

GRAFTON-FRASER INC.

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

JUNE 1, 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.**

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

June 1, 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 May 30, 2017 (the "**Sun Affidavit**") and filed in support of the Company's motion returnable June 6, 2017 (the "**June 6 Motion**").
2. The Initial Order provided Grafton with, *inter alia*, a stay of proceedings until February 23, 2017 (the "**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 that forbearance agreement.

3. As the Company required financing to pursue its restructuring plan incremental to that 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 was 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 Sale 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 Stay Period to June 15, 2017. A copy of the Stay Extension Order is attached as Exhibit “C” to the Sun Affidavit.
8. The Company’s motion (the “**April 20 Motion**”) for the Approval and Vesting Order (as defined below) was heard on April 20, 2017. The April 20 Motion was, however, opposed by Tradex Global Inc. In light of the opposition to the Approval and Vesting Order and the submissions made by the various interested parties in attendance, no decision was rendered on that date in respect of the Company’s request for the Approval and Vesting Order.
9. The Court issued an order on April 20, 2017 (the “**Fees and Activities Approval Order**”) approving the third report to Court of the Monitor dated April 17, 2017 and the fees and expenses of the Monitor and those of its counsel, Cassels Brock & Blackwell LLP (“**Cassels**”), for the periods from January 25, 2017 to April 1, 2017 and from January 20, 2017 to March 31, 2017, respectively. A copy of the Fees and Activities Approval Order is attached hereto as **Appendix “A”**.
10. On May 2, 2017, Justice Pattillo delivered written reasons approving the relief sought by the Company on the April 20 Motion. The Court, thereafter, issued an order dated May 2, 2017 (the “**Approval and Vesting Order**”) approving the transaction (the “**Transaction**”) between Grafton and the Stalking Horse Bidder, as contemplated by the Stalking Horse APA, as amended by amending agreements dated February 16, 2017, March 3, 2017 and March 14, 2017 or as may be further amended in accordance with the Approval and Vesting Order (the “**Sale Agreement**”), and, vesting, upon the closing of the Transaction, all of the rights, title and interest in and to the Purchased Assets (as set out and described in the Sale Agreement), in the Stalking Horse Bidder (now, the “**Purchaser**”), free and clear of and from all Claims (as defined in the Approval and Vesting Order, except for those permitted encumbrances, easements and restrictive covenants listed on Schedule “C” to the Approval and Vesting Order). Copies of the Approval and Vesting Order and the reasons of Justice Pattillo are attached as Exhibits “D” and “E”, respectively, to the Sun Affidavit.

Purpose of this Report

11. The purpose of this, the Monitor's fourth report (the "**Fourth Report**"), is to provide information to this Honourable Court regarding the following:
 - (i) the activities of the Company and the Monitor since April 17, 2017 (the date of the Monitor's third report dated April 17, 2017 (the "**Third Report**")) to the date of this Fourth Report;
 - (ii) the status of the Transaction, including proposed amendments to the Sale Agreement;
 - (iii) the completion of the liquidation of stores, as contemplated in Liquidation Consulting Agreement;
 - (iv) the Company's reported receipts and disbursements for the period from February 12, 2017 to May 20, 2017, including a comparison of reported to forecast results;
 - (v) the amendments to the Forbearance Agreements and the DIP Agreement (together, as amended, the "**Credit Facilities**");
 - (vi) the Company's revised cash flow forecast for the period May 21, 2017 to September 15, 2017;
 - (vii) the Company's request for an extension of the Stay Period to September 15, 2017; and
 - (viii) the Monitor's support for the Company's request that this Honourable Court grant an order(s):
 - I. approving certain amendments to the Sale Agreement, set out in the fourth amending agreement to be effective as of June 6, 2017 (the "**4th Amending Agreement**") and together with the Sale Agreement the "**Amended Sale Agreement**"), as may be further amended, and authorizing the Company to complete the transaction contemplated by the Amended Sale Agreement (the "**Amended Transaction**"), subject to the provisions of the Approval and Vesting Order;
 - II. authorizing and directing the Company to make a distribution to GSO in partial satisfaction of the amounts owing under the DIP Credit Facility;
 - III. extending the Stay Period to September 15, 2017;

- IV. approving a reduction in the Directors' Escrow (as defined in the Amended and Restated Initial Order) upon delivery of the Monitor's Certificate (as defined in the Approval and Vesting Order) to the Purchaser, and authorizing and directing the Monitor to release such funds from the Directors' Escrow to the Purchaser, or as the Purchaser may otherwise direct;
- V. assigning the rights and obligations under certain Assumed Real Property Leases and Assumed Contracts (each as defined in the Amended Sale Agreement) to the Purchaser and vesting the Company's rights, title and interest therein, in the Purchaser as Purchased Assets under the Amended Sale Agreement, provided that upon the closing of the Amended Transaction, the associated cure costs (being monetary defaults only) shall be paid by the Purchaser (as described in the assignment order being sought by the Company, the "**Assignment Order**");
- VI. approving this Fourth Report, and the activities, actions and conduct of the Monitor set out herein; and
- VII. approving the Monitor's fees and disbursements for the period from April 2, 2017 to May 20, 2017 as set out in the Affidavit of Adam Sherman sworn June 1, 2017 (the "**Sherman Affidavit**") and those of Cassels for the period from April 1, 2017 to May 22, 2017 as set out in the Affidavit of Jane Dietrich sworn May 31, 2017 (the "**Dietrich Affidavit**").

Terms of Reference

- 12. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.
- 13. 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**").
- 14. 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.
15. 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

16. Grafton's activities since the commencement of the CCAA Proceedings to April 17, 2017 are detailed in the Monitor's second report dated February 16, 2017 (the "**Second Report**") and the Third Report. Subsequent to the filing of the Third Report, the Company's activities have included:
- (i) meeting and communicating with the Company's employees regarding the status of the CCAA Proceedings;
 - (ii) making payments to suppliers for goods and/or services received following the issuance of the Initial Order;
 - (iii) reporting receipts and disbursements;
 - (iv) preparing weekly financial reports for the Secured Lenders;
 - (v) communicating with key suppliers, including Google Inc., to secure goods and services during the CCAA Proceedings and to address payment terms;
 - (vi) responding to calls and enquiries from creditors and other stakeholders regarding the CCAA Proceedings;

- (vii) 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;
- (viii) collaborating with the Consultant regarding the liquidation sales at certain of the Company's underperforming stores and exiting these stores upon completion of the liquidation sales, pursuant to the Liquidation Consulting Agreement;
- (ix) terminating the employment of certain employees, primarily in connection with the closing of stores relating to the liquidation, and ensuring such employees were paid all outstanding wages and vacation pay (but not termination or severance pay) in accordance with the Amended and Restated Initial Order;
- (x) assisting the Purchaser in updating a detailed two-year monthly financial forecast to be provided to the Secured Lenders and communicating extensively with CIBC's financial advisor in respect of same in relation to the Transaction;
- (xi) working, with the assistance of the Purchaser, to obtain consents to assignment of the contracts to be assumed by the Purchaser in connection with the Transaction;
- (xii) communicating with the Purchaser to discuss the status of various deliverables in connection with the Transaction, and assisting the Purchaser by providing information required for the completion of the Transaction;
- (xiii) negotiating the 4th Amending Agreement as described below;
- (xiv) negotiating amendments to the Credit Facilities to, among other things, address the terms of the 4th Amending Agreement and the delay in closing the Transaction to June 30, 2017;
- (xv) corresponding with Canada Revenue Agency ("CRA") and the Company's tax advisors with respect to input tax credits claimed by the Company on pre-filing liabilities owing as at the Filing Date which were disallowed by CRA; and
- (xvi) consulting with the Monitor and its counsel on various matters in connection with the CCAA Proceedings.

The Monitor's Activities

17. The activities of the Monitor from the commencement of the CCAA Proceedings up to April 17, 2017 are detailed in the Second Report and the Third Report. Subsequent to the filing of the Third 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 continued to provide funds to the Monitor and the Monitor is holding approximately \$59,000 in respect of the Company's projected post-filing sales tax liability. The Monitor will hold such funds and continue to, 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 and the Purchaser in resolving any concerns of landlords or counterparties to contracts, or cure costs in question, in connection with the Transaction;
 - (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) assisting the Purchaser and Company, in accordance with the SISP, in updating the detailed two-year monthly financial forecast to be provided to the Secured Lenders;
 - (ix) corresponding and communicating with the Secured Lenders and their advisors;

- (x) responding to calls and enquiries from creditors, employees, former employees and other stakeholders regarding the CCAA Proceedings; and
- (xi) preparing this Fourth Report.

The Amended Transaction

18. The key elements of the Transaction have been outlined in the Monitor's previous reports (the "**Reports**") and, therefore, have not been repeated herein (capitalized terms not otherwise defined herein shall have the meanings ascribed in the Amended Sale Agreement).
19. Subsequent to the April 20 Motion, the Company and the Purchaser negotiated the 4th Amending Agreement, a draft of which is attached as Exhibit "G" to the Sun Affidavit. The key elements of the 4th Amending Agreement are as follows:
 - (i) the shares of Gailwood Investments Limited ("**Gailwood**") have been removed from the definition of Purchased Assets, and the Intellectual Property (included in Purchased Assets) has been modified to include certain of the Bellissimo trademarks (the "**Bellissimo IP**") currently held by Gailwood. As outlined in the Sun Affidavit, the Monitor understands that at the time the Approval and Vesting Order was granted, Gailwood, which holds the Bellissimo IP, was owned 50% by Grafton, and 50% by Dominic Bellissimo Fashions Inc. The Monitor further understands that documentation had been prepared in 2013 to effect the transfer of the remaining 50% of the shares from Dominic Bellissimo Fashions Inc. to the Company and that such documentation was executed in May 2017. Grafton now owns 100% of the shares in Gailwood. Also, as further detailed in the Sun Affidavit, the Monitor understands that the Purchaser desires to acquire the Bellissimo IP directly, rather than acquiring the Gailwood shares and, as such, the 4th Amending Agreement requires that Grafton provide proof of transfer of the Bellissimo IP from Gailwood to Grafton at least ten (10) days prior to the Closing Date. As discussed below, the Monitor is not aware of any creditors of Gailwood;

- (ii) the substitution of certain schedules to the Sale Agreement (the “**Schedules**”), including the Supplier Liabilities, the Assumed Contracts, and the Intellectual Property. The substituted Schedules reflect the outcome of the Purchaser’s negotiations and arrangements made with certain Suppliers, the addition of the Bellissimo IP (as mentioned above) and the finalization of the list of contracts the Purchaser wishes to assume in the Amended Transaction. The Monitor is of the view that the reduction to the Supplier Liabilities in the amended Schedules is not material to the consideration in the Transaction;
- (iii) the Termination Date has been extended from June 15, 2017 to June 30, 2017. The Monitor understands that the parties expect to be able to close the Transaction by June 30, 2017. Further, as discussed in the Sun Affidavit, the Company has negotiated amendments with respect to a number of its leases which will not be effective if the Transaction does not close by June 30, 2017, unless otherwise agreed to by the various landlords;
- (iv) at closing, the release of Grafton and the Guarantor, 2473304 Ontario Inc. (“**247**”), with respect to the amounts owing under the GSO Credit Facility has been amended to exclude from the release, any Guarantor Tax Refund Amount. The Monitor understands that the amount of the potential Guarantor Tax Refund Amount is not material to the Transaction (and is expected to be, at most, approximately \$100,000). This amendment is intended to ensure that any tax refunds received by 247 (which has been in proceedings under the CCAA since June 7, 2016) remain subject to a security interest of GSO;
- (v) the definition of Assumed Liabilities has been amended to clarify that amounts owing in respect of rent adjustments in respect of Assumed Real Property Leases will be assumed by the Purchaser;
- (vi) the removal of the assignment and assumption of Employee Plans as a Purchased Asset and an Assumed Liability of the Purchaser. The Monitor has been advised by the Company and the Purchaser that the Purchaser is establishing new employee health plans substantially similar to the existing Employees Plans rather than assuming the existing Employee Plans, as it is more efficient to do so;

- (vii) amending the definition of Supplier Agreements to refer to Supplier Arrangements instead. The Monitor has been advised by the Company and the Purchaser that a number of parties with Supplier Liabilities being assumed by the Purchaser pursuant to section 2.3(e) of the Sale Agreement are reluctant to enter into written agreements, but the Purchaser is of the view that sufficient arrangements have otherwise been negotiated to ensure continued supply; and
- (viii) the condition to closing relating to Competition Act approval has been deleted as the Monitor understands that counsel to the Company and Purchaser have satisfied themselves that such approval is not required.
20. With respect to the amendment relating to the Gailwood Shares, the Company has advised the Monitor that no financial reporting has been generated for Gailwood since 2012 and that the Company is not aware of any activity in, or creditors of, Gailwood. General searches under the corporate registry, the PPSA (Ontario) and executions were conducted in respect of Gailwood on or about May 9, 2017. The results of those searches, which disclose no registered secured creditors, executions or litigation are attached hereto as **Appendix "B"**. The Monitor has been advised by the Company that the directors noted in the corporate search results have now resigned and that documents have been prepared appointing Mark Sun as Vice President and Chief Financial Officer of Gailwood. The Monitor has also been advised that a search of the Canadian Intellectual Property Office reveals no registrations against the intellectual property registered to Gailwood. The Monitor's information with respect to creditors of Gailwood is limited to the public search results discussed above and having been advised by the Company that Gailwood is a single purpose entity, and is believed to have no creditors.
21. Given the extent of the changes to the Transaction in the 4th Amending Agreement, the Monitor is of the view that it is appropriate, in the circumstances, to seek this Court's approval of the amendments.
22. The Monitor is also of the view that the Amended Transaction continues to represent the best, highest, and only offer for the Purchased Assets and, as such, the Monitor supports the Company's motion seeking approval of the 4th Amending Agreement and the authorization to complete the Amended Transaction.
23. The following is the Monitor's understanding of the status of the most substantive closing conditions to the Amended Transaction. The closing conditions were discussed in detail in the previous Reports:

- (i) **Exit Financing:** the Monitor has reviewed the term sheet to the exit financing to be provided by CIBC to the Purchaser and, as at the date of this Fourth Report, the Monitor is not aware of any reason that such conditions would not be satisfied;
- (ii) **Supplier Arrangements:** as at the date of this Fourth Report, the Monitor understands that the Company and the Purchaser have negotiated arrangements with the Suppliers listed in the applicable schedule of the 4th Amending Agreement and, where necessary, are finalizing such arrangements;
- (iii) **Contract Assignment:** as discussed later in this Fourth Report, the Company is seeking the Assignment Order to effect the assignment of the remaining Assumed Real Property Leases and Assumed Contracts for which the necessary consents to assignment, on a consensual basis, have not been obtained to date; and
- (iv) **Completion of Liquidation:** as discussed later in this Fourth Report, the liquidation sales were completed on April 30, 2017, however, the Final Settlement (as hereinafter defined) and payment of fees and expenses to the Consultant have not yet been completed. The June 6 Motion requests approval of a distribution to GSO of the FF&E Proceeds (as described below).

The Assignment Order

24. The terms of the Amended Sale Agreement require the Company to use commercially reasonable efforts to obtain consents to the assignment of any agreements contemplated in the Amended Sale Agreement 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. Additionally, the Purchaser agrees to pay cure costs required by section 11.3(4) of the CCAA (being those related to monetary defaults only) associated with the Assumed Real Property Leases and Assumed Contracts.

25. The Monitor understands that since the Company's motion for the Approval and Vesting Order was heard by this Court on April 20, 2017, Grafton, with the assistance of the Purchaser and in consultation with the Monitor, has been engaged in and made good progress regarding the assignment of a large portion of the Assumed Real Property Leases and Assumed Contracts.
26. However, as of the date of the swearing of the Sun Affidavit, the Purchaser and the Company have informed the Monitor that they have been unable to obtain consents with respect to the leases and contracts listed in Schedule "A" to the Assignment Order (the "**Outstanding Contracts**") to the Purchaser in connection with the closing of the Amended Transaction. Further details on the activities and progress made in connection with the assignment of the Outstanding Contracts are outlined in the Sun Affidavit and, therefore, not repeated herein.
27. Grafton and the Purchaser, with the assistance of the Monitor, are continuing to work with the counterparties to the Outstanding Contracts in an effort to obtain the required consents to assignment and to resolve any cure costs in question to avoid the need for the Assignment Order. To the extent that the Company is able to obtain certain consents prior to the June 6 Motion, such Outstanding Contracts will be removed from Schedule "A" to the Assignment Order.
28. In considering whether or not the Assignment Order is appropriate, the Monitor has taken into account that following closing of the Amended Transaction, the Purchaser is expected to have sufficient funding to fulfill its obligations and that the Monitor has been advised by the Purchaser that the Purchaser plans to continue the business on a going-concern basis, fulfill the obligations under the Outstanding Contracts and satisfy amounts required under s 11.3 of the CCAA. As set out in correspondence from Davies Ward Phillips & Vineberg LLP (counsel to the Purchaser) to Cassels (the "**Purchaser Correspondence**"), the projected opening balance sheet of the Purchaser reflects estimated shareholder's equity of \$42 million and an opening availability under the New Revolving Facility of between approximately \$2.2 million and \$3.7 million. A copy of the Purchaser correspondence is attached hereto as **Appendix "C"**.
29. The Monitor is not aware that any of the Outstanding Contracts are not the appropriate matter of assignment as set out in section 11.3 of the CCAA. Specifically, the Monitor understands that all such contracts were entered into prior to the Filing Date and that none of the agreements are eligible financial contracts, collective agreements or other types of agreements that are not otherwise assignable.

30. The Monitor understands that all counterparties to the contracts have been served with notice of the Company's June 6 Motion seeking the Assignment Order and, if objections to such Assignment Order are made by counterparties, the Monitor will consider the positions raised by any such counterparties and report further to the Court, if appropriate.
31. Based on the above, the Monitor supports the granting of the Assignment Order, as it is a closing condition to the Amended Transaction, which transaction maximizes realizations from the assets, preserves the business as a going concern, maintains employment and is the only viable alternative to a liquidation of the business.

The Directors' Escrow

32. As required by the Amended and Restated Initial Order, the sum of \$772,597 (the "**Directors' Escrow**") was deposited by the Company with the Monitor, as collateral for the Company's indemnification obligations with respect to post-filing statutory liabilities of its directors and officers. The obligations of specific concern were unpaid wages and vacation pay.
33. The Monitor understands that it is anticipated that, upon the closing of the Amended Transaction, all remaining employees of the Company will be offered employment by the Purchaser, and if such offers are accepted, the Purchaser will assume all wages and vacation pay outstanding. As noted above, for those employees whose employment was terminated during the CCAA proceedings, primarily as a result of the closing of the liquidation stores, outstanding wages and vacation pay (but not severance or termination pay) have been paid by the Company.
34. The Monitor has been advised that the Purchaser, the Company and the directors are discussing a reduction or elimination of the Directors' Escrow upon the delivery of the Monitor's Certificate to the Purchaser. It is contemplated that these funds would then be released to the Purchaser (or as the Purchaser directs) immediately upon delivery of the Monitor's Certificate.

The Liquidation Consulting Agreement

35. As noted in the Reports, following the Company's negotiations with its landlords, thirteen (13) underperforming stores (the "**Closing Stores**") were ultimately liquidated pursuant to the terms of the Liquidation Consulting Agreement, as amended. Liquidation sales commenced on February 15, 2017 and were completed on April 30, 2017 (the "**Liquidation Period**").

36. The terms of the Liquidation Consulting Agreement required a final settlement of the liquidation proceeds and costs (the “**Final Settlement**”) to be completed within 30 days of the Sale Termination Date (April 30, 2017) and that any amounts owing to the Consultant are to be paid within five (5) days of the Final Settlement being completed. The Monitor understands that, as at the date of this Fourth Report, the Final Settlement has not yet been completed. The Company and Consultant are working to complete the Final Settlement and have agreed to extend the date by which they are required to complete the Final Settlement to June 9, 2017.

