits, etc.)

Monique Sassi

 Monique Sassi

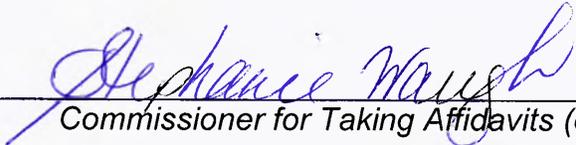
Monique Sassi

**Stephanie Waugh, a
 Commissioner, etc., Province of Ontario,
 for Cassels Brock & Blackwell LLP,
 Barristers and Solicitors.
 Expires March 21, 2020.**

EXHIBIT "A"

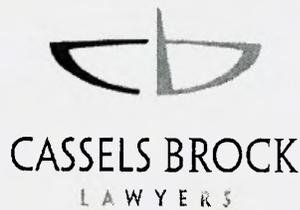
True copies of Invoices

This is Exhibit "A" referred to in the Affidavit of
Monique Sassi sworn before me in the City of Toronto,
in the Province of Ontario this 7th day of April, 2017



Commissioner for Taking Affidavits (or as may be)

**Stephanie Waugh, a
Commissioner, etc., Province of Ontario,
for Cassels Brock & Blackwell LLP,
Barristers and Solicitors.
Expires March 21, 2020.**



RICHTER ADVISORY GROUP INC.
ATTN: GILLES BENCHAYA
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 01/31/17
Our File #: 047265-00008
Invoice #: 2006611
HST/GST #: R121379572

Re: Grafton-Fraser Inc.

TO PROFESSIONAL SERVICES RENDERED up to and including 01/31/17

Date		Description	Hours
01/20/17	JDI	Discussion with Gilles Benchaya; discussion with Gilles Benchaya and Davies regarding cash flow questions; participate in status update call; discussion with Natasha De Cicco regarding documentation; discussion with Gilles Benchaya regarding status; further discussion with Gilles Benchaya regarding status; review of revised documentation and email exchange regarding comments on same;	5.40
01/21/17	JDI	Review of draft report and provide comments on same; exchange of email regarding comments on documentation;	2.10
01/21/17	MS	Review of Initial Order, Notice of Motion and Notice of Application;	1.60
01/22/17	JDI	Discussion with Gilles Benchaya; discussion with Gilles Benchaya and Stuart Brotman; discussion with Gilles Benchaya and Andrew Winton; email to Andrew Winton; participate in status update call;	2.60

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.

Date		Description	Hours
01/22/17	MS	Call with working group regarding filing and timelines; revisions to order approving the consulting agreement and circulation regarding same;	1.50
01/23/17	MS	Calls with working group regarding outstanding documents and deadlines; revisions to the SISPO, consulting agreement and order approving the consulting agreement; review and comments on the Monitor's pre-filing report; calls with the Monitor to discuss the pre-filing report and circulation of same;	10.90
01/23/17	JDI	Attend at 9:30 court appointment; review of amendments to various agreements; participate on calls regarding cash flow issues; review of email; work to finalize documentation; further review and comment on draft report; review of additional document drafts and comment on same; participate in status update call;	7.80
01/24/17	MS	Calls with working group regarding update and next steps; revisions to pre-filing report and preparation of pre-filing report for circulation; review of court materials for filing;	9.30
01/24/17	JDI	Review of affidavit and provide additional comments; review of amendments to agreements; participate on status update call; various discussions with stakeholders regarding outstanding issues; review of draft pre-filing report and further comments on same; participate in call with Gilles Benchaya regarding status of outstanding matters; participate in group status update call; follow up discussion with Gilles Benchaya regarding next steps;	9.50
01/25/17	MS	Preparation of pre-filing report for motion regarding initial order and service and filing regarding same; attending motion regarding initial order; preparation of first report of the Monitor and circulation of same for comment;	9.60

