



April 3, 2008

To Our Creditors:

I want each of you to realize that Bentley's filing for protection and submitting a proposal to its creditors was a very difficult and sad decision. It is the first time that we have ever defaulted in any financial obligations. Believe me when I tell you how stressful it was for us to realize that our company could not survive financially without seeking a compromise from our creditors.

Bentley's financial problems resulted largely from a failed US retail venture and opening the money-losing Xcetera chain. The losses resulting from these ventures were exacerbated by weaker than expected Christmas sales. All of this brought us to the unfortunate realization that Bentley had to undertake a significant business and financial restructuring in order to regain its strength and survive.

After Bentley filed its notice of intention to make a proposal, we began the restructuring process. Approximately 130 of our stores have been or will shortly be closed or sold, the Xcetera chain will be closed down completely, two warehouses will be closed and significant head office employees and overhead has been or will be cut. We have also engaged the services of an outside inventory liquidation specialist in order to oversee and supervise the liquidation of our excess inventories. Bentley has concluded or will shortly conclude satisfactory arrangements with its principal secured lenders.

All of this enables us to present what we feel is a viable and as fair a proposal as we can present to our unsecured creditors. While we invite you to carefully review the technical provisions of our proposal, we would like to briefly summarize the salient features of what we are offering to our unsecured creditors in this proposal, namely:

1. Our unsecured creditors (including claims of landlords under disclaimed leases) will be paid a total of \$9 million. \$1.5 million will be paid by September 30, 2008 with a further payment of \$1.5 million by January 31, 2009. Thereafter, two payments of \$3 million each will be paid by January 31, 2010 and February 28, 2011;

2. In the event of a sale of a majority of Bentley's assets or Bentley's shares occurring during the term of the payment to our unsecured creditors under the proposal, our unsecured creditors will receive an additional amount equal to:

- (a) 50% of the net after-tax sale proceeds, if the sale occurs during calendar 2008; or
- (b) 20% of the net after-tax sale proceeds, if the sale occurs during calendar 2009; and
- (c) 10% of the net after-tax sale proceeds, if the sale occurs during calendar 2010;


3. The loan payable by Bentley to Andrew Chelminski (in the amount of approximately \$2.5 million) will be subordinated and postponed to payment of all amounts under the proposal to our unsecured creditors, meaning that Bentley shall not repay this loan unless and until all amounts owing under the proposal to our unsecured creditors shall have been paid; and

4. A committee of our unsecured creditors will be appointed in order to assist the trustee in administering our proposal.

It is never easy to ask a creditor for a compromise. I truly appreciate the difficult position in which we have placed you and the contribution, which is now being asked of you. Our business restructuring together with your support and the support of our secured lenders will return Bentley to financial health and allow us to continue as a strong Canadian-owned retail chain.

We have had long and excellent relationships with all of our suppliers and landlords, relationships based upon mutual trust and respect. I truly hope that Bentley has not overly tarnished these relationships and that we can continue to do business with each and every one of you as we move out of our restructuring process towards a new and healthy future.

Yours truly,

  
Andy Chelminski