Distribution of FF&E Proceeds

37. Although the Final Settlement has not yet been completed, the Monitor understands that during the Liquidation Period the Company generated net cash proceeds from the liquidation of certain furniture, fixtures and equipment (“**FF&E**”) in the aggregate amount of \$15,404 (the “**FF&E Proceeds**”). Pursuant to the DIP Agreement, the Company is required to pay the FF&E Proceeds to GSO, as a mandatory prepayment against the DIP Credit Facility. As this payment is outside of the ordinary course of business, the Company is seeking the approval and direction of this Court to pay the FF&E Proceeds to GSO in partial satisfaction of its secured claim.
38. As noted above, a condition to closing the Transaction is that the liquidation be completed and that the proceeds of both the ABL Priority Collateral and the Term Priority Collateral (each as defined in the Sale Agreement) is paid to the Secured Lenders, in accordance with their relative priorities, prior to the closing date.
39. As discussed in the previous Reports, Cassels, as independent counsel to the Monitor, has provided the Monitor with an opinion dated January 26, 2017 that subject to typical assumptions and qualifications the security held by GSO is valid and enforceable in the following jurisdictions: British Columbia, Alberta, Manitoba Ontario and Nova Scotia.¹
40. The proposed distribution, however, is a partial repayment of the DIP Credit Facility (not the pre-filing GSO security), which was approved and granted priority by the Amended and Restated Initial Order. Based on the foregoing, the Monitor supports the Company’s request to distribute the FF&E Proceeds to GSO.

¹ Opinions were not obtained in Saskatchewan, Newfoundland, New Brunswick or PEI, but the Monitor understands only CIBC and GSO have made registrations under the Personal Property Securities Acts in those jurisdictions.

Cash Flow for the Period February 12, 2017 to May 20, 2017

41. 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.
42. A comparison of Grafton's forecast to reported results for the period February 12, 2017 to May 20, 2017 (the "Period") is summarized as follows:

Grafton-Fraser Inc.			
Cash Flow Variance Analysis			
For the Period February 12 to May 20, 2017			
(\$000's)			
	Reported	Forecast	Variance
Receipts			
Retail Receipts	\$ 40,375	\$ 44,824	\$ (4,449)
GSO DIP Funding	655	600	55
Total Receipts	\$ 41,030	\$ 45,424	\$ (4,394)
Disbursements			
Merchandise	(18,547)	(22,139)	3,592
Payroll	(8,420)	(8,426)	6
Rent	(6,565)	(9,118)	2,553
Sales Tax	(282)	(1,797)	1,515
Store Expenses and Other	(3,489)	(3,703)	214
Supplier & Other Deposits	(100)	-	(100)
Interest	(376)	(279)	(97)
Forbearance Fee	(55)	-	(55)
Professional Fees	(2,220)	(2,506)	285
Total Disbursements	(40,067)	(49,140)	9,073
Net Cash Flow	\$ 963	\$ (3,716)	\$ 4,679
Opening Revolver			
Draw (Repayment)	(963)	3,716	(4,679)
Closing Revolver	\$ 16,606	\$ 21,285	\$ (4,679)
Opening DIP Term Loan			
Draws	655	600	55
Interest (PIK'd)	219	217	2
Ending DIP Term Loan	\$ 5,719	\$ 5,717	\$ 2
Ending Total DIP Financing	\$ 22,325	\$ 27,002	\$ (4,676)

43. As reflected in the summary table above, Grafton reported net cash flow of approximately \$1 million and had outstanding operating loan and DIP loan balances of approximately \$16.6 million and \$5.7 million, respectively, as at May 20, 2017. In aggregate, the operating and DIP loan balances were approximately \$4.7 million lower than forecast.
44. The \$4.4 million negative receipts variance in the Period is primarily due to:
- (i) lower than forecast sales as a result of various factors, including the impact of liquidation sales on close proximity stores, delayed spring season merchandise deliveries and the impact of inclement weather further delaying spring merchandise sales;
 - (ii) timing differences on the collection of tuxedo rental revenues;
 - (iii) lower than forecast effective sales tax rate (~1.5% lower than forecast); and
 - (iv) credit card fees being netted against cash receipts effective March 2017, whereas the forecast reflected credit card fees separately as disbursements.
45. Rent payments were \$2.6 million lower than forecast primarily as a result of rent concessions, which were favourable to the forecast both in terms of quantum and timing (becoming effective March 2017 rather than May 2017, as initially contemplated).
46. Professional Fees disbursements were \$0.3 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

47. In light of the 4th Amending Agreement, amendments are contemplated to the Credit Facilities. These include amendments to reflect the projected closing of the Amended Transaction on June 30, 2017. Specifically, this includes amending the milestone date by which the Amended Transaction is to close from June 5, 2017 to June 30, 2017, the expiry of the forbearance periods from June 15, 2017 to June 30, 2017 and the maturity date of the GSO Term Debt and GSO DIP Credit Facility to June 30, 2017.

48. Also as outlined in the Third Report, 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, as updated (the “**Approved Cash Flow Forecast**”).
49. As noted in the Third Report, the Secured Lenders had previously agreed to revise the covenant schedules, which form part of the Credit Facilities, to decrease the Minimum Cash Receipts covenant by an aggregate of \$2 million. As part of that agreement, the Maximum Cash Disbursements covenant was also decreased by an aggregate of \$2 million.
50. Further revised covenant schedules were also approved by the Secured Lenders, effective May 10, 2017, to reflect an incremental \$2 million reduction to both the Minimum Cash Receipts and the Maximum Cash Disbursements covenant levels through the week ended May 27, 2017. In addition, as previous covenant schedules extended only through the week ended May 27, 2017, covenant levels were set for the following three weeks (ending June 17, 2017), based on a 15% permitted variance to forecast.
51. The Monitor is aware that the Company has been communicating with each of the Secured Lenders in connection with a further update to the covenant schedules in order to extend the period of the covenants to June 30, 2017 in line with the anticipated closing of the Amended Transaction.
52. The Monitor understands that these amendments are in the process of being documented and should this not occur prior to the return of the June 6 Motion, the Monitor will advise the Court accordingly at that time.
53. The anticipated amendments to the Credit Facilities are projected to provide the Company with the necessary liquidity to operate through the closing of the Amended Transaction at the end of June 2017.

Grafton’s Request for an Extension of the Stay of Proceedings to September 15, 2017

54. The Stay Period currently expires on June 15, 2017. The Company is seeking an extension of the Stay Period until September 15, 2017 (the “**Stay Extension**”) to allow sufficient time for the Amended Transaction to close and the Company to take steps toward completing these CCAA Proceedings.

55. As the February Cash Flow Forecast only runs until June 17, 2017, Grafton, with the assistance of the Monitor, has prepared a revised forecast of its projected receipts, disbursements and financing requirements for the period May 21, 2017 to September 16, 2017 (the “**Extended Cash Flow Forecast**”).
56. A copy of the Extended Cash Flow Forecast is attached hereto as **Appendix “D”** and is summarized below:

Grafton-Fraser Inc. Cash Flow Forecast For the Period May 21 to September 16, 2017 (\$000's)	
Receipts	
Retail Receipts	\$ 19,210
Funding from Escrow	200
Total Receipts	\$ 19,410
Disbursements	
Merchandise	(7,671)
Payroll	(3,652)
Rent	(2,498)
Sales Tax	(1,584)
Store Expenses and Other	(1,544)
Royalty	(180)
Supplier & Other Deposits	188
Capex	(312)
Bonus	(200)
KERP	(190)
Interest	(171)
Forbearance Fee	(150)
Professional Fees	(2,646)
Total Disbursements	(20,610)
Net Cash Flow	\$ (1,200)
Opening Revolver	\$ 16,606
Draw (Repayment)	1,200
Transfer to NewCo	(17,806)
Closing Revolver	\$ -
Opening DIP Term Loan	\$ 5,719
Interest (PIK'd)	98
Transfer to NewCo	(5,817)
Ending DIP Term Loan	\$ -
Ending Total DIP Financing	\$ -

57. The major changes to the underlying assumptions in the Extended Cash Flow Forecast compared to the February Cash Flow Forecast are as follows:
- (i) the Extended Cash Flow Forecast contemplates a closing of the Amended Transaction in the week ended July 1, 2017; and
 - (ii) the Extended Cash Flow Forecast reflects confirmed rent concessions and activity from go-forward stores only, as the Company exited the Closing Stores on or before April 30, 2017.
58. The Extended Cash Flow Forecast indicates that Grafton is projected to have sufficient liquidity to fund both operating costs and the costs of these CCAA Proceedings during the Stay Extension, if granted.
59. The Monitor is of the view that the Stay Extension is appropriate in the circumstances and supports Grafton's request for an extension of the Stay Period for the following reasons:
- (i) the Company has acted and is acting in good faith and with due diligence;
 - (ii) it will allow for the closing of the Amended Transaction;
 - (iii) it will permit Grafton to complete the post-closing activities in connection with the Amended Transaction and to address other administrative activities in connection with these CCAA Proceedings generally;
 - (iv) the granting of the extension should not prejudice any creditor, as Grafton is projected to have sufficient funds to pay for post-filing services and supplies, as contemplated in the Extended Cash Flow Forecast; and
 - (v) the Monitor understands that GSO supports the requested Stay Extension.

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

60. 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.

61. The Fees and Activities Approval Order approved, *inter alia*, the fees and disbursements of the Monitor and its counsel, Cassels, for the periods from January 25, 2017 to April 1, 2017 and January 20, 2017 to March 31, 2017, respectively, in connection with the performance of their duties in these 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 April 2, 2017 to May 20, 2017 and those of Cassels for the period from April 1, 2017 to May 22, 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 \$346,136.75, together with expenses and disbursements in the amount of \$55,188.22 (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 Sherman Affidavit attached as **Appendix “E”** to this report. The Sherman 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 Sherman Affidavit also provides a breakdown of the disbursements which include certain of the Cassels’ Fees and Disbursements, as detailed in the Dietrich Affidavit.
65. The total fees for services provided by Cassels during the Periods amount to \$71,558.14, including expenses, disbursements and HST (collectively, the “**Cassels’ Fees and Disbursements**”). The time spent by Cassels personnel during the Periods is more particularly described in the Dietrich Affidavit attached as **Appendix “F”** to this report. Included in the Dietrich 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.

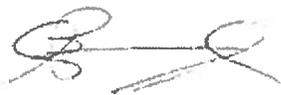
Monitor's Conclusions and Recommendations

67. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court issue an order(s) granting the relief sought in paragraph 11(viii) of this Fourth Report.

All of which is respectfully submitted this 1st day of June, 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

TAB A

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE
JUSTICE PATTILLO

)
)
)

THURSDAY, THE 20th
DAY OF APRIL, 2017

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")

ORDER

(APPROVAL OF MONITOR'S ACTIVITIES & FEES)

THIS MOTION made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") for an Order, *inter alia*, (i) approving the third report of Richter Advisory Group Inc., in its capacity as monitor of the Applicant (the "**Monitor**"), and the appendices thereto (the "**Third Report**"), and approving the activities of the Monitor as described therein, and (ii) approving the Monitor's fees and disbursements and those of the Monitor's counsel, Cassels Brock & Blackwell LLP ("**Cassels**") as set out in the Third Report, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicant, the Affidavit of Mark Sun sworn April 12, 2017, and the exhibits thereto, the Third Report, and on hearing the submissions of counsel for the Applicant, counsel for the Monitor, counsel for CIBC, counsel for GSO Capital Partners I.P. and such other parties as were present, no one else appearing although duly served as appears from the affidavit of service of Irene Artuso sworn April 13, 2017, filed;

SERVICE

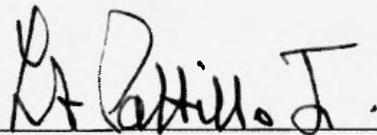
1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein be and is hereby abridged and validated so that the Motion is properly returnable today.

APPROVAL OF MONITOR'S THIRD REPORT

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

APPROVAL OF FEES AND DISBURSEMENTS

3. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and of its counsel, Cassels, as set out in the Third Report, the affidavit of Gilles Benchaya sworn April 13, 2017 and the affidavit of Monique Sassi sworn April 7, 2017, be and are hereby approved.



ENTERED AT INSURANCE TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

MAY 10 2017

PER / PAR:



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")

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

Proceedings commenced in Toronto

ORDER

**(Approval of Monitor's Activities & Fees)
(Returnable April 20, 2017)**

FASKEN MARTINEAU DuMOULIN LLP

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

Stuart Brotman (LSUC#43430D)

Tel: 416 865 5419
Fax: 416 364 7813
sbrotman@fasken.com

Dylan Chochla (LSUC#62137I)

Tel: 416 868 3425
Fax: 416 364 7813
dchochla@fasken.com

Lawyers for the Applicant, Grafton-Fraser Inc.

TAB B

Request ID: 020239795
Transaction ID: 64407839
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2017/05/09
Time Report Produced: 14:38:59
Page: 1

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
755835	GAILWOOD INVESTMENTS LIMITED	1988/01/20
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address		Date Amalgamated
44 APEX ROAD		NOT APPLICABLE
		Amalgamation Ind.
		NOT APPLICABLE
		New Amal. Number
		NOT APPLICABLE
		Notice Date
		NOT APPLICABLE
		Letter Date
		NOT APPLICABLE
Mailing Address		Revival Date
CONTROLLER-GRAFTON-FRASER 44 APEX ROAD		NOT APPLICABLE
		Continuation Date
		NOT APPLICABLE
		Transferred Out Date
		NOT APPLICABLE
		Cancel/Inactive Date
		NOT APPLICABLE
		EP Licence Eff.Date
		NOT APPLICABLE
		EP Licence Term.Date
		NOT APPLICABLE
	Number of Directors	Date Commenced
	Minimum Maximum	in Ontario
	UNKNOWNUNKNOWN	NOT APPLICABLE
Activity Classification		Date Ceased
NOT AVAILABLE		in Ontario
		NOT APPLICABLE

Request ID: 020239795
Transaction ID: 64407839
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2017/05/09
Time Report Produced: 14:38:59
Page: 2

CORPORATION PROFILE REPORT

Ontario Corp Number

755835

Corporation Name

GAILWOOD INVESTMENTS LIMITED

Corporate Name History

GAILWOOD INVESTMENTS LIMITED

Effective Date

1988/01/20

Current Business Name(s) Exist:

NO

Expired Business Name(s) Exist:

NO

Administrator:

Name (Individual / Corporation)

JAMES
M.
DWORKIN

Address

44 SPRING HOLLOW ROAD

FAR HILLS
NEW JERSEY
UNITED STATES OF AMERICA 07931

Date Began

2007/05/24

First Director

NOT APPLICABLE

Designation

OFFICER

Officer Type

PRESIDENT

Resident Canadian

Request ID: 020239795
Transaction ID: 64407839
Category ID: UNE

Province of Ontario
Ministry of Government Services

Date Report Produced: 2017/05/09
Time Report Produced: 14:38:59
Page: 3

CORPORATION PROFILE REPORT

Ontario Corp Number

755835

Corporation Name

GAILWOOD INVESTMENTS LIMITED

Administrator:

Name (Individual / Corporation)

JAMES
M.
DWORKIN

Address

44 SPRING HOLLOW ROAD

FAR HILLS
NEW JERSEY
UNITED STATES OF AMERICA 07931

Date Began

2007/05/24

First Director

NOT APPLICABLE

Designation

DIRECTOR

Officer Type

Resident Canadian

N

Administrator:

Name (Individual / Corporation)

PAUL
LINDZON

Address

84 WINGOLD AVENUE

TORONTO
ONTARIO
CANADA M3B 1P5

Date Began

1996/06/30

First Director

NOT APPLICABLE

Designation

DIRECTOR

Officer Type

Resident Canadian

Y

Request ID: 020239795
Transaction ID: 64407839
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2017/05/09
Time Report Produced: 14:38:59
Page: 4

CORPORATION PROFILE REPORT

Ontario Corp Number

755835

Corporation Name

GAILWOOD INVESTMENTS LIMITED

Administrator:

Name (Individual / Corporation)

PAUL
LINDZON

Address

84 WINGOLD AVENUE

TORONTO
ONTARIO
CANADA M3B 1P5

Date Began

1996/06/30

First Director

NOT APPLICABLE

Designation

OFFICER

Officer Type

SECRETARY

Resident Canadian

Y

Request ID: 020239795
Transaction ID: 64407839
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2017/05/09
Time Report Produced: 14:38:59
Page: 5

CORPORATION PROFILE REPORT

Ontario Corp Number

755835

Corporation Name

GAILWOOD INVESTMENTS LIMITED

Last Document Recorded

Act/Code	Description	Form	Date
CIA	ANNUAL RETURN 2012	1S	2013/05/10 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.

RUN NUMBER : 129
RUN DATE : 2017/05/09
ID : 20170509145759.15

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 1
(7926)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : GAILWOOD INVESTMENTS LIMITED

FILE CURRENCY : 08MAY 2017

ENQUIRY NUMBER 20170509145759.15 CONTAINS 1 PAGE(S), 0 FAMILY(IES).

NO REGISTRATIONS ARE REPORTED IN THIS ENQUIRY RESPONSE.

ONCORP - DMPV - LISA HUGHES
155 WELLINGTON STREET WEST,
TORONTO ON M5Y 3J7



(certif 09/2013)



Confirmation Letter / Lettre de confirmation

D+H Limited Partnership / D+H Société en commandite

Suite 200, 4126 Norland Avenue, Burnaby, BC V5G 3S8

Authorized Section 427 Bank Act Registrar / Bureau d'enregistrement autorisé conformément à l'article 427 de la
Loi sur les banques.

Oncorp Direct Inc.
1033 Bay Street, Suite 313
Toronto, Ontario
M5S 3A5

2017/05/09 11:59:21 AM PDT

Ref / Objet: 04053442

Tel/Tél: 1-416-964-2677
Fax/Télécopie: 1-416-923-1077

Acct# 7129

Dear Sir / Madam

Monsieur / Madame

Re: **Bank Act Security - Section 427**

Objet: **Garanties données en vertu de la Loi sur les banques - article 427**

We have processed your request(s) and hereby confirm the following results: (*see below).

Nous avons donné suite à votre (vos) demande(s) et nous vous faisons part des résultats suivants: (* voir ci-dessous).

REFERENCE

REFERENCE

(2) A search has been made of the [notices of intention to give security](#) under the Bank Act registered [in the province of Ontario](#). As at the date and time above, our records indicate the following.

(2) Nous avons examiné [les préavis](#) qui se rapportent aux garanties données en vertu de la *Loi sur les banques* et qui sont enregistrés pour la province de: [Ontario](#). À la date et à l'heure indiquées ci-dessus.

Your search for the company

Votre recherche pour la société

[GAILWOOD INVESTMENTS LIMITED](#)

[GAILWOOD INVESTMENTS LIMITED](#)

returns the following results:

révèle les résultats suivants:

Type	Registration Name	Address	Date	Expires	Number	Bank
Type	Enregistrement au nom de	Adresse	Date	Expires	Numéro	Banque

(2) No matches were found / Aucune donnée correspondante au registre



For Registrar / Pour le Régistraire

We acknowledge receipt of fees as follows:

Nous accusons réception des droits prescrits dont les montants s'établissent comme suit:

Type	Fee	GST/HST	Qty	TOTAL	Receipt No.
Type	Tarif	TPS/TVH	Qté	TOTAL	Numéro du reçu
(2)	\$14.00	\$0.78	1	\$14.78	04053442 - R-R-SN-W

\$14.78

GST-HST / TPS-TVH #: **85386 4528**



Government
of Canada

Gouvernement
du Canada

Bankruptcy and Insolvency Records Search (BIA) search results |
Résultats de la recherche dans le Registre des dossiers de faillite et d'insolvabilité (LFI)

Bankruptcy and Insolvency Records Search (BIA) search results | Résultats de la recherche dans le Registre des dossiers de faillite et d'insolvabilité (LFI)

2017-05-09

Search Criteria | Critères de recherche :

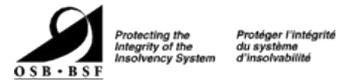
Name | Nom = GAILWOOD INVESTMENTS LIMITED, Name Type | Type de nom = Business |
Entreprise

Reference | Référence :

A search of the Office of the Superintendent of Bankruptcy records has revealed no information, for the period 1978 to 2017-05-05, based on the search criteria above-mentioned.