Date		Description	Hours
01/25/17	JDI	Review of email; attend at 9:30 court appointment; discussion with Robin Schwill; exchange of email and discussion regarding filing status; finalize pre-filing report; review of comments on draft first report and provide further comments on same; attend at Court for issuance of initial order; various follow up discussions regarding posting of material, service and media inquiries;	6.30
01/26/17	MS	Finalization of first report to be filed by the Monitor including correspondence regarding same and circulation and integration of comments; serving and filing first report of the Monitor;	6.90
01/26/17	SWA	Review and revise service list; create e-service address list; draft E-Service Protocol email and send out same; assist in preparing for service of First Report;	3.20
01/26/17	JDI	Work on First Report and review of comments on same; discussion regarding media enquiries; further review of first report comments and final read through of same; review of service issues; exchange of email with David Bish;	3.60
01/27/17	JDI	Deal with service list issues; review of teaser and amend language; discussion with Monique Sassi regarding amendments to SISP and voicemail regarding same; exchange of email regarding communications; email exchange regarding landlord issues;	1.80
01/27/17	SWA	Review of emails; update service lists;	1.00
01/27/17	MS	Filing of first report of the Monitor; preparation of service list and posting;	1.50
01/29/17	MS	Correspondence with Company counsel regarding SISP and consulting agreement;	0.80
01/29/17	JDI	Exchange of email regarding motion; review of materials in preparation for motion;	1.30

Date		Description	Hours
01/30/17	JDI	Preparation for and attendance at Court for SISP approval, consulting Agreement approval and amended and restated initial order; voicemail to Gilles Benchaya regarding update from Court; email exchange regarding orders; discussion with Gilles Benchaya regarding outstanding issues; email exchange with counsel to supplier; email exchange with Warren Levine and further comments on Teaser;	3.80
01/30/17	MS	Preparation for court comeback hearing; attending comeback motion; review of SISP and compilation of calendar deadlines.	2.50

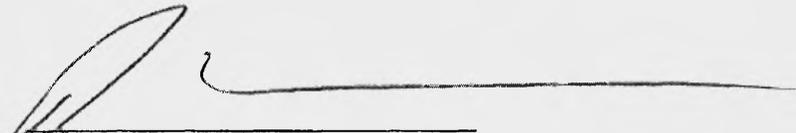
Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	44.20	595.00	26,299.00
Monique Sassi	44.60	415.00	18,509.00
Stephanie Waugh	4.20	200.00	840.00
			<hr/>
Our Fee			45,648.00
HST on Fees			5,934.24
Total Fees and Tax			<hr/> 51,582.24

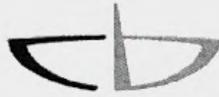
Taxable Disbursements

Copies	771.75	
Binding, Tabs, Disks, etc	15.60	
Telephone	7.80	
Courier Delivery Charges	66.98	
Total Taxable Disbursements		862.13
HST on Disbursements	112.08	
Total Tax on Disbursements		112.08
		<hr/>
Total Disbursements and Tax		974.21
Total Fees, Disbursements & Tax		<u>\$ 52,556.45</u>

This is our account herein
Cassels Brock & Blackwell LLP



Jane Dietrich
E&OE



CASSELS BROCK
LAWYERS

RICHTER ADVISORY GROUP INC.
ATTN: GILLES BENCHAYA
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 02/13/17
Our File #: 047265-00008
Invoice #: 2007753
HST/GST #: R121379572

Re: Grafton-Fraser Inc.

TO PROFESSIONAL SERVICES RENDERED up to and including 02/13/17

Date		Description	Hours
01/31/17	SWA	Review of email; update service list and email same to be posted on website;	0.20
01/31/17	JDI	Review of correspondence; discussion with Katherine Forbes regarding outstanding issues; review and exchanged of email regarding Teaser; review of draft NDA and provide comments;	1.90
02/01/17	SWA	Review of email; receive Notice of Appearance of 20 VIC et al. and update service list accordingly; further revisions to service list;	1.10
02/01/17	JDI	Review of emails; discussion with Katherine Forbes; brief discussion with Stuart Brotman; review of estoppel amendments and email regarding same; review of correspondence regarding severance claim; draft reply correspondence to Tradex; discussion with Robin Schwill and Stuart Brotman; discussion with Gilles Benchaya and Katherine Forbes; instructions to Monique Sassi;	2.80

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.

