

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
SHERSON GROUP INC.

District of Ontario  
Division No: 9 - Toronto  
Court File No: 31-2010608  
Estate File No. 31-2010608

Aug 20/15

ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY

20 August 2015

Sam Babe for Sherson  
Harvey Chaiton for BDC Capital  
J. Dieckich for the Proposal Trustee  
Liz Pillon for Nine West (purchaser)  
C. Munday for Bank of Montreal  
Linda Gallesiere for Ivanhoe, Cambridge, Brookfield Properties  
& Morguard (Landlords)  
Scott Bonhof for Cadillac Fairview (Landlord).

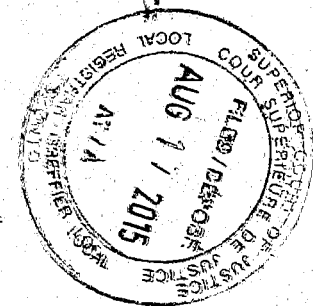
The court is asked to make orders regarding  
the approval of the proposal trustee's reports, the  
transaction contemplated by the Sale Agreement between  
Sherson and Nine West Canada LP and the vesting  
in the purchaser of the proposed assets and  
the assignment of agreements.  
Having reviewed the materials filed and having  
heard the submissions of counsel I am  
satisfied that the orders sought are appropriate.

PTD.

MOTION RECORD

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Lawyers for Sherson Group Inc.

2/

It is to be noted that the sale of assets has not occurred in the ordinary course of business, thereby engaging the considerations of s. 65.13 of the BIA. In that regard ~~that~~ while there has been no marketing process, this is justifiable in the circumstances described and the approval of the trustee and the effective withdrawal of the receivership application made by BOC are important factors in coming to that conclusion.

Similarly, the assignment order should be granted having regard to the provisions of s. 84.1 of the BIA and in particular because of the benefits that will be conferred by a continuation of the business as a going concern and the provisions made for addressing monetary default.

The debtor has not determined whether a proposal will be made. In the circumstances an extension of 45 days in accordance with s. 50.4(5) of the BIA is required to complete the transaction and to give further consideration to whether a proposal will be made. It is anticipated that a further 45 day extension will be sought in order to align with the 90 day time period contemplated in the Sale Agreement. There is ~~not~~ no evidence that the interests of any affected party will be prejudiced by the extension sought.

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It is appropriate that the Confidential Appendices to the Second Report of the Proposal Trustee shall be sealed pending the filing of the Proposal Trustee's Certificate or Interim Order of the court.

I have signed the draft orders prepared by counsel giving effect to this endorsement.