Une recherche dans le registre du Bureau du surintendant des faillites n'a révélé aucune information pour la période allant de 1978 à 2017-05-05, selon les critères de recherche susmentionnés.

Canada



Report Date: Tuesday, May 09, 2017
Search Date: May 9, 2017
Updated Search from: _____

1. For the purpose of this report, we have searched and/or examined the **Ontario Superior Court of Justice** indices/computer database(s) for the following matters:

- BULK SALES ACT Search
- LITIGATION / ACTION Search
- BANKRUPTCY Manual Search^{*3}

Search Jurisdiction: Toronto
Search currency date: May 8, 2017
Search period covered: 10 years

Conducted **in and only covers** this Municipal Jurisdiction.
^{*2} The **currency date** depends on the Courts frequency of data entry and records can be 2 to 3 weeks delayed.

2. Names Searched:

GAILWOOD INVESTMENTS LIMITED

3. Search Results:

Based on the search criteria provided by the client indicated above and subject to the **conditions of the search**, we report that:

- Clear - No Records Found** for matters commenced by or against the above mentioned name(s) searched.
- Record(s) Found.** Please see page 2 attached for case details.
- Similar Records Found.** See section 4, or on page 2 for more information. Additional searches may be required to obtain details.
- Superior Court Case Summary Screen Print(s) attached. (Toronto only)
- Superior Court Case Listing Screen Print(s) attached.
- Copies of Superior Court file(s) attached. (Files in storage can take a minimum of 5 to 10 business days to arrive in Toronto.)

4. Comments:

Internal Reference: **OK**

Acknowledgment and Conditions of the Search:

1. Based on a request from your office via facsimile, electronic mail or verbal instruction by you or an agent of your office as indicated above, Centro Legal Works Inc. ("Centro") has been authorized to conduct the search services indicated above. Centro makes every effort to ensure the accuracy of the information provided to clients. The information provided is non-certified unless otherwise indicated and/or requested. Centro makes no warranties, either expressed or implied, on the accuracy and completeness of the information provided by the various court office(s), government office(s), and State electronic or manual databases/indices due to many sources of potential error in the storage, maintenance, retrieval, or incorrect interpretation of the information supplied and therefore is not liable for any loss or damages. The services performed and information obtained and summarized in this report is done so as a service to the client and is not to be construed as a legal opinion.
2. **Search Currency & Accuracy:** The currency date of the search can be 2 to 3 weeks delayed due to the Courts frequency of data entry. The Superior Court of Justice computer database(s) vary across Ontario and contain errors due to inaccurate and/or neglected data entry. Searches outside the Toronto jurisdiction are conducted and entered by a Superior Court Clerk and are subject to errors, or case(s) not found due to inaccurate data-entry. Therefore, we cannot guarantee that all cases on the name(s) searched will be found. The search results provided are based only on the exact name(s) provided by the client indicated in section 2 and additional search variations should be considered and/or required.
3. **Bankruptcy & Bulk Sales Searches:** For Bankruptcy and Bulk Sales searches that result in a Commercial List ("CL") matter found, it is recommended the file be ordered and examined to determine its relation to a Bankruptcy or Bulk Sales matter. Centro will not report a Bankruptcy or Bulk Sales search as "clear" unless the CL file is examined. It is also recommended that an Insolvency Name Search be conducted with the Office of the Superintendent of Bankruptcy in Ottawa to complete the Bankruptcy search. Bankruptcy file numbers/divisions: (example 31-OR-123456). [31 – Toronto; 32 – Hamilton; 33 – Ottawa; 34 – Thunder Bay; 35 - London].
4. Alterations or modifications to this document are strictly prohibited.

CLEAR CERTIFICATE / CERTIFICAT LIBRE**SHERIFF OF / SHÉRIF DE :** CITY OF TORONTO (TORONTO)**CERTIFICATE # /** 31188719-0727607B
N° DE CERTIFICAT :**DATE OF CERTIFICATE /** 2017-MAY-09
DATE DU CERTIFICAT :**SHERIFF'S STATEMENT**

THIS CERTIFIES THAT THERE ARE NO ACTIVE WRITS OF EXECUTION, ORDERS OR CERTIFICATES OF LIEN FILED WITHIN THE ELECTRONIC DATABASE MAINTAINED BY THIS OFFICE IN ACCORDANCE WITH SECTION 10 OF THE *EXECUTION ACT* AT THE TIME OF SEARCHING AGAINST THE REAL AND PERSONAL PROPERTY OF:

DÉCLARATION DU SHÉRIF

CE CERTIFICAT ATTESTE QU'IL N'Y A AUCUNE ORDONNANCE ACTIVE OU AUCUN BREF D'EXÉCUTION FORCÉE OU CERTIFICAT DE PRIVILÈGE ACTIF DANS LA BASE DE DONNÉES ÉLECTRONIQUE MAINTENUE PAR CE BUREAU AUX TERMES DE L'ARTICLE 10 DE LA *LOI SUR L'EXÉCUTION FORCÉE* AU MOMENT DE LA RECHERCHE VISANT LES BIENS MEUBLES ET IMMEUBLES DE :

NAME SEARCHED / NOM RECHERCHÉ

#	PERSON OR COMPANY / PERSONNE OU SOCIÉTÉ	NAME OR SURNAME, GIVEN NAME(S) / NOM OU NOM DE FAMILLE, PRÉNOM(S)
1.	COMPANY / SOCIÉTÉ	GAILWOOD INVESTMENTS LIMITED

CAUTION TO PARTY REQUESTING SEARCH:

1. IT IS THE RESPONSIBILITY OF THE REQUESTING PARTY TO ENSURE THAT THE NAME SEARCHED IS CORRECT.
2. BY VIRTUE OF THIS CERTIFICATE, THE SHERIFF IS ASSURING THAT THIS NAME WILL REMAIN CLEAR UNTIL THE END OF CLOSE OF THIS BUSINESS DATE, UNLESS THE SHERIFF IS DIRECTED OTHERWISE UNDER AN ORDER OF THE COURT.

AVERTISSEMENT À LA PARTIE QUI DEMANDE LA RECHERCHE :

1. IL INCOMBE À LA PARTIE QUI DEMANDE LA RECHERCHE DE S'ASSURER QUE LE NOM RECHERCHÉ EST EXACT.
2. EN VERTU DU PRÉSENT CERTIFICAT, LE SHÉRIF ASSURE QUE CE NOM DEMEURE LIBRE JUSQU'À LA FIN DE CETTE JOURNÉE DE TRAVAIL, À MOINS DE RECEVOIR DES DIRECTIVES CONTRAIRES AUX TERMES D'UNE ORDONNANCE DU TRIBUNAL.

CHARGE FOR THIS CERTIFICATE CDN 11.60
/ FRAIS POUR CE CERTIFICAT :

Report Date: Tuesday, May 09, 2017
Search Date: May 9, 2017
Updated Search from: _____

1. For the purpose of this report, we have searched and/or examined the **Ontario Superior Court of Justice** indices/computer database(s) for the following matters:

- BULK SALES ACT Search
- LITIGATION / ACTION Search
- BANKRUPTCY Manual Search^{*3}

Search Jurisdiction: Toronto
Search currency date: May 8, 2017
Search period covered: 10 years

Conducted **in and only covers** this Municipal Jurisdiction.
^{*2} The **currency date** depends on the Courts frequency of data entry and records can be 2 to 3 weeks delayed.

2. Names Searched:

GAILWOOD INVESTMENTS LIMITED

3. Search Results:

Based on the search criteria provided by the client indicated above and subject to the **conditions of the search**, we report that:

- Clear - No Records Found** for matters commenced by or against the above mentioned name(s) searched.
- Record(s) Found.** Please see page 2 attached for case details.
- Similar Records Found.** See section 4, or on page 2 for more information. Additional searches may be required to obtain details.
- Superior Court Case Summary Screen Print(s) attached. (Toronto only)
- Superior Court Case Listing Screen Print(s) attached.
- Copies of Superior Court file(s) attached. (Files in storage can take a minimum of 5 to 10 business days to arrive in Toronto.)

4. Comments:

Internal Reference: **OK**

Acknowledgment and Conditions of the Search:

1. Based on a request from your office via facsimile, electronic mail or verbal instruction by you or an agent of your office as indicated above, Centro Legal Works Inc. ("Centro") has been authorized to conduct the search services indicated above. Centro makes every effort to ensure the accuracy of the information provided to clients. The information provided is non-certified unless otherwise indicated and/or requested. Centro makes no warranties, either expressed or implied, on the accuracy and completeness of the information provided by the various court office(s), government office(s), and State electronic or manual databases/indices due to many sources of potential error in the storage, maintenance, retrieval, or incorrect interpretation of the information supplied and therefore is not liable for any loss or damages. The services performed and information obtained and summarized in this report is done so as a service to the client and is not to be construed as a legal opinion.
2. **Search Currency & Accuracy:** The currency date of the search can be 2 to 3 weeks delayed due to the Courts frequency of data entry. The Superior Court of Justice computer database(s) vary across Ontario and contain errors due to inaccurate and/or neglected data entry. Searches outside the Toronto jurisdiction are conducted and entered by a Superior Court Clerk and are subject to errors, or case(s) not found due to inaccurate data-entry. Therefore, we cannot guarantee that all cases on the name(s) searched will be found. The search results provided are based only on the exact name(s) provided by the client indicated in section 2 and additional search variations should be considered and/or required.
3. **Bankruptcy & Bulk Sales Searches:** For Bankruptcy and Bulk Sales searches that result in a Commercial List ("CL") matter found, it is recommended the file be ordered and examined to determine its relation to a Bankruptcy or Bulk Sales matter. Centro will not report a Bankruptcy or Bulk Sales search as "clear" unless the CL file is examined. It is also recommended that an Insolvency Name Search be conducted with the Office of the Superintendent of Bankruptcy in Ottawa to complete the Bankruptcy search. Bankruptcy file numbers/divisions: (example 31-OR-123456). [31 – Toronto; 32 – Hamilton; 33 – Ottawa; 34 – Thunder Bay; 35 - London].
4. Alterations or modifications to this document are strictly prohibited.

TAB C

DAVIES

155 Wellington Street West
Toronto ON M5V 3J7
dwpv.com

June 1, 2017

Robin B. Schwill
T 416.863.5502
F 416 863 0871
rschwill@dwpv.com

BY E-MAIL

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

Dear Jane:

Asset purchase agreement dated January 24, 2017 between GSO GF Acquisition B.C. Ltd. (formerly 1104307 B.C. Ltd.) (the "Purchaser") and Grafton-Fraser Inc. (the "Seller"), as amended (the "Asset Purchase Agreement")

As you are aware, we are counsel to the Purchaser. Capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Asset Purchase Agreement.

Pursuant to the Asset Purchase Agreement, the Seller will be seeking a CCAA Assignment Order. In connection therewith, the Monitor has requested the Purchaser to provide evidence that it would be able to perform the obligations under the Assumed Contracts which are to be the subject of the CCAA Assignment Order.

In this regard, on behalf of the Purchaser, please find attached hereto a projected opening balance sheet for the Purchaser as of July 1, 2017 reflecting a shareholders' equity amount in excess of \$42 million. In addition, the Purchaser anticipates having an opening availability of \$3.7 million and not less than \$2.2 million under its New Revolving Facility as of July 1, 2017.

Yours very truly,



Robin B. Schwill

Encl.

cc. John Beberus, *GSO Capital Partners*
Marc Baliotti, *GSO Capital Partners*
Stuart Brotman, *Faskens*

RS/

GSO GF Acquisition B.C. Ltd. ("GSO GF")
Forecasted Opening Balance Sheet

\$000's CAD	July 1/17
Current Assets	
Cash	\$ 500
Trade and Other A/R	544
Inventories	29,355
Prepaid Expenses	1,551
	<u>31,950</u>
Non-Current Assets	
PP&E	7,740
Intangibles - Finite Life	2,461
Goodwill	33,925
	<u>44,125</u>
Total Assets	<u>\$ 76,075</u>
Current Liabilities	
CIBC - ABL Loan ⁽¹⁾	17,152
Trade and Other ⁽²⁾	8,538
	<u>25,690</u>
Non-Current Liabilities	
Long-Term Debt	2,500
GSO DIP	5,735
	<u>8,235</u>
Total Liabilities	<u>33,925</u>
Shareholders' Equity	
Share Capital	42,150
	<u>42,150</u>
	<u>\$ 76,075</u>

⁽¹⁾ New exit facility from CIBC (replaces current ABL loan)

⁽²⁾ Includes \$5.1MM of pre-filing trade a/p to be assumed by GSO GF.

General Assumptions

This projected opening balance sheet assumes the following:

- The closing of a sale transaction between Grafton Fraser Inc. and GSO GF Acquisition B.C. Ltd. On June 30th 2017 ("Closing Date") in accordance with the terms of the Asset Purchase Agreement ("APA") dated January 24, 2017 as Amended.
- Normal course operations through to the Closing Date.

This projected opening balance sheet is for information purposes only and is not intended for circulation or publication. Further, as financial projections relate to future events which are indeterminable by nature, variances will occur, which may be material. Accordingly, we do not express an opinion regarding the likelihood of materialization of the Company's financial projections and restructuring plan.

TAB D

Grafton-Fraser Inc. FI Weekly Cash Flow
Cash Flow Forecast for Period May 21 to September 16, 2017

(\$000's)	May 27	Jun 03	Jun 10	Jun 17	Jun 24	Jul 01	Jul 08	Jul 15	Jul 22	Jul 29	Aug 05	Aug 12	Aug 19	Aug 26	Sep 02	Sep 09	Sep 16	Total
Comps	(5%)	(3%)	(3%)	(3%)	(3%)	(3%)												
Receipts																		
Retail Receipts	\$ 3,314	\$ 3,348	\$ 3,566	\$ 3,769	\$ 3,467	\$ 1,745	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,210
Funding from Escrow	-	-	-	-	-	-	200	-	-	-	-	-	-	-	-	-	-	200
Operating Disbursements	3,314	3,348	3,566	3,769	3,467	1,745	200	-	-	-	-	-	-	-	-	-	-	19,410
Merchandise	(1,201)	(900)	(1,715)	(1,880)	(725)	(1,250)	-	-	-	-	-	-	-	-	-	-	-	(7,671)
Payroll	(970)	(250)	(960)	(250)	(972)	(250)	-	-	-	-	-	-	-	-	-	-	-	(3,652)
Rent	-	(1,399)	-	(1,099)	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,498)
Sales Tax	(221)	(443)	(282)	(306)	(265)	(66)	-	-	-	-	-	-	-	-	-	-	-	(1,584)
Other Op.	(183)	(206)	(350)	(250)	(202)	(243)	-	-	-	-	-	-	-	-	-	-	-	(1,434)
CC Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Royalty	(130)	-	-	-	-	(50)	-	-	-	-	-	-	-	-	-	-	-	(180)
Supplier and Other Deposits	-	188	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	188
Net Operating CF	(2,704)	(3,010)	(3,307)	(3,786)	(2,164)	(1,859)	-	-	-	-	-	-	-	-	-	-	-	(16,831)
Non-Operating Disb.	610	338	259	(17)	1,303	(114)	200	-	-	-	-	-	-	-	-	-	-	2,579
Capeex	(12)	(200)	-	-	-	(100)	-	-	-	-	-	-	-	-	-	-	-	(312)
Bonus	-	(30)	(200)	-	-	(30)	-	-	-	-	-	-	-	-	-	-	-	(200)
Consultant Fees	-	-	-	-	-	(190)	-	-	-	-	-	-	-	-	-	-	-	(60)
KERP	(25)	(75)	-	-	-	(71)	-	-	-	-	-	-	-	-	-	-	-	(171)
Interest	-	-	(50)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(50)
Audit Fees	-	-	-	-	-	(150)	-	-	-	-	-	-	-	-	-	-	-	(150)
Forebearance Fee	(261)	(431)	(408)	(358)	(654)	(335)	-	(50)	-	-	(50)	-	-	(50)	-	-	-	(2,646)
Professional Fees	(298)	(736)	(559)	(358)	(904)	(626)	-	(50)	-	-	(50)	-	-	(50)	-	-	-	(3,779)
Net Cash Flow	312	(398)	(399)	(375)	399	(739)	200	(50)	-	-	(50)	-	-	(50)	-	-	-	(1,200)
Opening Revolver (Cash)	\$ 16,606	\$ 16,294	\$ 16,692	\$ 17,090	\$ 17,465	\$ 17,066	\$ -	\$ (200)	\$ (150)	\$ (150)	\$ (150)	\$ (100)	\$ (100)	\$ (100)	\$ (50)	\$ (50)	\$ (50)	\$ 16,606
Revolver Draw (Repay.)	(312)	398	399	375	(399)	739	(200)	50	-	-	50	-	-	50	-	-	-	1,200
Transfer to NewCo	-	-	-	-	-	(17,806)	-	-	-	-	-	-	-	-	-	-	-	(17,806)
Ending Revolver (Cash)	\$ 16,294	\$ 16,692	\$ 17,090	\$ 17,465	\$ 17,066	\$ -	\$ (200)	\$ (150)	\$ (150)	\$ (150)	\$ (100)	\$ (100)	\$ (100)	\$ (50)	\$ (50)	\$ (50)	\$ (50)	\$ -

Mark Sun, CFO



TAB E

**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 ADAM SHERMAN

I, Adam Sherman, of the City of Vaughan, in the Province of Ontario, **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 April 2, 2017 to May 20, 2017 (the "**Period**"), the Monitor has provided services and incurred disbursements in the amounts of \$346,136.75 and \$55,188.22 respectively (excluding HST) (the "**Period**") with respect to services provided to GFI. Attached hereto and marked as **Exhibit "A"** to this 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 this my Affidavit.

5. The Monitor has previously filed three reports with the Court with respect to its conduct and the CCAA proceedings in addition to a pre-petition report which was filed by Richter in its capacity as Proposed Monitor (the "**Previous Reports**"). Contemporaneous with the filing of this Affidavit, the Monitor is filing its fourth report to the Court with respect to the CCAA proceedings (the "**Fourth Report**"). Details of the activities undertaken and services provided by the Monitor in connection with the administration of the CCAA proceedings are described in the Previous Reports and the Fourth 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 714.32 hours during the Period. Attached as **Exhibit "C"** to this 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 \$484.57.
7. The total amount of disbursements being claimed for work performed by the Monitor during the Period is \$55,188.22 (excluding HST). Attached as **Exhibit "D"** to this my Affidavit is a schedule setting out a summary of the Monitor's disbursements during the Period, which include certain of the fees and disbursements of Cassels Brock & Blackwell LLP ("**Cassels**"), independent counsel to the Monitor.
8. The total amount of professional fees and disbursements being claimed for work performed by the Monitor during the Period is \$401,324.97 (excluding HST).
9. The Monitor requests that this Honourable Court approve its Accounts for the Period, in the total amount of \$401,324.97 (excluding HST) for services rendered and recorded during the Period.
10. 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 April 1, 2017 to May 22, 2017. The Monitor has reviewed the invoices rendered by Cassels during the period from April 1, 2017 to May 22, 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.