Date		Description	Hours
02/02/17	MS	Review of deadlines and dates in SISP; call with landlord and correspondence regarding same; correspondence with counsel to the Company regarding stay extension;	1.40
02/02/17	SWA	Receive email from M. Sassi; create Request for Electronic Service Form; receive email from stakeholder and updated service list as per their request;	0.30
02/02/17	JDI	Exchange of email regarding landlord issues; email with Tradex' counsel; attend meeting with GSO, GFI and counsel; email exchange regarding stay extension; follow up on landlord issues;	5.40
02/02/17	MS	Correspondence regarding service list; review of certain landlord locations to determine counsel; call with Monitor to discuss service list; call with landlord regarding rent payable and correspondence with Monitor regarding same;	3.00
02/03/17	MS	Correspondence regarding second monitor's report and the service list;	0.60
02/03/17	JDI	Review of landlord related emails; email exchange regarding liquidation; discussion with Monique Sassi regarding stay extension motion; discussion with Dylan Chochla; email exchange regarding stay extension issues;	1.50
02/03/17	SWA	Receive instructions from J. Dietrich and M. Sassi; review of service list regarding 20 VIC Management, Ivanhoe Cambridge and RioCan entities; make revisions regarding same;	3.20
02/06/17	MS	Call with landlord regarding operating expenses and correspondence with Monitor regarding same; review of lease to determine operating expenses obligations; correspondence regarding leases and locations;	1.60
02/06/17	SWA	Review of emails; update service lists;	0.30

Date		Description	Hours
02/06/17	JDI	Discussion with Gilles Benchaya; discussion with Monique Sassi regarding outstanding issues; discussion with Natasha De Cicco regarding lease amendments; follow up emails regarding court time;	1.70
02/07/17	JDI	Exchange of email regarding outstanding issues; discussion with Monique Sassi regarding lease issues;	0.40
02/07/17	SWA	Review of email; update service list; work on GFI Leases chart;	1.20
02/07/17	MS	Call with Monitor regarding specific lease and correspondence with relevant landlord regarding same; review of lease and amendment to determine if operating expenses are owing; correspondence with Monitor and company counsel regarding specific lease query;	1.70
02/08/17	JDI	Discussion with M. Sassi regarding lease; voicemail to Natasha De Cicco; discussion with Natasha De Cicco; email regarding lease amendments;	0.80
02/08/17	SWA	Continue working on GFI Lease list;	2.00
02/09/17	MS	Call with Monitor regarding lease and bonus payments; call with company regarding same; correspondence regarding addition to service list and circulation regarding same;	1.70
02/09/17	JDI	Exchange of email regarding outstanding matters; discussion with Monique Sassi; discussion with Katherine Forbes and Monique Sassi; discussion with Natasha De Cicco; review of emails and respond;	1.60
02/09/17	SWA	Review of emails; review of service list; update service list;	0.50
02/10/17	MS	Revisions to service list and correspondence regarding same;	0.70



Date	JDI	Description	Hours
02/10/17	JDI	Review of emails and respond; review of email from Gilles Benchaya and respond; voicemail to Gilles Benchaya; review of amending agreement regarding stalking horse APA; review of template lease amending agreement;	1.90

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	18.00	595.00	10,710.00
Monique Sassi	10.70	415.00	4,440.50
Stephanie Waugh	8.80	200.00	<u>1,760.00</u>
Our Fee			16,910.50
HST on Fees			<u>2,198.37</u>
Total Fees and Tax			<u>19,108.87</u>

Taxable Disbursements

Copies	4.75	
Delivery	153.29	
Binding, Tabs, Disks, etc	93.69	
Telephone	<u>19.05</u>	
Total Taxable Disbursements		270.78
HST on Disbursements	<u>35.20</u>	
Total Tax on Disbursements		35.20
Total Disbursements and Tax		<u>305.98</u>
Total Fees, Disbursements & Tax		<u>\$ 19,414.85</u>

This is our account herein
Cassels Brock & Blackwell LLP



Jane Dietrich
E&OE



CASSELS BROCK
LAWYERS

RICHTER ADVISORY GROUP INC.
ATTN: GILLES BENCHAYA
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 02/28/17
Our File #: 047265-00008
Invoice #: 2008546
HST/GST #: R121379572

Re: Grafton-Fraser Inc.