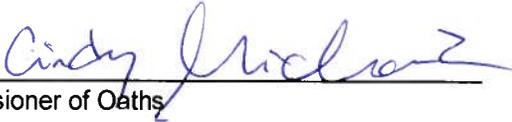
Dated at Montreal, Province of Quebec, this 1st day of June, 2017.

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



Adam Sherman, MBA, CIRP, LIT

SWORN BEFORE ME at the City of
Montreal, in the Province of Quebec
this 1st day of June, 2017.



Commissioner of Oaths



Exhibit "A"

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

O N T A R I O
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 April 2, 2017 to May 20, 2017

Invoice #	Period	Fees Incurred	Disbursements	Subtotal	HST	Total
20401819	April 2 to April 8, 2015	\$ 69,575.75	\$ 186.95	\$ 69,762.70	\$ 9,069.15	\$ 78,831.85
20401857	April 9 to April 15, 2017	76,264.50	12,309.83	88,574.33	11,514.66	100,088.99
20401873	April 16 to April 22, 2017	79,220.00	20,666.01	99,886.01	12,985.18	112,871.19
20401908	April 23 to April 29, 2017	40,668.75	-	40,668.75	5,286.94	45,955.69
20401935	April 30 to May 6, 2017	25,558.50	13,159.93	38,718.43	5,033.40	43,751.83
20401955	May 7 to May 13, 2017	30,010.00	8,865.50	38,875.50	5,053.81	43,929.31
20401970	May 14 to May 20, 2017	24,839.25		24,839.25	3,229.10	28,068.35
		\$ 346,136.75	\$ 55,188.22	\$ 401,324.97	\$ 52,172.24	\$ 453,497.21

Note: Disbursements are primarily comprised of certain fees and disbursements of the Monitor's counsel, Cassels Brock & Blackwell LLP, as further detailed in the affidavit of J. Dietrich, sworn May 31, 2017.

Exhibit "B"

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

O N T A R I O
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

April 17, 2017



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 #20401819

To: Our professional services as Monitor for the period April 2, 2017 to April 8, 2017.

Time Charges (per attached summary)	\$69,575.75
Disbursements	<u>186.95</u>
	69,762.70
HST #885435842 RT0001	<u>9,069.15</u>
Total	<u>\$78,831.85</u>

April 17, 2017



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

Summary of Time Charges

	Hours	Rate	Amount
Gilles Benchaya, Partner	36.50	\$625	\$22,812.50
Phil Nadler, Partner	0.30	600	180.00
Adam Sherman, Partner	6.40	625	4,000.00
Warren Levine, VP	37.00	550	20,350.00
Katherine Forbes, VP	16.03	525	8,417.50
Daniel Dabora, Financial Analyst	46.00	285	13,110.00
Alex Halpern, Manager	1.75	225	393.75
Administration & Finance	1.30		312.00
	<u>145.28</u>		<u>\$69,575.75</u>

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

Details of Time Charges
April 2, 2017 to April 8, 2017

Date	Name	Description	Hours	Rate	Total
04/02/2017	Warren Levine	Work at office with G. Benchaya, D. Dabora on business plan model. Review recent sales and GM trending	6.00	550.00	3,300.00
04/02/2017	Daniel Dabora	Business plan update: rent concessions, gross margin comparatives.	5.00	285.00	1,425.00
04/02/2017	Gilles Benchaya	Work on detailed 3 year model, including underlying sales and margin assumptions, rent concessions, merchandise plan etc. Call with M. Sun to review assumptions and discuss changes required to model.	4.50	625.00	2,812.50
04/03/2017	Warren Levine	Email correspondence with PwC. Provide Feb F/S.	0.50	550.00	275.00
04/03/2017	Warren Levine	Receipt of revised merchandise plan from C. Mendes and follow up call to review.	1.00	550.00	550.00
04/03/2017	Warren Levine	Incorporate revised merchandise plan into CF model.	2.00	550.00	1,100.00
04/03/2017	Warren Levine	Review business plan model with D. Dabora and prepare additional analyses for inclusion in report.	3.00	550.00	1,650.00
04/03/2017	Daniel Dabora	Analysis and updates to the business plan with G. Benchaya and W. Levine (F18, F19).	3.00	285.00	855.00
04/03/2017	Daniel Dabora	Sales comp analysis, and store expenses trending analysis.	3.00	285.00	855.00
04/03/2017	Daniel Dabora	Monthly adjusted EBITDA Table for Feb 17-Apr 18.	2.00	285.00	570.00
04/03/2017	Gilles Benchaya	Review detailed cash estimate and sensitivity for covenant purposes. Discussion with R. Ghosh re: cash estimate and discussion with M. Sun re: receipts covenant. Detailed analysis on rentals and revised covenant levels. Liquidation store analysis and reconciliation to plan.	3.00	625.00	1,875.00
04/03/2017	Gilles Benchaya	Analysis of projected margin on inventory clearance including discussions with M. Sun and C. Mendes re: same. Review questions on D&O funding with J. Dietrich and detailed response from N. DeCicco on potential treatment of D&O request.	3.00	625.00	1,875.00
04/04/2017	Warren Levine	Update call with CIBC, G. Benchaya.	0.50	550.00	275.00
04/04/2017	Warren Levine	Conference call with PwC to provide an update on GFI.	1.00	550.00	550.00
04/04/2017	Warren Levine	Model updates to business plan with D. Dabora and G. Benchaya. Updating retail sales comps and gross margin by banner.	2.50	550.00	1,375.00
04/04/2017	Warren Levine	Based on updated business plan, incorporate updated p&i in cash flow model. Review purchases and estimated inventory levels with Company.	2.50	550.00	1,375.00
04/04/2017	Alex Halpern	Tax research requested by Phil Nadler on loss utilization re: bankruptcy	1.75	225.00	393.75
04/04/2017	Daniel Dabora	Rent concession analysis for F18 and F19. Organizing executed agreements by landlord.	3.00	285.00	855.00
04/04/2017	Daniel Dabora	Updating business plan with W. Levine and G. Benchaya.	2.00	285.00	570.00
04/04/2017	Daniel Dabora	Forecasting store closures and liquidation impact.	3.00	285.00	855.00
04/04/2017	Katherine Forbes	PwC update call.	1.40	525.00	735.00
04/04/2017	Katherine Forbes	Detailed invoicing activities. Correspondence with R. Ghosh re: pre-filing liabilities and status of Google account. Update to draft third monitor's report.	2.33	525.00	1,225.00
04/04/2017	Gilles Benchaya	Business update call with GSO. Follow-up call with management on various business issues and PWC requests. Update call with PwC and management. Follow-up discussion with management re: PWC call.	4.50	625.00	2,812.50
04/04/2017	Gilles Benchaya	Working call with M. Sun and C. Mendes on 2017 merchandise plan. Call with I. Fortino and K. Lane re: receipts covenant issue. Review updated rental/CF analysis with K. Lane. Call with J. Dietrich re: covenants and outstanding issues for monitor's report.	2.00	625.00	1,250.00
04/04/2017	Phil Nadler	Use of tax losses discussion with A. Halpern.	0.30	600.00	180.00
04/04/2017	Adam Sherman	Emails with Casseis/Faskens re: Court date. Call with J. Dietrich. Emails with Richter team.	0.50	625.00	312.50
04/05/2017	Carol O'Donnell	Email to A. Sherman regarding wire transfer. Update deposit, scan and save.	0.20	250.00	50.00
04/05/2017	Warren Levine	Review and update weekly monitoring. Obtain sign off from M. Sun.	1.50	550.00	825.00
04/05/2017	Warren Levine	Drafting slides on business plan report with G. Benchaya, D. Dabora.	3.50	550.00	1,925.00
04/05/2017	Warren Levine	Discussion and analysis on revised receipts covenant in view of potential breach the following week.	3.00	550.00	1,650.00
04/05/2017	Daniel Dabora	Updating business plan update for April 17 with G. Benchaya and W. Levine.	3.00	285.00	855.00
04/05/2017	Daniel Dabora	Financial analysis re: April year-end forecasts F18 & F19.	3.00	285.00	855.00
04/05/2017	Daniel Dabora	Financial analysis re: merchandise margins for TTT, GR, MBT banners.	2.00	285.00	570.00
04/05/2017	Katherine Forbes	Drafting of third monitor's report, including review of various Tradex correspondence, and discussion with G. Benchaya.	4.00	525.00	2,100.00
04/05/2017	Katherine Forbes	Detailed invoicing activities. Correspondence with C. O'Donnell re: sales taxes in escrow. Correspondence re: Blue Jays agreement disclaimer, and discussion with Blue Jays counsel.	1.00	525.00	525.00
04/05/2017	Gilles Benchaya	Review weekly monitoring. Call with J. Beberus re: covenant increase. Review borrowing base request. Call with K. Forbes re: Blue jays contract disclaimed work on detailed 2016-2019 model including review of detailed overhead breakdown.	5.00	625.00	3,125.00
04/05/2017	Gilles Benchaya	Call Oberfeld re: estimated fees 2016 to 2019 and concessions likely to continue. Call J. Dietrich re: what is required in connection with change to covenant cap.	2.00	625.00	1,250.00
04/05/2017	Adam Sherman	Emails with Richter team re: receipt of sales tax funds.	0.20	625.00	125.00
04/06/2017	Pascale Lareau	Bank reconciliation	0.20	185.00	37.00
04/06/2017	Warren Levine	Work with D. Dabora and G. Benchaya on business plan model. Incorporate liquidation impact of future store closures.	3.00	550.00	1,650.00
04/06/2017	Warren Levine	Discussion with R. Ghosh on sales taxes and reconcile amount in trust account.	0.50	550.00	275.00
04/06/2017	Warren Levine	Performing a detailed analysis of SG&A incorporating recent trending, head count. Work with G. Benchaya, D. Dabora.	3.00	550.00	1,650.00
04/06/2017	Warren Levine	Finalize and circulate weekly monitoring to all parties.	0.50	550.00	275.00
04/06/2017	Daniel Dabora	Updating financial analysis for merchandise plan updates in F18 and F19.	3.00	285.00	855.00
04/06/2017	Daniel Dabora	4-wall EBITDA and store closure analysis.	3.00	285.00	855.00
04/06/2017	Daniel Dabora	Layering in new stores into financial analysis in F18.	2.00	285.00	570.00
04/06/2017	Daniel Dabora	Updating business plan with G. Benchaya and W. Levine.	1.00	285.00	285.00
04/06/2017	Katherine Forbes	Drafting of third monitor's report, including review of Tradex correspondence and call with J. Dietrich re: same. Discussion with A. Sherman re: contents of monitor's report. Email re: fee affidavit.	4.50	525.00	2,362.50
04/06/2017	Katherine Forbes	Review of proposed covenants changes for disclosure in monitor's report, and correspondence re: income tax assessment.	0.40	525.00	210.00
04/06/2017	Gilles Benchaya	Work on detailed 2016 to 2019 model. Review store closings with M. Sun and discussion re: McAlister opening. Review corporate income tax assessment re: loss carryback. Review Tradex invoices post filing. Clarification of Oberfeld contract with M. Sun.	6.50	625.00	4,062.50
04/06/2017	Gilles Benchaya	Review M. Sun headcount reconciliation analysis. Follow-up call with N. Decicco and J. Dietrich re: covenant	2.00	625.00	1,250.00
04/06/2017	Adam Sherman	Review weekly monitoring. Email/discussion with K. Forbes re: draft Monitor's report.	0.70	625.00	437.50
04/07/2017	Carol O'Donnell	Preparation of fee affidavit. Email to K. Forbes and N. Daniels.	0.90	250.00	225.00
04/07/2017	Warren Levine	Prepare and update GM analysis with G. Benchaya, D. Dabora, incorporate recent trending, liquidation impact, and other.	3.00	550.00	1,650.00
04/07/2017	Daniel Dabora	Analysis and comparison of merchandise plan gross margins and business plan gross margins.	3.00	285.00	855.00

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

Details of Time Charges
April 2, 2017 to April 8, 2017

Date	Name	Description	Hours	Rate	Total
04/07/2017	Daniel Dabora	SGA payroll modelling (assessing current run-rates vs. previous business plan) and DC costs analysis	3.00	285.00	855.00
04/07/2017	Daniel Dabora	Updates to the business plan with G. Benchaya and W. Levine.	2.00	285.00	570.00
04/07/2017	Katherine Forbes	Telephone conversation with R. Ghosh re: Google account, and email to Google team. Discussion with A. Sherman re: Google status and matters covered in the third monitor's report. Review of Cassels fee affidavit. Correspondence with counsel, G. Benchaya re: Tradex.	1.80	525.00	945.00
04/07/2017	Katherine Forbes	Invoicing activities. Correspondence with G. Benchaya re: fee affidavit. Correspondence with C. Smith re: employee inquiries.	0.60	525.00	315.00
04/07/2017	Gilles Benchaya	Discuss monitor's report content with J. Dietrich. Review fee affidavit, work on detailed model. Follow-up discussion with C. Mendes and M. Sun re: merchandise plan for 2017.	4.00	625.00	2,500.00
04/07/2017	Adam Sherman	Call with creditor (Clean Shine) re: update. Emails from Cassels/Fasken re: upcoming motion. Review/update Monitor's report, including review of various documents re: same. Email from Cassels attaching fee affidavit.	5.00	625.00	3,125.00
			145.28	69,575.75	

April 24, 2017



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 #20401857

To: Our professional services as Monitor for the period April 9 to 15, 2017.

Time Charges (per attached summary)	\$76,264.50
Disbursements (see Cassels invoice attached)	<u>12,309.83</u>
	88,574.33
HST #885435842 RT0001	<u>11,514.66</u>
Total	<u>\$100,088.99</u>



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

Summary of Time Charges

	Hours	Rate	Amount
Gilles Benchaya, Partner	35.50	\$625	\$22,187.50
Adam Sherman, Partner	17.50	625	10,937.50
Warren Levine, VP	36.50	550	20,075.00
Katherine Forbes, VP	14.90	525	7,822.50
Daniel Dabora, Financial Analyst	46.00	285	13,110.00
Anthony Colonna, Financial Analyst	1.00	285	285.00
Administration & Finance	7.70		1,847.00
	159.10		\$76,264.50

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

Details of Time Charges
April 9, 2017 to April 15, 2017

Date	Name	Description	Hours	Rate	Total
04/09/2017	Warren Levine	Update CF model for projected inventory levels per analysis from C. Mendes.	3.00	550.00	1,650.00
04/09/2017	Warren Levine	Discussion with G. Benchaya and D. Dabora on business plan model. Continue to analyze and adjust G&M and comp sales assumptions, as well as SG&A. Reallocate DC costs to GM.	3.00	550.00	1,650.00
04/09/2017	Daniel Dabora	Merchandise plan gross margin analysis vs. business plan for TTT and BW banners.	3.00	285.00	855.00
04/09/2017	Daniel Dabora	Updates to the business plan with G. Benchaya and W. Levine.	2.00	285.00	570.00
04/09/2017	Daniel Dabora	Ensuring that the 4-wall EBITDA analysis ties into the store closures in the business plan.	1.00	285.00	285.00
04/09/2017	Daniel Dabora	Revising the SG&A model & assumptions, and integrating into the financial analysis.	2.00	285.00	570.00
04/09/2017	Gilles Benchaya	Work on detailed model (detailed store analysis, gross margin analysis vs. merchandise plan, SG&A headcount and non-payroll expenses).	5.00	625.00	3,125.00
04/10/2017	Carol O'Donnell	Prepare fee affidavit. Emails with K. Forbes.	1.30	250.00	325.00
04/10/2017	Warren Levine	Prepare cash flow variance schedule for monitor's report and incorporate in the report with applicable comments.	2.00	550.00	1,100.00
04/10/2017	Warren Levine	Update analysis of projected cash receipts and compare against covenant levels.	1.00	550.00	550.00
04/10/2017	Warren Levine	Analysis of projected lease consultant fees for future lease renewals/extensions. Include in business plan model.	0.50	550.00	275.00
04/10/2017	Warren Levine	Update CF and business plan for preliminary March results (summary received from C. Mendes).	1.00	550.00	550.00
04/10/2017	Warren Levine	Review Company's weekly CF and disbursement request. Discuss with R. Ghosh.	1.50	550.00	825.00
04/10/2017	Warren Levine	Update projected SG&A expenses and incorporate in CF model with breakdown of payroll costs.	1.50	550.00	825.00
04/10/2017	Daniel Dabora	Review of business plan with M. Sun and G. Benchaya.	1.00	285.00	285.00
04/10/2017	Daniel Dabora	Adjustments to the business plan and modelling adjustments, including for bonuses, gross margin, and DC costs.	3.00	285.00	855.00
04/10/2017	Daniel Dabora	SG&A modelling for the business plan.	1.00	285.00	285.00
04/10/2017	Daniel Dabora	Preparation of key assumptions for the business plan update.	3.00	285.00	855.00
04/10/2017	Katherine Forbes	Review of third monitor's report with A. Sherman and editing same, including reviewing and incorporating comments from G. Benchaya. Correspondence with G. Benchaya and Company. Review of fee affidavit and emails with C. O'Donnell.	3.00	525.00	1,575.00
04/10/2017	Katherine Forbes	Correspondence with Company, Fasken, Cassels Brock re: Google account suspension, including calls with R. Ghosh, J. Dietrich.	0.50	525.00	262.50
04/10/2017	Soazig Bourguine	Format of PDF fee affidavit.	0.20	185.00	37.00
04/10/2017	Gilles Benchaya	Work on updated SG&A analysis, including discussion with M. Sun to review analysis/preliminary 3-year financial statements & plan. Work on estimated cash analysis/receipts covenant shortfall. Updated cash analysis for balance of week and next week to assess temporary request re: shortfall.	6.00	625.00	3,750.00
04/10/2017	Gilles Benchaya	Review motion material including affidavit. Provide feedback to K. Forbes on monitor's report.	2.00	625.00	1,250.00
04/10/2017	Adam Sherman	Email from Fasken re: draft affidavit, motion materials. Email from J. Dietrich re: comments on draft affidavit. Review/revise Monitor's report. Discussions with Richter team.	3.50	625.00	2,187.50
04/11/2017	Carol O'Donnell	Make changes on fee affidavit. Emails with K. Forbes.	1.20	250.00	300.00
04/11/2017	Anthony Colonna	Performed weekly cash flow monitoring.	1.00	285.00	285.00
04/11/2017	Daniel Dabora	Revising forecasted merchandise margins per banner for F18-F20.	2.00	285.00	570.00
04/11/2017	Daniel Dabora	Preparing comparison of key assumptions between Apr/17 update and Dec/16 Plan.	3.00	285.00	855.00
04/11/2017	Katherine Forbes	Updating third monitor's report, detailed invoicing activities for fee affidavit, review of fee affidavit and internal correspondence re: same. Correspondence and subsequent call re: Google account. Reviewing Google correspondence.	2.20	525.00	1,155.00
04/11/2017	Katherine Forbes	Editing fee affidavit. Call with counsel re: motion material comments.	0.90	525.00	472.50
04/11/2017	Adam Sherman	Email from Fasken re: revised affidavit, motion material. Call with Cassels re: motion materials, Monitor's report, etc. Emails with Richter team. Review/update Monitor's report.	3.50	625.00	2,187.50
04/12/2017	Carol O'Donnell	Amend and finalize fee affidavit. Discussions with K. Forbes.	1.60	250.00	400.00
04/12/2017	Warren Levine	Review preliminary weekly monitoring report.	1.00	550.00	550.00
04/12/2017	Warren Levine	Update call with K. Lane and I. Fortino (CIBC).	0.50	550.00	275.00
04/12/2017	Warren Levine	Prepare updated receipts / covenant analysis to assess the Company's ability to meet the receipt covenants in the coming weeks. Review analysis with G. Benchaya and Company.	3.00	550.00	1,650.00
04/12/2017	Warren Levine	Circulate analysis to PwC and follow-up discussion with PwC to walk through analysis.	1.00	550.00	550.00
04/12/2017	Warren Levine	Preparation of a weekly schedule of sales and cash receipts (PwC request) vs. forbearance agreement cash flow. Preparing a reconciliation of amounts.	3.00	550.00	1,650.00
04/12/2017	Daniel Dabora	Store continuity analysis and forecasting store closures in F18, F19, F20.	3.00	285.00	855.00
04/12/2017	Daniel Dabora	Modelling store openings for BW banner in F19, and updating financial results.	3.00	285.00	855.00
04/12/2017	Daniel Dabora	E-Commerce trending analysis 2015-2017, and modelling e-commerce for the forecasted period.	3.00	285.00	855.00
04/12/2017	Katherine Forbes	Update call with counsels to Monitor and Company re: covenant relief and approval and vesting order. Review and update to Monitor's report for developments, correspondence with counsel re: same. Updating fee affidavit for comments and follow-up on signature.	3.50	525.00	1,837.50
04/12/2017	Katherine Forbes	Reviewing statements of claim and email to C. O'Donnell re: notices of stay.	0.30	525.00	157.50
04/12/2017	Soazig Bourguine	Format of fee affidavit, review of wording, service lists posted on website and filed with CCAA.	1.00	185.00	185.00
04/12/2017	Gilles Benchaya	Work on business plan model with W. Levine/ D. Dabora. Review cash analysis and receipts covenant shortfall. Preparation of cumulative variance and forecasted receipts for PwC and CIBC.	6.00	625.00	3,750.00
04/12/2017	Adam Sherman	Review/update fee affidavit. Emails from Fasken/Cassels re: employee matters. Emails/discussions with Richter team. Emails from Fasken re: service of motion record. Conference call with Cassels/Fasken re: various matters. Emails with counsel re: Tradex.	3.00	625.00	1,875.00
04/13/2017	Carol O'Donnell	Edit and finalize fee affidavit. Obtain signature, scan and email to K. Forbes.	2.40	250.00	600.00
04/13/2017	Warren Levine	Finalizing a revised sales and receipts analysis/forecast incorporating revised proposed covenant levels.	3.50	550.00	1,925.00
04/13/2017	Warren Levine	Complete weekly monitoring report incorporating rental receipts and disbursements. Obtaining GFI approval and circulating to all parties.	1.50	550.00	825.00
04/13/2017	Warren Levine	Further sales / cash receipts analysis including feedback from Company. Incorporating impact of Easter weekend on sales.	3.00	550.00	1,650.00
04/13/2017	Daniel Dabora	Modelling rental and tailoring operations amongst banners for F18-F20.	3.00	285.00	855.00
04/13/2017	Daniel Dabora	Adjusted EBITDA bridge analysis for F18-F19 and summary table.	3.00	285.00	855.00
04/13/2017	Daniel Dabora	Payroll headcount analysis and drafting SG&A section regarding payroll in business plan update.	2.00	285.00	570.00
04/13/2017	Katherine Forbes	Updating third monitor's report for developments, and counsel's comments. Reviewing Google correspondence and discussing with counsel. Discussion with counsel re: employee matters.	3.00	525.00	1,575.00
04/13/2017	Katherine Forbes	Following up with C. Smith re: creditor inquiries.	0.20	525.00	105.00

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

Details of Time Charges
April 9, 2017 to April 15, 2017

Date	Name	Description	Hours	Rate	Total
04/13/2017	Katherine Forbes	Updating third monitor's report for developments and counsel's comments. Reviewing Google correspondence and discussing with counsel. Discussion with counsel re: employee matters. Update call with counsels to Company/Monitor.	0.50	525.00	262.50
04/13/2017	Gilles Benchaya	Work on detailed model including sales assumptions by banner by month, preparation of GM driver schedule based on monthly merchandise plan/incorporating sensitivity adjustments. Call with CIBC re: receipts covenant cap increase. Follow-up and preparation of schedule for PwC.	6.50	625.00	4,062.50
04/13/2017	Gilles Benchaya	Update call with J. Dietrich & K. Forbes re: APA approval, monitor's report, covenant issue. Follow-up re: unsecured liabilities. Call with R. Ghosh re: rental revenue, DC cost breakout, reallocation to GM. Update receipts analysis. Review weekly monitoring.	2.00	625.00	1,250.00
04/13/2017	Adam Sherman	Conference call with Cassels/Fasken. Emails from Davies/Cassels re: supplier agreements. Call with Cassels re: various matters. Emails from Cassels/Fasken re: employee matters, Tradex, etc. Emails/discussions with Richter team. Review weekly monitoring.	3.50	625.00	2,187.50
04/14/2017	Warren Levine	Call with PwC to review revised sales/receipts analysis.	1.00	550.00	550.00
04/14/2017	Warren Levine	Update court CF variance report through April 8th, and corresponding update commentary in monitor's report.	1.00	550.00	550.00
04/14/2017	Warren Levine	Review CF model, assumptions and preliminary output schedules with G. Benchaya and D. Dabora..	1.50	550.00	825.00
04/14/2017	Warren Levine	Assistance in drafting business plan report with G. Benchaya and D. Dabora.	1.50	550.00	825.00
04/14/2017	Warren Levine	Additional work on CF model incorporating updated assumptions.	1.50	550.00	825.00
04/14/2017	Daniel Dabora	Monthly P&L analysis for Feb/17 to Apr/18.	2.50	285.00	712.50
04/14/2017	Daniel Dabora	Non-recurring expense analysis (restructuring professional fees, bonus, write-off of Jones intercompany receivable).	3.00	285.00	855.00
04/14/2017	Daniel Dabora	4-wall EBITDA analysis and integrating results into rent concession calculation.	2.50	285.00	712.50
04/14/2017	Adam Sherman	Emails with Richter team. Review/revise Monitor's report (including review of supporting documentation).	2.00	625.00	1,250.00
04/14/2017	Gilles Benchaya	Work on 3-year model, including occupancy, rent concessions, direct store labor and advertising trending, payroll run rate, GM analysis, and balance sheet assumptions.	8.00	625.00	5,000.00
04/15/2017	Katherine Forbes	Updating third monitor's report for updated variance report and analysis, and circulating to counsel for comments.	0.80	525.00	420.00
04/15/2017	Adam Sherman	Emails with Richter team. Review/revise Monitor's report (including review of supporting documentation).	2.00	625.00	1,250.00
			159.10		76,264.50

April 28, 2017



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 #20401873

To: Our professional services as Monitor for the period April 16 to 22, 2017.

Time Charges (per attached summary)	\$79,220.00
Disbursements (see Cassels invoice attached)	<u>20,666.01</u>
	99,886.01
HST #885435842 RT0001	<u>12,985.18</u>
Total	<u>\$112,871.19</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	41.50	\$625	\$25,937.50
Adam Sherman, Partner	13.00	625	8,125.00
Phil Nadler, Partner	0.30	600	180.00
Warren Levine, VP	42.00	550	23,100.00
Katherine Forbes, VP	13.30	525	6,982.50
Daniel Dabora, Financial Analyst	49.50	285	14,107.50
Anthony Colonna, Financial Analyst	1.00	285	285.00
Administration & Finance	2.40		502.50
	<u>163.00</u>		<u>\$79,220.00</u>

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

Details of Time Charges
April 16, 2017 to April 22, 2017

Date	Name	Description	Hours	Rate	Total
04/16/2017	Warren Levine	Review updated Monitor's report.	0.50	550.00	275.00
04/16/2017	Warren Levine	Continued work on CF model and related slides in business plan report. Review with G. Benchaya and incorporate updated assumptions.	3.00	550.00	1,650.00
04/16/2017	Warren Levine	Assistance in drafting business plan report with G. Benchaya and D. Dabora.	2.00	550.00	1,100.00
04/16/2017	Daniel Dabora	Revising the business plan update with W. Levine and G. Benchaya, assisting in drafting report.	4.00	285.00	1,140.00
04/16/2017	Daniel Dabora	Modelling SG&A expenses and integrating same into forecasted results for F18-F20.	3.00	285.00	855.00
04/16/2017	Katherine Forbes	Updating third monitor's report for comments from Richter team, counsel, and Company counsel. Circulating to lenders' counsel for review and comment.	1.70	525.00	892.50
04/16/2017	Gilles Benchaya	Work on detailed deck supporting three-year model, including numerous revisions/updates based on feedback from management.	5.00	625.00	3,125.00
04/16/2017	Adam Sherman	Emails from Cassels/Fasken re: comments on Monitor's report. Emails with Richter team.	0.50	625.00	312.50
04/17/2017	Warren Levine	Review of preliminary March financials, and call with R. Ghosh to review.	1.00	550.00	550.00
04/17/2017	Warren Levine	Receipt of updated March financial statements and incorporate into business plan model and CF.	2.50	550.00	1,375.00
04/17/2017	Warren Levine	Analysis of March rent and comparison of rent in model vs. reported results. Preparation of a store-by-store comparison and call with management to review and reconcile.	2.50	550.00	1,375.00
04/17/2017	Warren Levine	Review of weekly business update from Company.	1.00	550.00	550.00
04/17/2017	Warren Levine	CF model updates for prior week results and impact of Easter holiday.	1.50	550.00	825.00
04/17/2017	Daniel Dabora	Revising the business plan update with W. Levine and G. Benchaya (key plan assumptions, revising to Dec'16 Plan).	3.00	285.00	855.00
04/17/2017	Daniel Dabora	Gross profit analysis and reconciliation.	3.00	285.00	855.00
04/17/2017	Daniel Dabora	Detailed financial results analysis and detailed SG&A analysis.	3.00	285.00	855.00
04/17/2017	Katherine Forbes	Finalizing third monitor's report, including incorporating final comments from Richter and monitor's counsel, updating for recent developments in advance of sale approval hearing, arrangements reached with lenders re: financial covenants.	5.00	525.00	2,625.00
04/17/2017	Katherine Forbes	Review correspondence from CIBC and GSO counsels re: third monitor's report language, financial covenants relief. Responding to former employee email.	0.50	525.00	262.50
04/17/2017	Soazig Bourgine	Stay of Proceedings, email to K. Forbes re: Stay of Proceedings.	0.70	185.00	129.50
04/17/2017	Soazig Bourgine	Motion posted on website and emailed to CCAA.	0.30	185.00	55.50
04/17/2017	Gilles Benchaya	Review monitor's third report. Discussion with Cassels re: covenant default disclosure under various scenarios. Discussion with counsel re: Google account suspension and options to reinstate. Call with CIBC to discuss covenant waiver.	4.50	625.00	2,812.50
04/17/2017	Gilles Benchaya	Update call with CIBC re: info related to covenant breach. Further review of monitor's report. Review of revised covenant schedule provided by CIBC. Call with Rajib re: cash receipts to date vs. covenant and updated cashflow. Work on updated business plan.	3.00	625.00	1,875.00
04/17/2017	Adam Sherman	Email from Fasken re: Google. Emails from Fasken, Davies, Norton Rose re: Monitor's report. Finalize, sign Monitor's report, including emails/calls with Cassels re: same. Emails/discussions with Richter team. Emails with Cassels/Fasken re: McAllister Place.	4.50	625.00	2,812.50
04/18/2017	Warren Levine	Discussion with R. Ghosh and M. Sun re: March rent reconciliation.	1.00	550.00	550.00
04/18/2017	Warren Levine	Analysis of Capex details as per schedule provided by management.	1.00	550.00	550.00
04/18/2017	Warren Levine	Review of weekly funding request / BBC and sales tax calculation. Discussion with R. Ghosh.	1.00	550.00	550.00
04/18/2017	Warren Levine	Prepare forecasted opening Balance Sheet, and a rolling monthly Balance Sheet for F2018.	2.50	550.00	1,375.00
04/18/2017	Warren Levine	Drafting of business plan report with G. Benchaya and D. Dabora. Circulate draft to Company.	2.50	550.00	1,375.00
04/18/2017	Daniel Dabora	Drafting and revising the business plan update for Apr'17 with W. Levine and G. Benchaya.	3.00	285.00	855.00
04/18/2017	Daniel Dabora	CIBC availability and revolver balance analysis.	1.00	285.00	285.00
04/18/2017	Daniel Dabora	Restructuring professional fees analysis and forecasting. Integrating amounts into cashflow and P&L.	2.00	285.00	570.00
04/18/2017	Daniel Dabora	Preparing and reviewing the exhibits for Apr'17 business plan update.	2.50	285.00	712.50
04/18/2017	Katherine Forbes	Correspondence with Richter/Cassels re: cure costs. Follow-up re: creditor inquiries. Call with M. Alexandru re: employee terminations. Correspondence with R. Ghosh re: SPS Commerce.	1.00	525.00	525.00
04/18/2017	Katherine Forbes	Conference call with Monitor's counsel, Purchaser counsel, Company counsel re: Tradex, approval and vesting order, assumed contracts, etc.	1.30	525.00	682.50
04/18/2017	Soazig Bourgine	Third Report of the Monitor posted on website and emailed to CCAA.	0.20	185.00	37.00
04/18/2017	Gilles Benchaya	Discussion with counsel re: monetary cures on leases. Call with M. Sun to discuss arrears on leases and follow-up with R. Ghosh to quantify landlord adjustments. Review Tradex filing for Court. Call with counsel re: approval and vesting order language.	4.00	625.00	2,500.00
04/18/2017	Gilles Benchaya	Review rent comparison for March and discussion with M. Sun and R. Ghosh re: application of rent concessions and tie in to updated plan. Work on updated plan including balance sheet assumptions, capex details, trade support assumptions non-trade payables, etc.	3.00	625.00	1,875.00
04/18/2017	Gilles Benchaya	Business update call with GSO.	1.00	625.00	625.00
04/18/2017	Adam Sherman	Emails/calls with Cassels re: form of lease/contract assignment, including emails from Davies re: same. Emails/discussions with Richter team. Emails from G. Meiklejohn re: opposition to Transaction. Email from Fasken re: revised vesting order.	2.50	625.00	1,562.50
04/19/2017	Carol O'Donnell	Verify bank reconciliation for March 31, 2017.	0.10	250.00	25.00
04/19/2017	Warren Levine	Discussion with M. Sun, C. Mendes to review key working capital items.	1.00	550.00	550.00
04/19/2017	Warren Levine	Call with L. Itkoff, M. Sun, C. Mendes, F. Tworecke to review business plan and CF.	1.50	550.00	825.00
04/19/2017	Warren Levine	Review of weekly monitoring report. Correspondence with A. Colonna.	1.00	550.00	550.00
04/19/2017	Warren Levine	Further review of weekly monitoring. Incorporate rental receipts/disbursements.	1.00	550.00	550.00
04/19/2017	Warren Levine	Incorporate changes to CF and business plan models based on discussions with Company. Update wording in report for changes.	2.00	550.00	1,100.00
04/19/2017	Daniel Dabora	Call with Company CEO & CFO to revise the business plan and key assumptions.	2.00	285.00	570.00

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

Details of Time Charges
April 16, 2017 to April 22, 2017

Date	Name	Description	Hours	Rate	Total
04/19/2017	Daniel Dabora	Reviewing the business plan for F18-F20 and drafting report with G. Benchaya and W. Levine.	3.00	285.00	855.00
04/19/2017	Daniel Dabora	Gross profit bridge analysis F15-F20.	2.00	285.00	570.00
04/19/2017	Daniel Dabora	Rent concession analysis for 93 executed amendments.	2.00	285.00	570.00
04/19/2017	Katherine Forbes	Correspondence re: Google account, sales taxes in escrow. Review of Company response to Tradex argument.	0.50	525.00	262.50
04/19/2017	Gilles Benchaya	Review borrowing base request. Update on weekly cash receipts. Review GFI consent form and assignment language. Discussion with counsel re: McAllister lease indemnity.	4.00	625.00	2,500.00
04/19/2017	Gilles Benchaya	Work on revised deck including write-up on variances to previous plan, detailed P&L assumptions and trending analysis for payroll, SG&A sales trending by division, etc.	3.00	625.00	1,875.00
04/19/2017	Gilles Benchaya	Call with M. Sun and L. Itkoff to review working draft of plan and discuss underlying assumptions and required changes.	1.00	625.00	625.00
04/19/2017	Adam Sherman	Review revised vesting order/response to Tradex, including emails with Cassels on same. Emails with Cassels re: McAllister lease, form of lease/contract assignment, etc. Emails/discussions with Richter team.	2.00	625.00	1,250.00
04/20/2017	Carol O'Donnell	Prepare wire transfer.	0.50	250.00	125.00
04/20/2017	Anthony Colonna	Cash flow monitoring for the week ended April 15, 2017.	1.00	285.00	285.00
04/20/2017	Warren Levine	Call with management to review updated plan and discuss further refinements.	1.50	550.00	825.00
04/20/2017	Warren Levine	Detailed review of business plan report and update for identified issues.	1.50	550.00	825.00
04/20/2017	Warren Levine	Finalize the weekly monitoring report. Send to M. Sun for approval and then circulate final approved report to all parties.	1.00	550.00	550.00
04/20/2017	Warren Levine	Continued work on forecasted Balance Sheet and Income Statements, including adjustments to interest expense and corporate tax instalments.	2.00	550.00	1,100.00
04/20/2017	Daniel Dabora	Working on the Cash Flow slides for the April Business Plan Update for F18-F20 with W. Levine and G. Benchaya.	3.00	285.00	855.00
04/20/2017	Daniel Dabora	Revising the P&L model summaries for the April/17 business plan update for F18-F20.	2.00	285.00	570.00
04/20/2017	Daniel Dabora	Payroll/headcount analysis F15-F20 including capitalized payroll and payroll run rate assumptions comparison to actual expense.	3.00	285.00	855.00
04/20/2017	Katherine Forbes	Attendance at Court for sale approval hearing.	3.00	525.00	1,575.00
04/20/2017	Katherine Forbes	Correspondence with M. Sun, G. Benchaya re: Oberfeld agreement.	0.30	525.00	157.50
04/20/2017	Soazig Bourguine	Service List and E-Service List posted on website and emailed to CCAA (OSB).	0.30	185.00	55.50
04/20/2017	Gilles Benchaya	Analysis of SG&A payroll by category and new positions/vacant position, capitalized payroll cost analysis. Review of Fasken response to Tradex claim. Call J. Dietrich re: Tradex.	4.50	625.00	2,812.50
04/20/2017	Gilles Benchaya	Review key working capital rolls and discussion M. Sun and L. Itkoff re: underlying assumptions for rolls.	3.00	625.00	1,875.00
04/20/2017	Phil Nadler	Discussion with G. Benchaya and W. Levine re: allocation of purchase price.	0.30	600.00	180.00
04/20/2017	Adam Sherman	Emails with Cassels re: Court attendance. Email from Fasken re: final form of sale approval order. Attendance at Court re: sale approval, including discussions with counsel in attendance. Emails/discussions with Richter team. Review weekly monitoring.	3.00	625.00	1,875.00
04/21/2017	Carol O'Donnell	Redo wire transfer, enter, scan and save.	0.30	250.00	75.00
04/21/2017	Warren Levine	Review daily sales reports and comp sales trending vs. business plan assumptions.	1.00	550.00	550.00
04/21/2017	Warren Levine	Coordinate and send wire transfer to GFI for reimbursement of sales taxes.	0.50	550.00	275.00
04/21/2017	Warren Levine	Adjustments to monthly Balance Sheet forecast.	1.50	550.00	825.00
04/21/2017	Warren Levine	Work with G. Benchaya and D. Dabora re: updates to business plan report based on our review and discussion with management.	2.00	550.00	1,100.00
04/21/2017	Warren Levine	Complete updated draft of business plan report and circulate to GSO for their review.	2.50	550.00	1,375.00
04/21/2017	Daniel Dabora	Modelling 4 new TTT and 2 new BW banner stores opening in Sep/19.	2.00	285.00	570.00
04/21/2017	Daniel Dabora	Capex analysis for April 2017 business plan update for F18-F20.	2.00	285.00	570.00
04/21/2017	Daniel Dabora	Updating occupancy costs for Apr, 2017 & updating model for Mar/17 actuals.	2.00	285.00	570.00
04/21/2017	Daniel Dabora	Financial results by banner analysis for TTT and BW for F18-F20.	2.00	285.00	570.00
04/21/2017	Gilles Benchaya	Review of HST accrual and funding request. Review closing agenda. Review detailed capex analysis provided by Company. Work on detailed model and PowerPoint. Review of monitoring report. Work on updated balance sheet and preliminary purchase price allocation. Call with management to review balance sheet and final adjustments to business plan prior to release to GSO.	5.50	625.00	3,437.50
04/21/2017	Adam Sherman	Review, revise stay notice re: Tradex. Emails/discussions with Richter team. Review GFI summary of known landlord year-end adjustments.	0.50	625.00	312.50
			163.00		79,220.00

May 5, 2017



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 #20401908

To: Our professional services as Monitor for the period April 23 to 29, 2017.