TO PROFESSIONAL SERVICES RENDERED up to and including 02/26/17

Date		Description	Hours
02/13/17	MS	Amendment to lease summary to reflect revised closing stores; review of court materials circulated by the company; preparation for filing second report and review of affidavit of service;	1.20
02/13/17	JDI	Review of emails; email to landlords counsel regarding closing locations; review of emails regarding liquidation issues; exchange of email with Natasha De Cicco; discussion with Adam Sherman; email regarding outstanding issues; discussion with Natasha De Cicco regarding status and lease assignment issues; discussion with Dylan Chochla regarding motion material; discussion with Gilles Benchaya;	1.70
02/14/17	MS	Review of court materials and providing comments regarding same; updating lease summary; discussion with Jane Dietrich regarding next steps; review of service materials for second report;	1.20
02/14/17	JDI	Discussion with Katherine Forbes; review of email; review of final affidavit; discussion with Adam Sherman;	0.80

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.

Date		Description	Hours
02/15/17	SWA	Review of email; update service list; send same to Richter's to be posted on website;	0.20
02/15/17	MS	Review of the Monitor's second report and providing comments regarding same; correspondence and calls with Monitor regarding Monitor's report; circulation of report for comment.	3.10
02/15/17	JDI	Review of draft report and email comments on same; exchange of email regarding draft report; discussion with Natasha De Cicco regarding lease amendment form; discussion with Gilles Benchaya regarding cash flow status; exchange of email regarding liquidation agreement and budget; review of comments from Faskens on draft report; email exchange regarding lender review of draft report;	3.60
02/16/17	SWA	Review of email; update service lists;	0.20
02/16/17	MS	Finalization of the monitor's second report and correspondence regarding same; service and filing of Monitor's second report; review of correspondence regarding Tradex claim and unrepresented locations;	3.50
02/16/17	JDI	Review of email from Warren Levine and telephone conversation with same regarding data room requests; discussion with Adam Sherman regarding lease amendment template; review of final report and service issues; review of correspondence from Tradex' counsel and email exchange regarding same; review draft letter from Dylan Chochla and provide comments on same; discussion with Natalie Renner regarding lease assignment issues;	2.40
02/17/17	JDI	Participate in discussion regarding data room requests and review of emails regarding same; review of emails regarding lease amendments; discussion with Adam Sherman; email draft lease amendment language; review of purported termination letter from ABG;	1.60

Date		Description	Hours
02/20/17	JDI	Exchange of email with Josh McElman (landlord issues);	0.20
02/21/17	JDI	Email exchange with Josh McElman; email regarding outstanding items; preparation for motion;	1.10
02/21/17	MS	Correspondence regarding outstanding issues; review of Tradex correspondence; correspondence regarding service list; discussion with Jane Dietrich regarding court tomorrow;	0.70
02/22/17	JDI	Preparation for and attendance at stay extension motion; participate in status update call; follow up discussion with Natasha De Cicco;	2.10
02/22/17	SWA	Review of email; update service lists and email same to be posted on website;	0.20
02/22/17	MS	Call with company and Monitor regarding outstanding items; correspondence regarding updating service list;	1.30
02/23/17	JDI	Review of email; discussion with Gilles Benchaya and Warren Levine; emails regarding lease amendment template;	1.30
02/24/17	JDI	Review of lease amendment template agreement; review of emails; discussion with Fasken regarding comments of Linda Galessiere on lease amendment template;	1.50

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	16.30	595.00	9,698.50
Monique Sassi	11.00	415.00	4,565.00
Stephanie Waugh	0.60	200.00	120.00
			<hr/>
Our Fee			14,383.50
HST on Fees			<hr/> 1,869.86
Total Fees and Tax			<hr/>16,253.36