Time Charges (per attached summary)	\$40,668.75
HST #885435842 RT0001	<u>5,286.94</u>
Total	<u>\$45,955.69</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	3.20	625	2,000.00
Stephane Marcassa, Partner	0.60	600	360.00
Warren Levine, VP	24.00	550	13,200.00
Katherine Forbes, VP	5.30	525	2,782.50
Caleigh Smith, Associate	0.75	350	262.50
Daniel Dabora, Financial Analyst	28.50	285	8,122.50
Anthony Colonna, Financial Analyst	1.75	285	498.75
Administration & Finance	1.40		317.50
	<u>86.50</u>		<u>\$40,668.75</u>

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

Details of Time Charges
April 23, 2017 to April 29, 2017

Date	Name	Description	Hours	Rate	Total
04/11/2017	Warren Levine	Correspondence with PwC re: questions on recent sales/GM performance.	0.50	550.00	275.00
04/20/2017	Stephane Marcassa	Discussion with G. Benchaya on GST issue and review of documents re: GST assessment and corporate refund; options to recover the ITC being disallowed.	0.60	600.00	360.00
04/24/2017	Warren Levine	Coordinating conference call with GSO/GFI for Tuesday.	0.20	550.00	110.00
04/24/2017	Warren Levine	Review of GFI weekly update. Forward copy to PwC.	0.50	550.00	275.00
04/24/2017	Warren Levine	Provide A. Colonna with backup schedules to weekly monitoring. Discuss changes for coming week.	0.50	550.00	275.00
04/24/2017	Warren Levine	Analysis of liquidation sales/margins in business plan model and compare with YTD reported results.	1.00	550.00	550.00
04/24/2017	Warren Levine	Update analysis of cash receipts vs. covenant for prior week.	0.50	550.00	275.00
04/24/2017	Warren Levine	Analysis of FF&E proceeds from store liquidations. Respond to J. Dietrich email.	1.00	550.00	550.00
04/24/2017	Warren Levine	Further work on forecasted Balance Sheets for F18 and F19. Adjust opening balance allocation.	3.00	550.00	1,650.00
04/24/2017	Daniel Dabora	Rent concession calculation between model and lease amendment summary prepared.	3.00	285.00	855.00
04/24/2017	Daniel Dabora	Rent concessions/amendment details, tie-in to model.	3.00	285.00	855.00
04/24/2017	Daniel Dabora	Call with Company to review key assumptions and update the business plan.	2.00	285.00	570.00
04/24/2017	Gilles Benchaya	Review detailed business plan and preparation of notes for call with GSO. Updated schedule of payments for Jones. Review of supplier agreement re: Peerless. Update on prior week cashflow and reconciliation to plan.	5.50	625.00	3,437.50
04/25/2017	Warren Levine	Call with GSO / Company to review business plan model. Follow-up call with management.	1.50	550.00	825.00
04/25/2017	Warren Levine	Updates to business plan report based on discussion with management.	3.00	550.00	1,650.00
04/25/2017	Warren Levine	Review of BBC and weekly funding request.	0.50	550.00	275.00
04/25/2017	Warren Levine	Correspondence with PwC on deliverables.	0.50	550.00	275.00
04/25/2017	Daniel Dabora	Revising financial P&L model for F18-F20 with W. Levine and G. Benchaya for updated GM and sales assumption.	3.00	285.00	855.00
04/25/2017	Daniel Dabora	Opening Balance Sheet analysis and goodwill calculation.	3.00	285.00	855.00
04/25/2017	Daniel Dabora	Analysis of CAPEX, professional fees, e-Commerce, and exhibits for business plan report.	2.00	285.00	570.00
04/25/2017	Katherine Forbes	Call with Jaytex counsel. Review of and correspondence with Company re: payments requiring lender approval. Review of correspondence re: Assumed Contracts. Correspondence with counsel to Bell Canada.	1.00	525.00	525.00
04/25/2017	Katherine Forbes	Detailed invoicing activities. Return vendor call re: Assumed Contract.	0.60	525.00	315.00
04/25/2017	Gilles Benchaya	Call with M. Sun re: preparation for GSO call. Update on weekly monitoring and cash receipts. Discussion with J. Dietrich re: status of APA approval. Review borrowing requests. Update on liquidation sales and margin in advance of call, including reconciliation to plan.	3.50	625.00	2,187.50
04/25/2017	Gilles Benchaya	Update on review of lease amendments and tie into plan. Call with GSO to review detailed plan. Follow-up call with M. Sun and L. Itkoff re: GSO call. Review consent agreement re: Apex.	3.00	625.00	1,875.00
04/25/2017	Adam Sherman	Emails from and call with Cassels re: lease/contract assignments, 44 Apex Rd. lease and other matters. Emails from/to McLean&Kerr re: landlord access. Emails/discussions with Richter team re: stay notices, etc.	1.00	625.00	625.00
04/26/2017	Warren Levine	Review weekly monitoring report.	1.50	550.00	825.00
04/26/2017	Warren Levine	Discussion with M. Sun, L. Itkoff re: May/June sales trending. Based on discussion, updating model to reflect lower sales comps.	1.50	550.00	825.00
04/26/2017	Warren Levine	Update business plan report/tables to reflect May/June sales comps changes. Circulate a revised copy to management.	1.50	550.00	825.00
04/26/2017	Warren Levine	Correspondence to/from Company and counsel on various matters.	0.50	550.00	275.00
04/26/2017	Warren Levine	Discussion with R. Ghosh re: sales tax.	0.50	550.00	275.00
04/26/2017	Warren Levine	Finalize business plan report and circulate to all parties.	1.00	550.00	550.00
04/26/2017	Daniel Dabora	Editing, formatting, finalizing final report to send to CIBC and PwC.	3.00	285.00	855.00
04/26/2017	Daniel Dabora	Drafting cash flow slides with W. Levine and G. Benchaya (including key assumptions, availability/revolver graphs).	3.00	285.00	855.00
04/26/2017	Daniel Dabora	Monthly P&L analysis for F2018 including corporate taxes, interest, and amortization.	2.00	285.00	570.00
04/26/2017	Katherine Forbes	Review correspondence from counsel to landlords re: lease cure costs and assignment agreements. Correspondence re: lender-approved payments.	1.00	525.00	525.00
04/26/2017	Katherine Forbes	Detailed invoicing activities.	0.20	525.00	105.00
04/26/2017	Soazig Bourguine	Review of Stay of Proceedings, registered mailing form.	0.50	185.00	92.50
04/26/2017	Gilles Benchaya	Update on sales and margin trending and review of additional changes to plan based on discussion with M. Sun and L. Itkoff. Review final changes prior to submission to CIBC.	4.50	625.00	2,812.50
04/26/2017	Adam Sherman	Finalize/sign stay notices re: Tradex and Gocky claims. Emails/discussions with Richter team.	0.50	625.00	312.50
04/27/2017	Anthony Colonna	Performed weekly cash flow monitoring.	1.75	285.00	498.75
04/27/2017	Warren Levine	Finalize weekly monitoring, obtain management sign off and circulate to all parties.	1.50	550.00	825.00
04/27/2017	Warren Levine	Update current week cash receipts analysis and compare against revised covenant schedule.	1.00	550.00	550.00
04/27/2017	Daniel Dabora	4-wall EBITDA analysis for F18-F19 and closing stores assessment.	3.00	285.00	855.00
04/27/2017	Katherine Forbes	Review of and correspondence with Company and purchaser's counsel re: supplier liabilities and vendor agreements. Follow-up re: employee inquiry.	0.50	525.00	262.50
04/27/2017	Gilles Benchaya	Review BBC and tie in to updated cash receipts. Review updated tracker on supplier agreements. Update on draft consent to assign and landlord status on consents.	2.50	625.00	1,562.50
04/27/2017	Adam Sherman	Review/approve bank rec. (re: HST trust funds) for April 2017. Email from Cassels re: landlord/supplier consents. Call with J. Dietrich. Review weekly monitoring.	1.20	625.00	750.00
04/28/2017	Carol O'Donnell	Prepare wire transfer to Company, obtain approvals for wire. Update Ascend, scan and save. Verify bank for confirmation of wire. Email to W. Levine. Enter wire transfer received from Company, scan and save.	0.90	250.00	225.00
04/28/2017	Warren Levine	Call with PwC to walk them through Company forecast models.	1.00	550.00	550.00
04/28/2017	Warren Levine	Assist in coordinating a conference call for next week with PwC, Company, Richter.	0.30	550.00	165.00
04/28/2017	Warren Levine	Update analysis of weekly cash receipts vs. covenant.	0.50	550.00	275.00
04/28/2017	Warren Levine	Follow-up with Company on PwC requests (March financials, other).	0.50	550.00	275.00
04/28/2017	Daniel Dabora	Call with PwC to review model with W. Levine, post-call review.	1.50	285.00	427.50
04/28/2017	Katherine Forbes	Review of and correspondence with Company and purchaser's counsel re: lease assignment consents. Telephone call with counsel to Westbank re: Marine Way Market store and follow-up with Company. Follow-up with counsel to Bell Canada re: assignment.	1.30	525.00	682.50
04/28/2017	Katherine Forbes	Correspondence with R. Ghosh re: March 2017 AP reconciliation and reporting to lenders. Follow-up with S. Mack re: employee inquiry.	0.70	525.00	367.50
04/28/2017	Gilles Benchaya	Status of sales taxes and release of payment from escrow. Update on FF&E funds and discussion J. Dietrich re treatment of same.	2.00	625.00	1,250.00
04/28/2017	Adam Sherman	Calls/emails with P. Barrett of RioCan re: Charlottetown Mall disclaimer.	0.50	625.00	312.50
04/28/2017	Caleigh Smith	Response to creditor inquiries.	0.75	350.00	262.50
			86.50		40,668.75

May 17, 2017



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 #20401935

To: Our professional services as Monitor for the period April 30 to May 6, 2017.

Time Charges (per attached summary)	\$25,558.50
Disbursements (see Cassels invoice attached)	<u>13,159.93</u>
	38,718.43
HST #885435842 RT0001	<u>5,033.40</u>
Total	<u>\$43,751.83</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	2.80	625	1,750.00
Warren Levine, VP	19.80	550	10,890.00
Katherine Forbes, VP	6.20	525	3,255.00
Daniel Dabora, Financial Analyst	2.83	285	807.50
Anthony Colonna, Financial Analyst	2.00	285	570.00
Administration & Finance	0.80		161.00
	<u>47.43</u>		<u>\$25,558.50</u>

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

Details of Time Charges
April 30, 2017 to May 6, 2017

Date	Name	Description	Hours	Rate	Total
05/01/2017	Carol O'Donnell	Verify bank for wire transfer at RBC, discussion with W. Levine re: transfer received in wrong account.	0.20	250.00	50.00
05/01/2017	Warren Levine	Call with PwC/Company/CIBC to review business plan and underlying assumptions.	1.00	550.00	550.00
05/01/2017	Warren Levine	Review info request from PwC and discuss with G. Benchaya and Company.	1.00	550.00	550.00
05/01/2017	Warren Levine	Various correspondence with PwC regarding questions and info requests.	1.50	550.00	825.00
05/01/2017	Daniel Dabora	Various correspondence with PwC and lender regarding questions concerning the underlying assumptions of the updated business plan.	1.50	285.00	427.50
05/01/2017	Daniel Dabora	Various correspondence with PwC regarding info requests and review of financial model supporting the updated business plan.	1.33	285.00	380.00
05/01/2017	Katherine Forbes	Call with landlord to Corner Book Plaza store, and correspondence with purchaser's counsel. Correspondence with Company and purchaser's counsel re: Bell Canada. Correspondence re: City of Calgary, license agreements.	1.30	525.00	682.50
05/01/2017	Soazig Bourguine	Canada Post delivery confirmation for Stay of Proceedings (Tradex & E. Gocky).	0.30	185.00	55.50
05/01/2017	Gilles Benchaya	Call with Management to discuss PwC info request. Review source info for model. Call with J. Dietrich to discuss PwC engagement and next steps. Follow-up call with M. Sun to discuss IT requirements for info request.	2.50	625.00	1,562.50
05/01/2017	Gilles Benchaya	Update J. Dietrich re: Daniel Hechter contract amendments. Update Brian Dabano (Sports Industry Credit Assoc) on timing and transaction closing. Status of supplier liabilities assumed by purchaser from M. Sun. Review updated sales/receipts analysis for lenders.	2.00	625.00	1,250.00
05/01/2017	Adam Sherman	Email with J. Dietrich/Richter team re: assumed supplier liabilities, sale closing date and other matters.	0.50	625.00	312.50
05/02/2017	Warren Levine	Call with PwC/Company (M. Sun, IT director) to discuss availability of system data.	1.00	550.00	550.00
05/02/2017	Warren Levine	Discuss with R. Ghosh request from PwC for store level data. Reviewed info received from R. Ghosh and then forwarded to PwC.	1.00	550.00	550.00
05/02/2017	Warren Levine	Review of Justice Pattillo reasons re: approval and vesting order.	0.50	550.00	275.00
05/02/2017	Warren Levine	Updates to cash flow model (update for prior week results, professional fees and other).	0.50	550.00	275.00
05/02/2017	Warren Levine	Draft email to PwC detailing the key elements of the forecast model.	0.80	550.00	440.00
05/02/2017	Warren Levine	Review preliminary weekly monitoring analysis and assist in reconciling.	0.50	550.00	275.00
05/02/2017	Warren Levine	Update analysis of projected cash receipts vs. covenant levels. Discuss with G. Benchaya.	2.00	550.00	1,100.00
05/02/2017	Katherine Forbes	Review of Pattillo decision; correspondence with counsel to Tradex on same. Follow-up on consents to assignment. Creditor inquiries.	1.30	525.00	682.50
05/02/2017	Gilles Benchaya	Work on updated cash flow model to reflect potential delay in closing. Review updated overview of changes to supplier liabilities. Review Court order on sale approval and discussion with J. Dietrich. Call with Company and PwC to discuss info request.	3.50	625.00	2,187.50
05/02/2017	Adam Sherman	Email from J. Dietrich re: changes to assumed supplier liabilities. Review decision of Justice Pattillo. Emails from Cassels/Fasken re: Pattillo decision. Discussions with Richter team.	1.00	625.00	625.00
05/03/2017	Warren Levine	Review draft monitoring report. Discuss with A. Colonna.	1.00	550.00	550.00
05/03/2017	Warren Levine	Correspondence with PwC (D. Durant, M. Thomson) re: questions on model, general assumptions, backup schedules to the report.	1.00	550.00	550.00
05/03/2017	Katherine Forbes	Responding to supplier inquiries re: payment and supply agreements. Email to American Express. Review of company correspondence re: landlord consents. Various communications with R. Ghosh, J. Dietrich on various supplier and landlord matters.	2.60	525.00	1,365.00
05/03/2017	Gilles Benchaya	Review updated closing agenda, Monitor acknowledgement, etc. Follow-up with W. Levine re: cash receipts variance vs. covenant and revised receipts levels.	1.50	625.00	937.50
05/03/2017	Adam Sherman	Email from Davies re: closing agenda/draft closing docs.	0.50	625.00	312.50
05/04/2017	Warren Levine	Complete weekly monitoring and work with G. Benchaya on communication re: potential future covenant breach. Obtain approval from management and circulate to all interested parties.	1.50	550.00	825.00
05/04/2017	Warren Levine	Coordinate calls with PwC and GFI management. Follow up with GFI on info requests.	1.00	550.00	550.00
05/04/2017	Warren Levine	Discuss preliminary F/S with R. Ghosh, and follow-up on final version.	0.50	550.00	275.00
05/04/2017	Warren Levine	Call with PwC on misc. questions on model and assumptions.	0.50	550.00	275.00
05/04/2017	Warren Levine	Changes to CF model to update for prior week results and impact of a transaction closing date in June.	1.00	550.00	550.00
05/04/2017	Anthony Colonna	Performed cash flow monitoring for the week ended Apr 29.	2.00	285.00	570.00
05/04/2017	Katherine Forbes	Responding to creditor inquiries, correspondence re: lease consents for APA.	0.50	525.00	262.50
05/04/2017	Soazig Bourguine	Services Lists posted on website and emailed to CCAA (OSB).	0.30	185.00	55.50
05/04/2017	Gilles Benchaya	Review weekly monitoring. Discussion with M. Sun re: covenant breach.	1.00	625.00	625.00
05/04/2017	Adam Sherman	Emails/discussions with Cassels/Richter team re: cash flows/closing, etc. Review weekly monitoring.	0.50	625.00	312.50
05/05/2017	Warren Levine	Call with C. Mendes, D. Durant, M. Thomson to discuss additional PwC requests for information.	1.00	550.00	550.00
05/05/2017	Warren Levine	Review of additional information provided by C. Mendes, and forwarding to PwC.	1.00	550.00	550.00
05/05/2017	Warren Levine	Provide PwC with draft supplier agreement and discussion to explain how it was modeled in the CF.	0.50	550.00	275.00
05/05/2017	Warren Levine	Work on updated cash receipts/covenant analysis.	0.50	550.00	275.00
05/05/2017	Warren Levine	Follow-up with Company/PwC to coordinate calls/info requests.	0.50	550.00	275.00
05/05/2017	Katherine Forbes	Review of correspondence from purchaser's counsel re: Gailwood and the APA, Supplier Liabilities and consents updates.	0.50	525.00	262.50
05/05/2017	Gilles Benchaya	Follow-up on PwC info requests and discussion with M. Sun re: same, including understanding IT limitations and nature of info that can be provided. Discussion with J. Dietrich re: PwC info requests. Review monthly business update (March results) vs. plan.	2.50	625.00	1,562.50
05/05/2017	Adam Sherman	Email from J. Dietrich re: Gailwood shares, Tradex.	0.30	625.00	187.50
			47.43		25,558.50

May 25, 2017



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 #20401955

To: Our professional services as Monitor for the period May 7 to 13, 2017.

Time Charges (per attached summary)	\$30,010.00
Disbursements (see Cassels invoice attached)	<u>8,865.50</u>
	38,875.50
HST #885435842 RT0001	<u>5,053.81</u>
Total	<u>\$43,929.31</u>



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

Summary of Time Charges

	Hours	Rate	Amount
Gilles Benchaya, Partner	10.00	\$625	\$6,250.00
Adam Sherman, Partner	0.80	625	500.00
Warren Levine, VP	28.20	550	15,510.00
Katherine Forbes, VP	4.80	525	2,520.00
Daniel Dabora, Financial Analyst	16.00	285	4,560.00
Anthony Colonna, Financial Analyst	2.00	285	570.00
Administration & Finance	0.40		100.00
	62.20		\$30,010.00

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

Details of Time Charges
May 7 to 13, 2017

Date	Name	Description	Hours	Rate	Total
05/07/2017	Warren Levine	Work on updated cash flow incorporating various changes for delayed closing date.	1.00	550.00	550.00
05/08/2017	Warren Levine	Correspondence with K. Lane (CIBC) re: methodology of revised covenants	0.50	550.00	275.00
05/08/2017	Warren Levine	Review of weekly business update. Follow up discussion with C. Mendes.	0.50	550.00	275.00
05/08/2017	Warren Levine	As requested by CIBC, prepare a disbursements analysis in support of revised covenants.	1.50	550.00	825.00
05/08/2017	Warren Levine	Several calls/emails with PwC regarding additional requests for information, questions on Excel model and backup schedules in Excel.	1.50	550.00	825.00
05/08/2017	Warren Levine	Review of prior week cash receipts. Correspondence with R. Ghosh.	0.50	550.00	275.00
05/08/2017	Warren Levine	Calls / info requests from PwC. Discussion with D. Durant and M. Thomson.	1.00	550.00	550.00
05/08/2017	Gilles Benchaya	Review PwC info request and detailed inventory listing provided. Discussion with C. Mendes on detailed info request. Discussion with W. Levine and review of cash disbursements analysis requested by CIBC. Review weekly business update.	4.00	625.00	2,500.00
05/09/2017	Carol O'Donnell	Prepare deposit, scan and save.	0.20	250.00	50.00
05/09/2017	Warren Levine	Review of Company's weekly cash flow, BBC and funding request. Discussion with R. Ghosh.	1.00	550.00	550.00
05/09/2017	Warren Levine	Complete revised covenant analysis and review with G. Benchaya.	2.50	550.00	1,375.00
05/09/2017	Warren Levine	Update GFI cash flow to reflect delayed closing date and associated impact on vendor terms, sales tax payments, professional fees, etc.	2.00	550.00	1,100.00
05/09/2017	Warren Levine	Review updated covenant levels with R. Ghosh, drafting email, and circulating to CIBC.	1.00	550.00	550.00
05/09/2017	Warren Levine	Coordinating a call with PwC and Company.	0.20	550.00	110.00
05/09/2017	Katherine Forbes	Correspondence with Company, purchaser's counsel re: lease consents, supplier inquiries. Creditor inquiries and correspondence with C. Smith re: same.	0.50	525.00	262.50
05/09/2017	Gilles Benchaya	Preparation and review of revised covenant analysis. Discussion with R. Ghosh re: Gailwood. Call with K. Lane to discuss revised covenants.	1.50	625.00	937.50
05/09/2017	Adam Sherman	Emails/call with J. Dietrich re: Gailwood, updated cash flow, etc. Emails with former employee (K. Keen) re: claim.	0.60	625.00	375.00
05/10/2017	Carol O'Donnell	Prepare deposit for transfer from general trust account. Scan and save.	0.20	250.00	50.00
05/10/2017	Warren Levine	Conference call with PwC and GFI to discuss assumptions in model, questions on info provided and further info requests. Pre-call and post-call with C. Mendes.	1.50	550.00	825.00
05/10/2017	Warren Levine	Numerous brief calls and email correspondence with PwC (D. Durant).	0.50	550.00	275.00
05/10/2017	Warren Levine	Review of draft weekly monitoring report. Discuss with A. Colonna.	1.00	550.00	550.00
05/10/2017	Warren Levine	Obtain weekly rental receipts/disbursements from R. Ghosh and discussion re: same. Update in monitoring report.	0.50	550.00	275.00
05/10/2017	Warren Levine	Meet with A. Geller and D. Dabora to discuss PPA (opening balance sheet).	1.00	550.00	550.00
05/10/2017	Warren Levine	Begin working with D. Dabora re: lease rights calculation and other opening balance sheet items.	1.00	550.00	550.00
05/10/2017	Anthony Colonna	Performed cash flow monitoring for the week ended May 6.	1.00	285.00	285.00
05/10/2017	Katherine Forbes	Discussion of employee matters with S. Mack, calls and emails with various employees and other creditors. Correspondence with C. Smith re: employee inquiries. Correspondence with R. Ghosh re: closing stores.	2.20	525.00	1,155.00
05/10/2017	Gilles Benchaya	Follow up with K. Lane re: status of covenant relief. Discussion with J. Dietrich re: current covenants and status of covenant relief. Review of borrowing base. Update call with K. Lane and I. Fortino (CIBC) re: scope of PwC engagement, information request status.	2.50	625.00	1,562.50
05/10/2017	Adam Sherman	Email from Cassels re: endorsement/orders of Justice Pattillo.	0.20	625.00	125.00
05/11/2017	Warren Levine	Prepare several Excel schedules for PwC based on their request. Work with D. Dabora re: same.	1.50	550.00	825.00
05/11/2017	Warren Levine	Review email from K. Forbes re: landlords year-end reconciliation.	0.50	550.00	275.00
05/11/2017	Warren Levine	Complete weekly monitoring report based on revised covenant levels.	1.00	550.00	550.00
05/11/2017	Warren Levine	Email to GSO re: status of covenant approval from CIBC, arequest for approval re: same.	0.50	550.00	275.00
05/11/2017	Warren Levine	Discussion with CIBC re: status of covenant approval and delivery of monitoring report. Follow-up email back to CIBC confirming our discussion.	0.50	550.00	275.00
05/11/2017	Warren Levine	Discuss with J. Dietrich and G. Benchaya re: timing of weekly monitoring submission and covenant approval.	0.50	550.00	275.00
05/11/2017	Warren Levine	Review email from PwC with D. Dabora, and subsequent call with D. Durant and S. Kerbel to explain variance between 4-wall EBITDA schedule and GFI model.	1.00	550.00	550.00
05/11/2017	Warren Levine	Discussions with G. Benchaya and M. Sun re: updated appraisal and anticipated increase to NOLV. Obtained understanding that Company informed Great American about lease concessions, store closures and improved inventory mix.	0.50	550.00	275.00
05/11/2017	Anthony Colonna	Performed cash flow monitoring for the week ended May 6.	1.00	285.00	285.00
05/11/2017	Daniel Dabora	Calls with W. Levine and PwC regarding the Apr/17 business plan update regarding financial model and supporting schedules.	2.00	285.00	570.00
05/11/2017	Daniel Dabora	Meeting with A. Geller and W. Levine regarding the purchase price allocation engagement upon closing of transaction.	1.00	285.00	285.00
05/11/2017	Daniel Dabora	Communication of supporting schedules (4-wall EBITDA, by-banner analysis, payroll, gross margin, gross margin bridge) for the Apr/17 business plan update.	3.00	285.00	855.00
05/11/2017	Daniel Dabora	Favourable lease rights calculation for the purchase price allocation upon transaction closing.	2.00	285.00	570.00
05/11/2017	Katherine Forbes	Call with collections agency representing Yellow Pages and correspondence with C. O'Donnell re: same. Update discussion with A. Sherman. Call with R. Ghosh and KPMG re: ITCs appeal.	1.30	525.00	682.50
05/11/2017	Gilles Benchaya	Review weekly monitoring. Call with R. Ghosh and KPMG tax advisors on ITCs assessment and objection.	1.50	625.00	937.50
05/12/2017	Warren Levine	Call with C. Mendes to review info requested by PwC and info provided to Great American.	0.50	550.00	275.00
05/12/2017	Warren Levine	Call with PwC (D. Durant) to discuss how combination stores were treated in model. Also discussed items to be included on info request list.	0.50	550.00	275.00
05/12/2017	Warren Levine	Follow up call with CIBC re: status of covenant approval. Subsequent email to inform group of status.	0.50	550.00	275.00
05/12/2017	Warren Levine	Work on PPA including reviewing lease rights schedule with D. Dabora and work on inventory bump-up analysis.	1.00	550.00	550.00
05/12/2017	Warren Levine	Follow up on info requests and agenda from PwC, discuss same with Company.	0.50	550.00	275.00
05/12/2017	Warren Levine	Update CF model for prior week results.	0.50	550.00	275.00
05/12/2017	Daniel Dabora	Lease concession analysis for executed agreements and lease analysis for status quo leases in order to calculate favourable lease rights for the purchase price allocation.	3.00	285.00	855.00
05/12/2017	Daniel Dabora	Meeting with W. Levine and M. Buck to review favourable lease rights calculation, and preparation of necessary adjustments (change of closing date, convert schedule to an after-tax basis).	2.50	285.00	712.50
05/12/2017	Daniel Dabora	Favourable lease rights calculation and preparation of APA support schedule for all 139 go-forward store leases.	2.50	285.00	712.50

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

Details of Time Charges
May 7 to 13, 2017

Date	Name	Description	Hours	Rate	Total
05/12/2017	Katherine Forbes	Telephone call with J. Dietrich re: APA and other matters in connection the CCAA. Responding to creditor inquiries. Correspondence with Company and American Express re: collections calls.	0.80	525.00	420.00
05/12/2017	Gilles Benchaya	Follow up discussion with J. Dietrich re: status of covenant relief and follow-up with CIBC.	0.50	625.00	312.50
			<u>62.20</u>		<u>30,010.00</u>

May 30, 2017



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 #20401970

To: Our professional services as Monitor for the period May 14 to 20, 2017.

Time Charges (per attached summary)	\$24,839.25
HST #885435842 RT0001	<u>3,229.10</u>
Total	<u>\$28,068.35</u>



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

Summary of Time Charges

	Hours	Rate	Amount
Gilles Benchaya, Partner	6.00	\$625	\$3,750.00
Adam Sherman, Partner	0.50	625	312.50
Warren Levine, VP	23.70	550	13,035.00
Katherine Forbes, VP	4.60	525	2,415.00
Alana Geller, VP	3.75	450	1,687.50
Audrey Mercier, VP	0.25	375	93.75
Melissa Buck, Senior Associate	2.00	375	750.00
Daniel Dabora, Financial Analyst	7.00	285	1,995.00
Anthony Colonna, Financial Analyst	2.00	285	570.00
Administration & Finance	1.00		230.50
	50.80		\$24,839.25

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

Details of Time Charges
May 14 to 20, 2017

Date	Name	Description	Hours	Rate	Total
05/11/2017	Alana Geller	Favorable / Unfavorable leases internal planning meeting with W. Levine and D. Dabora.	2.25	450.00	1,012.50
05/12/2017	Audrey Mercier	E-commerce intangible assets.	0.25	375.00	93.75
05/12/2017	Alana Geller	Review inventory bump with M. Buck, research and discussions re: other intangible assets.	1.50	450.00	675.00
05/12/2017	Melissa Buck	Review inventory step up. Discuss with W. Levine. Internal discussions re: situation and projections.	1.00	375.00	375.00
05/15/2017	Warren Levine	Call with CIBC re: approval of proposed covenants and subsequent correspondence to advise interested parties re: approval.	0.50	550.00	275.00
05/15/2017	Warren Levine	Update prior week monitoring report and circulate to all interested parties, with expanded email regarding covenants.	0.80	550.00	440.00
05/15/2017	Warren Levine	Review of GFI weekly business update.	0.50	550.00	275.00
05/15/2017	Warren Levine	Call with G. Benchaya, J. Dietrich re: covenants, process, timeline, request for extension, other.	0.80	550.00	440.00
05/15/2017	Warren Levine	Follow up with GSO re: support for revised covenants. Respond to counsel with update.	0.50	550.00	275.00
05/15/2017	Daniel Dabora	Assessment of lease concessions for the purchase price allocation calculation.	1.50	285.00	427.50
05/15/2017	Daniel Dabora	Communications with PwC team & answering questions regarding the financial model for the Apr/17 business plan.	2.00	285.00	570.00
05/15/2017	Katherine Forbes	Responding to employee inquiries. Follow-up re: website posting of documents. Correspondence with G. Benchaya and Company re: Gailwood. Status update call with counsel.	1.30	525.00	682.50
05/15/2017	Soazig Bourguine	Website posting of Order, Endorsement and Reasons for Judgment.	0.30	185.00	55.50
05/15/2017	Gilles Benchaya	Update on covenant relief from K. Lane at CIBC. Review updated closing agenda. Review revised covenants provided by CIBC. Call J. Dietrich re: status of revised covenants.	1.50	625.00	937.50
05/15/2017	Gilles Benchaya	Call J. Dietrich re: Gailwood status of filings, obligations, etc. Discussion with Oberfeld re: timing of payment of balance of success fee. Review GFI business update.	1.00	625.00	625.00
05/15/2017	Adam Sherman	Emails from Cassels/Fasken re: Gailwood and other matters. Emails with Richter team. Review weekly monitoring.	0.50	625.00	312.50
05/16/2017	Warren Levine	Review of draft BBC, borrowing request, sales tax calculation. Discuss with R. Ghosh.	1.00	550.00	550.00
05/16/2017	Warren Levine	Analysis of daily sales trending. Call with G. Benchaya, M. Sun to discuss recent negative comps.	1.00	550.00	550.00
05/16/2017	Warren Levine	Detailed review of Gordon Brothers liquidation invoices. Follow up email sent to G. Benchaya and R. Ghosh to confirm if sales taxes were charged correctly to GFI. Communicate results to G. Benchaya.	1.00	550.00	825.00
05/16/2017	Warren Levine	Review updated lease rights schedule with D. Dabora.	1.00	550.00	550.00
05/16/2017	Warren Levine	Follow up with C. Mendes on PwC info requests. Reviewed files once received and provided commentary back to C. Mendes.	0.60	550.00	330.00
05/16/2017	Anthony Colonna	Performed cash flow monitoring for the week ended May 13, 2017.	1.00	285.00	285.00
05/16/2017	Katherine Forbes	Call with counsel to discuss status of proceedings and next steps, including relief being sought. Correspondence with R. Ghosh re: pre-filing liabilities. Employee inquiries. Discussions with M. Sun re: Gailwood.	2.00	525.00	1,050.00
05/16/2017	Melissa Buck	Review lease schedule prepared by Richter team.	0.50	375.00	187.50
05/16/2017	Gilles Benchaya	Update discussion with W. Levine on status of PwC requests. Update call with L. Itkoff and M. Sun on sales trending and other operational matters.	1.00	625.00	625.00
05/17/2017	Carol O'Donnell	Verify bank for wire transfer from GFI, update deposit, scan and save.	0.20	250.00	50.00
05/17/2017	Warren Levine	Review draft monitoring report. Discuss with A. Colonna.	1.00	550.00	550.00
05/17/2017	Warren Levine	Meet with M. Buck, D. Dabora to review lease rights calculation and other PPA items.	1.00	550.00	550.00
05/17/2017	Warren Levine	Review and discuss with C. Mendes files prepared to be sent to PwC re: info requests.	1.00	550.00	550.00
05/17/2017	Warren Levine	Various calls/email correspondence with PwC (D. Durant) re: questions on model (combo stores, comp assumptions, 2018 retail calendar).	1.00	550.00	550.00
05/17/2017	Warren Levine	Further discussion with R. Ghosh and T. Williams re: amounts overbilled by Gordon Brothers during liquidation.	0.50	550.00	275.00
05/17/2017	Anthony Colonna	Performed cash flow monitoring for the week ended May 13, 2017.	1.00	285.00	285.00
05/17/2017	Katherine Forbes	Responding to employee inquiries and correspondence with company. Detailed invoicing activities.	1.00	525.00	525.00
05/17/2017	Melissa Buck	Review updated lease schedule with W. Levine.	0.50	375.00	187.50
05/17/2017	Gilles Benchaya	Discussion with W. Levine re: Gordon Brothers liquidation expenses and related fees. Update on ITCs denial re: non-payment of pre-filing claims.	1.00	625.00	625.00
05/18/2017	Carol O'Donnell	Prepare wire transfer, scan and save.	0.50	250.00	125.00
05/18/2017	Warren Levine	Review borrowing request for week. Communicate with R. Ghosh.	0.50	550.00	275.00
05/18/2017	Warren Levine	Discussion with R. Ghosh and G. Benchaya re: sales tax charged by CIBC re: Norton Rose invoice.	0.50	550.00	275.00
05/18/2017	Warren Levine	Finalize weekly monitoring and circulate to all parties.	1.00	550.00	550.00
05/18/2017	Warren Levine	Update cash flow model for prior week results and analyze future week receipts forecast vs. revised covenants.	0.50	550.00	275.00
05/18/2017	Warren Levine	Review GFI cure costs. Discuss with G. Benchaya.	0.50	550.00	275.00
05/18/2017	Katherine Forbes	Correspondence from employees.	0.30	525.00	157.50
05/19/2017	Warren Levine	Pre-meeting with M. Sun, C. Mendes to review deck prior to PwC meeting.	1.00	550.00	550.00
05/19/2017	Warren Levine	Meeting with PwC (M. Pickett, D. Durant, M. Thomson) and Company (L. Itkoff, M. Sun, C. Mendes) to address PwC questions.	5.00	550.00	2,750.00
05/19/2017	Warren Levine	In person meeting with R. Ghosh to review latest cash flow and proposed covenants analysis. Update cash flow based on comments, in particular rent and merchandise disbursements.	2.00	550.00	1,100.00
05/19/2017	Daniel Dabora	Preparation of reconciliation of business plan financial model for PwC & answering questions regarding financial model.	3.50	285.00	997.50
05/19/2017	Gilles Benchaya	Review cure costs. Review weekly monitoring. Prepare financial info for opening B/S re: landlord assignments. Call J. Dietrich re: timing and status of closing.	1.50	625.00	937.50
			50.80		24,839.25

Exhibit "C"

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

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

**AND 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 April 2, 2017 to May 20, 2017

	<u>Hours</u>		<u>Rate</u>		<u>Amount</u>
Adam Sherman, Partner	44.20	\$	625.00	\$	27,625.00
Alana Geller, Vice-president	3.75	\$	450.00	\$	1,687.50
Alex Halpern, Associate	1.75		225.00	\$	393.75
Anthony Colonna, Financial Analyst	9.75		285.00	\$	2,778.75
Audrey Mercier, Vice-president	0.25		375.00	\$	93.75
Caleigh Smith, Associate	0.75		350.00	\$	262.50
Daniel Dabora	195.83		285.00	\$	55,812.50
Gilles Benchaya, Partner	163.50		625.00	\$	102,187.50
Katherine Forbes, Vice-president	65.13		525.00	\$	34,195.00
Melissa Buck	2.00		375.00	\$	750.00
Phil Nadler, Partner	0.60		600.00	\$	360.00
Stephane Marcassa, Partner	0.60		600.00	\$	360.00
Warren Levine, Vice-president	211.20		550.00	\$	116,160.00
Accounting and Administration	15.00				3,470.50
Grand Total	<u>714.32</u>			<u>\$</u>	<u>346,136.75</u>
Average Hourly Amount				<u>\$</u>	<u>484.57</u>

Exhibit "D"

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

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

**AND 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 April 2, 2017 to May 20, 2017**

Advertising	\$	180.70
Parking		5.35
Professional Services - Legal (Cassels Brock & Blackwell LLP)		55,001.27
Conference call		0.90
	\$	<u>55,188.22</u>

TAB F

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

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

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

(the "Applicant")

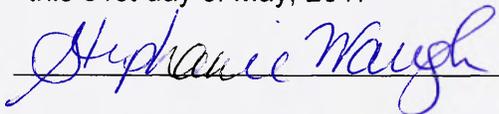
**AFFIDAVIT OF JANE DIETRICH
Sworn May 31, 2017**

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

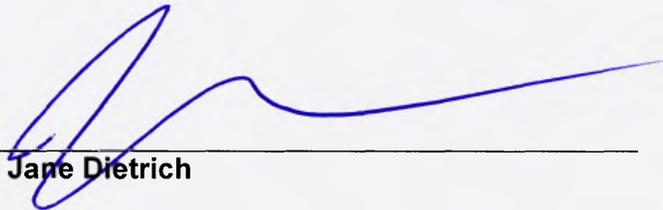
1. I am a Partner in the law firm Cassels Brock & Blackwell LLP ("**Cassels Brock**"), counsel for Richter Advisory Group Inc. ("**Richter**"), in its capacity as the Court-appointed monitor (the "**Monitor**") of the Applicant pursuant to the initial order of Justice Hainey dated January 25, 2017 as amended and restated by order dated January 30, 2017 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 June 6, 2017, seeks approval of certain of the Monitor's and its counsel's fees and disbursements.
3. Between April 1, 2017 and May 22, 2017, Cassels Brock incurred fees and disbursements of \$71,558.14 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 \$553.76.
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 31st day of May, 2017)


_____)

Commissioner for Taking Affidavits, etc.)