Taxable Disbursements

Copies	327.50
Delivery	154.74
Binding, Tabs, Disks, etc	100.08
Delivery	31.75
Telephone	1.32
Agency Fees and Disbursements	170.00
Courier Delivery Charges	53.80
Total Taxable Disbursements	<hr/> 839.19
HST on Disbursements	<hr/> 109.09
Total Tax on Disbursements	109.09
Total Disbursements and Tax	<hr/> 948.28
Total Fees, Disbursements & Tax	<hr/>\$ 17,201.64

This is our account herein
Cassels Brock & Blackwell LLP



Jane Dietrich
E&OE



CASSELS BROCK
LAWYERS

RICHTER ADVISORY GROUP INC.
ATTN: GILLES BENCHAYA
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 03/23/17
Our File #: 047265-00008
Invoice #: 2010499
HST/GST #: R121379572

Re: Grafton-Fraser Inc.

TO PROFESSIONAL SERVICES RENDERED up to and including 03/17/17

Date		Description	Hours
02/27/17	JDI	Discussion with Katherine Forbes and email to Stuart Brotman; participate in discussion with Linda Galessiere and Natasha De Cicco regarding lease agreements; Discussion with Gilles Benchaya regarding outstanding issues; follow up discussion with Natasha De Cicco;	2.10
02/28/17	SWA	Review of email; update service list and email same to be posted on website;	0.20
02/28/17	JDI	Discussion with Natalie Renner;	0.40
03/01/17	JDI	Discussion regarding lease amendment issues; discussion with Gilles Benchaya regarding status of matters; email exchange with Natalie Renner; email exchange with Natasha De Cicco;	1.30
03/02/17	MS	Call with working group to discuss lease amendments and communications to vendors;	0.90
03/02/17	JDI	Discussion with Natasha De Cicco regarding outstanding matters; participate in update call regarding lease issues and other outstanding matters;	1.50
03/03/17	SWA	Receive email from Monique Sassi; update service lists;	0.20

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.

Date		Description	Hours
03/03/17	JDI	Discussion with Stuart Brotman; review of additional email correspondence regarding APA amendment; discussion with Gilles Benchaya regarding status; exchange of email; review of email and respond to same regarding additional closing store; review of email regarding APA amendment and schedules;	1.60
03/06/17	JDI	Discussion regarding outstanding issues with Gilles Benchaya; discussion with Natasha De Cicco; review of emails; review of draft 2nd amendment and email regarding same;	0.90
03/07/17	JDI	Review of emails; review of comments from Linda Galliessere on lease agreement and email regarding same; email exchange with Gilles Benchaya;	0.90
03/07/17	MS	Review of sale agreement regarding purchase price allocation;	0.40
03/08/17	JDI	Discussion with Gilles Benchaya; emails regarding schedules to APA; review of emails regarding lease agreements;	0.60
03/10/17	MS	Call with Monitor and the Company regarding lease amendments, outstanding items and relevant deadline; follow up calls with Monitor regarding amendment to consulting agreement;	1.40
03/10/17	JDI	Email exchange regarding status; call with Richter regarding open issues; call with Stuart Brotman regarding potential amendments; review of emails; follow up call with Richter;	1.40
03/13/17	MS	Call with Monitor and GSO regarding lease amendments and follow up regarding same; call with the Monitor regarding liquidation date extension and correspondence with company regarding same; call with Company counsel regarding amendment to consulting agreement and correspondence with Monitor regarding same;	2.30
03/13/17	SWA	Review of email; update service lists and forward same to be posted on the website;	0.20

Date		Description	Hours
03/13/17	JDI	Review and exchange of email; email regarding lack of bids;	0.80
03/14/17	JDI	Review of email regarding communications with GSO and respond; review of email regarding outstanding issues;	0.90
03/14/17	MS	Correspondence with the Monitor and Company regarding management, supplier and insurance questions; correspondence regarding amendment agreements and various date amendments and review of relevant documents regarding same;	2.90
03/15/17	MS	Call with Company counsel regarding outstanding issues including vendor communication and management employment; call with company counsel and counsel to GSO regarding same; update call with Monitor regarding vendor query and closing matters;	2.30
03/15/17	JDI	Review and exchange of email regarding outstanding matters;	0.80
03/16/17	MS	Review of APA regarding vendor queries and Call with counsel to GSO regarding APA schedule and proposed response to queries by Vendors; review of disclosure requirements under the forbearance agreement;	2.00
03/16/17	JDI	Review and exchange of email regarding supplier communications and lease issues; review of email from Gilles Benchaya and discussion with same;	0.70
03/17/17	JDI	Review of emails regarding lease amendments; email exchange with Gilles Benchaya regarding status;	0.40