_____)

Jane Dietrich

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

This is Exhibit "A" referred to in the Affidavit of
Jane Dietrich sworn before me in the City of Toronto, in
the Province of Ontario this 31st day of May, 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.**



CASSELS BROCK
LAWYERS

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

Date: 04/17/17
Our File #: 047265-00008
Invoice #: 2012143
HST/GST #: R121379572

Re: Grafton-Fraser Inc.

TO PROFESSIONAL SERVICES RENDERED up to and including 04/17/17

Date		Description	Hours
04/03/17	JDI	Review and exchange of email;	0.30
04/04/17	JDI	Email exchange regarding court time; discussion Natasha De Cicco regarding outstanding matters and court timing; discussion with Natalie Renner regarding outstanding matters and upcoming motion; discussion with Adam Sherman regarding upcoming court report; discussion with Gilles Benchaya regarding outstanding matters and upcoming motion;	2.40
04/04/17	SWA	Receive instructions from Jane Dietrich; begin drafting Fee Affidavit;	0.30
04/05/17	JDI	Review of fee affidavit; discussion with Gilles Benchaya regarding upcoming motion and outstanding issues; exchange of messages with Natasha De Cicco regarding amendments;	1.00
04/05/17	SWA	Work on Fee Affidavit;	1.50
04/06/17	JDI	Discussion with Natasha De Cicco and Gilles Benchaya regarding required amendment to schedules; email regarding contract disclaimer issues; discussion with Katherine Forbes; email exchange regarding outstanding issues;	1.30

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
04/07/17	JDI	Email exchange with Katherine Forbes; review of email; review of revised fee affidavit; email exchange regarding court material;	0.50
04/07/17	MS	Drafting fee affidavit and circulation of same.	0.60
04/10/17	JDI	Discussion with Gilles Benchaya; review of affidavit; discussion with Katherine Forbes;	1.40
04/11/17	JDI	Review of notice of motion and provide comments; discussion with Google; follow up email with Katherine Forbes;	0.70
04/12/17	SWA	Receive email from Jane Dietrich; update service lists and forward same to be posted on website;	0.20
04/12/17	MS	Review of court materials for motion regarding approval and vesting orders;	0.60
04/12/17	JDI	Discussion with Gilles Benchaya regarding status; review of draft report and provide comments on same; discussion with Natasha De Cicco regarding outstanding issues; discussion regarding status of report; discussion with Stuart Brotman and Richter regarding timing; discussion with Katherine Forbes and Adam Sherman regarding draft report; discussion with Evan Cobb; review of emails from Tradex' counsel and email exchange regarding same;	2.80
04/13/17	MS	Call with company and monitor regarding motion to approve vesting orders; correspondence re: tradex and approval and vesting order motion.	0.90

Date		Description	Hours
04/13/17	JDI	Review of consent letter, lease assignment agreement and supplier payment agreement and provide comments; discussion regarding status with Faskens and Richter; discussion regarding Tradex emails with Natalie Renner and Stuart Brotman; email exchange regarding report; follow up conversation with Natasha De Cicco regarding employee matters; respond to Tradex' counsel; review of email and respond; review of license agreement and email regarding questions; emails regarding Tradex; review and comment on Google letter; discussion with Gilles Benchaya; exchange of email with Linda Galessiere regarding comments on vesting order;	5.90
04/15/17	MS	Review of Monitor's third report.	0.50
04/15/17	JDI	Exchange of email regarding draft report;	0.30
04/16/17	JDI	Review of report and provide comments on same; exchange of email regarding comments on report.	1.10

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	17.70	595.00	10,531.50
Monique Sassi	2.60	415.00	1,079.00
Stephanie Waugh	2.00	200.00	400.00
			<hr/>
Our Fee			12,010.50
HST on Fees			1,561.37
Total Fees and Tax			<hr/> 13,571.87

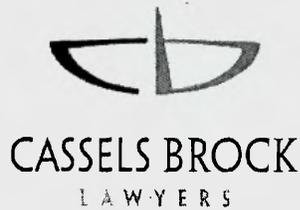
Taxable Disbursements

Copies		296.00	
Telephone		3.33	
Total Taxable Disbursements		<hr/>	299.33
HST on Disbursements		38.91	
Total Tax on Disbursements		<hr/>	38.91
Total Disbursements and Tax			<hr/> 338.24
Total Fees, Disbursements & Tax			<hr/> \$ 13,910.11

This is our account herein
Cassels Brock & Blackwell LLP



Jane Dietrich
E&OE



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

Date: 04/24/17
Our File #: 047265-00008
Invoice #: 2012864
HST/GST #: R121379572

Re: Grafton-Fraser Inc.

TO PROFESSIONAL SERVICES RENDERED up to and including 04/24/17

Date		Description	Hours
04/16/17	MS	Review of correspondence regarding Tradex claim;	1.70
04/16/17	MS	Correspondence with Monitor regarding Third report;	0.60
04/17/17	BGO	Prepare for service of Third Report of the Monitor; serve Third Report of the Monitor; swear Affidavit of Service;	1.60
04/17/17	JDI	Further review and comment on draft report; review of comments on draft report and other changes; emails regarding appendices; various discussions regarding outstanding issues to finalize draft report; work to finalize and serve third report; discussion with Natasha De Cicco regarding license agreement and review of same; email exchange regarding license agreement; discussion regarding outstanding issues with Adam Sherman;	8.10
04/17/17	SWA	Prepare for service of Third Report; draft affidavit of service;	0.50

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
04/18/17	JDI	Review of various contract assignment documents; discussion with Natasha De Cicco; discussion with Adam Sherman; email to Davies; review of email; review of responding motion record; discussion with Davies, Faskens and Richter regarding amendments to approval and vesting order, upcoming motion, contract assignment and related issues; follow up discussion with Gilles Benchaya; discussion with Adam Sherman; review of amended license agreement and provide comments;	4.70
04/19/17	MS	Review of Company's memo of law and providing comments re: same; correspondence regarding court tomorrow and preparation for court tomorrow; correspondence re: service list and undeliverable courier.	1.80
04/19/17	JDI	Review of emails regarding lease/contract consent and assignment documentation and respond same; exchange of email regarding license agreement for temporary space and related APA amendment; exchange of email regarding approval and vesting order amendments; review of GFI memorandum of law and email comments on same; exchange of email regarding service; exchange of email regarding closing issues; email exchange regarding supplier liabilities;	3.80
04/20/17	MS	Preparation for court hearing regarding approval of sale; attending hearing regarding approval of sale; review of draft closing agenda;	5.80
04/20/17	JDI	Preparation for and attend at court regarding sale approval motion; follow up with Gilles Benchaya after motion; review and exchange of email regarding consent / assignments;	5.90

Date		Description	Hours
04/21/17	JDI	Review of emails and discussion with Gilles Benchaya; review and exchange of emails; review of closing agenda; discussion with Natalie Renner; review of APA; discussion with Natasha De Cicco; participate in call regarding lease assignment status; exchange of email regarding approval and vesting order changes;	2.10

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Benjamin Goodis	1.60	370.00	592.00
Jane Dietrich	24.60	595.00	14,637.00
Monique Sassi	9.90	415.00	4,108.50
Stephanie Waugh	0.50	200.00	100.00
			<hr/>
Our Fee			19,437.50
HST on Fees			<hr/> 2,526.88
Total Fees and Tax			<hr/>21,964.38

Taxable Disbursements

Copies		1,042.25	
Binding, Tabs, Disks, etc		125.61	
Telephone		1.77	
Courier Delivery Charges		58.88	
Total Taxable Disbursements		<hr/>	1,228.51
HST on Disbursements		<hr/> 159.71	
Total Tax on Disbursements			159.71
Total Disbursements and Tax			<hr/> 1,388.22
Total Fees, Disbursements & Tax			<hr/><u>\$ 23,352.60</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: 05/08/17
Our File #: 047265-00008
Invoice #: 2013712
HST/GST #: R121379572

Re: Grafton-Fraser Inc.

TO PROFESSIONAL SERVICES RENDERED up to and including 05/08/17

Date		Description	Hours
04/19/17	SWA	Receive email from Dylan Chochla; update service lists and email same to be posted;	0.20
04/24/17	JDI	Review of email regarding contract assignment issues;	0.80
04/25/17	JDI	Review of emails regarding contract assignment; discussion with Katherine Forbes regarding status; discussion with Gilles Benchaya; discussion with Natalie Renner; review of additional email regarding lease issues; review and respond to email regarding liquidation issues;	2.30
04/26/17	JDI	Review of lease information; participate in discussion regarding omnibus consent strategy and form of consent; discussion with Gilles Benchaya and Warren Levine regarding plan; exchange of email regarding documentation;	2.20
04/27/17	JDI	Further email review regarding lease issues; Discussion regarding contract assignment issues; Review of emails regarding contract assignment and license issues;	1.60

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
04/28/17	JDI	Participate in call regarding status of lease assignments; review of emails regarding lease issues and respond; email exchange regarding contract assignments; review of emails regarding supplier liabilities;	2.10
04/29/17	JDI	Review of emails regarding supplier payments;	0.20
05/01/17	JDI	Discussion with Gilles Benchaya and review of email regarding data requests; discussions with Faskens and Davies regarding closing agenda issues; exchange of email regarding supplier liabilities; review of email regarding royalty; review of revised lease documentation; review of emails; discussion with Gilles Benchaya regarding report and outstanding issues; review of additional emails regarding lease and contract assignments;	3.90
05/02/17	MS	Correspondence regarding order regarding Tradex; review of proposed order regarding approval of sale; correspondence regarding Gocky action;	0.90
05/02/17	JDI	Review of emails regarding assignments; review of decision and emails regarding same; exchange of email regarding order;	2.10
05/03/17	MS	Correspondence regarding service list; call with Davies regarding addition to service list;	0.50
05/03/17	SWA	Receive email from Monique Sassi; update service list; forward same to be posted on the website;	0.20
05/03/17	JDI	Participate in call regarding status of assignments; discussion regarding timing; review of emails from Katherine Forbes and follow up regarding same; message to Gilles Benchaya; review of additional emails regarding assignment issues; discussion with Natasha De Cicco; further exchange of email;	2.40
05/04/17	MS	Review of closing documents;	1.20
05/04/17	JDI	Exchange of emails regarding status;	0.30

Date		Description	Hours
05/05/17	JDI	Discussion with Gilles Benchaya; discussion with Natasha De Cicco regarding status; voicemail to Natalie Renner; exchange of emails regarding status; discussion with Natasha De Cicco regarding shares;	1.90

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	19.80	595.00	11,781.00
Monique Sassi	2.60	415.00	1,079.00
Stephanie Waugh	0.40	200.00	80.00
Our Fee			12,940.00
HST on Fees			1,682.20
Total Fees and Tax			14,622.20

Taxable Disbursements

Other	9.99	
Copies	0.50	
Delivery	122.55	
Telephone	1.89	
Agency Fees and Disbursements	85.00	
Total Taxable Disbursements		219.93
HST on Disbursements	28.59	
Total Tax on Disbursements		28.59
Total Disbursements and Tax		248.52
Total Fees, Disbursements & Tax		\$ 14,870.72

This is our account herein
Cassels Brock & Blackwell LLP



Jane Dietrich
E&OE



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

Date: 05/15/17
Our File #: 047265-00008
Invoice #: 2014435
HST/GST #: R121379572

Re: Grafton-Fraser Inc.

TO PROFESSIONAL SERVICES RENDERED up to and including 05/15/17

Date		Description	Hours
05/08/17	JDI	Review of emails regarding contract/lease assignment issues; discussion with Natalie Renner; discussion with Natasha De Cicco; discussion with Gilles Benchaya regarding status and information requests; participate in call with landlord's counsel regarding assignment documentation; exchange of messages with Evan Cobb; review of additional emails regarding contract/lease assignments;	2.50
05/09/17	JDI	Discussion with Evan Cobb; various discussions with GFI counsel regarding form of order and additional issues; review of email and respond to same regarding landlord consents; discussion with Gilles Benchaya regarding status; email exchange regarding amendments schedules; review of emails regarding amendments to APA; voicemail to Adam Sherman;	3.90
05/10/17	JDI	Attend at court regarding approval and vesting order and monitor's approval order; review and comment on lease consent issues; discussion with Gilles Benchaya;	2.50

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
05/11/17	JDI	Review and exchange of email regarding contract assignment, status of forbearance agreements, status of closing issues; discussion with Gilles Benchaya; review of email regarding insurance and outstanding issues;	2.90
05/12/17	JDI	Exchange of email with Katherine Forbes; review of emails regarding status of consents; discussion with Katherine Forbes; follow up with Warren Levine regarding CIBC status; discussion with Natasha De Cicco; discussion with Stuart Brotman; follow up emails; exchange of emails regarding forbearance agreement amendments;	3.10

Time Summary

<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	14.90	595.00	<u>8,865.50</u>
Our Fee			8,865.50
HST on Fees			<u>1,152.52</u>
Total Fees & Tax			<u>\$ 10,018.02</u>

This is our account herein
Cassels Brock & Blackwell LLP


Jane Dietrich
E&OE



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

Date: 05/24/17
Our File #: 047265-00008
Invoice #: 2014954
HST/GST #: R121379572

Re: **Grafton-Fraser Inc.**

TO PROFESSIONAL SERVICES RENDERED up to and including 05/22/17

Date		Description	Hours
05/15/17	JDI	Email exchange regarding credit update; review of landlord emails and respond to same; review of closing documents and provide comments on same; discussion with Gilles Benchaya and Warren Levine regarding status; voicemail to Evan Cobb; discussion with Natasha De Cicco; review and exchange of email;	3.80
05/16/17	JDI	Review and respond to emails; voicemail to Evan Cobb; discussion with Mickey Lungu; discussion with Evan Cobb; review and respond to emails regarding lender comments; exchange of voicemail with Natalie Renner; discussion with Stuart Brotman, Natasha De Cicco, Gilles Benchaya and Katherine Forbes;	1.90
05/16/17	ML	Call with Jane Dietrich; emails with Rebecca Lee regarding dissolution;	0.50
05/16/17	RL	Receiving email from Mickey Lungu; providing comments and information relating to voluntarily dissolution proceeding;	0.30

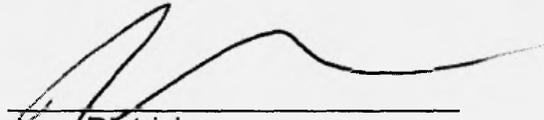
Accounts are due when rendered. Pursuant to the Solicitors' Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 1.30 % per annum until paid.

Date		Description	Hours
05/17/17	JDI	Review of emails and reply regarding certain lease assignment issues; discussion regarding status with Adam Sherman; discussion with Natasha De Cicco; further review of emails regarding status of assignments and agreements;	1.20
05/18/17	MS	Call with GSO, Oberfeld, GFI and legal counsel to discuss various items regarding closing and upcoming motion;	1.30
05/18/17	JDI	Review of update emails; discussion with Monique Sassi regarding status; review of emails regarding comments on lease assignments; discussion with landlord and company counsel regarding assignment provisions; review of additional email regarding status and outstanding issues; participate in call with Davies and Faskens regarding outstanding issues, contract assignments and timing; follow up on contract and lease assignment issues; review of additional comments on assignment form and emails regarding same; email to Richter regarding next motion;	4.00
05/19/17	MS	Correspondence with monitor regarding upcoming motion;	0.30
05/19/17	JDI	Review of emails regarding lease issues; review of addition assignment related emails; discussion with Landlord counsel regarding information requests; further email review;	1.30

Time Summary

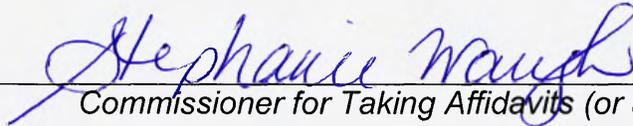
<u>Timekeeper</u>	<u>Hours</u>	<u>Rate</u>	<u>Fees</u>
Jane Dietrich	12.20	595.00	7,259.00
Michael Lungu	0.50	575.00	287.50
Monique Sassi	1.60	415.00	664.00
Rebecca Lee	0.30	380.00	<u>114.00</u>
Our Fee			8,324.50
HST on Fees			<u>1,082.19</u>
Total Fees & Tax			<u>\$ 9,406.69</u>

This is our account herein
Cassels Brock & Blackwell LLP



Jane Dietrich
E&OE

This is Exhibit "B" referred to in the Affidavit of
Jane Dietrich sworn before me in the City of Toronto, in
the Province of Ontario this 31st day of May, 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
2016	Benjamin Goodis	370.00	592.00	1.60
2004	Jane Dietrich	595.00	53074.00	89.20
2009	Michael Lungu	575.00	287.50	0.50
2013	Monique Sassi	415.00	6930.50	16.70
N/A	Rebecca Lee	380.00	114.00	0.30
N/A	Stephanie Waugh	200.00	580.00	2.90

This is Exhibit "C" referred to in the Affidavit of
Jane Dietrich sworn before me in the City of Toronto, in the
Province of Ontario this 31st day of May, 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 April 3, 2017 to May 22, 2017

Invoice No./ Period	Fees (\$)	Disbursements (\$)	HST (\$)	Total Fees, Disbursements and HST (\$)	Hours Billed	Average Billed Rate (\$)
2012143 (April 3, 2017 – April 16, 2017)	12,010.50	299.33	1,600.28	13,910.11	22.30	538.59
2012864 (April 16, 2017 – April 21, 2017)	19,437.50	1,228.51	2,686.59	23,352.60	36.60	531.08
2013712 (April 19, 2017 – May 5, 2017)	12,940.00	219.93	1,710.79	14,870.72	22.80	567.54
2014435 (May 8, 2017 – May 12, 2017)	8,865.50	0.00	1,152.52	10,018.02	14.90	595.00
2014954 (May 15, 2017 – May 19, 2017)	8,324.50	0.00	1,082.19	9,406.69	14.60	570.17
Total	61,578.00	1,747.77	8,232.37	71,558.14	111.20	

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

**AFFIDAVIT OF JANE DIETRICH
(SWORN MAY 31, 2017)**

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

Jane O. Dietrich LSUC# 49302U
Tel: 416.860.5223
Fax: 416.640.3144
jdietrich@casselsbrock.com

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

Lawyers for Richter Advisory Group Inc.

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.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

**FOURTH REPORT OF THE MONITOR
JUNE 1, 2017**

Cassels Brock & Blackwell LLP

2100 Scotia Plaza
40 King Street West
Toronto, ON M5H 3C2

Jane O. Dietrich LSUC# 49302U

Tel: 416.860.5223

Fax: 416.640.3144

jdietrich@casselsbrock.com

Monique Sassi LSUC# 63638L

Tel: 416.860.6886

Fax: 416.640.3005

msassi@casselsbrock.com

Lawyers for Richter Advisory Group Inc.