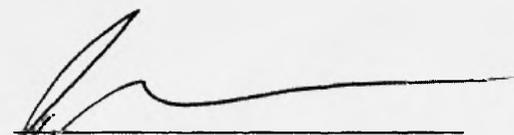
Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	14.30	595.00	8,508.50
Monique Sassi	12.20	415.00	5,063.00
Stephanie Waugh	0.60	200.00	<u>120.00</u>
Our Fee			13,691.50
HST on Fees			<u>1,779.90</u>
Total Fees and Tax			<u>15,471.40</u>

Taxable Disbursements

Special O/T Services	35.00	
Telephone	6.63	
Agency Fees and Disbursements	<u>35.00</u>	
Total Taxable Disbursements		76.63
HST on Disbursements	<u>9.96</u>	
Total Tax on Disbursements		9.96
Total Disbursements and Tax		<u>86.59</u>
Total Fees, Disbursements & Tax		<u>\$ 15,557.99</u>

This is our account herein
Cassels Brock & Blackwell LLP



Jane Dietrich
E&OE



CASSELS BROCK
LAWYERS

RICHTER ADVISORY GROUP INC.
ATTN: GILLES BENCHAYA
181 BAY STREET, BAY WELLINGTON TOWER
SUITE 3320
TORONTO, ON M5J 2T3
CANADA

Date: 03/31/17
Our File #: 047265-00008
Invoice #: 2010819
HST/GST #: R121379572

Re: Grafton-Fraser Inc.

TO PROFESSIONAL SERVICES RENDERED up to and including 03/31/17

Date		Description	Hours
03/21/17	JDI	Review of email regarding status;	0.20
03/22/17	MS	Call with Monitor regarding Square One lease and correspondence regarding same regarding extension of lease; review of lease tracker;	0.50
03/22/17	JDI	Review of email regarding lease issues;	0.30
03/23/17	SWA	Receive email from Monique Sassi; update service lists and email same to be posted on website;	0.20
03/24/17	JDI	Email regarding status;	0.10
03/27/17	JDI	Discussion with Gilles Benchaya; discussion with Gilles Benchaya, Monique Sassi and Stuart Brotman regarding status;	0.90
03/27/17	MS	Call with Company and monitor regarding timing for approval order and outstanding items for closing; correspondence regarding supplier payment agreement;	0.60

Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.

Date		Description	Hours
03/28/17	JDI	Review of email from Tradex' counsel and consider; discussion with Richter and Faskens regarding status, next steps and outstanding issues; draft response to Tradex' counsel email and email to Gilles Benchaya for review; review of email from Gilles Benchaya regarding Oberfeld and respond to same;	1.90
03/28/17	SWA	Receive email from Monique Sassi; update service lists and email same to be posted on website;	0.20
03/28/17	MS	Call with Company and the Monitor regarding lease update and next steps; correspondence regarding supplier contract;	0.70
03/29/17	MS	Call with counsel to the Monitor regarding amending agreements to APA; review of amending agreements to confirm name change of Purchaser and comments on supplier agreement;	0.50
03/29/17	JDI	Review of supplier agreement and email exchange regarding comments;	0.50
03/30/17	MS	Correspondence regarding lease disclaimers; call with Monitor to discuss liquidating store and confirmation of liquidation;	0.60
03/30/17	JDI	Review of disclaimers and emails regarding same; discussion with Natasha De Cicco regarding supplier emails; email exchange regarding court time; discussion with Gilles Benchaya regarding outstanding issues;	1.90
03/31/17	MS	Review of disclaimer notices; correspondence regarding disclaimer notices and signatures to be held in escrow; call with Monitor to discuss disclaimer notices;	0.80
03/31/17	JDI	Exchange of email regarding contract disclaimers; discussion regarding status and outstanding issues with Gilles Benchaya;	1.10

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	6.90	595.00	4,105.50
Monique Sassi	3.70	415.00	1,535.50
Stephanie Waugh	0.40	200.00	80.00
			<hr/>
Our Fee			5,721.00
HST on Fees			<hr/> 743.73
Total Fees & Tax			<u><u>\$ 6,464.73</u></u>

This is our account herein
Cassels Brock & Blackwell LLP

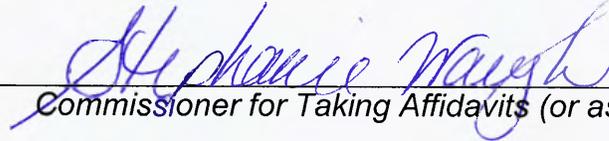


Jane Dietrich
E&OE

EXHIBIT "B"

Summary of Lawyers/Paraprofessionals Services

This is Exhibit "B" referred to in the Affidavit of
Monique Sassi sworn before me in the City of Toronto,
in the Province of Ontario this 7th day of April, 2017



Commissioner for Taking Affidavits (or as may be)

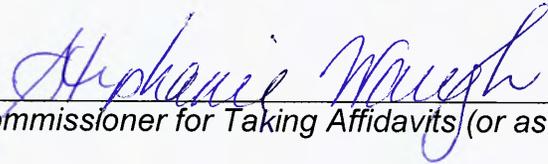
**Stephanie Waugh, a
Commissioner, etc., Province of Ontario,
for Cassels Brock & Blackwell LLP,
Barristers and Solicitors.
Expires March 21, 2020.**

EXHIBIT "B"

Summary of Lawyers/Paraprofessionals Services

Year of Call	Lawyer/ Paraprofessional	Rate (\$)	Fees Billed (\$)	Hours Worked
2004	Jane Dietrich	595.00	59,321.50	99.70
2013	Monique Sassi	415.00	34,113.00	82.20
N/A	Stephanie Waugh	200.00	2,920.00	14.60

This is Exhibit "C" referred to in the Affidavit of
Monique Sassi sworn before me in the City of Toronto, in the
Province of Ontario this 7th day of April, 2017



Commissioner for Taking Affidavits (or as may be)

**Stephanie Waugh, a
Commissioner, etc., Province of Ontario,
for Cassels Brock & Blackwell LLP,
Barristers and Solicitors.
Expires March 21, 2020.**

Exhibit "C"
Calculation of Average Hourly Billing Rates of
Cassels Brock & Blackwell LLP
for the period January 20, 2017 to March 31, 2017

Invoice No./ Period	Fees (\$)	Disbursements (\$)	HST (\$)	Total Fees, Disbursements and HST (\$)	Hours Billed	Average Billed Rate (\$)
2006611 (January 20, 2017 – January 30, 2017)	45,648.00	862.13	6,046.32	52,556.45	93.0	490.84
2007753 (January 31, 2017 – February 10, 2017)	16,910.50	270.78	2,233.57	19,414.85	37.5	450.95
2008546 (February 13, 2017 – February 24, 2017)	14,383.50	839.19	1,978.95	17,201.64	27.9	515.54
2010499 (February 27, 2017 – March 17, 2017)	13,691.50	76.63	1,789.86	15,557.99	27.1	505.22
2010819 (March 21, 2017 – March 31, 2017)	5,721.00	0.00	743.73	6,464.73	11.0	520.09
Total	96,354.50	2048.73	12,792.43	111,195.66	196.5	

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

Court File No. CV-17-11452-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

**AFFIDAVIT OF MONIQUE SASSI
(SWORN APRIL 7, 2017)**

Cassels Brock & Blackwell LLP
2100 Scotia Plaza
40 King Street West
Toronto, ON M5H 3C2

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jdietrich@casselsbrock.com

Monique Sassi LSUC# 63638L
Tel: 416.860.6886
Fax: 416.640.3005
msassi@casselsbrock.com

Lawyers for Richter Advisory Group Inc.